



**CITY OF PITTSBURG
AGENDA**

December 18, 2017

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

**WORKSHOP WITH CITY COUNCIL AND PLANNING COMMISSION
STUDY SESSION RELATED TO CANNABIS REGULATIONS
5:30 P.M.**

**CLOSED SESSION
5:45 P.M.**

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

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

PRESIDING

**Dwaine “Pete” Longmire, Mayor/Chair
Sal Evola, Vice-Mayor/Chair
Juan Antonio Banales, Council Member/Board Member
Jelani Killings, Council Member/Board Member
Marilyn “Merl” Craft, Council Member/Board Member**

**FOR HOUSING AUTHORITY:
Michelle Wood, Housing Authority Member
Annie Hill Herring, Housing Authority Member**

Pittsburg City Council 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.ci.pittsburg.ca.us. 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.

NOTICE TO PUBLIC (Attached)

COUNCIL COMMITTEES LIST (Attached)

COMMISSIONS/COMMITTEES MEETING SCHEDULE (Attached)

5:30 P.M.

PLANNING COMMISSION/CITY COUNCIL WORKSHOP

Study Session Related to Cannabis Regulations

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.
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5:45 P.M.

CONVENE IN CLOSED SESSION

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Pursuant to Section 54956.8):

Property: 6 Bayside Drive; Negotiators for the Successor Agency: Joe Sbranti and Maria Aliotti; Negotiating Parties: Frank Macaluso; Under negotiation: both price and terms of payment

Property: 610 Railroad Avenue; Negotiators for the Successor Agency: Joe Sbranti and Maria Aliotti; Negotiating Parties: TPM Management Group LLC; Under negotiation: both price and terms of payment

2. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION FOR THE CITY OF PITTSBURG (Paragraph (1) of subdivision (d) of Section 54956.9):

Genon Energy, Inc. Chapter 11, US Bankruptcy Court for the Southern District of Texas, Houston Division, Case No. 17-33695(DRJ)

Wade Derby v. City of Pittsburg, et al; United States District Court, Northern District of California, Case No. 3:16-cv-05469-SI

Michael Sibbitt, Jr. v. City of Pittsburg et al.; United States District Court Northern District of California Case No. 3:16-cv-04377-SK

Elisabeth Anne Terwilliger v. City of Pittsburg et al.; United States District Court Northern District of California Case No. 3:16-cv-04373-MEJ

Nevarez v. City of Pittsburg, U.S. District Court, Northern District of CA, Case No. 3:17-cv-02791-CRB

3. CONFERENCE WITH LEGAL COUNSEL – ANITICIPATED LITIGATION FOR THE CITY OF PITTSBURG; Significant exposure to litigation pursuant to paragraph (4) of

subdivision (d) of Section 54956.9:

One (1) case

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Section 54957):

City Attorney

City Manager

7:00 P.M.

CONVENE IN OPEN SESSION FOR REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PRESENTATIONS

Rancho Medanos Junior High School Civic Projects

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)

CITIZENS REMARKS

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)

HOUSING AUTHORITY

CONSENT CALENDAR

5. Minutes

Minutes of November 20, 2017

6. Disbursement Lists

Disbursement List of November 30, 2017

ADJOURNMENT OF THE HOUSING AUTHORITY to January 16, 2018

PITTSBURG POWER COMPANY

PUBLIC HEARING

7. Adoption of a Pittsburg Power Company Resolution to Adopt the Revised Electric Tariff Schedules Applicable to Island Energy

Pittsburg Power Company, doing business as Island Energy, provides electric and natural gas distribution services on Mare Island. The Electric and Natural Gas Tariff Schedules are governing documents to Island Energy's operation on Mare Island. Staff is proposing modifications to noticing provisions of both Tariff Schedules along with other minor changes to improve clarity.

CITY COUNCIL MEETING

PUBLIC HEARING

8. Introduction and Waive First Reading of an Ordinance Amending Title 18 of the Pittsburg Municipal Code Related to the CP District, AP-17-1277 (RZ)

This is a public hearing on a City-initiated proposal to consider amendments to Title 18, "Zoning," of the Pittsburg Municipal Code (PMC) to consolidate the CP-1 and CP-2 sub-districts in order to provide more flexibility related to the allowable uses within the CP (Pedestrian Commercial) District. In addition, the proposal includes amendments to the specific findings necessary for approval of a use permit in the CP District, changes to land use classification definitions, as well as other minor changes intended to ensure consistency throughout Title 18. On November 14, 2017, the Planning Commission adopted Resolution No. 10079, recommending City Council approval of the amendments as proposed.

CONSIDERATION

9. Adoption by Minute Order of Council Member Committee Assignments for 2018

In accordance with the City of Pittsburg "Policies and Procedures for the City Council" adopted by the City Council on September 4, 2001 by Resolution No. 01-9475, the Mayor and Vice-Mayor shall appoint individual Council Members to standing and ad hoc committees and such appointments shall be approved by the entire Council at its first meeting following reorganization.

10. Adoption of a City Council Resolution to Approve the Freeway Security Network Project, Allocate Grant Funds and Authorize the City Manager to Execute a Contract for the Project

The City's 2016 project to install video cameras and license plate readers on State Route 4 has inspired neighboring communities to partner together to install cameras and other technology on segments of State Route 4 and U.S. Route 80 within Contra Costa County. The California Department of Transportation (Caltrans) has requested the City act as lead agency for the partnership, and has offered a grant up to \$3.5 million to defray project costs.

CONFLICT OF INTEREST STATEMENT

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

CONSENT CALENDAR

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

11. Minutes

Minutes of November 20, 2017 and December 4, 2017

12. Adoption of a Pittsburg Power Company Resolution Accepting a \$35,000 Grant from the Y & H Soda Foundation and to Increase the Instructional Budget of the Future Build Program

Pittsburg Power Company (PPC) is seeking approval to accept a \$35,000 grant from the Y & H Soda Foundation (Grant) and to increase the instructional budget of the Future Build Program (Future Build).

13. Adoption of City Council and Pittsburg Power Company Resolutions Approving a Reimbursement Agreement between the City of Pittsburg and the Pittsburg Power Company for the Purchase of Property Located on Frontage Road (087-277-001)

The Successor Agency for the Redevelopment Agency of the City of Pittsburg (the "Successor Agency") owns a property with a situs address of Frontage Road, also known as Assessor's Parcel Number 087-277-001 (the "Property"). The Successor Agency desires to sell and the City of Pittsburg (the "City") desires to purchase the Property for Seventy-Nine Thousand Dollars (\$79,000) (the "Purchase Price"). The City has requested a loan from the Pittsburg Power Company (the "PPC") of Ninety Thousand Dollars (\$90,000) to fund the purchase of the Property and cover all associated administrative and closing costs (the "Loan"). The City and PPC propose to enter into a Reimbursement Agreement pursuant to which PPC will loan the funds necessary to purchase the Property and the City will reimburse PPC for the Loan.

14. Annual Southwest Pittsburg Geologic Hazard Abatement District II Pre Winter Inspection Report 2017

Fritz McKinley, the General Manager of the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD), has provided for the Board's Information a detailed inspection report and his annual report of GHAD facilities and site conditions.

15. Adoption of a City Council Resolution to Accept Contract 2013-25, Ambrose Aquatic Center Renovation Project as Complete and Authorize the City Engineer to File a Notice of Completion

Contract 2013-25, Ambrose Aquatic Center Renovation Project (the "Project") was for renovation of the existing pool facilities at Ambrose Park. This Resolution will accept

the construction contract as complete and authorize the City Engineer to file a Notice of Completion for the Project.

16. Adoption of a City Council Resolution Approving a Consultant Agreement for Design of Contract 2015-11, West Leland Corridor Safety Improvements

Contract 2015-11, West Leland Corridor Safety Improvements is for the construction of safety measures at various locations along West Leland Road. This resolution will authorize a Consultant Agreement with TJKM in the amount of \$158,646 for design of the project.

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

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

18. Adoption of a City Council Resolution to Allocate Funding for Contract 2017-15, West Leland Road/Burton Avenue Traffic Signal Modification Project

Contract 2017-15, West Leland Road/Burton Avenue Traffic Signal Modification Project (the "Project") is for design and construction of modifications to the existing traffic signal at Burton Avenue and West Leland Road. This will provide a protected/permissive eastbound left turn at the intersection to improve safety for vehicles turning north onto Burton Avenue. The attached Resolution will allocate funding to design and construct the Project.

19. Adoption of a City Council Resolution to Approve a Revision to the Recreation and Planning Fees

The Community Advisory Commission recommends that the City Council adopt the Recreation Department proposed changes to recreation fees and the addition of a special projects fee for the Planning Department. The fee increases are requested to become effective on January 1, 2018.

20. Adoption of a City Council Resolution to Accept the Plans and Specifications, Re-allocate Funds, and Authorize the Award of Contract 2017-12, Water Treatment Plant Filter Media Replacement Project

Contract 2017-12, Water Treatment Plant Filter Media Replacement Project ("the Project") is for the removal and disposal of Anthracite and Granular Activated Carbon (GAC) and replacement with new GAC in water filters at the City's Water Treatment Plant. Adoption of this resolution will accept the plans and specifications for the Project, re-allocate funding, and authorize the City Manager to award a construction contract to Calgon Carbon Corporation of Moon Township, Pennsylvania.

21. 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 (J.A.G.)

The Pittsburgh Police Department has submitted a preliminary application to the U.S. Department of Justice for funding under the Edward J. Byrne Memorial Justice Assistance Grant (JAG) Program in the amount of \$14,952.00.

22. Adoption of a City Council Resolution Approving the Purchasing Agreement with Axon Enterprise, Inc.

Staff Recommends approval of the Axon Enterprise Inc., five year Purchasing Agreement to provide equipment and electronic media storage for the Police Department.

23. Adoption of a City Council Resolution Declaring the City Council's Intent to Vacate a Portion of Los Medanos Street

The portion of Los Medanos Street South of 10th Street has been unused and has not been maintained by the City for more than five (5) years. Staff proposes the City vacate the portion of the street that was once used as a roadway, but reserve an easement for the continued maintenance of existing City water and sewer facilities.

24. Adoption of a City Council Resolution to Accept the Public Improvements within Subdivision 9405 Belle Harbor for Continuous Maintenance

Construction of the public improvements within Subdivision 9405 is complete and is ready to be accepted for continuous maintenance.

25. Adoption of a City Council Resolution Accepting the Plans and Specifications, and Authorizing Award of Contract 2017-01, 2017/2018 CDBG ADA Sidewalk Replacement Project

Contract 2017-01, 2017/2018 CDBG ADA Sidewalk Replacement Project ("the Project") is for replacement of sidewalk on the north side of Buchanan Road from McFaul Drive to Loveridge Road and construction of 14 curb ramps in the vicinity of Foothill Elementary School. Adoption of this resolution will accept the plans and specifications for the Project and authorize the City Manager to award a construction contract to Rosas Brothers Construction of Oakland, California.

26. Adoption of City Council Resolution Awarding a Purchase Contract for a Combination Sewer Truck

The City maintains a fleet of vehicles and equipment necessary for maintenance of the City's infrastructure, including a Combination Sewer Cleaner truck that needs replacement. Public Works staff requested bids from five vendors. The amount of the recommended bid exceeds the \$150,000 threshold for staff approval, and therefore requires approval by the City Council.

27. Receive and File Staff's Report on the Review of Development Impact Fees Received by the City of Pittsburgh that are Subject to AB 1600 Reporting Requirements

AB 1600 (Government Code Sections 66000–66008) requires cities to justify and account for developer fees which they enact, increase or impose as a condition of new development for the purposes of financing “public facilities and improvements”. AB 1600 also requires an annual review of the developer fees that have been collected and spent during the previous year. This report fulfills these AB 1600 requirements.

28. Receive and File the Comprehensive Annual Financial Report (“CAFR”) for the Fiscal Year Ended June 30, 2017, the Report to the City Council and Management for the Year Ended June 30, 2017, and Other Miscellaneous Audit Reports

The Comprehensive Annual Financial Report (“CAFR”) for the Fiscal Year Ended June 30, 2017 has met the Governmental Accounting Standards Board’s standard. The City of Pittsburgh has again received an unqualified or “clean opinion” by the City’s auditing firm, Maze and Associates, Certified Public Accountants.

29. Adoption of a Minute Order to Authorize City Manager to Negotiate and Execute an Agreement with Zagster, Inc., to Implement a Bike Share Pilot Program Within the City of Pittsburgh

This is a City-initiated proposal to consider implementation of an 18-month pilot program to establish bike share within the City as an alternate mode a transportation to move people to and from the new Pittsburgh Center BART Station. To initiate the program, the first step would require execution a conditional bike sharing agreement in which Zagster agrees to work with City staff to obtain funding for the program, and once all funding is secured, a master services agreement would be executed to implement the program for 18 months, with an option to extend.

30. Adoption of a City Council Resolution Authorizing the Acceptance and Appropriation of State of California Office of Traffic Safety Grant Funds for Selective Traffic Enforcement

The Pittsburgh Police Department is seeking City Council authorization to accept and appropriate grant funds from the State of California Office of Traffic Safety (OTS).

31. Adoption of a City Council Resolution Awarding a Professional Services Agreement to Vision Internet for Website Design and Services

The City Manager has requested improvement, updating and reconstruction of the City’s website. Pursuant to their current contract for website services, the City wishes to enter into a contract with Vision Internet for these services.

32. Adoption of a City Council Resolution to Submit Grant Proposal for Funding and Participation in the California Violence Prevention and Intervention (CALVIP) Grant

The City of Pittsburgh desires to participate in the California Violence Prevention and Intervention (CALVIP) Grant administered by the Board of State and Community Corrections (hereinafter referred to as BSCC).

COUNCIL MEMBER REPORTS/REMARKS

Council Members may make brief announcements or informal comments at this time. Council members may ask questions for clarification from City staff, and make a report on their activities, including reports on committee assignments (see attached list of ad hoc committees and other public agencies in which Council members participate). (No Action Required)

ADJOURNMENT to January 16, 2018

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 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 citizens. 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 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.ci.pittsburg.ca.us on the Streaming Media page. Past meetings are also archived on that webpage. City Council meetings are also broadcast live on CCTV, Channel 24 also re-run at a later date. For more information, please contact the City Clerk's office at 252-4850.

City Council Outside Agency / Liaison / Sub-Committees Assignments - 2017

Updated August 21, 2017

<u>OUTSIDE AGENCY BOARDS</u>	<u>COUNCIL MEMBER(S)</u>	<u>TYPE</u>	<u>MEETS</u>	<u>STAFF</u>
ABAG	Merl Craft / Pete Longmire Alternate	Standing	Annual	J. Sbranti
SF Bay Regional Water Quality Board	Merl Craft / Pete Longmire Alternate	Standing	As needed	J. Sbranti
Contra Costa County Fire Dist.	Pete Longmire / Jelani Killings Alternate	Standing	2 nd Monday	J. Sbranti
Delta Diablo**	Pete Longmire / Juan Banales Alternate	Standing	2 nd Wednesday	F. McKinley
East Co.Co.County Habitat Conservancy	Sal Evola / Pete Longmire Alternate	Standing	Monthly	F. McKinley
East County Water Management	Merl Craft / Pete Longmire Alternate	Standing	Annual	F. McKinley
MCE Clean Energy Board	Pete Longmire / Juan Banales Alternate	Standing	4 Per Year	G. Evans
TRANSPLAN / ECCRFFA	Sal Evola / Juan Banales Alternate	Standing	2 nd Thursday	F. McKinley
Tri-Delta Transit (2 reps)***	Pete Longmire& Merl Craft / Jelani Killings Alt.	Standing	Last Wednesday	F. McKinley
<u>LIAISON TO</u>	<u>COUNCIL MEMBER(S)</u>	<u>TYPE</u>	<u>MEETS</u>	<u>STAFF</u>
East Bay League of Calif. Cities	Sal Evola / Merl Craft Alternate	Standing	3 rd Thursday	*Rotational
Mayor's Conference	Merl Craft / Pete Longmire Alternate	Standing	1 st Thursday	J. Sbranti/G. Evans
School Districts Committee (2 reps)	Merl Craft &Jelani Killings / Juan Banales Alt.	Standing	4 th Thursday even months	J. Sbranti
<u>SUBCOMMITTEES (2 reps)</u>	<u>COUNCIL MEMBER(S)</u>	<u>TYPE</u>	<u>MEETS</u>	<u>STAFF</u>
CAC/CDBG	Juan Banales & Jelani Killings / Pete Longmire Alt.	Standing	As needed	M. Aliotti
Pittsburg Recognition Committee	Merl Craft / Pete Longmire Alt.	Ad Hoc	As needed	J. Hecht
Economic Develop/Waterfront Subcommittee	Pete Longmire &Juan Banales / Sal Evola Alt.	Standing	Quarterly	G. Evans
Finance Subcommittee	Sal Evola & Pete Longmire / Merl Craft Alt.	Standing	As needed	B. Farmer
Land Use Subcommittee	Sal Evola &Juan Banales / Merl Craft Alt.	Ad Hoc	As needed	F. McKinley
Local Contracting & Preference Policy	Merl Craft & Sal Evola	Ad Hoc	As needed	F. McKinley/B.Farmer
Pittsburg Arts & Community Foundation	Merl Craft& Jelani Killings / Pete Longmire Alt.	Standing	As needed	J. Sbranti
Pittsburg Police Activities League (PAL)	Banales / Killings Alt.	Standing	Monthly	B. Addington
Power Company Advisory	Pete Longmire & Juan Banales / Merl Craft Alt.	Standing	As needed	G. Evans
Sister City Committee	Sal Evola&Merl Craft/ Pete Longmire Alt.	Ad Hoc	As needed	G. Evans
Successor Agency Subcommittee	Merl Craft &Jelani Killings / Pete Longmire Alt.	Standing	As needed	G. Evans

*Rotational Staff as assigned by City Manager

**Stipend of \$209 per month

***Stipend of \$100 per month

COMMISSION/SUBCOMMITTEE MEETING SCHEDULE

Following is a tentative list of currently scheduled Commission meetings for the upcoming month. For further information, please visit our website at www.ci.pittsburg.ca.us and click on the CALENDAR link for meetings, dates, times and locations.

Commission	Tentative Meeting Dates
Planning Commission	2 nd and 4 th Tuesdays
Community Advisory Commission	1 st Wednesday

Planning Commission meetings are regularly held the second and fourth Tuesdays of the month in the Pittsburg City Hall Council Chambers.

Community Advisory Commission meetings are regularly held the first Wednesday of the month in the Pittsburg City Hall Council Chambers.

In addition to the Commission Meetings listed above, there are several Council Member Subcommittees that meet on an “as needed basis”. For a list of subcommittees that Council Members and staff are assigned to, please see the “Council Committee List” attached to the agenda.

Subcommittee Meetings that are anticipated to occur in the coming month vary. The meeting dates, times and locations for these meetings are yet to be determined. This information will be posted on the City’s website, www.ci.pittsburg.ca.us, as soon as it is determined. Please check the Calendar on the City’s website for information.

For further information, contact the City staff member assigned to that Commission or Subcommittee.

**CITY OF PITTSBURG
HOUSING AUTHORITY MEETING MINUTES**

DATE: November 20, 2017

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

CITY COUNCIL/AGENCY MEMBERS

Marilyn Craft, Mayor/Chair
Dwaine "Pete" Longmire, Vice-Mayor/Chair Member
Sal Evola, Council/Agency Member
Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
Michelle King, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS

Joe Sbranti, City Manager/Executive Director
Ruthann Ziegler, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

CALL TO ORDER

Chair Craft called the meeting of the Housing Authority to order at 7:29 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, California.

ROLL CALL

All Members were present.

CONSENT CALENDAR

On motion by Vice-Chair Longmire, seconded by Member Killings, to adopt and carried unanimously.

4. Minutes of October 16, 2017
5. Disbursement List of October 31, 2017

ADJOURNMENT

The Housing Authority was adjourned at 7:30 P.M. to December 18, 2017.

Respectfully submitted,

Alice E. Evenson, Secretary

Disbursement List Summary

For the month of November 2017

¹Housing Assistance Payment ²Veterans Affairs Supportive Housing ³Utility Reimbursement

ADMINISTRATIVE EXPENSES

VOIDED CHECKS & ADJUSTMENTS

I:\Departments\Finance\Divisions\Housing\Housing\Council's Disbursement List\Reports\FY2017-2018\Disbursement List Summary for Council July 2017 - June 2018

✓ 12/12/12 Laura Hardy 12/5/12

Check Summary

November 1, 2017

Check Number	Check Date	Payee Tax ID	Payee	Amount
Choice Voucher				
* 146686	11/1/17	*****2494	Amana K Cornish	89.00
146687	11/1/17	*****1508	Angela N Taylor	76.00
146689	11/1/17	*****6117	Athena A Ruiz	136.00
146690	11/1/17	*****0898	Burhan Nawabi	59.00
146691	11/1/17	*****6193	Chanel J Brown	96.00
146692	11/1/17	*****8598	Cheryl A Edwards	43.00
146693	11/1/17	*****7549	Crystal L Meredith	141.00
146694	11/1/17	*****3976	Darren M Thompson	25.00
146695	11/1/17	*****6094	Devon D Cravanas	5.00
146696	11/1/17	*****2940	Donnette L Terrell	103.00
146697	11/1/17	*****1073	Ebony M Kennedy	19.00
146698	11/1/17	*****6519	Krystal M Williams	82.00
146699	11/1/17	*****6488	Luz S Edington	150.00
146700	11/1/17	*****6385	Marcia Price	85.00
146701	11/1/17	*****1661	Marion E Davis	10.00
146702	11/1/17	*****5133	Mary P Grigsby	20.00
146704	11/1/17	*****2866	Monique D Rollins	269.00
146705	11/1/17	*****9905	Nakisha Fountain	49.00
146706	11/1/17	*****8665	Nieza M Burrus	117.00
146707	11/1/17	*****4119	Pashenia D Sanders	165.00
146708	11/1/17	*****7218	Rayna Madison	143.00
146709	11/1/17	*****6216	Ricola N Tiger	14.00
146710	11/1/17	*****7128	Rolinn M Williams	9.00
146711	11/1/17	*****6935	Samaiyah A Warren	138.00
146712	11/1/17	*****1512	Shawn A Prince	9.00
146713	11/1/17	*****3058	Sherlina R Reed	75.00
146714	11/1/17	*****3542	Starr C Bronson	14.00
146716	11/1/17	*****5605	Tomicka M Brumfield	66.00
146719	11/1/17	*****8651	Zaoxin Rong	2,167.00
146720	11/1/17	*****1418	Patricia A Blocker	51.00
146722	11/1/17	*****2890	Raquel E Miller	30.00
146723	11/1/17	*****0864	Rochelle Scurlock	88.00
146724	11/1/17	*****8623	Kimberly A Limas	144.00
146725	11/1/17	*****7724	Carla R Fortenberry	5.00

146726	11/1/17	*****4208	Ono c Rothschild	264.00
146727	11/1/17	*****2184	Evelyn Smith	295.00
146728	11/1/17	*****8774	Natalie T Bessard	102.00
146729	11/1/17	*****6624	Cyndie I Bliss	6.00
146730	11/1/17	*****8612	Regina D Tucker	113.00
146731	11/1/17	*****4785	Kanya D Ridley	224.00
146732	11/1/17	*****5753	Kevin j Hernandez	228.00
146733	11/1/17	*****6015	Sherron A Camp	228.00
146734	11/1/17	*****2405	Christina M Torres-Turner	179.00
146735	11/1/17	*****6241	Felisha L Lee	145.00
146736	11/1/17	*****4353	Linda S Killion	11.00
146737	11/1/17	*****5492	Michelle m Williams	89.00
146738	11/1/17	*****0046	Letta D Christian	27.00
146739	11/1/17	*****7135	Michele N Nichols	55.00
146740	11/1/17	*****2879	Tieshia S Jones	165.00
146741	11/1/17	*****5626	Lashawn P Fields	42.00
146742	11/1/17	*****4702	Tracey S Russell	14.00
146743	11/1/17	*****4331	Mildred L Edwards	151.00
146744	11/1/17	*****4559	Julie A Young	51.00
146745	11/1/17	*****0248	Abdul A Wardak	25.00
146746	11/1/17	*****3181	Shirley J Strausbaugh	1.00
146747	11/1/17	*****1715	Chantal L Bolden	55.00
146748	11/1/17	*****1015	Jessica D Parker	214.00
146749	11/1/17	*****2695	Monique Thompson	32.00
146750	11/1/17	*****1686	Jasmine J Jackson	46.00
146751	11/1/17	*****5298	Gloria F Nelson	19.00
146752	11/1/17	*****6507	Melissa R Griffin	14.00
146753	11/1/17	*****3869	Charlene M Best	95.00
146754	11/1/17	*****8505	Monica r Peters	380.00
146755	11/1/17	*****4721	Ebony N Manning	66.00
146756	11/1/17	*****2217	Camille A Lascano	1.00
146757	11/1/17	*****6571	Tasha S Sargent	204.00
146758	11/1/17	*****8078	Lisa E Gordon	17.00
146759	11/1/17	*****2808	Ramona P Jimenez	450.00
146761	11/1/17	*****3065	Amber S Beshears	11.00
146762	11/1/17	*****5113	Michelle A King	195.28
146763	11/1/17	*****1606	Tamika Brown	39.00
146764	11/1/17	*****5083	Crystal j Houston	131.00
146765	11/1/17	*****1696	Angela M Lenzi	29.00
146766	11/1/17	*****3183	Sonja I Campos	40.00
146767	11/1/17	*****2060	Venus L Phillips	19.00

146768	11/1/17	*****5072	Chawnette D Sneed	46.00
146769	11/1/17	*****4292	Emma L Stanfield	39.00
146770	11/1/17	*****3490	Tameca L Reese	155.00
146771	11/1/17	*****8818	Lisa n Macpheators	134.00
146772	11/1/17	*****3882	JohnElla Mayo	38.00
146773	11/1/17	*****3277	Stacie J Hogan	41.00
146774	11/1/17	*****6969	Judy J Nelum	9.00
146775	11/1/17	*****3349	Iris S Randall	37.00
146776	11/1/17	*****0840	Dalisha L Bernstine	101.00
146777	11/1/17	*****7242	Johnisha K Downs	37.00
146778	11/1/17	*****6953	Nathan Banks JR	26.00
146779	11/1/17	*****6995	Graciela Arroyo	63.00
146780	11/1/17	*****0195	Shanoria s Sasser	87.00
146781	11/1/17	*****7390	Masuda Nawabi	36.00
146782	11/1/17	*****1951	Vinisha D Thornton	214.00
146783	11/1/17	*****0849	Briana I Edwards	6.00
146784	11/1/17	*****5549	Jessica L Williams	9.00
146785	11/1/17	*****7822	Daudi K Edmond	41.00
146786	11/1/17	*****5758	Monique c Chaves	96.00
146787	11/1/17	*****1164	Michelle M Balestrieri	144.00
146788	11/1/17	*****6095	Leilani S Gomez	48.00
146789	11/1/17	*****8167	ABJ Enterprises, Inc. dba Blue Line Property Management	2,000.00
146790	11/1/17	*****9326	Western Addition Apartments, LLC	1,463.00
146791	11/1/17	*****8574	Alamo Square Apartments LLC	2,014.00
146792	11/1/17	*****9810	Housing Authority of the County of Alameda	1,872.16
146793	11/1/17	*****0339	Shanda Arnold	1,803.00
146794	11/1/17	*****0331	Fairfield Housing Authority	1,575.58
146795	11/1/17		Los Angeles County Housing Authority	1,892.58
146796	11/1/17	*****3423	Sally Lea Hickman	1,458.00
146797	11/1/17	*****0978	King County Housing Authority	1,414.58
146798	11/1/17	*****6908	Haiyan Lan	2,337.00
146799	11/1/17	*****3848	Leticia Carasi Malasig	722.00
146800	11/1/17	*****3124	Dante McDonald	1,036.00
146801	11/1/17	*****7725	Ricardo Moran Gonzalez	1,110.00
146802	11/1/17	*****2593	Ba Nguyen Thu Thi Ngo	1,741.00
146803	11/1/17	*****9182	Lorene Paysinger	1,790.00
146804	11/1/17	*****7243	Linda Phon	932.00
146805	11/1/17	*****4614	Vincenzo Signorino	1,353.00
* 110117001	11/1/17	*****6826	Living Trust of George Van & Fannie Mae Lawson C/O Nicole C. Nicholson - Trustee	DD - ES 2,178.00

110117002	11/1/17	*****2626	9th Street Associates, LP	DD - ES	2,539.00
110117003	11/1/17	*****0229	Meerwais Abdiani	DD - ES	877.00
110117004	11/1/17	*****6825	A Classey Corp. DBA: ACL Property Management	DD - ES	3,834.00
110117005	11/1/17	*****3963	Rohit V Aggarwal	DD - ES	1,000.00
110117006	11/1/17	*****6232	Rosario Aguilar	DD - ES	885.00
110117007	11/1/17	*****5759	Rosa Aguirre	DD - ES	2,120.00
110117008	11/1/17	*****9530	Demetrius Alexander	DD - ES	1,365.00
110117009	11/1/17	*****2539	Ida Alfaro	DD - ES	372.00
110117010	11/1/17	*****3510	Altisource Residential Corporation	DD - ES	1,023.00
110117011	11/1/17	*****9681	Dale Alvarez	DD - ES	1,025.00
110117013	11/1/17	*****0104	Cecilia Anderson	DD - ES	1,910.00
110117014	11/1/17	*****0387	James or Brenda Anderson	DD - ES	2,183.00
110117015	11/1/17	*****5255	Linda S Anderson	DD - ES	2,689.00
110117016	11/1/17	*****9111	Shawn Anderson	DD - ES	1,294.00
110117017	11/1/17	*****8701	Mariteresa Arenson c/o Select 1 Realty	DD - ES	1,955.00
110117018	11/1/17	*****0707	Sergeant or Sima Austin	DD - ES	1,329.00
110117019	11/1/17	*****3967	Ajay Banga	DD - ES	2,916.00
110117020	11/1/17	*****2764	Mel L. Banagan	DD - ES	1,369.00
110117021	11/1/17	*****4138	Carlos G. Barraza	DD - ES	820.00
110117022	11/1/17	*****3909	Ken Bartlett	DD - ES	3,281.00
110117023	11/1/17	*****7446	Bay Burg Property, LLC	DD - ES	1,031.00
110117024	11/1/17	*****5979	John Bedford	DD - ES	376.00
110117025	11/1/17	*****9093	Holly Beech	DD - ES	3,911.00
110117027	11/1/17	*****8439	Frank Belleci	DD - ES	1,384.00
110117028	11/1/17	*****8614	Charles Bell and Camino Johnson-Bell	DD - ES	1,668.00
110117029	11/1/17	*****2521	Belmont Apartments	DD - ES	8,102.00
110117030	11/1/17	*****2521	Belmont Apartments	DD - ES	18,001.00
110117031	11/1/17	*****2521	Belmont Apartments	DD - ES	17,905.00
110117032	11/1/17	*****2521	Belmont Apartments	DD - ES	18,243.00
110117033	11/1/17	*****2521	Belmont Apartments	DD - ES	9,173.00
110117034	11/1/17	*****5996	Alex Benjamin	DD - ES	1,567.00
110117035	11/1/17	*****7889	Tennyson Berry	DD - ES	2,376.00
110117036	11/1/17	*****0044	Teresita R. Berdiago	DD - ES	783.00
110117037	11/1/17	*****8634	Bethel Global Development LLC	DD - ES	1,339.00
110117038	11/1/17	*****7075	Som N Bhatia	DD - ES	1,315.00
110117039	11/1/17	*****0602	Pinakin Bhatt	DD - ES	2,103.00
110117040	11/1/17	*****8470	Joseph B. Bachir	DD - ES	1,064.00
110117041	11/1/17	*****3895	Anthony L. Blackburn	DD - ES	1,425.00

110117042	11/1/17	*****3502	Black Diamond Management	DD - ES	1,384.00
110117043	11/1/17	*****7357	Shanxia Yang Bolton	DD - ES	452.00
110117044	11/1/17	*****5924	Steven Booras	DD - ES	1,477.00
110117045	11/1/17	*****3037	Kelly Ann Bradford	DD - ES	1,545.00
110117046	11/1/17	*****3015	Michael Brady	DD - ES	1,183.00
110117047	11/1/17	*****5829	Brian Carter	DD - ES	1,199.00
110117048	11/1/17	*****0658	Earlean Brown	DD - ES	2,331.00
110117049	11/1/17	*****6215	Janet Brown	DD - ES	715.00
110117050	11/1/17	*****7469	Jessica G. or Sean Brophy	DD - ES	1,188.00
110117051	11/1/17	*****9783	Lauren H Brown	DD - ES	947.00
110117052	11/1/17	*****9954	Blue Sapphire Homes, Inc.	DD - ES	2,171.00
110117053	11/1/17	*****2142	Huong T. Bui	DD - ES	2,699.00
110117054	11/1/17	*****3080	Vu Manh Bui	DD - ES	1,422.00
110117055	11/1/17	*****3187	Burga Family California Trust	DD - ES	1,975.00
110117058	11/1/17	*****3026	Jerome Busby	DD - ES	1,868.00
110117059	11/1/17	*****7349	Xuelong Cao	DD - ES	786.00
110117061	11/1/17	*****4042	Donnell I. Carson	DD - ES	1,715.00
110117062	11/1/17	*****5079	Castle Creek Company, Inc.	DD - ES	1,377.00
			Trust Account		
110117063	11/1/17	*****8164	Ricardo C. Cayabyab	DD - ES	1,387.00
110117064	11/1/17	*****6869	Cora Ann Chambers	DD - ES	1,542.00
110117065	11/1/17	*****6228	Gayle Chamberlain	DD - ES	858.00
110117066	11/1/17	*****0398	Kan Chuen Chan	DD - ES	2,020.00
110117067	11/1/17	*****5571	P. M. Chaobal	DD - ES	2,600.00
110117068	11/1/17	*****1853	Hong Chen	DD - ES	4,596.00
110117069	11/1/17	*****8946	Jienlin Chen	DD - ES	2,017.00
110117070	11/1/17	*****6735	Li Ying Chen	DD - ES	1,517.00
110117071	11/1/17	*****0128	Ping Chen	DD - ES	2,425.00
110117072	11/1/17	*****2680	Sherry Chen	DD - ES	569.00
110117073	11/1/17	*****5473	Hwa-Yoong Chiu	DD - ES	1,714.00
110117074	11/1/17	*****3211	Ada Choi	DD - ES	1,851.00
110117075	11/1/17	*****2454	Chun Ok Choi	DD - ES	1,502.00
110117076	11/1/17	*****0310	City of Pittsburg Housing Authority	DD - ES	4,297.00
110117077	11/1/17	*****3591	Juan F. Clara	DD - ES	1,257.00
110117078	11/1/17	*****7054	Ping Cao	DD - ES	1,217.00
110117079	11/1/17	*****1362	College Park Housing Authority	DD - ES	1,140.58
110117080	11/1/17	*****9873	Angel Contreras	DD - ES	2,477.00
110117081	11/1/17	*****8060	Betty Conner	DD - ES	1,141.00
110117082	11/1/17	*****3394	Kim Cortesi	DD - ES	1,700.00
110117083	11/1/17	*****0746	Contra Costa County Housing Authority	DD - ES	-135.16

110117091	11/1/17	*****7194	Maria G. Costa	DD - ES	347.00
110117092	11/1/17	*****1944	Melonie C. Miles - Trustee Phillip Cotton and Freddie Cotton 2005 Trust	DD - ES	1,806.00
110117093	11/1/17	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	19,958.00
110117094	11/1/17	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	20,688.00
110117095	11/1/17	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	18,149.00
110117096	11/1/17	*****6569	Jeannette D. Crespo	DD - ES	2,173.00
110117097	11/1/17	*****4259	Junie Varela Crosby	DD - ES	1,230.00
110117098	11/1/17	*****7900	Patricia Crosby	DD - ES	1,430.00
110117099	11/1/17	*****3327	Jorge Robert Dagys Delevan Catty Leticia Pajoluk	DD - ES	1,377.00
110117100	11/1/17	*****2942	Mary F Dahlquist	DD - ES	2,542.00
110117101	11/1/17	*****6248	Justin Dailey	DD - ES	1,448.00
110117102	11/1/17	*****8853	Antoinette Davis	DD - ES	1,376.00
110117103	11/1/17	*****2963	Audrey Davis	DD - ES	956.00
110117104	11/1/17	*****0396	Kesha E. Davis	DD - ES	1,257.00
110117105	11/1/17	*****8929	Kevin Davidson	DD - ES	847.00
110117106	11/1/17	*****4961	Paulette Davis	DD - ES	1,319.00
110117107	11/1/17	*****6115	Roshan M. Davis	DD - ES	1,415.00
110117108	11/1/17	*****9068	Jagdeep or Shashi Dayal	DD - ES	2,373.00
110117109	11/1/17	*****8370	Charles Dellamore	DD - ES	1,634.00
110117110	11/1/17	*****5882	David De La Torre	DD - ES	1,234.00
110117112	11/1/17	*****1004	Brigitte P. Doan	DD - ES	7,035.00
110117113	11/1/17	*****9716	JoAnn or Larry Domina	DD - ES	1,141.00
110117114	11/1/17	*****5043	Alex Dongallo	DD - ES	1,055.00
110117115	11/1/17	*****4930	Tuan Do	DD - ES	2,050.00
110117116	11/1/17	*****6538	Linda Duong	DD - ES	607.00
110117117	11/1/17	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	6,515.00
110117118	11/1/17	*****0372	Doris Engle Family Ltd Partnership c/o Select 1 Realty	DD - ES	1,114.00
110117119	11/1/17	*****3757	Alma B Espiritu	DD - ES	1,702.00
110117120	11/1/17	*****6095	Rosario Espejo	DD - ES	1,380.00
110117121	11/1/17	*****0055	Gabe Essoe	DD - ES	1,689.00
110117122	11/1/17	*****0484	Pedro Amaya Estrada	DD - ES	672.00
110117123	11/1/17	*****7154	Elham Falahat	DD - ES	2,004.00
110117124	11/1/17	*****6027	Jianxin Fang Jia Liu	DD - ES	3,592.00
110117125	11/1/17	*****3835	Michael Mao C/O Jing Feng	DD - ES	2,725.00

110117126	11/1/17	*****8236	Anthony Ferrell	DD - ES	1,708.00
110117127	11/1/17	*****2790	Barbara J. Fierner	DD - ES	1,097.00
110117128	11/1/17	*****9447	Joseph Field	DD - ES	1,096.00
110117129	11/1/17	*****7691	Hernan Roberto Figueroa	DD - ES	1,146.00
110117130	11/1/17	*****0962	Tochia D. Brewster Fleeton	DD - ES	937.00
110117131	11/1/17	*****5773	Alexander Flowers	DD - ES	1,484.00
110117132	11/1/17	*****1547	HomeForward (Housing Authority of Portland)	DD - ES	552.05
110117133	11/1/17	*****4032	Fox Creek Apartments	DD - ES	20,356.00
110117134	11/1/17	*****4032	Fox Creek Apartments	DD - ES	10,851.00
110117135	11/1/17	*****0284	Monica Fraga	DD - ES	1,775.00
110117136	11/1/17	*****6894	Rejois O. Frazier or Leroy Myers	DD - ES	1,782.00
110117137	11/1/17	*****6265	Mr. Darren Fuller	DD - ES	1,388.00
110117138	11/1/17	*****8997	Fan Fuller	DD - ES	484.00
110117139	11/1/17	*****9634	Gialene Gaines	DD - ES	1,450.00
110117140	11/1/17	*****8306	Bao Wen Gao	DD - ES	1,809.00
110117141	11/1/17	*****6981	Adraine Gardner	DD - ES	2,076.00
110117142	11/1/17	*****4278	Antoinette L Garcia	DD - ES	1,226.00
110117143	11/1/17	*****7036	David Gardner	DD - ES	3,264.00
110117144	11/1/17	*****0785	Rupesh Garg Samantha Garg	DD - ES	2,218.00
110117145	11/1/17	*****2931	William H. Gardiner	DD - ES	1,996.00
110117146	11/1/17	*****5111	Gateway Apartments	DD - ES	5,309.00
110117147	11/1/17	*****5298	Parvindokht Ghaboulidashti	DD - ES	840.00
110117148	11/1/17	*****2770	Eva Gholson	DD - ES	2,623.00
110117149	11/1/17	*****1145	Vernon or Eva Gholson	DD - ES	2,321.00
110117150	11/1/17	*****5958	Jacqueline Gill	DD - ES	1,049.00
110117151	11/1/17	*****8187	Sukpran Gill	DD - ES	1,626.00
110117152	11/1/17	*****3032	Jesse Gonzaga	DD - ES	887.00
110117153	11/1/17	*****6940	Frances Greene	DD - ES	2,472.00
110117154	11/1/17	*****4872	Rodney Green	DD - ES	1,177.00
110117155	11/1/17	*****3361	Rupinder Grewal	DD - ES	1,213.00
110117156	11/1/17	*****7325	Patricia Gridley	DD - ES	835.00
110117157	11/1/17	*****6305	Italo Grossi	DD - ES	1,581.00
110117158	11/1/17	*****6721	Amparo Guardado Cesar Q. Guardado	DD - ES	1,287.00
110117159	11/1/17	*****0940	Krystle Guan	DD - ES	6,757.00
110117160	11/1/17	*****1575	Bob Gunson Real Estate C/O Julie Hang	DD - ES	1,321.00
110117161	11/1/17	*****5267	Abhilash Gupta	DD - ES	5,262.00
110117162	11/1/17	*****7930	Donald R. Watson, Sr.	DD - ES	610.00
110117163	11/1/17	*****2314	Nicole Hackett	DD - ES	1,407.00
110117164	11/1/17	*****6176	Asharfun Nisha Hafiz	DD - ES	1,212.00

110117165	11/1/17	*****0457	Jeffrey Paul Hagler	DD - ES	1,311.00
110117166	11/1/17	*****9827	Delores Jane Hall	DD - ES	1,371.00
110117167	11/1/17	*****1584	Christian L. Hanson	DD - ES	1,325.00
110117168	11/1/17	*****1769	Lawrence Harrold	DD - ES	4,675.00
110117169	11/1/17	*****7423	Delta Hawaii Garden Apartments LLC	DD - ES	2,502.00
110117170	11/1/17	*****5859	Chuanhu He	DD - ES	1,598.00
110117171	11/1/17	*****6728	David T. Hennigan	DD - ES	6,749.00
110117172	11/1/17	*****3097	Silvester C. Henderson	DD - ES	3,061.00
110117173	11/1/17	*****5221	Anna Hernandez	DD - ES	2,350.00
110117174	11/1/17	*****2157	Elias Herrera	DD - ES	1,591.00
110117175	11/1/17	*****7408	Serene Herrmann	DD - ES	923.00
110117176	11/1/17	*****1057	Diamond Hillside Apartments	DD - ES	1,085.00
110117177	11/1/17	*****1603	Marva Hill	DD - ES	455.00
110117178	11/1/17	*****6255	Carl E. Hoard II	DD - ES	1,651.00
110117179	11/1/17	*****7386	Hanh Huu Hoang	DD - ES	2,193.00
110117180	11/1/17	*****5654	Havy S Hoag	DD - ES	2,562.00
110117181	11/1/17	*****4106	Albert Ho	DD - ES	1,848.00
110117182	11/1/17	*****2084	Annie Ho The Annie Ho Living Trust	DD - ES	1,307.00
110117183	11/1/17	*****0051	Dan Ho	DD - ES	2,255.00
110117184	11/1/17	*****8576	Joyce Ann Hoffman	DD - ES	1,304.00
110117185	11/1/17	*****7451	Gloria H. Holbrook	DD - ES	1,950.00
110117186	11/1/17	*****4543	Ronald G. Holmes	DD - ES	1,267.00
110117187	11/1/17	*****5700	Tony Ho	DD - ES	1,322.00
110117188	11/1/17	*****3787	Howard County Housing Commission	DD - ES	1,187.58
110117189	11/1/17	*****1535	Fanny Kao Huang	DD - ES	2,335.00
110117190	11/1/17	*****8816	Ming Zin Huang	DD - ES	2,484.00
110117191	11/1/17	*****7984	Tao Huang	DD - ES	8,075.00
110117192	11/1/17	*****7179	Ya Jing Huang	DD - ES	2,386.00
110117193	11/1/17	*****9084	Nancy Xiu Zhen Hu	DD - ES	1,986.00
110117194	11/1/17	*****6229	Thinh Trieu Huynh	DD - ES	1,720.00
110117195	11/1/17	*****0778	IGreen House Inc.	DD - ES	1,069.00
110117196	11/1/17	*****8007	2015-1 IH2 Borrower LP	DD - ES	3,255.00
110117197	11/1/17	*****4320	IH2 Property West, L.P.	DD - ES	1,258.00
110117198	11/1/17	*****7951	IH5 Property West LP	DD - ES	2,400.00
110117199	11/1/17	*****7013	Eugene G. Imperato	DD - ES	1,166.00
110117200	11/1/17	*****2726	IH4 Property West LP	DD - ES	1,979.00
110117201	11/1/17	*****8323	Keyee Investment LLC	DD - ES	577.00
110117202	11/1/17	*****1017	LaShon D Irving	DD - ES	2,176.00
110117203	11/1/17	*****0911	Mario Isidro	DD - ES	1,735.00
110117204	11/1/17	*****6821	Michael or Kay Isola	DD - ES	1,413.00

110117205	11/1/17	*****2036	Brandi Jackson C/O Perry Realty Team	DD - ES	2,054.00
110117206	11/1/17	*****4910	Sameer Jain	DD - ES	1,800.00
110117207	11/1/17	*****1349	Jason Le	DD - ES	2,251.00
110117208	11/1/17	*****0833	Alonzo D. Johnson	DD - ES	946.00
110117209	11/1/17	*****5506	Jason K. Johnson	DD - ES	3,981.00
110117210	11/1/17	*****8569	Ronita Johnson	DD - ES	1,195.00
110117211	11/1/17	*****8867	James Jones	DD - ES	1,941.00
110117212	11/1/17	*****2434	Sharon Jones	DD - ES	1,709.00
110117213	11/1/17	*****9670	Cheryl D Joseph	DD - ES	1,803.00
110117214	11/1/17	*****4905	Mostaeen B Jouya	DD - ES	2,134.00
110117215	11/1/17	*****5704	Jayne Walton Separate Property Trust	DD - ES	1,479.00
110117216	11/1/17	*****5647	Om Parkash Kalra	DD - ES	2,585.00
110117217	11/1/17	*****8425	Wei Kang	DD - ES	4,381.00
110117218	11/1/17	*****1731	Deepinder Kaur	DD - ES	2,355.00
110117219	11/1/17	*****7429	Navkirandeep Kaur	DD - ES	1,172.00
110117220	11/1/17	*****6180	K. E. M. Group LLC	DD - ES	1,934.00
110117221	11/1/17	*****9411	Anthony Keslinke	DD - ES	2,406.00
110117222	11/1/17	*****2578	Faraz Ali Khan	DD - ES	1,682.00
110117223	11/1/17	*****0839	Alan T. Kilpatrick	DD - ES	1,018.00
110117224	11/1/17	*****5113	Michelle King	DD - ES	2,946.72
110117225	11/1/17	*****0888	KW Kirker Creek, LLC	DD - ES	2,898.00
110117226	11/1/17	*****7475	Qi Yun Kuang	DD - ES	3,952.00
110117227	11/1/17	*****8506	Simon Kailiang Kuang	DD - ES	1,331.00
110117228	11/1/17	*****9316	Zdzislaw Kujawa	DD - ES	750.00
110117229	11/1/17	*****2585	Daniel Kwan	DD - ES	1,644.00
110117230	11/1/17	*****6229	Simon Chuen-Sang Kwong	DD - ES	1,470.00
110117231	11/1/17	*****8326	Thomas LaFleur	DD - ES	1,888.00
110117232	11/1/17	*****6520	Shirley Manly-Lampkin	DD - ES	1,029.00
110117233	11/1/17	*****6102	Maria Lara	DD - ES	1,608.00
110117234	11/1/17	*****7975	Peter C. Larsen	DD - ES	941.00
110117235	11/1/17	*****2401	Kevin Lassair	DD - ES	1,828.51
110117236	11/1/17	*****4732	Latif, LLC	DD - ES	2,786.00
110117237	11/1/17	*****0938	Ingrid Lau	DD - ES	1,526.00
110117238	11/1/17	*****8224	Kai Man Lau	DD - ES	1,299.00
110117239	11/1/17	*****9373	Delphia M. or Clarence Lawson	DD - ES	1,093.00
110117240	11/1/17	*****6826	Living Trust of Geroge Van & Fannie Mae Laswon C/O Nicole C. Nicholson - Trustee	DD - ES	518.00
110117241	11/1/17	*****2293	LCSTAR, LLC	DD - ES	5,755.00
110117242	11/1/17	*****0984	Dao Tran Le	DD - ES	1,246.00
110117243	11/1/17	*****8548	Jack Wai Lee	DD - ES	1,862.00

110117244	11/1/17	*****1755	Siu Wan Windytiti Lee	DD - ES	1,521.00
110117245	11/1/17	*****2527	Steven Lee	DD - ES	1,125.00
110117246	11/1/17	*****5289	Yuhjen Juang Lee	DD - ES	1,714.00
110117247	11/1/17	*****1860	Lena Le	DD - ES	838.00
110117248	11/1/17	*****9382	Luigi Leoncio, LLC	DD - ES	1,654.00
110117249	11/1/17	*****3782	Joseph C. Lerma	DD - ES	943.00
110117250	11/1/17	*****3555	Yiping I. and Frederic Leroudier	DD - ES	3,182.00
110117251	11/1/17	*****3410	John M. Leung	DD - ES	5,371.00
110117252	11/1/17	*****8951	Kin or Siu F. Leung	DD - ES	1,464.00
110117253	11/1/17	*****3743	May Leung or Rodney Chen	DD - ES	3,319.00
110117254	11/1/17	*****2110	Peter Leung	DD - ES	1,994.00
110117255	11/1/17	*****5185	Fortunee Lichaa	DD - ES	1,505.00
110117256	11/1/17	*****3386	James J. Busby and Irvin Deutcher a Partnership DBA Crestview Apartments	DD - ES	280.00
110117257	11/1/17	*****0416	Faqlang Li	DD - ES	1,260.00
110117258	11/1/17	*****8871	Jie Li	DD - ES	1,031.00
110117259	11/1/17	*****7827	Jinhuan Li	DD - ES	1,542.00
110117260	11/1/17	*****5495	Jian S Lin	DD - ES	1,474.00
110117261	11/1/17	*****2649	Tim Lindstrom c/o AAA Property Management	DD - ES	993.00
110117262	11/1/17	*****6076	Chingyao J Liu Wei Chen	DD - ES	1,294.00
110117263	11/1/17	*****3881	Vivian Y Li	DD - ES	3,019.00
110117264	11/1/17	*****1547	Paul Livson	DD - ES	1,421.00
110117265	11/1/17	*****0050	Wei Min Li	DD - ES	1,288.00
110117266	11/1/17	*****9003	Ying Hong Li	DD - ES	1,799.00
110117267	11/1/17	*****1646	Paul Long	DD - ES	2,497.00
110117268	11/1/17	*****1474	Los Medanos Village Apartments	DD - ES	22,748.00
110117269	11/1/17	*****7531	Tony or Yvonne Louie	DD - ES	1,393.00
110117270	11/1/17	*****4218	Lorenzo Love	DD - ES	1,415.00
110117271	11/1/17	*****1790	Valerie Love	DD - ES	994.00
110117272	11/1/17	*****5602	Marshall & Sonya Lowe	DD - ES	1,112.00
110117273	11/1/17	*****0153	Ariston Laurito Loyola	DD - ES	824.00
110117274	11/1/17	*****7720	Jose Loza	DD - ES	710.00
110117275	11/1/17	*****2354	Andrew Kin Lui	DD - ES	5,000.00
110117276	11/1/17	*****4658	Wei Liu Guangxin Frank Liu	DD - ES	1,544.00
110117277	11/1/17	*****7843	The Entrust Group, Inc. FBO Theodore Lum IRA (acct #34892)	DD - ES	2,180.00
110117278	11/1/17	*****1821	Curtis H. Lundberg	DD - ES	550.00
110117279	11/1/17	*****1596	Kenneth Luong	DD - ES	1,595.00
110117280	11/1/17	*****1494	Xiangwen Lu	DD - ES	1,437.00

110117281	11/1/17	*****5430	Kiet A. Ly	DD - ES	1,767.00
110117282	11/1/17	*****4009	Yolanda McDonald	DD - ES	1,068.00
110117283	11/1/17	*****5865	Rakesh Madra	DD - ES	2,071.00
110117284	11/1/17	*****5605	Robert Madson Lisa Swafford	DD - ES	2,134.00
110117285	11/1/17	*****2191	Radha Mahesram	DD - ES	1,794.00
110117286	11/1/17	*****7358	Mahnoor Tariq	DD - ES	2,588.00
110117287	11/1/17	*****4372	Jennifer Leung Ma	DD - ES	5,565.00
110117288	11/1/17	*****1989	Jeff Mann	DD - ES	4,446.00
110117289	11/1/17	*****5378	Glenn Marshall	DD - ES	1,341.00
110117290	11/1/17	*****2875	Marla Y Harrison	DD - ES	337.00
110117291	11/1/17	*****3389	Steadfast Marina Heights, L.P.	DD - ES	14,444.80
110117292	11/1/17	*****3389	Steadfast Marina Heights, L.P.	DD - ES	14,270.00
110117293	11/1/17	*****3389	Steadfast Marina Heights, L.P.	DD - ES	14,470.00
110117294	11/1/17	*****3389	Steadfast Marina Heights, L.P.	DD - ES	6,368.00
110117295	11/1/17	*****5287	Louie W. Maruri El Dorado Apartments	DD - ES	877.00
110117296	11/1/17	*****3065	Tanya Martha	DD - ES	1,877.00
110117297	11/1/17	*****9206	Demetria d Mason	DD - ES	2,378.00
110117298	11/1/17	*****6768	Matrixone Realty	DD - ES	2,052.00
110117299	11/1/17	*****3048	Rita J. McCrystle	DD - ES	1,146.00
110117300	11/1/17	*****7174	Samuel McCree	DD - ES	1,166.00
110117301	11/1/17	*****6494	Dorothy McDonald	DD - ES	1,841.00
110117302	11/1/17	*****1925	Veronica R. McElroy	DD - ES	1,982.00
110117303	11/1/17	*****1152	Janice K McLean	DD - ES	1,022.00
110117304	11/1/17	*****4675	Meadow Glen Apartments	DD - ES	2,709.00
110117305	11/1/17	*****9866	Tatung Mei	DD - ES	3,314.00
110117306	11/1/17	*****4316	Joel Mejia	DD - ES	428.00
110117307	11/1/17	*****5245	Jinyu Meng	DD - ES	1,769.00
110117308	11/1/17	*****4885	Sabine Menzel	DD - ES	3,680.00
110117309	11/1/17	*****0133	Mercedes P. Johnson	DD - ES	519.00
110117310	11/1/17	*****8272	Hector Meza	DD - ES	837.00
110117311	11/1/17	*****9885	Andrew S Miloslavich	DD - ES	2,409.00
110117312	11/1/17	*****7437	Perchak Properties for Carol Miller	DD - ES	1,612.00
110117313	11/1/17	*****9782	Maryann Miller	DD - ES	1,142.00
110117314	11/1/17	*****2618	Carlos J Miranda	DD - ES	701.00
110117315	11/1/17	*****0772	Hassan Mirabedi	DD - ES	7,372.00
110117316	11/1/17	*****6741	Gwendolyn Mitchell	DD - ES	1,655.00
110117317	11/1/17	*****7083	Ronnie Eric Moffett Estate	DD - ES	1,971.00
110117318	11/1/17	*****6340	Moe Mojaddidi	DD - ES	4,833.00
110117319	11/1/17	*****0985	Rodney Montgomery or Sharon Montgomery	DD - ES	1,066.00

110117320	11/1/17	*****6975	Joseph Nelson Morin	DD - ES	1,660.00
110117321	11/1/17	*****3642	Eva Munn	DD - ES	489.00
110117322	11/1/17	*****8820	Brien Brothers, LLC C/O Mynd Management, IC.	DD - ES	1,423.00
110117323	11/1/17	*****0105	Ehsan Nabkel	DD - ES	2,833.00
110117324	11/1/17	*****9276	Fariba Naji	DD - ES	1,800.00
110117325	11/1/17	*****6234	Shinder Paul Narabut	DD - ES	7,177.00
110117326	11/1/17	*****9518	Farida Nawabi	DD - ES	2,555.00
110117327	11/1/17	*****0054	NC Associates, Inc.	DD - ES	9,585.00
110117328	11/1/17	*****6959	Joy Neal	DD - ES	1,569.00
110117329	11/1/17	*****5257	Guy Nesbeth	DD - ES	2,803.00
110117330	11/1/17	*****4114	James or Margaret Nevis	DD - ES	1,162.00
110117331	11/1/17	*****3516	New Way Management Services	DD - ES	7,172.00
110117332	11/1/17	*****6613	Ivy Kit Fan Ngan	DD - ES	2,052.00
110117333	11/1/17	*****1072	Dominic Y Ng	DD - ES	2,248.00
110117334	11/1/17	*****3604	Knowland Ging Ng	DD - ES	6,430.00
110117335	11/1/17	*****8594	Patrick Ng Mike Perry, Property Manager	DD - ES	2,045.00
110117336	11/1/17	*****0738	Hieu Nguyen	DD - ES	1,495.00
110117337	11/1/17	*****7154	Huy Quang Nguyen	DD - ES	2,161.00
110117338	11/1/17	*****4366	Quyen Nguyen	DD - ES	1,710.00
110117339	11/1/17	*****8241	Tieu Nguyen	DD - ES	1,933.00
110117340	11/1/17	*****7265	Ernest Nichols III	DD - ES	3,101.00
110117341	11/1/17	*****9886	Northstar Financial Group, LLC	DD - ES	763.00
110117342	11/1/17	*****8129	Kevin Nord Nord Investment Real Estate	DD - ES	900.00
110117343	11/1/17	*****2286	North State Financial, Inc.	DD - ES	1,535.00
110117345	11/1/17	*****5572	Dwight J Owens	DD - ES	713.00
110117346	11/1/17	*****7606	Juanita Olayo	DD - ES	1,514.00
110117347	11/1/17	*****4543	Esosa A. Omokaro	DD - ES	2,386.00
110117348	11/1/17	*****0588	Orange County Housing Authority	DD - ES	2,238.58
110117349	11/1/17	*****3741	Sandra L Ortiz	DD - ES	1,793.00
110117350	11/1/17	*****2915	Tony Jose Ortiz	DD - ES	1,440.00
110117351	11/1/17	*****1081	Chinenye Osuagwu	DD - ES	1,907.00
110117352	11/1/17	*****9139	Olubukola Amoke Oyebade	DD - ES	2,414.00
110117353	11/1/17	*****3324	Mutlu Ozer	DD - ES	1,884.00
110117354	11/1/17	*****4083	Pacific Living, LLC	DD - ES	2,200.00
110117355	11/1/17	*****1176	John Mario Pascuzzi	DD - ES	1,554.00
110117356	11/1/17	*****7811	Hemangini & Vijendra Patel	DD - ES	2,100.00
110117357	11/1/17	*****0885	Kokila Patel	DD - ES	1,302.00
110117358	11/1/17	*****8684	Virendra M. Patel	DD - ES	1,785.00

110117359	11/1/17	*****8047	Jason Pauline	DD - ES	1,707.00
110117360	11/1/17	*****3189	Loycell Peacock	DD - ES	1,021.00
110117361	11/1/17	*****5165	Scott Pease	DD - ES	1,011.00
110117362	11/1/17	*****3278	Maria Del Carmen Perez	DD - ES	365.00
110117363	11/1/17	*****6784	Lowde Y. Perkins	DD - ES	901.00
110117364	11/1/17	*****8225	Shiv Pertab	DD - ES	1,800.00
110117365	11/1/17	*****0958	Pittsburg Park Apartments	DD - ES	4,845.00
110117366	11/1/17	*****7605	Portofino Apartments	DD - ES	9,031.00
110117367	11/1/17	*****8826	Prime Metropolis Properties, Inc.	DD - ES	4,225.00
110117368	11/1/17	*****2849	IH5 Property West, LP	DD - ES	2,041.00
110117369	11/1/17	*****3398	Marples Property Management	DD - ES	2,811.00
110117370	11/1/17	*****4650	A. Meadows Property Management	DD - ES	2,373.00
110117371	11/1/17	*****7789	Stokley Properties LLC Harbor	DD - ES	2,392.00
110117372	11/1/17	*****8055	Property Upsurge, Inc.	DD - ES	11,606.00
110117373	11/1/17	*****0782	Amjad Qaqish	DD - ES	921.00
110117374	11/1/17	*****9542	Sam or Sonia Quinones	DD - ES	1,800.00
110117375	11/1/17	*****4029	Amos Radford	DD - ES	1,400.00
110117376	11/1/17	*****1034	Kuljit P Raju	DD - ES	1,437.00
110117377	11/1/17	*****2261	Paramjit K. Raju	DD - ES	3,183.00
110117378	11/1/17	*****3452	Christopher Ramirez	DD - ES	1,928.00
110117379	11/1/17	*****8489	Enrique or Stacy Ramirez	DD - ES	600.00
110117380	11/1/17	*****2162	Erika Ramirez	DD - ES	1,856.00
110117382	11/1/17	*****5276	Rizal Ramos, Jr.	DD - ES	957.00
110117383	11/1/17	*****2283	Rohini Ram	DD - ES	1,818.00
110117384	11/1/17	*****6068	David Raughton	DD - ES	2,804.00
110117385	11/1/17	*****8337	RayCaro Inc.	DD - ES	3,024.00
110117386	11/1/17	*****8227	Croskey Real Estate, Inc.	DD - ES	1,870.00
110117388	11/1/17	*****7349	Eric Franklin Remson	DD - ES	1,102.00
110117389	11/1/17	*****1078	Cora Lee Rice Anderson Rice	DD - ES	905.00
110117392	11/1/17	*****9321	Roger Riley	DD - ES	1,869.00
110117393	11/1/17	*****6917	Ronald D. Shelly or Julie Crowder	DD - ES	1,080.00
110117394	11/1/17	*****0694	Jason Ruffin	DD - ES	2,258.00
110117395	11/1/17	*****4579	Elvira Ruiz	DD - ES	1,140.00
110117396	11/1/17	*****5248	Constance Russell	DD - ES	1,968.00
110117397	11/1/17	*****3871	Maridel P Santos	DD - ES	1,644.00
110117398	11/1/17	*****3011	Alicia Saucedo	DD - ES	1,387.00
110117399	11/1/17	*****7615	Gregory Paul Schulz	DD - ES	1,903.00
110117400	11/1/17	*****9954	Richard M. Sciortino	DD - ES	1,066.00
110117401	11/1/17	*****7031	Jacqueline Selinger	DD - ES	1,658.00

110117402	11/1/17	*****5346	Young Sook Seroy	DD - ES	1,898.00
110117403	11/1/17	*****1446	Mohinder Sharma	DD - ES	1,004.00
110117404	11/1/17	*****7239	Shailesh & Bela Patel	DD - ES	3,045.00
110117405	11/1/17	*****4900	Paul Shatswell	DD - ES	1,521.00
110117406	11/1/17	*****1370	James Shipe, c/o Richard Grijalva, East Cty Brokers	DD - ES	1,845.00
110117407	11/1/17	*****5981	Yihui Shi	DD - ES	2,000.00
110117408	11/1/17	*****7789	Siena Court Apartments	DD - ES	9,781.00
110117409	11/1/17	*****7789	Siena Court Apartments	DD - ES	502.00
110117410	11/1/17	*****7396	Sierra Pacific Properties Peppertree Apartments	DD - ES	3,811.00
110117411	11/1/17	*****7396	Sierra Pacific Properties Woodland Hills Apartments	DD - ES	11,551.00
110117412	11/1/17	*****6650	Frank M. Siino	DD - ES	1,200.00
110117413	11/1/17	*****8035	Joseph Michael Siino	DD - ES	1,275.00
110117414	11/1/17	*****5399	Gloria Silva	DD - ES	2,901.00
110117415	11/1/17	*****7250	2012-C Property Holdings LLC	DD - ES	307.00
110117416	11/1/17	*****8407	Marc J. Simpson	DD - ES	1,442.00
110117417	11/1/17	*****3639	Raman Singh	DD - ES	1,925.00
110117418	11/1/17	*****6058	Son Singh	DD - ES	1,525.00
110117419	11/1/17	*****4970	Molly Smith	DD - ES	2,000.00
110117420	11/1/17	*****9092	Sherritta M Smith	DD - ES	1,033.00
110117421	11/1/17	*****0670	Southern Nevada Regional Housing Authority	DD - ES	821.58
110117422	11/1/17	*****2032	Cinthia Sosa	DD - ES	1,576.00
110117423	11/1/17	*****2985	Gloria Spahn	DD - ES	1,250.00
110117424	11/1/17	*****6977	Angela E. Robinson-Spencer	DD - ES	1,150.00
110117425	11/1/17	*****3465	Ramzi D Srouji	DD - ES	1,810.00
110117426	11/1/17	*****5343	Deborah Steppe	DD - ES	1,656.00
110117427	11/1/17	*****1601	George W. Stephens	DD - ES	1,641.00
110117428	11/1/17	*****5308	R R Rentals	DD - ES	1,527.00
110117430	11/1/17	*****6314	Amad Sultan	DD - ES	2,511.00
110117431	11/1/17	*****6318	Mr. Shahzad Sultan	DD - ES	2,475.00
110117432	11/1/17	*****8534	Suma Aryaei	DD - ES	2,212.00
110117433	11/1/17	*****1235	Summit Venture Group, LLC	DD - ES	2,008.00
110117434	11/1/17	*****6168	Kamaljeet Surila	DD - ES	1,364.00
110117435	11/1/17	*****0399	Joyce Hui Sy	DD - ES	6,161.00
110117436	11/1/17	*****1242	Hamed Tafaghodi Alexis Tafaghodi	DD - ES	1,525.00
110117437	11/1/17	*****9558	Edward C Tan	DD - ES	532.00
110117438	11/1/17	*****5832	Mohammad Tapus	DD - ES	2,743.00
110117439	11/1/17	*****5480	Tasia La Vonda Johnson	DD - ES	1,991.00

110117440	11/1/17	*****6283	Yun Teng Weijie Zhang	DD - ES	1,680.00
110117441	11/1/17	*****2164	Quyen Minh Thai	DD - ES	1,431.00
110117442	11/1/17	*****9314	Silvia Thein and Ada Choi	DD - ES	2,323.00
110117443	11/1/17	*****4049	ChingJen Tong	DD - ES	3,507.00
110117444	11/1/17	*****1405	Lourdes or Raymond Tovar	DD - ES	1,605.00
110117445	11/1/17	*****2094	Raphael Minhtuyen Tran	DD - ES	4,962.00
110117446	11/1/17	*****6035	Tam Van Tran	DD - ES	1,918.00
110117447	11/1/17	*****1327	Thuy Tran	DD - ES	1,237.00
110117448	11/1/17	*****6165	Thanh Van Trinh	DD - ES	1,466.00
110117449	11/1/17	*****3572	Nhan Chi Truong	DD - ES	961.00
110117450	11/1/17	*****5313	Sean Thuyet Truong	DD - ES	1,423.00
110117451	11/1/17	*****9321	Van Truong	DD - ES	1,748.00
110117452	11/1/17	*****8392	Xavier Van Truong	DD - ES	7,812.00
110117453	11/1/17	*****5553	David Tseng	DD - ES	1,572.00
110117455	11/1/17	*****4582	Lidia Valladares	DD - ES	1,818.00
110117456	11/1/17	*****0250	Victor D Valenzuela	DD - ES	1,416.00
110117457	11/1/17	*****5853	Tu Van	DD - ES	1,772.00
110117458	11/1/17	*****3371	Gary D. Vasconcellos	DD - ES	1,091.00
110117459	11/1/17	*****8457	Sareena Lata Velu	DD - ES	1,640.00
110117460	11/1/17	*****9682	Nuno G Vieira	DD - ES	1,512.00
110117461	11/1/17	*****2720	Stephen Cordell Wafer	DD - ES	877.00
110117462	11/1/17	*****2768	Huan Rong Wang	DD - ES	1,456.00
110117463	11/1/17	*****6924	Lining Wan	DD - ES	1,780.00
110117464	11/1/17	*****6945	Wei Wang	DD - ES	1,812.00
110117465	11/1/17	*****1634	Yu Ruo Wang	DD - ES	1,838.00
110117466	11/1/17	*****5502	Mildred Lucille Washington	DD - ES	1,996.00
110117468	11/1/17	*****4384	Wenying Chang	DD - ES	2,028.00
110117469	11/1/17	*****0126	Marina West 10 LLC	DD - ES	1,450.00
110117470	11/1/17	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	4,535.00
110117472	11/1/17	*****2737	Jessica R Wiebe	DD - ES	2,221.00
110117473	11/1/17	*****0846	Glenda J. Wilkes	DD - ES	1,795.00
110117474	11/1/17	*****5057	Kathleen and John Wilson	DD - ES	874.00
110117475	11/1/17	*****8702	Kathy D. Williams	DD - ES	1,953.00
110117476	11/1/17	*****5026	Windeler Development Group, Inc.	DD - ES	1,357.00
110117477	11/1/17	*****1769	Alan York Lun Wong Alan York Lun Wong	DD - ES	233.00
110117478	11/1/17	*****1157	Har Pan Wong	DD - ES	6,263.00
110117479	11/1/17	*****6356	Joanne Wong	DD - ES	1,459.00
110117480	11/1/17	*****1060	Kinney Ming Wong	DD - ES	1,615.00

110117481	11/1/17	*****5451	Mei-Yuk Yu Wong Vincent Wong	DD - ES	2,000.00
110117482	11/1/17	*****7094	Bridge-Regional Partners Inc	DD - ES	6,769.00
110117483	11/1/17	*****5565	Yuk Lin Woo	DD - ES	666.00
110117484	11/1/17	*****1853	WR Properties, Inc.	DD - ES	8,664.00
110117485	11/1/17	*****3962	Hong Wu	DD - ES	4,079.00
110117486	11/1/17	*****5388	Jian Ai Xuan	DD - ES	1,807.00
110117487	11/1/17	*****3880	Ping Ping Xu Keming Wang	DD - ES	4,103.00
110117488	11/1/17	*****2366	Karl Yick C/O Teresita D. Pereira	DD - ES	1,056.00
110117489	11/1/17	*****6779	Sally Yip	DD - ES	1,736.00
110117490	11/1/17	*****6178	Chris Kui You	DD - ES	2,235.00
110117491	11/1/17	*****7622	Yee Yue Cheung	DD - ES	759.00
110117492	11/1/17	*****8664	Mohammad Zalmayyar	DD - ES	2,323.00
110117493	11/1/17	*****2940	Wei Bin Zhang or Gao Wei	DD - ES	1,701.00
110117494	11/1/17	*****3259	Xirong Zhao	DD - ES	1,387.00
110117495	11/1/17	*****4367	Xiang Yang Zheng	DD - ES	1,809.00
110117496	11/1/17	*****3830	Joy Yi Zhou	DD - ES	2,290.00
110117497	11/1/17	*****7805	Shengguo Zhu	DD - ES	5,021.00
110117498	11/1/17	*****6132	Ying Zhu	DD - ES	2,500.00

Choice Voucher

HAP	1,198,879.30
UR	8,524.01
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	367.11
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	\$1,207,770.42

Check Summary

November 1, 2017

Check Number	Check Date	Payee Tax ID	Payee	Amount
VASH				
146688	11/1/17	*****6041	Anthony L Johnson	29.00
146703	11/1/17	*****0147	Matthew Matusick	28.00
146715	11/1/17	*****2982	Timothy P Harrington	23.00
146717	11/1/17	*****7845	Troy Mills	81.00

146718	11/1/17	Vacaville Housing Authority		1,110.58
146721	11/1/17 *****3447	David S Loesch		36.00
146760	11/1/17 *****7574	Joseph A Newman		73.00
146792	11/1/17 *****9810	Housing Authority of the County of Alameda		4,455.74
146794	11/1/17 *****0331	Fairfield Housing Authority		1,166.16
110117012	11/1/17 *****4636	Felipe Amarante	DD - ES	1,441.00
110117022	11/1/17 *****3909	Ken Bartlett	DD - ES	1,075.00
110117026	11/1/17 *****7492	Adrienne Kelly Belton	DD - ES	1,160.00
110117029	11/1/17 *****2521	Belmont Apartments	DD - ES	1,129.00
110117038	11/1/17 *****7075	Som N Bhatia	DD - ES	1,586.00
110117056	11/1/17 *****8860	Joe Burns	DD - ES	1,200.00
110117057	11/1/17 *****8764	William Joseph Burgoyne	DD - ES	1,298.00
110117060	11/1/17 *****2513	Clara Beatriz Cardenas	DD - ES	1,080.00
110117083	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	10,248.64
110117084	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	8,035.80
110117085	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	11,537.80
110117086	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	9,825.22
110117087	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	10,076.80
110117088	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	9,239.80
110117089	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	11,029.80
110117090	11/1/17 *****0746	Contra Costa County Housing Authority	DD - ES	2,748.32
110117093	11/1/17 *****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	6,082.00
110117094	11/1/17 *****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	6,252.00
110117095	11/1/17 *****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	5,942.00
110117111	11/1/17 *****9507	Olga M. Disney	DD - ES	1,149.00
110117117	11/1/17 *****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	604.00
110117134	11/1/17 *****4032	Fox Creek Apartments	DD - ES	499.00
110117146	11/1/17 *****5111	Gateway Apartments	DD - ES	2,523.00
110117161	11/1/17 *****5267	Abhilash Gupta	DD - ES	1,650.00
110117171	11/1/17 *****6728	David T. Hennigan	DD - ES	2,979.00
110117264	11/1/17 *****1547	Paul Livson	DD - ES	1,338.00
110117291	11/1/17 *****3389	Steadfast Marina Heights, L.P.	DD - ES	667.00
110117292	11/1/17 *****3389	Steadfast Marina Heights, L.P.	DD - ES	951.00
110117293	11/1/17 *****3389	Steadfast Marina Heights, L.P.	DD - ES	2,340.00
110117341	11/1/17 *****9886	Northstar Financial Group, LLC	DD - ES	4,502.00
110117344	11/1/17 *****0758	Oakland Housing Authority	DD - ES	0.00
110117370	11/1/17 *****4650	A. Meadows Property Management	DD - ES	412.00
110117381	11/1/17 *****6230	Leonardo Christopher Ramirez	DD - ES	1,961.00

110117386	11/1/17	*****8227	Croskey Real Estate, Inc.	DD - ES	1,626.00
110117387	11/1/17	*****6703	Amerasia Real Estate Fund LLC	DD - ES	2,868.00
110117390	11/1/17	*****2935	RICHMOND HOUSING AUTHORITY	DD - ES	4,480.90
110117391	11/1/17	*****9215	Kameryn Victoria Ray Rice	DD - ES	1,914.00
110117408	11/1/17	*****7789	Siena Court Apartments	DD - ES	776.00
110117429	11/1/17	*****0437	Suisun City Housing Authority	DD - ES	556.58
110117454	11/1/17	*****0447	Solano County Housing Authority	DD - ES	2,099.74
110117467	11/1/17	*****4563	Isidoro Weitzman	DD - ES	1,929.00
110117470	11/1/17	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	3,227.00
110117471	11/1/17	*****9380	Tracy J. Whitehead	DD - ES	2,002.00
110117484	11/1/17	*****1853	WR Properties, Inc.	DD - ES	1,395.00

VASH	HAP	146,297.42
	UR	326.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	5,815.46
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	\$152,438.88

Grand Total

		HAP	1,345,176.72
		UR	8,850.01
HAP (Regular)	\$ 1,114,901.30	Damage Claim	0.00
HAP (VASH)	146,297.42	Vacancy Claim	0.00
HAP (Port-In)	70,308.00	Administrative Fee	6,182.57
HAP (Port-Out)	13,670.00	FSS Escrow Account	0.00
Utility Reimbursement	8,850.01	Shelter Plus Security Deposit	0.00
Admin Fee	6,182.57	Other	0.00
Total	\$ 1,360,209.30	All Payments	\$1,360,209.30

0.*

DD - 1,316,121.64 +
 CKS - 44,087.66 +
 1,360,209.30 *

*Pro 10/26/17
 pp transmitted
 10/27/17*

Check Summary

November 15, 2017

Check Number	Check Date	Payee Tax ID	Payee	Amount
Choice Voucher				
* 146806	11/15/17	*****7375	Johnnie B Hayes	9.00
146807	11/15/17	*****3256	Melanie M Brooks	19.00
* 111517001	11/15/17	*****2521	Belmont Apartments	DD - ES 4,724.00
111517002	11/15/17	*****7889	Tennyson Berry	DD - ES 224.00
111517003	11/15/17	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES 1,548.00
111517004	11/15/17	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES 104.00
111517006	11/15/17	*****2770	Eva Gholson	DD - ES 223.00
111517007	11/15/17	*****6728	David T. Hennigan	DD - ES 2,043.00
111517008	11/15/17	*****8224	Kai Man Lau	DD - ES 217.00
111517009	11/15/17	*****3410	John M. Leung	DD - ES 173.00
111517010	11/15/17	*****3389	Steadfast Marina Heights, L.P.	DD - ES 505.00
111517011	11/15/17	*****7437	Perchak Properties for Carol Miller	DD - ES 252.00
111517012	11/15/17	*****0694	Jason Ruffin	DD - ES 21.00
111517013	11/15/17	*****6314	Amad Sultan	DD - ES 273.00
111517014	11/15/17	*****9682	Nuno G Vieira	DD - ES 1,877.00
111517015	11/15/17	*****7094	Bridge-Regional Partners Inc	DD - ES 371.00
111517016	11/15/17	*****6210	Yong Qiang Lu	DD - ES 1,204.00

Choice Voucher	HAP	13,759.00
	UR	28.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	0.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	\$13,787.00

Check Summary

November 15, 2017

Check Number	Check Date	Payee Tax ID	Payee	Amount
VASH				
111517005	11/15/17	*****5111	Gateway Apartments	DD - ES
				1,612.00
VASH				
			HAP	1,612.00
			UR	0.00
			Damage Claim	0.00
			Vacancy Claim	0.00
			Administrative Fee	0.00
			FSS Escrow Account	0.00
			Shelter Plus Security Deposit	0.00
			Other	0.00
			All Payments	\$1,612.00

Grand Total

HAP	15,371.00
UR	28.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	0.00
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	\$15,399.00

11/15/17 Check Run

HAP (Regular)	\$	13,759.00
HAP (VASH)		1,612.00
HAP (Port-In)		-
HAP (Port-Out)		-
Utility Reimbursement		28.00
Admin Fee		-
Total	\$	15,399.00

CRS — 28.00+
 DD - 15,371.00+
 15,399.00*

pro 11/8/17
 11/8/17

Voided Payment Report From Payment History

December 4, 2017

Check #	Check Date	VMS Date	Payee Name		Amount
146770	11/1/2017	11/1/2017	Tameca L Reese	Voided	\$155.00
146770	11/1/2017	11/1/2017	Tameca L Reese	Voided Payment Offsetting Entry	-\$155.00
Total Voided Payments					\$155.00
Total Offsetting Entries					-\$155.00

lost 11/1/17 NR CK -
reissue @ 12/1/17 CK Run



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

DATE: 12/5/2017
TO: Chair and Agency Members
FROM: Joe Sbranti, City Manager/Executive Director
SUBJECT: Adoption of a Pittsburg Power Company Resolution to Adopt the Revised Electric Tariff Schedules Applicable to Island Energy
MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Pittsburg Power Company, doing business as Island Energy, provides electric and natural gas distribution services on Mare Island. The Electric and Natural Gas Tariff Schedules are governing documents to Island Energy's operation on Mare Island. Staff is proposing modifications to noticing provisions of both Tariff Schedules along with other minor changes to improve clarity.

FISCAL IMPACT

The proposed language modifications are mainly to bring Island Energy's Termination of Service Notification procedure up to the Public Utilities Code and has no financial impacts to the Island Energy Fund.

RECOMMENDATION

Pittsburg Power Company Board open the public hearing, take testimony, close the public hearing, consider the testimony and adopt the language modifications to Island Energy's Electric and Gas Tariffs.

BACKGROUND

Island Energy is a municipal utility under Article 11, Section 9 of the California Constitution with the rights to acquire assets, set rates and provide electric and natural gas service within or outside the city limits.

On March 27, 1997, the Pittsburg Power Company Board of Directors approved Resolution 97-002 approving Island Energy Electric and Gas Tariff Schedules applicable to Mare Island Service Area. The Tariff Schedules have been modified as needed to provide better

guidance to Island Energy's operation on Mare Island. In a continuing effort to comply with governing laws and regulations and to accommodate future commercial developments on Mare Island, staff recommends certain language modifications to Island Energy's Electric and Gas Tariff Schedules as identified below in the Staff Analysis section of this report.

SUBCOMMITTEE FINDINGS

Staff reviewed the language modifications with the Pittsburg Power Company Subcommittee at its meeting on November 14th, 2017 and the Subcommittee supported the changes made to Island Energy's Electric and Gas Tariff Schedules.

STAFF ANALYSIS

Definition

The definition of "mailed" is modified to reflect the postmark date of notices and communication sent electronically. The date that electronic notices or other communication are sent is the postmark date for electronic notices or other communication.

Notice to Customers

The time and method requirements for delivering service termination notices for residential customers are governed by Sections 10009 and 10010 of the Public Utilities Code. To comply with the time and methods of service termination noticing by the Public Utilities Code, Island Energy proposes to modify its notification provisions to allow residential customers at least 19 days to pay their bills for utility services of the previous month. If full payment for the previous month is not received by the bill date (usually the 9th) of the current month, a Service Termination Notice would be included on the current month's bill setting forth the date of termination to be the 1st of the following month, which provides a 50-day payment window between the date that utility service is billed and the date of service termination due to delinquency. Two days before the service termination day, a 48-hour shut-off notice will be posted in a conspicuous location at the premises. If full payment of the past due amount is not received by the 1st of the second subsequent month after services are billed, utility services will be terminated.

Prior to termination service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures required by law will be followed.

Rate Schedules of Net Energy Metering Program

Staff proposes minor language change to Section 4 and Section 5 of the Net Metering Program to specify the billing cycle of customers under the Net Energy Metering Program is 12-month period ending on the final billing date of March.

ATTACHMENTS: Resolution
Island Energy Proposed Tariff Language Modification

Report Prepared By: Vanessa Xie

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Resolution to Adopt the Revised Languages in)
Island Energy's Electric and Gas Tariff Schedules)

RESOLUTION NO. 17-

The Board of Directors of the Pittsburg Power Company, a Joint Powers Authority, DOES RESOLVE as follows:

WHEREAS, Pittsburg Power Company, doing business as Island Energy, providing electric and natural gas retail services on Mare Island, modifies its Electric and Gas Tariff Schedules as needed in order to provide better guidelines for its utility operation on Mare Island; and

WHEREAS, Staff is proposing modifications to noticing provisions of both Tariff Schedules along with other minor changes to improve clarity; and

WHEREAS, the proposed language modifications are mainly to bring Island Energy's Termination of Service Notification procedure up to the Public Utilities Code and has no financial impacts to the Island Energy Fund; and

WHEREAS, the time and method requirements for delivering Service Termination Notices for residential customers are governed by Sections 10009 and 100010 of the Public Utilities Code; and

WHEREAS, Staff proposes to modify its notification provisions of service termination to comply with the time and method of service termination noticing required by the Public Utilities Code; and

WHEREAS, the definition of "mailed" is modified to reflect the postmark date of notices and communication sent electronically; and

WHEREAS, Staff proposes minor language change to Section 4 and Section 5 of the Net Metering Program to specify the billing cycle of customers under the Net Energy Metering Program is 12-month period ending on the final billing date of March; and

WHEREAS, Staff reviewed the language modifications with the Pittsburg Power Company Subcommittee at its meeting on November 14th, 2017 and the Subcommittee supported the changes made to Island Energy's Electric and Gas Tariff Schedules.

NOW, THEREFORE, the Board of Directors finds and determines as follows:

Section 1.

The above recitals are true and correct and have served as the basis, in part, for the findings and actions of the Board set forth below.

Section 2.

The revised Electric and Gas Tariff Schedules are hereby adopted.

Section 3.

The Executive Director of the Board is hereby authorized to take further actions necessary to ensure Island Energy to continue supplying reliable and responsive service to customers on Mare Island, including additional minor revisions to the Electric and Gas Tariff Schedules.

Section 4.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Pittsburg Power Company Board of Directors at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Chair

ATTEST:

Joe Sbranti, Executive Secretary

Recommended Change to Section 1. Definitions in Electric and Gas Tariff

Mailed: Any notice or other communication will be considered "mailed" when it is sent electronically (email, text or other electronic format) or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid. The postmark date for notices or other communication sent electronically will be considered the date the communication was sent.

Recommended Change to Section 8. Notices in Electric and Gas Tariff

8. NOTICES

A. Notices to Customers

1. Generally

When notices from the utility to a Customer are required, they will be given in writing, either mailed, as defined in Section II, 1, to the Customer's mailing address, or delivered to Customer's service address, except that in emergencies the utility may give verbal notices in person or by telephone.

2. Termination of Service Notice

a. Monthly bills for service are due and payable upon presentation and will be considered late if full payment is not received by the utility by the first day of the following month. If full payment is not received prior to the date of the next bill, a Termination of Service Notice for nonpayment of a delinquent account will be included on the next monthly bill setting forth the date for termination as the first day of the following month (see example in c. below). An additional notice will be sent to the service address when the occupants are renters and not responsible for the utility bill. Additional notice will include information on renter's legal rights should Utility not receive payment.

b. When no payment has been received by the utility prior to two days before the termination date set forth in subsection a. above a written final service termination notice shall be posted in a conspicuous place at the premises at least forty-eight (48) hours prior to termination of service.

c. Example of Timing for Termination of Service Notices. Utility bills for usage during the month of March will be mailed on April 9. A bill will be considered late if full payment is not received by May 1. If full payment is not prior to May 9, the date of the next bill, a Termination of Service notice will be included on that bill setting forth the date of termination as June 1. If full payment for the April 9 bill has not been received by May 29 (2 days prior to termination date), a final service termination notice shall be posted at the premises. If full payment for the April 9 bill is not received by noon on June 1, service will be terminated.

d. Prior to terminating service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures as required by law will be followed.

e. The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new utility providers.

Recommended Change to Rate Schedule NEM in Electric Tariff

4. Billing:

- a. Customer's Net Energy Metering calculation shall be calculated over each normal monthly billing period within the 12-month period ending on the final billing date for March. The monthly Net Energy Metering calculation shall be made by measuring the difference between the electricity supplied to Customer and the electricity generated by Customer and fed back to the grid over a normal one-month billing period.
- b. At the end of each one-month billing period, Utility shall determine if Customer was a net consumer or a net producer of electricity.
- c. In the event that the electricity supplied by Utility during the one-month billing period exceeds the electricity generated by Customer during the same period, Customer is a net energy consumer. If Customer was a net energy consumer, Utility shall bill Customer for the net energy consumption during such billing period based on the Customer's Rate Schedule and Customer shall pay for such net energy consumption monthly in accordance with Customer's monthly billing statement.
- d. In the event that the electricity supplied by Utility during the one-month billing period is less than the electricity generated by Customer during the same period, Customer is a net energy producer. If Customer is a net energy producer, any excess energy generated by the customer shall be carried forward to the following billing cycle as a monetary credit on the customer's account until the end of the 12-month period ending on the final billing date for March.
- e. If Customer's otherwise applicable tariff employs "baseline" and "over baseline" rates, any net monthly consumption of electricity shall be calculated according to the terms of the rate schedule. If Customer is a net generator over a billing period, the net kilowatt-hours generated shall be valued at the same price per kilowatt-hour as IE would charge for the baseline quantity of electricity during that billing period, and if the number of kilowatt-hours generated exceeds the baseline quantity, the excess shall be valued at the same price per kilowatt-hour as IE would charge electricity over the baseline quantity during the billing period.
- f. If Customer terminates service prior to the end of a 12-month period ending on the final billing date for March, Utility shall reconcile Customer's consumption and production of electricity and bill Customer for Net Energy Metering charges, or if appropriate, issue a final payment for any excess generation, based on the applicable Net Surplus Compensation rate.

5. Net Surplus Compensation:

- a. If at the end of the applicable 12-month period ending on the final billing date of March, Customer is a Net Surplus Customer-Generator:
 - i. Utility shall retain any Net Surplus Energy generated by Customer, including any associated environmental attributes or renewable energy credits ("REC"), and Customer's monetary value shall be reset to zero for the subsequent 12-month period.
 - ii. If Customer is eligible for Net Surplus Energy Compensation, such compensation shall be calculated over the 12-month period.

- b. In order to be eligible for Net Surplus Energy Compensation, Customer must: (1) elect a compensation option in Customer's NEM Agreement; (2) certify that Customer has sole ownership of the environmental attributes and RECs associated with the energy generated from the Generating Facility; and (3) agree to transfer to Utility all rights, title, and interest Customer has to such environmental attributes and RECs.
- c. Utility's Net Surplus Compensation rate shall provide just and reasonable compensation for the value of the Net Surplus Energy, while leaving other ratepayers unaffected.
- d. If Customer is eligible for Net Surplus Energy Compensation, Customer shall receive compensation pursuant to the method selected in Customer's NEM Agreement. Customers are eligible to revise their net surplus energy compensation elections by giving written notice to IE at least thirty-days prior to the beginning of each succeeding 12-month period ending with the final billing date of March.



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

DATE: 12/4/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Introduction and Waive First Reading of an Ordinance Amending Title 18 of the Pittsburg Municipal Code Related to the CP District, AP-17-1277 (RZ)

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

This is a public hearing on a City-initiated proposal to consider amendments to Title 18, "Zoning," of the Pittsburg Municipal Code (PMC) to consolidate the CP-1 and CP-2 sub-districts in order to provide more flexibility related to the allowable uses within the CP (Pedestrian Commercial) District. In addition, the proposal includes amendments to the specific findings necessary for approval of a use permit in the CP District, changes to land use classification definitions, as well as other minor changes intended to ensure consistency throughout Title 18. On November 14, 2017, the Planning Commission adopted Resolution No. 10079, recommending City Council approval of the amendments as proposed.

FISCAL IMPACT

There would be no negative fiscal impact on the City from the proposed amendments relating to consolidation of the CP-1 and CP-2 sub-districts and other incidental amendments; rather, the proposed amendments would provide more flexibility for new businesses, which should help to fill vacant spaces and generate additional business license and sales tax revenues for the City.

RECOMMENDATION

City Council move to introduce, waive further reading, and pass to second reading the attached ordinance amending Pittsburg Municipal Code (PMC) Title 18 related to the CP District.

BACKGROUND

The CP District was established in 2006 to provide a vibrant, pedestrian-oriented destination area, with pedestrian-oriented retail, entertainment, restaurants, and galleries on the ground floor along the primary corridor (Railroad Avenue), and office and/or residential uses permitted above and beyond the primary corridor. As such, the CP-1 and CP-2 sub-districts were established; the CP-1 District generally includes ground floor tenant spaces of buildings within the downtown corridor that maintain frontage along Railroad Avenue, while the CP-2 District includes all other tenant spaces within the CP District.

On September 18, 2017, the City Council, upon recommendation by the Land Use Subcommittee, voted to formally initiate a zoning study to consider a consolidation of the two CP sub-districts in order to provide more flexibility for potential downtown commercial tenants.

On October 10, 2017, the Planning Commission conducted a study session to review the first draft of the proposed amendments. The Planning Commission supported the amendments drafted by staff, which included the Subcommittee's recommendations, as well as minor modifications to the use classification definitions, including: 1) removing the provision allowing 48 hour animal boarding as part of the classification, "Animal grooming"; 2) adding the words, "tattoo and piercing," to the classification, "Personal Services"; and 3) removing "wholesale bakery" from the classification, "Food and drug processing," as this was deemed to be repetitive.

On November 14, 2017, the Planning Commission held a public hearing and subsequently adopted Resolution No. 10079, recommending approval of the amendments as proposed.

SUBCOMMITTEE FINDINGS

Since 2013, the Land Use Subcommittee has been discussing and reviewing potential options for modification of the CP District land use regulations to help decrease commercial vacancies in the downtown. On September 19, 2017, the Subcommittee was provided an initial draft of the proposed amendments for consideration, and voiced general support for the proposal, subject to several minor edits. The modifications requested by the Subcommittee included: 1) allowing, "animal grooming," and, "animal hospitals," subject to a use permit; 2) allowing "bakery, commercial," uses that maintain a retail component, subject to a use permit; and 3) allowing, "drive-through retail or service," though prohibiting fast food services, subject to a use permit. Concern regarding allowing, "food and drug processing," and its potential to allow for marijuana-related businesses, was also raised. Direction was given to staff to proceed with work associated with potential amendments to the PMC, subject to the requested modifications and concerns raised during the meeting.

STAFF ANALYSIS

Project Description: Based on feedback previously gathered from the Commission and Subcommittee, staff is proposing changes which would help promote occupancy of vacant storefronts while maintaining a vibrant, pedestrian-oriented corridor. In general, these updates include:

1. Eliminating the mapped CP-1 and CP-2 Districts in favor of a more "form-based" approach in which tenant space design, size, location, and orientation along the primary downtown corridor would become the predominant factors in determining which uses are allowed downtown, and what potential zoning entitlements must be obtained.

2. Refining the types of uses that would be permitted within the CP District. Staff is proposing expanding the types of uses allowed within ground floor tenant spaces along Railroad Avenue (the current CP-1 area); most notably, this proposal would allow takeout restaurants as a permitted use, as well as offices (administrative, governmental, and medical types) and commercial and private schools upon approval of a use permit in these areas.
3. In all instances where use permits would be required to establish specific uses within any portion of the CP District, an additional finding would be required to be made in which the Planning Commission determines the use would support the goals of creating a vibrant, economically prosperous, visually interesting, and engaging pedestrian oriented atmosphere along the primary downtown corridor.
4. Minor edits to the use classification definitions of “Animal grooming,” “Personal Services,” and “Food and drug processing,” as well as other minor changes intended to ensure consistency throughout Title 18.

General Plan Consistency: The proposed amendments would be consistent with the objectives, policies, general land uses, and programs in the General Plan, as they relate to the downtown. The boundaries of the CP zoning district are located within the “Downtown” subarea, and includes land located within two different General Plan land use categories: Downtown Commercial and Mixed Use. The ‘Downtown Commercial’ land use designation is intended for uses such as retail, restaurants, offices, financial institutions, and other businesses serving the daily needs of downtown residents, while the ‘Mixed Use’ land use designation is intended to allow for greater flexibility of land uses. Specifically, the proposal would be consistent with General Plan policies 2-P-32 and 5-P-3 (same policy repeated in two places), 5-P-5, 5-P-6, and 5-P-38, which promote development and concentration of a variety of pedestrian-oriented commercial activities, including retail and professional offices, within the downtown subarea.

Analysis: Since the CP District was implemented in 2006, the City has seen growth in the restaurant industry throughout the downtown core. However, there still has been little to no successful retail growth, and there remains a number of prime tenant spaces along Railroad Avenue that have been vacant for many years.

Staff believes that if the City, through adoption of these zoning amendments, can place more of an emphasis on tenant space design, size, location, orientation, and pedestrian interaction along the primary downtown corridor, the goal of creating a vibrant activity center can be met without relying solely on traditional retail activities.

ATTACHMENTS: 1. Proposed Ordinance
2. Exhibit A to Proposed Ordinance
3. Adopted Planning Commission Resolution No. 10079
4. Planning Commission Staff Report, dated November 14, 2017 (without attachments)
5. CP District Map
6. Public Hearing Notice

Report Prepared By: Jordan Davis, AICP, Associate Planner

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Ordinance Amending Title 18 of the)
Pittsburg Municipal Code as it Relates to)
the CP District, AP-17-1277 (RZ))

ORDINANCE NO. 17-_____

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Recitals

- A. This is a City-initiated proposal to consider amendments to Title 18, "Zoning," of the Pittsburg Municipal Code (PMC) in order to consolidate the CP-1 and CP-2 sub-districts in order to provide more flexibility related to the allowable uses within the CP (Pedestrian Commercial) District. In addition, the proposal includes amendments to the specific findings necessary for approval of a use permit in the CP District, changes to land use classification definitions, as well as other minor changes intended to ensure consistency throughout Title 18.
- B. The CP District was originally established in 2006 to provide a vibrant, pedestrian-oriented destination area that caters to shoppers and visitors in the downtown commercial core by providing inviting and visually interesting human-scale architecture, pedestrian-friendly storefronts, outdoor dining opportunities, and a limited number of (public) parking facilities (PMC section 18.52.005[B][7]). The vision for the CP District was to have permitted uses on the ground floor along the primary corridor (Railroad Avenue) consist predominantly of pedestrian-oriented retail, entertainment, restaurants, and galleries, with office and residential uses permitted above/behind the ground floor and beyond the primary corridor to increase the downtown population and employment/shopper base without detracting from the ground floor retail synergy desired along Railroad Avenue. As such, the CP-1 and CP-2 sub-districts were established; the CP-1 District generally includes ground floor tenant spaces of buildings within the downtown corridor that maintain frontage along Railroad Avenue, while the CP-2 District includes all other tenant spaces within the CP District.
- C. In 2013, the Land Use Subcommittee began discussing and reviewing potential options for modification of the zoning regulations within the City's downtown core, in order to help decrease commercial vacancies.
- D. On September 18, 2017, the City Council, upon recommendation by the Subcommittee, voted to formally initiate a zoning study to consider a consolidation of the two CP sub-districts in order to provide more flexibility for potential downtown commercial tenants.
- E. On September 19, 2017, the Subcommittee met to review and discuss the potential zoning text amendments. The Subcommittee was provided an initial draft of the proposed amendments for consideration, and voiced general support for the proposal, subject to several minor edits. The modifications requested by the

Subcommittee included: 1) allowing, “animal grooming,” and, “animal hospitals,” subject to a use permit; 2) allowing “bakery, commercial,” uses that maintain a retail component, subject to a use permit; and 3) allowing, “drive-through retail or service,” though prohibiting fast food services, subject to a use permit. Concern regarding allowing, “food and drug processing,” and its potential to allow for marijuana-related businesses, was also raised. Direction was given to staff to proceed with work associated with potential amendments to the PMC, subject to the requested modifications and concerns raised during the meeting.

- F. On October 10, 2017, the Planning Commission conducted a study session to review the first draft of the proposed amendments. The Planning Commission supported the amendments drafted by staff, which included the Subcommittee’s recommendations, as well as minor modifications to the use classification definitions, including: 1) removing the provision allowing 48 hour animal boarding as part of the classification, “Animal grooming”; 2) adding the words, “tattoo and piercing,” to the classification, “Personal Services”; and 3) removing “wholesale bakery” from the classification, “Food and drug processing,” as this was deemed to be repetitive.
- G. On November 14, 2017, the Planning Commission held a public hearing and subsequently adopted Resolution No. 10079, recommending approval of the proposed amendments.
- H. Before adoption of an ordinance, the City Council shall make findings that the proposed regulation is consistent with the policies of the general plan and the notice and hearing provisions of PMC Title 18, in accordance with PMC section 18.48.030.
- I. On or prior to December 8, 2017, notice of the December 18, 2017, public hearing to consider this proposal was posted at City Hall and on the ‘public notices’ page of the City’s website; was delivered to the Pittsburg Library; was published in the local newspaper (East Contra Costa County Times) as a 1/8th page advertisement; and was mailed via first class mail or electronic mail to interested parties and individuals and organizations that requested such notice, in accordance with PMC sections 18.14.010, and Government Code section 65091.
- J. On December 18, 2017, the City Council held a public hearing on the proposed zoning amendments, at which time oral and/or written testimony was considered.

SECTION 2. Findings

- A. Based on the City Council Staff Report entitled, “Introduction and Waive First Reading of an Ordinance Amending Title 18 of the Pittsburg Municipal Code Related to the CP District, AP-17-1277 (RZ),” and based on all the information contained in the Planning Division files, incorporated herein by reference and available for review in the Planning Division located at 65 Civic Avenue in Pittsburg, and based on all written and oral testimony presented at the meeting, the City Council finds that:

1. All recitals above are true and correct and are incorporated herein by reference.
2. The proposed amendments would be consistent with the objectives, policies, general land uses, and programs in the General Plan, as they relate to the downtown. The boundaries of the CP zoning district are located within the “Downtown” subarea, and includes land located within two different General Plan land use categories: Downtown Commercial and Mixed Use. The ‘Downtown Commercial’ land use designation is intended for uses such as retail, restaurants, offices, financial institutions, and other businesses serving the daily needs of downtown residents, while the ‘Mixed Use’ land use designation is intended to allow for greater flexibility of land uses. In addition, General Plan policies 2-P-32, 5-P-3, 5-P-5, 5-P-6, and 5-P-38, all support the proposed amendments, in that they encourage a concentration of commercial and pedestrian-oriented commercial activities in ground-level storefronts within the downtown core.
3. The proposed amendments are compatible with uses and regulations of the land use district for which they are proposed, in that the majority of uses proposed to be permitted within tenant spaces adjacent to Railroad Avenue (in general, the existing CP-1 District) are already allowable uses within separate portions of the same building, and would only be permitted upon the finding that the use would support the goal of creating a vibrant pedestrian activity center in the downtown core. Land use classifications to be added to the list of permitted uses within the CP District which are not currently permitted would be subject to limitations designed to ensure compatibility with the Downtown area, such as size limitations or requirements for onsite retail of goods produced by the business, and a determination the use would support the goal of creating a vibrant pedestrian activity center in the downtown core.
4. There is a community need for the change proposed, in that there are a large number of storefronts in downtown Pittsburg that have been vacant for many years, providing evidence that the retail market in the area is struggling. The increase in major retail bankruptcies in 2017 further indicate that the retail market is struggling on a much larger scale (and not just at the local level). The proposed amendments would eliminate the mapped CP-1 and CP-2 sub-districts in favor of a more “form-based” approach in which tenant space design, size, location, and orientation along the primary downtown corridor would become the predominant factors in determining which uses are allowed downtown, and what potential zoning entitlements must be obtained, thereby furthering the economic development goals without sacrificing the pedestrian-oriented character that is needed for a successful downtown.
5. The proposed amendments would be in conformity with the public convenience, general welfare, and good zoning practice, in that they will help achieve the goal of creating a vibrant, pedestrian-oriented downtown without relying solely on traditional retail activities by placing more of an emphasis on tenant space design, size, location, orientation, and pedestrian interaction along the primary downtown corridor.

SECTION 3. CEQA

This project is exempt from the requirements of the California Environmental Quality Act under the general rule of applicability of the state CEQA Guidelines, section 15061, in that there is no possibility that the activity in question would have a significant negative physical impact on the environment. The amendments proposed are procedural in nature, and the land use classifications that would potentially be permitted within tenant spaces adjacent to Railroad Avenue (in general, the existing CP-1 District) are already allowable uses within separate portions of the same building, and would not result in any new impacts beyond those that could exist without the change, specifically as they may relate to aesthetics, air quality, transportation, noise, hazards, utilities and/or public services. Uses which are not currently allowed within the CP District and are proposed to be added would be subject to approval of a use permit, at which time impacts resulting from the establishment of any potential use would be further reviewed once more details are made available.

The proposed minor edits to the use classification definitions of “Animal grooming,” “Personal Services,” and “Food and drug processing,” would not substantially alter the types of uses classified within these definitions, and would therefore not result in any new impacts beyond those that could exist without the change. The remaining minor changes intended to ensure consistency throughout Title 18 would also not significantly affect the types of uses permitted within any area of the City.

SECTION 4. Decision

Based on the findings and the authority set forth above, the City Council hereby amends the ‘Animal Grooming,’ ‘Personal Services,’ and ‘Food and Drug Processing,’ land use classifications outlined in PMC Chapter 18.08, use permit findings outlined in PMC section 18.16.040, and the Commercial District land use regulations outlined in PMC section 18.52.010 and 18.52.015, all as identified in the attached “Exhibit A.”

SECTION 5. Severability

If any section, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

SECTION 6. Effective Date

This Ordinance shall be in full force and effective thirty (30) days after its adoption.

SECTION 7. Publication

The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation or (b) have a summary of the

ordinance published twice in a newspaper of general circulation, once 5 days before its adoption and again 20 days after its adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on December 18, 2017, and was adopted and ordered published at a meeting of the City Council held on , 2018, by the following vote:

AYES:

NAYES:

ABSTAIN:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Amend PMC Chapter 18.08, Article IV, section 18.08.080(B)(3) and 18.08.080(22); Chapter 18.16, section 18.16.040; and Chapter 18.52, Article I, sections 18.52.010 and 18.52.015, as follows (new text shown in underline font, and text proposed for deletion is shown in ~~strike through font~~):

18.08.080 Commercial use classifications.

...

3. Animal Sales and Services.

...

- b. Animal Grooming. Bathing and trimming services for small animals on a commercial basis. ~~This classification includes boarding of domestic animals for a maximum period of 48 hours.~~

...

- 22. Personal Services. Provision of services and incidental sales of a personal nature. This classification includes barber and beauty shop, tanning salon, watch and jewelry repair, engraver, picture framing, seamstress, tailor, shoe repair shop, dry cleaner, locksmith, portrait studio, film developing, self-service laundry, bicycle repair, tattoo and piercing, and home electronic equipment repair.

18.08.100 Industrial use classifications.

- A. Food and Drug Processing. Establishment engaged in the manufacture, processing, production, or packaging of drugs, beverages, or food products within an enclosed building. This classification includes brewery, bottler, winery, meat processing plant, ~~wholesale bakery~~, candy and dairy product manufacturer, and related activities within an enclosed building, but excludes slaughterhouse, rendering plant, cannery or tannery. Uses in this classification may provide for the incidental onsite tasting or retailing of products.

18.16.040 Specific findings necessary for use permit.

A use permit may be granted only after a determination that the proposed use:

- A. Is in accord with the objective of this title, the purposes of the land use district in which it is located and is appropriate to the specific location;
- B. Is not detrimental to the health, safety, and general welfare of the city;
- C. Will not adversely affect the orderly development of property within the city;
- D. Will not adversely affect the preservation of property values and the protection of the tax base and other substantial revenue sources within the city;
- E. Is consistent with the objectives, policies, general land uses and programs specified in the general plan and applicable specific plan;
- F. Will not create a nuisance or enforcement problem within the neighborhood;
- G. Will not encourage marginal development within the neighborhood;
- H. Will not create a demand for public services within the city beyond that of the ability of the city to meet in the light of taxation and spending restraints imposed by law; ~~and~~
- I. Is consistent with the city’s approved funding priorities; and.
- J. If located within the Pedestrian Commercial (CP) District, will support the goals of creating a vibrant, economically prosperous, visually interesting, and engaging pedestrian oriented atmosphere along the primary downtown corridor.

18.52.010 CO, CN, CC, CS, CSD, CW and CP districts – Land use regulations.

In the following schedule, the letter “P” designates use classifications permitted in commercial districts. The letter “L” designates use classifications subject to certain limitations prescribed by the “Additional Use Regulations” that follow. The letter “U” designates use classifications permitted on approval of a use permit (Chapter 18.28 PMC). The letter “T” designates temporary use classifications permitted on approval of a temporary activity permit. The letter “Z” designates accessory use classifications permitted on approval of the zoning administrator. The symbol (–) under any of the zoning district columns indicates that the use is not allowed in that particular district.

CO, CN, CC, CS, CSD, CW AND CP DISTRICTS – LAND USE REGULATIONS

P = Permitted
 U = Use Permit, Planning Commission
 T = Temporary Activity Permit
 L = Limited (See Additional Use Regulations)
 Z = Use Permit, Zoning Administrator
 – = Not Permitted

USE CLASSIFICATION	CO	CN	CC	CS	CSD	CW	CP
Residential							
Congregate care residential	U	L-108	U	–	–	–	–
Daycare home							
Small	P	P	P	P	P	P	P
Large	Z	Z	Z	Z	Z	Z	Z
Group residential	U	–	–	–	–	–	–
Multifamily residential	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Senior housing	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Supportive housing	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Transitional housing	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Governmental and Quasipublic							
Club and lodge	U	U	U	U	U	U	<u>P</u> , L-110
College, public or private	L-32	L-32	L-32	L-32	L-32	L-32, L-109	L-110 <u>U</u>
Convalescent facility	U	U	–	–	–	–	–
Cultural institution	P	P	P	P	P	P	P
Day care, general	U	U	U	U	U	U	U
Emergency Shelter	-	-	-	L-3	-	-	-
Government office	L-27	L-27	L-27	L-27	L-27	L-27	L-27 , L-111 <u>P</u> , <u>L-167</u>
Hospital	U	–	U	U	–	–	–
Maintenance and service facility	–	–	–	L-112	L-112	L-112, L-113	–

Park and recreation facility	L-2	L-2	L-2	L-2	L-2	L-2	L-2
Public parking facility	L-114	L-114	L-114	L-114	L-114	L-114	L-114
Public safety facility	P	P	P	P	P	L-115 <u>P</u>	P <u>L-115</u>
Public transit terminal	U	U	U	U	U	L-116	U
Religious assembly	L-117	L-117	L-117	L-117	L-117	L-109, L-117	P <u>L-110</u>
Residential care, protective	U	U	–	–	–	–	–
School, public or private	L-32	L-32	L-32	L-32	L-32	L-32, L-109	–
Telecommunication facility	P	P	P	P	P	P	P
Utility, minor	P	P	P	P	P	P	P
Yacht club	–	–	–	–	–	U	–
Commercial							
Adult business	–	–	L-4	L-4	–	–	–
Ambulance service	–	–	L-112	P	P	–	–
Animal sales and service							
Animal boarding	–	–	–	U	–	–	–
Animal grooming	U	L-118	L-118	P	P	–	U <u>L-168</u>
Animal hospital	U	U	U	U	U	–	U
Animals-Retail sales	–	P	P	P	P	P	P
Artists' studio	U	P	P	P	P	L-119	L-115, L-120 <u>P, L-169</u>
Bakery, commercial	–	–	L-120 <u>U</u>	U	P	L-119	L-115, L-120 <u>U, L-173</u>
Bank and savings and loan	U	P	P	P	P	P	L-115, L-124a <u>P, L-169</u>

ATM	P	P	P	P	P	P	P
Campground	–	–	–	U	–	U	–
Commercial filming and communications	–	L-122	L-123	L-123	L-123	L-109	<u>P</u> , L-115
Commercial recreation and entertainment							
Within building	L-5	L-5	U	U	U	U	U
Outdoor facility	–	–	U	U	–	U	L-124
Limited	L-6	U	U	U	U	U	U
Drive-through retail or service	–	U	U	U	U	–	<u>– U</u> <u>L-170</u>
Eating and drinking establishment							
Food shop	–	P	P	P	P	P	L-125
Restaurant, full-service	U	P	P	P	P	P	P
Restaurant, self-service	L-7	L-8	L-8	P	P	P	P
Restaurant, take-out	–	P	P	P	P	P	L-115 <u>P</u>
Restaurant with drive-in service	–	–	U	U	U	–	–
Restaurant with full alcoholic service	U	U	U	U	U	U	L-126, L-127
Restaurant with outdoor dining	L-128	L-128	L-128	L-128	L-128	L-128	L-128
Alcoholic beverage establishment	–	U	U	U	U	U	U, L-126
Alcoholic beverage establishment or restaurant with live entertainment	–	U	U	U	U	U	L-129
Food and beverage sales							
Grocery	–	U	U	U	U	U	L-125, L-126
Liquor store	–	U	U	U	U	U	–
Specialty food market	–	P	P	P	P	P	L-125, L-126

Catering service	–	P	P	P	P	–	<u>P,</u> L-130
Funeral and interment services	L-9	–	L-9	L-9	L-9	–	–
Horticulture, limited	–	–	–	–	–	–	–
Laboratory, limited	P	P	P	P	P	L-109	–
Maintenance and repair service	–	–	–	P	P	–	–
Marine facilities and services							
Boat and marine vessel sales and rental		–	U	U	U	P	–
Boat and marine vessel storage		–	–	U	U	L-113	–
Marina	–	–	–	–	–	P	–
Massage therapy services	L-131	L-131	L-131	L-131	L-131	L-131	L-115, L-131 <u>U</u>
Medical services office	P	P	P	P	P	P	L-115, L-132 <u>P,</u> <u>L-169</u>
Office, business and administrative	P	P	P	P	P	P	L-111, L-115, L-132 <u>P,</u> <u>L-174</u>
Personal improvement services	L-117	L-117	L-117	L-117	L-117	L-109, L-117	L- 115, <u>P,</u> L-133
Personal services	L-12	P	P	P	P	L-12	<u>P,</u> L-134
Printing and publishing services							
Commercial	–	–	U	P	P	–	<u>U,</u> <u>L-171</u>
Electronic	U	–	P	P	P	–	–
Limited	U	P	P	P	P	P	P

Recycling collection facility							
Reverse vending machine	P	P	P	P	P	P	–
Recycling facility, small	Z	Z	Z	Z	Z	–	–
Recycling facility, large	–	–	U	U	U	–	–
Research and development services	P	–	–	P	P	L-109	–
Retail and wholesale sales							
General merchandise, retail and rental	L-13	P	P	P	P	P	L-135
Home improvement sales and service	–	P	L-136	P	P	–	–
Lumber and building material yard	–	–	–	L-112	L-112	–	–
Nursery	–	L-137	L-137	P	L-137	L-137	–
Mail order or direct selling establishment	–	P	P	P	P	–	–
Pawn shop	–	–	U	U	U	–	–
Retail warehouse	–	–	L-138	U	–	–	–
Secondhand appliance and clothing sales	–	U	U	U	U	L-139	L-139
School, commercial	L-117	L-117	L-117	L-117	L-117	L-109, L-117	L-110 U
Smoke Shop	–	L-165	L-165	L-165	L-165	L-165	L-165
Smoking Lounge	–	L-165	L-165	L-165	L-165	L-165	L-165
Vehicle/equipment sales and service							
Automobile and recreational vehicle repair, major	–	–	–	U	U	–	–
Automobile rental	L-14	L-14	L-14	P	P	L-14	–
Automobile repair, limited	–	–	U	P	P	–	–
Automobile sales	–	U	U	U	U	–	–

Automobile washing	–	–	–	U	U	–	–
Recreational vehicle and mobile home sales	–	–	L-140	U	–	–	–
Service station	–	U	U	U	U	–	–
Vehicle storage	–	–	–	U	–	–	–
Visitor accommodations							
Bed and breakfast inn	U	P	P	–	–	P	U
Hotel	U	–	U	U	U	P	U
Motel	–	–	U	U	U	U	–
Warehousing and storage, limited	–	–	–	U	U	–	–
Industrial							
<u>Food and drug processing</u>	=	=	=	=	=	=	<u>U,</u> <u>L-172</u>
Industrial services							
Boatyard	–	–	–	–	–	L-113	–
Contractor	–	L-141	–	P	P	L-113	–
Equipment sales and rental	–	–	–	U	–	–	–
Manufacturing							
Custom	–	–	–	P	P	L-142	L-115, L-120, L-143 <u>U,</u> <u>L-173</u>
Transportation/distribution							
Commercial/personal transport service	–	–	–	L-112	L-112	L-112, L-113	–
Railroad terminal and switchyard	–	–	–	–	–	U	–
Truck terminal	–	–	–	–	–	L-112, L-113	–
Wharf	–	–	–	–	–	U	–
Wholesaling and storage							
Interior operation	–	–	–	U	U	P	–

With exterior storage	–	–	–	L-112	L-112	L-112, L-113	–
Accessory Uses							
Accessory uses	P	P	P	P	P	P	P
Accessory structures							
Caretaker's quarters	U	U	U	U	U	U	U
Nonresidential accessory structure	P	P	P	P	P	P	T, L-144
Temporary Uses							
Animal show	–	T	T	T	T	T	T
Christmas tree sales	T	T	T	T	T	T	T
Commercial entertainment	–	T	T	T	T	T	T
Commercial filming, limited	T	T	T	T	T	T	T
Farmers' market	–	T	T	T	T	T	T
Holiday boutique	–	P	P	P	P	P	T
Personal property sales	P	P	P	P	P	T	T
Real property sales	P	P	P	P	P	P	P
Religious assembly	–	T	T	T	T	T	T
Retail sales, outdoor	–	T	T	T	T	T	T
Rummage sales	T	T	T	T	T	T	T
Storage, outdoor	–	–	T	T	T	T	–
Trade fair	T	T	T	T	T	T	T

CO, CN, CC, CS, CSD, CW AND CP DISTRICTS – ADDITIONAL USE REGULATIONS

L-2	Publicly owned facilities permitted. Privately owned noncommercial facilities, including swim clubs or tennisclubs, shall be subject to a use permit.
L-3	Permitted subject to the provisions of Chapter 18.84 PMC, Article XVIII, except within overlay districts unless otherwise specified.

L-4	Subject to a use permit, the exterior walls of an adult business must be a minimum of 650 feet from the boundaries of a site occupied by a public or private school, general day care or park and recreation facility use classification, and a minimum of 1,000 feet from the exterior walls of another adult business.
L-5	Limited to tennis/racquetball courts of health/fitness clubs/gyms.
L-6	Limited to live performing arts theaters, subject to a use permit.
L-7	Limited to establishments occupying no more than 1,500 square feet of gross floor area and located within a multi-tenant building, subject to a use permit.
L-8	Use permit required except that establishments occupying tenant space within a multi-tenant building are permitted.
L-9	Limited to mortuaries, subject to a use permit.
L-12	Self-service laundries not permitted.
L-13	Limited to prescription pharmacies, subject to a use permit.
L-14	Use permit required for on-site parking of more than five vehicles for rent, and no on-site maintenance facilities are permitted.
L-27	Use permit required for establishments occupying more than 10,000 square feet of gross floor area or more than 50 percent of the floor area in a shopping center, whichever is less. Use permit required for on-site maintenance or outdoor storage of vehicles.
L-32	Use permit for private institutions; public schools permitted.
L-108	Permitted above or adjacent to ground floor office, restaurant or retail use on the same site, subject to design review. Projects with multifamily residential units above or adjacent to office, restaurant or retail uses on the same site are permitted an increase of up to 0.25 FAR over that allowed in the applicable base district; provided, that the residential floor area comprises no less than 25 percent and no more than 75 percent of the total square footage of building developed on site.
L-109	Permitted above ground floor level only.
L-110	Not permitted in the CP-1 area.* <u>within ground floor tenant spaces adjacent to Railroad Avenue.</u> Conditional use permit required for establishments within a facility capable of accommodating occupancy of 50 or more seated persons, as determined by Uniform Building Code standards. Otherwise, permitted in the CP-2 area.*
L-111	Bail bonds not permitted. Chamber of Commerce and government offices permitted on the ground floor. Real estate offices permitted in the CP-1 area*; provided, that no two real estate offices in the CP-1 area* are within 500 linear feet of each other.

L-112	Permitted; provided, that: (1) vehicles with gross vehicle weight in excess of 15,000 pounds, equipment, supplies or merchandise are stored indoors, or, if stored outdoors, are not visible from public right(s)-of-way by means of screening by a building or an eight-foot-tall masonry wall constructed prior to the establishment of the use, and (2) the city engineer has determined that deliveries to and from the site can be made safely and without disruption of circulation patterns or modification to the existing streets that provide access to the site. Use permit required for any use that does not meet all of these provisions.
L-113	Permitted only on sites located east of Harbor Street. Prohibited elsewhere.
L-114	Permitted when owned and operated by a public agency. All other public parking facilities require a conditional use permit.
L-115	<u>Not Permitted in the CP-2 area within above-ground floor tenant spaces adjacent to Railroad Avenue.</u>
L-116	Limited to ferry terminals, subject to a use permit.
L-117	Use permit required for establishments within a facility capable of accommodating an occupancy of 50 or more seated persons, as determined by Uniform Building Code standards. Otherwise permitted.
L-118	Use permit required for an establishment located in a multi-tenant building.
L-119	Permitted on the ground floor only if the entire storefront, to a minimum depth of 20 feet, is used for retail sales. For a bakery, the first 20 or more feet shall be used primarily for retail sales (i.e., as a counter area, display area, a seating area or general retail sales and display area). For an artist's or similar production studio, the first 20 or more feet shall be used primarily for retail sales and display of merchandise. Permitted, without limitation, above the ground floor.
L-120	Permitted in the CP-1 area* only if the entire storefront, to a minimum depth of 20 feet from the primary street (as determined by the city planner), is used for retail sales. The city planner may grant exceptions when the building is not conducive to the 20-foot requirement; provided, that a substantial amount of retail space, visible from the sidewalk, is provided. Where the preceding cannot be met, L-115 applies.
L-121a	Permitted in the CP-2 area.* Conditional use permit required in the CP-1 area.* In approving the use permit, the planning commission must find that the location of the proposed bank does not impede or discourage the flow of pedestrian traffic.
L-122	Digital imaging, media transfer, editing and similar post-production services permitted. Establishments offering other services require a use permit.
L-123	Indoor filming studios permitted. Use permit required for activities conducted outside of a building, including outdoor filming and outdoor storage.

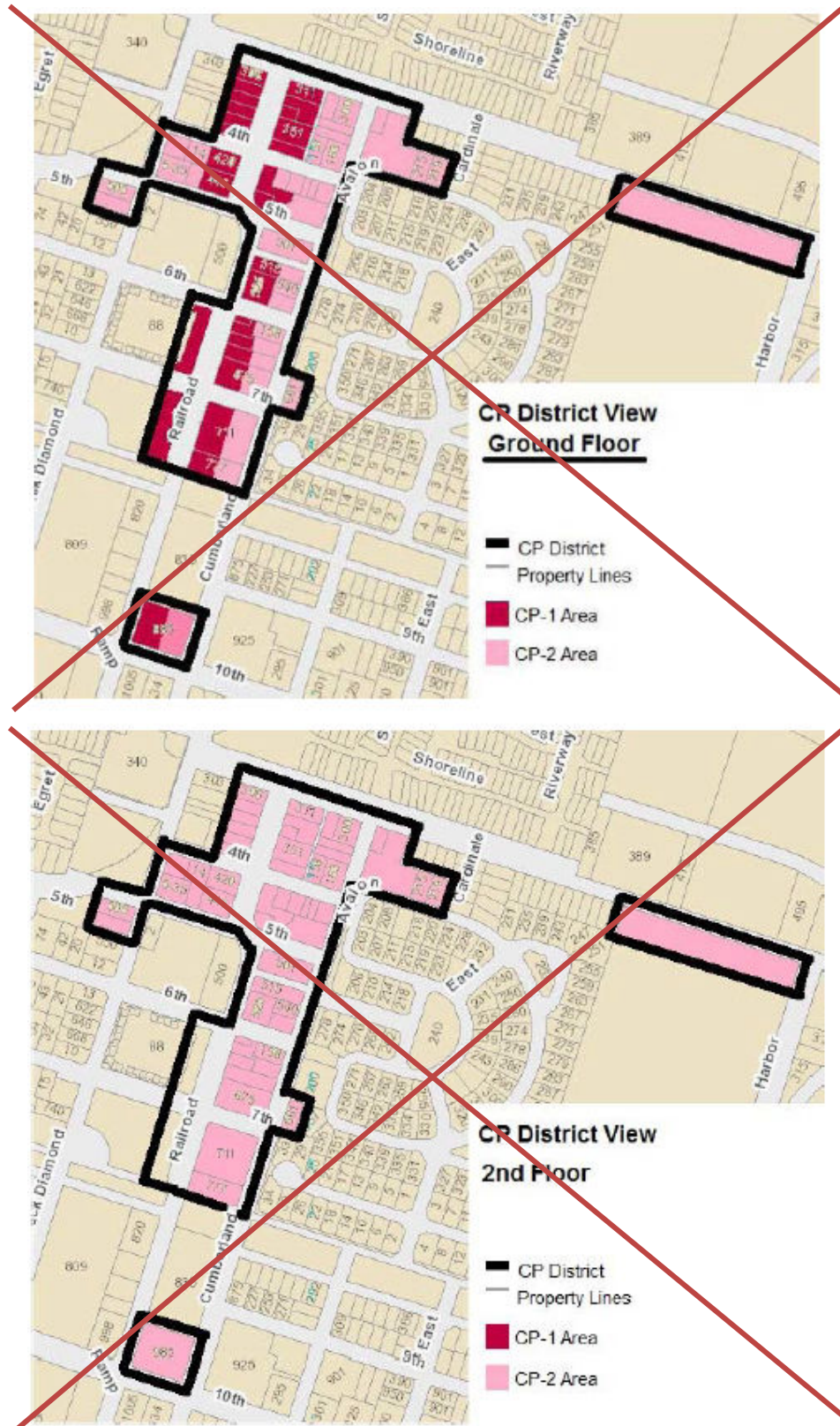
L-124	Use permit or temporary activity permit required. The city planner shall determine which permit is appropriate depending on the specifics of the use.
L-125	Conditional use permit required for establishments occupying more than 2,500 square feet, or for establishments that sell any alcoholic beverages.
L-126	The provision of alcoholic beverages requires a conditional use permit for any restaurant if it will create “undue concentration” as defined in the Alcoholic Beverage Control (ABC) Act under Section 23958.4
L-127	Permitted for full-service restaurants with an active Alcoholic Beverage Control License. The restaurant must be operated and maintained as a bona fide eating place, which requires the actual and substantial sales of meals during the normal hours that they are open, at least five days a week. Actual and substantial food and meal sales must occur on site until at least two hours before closing. Conditional use permit required for self-service restaurants with full alcoholic service.
L-128	An outdoor dining permit is required for all outdoor dining activities.
L-129	Permitted for live or recorded music in full-service and self-service restaurants between the hours of 10:00 a.m. and 10:00 p.m.; provided, that the noise generated is not audible beyond the property line or lease space for the use. When the provisions above are not met, a conditional use permit or temporary activity permit is required.
L-130	Permitted in the CP-1 area* when <u>Must be ancillary to a restaurant use on site, and provided no more than two (2) vehicles “automobiles,” as defined within this code, are may be used to provide the catering service. The two vehicles shall only be noncommercial vehicles. “Noncommercial vehicles” do not include any vehicle larger than a minivan, sports utility vehicle or multipurpose vehicle. If catering is not ancillary to an existing restaurant use on site, L-109 applies and a maximum of two vehicles (may only be noncommercial vehicles) shall be used to provide the catering service. Otherwise, conditional use permit required.</u>
L-131	Permitted only when the person has applied for and obtained a permit pursuant to the requirements of Chapter 5.64 PMC.
L-132	Permitted in the CP-1 area* when ground floor building exterior and the structure itself are not conducive to retail sales or eating and drinking establishments.
L-133	<u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue. Permitted in CP-2 area.*</u> Driving school classrooms and drivers’ training permitted in the CP-2 area*; <u>provided, that are limited to no more than two training vehicles are used by the business, and those vehicles are must be stored off-street.</u>

L-134	Permitted in CP-2 area.* <u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue.</u> Self-service laundry not permitted within ground floor tenant spaces adjacent to Railroad Avenue, in the CP-2 area* and only permitted with a conditional use permit in other areas when ancillary to an eating or drinking establishment or indoor commercial entertainment. Self-service laundry prohibited in CP-1 area.*
L-135	Major appliances, hospital and medical supplies and equipment, and automotive parts are not permitted. Furniture sales require a conditional use permit.
L-136	Permitted on sites designated regional commercial in the general plan. Elsewhere, use permit required for establishments occupying more than 75,000 square feet of indoor and outdoor retail space; establishments occupying less than 75,000 square feet of indoor and outdoor retail space are permitted.
L-137	Limited to establishments operating inside of a building.
L-138	Permitted only on sites with a general plan land use designation of regional commercial.
L-139	Limited to clothing consignment stores.
L-140	Limited to sales of recreational vehicles on properties with a general plan land use designation of regional commercial, and subject to a use permit.
L-141	Limited to janitorial and building maintenance services.
L-142	Permitted on sites located east of Harbor Street. Ceramic studio, candle-making and custom jewelry manufacturers are permitted on sites located west of Harbor Street; provided, that the use is located above the ground floor or, if located on the ground floor, that the entire storefront, to a minimum depth of 20 feet, is used for retail sales and display of merchandise.
L-143	Limited to ceramic studio, candle-making, and custom jewelry manufacture.
L-144	Parking structures permitted with design review approval.
L-165	Use permit required. Must be located at least 1,000 feet away from the property line of a school and front door of an existing smoke shop or smoking lounge. Appropriate air filtration systems shall be required for lounges if there are potential impacts to adjacent land uses.
L-166	Conditional use permit required in the CP-1 area.* In approving the use permit, the planning commission must make an additional finding that the use will support the goals of creating a vibrant, economically prosperous, visually interesting, and engaging pedestrian-oriented atmosphere along the primary downtown corridor.

<u>L-167</u>	<u>Conditional use permit required for establishments occupying more than 10,000 square feet of gross floor area and/or for on-site maintenance or outdoor storage of vehicles.</u>
<u>L-168</u>	<u>Permitted. Limited to tenant spaces less than 1,000 square feet.</u>
<u>L-169</u>	<u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue.</u>
<u>L-170</u>	<u>Limited to parcels maintaining a private surface parking lot. Drive-through entry or exit onto or off of Railroad Avenue is prohibited. Fast food uses prohibited.</u>
<u>L-171</u>	<u>Prohibited within ground floor tenant spaces adjacent to Railroad Avenue.</u>
<u>L-172</u>	<u>Limited to breweries, bottlers, wineries, and candy and/or dairy product manufacturing. Onsite tasting and/or retailing of products required.</u>
<u>L-173</u>	<u>Onsite retailing of products produced by the business required.</u>
<u>L-174</u>	<u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue. Bail bonds prohibited.</u>

~~* See CP 1 and CP 2 area maps. The CP 1 and CP 2 area boundaries within the CP district are delineated in PMC 18.52.015.~~

~~18.52.015 CP-1 and CP-2 areas within the CP district.~~



BEFORE THE PLANNING COMMISSION OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Recommending that the City	)	Resolution No. 10079
Council Amend Title 18 of the Pittsburg	)	
Municipal Code as it Relates to the CP	)	
District, AP-17-1245 (RZ)	)	

The Planning Commission DOES RESOLVE as follows:

Section 1. Background

- A. This is a City-initiated proposal to consider amendments to Title 18, "Zoning," of the Pittsburg Municipal Code (PMC) in order to consolidate the CP-1 and CP-2 sub-districts in order to provide more flexibility related to the allowable uses within the CP (Pedestrian Commercial) District. In addition, the proposal includes amendments to the specific findings necessary for approval of a use permit in the CP District, changes to land use classification definitions, as well as other minor changes intended to ensure consistency throughout Title 18.
- B. The CP District was originally established in 2006 to provide a vibrant, pedestrian-oriented destination area that caters to shoppers and visitors in the downtown commercial core by providing inviting and visually interesting human-scale architecture, pedestrian-friendly storefronts, outdoor dining opportunities, and a limited number of (public) parking facilities (PMC section 18.52.005[B][7]). The vision for the CP District was to have permitted uses on the ground floor along the primary corridor (Railroad Avenue) consist predominantly of pedestrian-oriented retail, entertainment, restaurants, and galleries, with office and residential uses permitted above/behind the ground floor and beyond the primary corridor to increase the downtown population and employment/shopper base without detracting from the ground floor retail synergy desired along Railroad Avenue. As such, the CP-1 and CP-2 sub-districts were established; the CP-1 District generally includes ground floor tenant spaces of buildings within the downtown corridor that maintain frontage along Railroad Avenue, while the CP-2 District includes all other tenant spaces within the CP District.
- C. In 2013, the Land Use Subcommittee began discussing and reviewing potential options for modification of the zoning regulations within the City's downtown core, in order to help decrease commercial vacancies.
- D. On September 18, 2017, the City Council, upon recommendation by the Subcommittee, voted to formally initiate a zoning study to consider a consolidation of the two CP sub-districts in order to provide more flexibility for potential downtown commercial tenants.

- E. On September 19, 2017, the Subcommittee met to review and discuss the potential zoning text amendments. The Subcommittee was provided an initial draft of the proposed amendments for consideration, and voiced general support for the proposal, subject to several minor edits. The modifications requested by the Subcommittee included: 1) allowing, "animal grooming," and, "animal hospitals," subject to a use permit; 2) allowing "bakery, commercial," uses that maintain a retail component, subject to a use permit; and 3) allowing, "drive-through retail or service," though prohibiting fast food services, subject to a use permit. Concern regarding allowing, "food and drug processing," and its potential to allow for marijuana-related businesses, was also raised. Direction was given to staff to proceed with work associated with potential amendments to the PMC, subject to the requested modifications and concerns raised during the meeting.
- F. On October 10, 2017, the Planning Commission conducted a study session to review the first draft of the proposed amendments. The Planning Commission supported the amendments drafted by staff, which included the Subcommittee's recommendations, as well as minor modifications to the use classification definitions, including: 1) removing the provision allowing 48 hour animal boarding as part of the classification, "Animal grooming"; 2) adding the words, "tattoo and piercing," to the classification, "Personal Services"; and 3) removing "wholesale bakery" from the classification, "Food and drug processing," as this was deemed to be repetitive.
- G. In order to recommend approval of an amendment to the Zoning Ordinance, the Commission must find (in accordance with PMC section 18.48.030) that:
1. the amendment is consistent with the objectives, policies, general land uses and programs in the General Plan;
 2. the land use regulation is compatible with uses and regulations of the land use district for which it is proposed;
 3. there is a community need for the change proposed; and
 4. the change will be in conformity with the public convenience, general welfare, and good zoning practice.
- H. This project is exempt from the requirements of the California Environmental Quality Act under the general rule of applicability of the state CEQA Guidelines, section 15061, in that there is no possibility that the activity in question would have a significant negative physical impact on the environment. The amendments proposed are procedural in nature, and the land use classifications that would potentially be permitted within tenant spaces adjacent to Railroad Avenue (in general, the existing CP-1 District) are already allowable uses within separate portions of the same building, and would not result in any new impacts beyond those that could exist without the change, specifically as they may relate

to aesthetics, air quality, transportation, noise, hazards, utilities and/or public services. Uses which are not currently allowed within the CP District and are proposed to be added would be subject to approval of a use permit, at which time impacts resulting from the establishment of any potential use would be further reviewed once more details are made available.

- I. On or prior to November 4, 2017, notice of the November 14, 2017, public hearing to consider this application was posted at City Hall and on the 'public notices' page of the City's website; was delivered to the Pittsburg Library; was published in the local newspaper (East Contra Costa County Times); and was mailed via first class mail or electronic mail to interested parties and individuals and organizations that requested such notice, in accordance with PMC sections 18.14.010, and Government Code section 65091.
- J. On November 14, 2017, the Planning Commission held a public hearing to consider possible amendments to PMC Title 18 related to the CP District.

Section 2. Findings

- A. Based on the Planning Commission staff report entitled, "Recommendation on Zoning Text Amendments to Pittsburg Municipal Code Title 18 Related to the CP District, AP-17-1277 (RZ)" dated November 14, 2017, and based on all the information contained in the Planning Division files on the project, incorporated herein by reference and available for review in the Planning Division located at 65 Civic Avenue in Pittsburg, and based on all written and oral testimony presented at the meeting, the Planning Commission finds that:
 - 1. All recitals above are true and correct and are incorporated herein by reference.
 - 2. The proposed amendments would be consistent with the objectives, policies, general land uses, and programs in the General Plan, as they relate to the downtown. The boundaries of the CP zoning district are located within the "Downtown" subarea, and includes land located within two different General Plan land use categories: Downtown Commercial and Mixed Use. The 'Downtown Commercial' land use designation is intended for uses such as retail, restaurants, offices, financial institutions, and other businesses serving the daily needs of downtown residents, while the 'Mixed Use' land use designation is intended to allow for greater flexibility of land uses. In addition, General Plan policies 2-P-32, 5-P-3, 5-P-5, 5-P-6, and 5-P-38, all support the proposed amendments, in that they encourage a concentration of commercial and pedestrian-oriented commercial activities in ground-level storefronts within the downtown core.
 - 3. The proposed amendments are compatible with uses and regulations of the land use district for which they are proposed, in that the majority of uses

proposed to be permitted within tenant spaces adjacent to Railroad Avenue (in general, the existing CP-1 District) are already allowable uses within separate portions of the same building, and would only be permitted upon the finding that the use would support the goal of creating a vibrant pedestrian activity center in the downtown core. Land use classifications to be added to the list of permitted uses within the CP District which are not currently permitted would be subject to limitations designed to ensure compatibility with the Downtown area, such as size limitations or requirements for onsite retail of goods produced by the business, and a determination the use would support the goal of creating a vibrant pedestrian activity center in the downtown core.

4. There is a community need for the change proposed, in that there are a large number of storefronts in downtown Pittsburgh that have been vacant for many years, providing evidence that the retail market in the area is struggling. The increase in major retail bankruptcies in 2017 further indicate that the retail market is struggling on a much larger scale (and not just at the local level). The proposed amendments would eliminate the mapped CP-1 and CP-2 sub-districts in favor of a more “form-based” approach in which tenant space design, size, location, and orientation along the primary downtown corridor would become the predominant factors in determining which uses are allowed downtown, and what potential zoning entitlements must be obtained, thereby furthering the economic development goals without sacrificing the pedestrian-oriented character that is needed for a successful downtown.
5. The proposed amendments would be in conformity with the public convenience, general welfare, and good zoning practice, in that they will help achieve the goal of creating a vibrant, pedestrian-oriented downtown without relying solely on traditional retail activities by placing more of an emphasis on tenant space design, size, location, orientation, and pedestrian interaction along the primary downtown corridor.

Section 3. Decision

- A. Based on the findings and the authority set forth above, the Planning Commission hereby recommends that the City Council adopt an ordinance amending the regulations outlined in PMC Chapter 18.16, section 18.16.040, and PMC Chapter 18.52, Article I, section 18.52.010, as identified in the attached “Exhibit A.”

Section 4. Effective Date

This resolution shall take effect immediately upon its adoption.

On motion by Commissioner Coniglio, seconded by Commissioner Ward, the foregoing resolution was passed and adopted the 14th day of November, 2017, by the Planning Commission of the City of Pittsburg, California by the following vote:

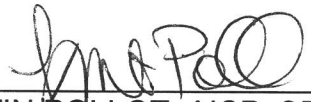
AYES: Coniglio, Foster, Gargalikis, Ward

NAYES:

ABSTAIN: Croskey

ABSENT: Robinson

I hereby certify that the above Resolution No. 10079 was adopted by the Planning Commission of the City of Pittsburg on November 14, 2017.



KRISTIN POLLOT, AICP, SECRETARY
PITTSBURG PLANNING COMMISSION

Amend PMC Chapter 18.08, Article IV, section 18.08.080(B)(3) and 18.08.080(22); Chapter 18.16, section 18.16.040; and Chapter 18.52, Article I, sections 18.52.010 and 18.52.015, as follows (new text shown in underline font, and text proposed for deletion is shown in ~~strikethrough font~~):

18.08.080 Commercial use classifications.

...

3. Animal Sales and Services.

...

- b. Animal Grooming. Bathing and trimming services for small animals on a commercial basis. ~~This classification includes boarding of domestic animals for a maximum period of 48 hours.~~

...

- 22. Personal Services. Provision of services and incidental sales of a personal nature. This classification includes barber and beauty shop, tanning salon, watch and jewelry repair, engraver, picture framing, seamstress, tailor, shoe repair shop, dry cleaner, locksmith, portrait studio, film developing, self-service laundry, bicycle repair, tattoo and piercing, and home electronic equipment repair.

18.08.100 Industrial use classifications.

- A. Food and Drug Processing. Establishment engaged in the manufacture, processing, production, or packaging of drugs, beverages, or food products within an enclosed building. This classification includes brewery, bottler, winery, meat processing plant, ~~wholesale bakery~~, candy and dairy product manufacturer, and related activities within an enclosed building, but excludes slaughterhouse, rendering plant, cannery or tannery. Uses in this classification may provide for the incidental onsite tasting or retailing of products.

18.16.040 Specific findings necessary for use permit.

A use permit may be granted only after a determination that the proposed use:

- A. Is in accord with the objective of this title, the purposes of the land use district in which it is located and is appropriate to the specific location;
- B. Is not detrimental to the health, safety, and general welfare of the city;
- C. Will not adversely affect the orderly development of property within the city;
- D. Will not adversely affect the preservation of property values and the protection of the tax base and other substantial revenue sources within the city;
- E. Is consistent with the objectives, policies, general land uses and programs specified in the general plan and applicable specific plan;
- F. Will not create a nuisance or enforcement problem within the neighborhood;
- G. Will not encourage marginal development within the neighborhood;
- H. Will not create a demand for public services within the city beyond that of the ability of the city to meet in the light of taxation and spending restraints imposed by law; and

I. Is consistent with the city's approved funding priorities; and-

I.J. If located within the Pedestrian Commercial (CP) District, will support the goals of creating a vibrant, economically prosperous, visually interesting, and engaging pedestrian oriented atmosphere along the primary downtown corridor.

18.52.010 CO, CN, CC, CS, CSD, CW and CP districts – Land use regulations.

In the following schedule, the letter "P" designates use classifications permitted in commercial districts. The letter "L" designates use classifications subject to certain limitations prescribed by the "Additional Use Regulations" that follow. The letter "U" designates use classifications permitted on approval of a use permit (Chapter 18.28 PMC). The letter "T" designates temporary use classifications permitted on approval of a temporary activity permit. The letter "Z" designates accessory use classifications permitted on approval of the zoning administrator. The symbol (–) under any of the zoning district columns indicates that the use is not allowed in that particular district.

CO, CN, CC, CS, CSD, CW AND CP DISTRICTS – LAND USE REGULATIONS

P = Permitted
 U = Use Permit, Planning Commission
 T = Temporary Activity Permit
 L = Limited (See Additional Use Regulations)
 Z = Use Permit, Zoning Administrator
 – = Not Permitted

USE CLASSIFICATION	CO	CN	CC	CS	CSD	CW	CP
Residential							
Congregate care residential	U	L-108	U	–	–	–	–
Daycare home							
Small	P	P	P	P	P	P	P
Large	Z	Z	Z	Z	Z	Z	Z
Group residential	U	–	–	–	–	–	–
Multifamily residential	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Senior housing	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Supportive housing	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Transitional housing	L-108	L-108	L-108	L-108	L-108	L-108	L-109
Governmental and Quasipublic							
Club and lodge	U	U	U	U	U	U	<u>P</u> , L-110
College, public or private	L-32	L-32	L-32	L-32	L-32	L-32, L-109	L-110 <u>U</u>
Convalescent facility	U	U	–	–	–	–	–
Cultural institution	P	P	P	P	P	P	P
Day care, general	U	U	U	U	U	U	U
Emergency Shelter	-	-	-	L-3	-	-	-
Government office	L-27	L-27	L-27	L-27	L-27	L-27	L-27, L-111 <u>P</u> , L-167
Hospital	U	–	U	U	–	–	–
Maintenance and service facility	–	–	–	L-112	L-112	L-112, L-113	–
Park and recreation facility	L-2	L-2	L-2	L-2	L-2	L-2	L-2

"EXHIBIT A" to Resolution No. 10079

Public parking facility	L-114	L-114	L-114	L-114	L-114	L-114	L-114
Public safety facility	P	P	P	P	P	L-115 P	P L-115
Public transit terminal	U	U	U	U	U	L-116	-U
Religious assembly	L-117	L-117	L-117	L-117	L-117	L-109, L-117	P L-110
Residential care, protective	U	U	-	-	-	-	-
School, public or private	L-32	L-32	L-32	L-32	L-32	L-32, L-109	-
Telecommunication facility	P	P	P	P	P	P	P
Utility, minor	P	P	P	P	P	P	P
Yacht club	-	-	-	-	-	U	-
Commercial							
Adult business	-	-	L-4	L-4	-	-	-
Ambulance service	-	-	L-112	P	P	-	-
Animal sales and service							
Animal boarding	-	-	-	U	-	-	-
Animal grooming	U	L-118	L-118	P	P	-	-U L-168
Animal hospital	U	U	U	U	U	-	-U
Animals-Retail sales	-	P	P	P	P	P	P
Artists' studio	U	P	P	P	P	L-119	L-115, L-120 P, L-169
Bakery, commercial	-	-	L-120 U	U	P	L-119	L-115, L-120 U, L-173
Bank and savings and loan	U	P	P	P	P	P	L-115, L-121a P, L-169
ATM	P	P	P	P	P	P	P
Campground	-	-	-	U	-	U	-

"EXHIBIT A" to Resolution No. 10079

Commercial filming and communications	–	L-122	L-123	L-123	L-123	L-109	<u>P</u> L-115
Commercial recreation and entertainment							
Within building	L-5	L-5	U	U	U	U	U
Outdoor facility	–	–	U	U	–	U	L-124
Limited	L-6	U	U	U	U	U	U
Drive-through retail or service	–	U	U	U	U	–	<u>–U</u> L-170
Eating and drinking establishment							
Food shop	–	P	P	P	P	P	L-125
Restaurant, full-service	U	P	P	P	P	P	P
Restaurant, self-service	L-7	L-8	L-8	P	P	P	P
Restaurant, take-out	–	P	P	P	P	P	L-115 <u>P</u>
Restaurant with drive-in service	–	–	U	U	U	–	–
Restaurant with full alcoholic service	U	U	U	U	U	U	L-126, L-127
Restaurant with outdoor dining	L-128	L-128	L-128	L-128	L-128	L-128	L-128
Alcoholic beverage establishment	–	U	U	U	U	U	U, L-126
Alcoholic beverage establishment or restaurant with live entertainment	–	U	U	U	U	U	L-129
Food and beverage sales							
Grocery	–	U	U	U	U	U	L-125, L-126
Liquor store	–	U	U	U	U	U	–
Specialty food market	–	P	P	P	P	P	L-125, L-126
Catering service	–	P	P	P	P	–	<u>P</u> L-130

"EXHIBIT A" to Resolution No. 10079

Funeral and interment services	L-9	–	L-9	L-9	L-9	–	–
Horticulture, limited	–	–	–	–	–	–	–
Laboratory, limited	P	P	P	P	P	L-109	–
Maintenance and repair service	–	–	–	P	P	–	–
Marine facilities and services							
Boat and marine vessel sales and rental		–	U	U	U	P	–
Boat and marine vessel storage		–	–	U	U	L-113	–
Marina	–	–	–	–	–	P	–
Massage therapy services	L-131	L-131	L-131	L-131	L-131	L-131	L-115; L-131 <u>U</u>
Medical services office	P	P	P	P	P	P	L-115; L-132 <u>P,</u> <u>L-169</u>
Office, business and administrative	P	P	P	P	P	P	L-111; L-115; L-132 <u>P,</u> <u>L-174</u>
Personal improvement services	L-117	L-117	L-117	L-117	L-117	L-109, L-117	L-115; <u>P,</u> L-133
Personal services	L-12	P	P	P	P	L-12	<u>P,</u> L-134
Printing and publishing services							
Commercial	–	–	U	P	P	–	<u>U,</u> <u>L-171</u>
Electronic	U	–	P	P	P	–	–
Limited	U	P	P	P	P	P	P
Recycling collection facility							

"EXHIBIT A" to Resolution No. 10079

Reverse vending machine	P	P	P	P	P	P	–
Recycling facility, small	Z	Z	Z	Z	Z	–	–
Recycling facility, large	–	–	U	U	U	–	–
Research and development services	P	–	–	P	P	L-109	–
Retail and wholesale sales							
General merchandise, retail and rental	L-13	P	P	P	P	P	L-135
Home improvement sales and service	–	P	L-136	P	P	–	–
Lumber and building material yard	–	–	–	L-112	L-112	–	–
Nursery	–	L-137	L-137	P	L-137	L-137	–
Mail order or direct selling establishment	–	P	P	P	P	–	–
Pawn shop	–	–	U	U	U	–	–
Retail warehouse	–	–	L-138	U	–	–	–
Secondhand appliance and clothing sales	–	U	U	U	U	L-139	L-139
School, commercial	L-117	L-117	L-117	L-117	L-117	L-109, L-117	L-110 U
Smoke Shop	–	L-165	L-165	L-165	L-165	L-165	L-165
Smoking Lounge	–	L-165	L-165	L-165	L-165	L-165	L-165
Vehicle/equipment sales and service							
Automobile and recreational vehicle repair, major	–	–	–	U	U	–	–
Automobile rental	L-14	L-14	L-14	P	P	L-14	–
Automobile repair, limited	–	–	U	P	P	–	–
Automobile sales	–	U	U	U	U	–	–
Automobile washing	–	–	–	U	U	–	–

"EXHIBIT A" to Resolution No. 10079

Recreational vehicle and mobile home sales	-	-	L-140	U	-	-	-
Service station	-	U	U	U	U	-	-
Vehicle storage	-	-	-	U	-	-	-
Visitor accommodations							
Bed and breakfast inn	U	P	P	-	-	P	U
Hotel	U	-	U	U	U	P	U
Motel	-	-	U	U	U	U	-
Warehousing and storage, limited	-	-	-	U	U	-	-
Industrial							
Food and drug processing	=	=	=	=	=	=	<u>U</u> , <u>L-172</u>
Industrial services							
Boatyard	-	-	-	-	-	L-113	-
Contractor	-	L-141	-	P	P	L-113	-
Equipment sales and rental	-	-	-	U	-	-	-
Manufacturing							
Custom	-	-	-	P	P	L-142	L-115, L-120, L-143 <u>U</u> , <u>L-173</u>
Transportation/distribution							
Commercial/personal transport service	-	-	-	L-112	L-112	L-112, L-113	-
Railroad terminal and switchyard	-	-	-	-	-	U	-
Truck terminal	-	-	-	-	-	L-112, L-113	-
Wharf	-	-	-	-	-	U	-
Wholesaling and storage							
Interior operation	-	-	-	U	U	P	-
With exterior storage	-	-	-	L-112	L-112	L-112, L-113	-

Accessory Uses							
Accessory uses	P	P	P	P	P	P	P
Accessory structures							
Caretaker's quarters	U	U	U	U	U	U	U
Nonresidential accessory structure	P	P	P	P	P	P	T, L-144
Temporary Uses							
Animal show	–	T	T	T	T	T	T
Christmas tree sales	T	T	T	T	T	T	T
Commercial entertainment	–	T	T	T	T	T	T
Commercial filming, limited	T	T	T	T	T	T	T
Farmers' market	–	T	T	T	T	T	T
Holiday boutique	–	P	P	P	P	P	T
Personal property sales	P	P	P	P	P	T	T
Real property sales	P	P	P	P	P	P	P
Religious assembly	–	T	T	T	T	T	T
Retail sales, outdoor	–	T	T	T	T	T	T
Rummage sales	T	T	T	T	T	T	T
Storage, outdoor	–	–	T	T	T	T	–
Trade fair	T	T	T	T	T	T	T

CO, CN, CC, CS, CSD, CW AND CP DISTRICTS – ADDITIONAL USE REGULATIONS

L-2	Publicly owned facilities permitted. Privately owned noncommercial facilities, including swim clubs or tennis clubs, shall be subject to a use permit.
L-3	Permitted subject to the provisions of Chapter 18.84 PMC, Article XVIII, except within overlay districts unless otherwise specified.
L-4	Subject to a use permit, the exterior walls of an adult business must be a minimum of 650 feet from the boundaries of a site occupied by a public or private school, general day care or park and recreation facility use classification, and a minimum of 1,000 feet from the exterior walls of another adult business.
L-5	Limited to tennis/racquetball courts of health/fitness clubs/gyms.

L-6	Limited to live performing arts theaters, subject to a use permit.
L-7	Limited to establishments occupying no more than 1,500 square feet of gross floor area and located within a multi-tenant building, subject to a use permit.
L-8	Use permit required except that establishments occupying tenant space within a multi-tenant building are permitted.
L-9	Limited to mortuaries, subject to a use permit.
L-12	Self-service laundries not permitted.
L-13	Limited to prescription pharmacies, subject to a use permit.
L-14	Use permit required for on-site parking of more than five vehicles for rent, and no on-site maintenance facilities are permitted.
L-27	Use permit required for establishments occupying more than 10,000 square feet of gross floor area or more than 50 percent of the floor area in a shopping center, whichever is less. Use permit required for on-site maintenance or outdoor storage of vehicles.
L-32	Use permit for private institutions; public schools permitted.
L-108	Permitted above or adjacent to ground floor office, restaurant or retail use on the same site, subject to design review. Projects with multifamily residential units above or adjacent to office, restaurant or retail uses on the same site are permitted an increase of up to 0.25 FAR over that allowed in the applicable base district; provided, that the residential floor area comprises no less than 25 percent and no more than 75 percent of the total square footage of building developed on site.
L-109	Permitted above ground floor level only.
L-110	Not permitted in the CP-1 area.* within ground floor tenant spaces adjacent to Railroad Avenue. Conditional use permit required for establishments within a facility capable of accommodating occupancy of 50 or more seated persons, as determined by Uniform Building Code standards. Otherwise, permitted in the CP-2 area.*
L-111	Bail bonds not permitted. Chamber of Commerce and government offices permitted on the ground floor. Real estate offices permitted in the CP-1 area*; provided, that no two real estate offices in the CP-1 area* are within 500 linear feet of each other.

L-112	Permitted; provided, that: (1) vehicles with gross vehicle weight in excess of 15,000 pounds, equipment, supplies or merchandise are stored indoors, or, if stored outdoors, are not visible from public right(s)-of-way by means of screening by a building or an eight-foot-tall masonry wall constructed prior to the establishment of the use, and (2) the city engineer has determined that deliveries to and from the site can be made safely and without disruption of circulation patterns or modification to the existing streets that provide access to the site. Use permit required for any use that does not meet all of these provisions.
L-113	Permitted only on sites located east of Harbor Street. Prohibited elsewhere.
L-114	Permitted when owned and operated by a public agency. All other public parking facilities require a conditional use permit.
L-115	<u>Not Permitted in the CP-2 area within above-ground floor tenant spaces adjacent to Railroad Avenue.</u>
L-116	Limited to ferry terminals, subject to a use permit.
L-117	Use permit required for establishments within a facility capable of accommodating an occupancy of 50 or more seated persons, as determined by Uniform Building Code standards. Otherwise permitted.
L-118	Use permit required for an establishment located in a multi-tenant building.
L-119	Permitted on the ground floor only if the entire storefront, to a minimum depth of 20 feet, is used for retail sales. For a bakery, the first 20 or more feet shall be used primarily for retail sales (i.e., as a counter area, display area, a seating area or general retail sales and display area). For an artist's or similar production studio, the first 20 or more feet shall be used primarily for retail sales and display of merchandise. Permitted, without limitation, above the ground floor.
L-120	Permitted in the CP-1 area* only if the entire storefront, to a minimum depth of 20 feet from the primary street (as determined by the city planner), is used for retail sales. The city planner may grant exceptions when the building is not conducive to the 20-foot requirement; provided, that a substantial amount of retail space, visible from the sidewalk, is provided. Where the preceding cannot be met, L-115 applies.
L-121a	Permitted in the CP-2 area.* Conditional use permit required in the CP-1 area.* In approving the use permit, the planning commission must find that the location of the proposed bank does not impede or discourage the flow of pedestrian traffic.
L-122	Digital imaging, media transfer, editing and similar post-production services permitted. Establishments offering other services require a use permit.
L-123	Indoor filming studios permitted. Use permit required for activities conducted outside of a building, including outdoor filming and outdoor storage.

L-124	Use permit or temporary activity permit required. The city planner shall determine which permit is appropriate depending on the specifics of the use.
L-125	Conditional use permit required for establishments occupying more than 2,500 square feet, or for establishments that sell any alcoholic beverages.
L-126	The provision of alcoholic beverages requires a conditional use permit for any restaurant if it will create "undue concentration" as defined in the Alcoholic Beverage Control (ABC) Act under Section 23958.4
L-127	Permitted for full-service restaurants with an active Alcoholic Beverage Control License. The restaurant must be operated and maintained as a bona fide eating place, which requires the actual and substantial sales of meals during the normal hours that they are open, at least five days a week. Actual and substantial food and meal sales must occur on site until at least two hours before closing. Conditional use permit required for self-service restaurants with full alcoholic service.
L-128	An outdoor dining permit is required for all outdoor dining activities.
L-129	Permitted for live or recorded music in full-service and self-service restaurants between the hours of 10:00 a.m. and 10:00 p.m.; provided, that the noise generated is not audible beyond the property line or lease space for the use. When the provisions above are not met, a conditional use permit or temporary activity permit is required.
L-130	Permitted in the CP-1 area* when Must be ancillary to a restaurant use on site, and provided no more than two (2) vehicles "automobiles," as defined within this code, are may be used to provide the catering service. The two vehicles shall only be noncommercial vehicles. "Noncommercial vehicles" do not include any vehicle larger than a minivan, sports utility vehicle or multipurpose vehicle. If catering is not ancillary to an existing restaurant use on site, L-109 applies and a maximum of two vehicles (may only be noncommercial vehicles) shall be used to provide the catering service. Otherwise, conditional use permit required.
L-131	Permitted only when the person has applied for and obtained a permit pursuant to the requirements of Chapter 5.64 PMC.
L-132	Permitted in the CP-1 area* when ground floor building exterior and the structure itself are not conducive to retail sales or eating and drinking establishments.
L-133	<u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue. Permitted in CP-2 area.*</u> Driving school classrooms and drivers' training permitted in the CP-2 area*; provided, that <u>are limited to no more than two training vehicles are used by the business, and those vehicles are must be stored off-street.</u>

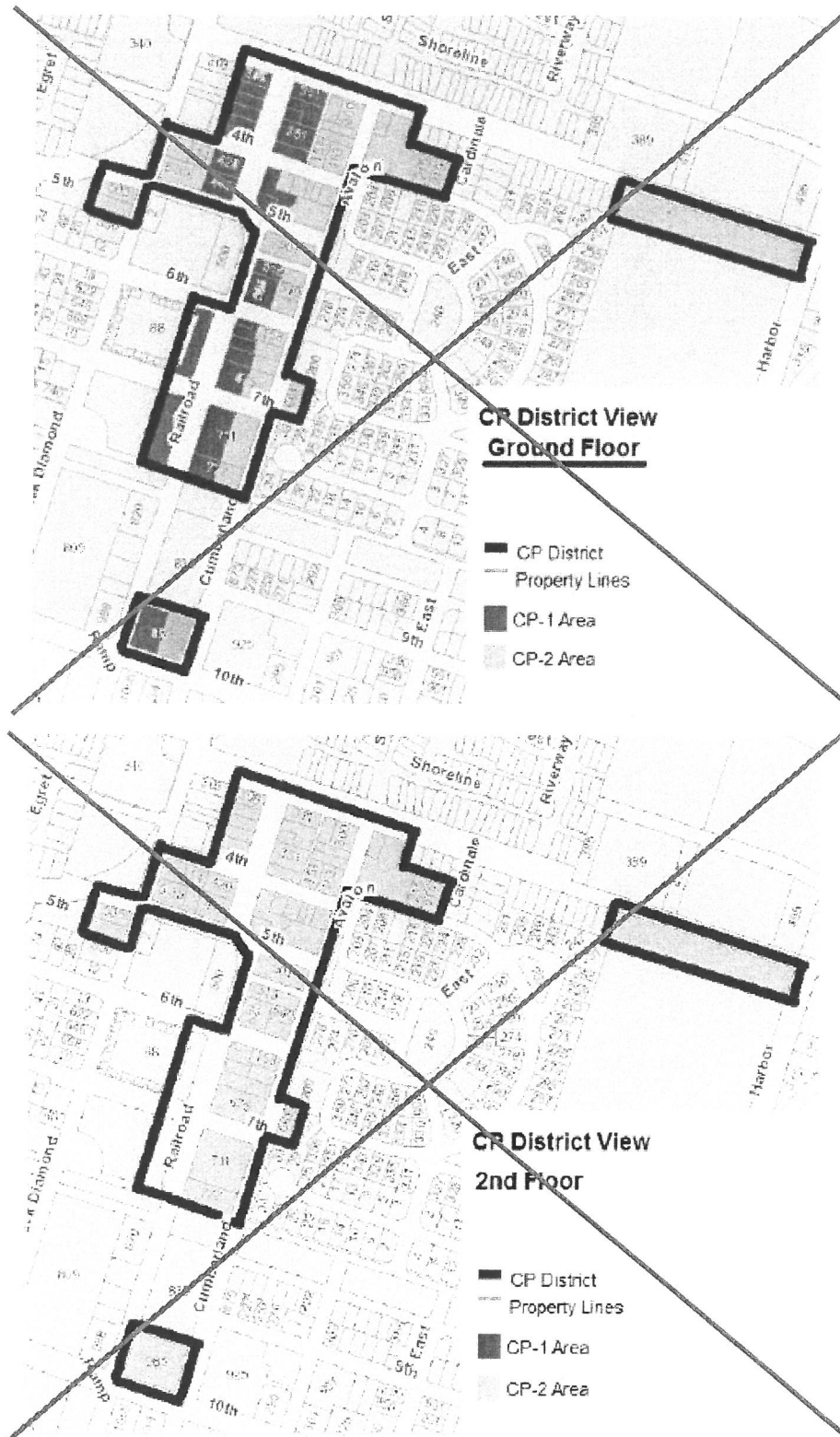
L-134	Permitted in CP-2 area.* <u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue. Self-service laundry not permitted within ground floor tenant spaces adjacent to Railroad Avenue, in the CP-2 area* and only permitted with a conditional use permit in other areas when ancillary to an eating or drinking establishment or indoor commercial entertainment. Self-service laundry prohibited in CP-1 area.*</u>
L-135	Major appliances, hospital and medical supplies and equipment, and automotive parts are not permitted. Furniture sales require a conditional use permit.
L-136	Permitted on sites designated regional commercial in the general plan. Elsewhere, use permit required for establishments occupying more than 75,000 square feet of indoor and outdoor retail space; establishments occupying less than 75,000 square feet of indoor and outdoor retail space are permitted.
L-137	Limited to establishments operating inside of a building.
L-138	Permitted only on sites with a general plan land use designation of regional commercial.
L-139	Limited to clothing consignment stores.
L-140	Limited to sales of recreational vehicles on properties with a general plan land use designation of regional commercial, and subject to a use permit.
L-141	Limited to janitorial and building maintenance services.
L-142	Permitted on sites located east of Harbor Street. Ceramic studio, candle-making and custom jewelry manufacturers are permitted on sites located west of Harbor Street; provided, that the use is located above the ground floor or, if located on the ground floor, that the entire storefront, to a minimum depth of 20 feet, is used for retail sales and display of merchandise.
L-143	Limited to ceramic studio, candle-making, and custom jewelry manufacture.
L-144	Parking structures permitted with design review approval.
L-165	Use permit required. Must be located at least 1,000 feet away from the property line of a school and front door of an existing smoke shop or smoking lounge. Appropriate air filtration systems shall be required for lounges if there are potential impacts to adjacent land uses.
L-166	Conditional use permit required, in the CP-1 area.* <u>In approving the use permit, the planning commission must make an additional finding that the use will support the goals of creating a vibrant, economically prosperous, visually interesting, and engaging pedestrian-oriented atmosphere along the primary downtown corridor.</u>

"EXHIBIT A" to Resolution No. 10079

<u>L-167</u>	<u>Conditional use permit required for establishments occupying more than 10,000 square feet of gross floor area and/or for on-site maintenance or outdoor storage of vehicles.</u>
<u>L-168</u>	<u>Permitted. Limited to tenant spaces less than 1,000 square feet.</u>
<u>L-169</u>	<u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue.</u>
<u>L-170</u>	<u>Limited to parcels maintaining a private surface parking lot. Drive-through entry or exit onto or off of Railroad Avenue is prohibited. Fast food uses prohibited.</u>
<u>L-171</u>	<u>Prohibited within ground floor tenant spaces adjacent to Railroad Avenue.</u>
<u>L-172</u>	<u>Limited to breweries, bottlers, wineries, and candy and/or dairy product manufacturing. Onsite tasting and/or retailing of products required.</u>
<u>L-173</u>	<u>Onsite retailing of products produced by the business required.</u>
<u>L-174</u>	<u>Conditional use permit required for ground floor tenant spaces adjacent to Railroad Avenue. Bail bonds prohibited.</u>

* See CP-1 and CP-2 area maps. The CP-1 and CP-2 area boundaries within the CP district are delineated in PMC 18.52.015.

18.52.015 CP-1 and CP-2 areas within the CP district.



**CITY OF PITTSBURG
PLANNING COMMISSION
STAFF REPORT**

ITEM: Recommendation on Zoning Text Amendments to Pittsburg Municipal Code Title 18 Related to the CP District, AP-17-1277 (RZ)

ORIGINATED BY: City of Pittsburg, 65 Civic Avenue, Pittsburg, CA 94565

SUBJECT: This is a public hearing on a City-initiated proposal to consider amendments to Title 18, "Zoning," of the Pittsburg Municipal Code (PMC) in order to consolidate the CP-1 and CP-2 sub-districts in order to provide more flexibility related to the allowable uses within the CP (Pedestrian Commercial) District. In addition, the proposal includes amendments to the specific findings necessary for approval of a use permit in the CP District, changes to land use classification definitions, as well as other minor changes intended to ensure consistency throughout Title 18.

RECOMMENDATION:

Staff recommends that the Planning Commission adopt Resolution No. 10079, recommending City Council approval of the proposed zoning text changes relating to the CP District.

BACKGROUND:

The CP District was established to provide a vibrant, pedestrian-oriented destination area that caters to shoppers and visitors in the downtown commercial core by providing inviting and visually interesting human-scale architecture, pedestrian-friendly storefronts, outdoor dining opportunities, and a limited number of (public) parking facilities (PMC section 18.52.005[B][7]). The vision for the CP District, which was originally created in 2006, was to have permitted uses on the ground floor along the primary corridor (Railroad Avenue) consist predominantly of pedestrian-oriented retail, entertainment, restaurants, and galleries, with office and residential uses permitted above/behind the ground floor and beyond the primary corridor to increase the downtown population and employment/shopper base without detracting from the ground floor retail synergy desired along Railroad Avenue. As such, the CP-1 and CP-2 sub-districts were established; the CP-1 District generally includes ground floor tenant spaces of buildings within the downtown corridor that maintain frontage along Railroad Avenue, while the CP-2 District includes all other tenant spaces within the CP District.

Since 2013, the Land Use Subcommittee has been discussing and reviewing potential options for modification of the CP District land use regulations to help decrease commercial vacancies in the downtown, and the City has previously taken steps to help reduce these vacancies. On August 7, 2017, the City Council adopted Ordinance No. 17-1435, expanding the allowable uses within the existing CP-1 District to include personal improvement services and personal services, subject to a conditional use permit and an added finding that the use would support the goals of creating a vibrant,

Planning Commission Staff Report

economically prosperous, visually interesting, and engaging pedestrian oriented atmosphere along the primary downtown corridor.

On September 18, 2017, the City Council, upon recommendation by the Subcommittee, voted to formally initiate a zoning study to consider a consolidation of the two CP sub-districts in order to provide more flexibility for potential downtown commercial tenants. On September 19, 2017, the Subcommittee met to review and discuss the potential zoning text amendments. The Subcommittee was provided an initial draft of the proposed amendments for consideration, and voiced general support for the proposal, subject to several minor edits. The modifications requested by the Subcommittee included: 1) allowing, “animal grooming,” and, “animal hospitals,” subject to a use permit; 2) allowing “bakery, commercial,” uses that maintain a retail component, subject to a use permit; and 3) allowing, “drive-through retail or service,” though prohibiting fast food services, subject to a use permit. Concern regarding allowing, “food and drug processing,” and its potential to allow for marijuana-related businesses, was also raised. Direction was given to staff to proceed with work associated with potential amendments to the PMC, subject to the requested modifications and concerns raised during the meeting.

On October 10, 2017, the Planning Commission conducted a study session to review the first draft of the proposed amendments. The Planning Commission supported the amendments drafted by staff, which included the Subcommittee’s recommendations, as well as minor modifications to the use classification definitions, including: 1) removing the provision allowing 48 hour animal boarding as part of the classification, “Animal grooming”; 2) adding the words, “tattoo and piercing,” to the classification, “Personal Services”; and 3) removing “wholesale bakery” from the classification, “Food and drug processing,” as this was deemed to be repetitive.

PROJECT DESCRIPTION:

Based on feedback previously gathered from the Commission and Subcommittee, staff is proposing changes which would help promote occupancy of vacant storefronts while maintaining a vibrant, pedestrian-oriented corridor (Attachment 2). The proposed amendments have been developed in consultation with the City’s Economic Development Department, as well as review of allowable uses in the nearby downtowns of Benicia, San Rafael, and Rohnert Park. In general, the updates staff are proposing at this time include:

1. Eliminating the mapped CP-1 and CP-2 Districts in favor of a more “form-based” approach in which tenant space design, size, location, and orientation along the primary downtown corridor would become the predominant factors in determining which uses are allowed downtown, and what potential zoning entitlements must be obtained.
2. Refining the types of uses that would be permitted within the CP District. Staff is proposing expanding the types of uses allowed within ground floor tenant spaces along Railroad Avenue (the current CP-1 area); most notably, this proposal would allow take

out restaurants as a permitted use, as well as offices (administrative, governmental, and medical types) and commercial and private schools upon approval of a use permit in these areas.

3. In all instances where use permits would be required to establish specific uses within any portion of the CP District, an additional finding would be required to be made in which the Planning Commission determines the use would support the goals of creating a vibrant, economically prosperous, visually interesting, and engaging pedestrian oriented atmosphere along the primary downtown corridor.

4. Minor edits to the use classification definitions of “Animal grooming,” “Personal Services,” and “Food and drug processing,” as well as other minor changes intended to ensure consistency throughout Title 18.

GENERAL PLAN/CODE COMPLIANCE:

General Plan: The proposed amendments would be consistent with the objectives, policies, general land uses, and programs in the General Plan, as they relate to the downtown. The boundaries of the CP zoning district are located within the “Downtown” subarea, and includes land located within two different General Plan land use categories: Downtown Commercial and Mixed Use. The ‘Downtown Commercial’ land use designation is intended for uses such as retail, restaurants, offices, financial institutions, and other businesses serving the daily needs of downtown residents, while the ‘Mixed Use’ land use designation is intended to allow for greater flexibility of land uses.

In addition, the following General Plan policies from the Land Use and Downtown Elements provide direct support for the proposal as presented, and are included in the added use permit finding related to furthering a pedestrian oriented atmosphere in the downtown core:

- 2-P-32 & 5-P-3 (same policy repeated in two places): “Concentrate all Downtown Commercial activity—which includes specialty retail, professional offices, personal services, entertainment and other uses along the Railroad Avenue corridor.”
- 5-P-5: “Pursue the development and promotion of cultural activities and facilities, such as museums, meeting halls, community theatres, public art galleries and shows, located within the Commercial Core.”
- 5-P-6: “Encourage property owners in the Commercial Core to utilize ground-level storefronts for retail and pedestrian-oriented commercial activities (for example, restaurants, boutiques, and personal services).”
- 5-P-38: “Encourage developers to orient exterior design elements of Commercial Core structures toward pedestrians (for example, large display windows on street frontage, weather coverings over entryways), and extend the historical flavor of

Planning Commission Staff Report

architectural features within the New York Landing Historical District to the intersection of Railroad Avenue and Tenth Street.”

Zoning: California Government Code sections 65853 – 65855, and PMC sections 18.48.010 – 18.48.060, identify the procedures for processing zoning amendments. As identified in these code sections, the Planning Commission is the recommending body for zoning changes, with final decision-making authority assigned to the City Council.

Pursuant to PMC Section 18.16.020 and 18.48.030, specifically, the Planning Commission shall include written findings to support any recommendation it makes to the City Council to amend the Municipal Code.

Required Findings: In order to recommend approval of an amendment to the Zoning Ordinance, the Commission must find (in accordance with PMC Section 18.48.030) that:

1. The changes proposed are consistent with the objectives, policies, general land uses, and programs specified in the General Plan.
2. In the case of a base district, the change proposed is compatible with the uses authorized in, and the regulations prescribed for, the land use district for which it is proposed.
3. A community need is demonstrated for the change proposed.
4. Its adoption will be in conformity with public convenience, general welfare and good zoning practice.

Environmental: This project is exempt from the requirements of the California Environmental Quality Act under the general rule of applicability of the state CEQA Guidelines, section 15061, in that there is no possibility that the activity in question would have a significant negative physical impact on the environment. The amendments proposed are procedural in nature, and the land use classifications that would potentially be permitted within tenant spaces adjacent to Railroad Avenue (in general, the existing CP-1 District) are already allowable uses within separate portions of the same building, and would not result in any new impacts beyond those that could exist without the change, specifically as they may relate to aesthetics, air quality, transportation, noise, hazards, utilities and/or public services. Uses which are not currently allowed within the CP District and are proposed to be added would be subject to approval of a use permit, at which time impacts resulting from the establishment of any potential use would be further reviewed once more details are made available.

The proposed minor edits to the use classification definitions of “Animal grooming,” “Personal Services,” and “Food and drug processing,” would not substantially alter the types of uses classified within these definitions, and would therefore not result in any new impacts beyond those that could exist without the change. The remaining minor

changes intended to ensure consistency throughout Title 18 would also not significantly affect the types of uses permitted within any area of the City.

Public Notice: On or prior to November 4, 2017, notice of the November 14, 2017, public hearing to consider this application was posted at City Hall and on the 'public notices' page of the City's website; was delivered to the Pittsburg Library; was published in the local newspaper (East Contra Costa County Times); and was mailed via first class mail or electronic mail to interested parties and individuals and organizations that requested such notice, in accordance with PMC sections 18.14.010, and Government Code section 65091.

ANALYSIS:

Since the CP District was implemented in 2006, the City has seen growth in the restaurant industry throughout the downtown core, along with several recreational and entertainment amenities, including the construction of a new downtown park with space for events and community gatherings, and restoration of the California Theater. However, there still has been little to no successful retail growth, and there remains a number of prime tenant spaces along Railroad Avenue that have been vacant for many years.

During its September meeting, the Land Use Subcommittee noted the shift which has occurred within the retail marketplace, as online retailers such as Amazon, Target, and Walmart continue to thrive, while reducing the desire and marketability of brick-and-mortar retail storefronts. A recent USA Today report notes that 19 major retailers, including Toys-R-Us, RadioShack, and Payless Shoesource, have filed for bankruptcy in 2017 alone (Attachment 4). This is indicative of the fact that the retail market in Downtown Pittsburg is not likely to be as successful as originally anticipated in any near term. For this reason, the City Council initiated a zoning study to further revisit the CP District land use regulations, and explore expanding the types of uses that are permitted, or conditionally permitted.

The basic building blocks for a successful downtown generally include: 1) historical context; 2) civic life; 3) urban form; and 4) a mix of commercial activity. These components foster a good mix of pedestrian activity and engagement, which is one of the biggest and arguably most important indicators of a successful downtown. Pittsburg's downtown already includes most of these components; however, the question of how to achieve a proper mix of commercial activity without a strong retail base remains. Smart Growth America (SGA), a national organization dedicated to bringing smart growth principles such as walkable and vibrant corridors to more communities, has identified the activation of empty storefronts as a key ingredient in attracting retail or other economic growth. Per SGA's "(Re)Building Downtown, A Guidebook for Revitalization," filling in empty lots and vacant storefronts creates a cycle in which a more interesting, complete walking experience draws more pedestrian traffic, which helps to support on-street businesses, which draws more pedestrians, and so on. On the other hand, gaps or voids along the sidewalk that interrupt the continuity of the

Planning Commission Staff Report

experience discourages pedestrian participation and undermines a downtown's vitality. With this in mind, the Planning Commission is being asked to recommend potential zoning changes (Attachment 2) that may help the downtown flourish without a strong retail base.

Staff believes that if the City continues to place more of an emphasis on tenant space design, size, location, orientation, and pedestrian interaction along the primary downtown corridor, the goal of creating a vibrant activity center can be met without relying solely on traditional retail activities. To support this approach, staff believes that the Planning Commission should consider providing additional flexibility in the types of uses that could locate into the CP District, provided they add to the vibrant, visually interesting, and engaging pedestrian-oriented environment that the City is striving to achieve within the downtown core. These requirements would ensure appropriate control and oversight related to new, and perhaps non-traditional, downtown core uses, while also fostering creativity from the business owners by requiring them to engage more actively with their immediate surroundings, including the existing built environment.

ACTION REQUIRED:

Move to adopt Resolution No. 10079, recommending City Council approval of the proposed zoning text changes relating to the CP District.

ATTACHMENTS:

1. Proposed Resolution No. 10079
2. Proposed Resolution Exhibit A - Proposed PMC Changes
3. CP District Map
4. USA Today Article, "Retail chains filing for bankruptcy protection in 2017"
5. Public Hearing Notice

Prepared by: Jordan Davis, AICP, Associate Planner

Attachment 3: CP District Map

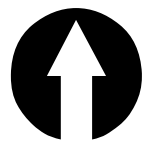


Legend

Zoning Classification



CP





City of Pittsburg

Community Development Department – Planning Division

65 Civic Avenue, Pittsburg, CA 94565 | Tel: (925) 252-4920 | Fax: (925) 252-4814

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the **CITY COUNCIL** of the City of Pittsburg will conduct a public hearing on:

DATE: December 18, 2017
TIME: 7:00 p.m.
PLACE: City Council Chamber at City Hall
65 Civic Avenue, Pittsburg, California

Concerning the following matter:

Introduction and Waive First Reading of an Ordinance Amending Title 18 of the Pittsburg Municipal Code Related to the CP District, AP-17-1277 (RZ).

This is a public hearing on a City-initiated proposal to consider amendments to Title 18, "Zoning," of the Pittsburg Municipal Code (PMC) to consolidate the CP-1 and CP-2 sub-districts in order to provide more flexibility related to the allowable uses within the CP (Pedestrian Commercial) District. In addition, the proposal includes amendments to the specific findings necessary for approval of a use permit in the CP District, changes to land use classification definitions, as well as other minor changes intended to ensure consistency throughout Title 18.

On November 14, 2017, the Planning Commission held a public hearing and subsequently adopted Resolution No. 10079, recommending approval of the proposed amendments.

PROJECT PLANNER: Jordan Davis, (925) 252-4015 or jdavis@ci.pittsburg.ca.us

Why am I receiving this notice? You are receiving this notice because you have either previously requested notifications from the Planning Division, or a project has been proposed in your neighborhood and all property owners within a minimum 300-foot radius of the project site are required to be notified under the Pittsburg Municipal Code.

Where can I get more information about this project?

The complete file for this project is available for public inspection at the Planning Division, weekdays during the hours of 8:00 AM to 12:00 PM and 1:00 PM to 5:00 PM. You can also find out more about the project by contacting the project planner listed above.

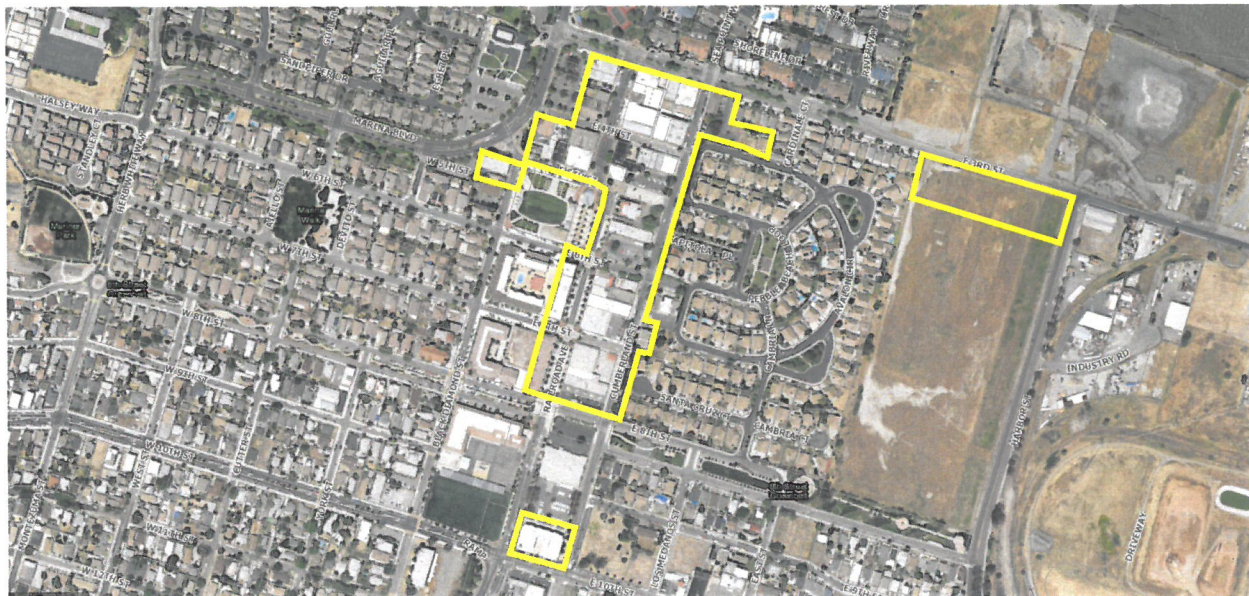
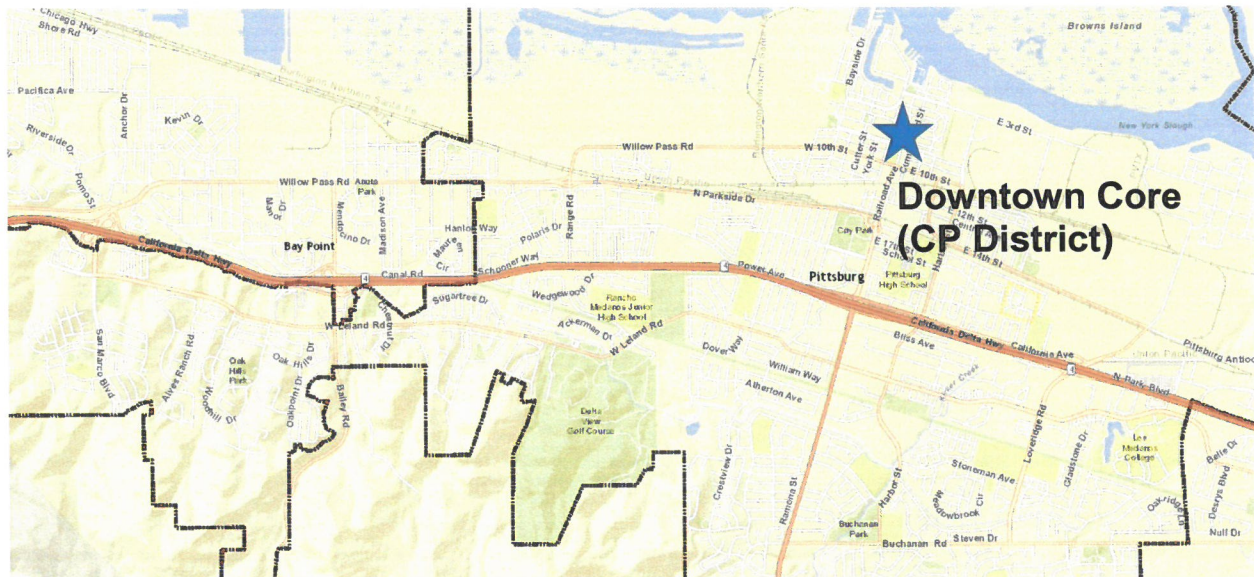
What can I do if I have comments on the project?

Comments or objections to the project can be made by writing or through oral testimony during the public hearing. Written comments citing the project name may be emailed to the project planner listed above, or may be mailed or delivered to: Pittsburg Planning Division, 65 Civic Avenue, Pittsburg, CA 94565. You may also register your comments or objections by attending the public hearing on the date and time listed above.

Pursuant to Section 65009 of the California Government Code, if you challenge this matter in court, you may be limited to those issues you or someone else raised at the public hearing described in this notice, or in written correspondence on the matter delivered to this agency at, or prior to the public hearing. Any written correspondence delivered to the Planning Division before the hearing body's action on the matter will become a part of the administrative record.

ALICE E. EVENSON, CITY CLERK
CITY OF PITTSBURG

Location: Downtown Pittsburg (see map below)





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

DATE: 11/15/2017
TO: Mayor and Council Members
FROM: Joe Sbranti, City Manager
SUBJECT: Adoption by Minute Order of Council Member Committee Assignments for 2018
MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

In accordance with the City of Pittsburg "Policies and Procedures for the City Council" adopted by the City Council on September 4, 2001 by Resolution No. 01-9475, the Mayor and Vice-Mayor shall appoint individual Council Members to standing and ad hoc committees and such appointments shall be approved by the entire Council at its first meeting following reorganization.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Adopt by Minute Order the City Council Committees - 2018 attached as Exhibit A.

BACKGROUND

California Government Code Section 36813 authorizes a City Council to establish rules and policies for the conduct of its proceedings. On September 4, 2001, the City Council adopted Resolution No. 01-9475 providing for rules and procedures for the conduct of Council business.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

In accordance with the rules and procedures, the Mayor and Vice-Mayor shall appoint individual Council Members to the standing and ad hoc committees. Prior to the appointments, individual Council Members may submit preferences for committee assignments. The list of appointments is then presented to the City Council for consideration at the first meeting following the annual reorganization.

Mayor Longmire and Vice-Mayor Evola submit the proposed assignments set forth in Exhibit A for Council consideration and recommend adoption of the committee assignments for 2018.

Pursuant to Section 18705.5 of Title 2 of the California code of Regulations, an updated FPPC Form 806, "Agency Report of Public Official Appointments" has been posted on the City's website as well as on the board at City Hall.

ATTACHMENTS: Exhibit A - City Council Committees - 2018

Report Prepared By: Alice E. Evenson, City Clerk

City Council Outside Agency / Liaison / Sub-Committees Assignments - 2018

Updated December 18, 2017

OUTSIDE AGENCY BOARDS

ABAG
SF Bay Regional Water Quality Board
Contra Costa County Fire Dist.
Delta Diablo**
East Co.Co.County Habitat Conservancy
East County Water Management
MCE Clean Energy Board
TRANSPLAN / ECCRFFA
Tri-Delta Transit (2 reps)***

COUNCIL MEMBER(S)

Merl Craft / Pete Longmire Alternate
Merl Craft / Pete Longmire Alternate
Pete Longmire / Jelani Killings Alternate
Pete Longmire / Juan Banales Alternate
Sal Evola / Juan Banales Alternate
Merl Craft / Pete Longmire Alternate
Juan Banales / Pete Longmire Alternate
Sal Evola / Juan Banales Alternate
Pete Longmire& Merl Craft / Jelani Killings Alt.

TYPE

Standing
Standing
Standing
Standing
Standing
Standing
Standing
Standing
Standing

MEETS

Annual
As needed
2nd Monday
2nd Wednesday
Monthly
Annual
4 Per Year
2nd Thursday
Last Wednesday

STAFF

J. Sbranti
J. Sbranti
J. Sbranti
F. McKinley
K. Pollot
F. McKinley
G. Evans
J. Hecht
J. Hecht

LIAISON TO

East Bay League of Calif. Cities
Mayor's Conference
School Districts Committee

COUNCIL MEMBER(S)

Sal Evola / Merl Craft Alternate
Pete Longmire / Sal Evola Alternate
Merl Craft &Jelani Killings / Juan Banales Alt.

TYPE

Standing
Standing
Standing

MEETS

3rd Thursday
1st Thursday
4th Thursday even
months

STAFF

*Rotational
J. Sbranti/G. Evans
J. Sbranti

SUBCOMMITTEES

CAC/CDBG
Concord Hills Working Group
Pittsburg Recognition Committee
Economic Develop/Waterfront Subcommittee
Finance Subcommittee
Land Use Subcommittee
Local Contracting & Preference Policy
Pittsburg Arts & Community Foundation
Pittsburg Police Activities League (PAL)
Power Company Advisory
Sister City Committee
Successor Agency Subcommittee

COUNCIL MEMBER(S)

Juan Banales & Jelani Killings / Pete Longmire Alt.
Sal Evola & Juan Banales / Merl Craft Alt.
Merl Craft / Pete Longmire Alt.
Pete Longmire &Juan Banales / Sal Evola Alt.
Sal Evola & Pete Longmire / Merl Craft Alt.
Sal Evola &Juan Banales / Merl Craft Alt.
Merl Craft & Sal Evola
Merl Craft& Jelani Killings / Pete Longmire Alt.
Juan Banales & Pete Longmire / Killings Alt.
Pete Longmire & Juan Banales / Merl Craft Alt.
Sal Evola&Merl Craft/ Pete Longmire Alt.
Merl Craft &Jelani Killings / Pete Longmire Alt.

TYPE

Standing
Ad Hoc
Ad Hoc
Standing
Standing
Ad Hoc
Ad Hoc
Standing
Standing
Ad Hoc
Standing

MEETS

As needed
As needed
As needed
Quarterly
As needed
As needed
As needed
As needed
Monthly
As needed
As needed
As needed

STAFF

M. Aliotti
J. Sbranti
J. Hecht
G. Evans
B. Farmer
K. Pollot
J. Sbranti
J. Sbranti
B. Addington
G. Evans
G. Evans
M. Aliotti

*Rotational Staff as assigned by City Manager

**Stipend of \$209 per month

***Stipend of \$100 per month



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

DATE: 12/7/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Approve the Freeway Security Network Project, Allocate Grant Funds and Authorize the City Manager to Execute a Contract for the Project

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The City's 2016 project to install video cameras and license plate readers on State Route 4 has inspired neighboring communities to partner together to install cameras and other technology on segments of State Route 4 and U.S. Route 80 within Contra Costa County. The California Department of Transportation (Caltrans) has requested the City act as lead agency for the partnership, and has offered a grant up to \$3.5 million to defray project costs.

FISCAL IMPACT

The resolution, if approved, will authorize the City Manager to negotiate and execute an agreement for the City's participation in a multi-jurisdictional Freeway Security Network Project, and allocation of up to \$3.5 million in funds the City will receive from the State of California, as administered by Caltrans, to a Project Fund to pay eligible expenses related to the design and construction of the project. The project will be cost-neutral to the City.

RECOMMENDATION

City Council adopt the attached resolution approving the Freeway Security Network Project, authorizing the City Manager to negotiate and execute an agreement for the City's participation in the Project, allocating up to \$3.5 million the City expects to receive from the State of California to a project fund to pay expenses related to design and construction of the project, and directing staff to file a Notice of Exemption from CEQA review for the Project.

BACKGROUND

Since 2015, law enforcement agencies in Contra Costa County have noted an increase in freeway shootings, with numerous incidents on State Route 4 between Antioch and Richmond, and the Hilltop area near U.S. Route 80. Most of these incidents have been attributed to gang violence, and a number have led to injuries or deaths.

On May 16, 2016, the City Council approved Resolution 16-13188 to approve the 2016 Security Camera Project and allocate \$100,000 in City funds for installation of video cameras for police to view activities on State Route 4.

Staff quickly assembled a team with Caltrans, Bay Area Rapid Transit District (BART) and BART Police to expedite the installation of 14 cameras and six automated license plate readers (LPRs) to monitor eastbound and westbound traffic on State Route 4.

The project drew key support from State Assemblyman Jim Frazier, chair of the Transportation Committee, and Contra Costa County Supervisor Federal Glover, and financial support from the East Contra Costa County Regional Fee and Financing Authority and Contra Costa County.

City staff and Caltrans developed specifications for video cameras that were effective for police, were securely installed, and did not interfere with drivers or road facilities. The team identified locations in Pittsburg where cameras and license plate readers could view five eastbound and five westbound lanes. If a vehicle was “wanted” in a law enforcement data base, a signal would sound in Pittsburg police vehicles.

Caltrans provided the overnight freeway closure so the City’s cameras could be installed over the July 4th weekend, approximately 60 days after the City Council’s initial action.

To date, the City’s cameras and license plate readers on State Route 4 have captured over 42.3 million images of the license plates of vehicles traveling through the city. This technology has also resulted in 160 arrests and assisted in the recovery of 162 stolen vehicles. Data from the City’s system has also directly aided investigations and led to arrests by police in Antioch, Concord, the Contra Costa County Sheriff’s Department and the California Highway Patrol.

Tragically, shootings and other dangerous incidents continue to occur along freeways outside of Pittsburg, and have resulted in property damage, injuries and loss of life.

In May 2017, at the urging of local law enforcement and elected officials from west Contra Costa County, state officials agreed to provide financial support for a regional project to install cameras and other technology along State Route 4 and U.S. Route 80.

In October 2017, the California Highway Patrol, Contra Costa County Sheriff’s Office, Contra Costa County District Attorney’s Office, Caltrans, and police in Pittsburg, Antioch, Hercules, Pinole, Richmond and San Pablo, signed a Memorandum of Understanding (MOU) to work together to install a regional Freeway Security Network.

The project is considered exempt from CEQA review under Class 1 ‘Existing Facilities,’ CEQA Guidelines Section 15301, subsection F, which exempts the “addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices.” The cameras and related devices will be added to existing freeway

signage structures for the exclusive use by law enforcement for public safety purposes, and will use electrical connections using existing conduit lines.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The MOU signed by various law enforcement agencies is intended to address freeway shootings on U.S. Route 80 from Richmond to Hercules, and on State Route 4 between Hercules and Antioch.

The aim of the group is construction of a Freeway Security Network of cameras, license plate readers and Shotspotter technology, which can help police determine the location of a gunshot based on sound. The project also includes a “backbone” of wireless technology to receive, transmit and share data across the various agencies.

The data will be owned and shared by local law enforcement, who will also work together to secure funds for maintenance of the equipment over time. The MOU is attached to this report.

The City Manager and staff are in contact with Caltrans and other local law enforcement regarding an agreement with Caltrans for administration and coordination of the project, including acceptance of up to \$3.5 million in funds over three years for its design and construction.

If approved, the City Engineer will apply the City’s experience with its 2016 camera project to the larger public safety project, coordinating activities across agencies, including Caltrans, and executing agreements with various vendors to program, install and bring power to equipment at locations in Antioch, and in or near San Pablo and Richmond.

ATTACHMENTS: Resolution
Memorandum of Understanding

Report Prepared By: Fritz McKinley, Director of Public Works/City Engineer
Brian Addington, Chief of Police

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution to Approve the Freeway)
Security Network Project, Allocate)
Funds and Authorize the City Manager)
To Execute a Contract for the Project)

RESOLUTION NO. 17-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, on May 16, 2016, in response to a request from the Chief of Police, the City Council approved Resolution 16-13188 to approve the 2016 Security Camera Project and allocating \$100,000 in City funds for installation of video cameras for police to view activities on State Route 4; and,

WHEREAS, to date, the City's cameras and license plate readers on State Route 4 have captured over 42.3 million images of the license plates of vehicles traveling through the city, and resulted in 160 arrests and assisted in the recovery of 162 stolen vehicles; and,

WHEREAS, in May 2017, at the urging of local law enforcement and elected officials from west Contra Costa County, state officials agreed to provide financial support for a regional public safety project to install cameras and other technology along State Route 4 and U.S. Route 80 in response to a rash of gang-related shootings; and,

WHEREAS, in October 2017, the California Highway Patrol, State of California Department of Transportation (Caltrans), Contra Costa County Sheriff's Office, Contra Costa County District Attorney's Office, and police in Pittsburg, Antioch, Hercules, Pinole, Richmond and San Pablo, signed a Memorandum of Understanding to work together to install a regional Freeway Security Network; and,

WHEREAS, the project is considered exempt from CEQA review under Class 1 '*Existing Facilities*,' CEQA Guidelines Section 15301, subsection F, which exempts the "addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices;" and,

WHEREAS, Caltrans has requested the City of Pittsburg to serve as the lead agency for the Freeway Security Network, and provide staff support from its City Engineer and Police Department to implement the Project; and,

WHEREAS, Caltrans, has offered a grant of up to \$3.5 million over three years to design, construct and otherwise defray the expenses related to the Project, which will be cost-neutral to the City.

NOW, THEREFORE, the City Council finds and determines as follows:

- Section 1. The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.
- Section 2. The City Manager or his designee is authorized to negotiate and execute all necessary agreements with Caltrans, vendors and other agencies as appropriate to implement the Project consistent with the City Council's direction and the limitations of the Caltrans grant of funds.
- Section 3. The Freeway Security Network Project is approved and allocation of funds to be received from the State of California in an amount up to \$3.5 million, for a total project budget of \$3,500,000, is also approved. The Project Account will be limited to expenses related to the Freeway Security Network Project.
- Section 4. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December, 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwayne "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk



OFFICE OF THE DISTRICT ATTORNEY
CONTRA COSTA COUNTY

DISTRICT ATTORNEY

MEMORANDUM OF UNDERSTANDING

FREEWAY SECURITY NETWORK

The parties to this agreement are the **California Highway Patrol (CHP)**, the **California Department of Transportation (Caltrans)**, the **Contra Costa County District Attorney's Office**, and the **Local Law Enforcement Agencies** adjacent to Freeway Security Network.

The goal of this agreement is to address freeway shootings on Highway 80 from Richmond to Hercules and on State Route 4 from Pittsburg to Antioch by installing the regional **Freeway Security Network, a three year pilot project**. The **Freeway Security Network** will provide law enforcement with real-time access to investigative leads in the freeway shootings through the deployment of **cameras, license plate readers, Shotspotter** technology, a wireless backbone, and associated system hardware with the goal of reducing the level of gun violence on Contra Costa County freeways.

To attain this goal, the parties agree:

1. The State will provide funding for the Freeway Security Network three year pilot project including installation and system operation as further defined in a cooperative agreement;
2. Local Law Enforcement Agencies will own the system, work collaboratively with the City of Pittsburg Public Works Department to provide the electrical power required for the Freeway Security Network and complete any Encroachment Permit Applications required for the Freeway Security Network;
3. Caltrans will work with the system installers and the City of Pittsburg Public Works Department to obtain the required encroachment permits and will review the engineering involved in the installation of the system on the freeways;

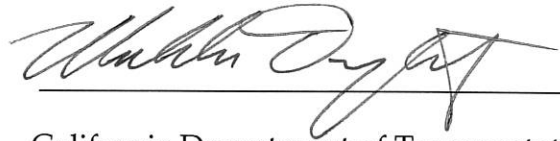
4. The State agrees to fund the annual subscription and remote maintenance costs as set forth in the project proposal by Odin System and Shot Spotter for three years. Local Law Enforcement Agencies, CHP and the District Attorney's Office will assume responsibility for ensuring that the Freeway Security Network is properly maintained during this three year period;
5. All parties to this agreement will research and apply for local, state and federal funding for the subscription and remote maintenance costs of the Freeway Security Network to supplant the State's commitment to fund the system for year two and three of the pilot;
6. Upon installation, the Pittsburg Police Department agrees to operate and manage the Freeway Security Network through its Command Center for the duration of the three year Pilot Project and will work with Local Law Enforcement Agencies, the CHP and other government officials as appropriate to provide information regarding criminal investigations;
7. The California Highway Patrol, in collaboration with the Contra Costa County District Attorney's Office, Caltrans and the Local Law Enforcement Agencies, will take the lead in preparing and submit a fiscal year report to the California State Transportation Agency (CalSTA) which details the productivity of the Freeway Security Network in the investigation of freeway shootings, the recovery of felony vehicles, in Amber Alerts, in outside assists in criminal investigations and all other relevant data.
8. This agreement shall remain in effect for three years and may be amended or extended by further written agreement of the parties.

Memorandum of Understanding
Freeway Security Network | Revised October 2017

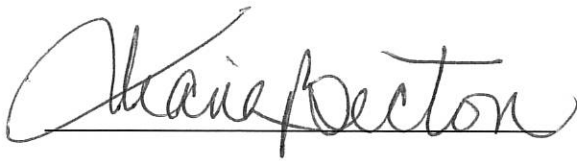
DATED:

A handwritten signature in black ink, appearing to read "W.A. Stanley", written over a horizontal line.

California Highway Patrol

A handwritten signature in black ink, appearing to read "Walter Dyer", written over a horizontal line.

California Department of Transportation

A handwritten signature in black ink, appearing to read "Marie Becton", written over a horizontal line.

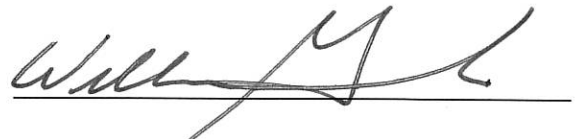
Contra Costa County District Attorney

A handwritten signature in black ink, appearing to read "Tammy Bess", written over a horizontal line.

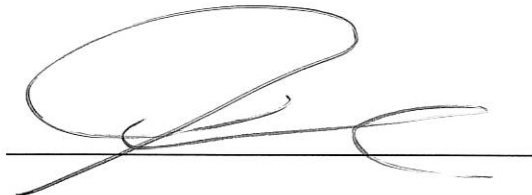
Antioch Police Department

A handwritten signature in black ink, appearing to read "D. Smith", written over a horizontal line.

Contra Costa County Sheriff's Office

A handwritten signature in black ink, appearing to read "William Y. L.", written over a horizontal line.

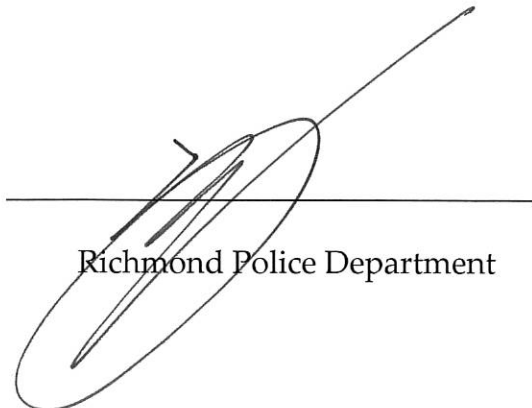
Hercules Police Department

A handwritten signature in black ink, appearing to read "Pinole", written over a horizontal line.

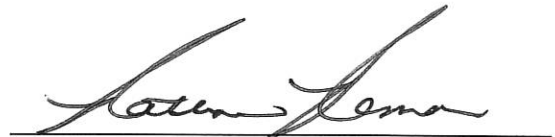
Pinole Police Department

A handwritten signature in black ink, appearing to read "Brad Anderson", written over a horizontal line.

Pittsburg Police Department

A handwritten signature in black ink, appearing to read "Richmond", written over a horizontal line.

Richmond Police Department

A handwritten signature in black ink, appearing to read "San Pablo", written over a horizontal line.

San Pablo Police Department

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

DATE: November 6, 2017

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

CITY COUNCIL/AGENCY MEMBERS

Marilyn Craft, Mayor/Chair
Dwayne "Pete" Longmire, Vice-Mayor/Chair
Sal Evola, Council/Agency Member
Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
Michelle King, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS

Joe Sbranti, City Manager/Executive Director
Ruthann Ziegler, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Mayor Craft called the meeting of the City Council to order at 7:19 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, CA after convening at 6:00 P.M. in Closed Session for the following items:

Special Closed Session Only Meeting:

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION FOR THE CITY OF PITTSBURG (Paragraph (1) of subdivision (d) of Section 54956.9):

Nevarez v. City of Pittsburg, U.S. District Court, Northern District of CA, Case No. 3:17-cv-02791-CRB

Originally Scheduled Closed Session:

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Pursuant to Section 54956.8):

Property: 14 Alturas; Negotiators for the City: Joe Sbranti and Maria Aliotti; Negotiating Parties: BARIC Services LLC; Under negotiation: both price and terms of payment

Property: 16, 45, 70, and 78 Alturas; Negotiators for the Successor Agency: Joe Sbranti and Maria Aliotti; Negotiating Parties: BARIC Services LLC; Under negotiation: both price and terms of payment

Property: 345, 172, and 463 W. 10th Street, 1062 Beacon Street, 242 Diane Avenue, and 2111 Marsh Avenue; Negotiating Parties for the Successor Agency: Joe Sbranti and Maria Aliotti; Negotiating Parties: Galloway Properties LLC; Under negotiation: both price

and terms of payment

3. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION FOR THE CITY OF PITTSBURG (Paragraph (1) of subdivision (d) of Section 54956.9):

Genon Energy, Inc. Chapter 11, US Bankruptcy Court for the Southern District of Texas, Houston Division, Case No. 17-33695(DRJ)

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Section 54957):

City Attorney
City Manager

Mayor Craft stated that in Closed Session, the Council unanimously voted to authorize legal counsel to file a cross-complaint as to a co-defendant in Nevarez vs. City of Pittsburg.

ROLL CALL

All Members were present.

PLEDGE OF ALLEGIANCE

Chief Addington led the Pledge of Allegiance.

CITY MANAGER REPORTS/REMARKS

City Manager Sbranti announced upcoming events throughout the City for the holidays.

CITIZENS REMARKS

David Arneson, Danville, on behalf of the developer for a project on Alturas Avenue, questioned the scheduling update for the project.

Ron Leone, Concord, announced he was running for County School Superintendent.

Jim Huntze, Contra Costa Fire Battalion Chief, gave a brief update on recent activities.

Corrine Clark, Pittsburg, announced the opening of a Montessori School startup in the City of Pittsburg.

PUBLIC HEARING

6. Adoption of a City Council Resolution to Amend Water Rates

Mayor Craft opened the Public Hearing.

Pat Byrne, Pittsburg, suggested a possible system whereby water bills could be spread out in a balanced payment plan which would help users during high usage times.

There being no one to speak further to the item, the Public Hearing remains open until January 16, 2018.

CONFLICT OF INTEREST STATEMENT

Mayor Craft stated she would recuse herself from Item 8 due to her financial interest.

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

On motion by Member Evola, seconded by Member Banales, to adopt and carried unanimously.

7. Minutes of November 6, 2017
8. Adoption of a Resolution Authorizing an Application to the Environmental Protection Agency for Job Training Funds for the Benefit of Future Build
9. Adoption of Four City Council Resolutions to Find Developers in Compliance with their Respective Development Agreements for: San Marco, Trans Bay Cable, Greystone Place, and Belle Harbor
10. Adoption of a City Council Resolution to Approve a Reclassification
11. Adoption of a City Council Resolution to Authorize Agreement with Teamsters Local Union No. 856 Health and Welfare Trust Fund
12. Adoption of an Ordinance to Reauthorize Section 5.30.040 of the Pittsburg Municipal Code Imposing a Public, Educational, and Government (PEG) Fee on State Cable Franchisees Operating Within the City
13. Receive and File the Treasurer's Report for the Quarter Ending September 30, 2017
14. Adoption of a City Council Resolution to Accept Grant Funds from Keller Canyon Mitigation Fund for Recreation Programs
15. Adoption of a City Council Resolution Approving the Terms and Conditions of Employment for Employees in the Pittsburg Police Managers Group for the Period July 1, 2017–June 30, 2020

COUNCIL MEMBER REPORTS/REMARKS

Member Killings participated in the building of the new play structure at City Park as well as painting and general cleanup of the area. He thanked Kaboom, First Five, Kaiser

Permanente and City staff involved. He also commented on the Youth Empowerment Group that was assembled in City Hall today.

Mayor Craft also commented on the Youth Empowerment Group kick-off meeting and looked forward to more successful exchanges with Pittsburg youth.

ADJOURNMENT

The City Council meeting was adjourned at 7:50 P.M. to December 4, 2017.

Respectfully submitted,

Alice E. Evenson, City Clerk

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

DATE: December 4, 2017

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

CITY COUNCIL/AGENCY MEMBERS

Marilyn Craft, Mayor/Chair
Dwayne "Pete" Longmire, Vice-Mayor/Chair
Sal Evola, Council/Agency Member
Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
Michelle King, Agency Member
Annie Hill Herring, Agency Member

APPOINTED OFFICIALS

Joe Sbranti, City Manager/Executive Director
Ruthann Ziegler, City Attorney/Legal Counsel
Alice E. Evenson, City Clerk/Agency Secretary (elected)
Nancy Parent, City Treasurer (elected)

Mayor Craft called the meeting of the City Council to order at 7:00 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, CA after convening at 6:30 P.M. in Closed Session for the following items:

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION FOR THE CITY OF PITTSBURG (Paragraph (1) of subdivision (d) of Section 54956.9):

Nevarez v. City of Pittsburg, U.S. District Court, Northern District of CA, Case No. 3:17-cv-02791-CRB

2. CONFERENCE WITH LEGAL COUNSEL – ANITICIPATED LITIGATION FOR THE CITY OF PITTSBURG; Significant exposure to litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:

One (1) case

Mayor Craft stated there was no reportable action taken in Closed Session.

ROLL CALL

All Members were present.

PLEDGE OF ALLEGIANCE

Chief Addington led the Pledge of Allegiance.

CITY MANAGER REPORTS/REMARKS

Assistant City Manager Evans announced upcoming events throughout the City for the holidays.

Mayor Craft welcomed the family of Guillermo Muniz to the podium. She presented a proclamation in honor of Guillermo who passed away on Thanksgiving. She cited his generosity to the community and offered condolences to the family.

CITIZENS REMARKS

Bob Atlas from Contra Costa County Fire gave an update on the district activities.

Charles Smith, Pittsburg, questioned how much the City was giving away to the County. He cited the Sheriff's Academy building, the garden area at El Pueblo, and now the Los Medanos Hospital.

Willie Mims, Pittsburg, thanked the Mayor for listening to the voice of the people over the past year.

REMARKS FROM OUT-GOING MAYOR

Mayor Craft recapped her year as Mayor and looked forward to continuing working with the Council Members and staff in the future.

Representatives from Assemblymember Frazier's and Senator Glazer's office presented her with proclamations.

CITY COUNCIL REORGANIZATION

Selection of Mayor/Chair

On motion by Member Evola, seconded by Member Banales to appoint Vice-Mayor/Vice-Chair Longmire as Mayor/Chair and carried unanimously.

Selection of Vice-Mayor/Vice-Chair

On motion by Member Killings, seconded by Member Banales to appoint Member Evola as Vice-Mayor/Vice-Chair and carried unanimously.

Remarks from New Vice-Mayor/Vice-Chair

Vice Mayor/Chair Evola thanked everyone for their continued support.

Remarks from New Mayor/Chair

Mayor/Chair Longmire thanked everyone for their continued support and looked forward to a productive year.

Presentations/Comments

The following also congratulated the new Mayor:

Willie Mims
Charles Smith
Federal Glover
Godfrey Williams

ADJOURNMENT

The City Council meeting was adjourned at 7:50 P.M. to December 18, 2017, ***in memory of Guillermo “Bill” Muniz.***

Respectfully submitted,

Alice E. Evenson, City Clerk



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

DATE: 11/21/2017

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution Accepting a \$35,000 Grant from the Y & H Soda Foundation and to Increase the Instructional Budget of the Future Build Program

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Pittsburg Power Company (PPC) is seeking approval to accept a \$35,000 grant from the Y & H Soda Foundation (Grant) and to increase the instructional budget of the Future Build Program (Future Build).

FISCAL IMPACT

Future Build was awarded the Grant, thereby increasing its budget available for instructional purposes. There is no increased cost or fiscal impact to PPC or the City. Since these grant funds are intended to increase the instructional resources available to Future Build and the majority of Future Build's instruction is provided via contract by Open Opportunities Incorporated (OOI), these grant funds will increase the contract payment limit for the contract between the PPC and OOI.

RECOMMENDATION

PPC Board adopt the Resolution to accept the Grant from the Y & H Soda Foundation and to increase the Future Build instructional budget. It is recommended that the Executive Director be authorized to take any and all administrative actions to ensure that the grant funds are utilized to improve Future Build's instructional goals.

BACKGROUND

Future Build is a partnership of the PPC, Contra Costa Workforce Development Board (WDB), Pittsburg Adult Education Center (PAEC), Contra Costa Building and Construction Trades Council (CCBTC), Morris Carey of "On the House", Northern California Laborers

Training, and OOI to provide East County residents with 16+ weeks of pre-apprenticeship training in the building trades and solar theory, construction, and installation.

Future Build's managing partner and fiscal agent is PPC. OOI provides case management and day to day program supervision and administration of the skill-based instructional staff. PAEC provides the general academic instruction. "On the House" aids the construction related skills training. Northern California Laborers provide the solar and safety training. CCBTC provides tools and instruction from its member trade unions as well as general orientation into the construction trades.

SUBCOMMITTEE FINDINGS

Not Applicable.

STAFF ANALYSIS

Future Build provides a life changing experience for the trainees that leads to re-engagement in the workforce and post-secondary educational opportunities. Pre-apprenticeship training (classroom and laboratory) are married to practical applications in the field. The practical applications are community benefit projects where the trainees exercise what they have learned in the classroom and lab by improving facilities in public housing projects and rehabilitating homes for low-income residents, schools, and public recreational facilities such as parks.

Most recently, Future Build has made improvements to City Park which included a new roof on the snack bar building, cleaning and painting of the restrooms of that building, improvements to one of the ball field's dugouts, and improvements to a roof of a City owned building. In partnership with GRID Alternatives, Future Build installed solar power on four low-income residences in Pittsburg.

While there is significant in-kind support for Future Build, the primary financial support is currently provided by the WDB, Environmental Protection Agency, San Francisco Foundation, and the Community Development Block Grant programs of Pittsburg, Antioch and the County. This support is vital to the operation of Future Build. PPC also provides added financial support to Future Build. Additional funding has been provided by Contra Costa County Supervisor Federal D. Glover and the Y & H Soda Foundation.

Y & H Soda Foundation awarded Future Build the Grant for the period of September 1, 2017 through June 30, 2018. As previously mentioned, the grant will assist Future Build in advancing its efforts with the pre-apprenticeship training of students and practical applications in the field. Future Build will be required to submit timely reports and may be monitored by Y & H Foundation.

ATTACHMENTS: Resolution
Y & H Soda Foundation Grant

Report Prepared By: Melaine Venenciano, Administrative Analyst II

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a Resolution Accepting a \$35,000)
Grant from Y & H Soda Foundation and Increase)
the Instructional Budget of the Future Build)
Program)

RESOLUTION NO. 17-

The Pittsburg Power Company DOES RESOLVE as follows:

WHEREAS, the Future Build Program (Future Build) is a partnership of the Pittsburg Power Company (PPC), Contra Costa Workforce Development Board, Pittsburg Adult Education Center, Contra Costa Building and Construction Trades Council, Morris Carey of "On the House", Northern California Laborers Training, and Open Opportunities Incorporated to provide East County residents with 16+ weeks of pre-apprenticeship training in the building trades and solar theory, construction, and installation; and

WHEREAS, Future Build provides a life changing experience for the trainees that leads to re-engagement in the workforce and post-secondary educational opportunities. Pre-apprenticeship training (classroom and laboratory) are married to practical applications in the field; and

WHEREAS, most recently, Future Build constructed improvements at City Park and 75 Bliss Avenue, a City owned building; and

WHEREAS, PPC is seeking approval to accept a \$35,000 grant from the Y & H Soda Foundation (Grant) and to increase the instructional budget of the Future Build Program.

NOW, THEREFORE, the Pittsburg Power Company Board of Directors finds and determines as follows:

Section 1.

The Board hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of PPC set forth below.

Section 2.

The Board hereby adopts the Resolution accepting the Grant and increasing Future Build's budget.

Section 3.

The Executive Director is hereby authorized to take any and all administrative actions to ensure that the grant funds are utilized to improve Future Build's instructional goals. Further, the Executive Director is hereby authorized to take such actions as may be necessary or appropriate to carry out this Resolution.

Section 4.

The Board Secretary shall certify to the adoption of this Resolution.

Section 5.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Pittsburgh Power Company Board of Directors at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Chair

ATTEST:

Joe Sbranti, Executive Secretary

September 26, 2017



SODA FOUNDATION

Joe Sbranti
City Manager
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

Dear Mr. Evans:

On behalf of the Board of Directors of the Y & H Soda Foundation, I am pleased to inform you that the City of Pittsburg has been awarded a grant in the amount of \$35,000. The terms and conditions of this grant are as follows:

1. This grant of \$35,000 is for the Future Build Program for the grant period of September 1, 2017 through June 30, 2018.
2. Please pay particular attention to the Reports to the Foundation (Section C) of the enclosed Grant Conditions, where we detail expected performance indicators and reporting requirements.
3. This is an outright and one time grant. This award letter and the attached Grant Conditions constitute a legally binding agreement. It will be effective upon our receipt of the signed original of this letter and the executed Grant Conditions. Note: we require original wet ink signatures on all documents.
4. The \$35,000 payment will be disbursed upon receipt of the signed documents specified above.

If you have any questions about this grant award, please contact Aimee Durfee, your Program Officer.

Sincerely yours,

Handwritten signature of Robert Uyeki in black ink.

Robert Uyeki
CEO

Handwritten signature of Joe Sbranti in black ink.

Joe Sbranti, City Manager
City of Pittsburg

Date: 10/5/17

Handwritten signature of Merl Craft in black ink.

Merl Craft, Mayor
City of Pittsburg

Date: 10/5/17

Enclosed: Grant Conditions
Cc: Gerald Dunbar, Consultant, Dunbar & Associates

Y AND H SODA FOUNDATION GRANT CONDITIONS

The following conditions required by the Y and H Soda Foundation ("Foundation") are incorporated into the attached Grant Notification and Agreement ("Notification") and form a part thereof:

A. Limitations on Use; Agreements and Warranties of Grantee

The Grantee represents, warrants and agrees as follows:

1. The Grant funds shall be expended only for the purposes stated in the Notification and in accordance with the Budget attached thereto, and no change, modification, adjustment or amendment will be made except with the advance written consent of the Foundation.
2. Expenses incurred by the Grantee prior to the date of the Notification shall not be charged against the Grant except with the written consent of the Foundation.
3. The Budget submitted by the Grantee reflecting the use of the Grant and the timing of all expenditures is true, correct and complete.
4. The Grantee shall not expend any funds from the Grant (1) to carry on propaganda, or otherwise attempt, to influence legislation, within the meaning of Internal Revenue Code Section 4945(d) or (e), or regulations promulgated thereunder, (2) except as provided in Internal Revenue Code Section 4945(f), to influence the outcome of any specific election, or to carry on, directly or indirectly, any voter registration drive within the meaning of Internal Revenue Code Section 4945(d) and regulations promulgated thereunder, or (3) for any purpose other than one specified in Internal Revenue Code Section 170(c) (2) (B).
5. The Grantee shall be responsible for the expenditure of the Grant in accordance with the terms of the Notification and these General Conditions and shall maintain adequate records in accordance with generally accepted accounting principles (GAAP).
6. Except as permitted in writing by the Foundation, no part of the Grant funds will be paid by the Grantee to organizations or consultants engaged in fund raising or public relations for services rendered to obtain this Grant.

B. Return of Unexpended Grant Funds

The Grantee shall return to the Foundation any unexpended Grant funds if:

1. The Foundation determines in its absolute discretion that the Grantee has not performed its obligations with respect to the Grant or any warranty or representation of the Grantee made herein or if the Grantee's application is incorrect in any material respect.
2. The purpose for which the Grant has been made cannot, in the opinion of the Foundation, be accomplished due to changed circumstances or other reasons.
3. The Grantee has not spent all funds in accordance with the terms of the Budget within ninety (90) days after the time or times specified in the Budget unless the Grantee receives written approval from the Foundation to delay the expenditure.

C. Reports to the Foundation

The Grantee shall submit information demonstrating to the Foundation that the grant funds have been expended as indicated in the grant proposal. Please report on the following goals as part of your grant reporting:

- Enroll a minimum of 40 low income East Contra Costa County residents into Cohorts 12 & 13; 90% of those enrolled will successfully complete the program; 80% of those completing will have qualifications for one or more apprenticeships in local Contra Costa County unions.
- At least 75% of graduates will enter employment following graduation. 50% of graduates will be hired into solar and/or construction trades. Report on average hourly wage for all job placements.
- Increase the number of women trainees from 17% to 20%; 82% of female trainees will be women of color.

<u>Type of Report</u>	<u>Due Date</u>	<u>Reporting Period</u>
One Final Report	August 1, 2018	September 1, 2017 through June 30, 2018

D. Monitoring and Evaluation

In order to assess the effectiveness of the Foundation's grants, the Foundation may monitor or conduct an evaluation of the project or program funded by this Grant which may include visits by representatives of the Foundation to observe the Grantee's operating procedures with respect to this project or program and to discuss the project or program with the Grantee's personnel.

E. Public Announcements

The Grantee shall review all proposed announcements regarding this Grant with a representative of the Foundation prior to publication and all such proposed announcements shall be sent to the Foundation for such review. The Grantee shall also provide information regarding means of dissemination.

F. Limit of Commitment

This Grant has been authorized by the Directors of the Foundation and is accepted by the Grantee with the understanding that the Foundation has no obligation to provide additional funds or other support to the Grantee for the purpose stated above or any other purpose or project of the Grantee.

G. Interpretation of Agreement

These Grant Conditions, together with the Notification, Budget and grant application, constitute the entire agreement of the Foundation and the Grantee with respect to the subject matter herein and therein contained and shall be interpreted under the laws of the State of California.

Y & H SODA FOUNDATION

Dated: _____

By: _____
Robert Uyeki, CEO

CITY OF PITTSBURG

Dated: 10/5/17

By: _____
Joe Sbranti, City Manager

Dated: 10/5/17

By: _____
Merl Craft, Mayor



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

DATE: 11/28/2017

TO: Mayor/Chair and Council/Agency Members

FROM: Joe Sbranti, City Manager/Executive Director

SUBJECT: Adoption of City Council and Pittsburg Power Company Resolutions Approving a Reimbursement Agreement between the City of Pittsburg and the Pittsburg Power Company for the Purchase of Property Located on Frontage Road (087-277-001)

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The Successor Agency for the Redevelopment Agency of the City of Pittsburg (the "Successor Agency") owns a property with a situs address of Frontage Road, also known as Assessor's Parcel Number 087-277-001 (the "Property"). The Successor Agency desires to sell and the City of Pittsburg (the "City") desires to purchase the Property for Seventy-Nine Thousand Dollars (\$79,000) (the "Purchase Price"). The City has requested a loan from the Pittsburg Power Company (the "PPC") of Ninety Thousand Dollars (\$90,000) to fund the purchase of the Property and cover all associated administrative and closing costs (the "Loan"). The City and PPC propose to enter into a Reimbursement Agreement pursuant to which PPC will loan the funds necessary to purchase the Property and the City will reimburse PPC for the Loan.

FISCAL IMPACT

The Loan of \$90,000 shall be funded by PPC's fund balance. The City will reimburse PPC for the Loan with current Local Agency Investment Fund interest. The Reimbursement Agreement shall continue in full force and effect until the City has fully satisfied all repayment and reimbursement obligations to PPC pursuant to the Reimbursement Agreement.

RECOMMENDATION

The City and PPC adopt the Resolutions approving the Reimbursement Agreement.

BACKGROUND

A fair and impartial appraisal of the Property was conducted by Mann and Associates – Appraisers & Consultants on July 20, 2017. The Property has an appraised value of Seventy-Nine Thousand Dollars (\$79,000) (the “Appraised Value”).

On September 18, 2017, the Successor Agency accepted the City’s offer to purchase the Property for the Appraised Value and directed staff to prepare a Purchase and Sale Agreement (the “PSA”) to take to the Oversight Board for consideration.

On November 2, 2017, the Oversight Board to the Successor Agency approved the PSA for the Purchase Price.

SUBCOMMITTEE FINDINGS

Not Applicable.

STAFF ANALYSIS

The City has requested the Loan to fund the purchase of the Property and cover all associated administrative and closing costs. The purpose of the Reimbursement Agreement is to establish a mechanism pursuant to which the PPC will loan and City will reimburse PPC for the Loan, plus interest, paid by the City for the purchase of the Property and the related costs.

ATTACHMENTS: City Council Resolution
PPC Resolution
Reimbursement Agreement

Report Prepared By: Melaine Venenciano, Administrative Analyst II

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a Resolution Approving a Reimbursement)
Agreement between the City of Pittsburgh and the Pittsburgh) RESOLUTION NO. 17-
Power Company for the Purchase of Property Located on)
Frontage Road (087-277-001))

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the Successor Agency for the Redevelopment Agency for the City of Pittsburgh (the "Successor Agency") owns property with a situs address of Frontage Road, also known as Assessor's Parcel Number 087-277-001 (the "Property"); and

WHEREAS, a fair and impartial appraisal of the Property was conducted by Mann and Associates – Appraisers & Consultants on July 20, 2017. The Property has an appraised value of Seventy-Nine Thousand Dollars (\$79,000) (the "Appraised Value"); and

WHEREAS, on September 18, 2017, the City of Pittsburgh (the "City") offered to purchase the Property for the Appraised value and the Successor Agency accepted the offer and directed staff to prepare a Purchase and Sale Agreement (the "PSA") to present to the Oversight Board to the Successor Agency (the "Oversight Board") for consideration; and

WHEREAS, on November 2, 2017, the Oversight Board approved the PSA between the Successor Agency and the City for the Property for the Appraised Value; and

WHEREAS, the City has requested a loan from the Pittsburgh Power Company (the "PPC") of Ninety Thousand Dollars (\$90,000) to fund the purchase of the Property and cover all associated administrative and closing costs (the "Loan"); and

WHEREAS, the City and PPC propose to enter into a Reimbursement Agreement pursuant to which the PPC will loan the funds necessary to purchase the Property, and the City will reimburse PPC for the Loan, with current Local Agency Investment Fund interest, for the acquisition of the Property; and

WHEREAS, the Reimbursement Agreement shall continue in full force and effect until the City has fully satisfied all repayment and reimbursement obligations to PPC.

NOW, THEREFORE, City Council finds and determines as follows:

Section 1.

The City Council hereby finds and determines that the above recitals are true and correct and incorporated herein.

Section 2.

The City Council hereby adopts the Resolution approving the Reimbursement Agreement between the PPC and City for the Loan in the amount of \$90,000.

Section 3.

The City Manager or his/her designee is hereby authorized to execute and take any and all administrative actions as may be necessary or appropriate to carry out this Resolution.

Section 4.

The City Clerk shall certify to the adoption of this Resolution.

Section 5.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwayne "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a Resolution Approving a Reimbursement)
Agreement between the Pittsburg Power Company and)RESOLUTION NO. 17-
The City of Pittsburg for the Purchase of Property)
Located on Frontage Road(087-277-001))

The Pittsburg Power Company DOES RESOLVE as follows:

WHEREAS, the Successor Agency for the Redevelopment Agency for the City of Pittsburg (the "Successor Agency") owns property with a situs address of Frontage Road, also known as Assessor's Parcel Number 087-277-001 (the "Property"); and

WHEREAS, a fair and impartial appraisal of the Property was conducted by Mann and Associates – Appraisers & Consultants on July 20, 2017. The Property has an appraised value of Seventy-Nine Thousand Dollars (\$79,000) (the "Appraised Value"); and

WHEREAS, on September 18, 2017, the City of Pittsburg (the "City") offered to purchase the Property for the Appraised value and the Successor Agency accepted the offer and directed staff to prepare a Purchase and Sale Agreement (the "PSA") to present to the Oversight Board to the Successor Agency (the "Oversight Board") for consideration; and

WHEREAS, on November 2, 2017, the Oversight Board approved the PSA between the Successor Agency and the City for the Property for the Appraised Value; and

WHEREAS, the City has requested a loan from the Pittsburg Power Company ("PPC") of Ninety Thousand Dollars (\$90,000) to fund the purchase of the Property and cover all associated administrative and closing costs ("Loan"); and

WHEREAS, the City and PPC propose to enter into a Reimbursement Agreement pursuant to which the PPC will loan the funds necessary to purchase the Property, and the City will reimburse PPC for the Loan, with current Local Agency Investment Fund interest, for the acquisition of the Property; and

WHEREAS, the Reimbursement Agreement shall continue in full force and effect until the City has fully satisfied all repayment and reimbursement obligations to PPC.

NOW, THEREFORE, the Pittsburg Power Company Board of Directors finds and determines as follows:

Section 1.

The Board hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of PPC set forth below.

Section 2.

The Board hereby adopts the Resolution approving the Reimbursement Agreement between the PPC and City for the Loan in the amount of \$90,000.

Section 3.

The Executive Director is hereby authorized to execute and take any and all administrative actions as may be necessary or appropriate to carry out this Resolution.

Section 4.

The Board Secretary shall certify to the adoption of this Resolution.

Section 5.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the Pittsburgh Power Company Board of Directors at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Chair

ATTEST:

Joe Sbranti, Executive Secretary

REIMBURSEMENT AGREEMENT BETWEEN THE PITTSBURG POWER COMPANY AND THE CITY OF PITTSBURG

This Reimbursement Agreement ("Agreement") is entered into on _____, 2017 (the "Effective Date") by and between the Pittsburg Power Company, a California joint powers agency ("PPC") and the City of Pittsburg, a California municipal corporation ("City"). PPC and the City are hereafter collectively referred to as the "Parties."

RECITALS

A. The Successor Agency for the Redevelopment Agency for the City of Pittsburg ("Successor Agency") owns property with a situs address of Frontage Road, Assessor's Parcel Number 087-277-001 (the "Property"). Pursuant to AB 26, also known as the "Dissolution Law", the Successor Agency is responsible for the administration of the disposal of Successor Agency properties, including the Property.

B. On September 18, 2017, the City received approval from the City Council to proceed with the purchase of the Property. The City has submitted an offer ("Offer") to purchase the Property, the purchase of which was approved on October 26, 2017 by the Oversight Board to the Successor Agency.

C. A fair and impartial appraisal of the Property was conducted by Mann and Associates – Appraisers & Consultants on July 20, 2017. The Property has an appraised value of Seventy-Nine Thousand Dollars (\$79,000).

D. The City has requested the loan of Ninety Thousand Dollars (\$90,000) to fund the purchase of the Property and cover all associated administrative and closing costs. The loan for the purchase of the Property, hereafter referred to as the "Loan". The Loan shall be funded by PPC's fund balance.

E. The Parties desire to enter into an agreement pursuant to which the PPC will loan the monies necessary to purchase the Property, and the City will reimburse PPC for the Loan, with current Local Agency Investment Fund (LAIF) interest, for the acquisition of the Property.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the PPC and the City hereby agree as follows:

1. Purpose.

The purpose of this Agreement is to establish a mechanism pursuant to which the PPC will loan and City will reimburse PPC for the Loan, plus current LAIF interest, paid by the City for the purchase of the Property.

2. Term.

This Agreement shall continue in full force and effect until the City has fully satisfied all repayment and reimbursement obligations the City owes to PPC pursuant to this Agreement.

3. Limitations on Reimbursement.

Other costs or expenses not set forth in this Agreement will not be reimbursed by the City to PPC.

4. Reimbursement Payments; Subordination.

PPC is willing to loan the City a total amount not to exceed Ninety Thousand Dollars (\$90,000). Accordingly, the City agrees to reimburse PPC for the Loan used to purchase the Property.

Forms of reimbursement payment may include but are not limited to revenue generated by or in relation to the Property.

The Parties agree that all City obligations under this Agreement shall be subordinate to any and all existing indebtedness that the City has incurred prior to the Effective Date.

5. Further Assurances.

The Parties agree to execute, acknowledge and deliver to the other such other documents and instruments, and to undertake such other actions, as either shall reasonably request as may be necessary to carry out the intent of this Agreement.

6. No Third Party Beneficiaries.

There shall be no third party beneficiaries to this Agreement except as specifically set forth herein.

7. Venue and Governing Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Any action by any party to this agreement shall be brought in the appropriate court of competent jurisdiction within the County of Contra Costa, State of California, notwithstanding any other provision of law which may provide that such action may be brought in some other location.

8. Severability.

If any term, provision, covenant or condition contained in this Agreement or the application thereof to any person, party, transaction or circumstance is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this

Agreement or the application of such provision to other persons, parties, transactions or circumstance shall not be affected thereby.

9. Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one instrument.

10. Amendments.

This Agreement may be modified or amended, in whole or in part, only by an instrument in writing, executed by the Parties.

11. No Agency, Joint Venture or Partnership.

PPC and the City hereby renounce the existence of any form of agency relationship, joint venture, or partnership between the City and PPC, and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between PPC and the City.

12. Effect of Waiver.

No waiver by a party of any provision of this Agreement shall be considered a waiver of any other provision or any subsequent breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

13. Captions; Entire Agreement.

The section headings used in this Agreement are for convenience only and are not intended to affect the interpretation or construction of the provisions herein contained. This Agreement contains the entire agreement of the Parties with respect to the subject matter hereof. Any amendment to this Agreement, including oral modifications supported by new consideration, must be reduced to writing and signed by both parties before it will be effective. The parties have had an equal opportunity to participate in the drafting of this Agreement. The usual construction of an agreement as to the drafting party shall not apply to this Agreement.

IN WITNESS WHEREOF, PPC and the City have executed this Agreement as of the date first written above.

[SIGNATURES ON NEXT PAGE]

PITTSBURG POWER COMPANY

Joe Sbranti, Executive Director

ATTEST:

City Clerk

APPROVED AS TO FORM:

Legal Counsel
Ruthann G. Ziegler

CITY OF PITTSBURG

Joe Sbranti, City Manager

APPROVED AS TO FORM:

City Attorney
Ruthann G. Ziegler



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

DATE: 11/30/2017
TO: Chair and Agency Members
FROM: Joe Sbranti, Executive Director
SUBJECT: Annual Pre Winter Inspection Report 2017
MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Fritz McKinley, the General Manager of the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD), has provided for the Board's Information a detailed inspection report and his annual report of GHAD facilities and site conditions.

FISCAL IMPACT

There is no fiscal impact from acceptance of the Pre Winter Inspection Report. However, the report includes information regarding the GHAD's financial position. An updated Assessment Roll was submitted for FY 17/18. Staff estimates FY 2017/18 special assessment revenue to be \$849,113.12, with an additional \$19,817.28 from the Toscana Bio-Retention Basin assessment that is collected and reported separately.

For the reporting period ending October 31, 2017, GHAD expenses were within the approved budget for FY 17/18. As of June 30, 2017, the accumulated reserve was \$3,339,873.

RECOMMENDATION

GHAD Board accept the annual Pre-Winter Inspection Report for information purposes only.

BACKGROUND

On March 6, 1995, the Pittsburg City Council adopted Resolution 95-8148 approving the formation of the original GHAD. The purpose of the GHAD is to provide a means of financing necessary slope maintenance to reduce the risk of landslides in the City's hillside areas, to maintain certain drainage basins, and to establish a fund to help defray the cost of landslide repairs should a slide occur in the GHAD. In February 2001, the original GHAD

was dissolved and the Southwest Pittsburg GHAD II was formed and the Board of Directors appointed.

SUBCOMMITTEE FINDINGS

none

STAFF ANALYSIS

The General Manager's attached report is provided to the Board as a status report of work performed since the previous report in December 2016. The report describes the status of improvements which are to be maintained or monitored by the GHAD, reviews the budget status and discusses upcoming projects.

General highlights of the attached report include the following:

On October 24, 2017, an inspection of the facilities and land within the GHAD was completed by the GHAD's contract geologist. The detailed report is attached for Board information.

The GHAD has contracted with the City of Pittsburg, Public Works Department to perform the annual cleaning of all concrete V-ditches in the accepted areas of the District in preparation for the winter rains. This work was confirmed complete on November 16, 2017.

GHAD has also contracted with the City of Pittsburg Public Works Department to perform routine maintenance of areas owned by the District, the Babbling Brook area along San Marco Boulevard, and areas along West Leland Road and within the Vista Del Mar subdivision. As the GHAD accepts additional areas for ownership or maintenance, the scope and budget of these services will be expanded to cover those additional costs.

Observations in Oakhills Subdivision

In 2017, GHAD contracted with A-K Landscaping and Concrete to stabilize scarring and instabilities on the northern slope at the Southwood Basin. This work consisted of construction of a short retaining wall, drainage improvements, planting dense ground cover with heavy mulch and installation of irrigation improvements. These improvements appear to be successful in stabilizing the north slope.

The small landslide on the east facing slope at the Shadybook Basin has shown no indications of recent movement, and does not appear to adversely impact the basin's functionality.

The Shadybook north facing slope continues to be monitored for downward movement that is occurring, but is not expected to reach or adversely impact the residential structures along the toe of the slope. A generous debris bench constructed behind the homes on Dawnview Court seems to have reduced the risk of the slide reaching homes in that area. The top of the slide plane (headscarp) is becoming more pronounced along the eastern edge. Drainage inlets uphill of the homes were installed to reduce the rainfall impacts. The GHAD has contracted with the City of Pittsburg Public Works Department to perform annual cleaning of these structures. No action is anticipated at this time.

Observations in Vista Del Mar

Except for some minor debris and siltation issues, conditions within the Vista Del Mar subdivision remain constant and no slope instabilities were observed.

Observations in San Marco

The outlet structure in the San Marco Upper Basin was recently blocked by sediment and other debris which impeded proper function of the Upper Basin and Babbling Brook. The GHAD's contract with the City allowed for timely removal of the obstruction. At the time of the inspection, no slope instabilities were noted.

The Toscana Subdivision bioretention basin was accepted by the GHAD for maintenance last year. A dedicated revenue stream from additional GHAD assessments for Toscana homeowners (in addition to the \$249.32 paid by all homes in San Marco) is included to fund all maintenance and replacement costs of the bioretention basin. Annual revenue for the bioretention basin shall be kept in a separate account, as required by the GHAD Plan of Control.

FY 17/18 GHAD Proposed Improvement Projects

- Southwood Basin Southeast Sidewalk/Slope Repair
- Oliveglen Court Crack Sealing

Fiscal Information

An updated Assessment Roll was prepared and submitted by GHAD's consultant, Francisco and Associates, for FY 17/18. Special assessment revenue for the Southwest Pittsburg Geologic Hazard Abatement District II, not including Toscana Bio-Retention Basin, is estimated to be \$849,113.12. The Toscana Bio-Retention Basin assessment is now collected and reported separately, and totals \$19,817.28 for FY 17/18.

The GHAD's accumulated reserve (fund balance) as of June 30, 2017, was \$3,339,873. As of October 31, 2017, GHAD expenses to date for FY 17/18 are \$319,778, and are consistent with the annual budget adopted by the Board.

ATTACHMENTS: Exhibit "A" Southwest Pittsburg GHAD II Annual Pre-Winter Report
Exhibit "B" Geotechnical Inspection Report

Report Prepared By: Gina Haynes, Civil Engineer II



November 10, 2017
Project No. 00114812.000A

Ms. Gina Haynes
Pittsburg Southwest Geologic Hazards Abatement District
City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565
GHaynes@ci.pittsburg.ca.us

**SUBJECT: Seventh Annual Engineering Geologic Site Reconnaissance Observations
Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District
Sites in Pittsburg, California**

Dear Ms. Haynes:

At your request, we have prepared this letter report to provide the Pittsburg Southwest Geologic Hazards Abatement District (GHAD) with a summary of our annual site reconnaissance observations made by our Certified Engineering Geologist (CEG) during late October 2017. Our site reconnaissance visit included some selected areas under the GHAD jurisdiction (based on performance history and past observations) located within the Oak Hills, Vista Del Mar, and San Marco residential subdivisions in Pittsburg, California. The attached Site Plan (Plate 1) shows detention basin, water reservoir and slope areas we observed and which we discuss herein. Kleinfelder has previously issued six reconnaissance letter reports titled:

- *Annual Engineering Geologic Site Reconnaissance Observations Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District Sites in Pittsburg, California* (File No. 114812/PW2/PIT11L038), dated November 8, 2011 which presented our summarized observations made during our 2011 site reconnaissance;
- *Second Annual Engineering Geologic Site Reconnaissance Observations Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District Sites in Pittsburg, California* (File No. 114812/PW2/PIT12L0278), dated December 3, 2012 and which presented our summarized annual observations made during our 2012 site reconnaissance;
- *Third Annual Engineering Geologic Site Reconnaissance Observations Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District Sites in Pittsburg, California* (File No. 114812/PW2/PIT13L0185), dated December 6, 2013 and which presented our summarized annual observations made during our 2013 site reconnaissance;
- *Fourth Annual Engineering Geologic Site Reconnaissance Observations Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District Sites in Pittsburg, California* (File No. 114812/PW2/PIT14L09709), dated November 24, 2014 and which presented our summarized annual observations made during our 2014 site reconnaissance;

- *Fifth Annual Engineering Geologic Site Reconnaissance Observations Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District Sites in Pittsburg, California* (File No. 114812/PIT15L28838), dated October 22, 2015 and which presented our summarized annual observations made during our 2015 site reconnaissance; and
- *Sixth Annual Engineering Geologic Site Reconnaissance Observations Pertaining to the Pittsburg Southwest Geologic Hazards Abatement District Sites in Pittsburg, California* (File No. 114812), dated December 13, 2016 and which presented our summarized annual observations made during our 2015 site reconnaissance

The main emphasis of our site reconnaissance was to observe the current geologic conditions at or near some detention basin, water reservoir, V-ditch, and slope areas within the three above-mentioned residential developments and under the jurisdiction of the GHAD.

Our conclusions presented herein were mostly based on our reconnaissance observations and knowledge of the history of the discussed areas. Our engineering geologic services were provided on behalf of the GHAD management in accordance with our current on-call consulting services agreement. In general, the concrete V-ditches appeared in need of debris and vegetation removal.

SUMMARY OF OBSERVATIONS WITHIN OAK HILLS DEVELOPMENT

• **Oakpoint Basin**

The conditions at this basin have essentially remained the same since our last reconnaissance except for abundant man-made debris near the inlet and outlet of the basin. The basin's side slopes, including the landside slopes, appeared free of any slope instabilities and raveling. Heavy animal burrowing along sloping areas was noted. The southern side slopes appeared to have tire marks that make the slope bare of grass cover and could become erosional scars with time.

• **Southwood Basin**

Minor soil cracking observed near the top of slope along the southeast portion of the basin reported previously remained visible. The top of slope behind the sidewalk is about 3 inches lower than the base of the sidewalk implying minor settlement and slope relaxation possibly. The noted cracking was observed and discussed in our 2015 reconnaissance and it appears to have stabilized.

No slope instabilities were observed on the basin's side slopes. The previously reported erosional scarring along the northern side slope have been addressed and a short retaining wall has been constructed around the basin's outlet.

• **Shadowhill Basin**

The basin's interior and exterior side slopes appeared free of slope instabilities and the concrete V-ditch along the north side of the basin appeared free of debris. New tree growth was observed near the inlet pipe. The previously reported animal burrowing and digging remain.

• **Shadybrook Basin**

The conditions essentially remain the same at this basin since our 2013 reconnaissance visit.

The small landslide located on the east-facing slope bordering the basin along its western side and discussed in our 2013 through 2016 reconnaissance letters essentially remained unaltered and no signs indicative of recent movement were observed. The landslide is not expected to

adversely impact the basin's functionality. The depression housing the outlet structure appear to be free of debris and vegetation.

- **Oakpoint Court North-Facing Slope**

Conditions have remained the same since last year's reconnaissance in the area of the reported settlement near the 3rd concrete ditch (from the bottom). Cracks in the concrete J-ditches remain sealed with flexible sealant. The observed fill settlement and creep on the slope at the 3rd V-ditch appear to have ceased and is not anticipated to adversely impact the global slope stability or threaten any structures along the toe of the slope. Some soil cracks were observed near the western end of the slope about 80 feet upslope of the lowest concrete ditch and they extended laterally for an approximate distance of about 50 feet. These should be monitored as part of future observation visits.

- **Oliveglen Court North-Facing Slope**

The storm drain inlet along the southwestern portion of the cul-de-sac and the concrete ditch need to be cleaned of debris and weeds. Conditions have essentially remained the same along the cul-de-sac and overall slope and the previously reported and relatively wide open cracks in the pavement remain as prior reported. These cracks should be sealed to decrease water infiltration.

The remaining parts of the slope, especially upslope of Fieldgate Drive, were observed to be free of slope raveling and instabilities. The concrete V-ditch at mid-slope height did not appear offset or displaced. The slope face showed heavy burrowing by animals.

Relatively large and loose blocks (boulders) of gray sandstone bedrock, which were most likely dislodged during the grading and slope cutting immediately behind and above 1174 Oakpoint Drive and reported in our 2015 letter remain. These sandstone blocks should be removed, broken down in-place mechanically, or anchored in place so that they do not roll down the slope and adversely impact the residential structures along the toe of the slope during a future seismic event.

- **Shadybrook Slope Repair**

It is our understanding that a previous landslide repair was performed by others along the relatively high north-facing slope situated to the west of Shadybrook Basin. We understand that the noted landslide repair was a partial repair performed in accordance with recommendations of the geotechnical Engineer-of-Record.

Kleinfelder has not been provided with as-built plans showing the lateral limits and magnitude of grading of the noted slope repair. The previously reported relatively large area (approximately 400 feet wide and 200 feet long up the slope) situated along and beyond the eastern end of the second concrete ditch where the numerous open soil cracks and fissures were observed and investigated in 2015 remained essentially the same although a faint headscarp appears to be developing. We suspect downslope soil creep movement is occurring but it is not expected to reach or adversely impact the residential structures along the toe of the slope.

- **Woodhill Slope**

As noted during our previous reconnaissance letter, the entire slope portions around the power steel lattice towers and the linear part extending south (to the east of Woodhill Circle) appeared to be free of slope instabilities and raveling. Along localized areas, the slope appeared to be impacted by burrowing animals. No water seepages were noted along the slope and specifically

no water seepages were noted behind the homes facing Shadow Hill Circle. Conditions have remained essentially the same in this area since our 2011 reconnaissance.

- **Whispering Oaks Slopes**

Conditions have essentially remained the same along these slopes. The north- and east-facing slopes along the north and east sides of Whispering Oaks Circle remain unaltered since our previous reconnaissance visits. No signs of slope instabilities or raveling were observed. The majority of these slopes appeared to be either natural or cut slopes that are underlain by residual soil and bedrock.

- **Dawnview Water Reservoir**

No slope instabilities or distress were observed in the immediate area of the reservoir or surrounding slopes. The concrete V-ditch along the toe of the slope on the eastern side of the reservoir appeared free of debris.

- **Shadybrook Water Reservoir**

No slope instabilities or distress were observed in the immediate area of the reservoir, surrounding slopes, or the paved access roadway. Conditions have remained essentially unaltered since our last reconnaissance.

SUMMARY OF OBSERVATIONS WITHIN VISTA DEL MAR DEVELOPMENT

- **Santa Lucia Slope**

This is the slope area where an existing water line ascends the slope to the San Marco development and where a hiking trail has been constructed. The condition of the slope remained unaltered since our last reconnaissance visit and no slope instabilities were observed along the slope face.

- **Greenmeadow Slope**

Conditions remained essentially the same since our last reconnaissance visit. No slope instabilities or raveling were observed along the slope face. All retaining walls and the concrete ditch north of the steel power lattice tower appeared to be free of distress or prominent cracking.

- **Freshwater Basin**

The basin's outlet appeared to be free of debris and siltation. Conditions essentially remained the same since our 2013 reconnaissance.

- **Kapalua Bay Circle**

The overland storm drain release near the northeastern corner by Unit 233 has some debris and needs to be cleaned.

- **Alves Ranch Road and Romora Bay Drive**

The concrete V-ditch extending along the toe of the slope immediately south of the residential lots along Hanauma Bay Drive is partially blocked with debris and leaves and needs to be cleaned out.

- **Vista Del Mar Southern Slopes Access Road V-ditch**

At near mid-slope height, the V-ditch paralleling the Vista Del Mar southern slope access roadway along its southern side is nearly completely plugged with debris between the subdrain pipe draining into the V-ditch and the storm drain inlet. The debris and bacteria growth should be removed and the concrete V-ditch cleaned.

SUMMARY OF OBSERVATIONS WITHIN SAN MARCO DEVELOPMENT

- **San Marco Detention Basins and Babbling Brook**

We observed the Upper, Middle and Lower detention basins to be free of significant siltation, debris, and slope failures along their side slopes. The Babbling Brook channel also appeared to be functioning properly and adverse conditions or slope failures were not observed.

LIMITATIONS AND CLOSURE

The geologic site reconnaissance discussed herein has been performed at the request of the Southwest Pittsburg GHAD (District). Our role has been to provide field observations and technical advice to assist the District in its discretionary maintenance/evaluation decisions. Our services have been limited to our described observations at the noted sites. We have employed accepted engineering geologic and geotechnical procedures, and our professional opinions and conclusions are made in accordance with generally accepted engineering geologic and geotechnical engineering principles and practices that exist in the San Francisco Bay Area at the time this letter was written. No other warranty is expressed or implied. Our review did not include any independent field explorations or analysis, other than a brief site reconnaissance visit. This review does not relieve the Geotechnical Engineers-of-Record (EORs) for the identified project sites from their sole responsibility as Geotechnical EORs for the projects.

It is important to note that this year's anticipated heavy rains as a result of the predicted El Nino could test drainage and water convey structures and elements. Accordingly, it is essential that they are functioning, cleaned and maintained properly to accommodate the anticipated heavy rains and flows.

We trust that the information provided above will assist you in your on-going evaluations of these areas. Please call us at (925) 484-1700 if you have questions concerning this letter or our associated services. It is a pleasure to be of continuing consulting service to the City of Pittsburg.

Sincerely,

KLEINFELDER, INC.



Sadek M. Derrega, PG, CEG
Senior Principal Engineering Geologist

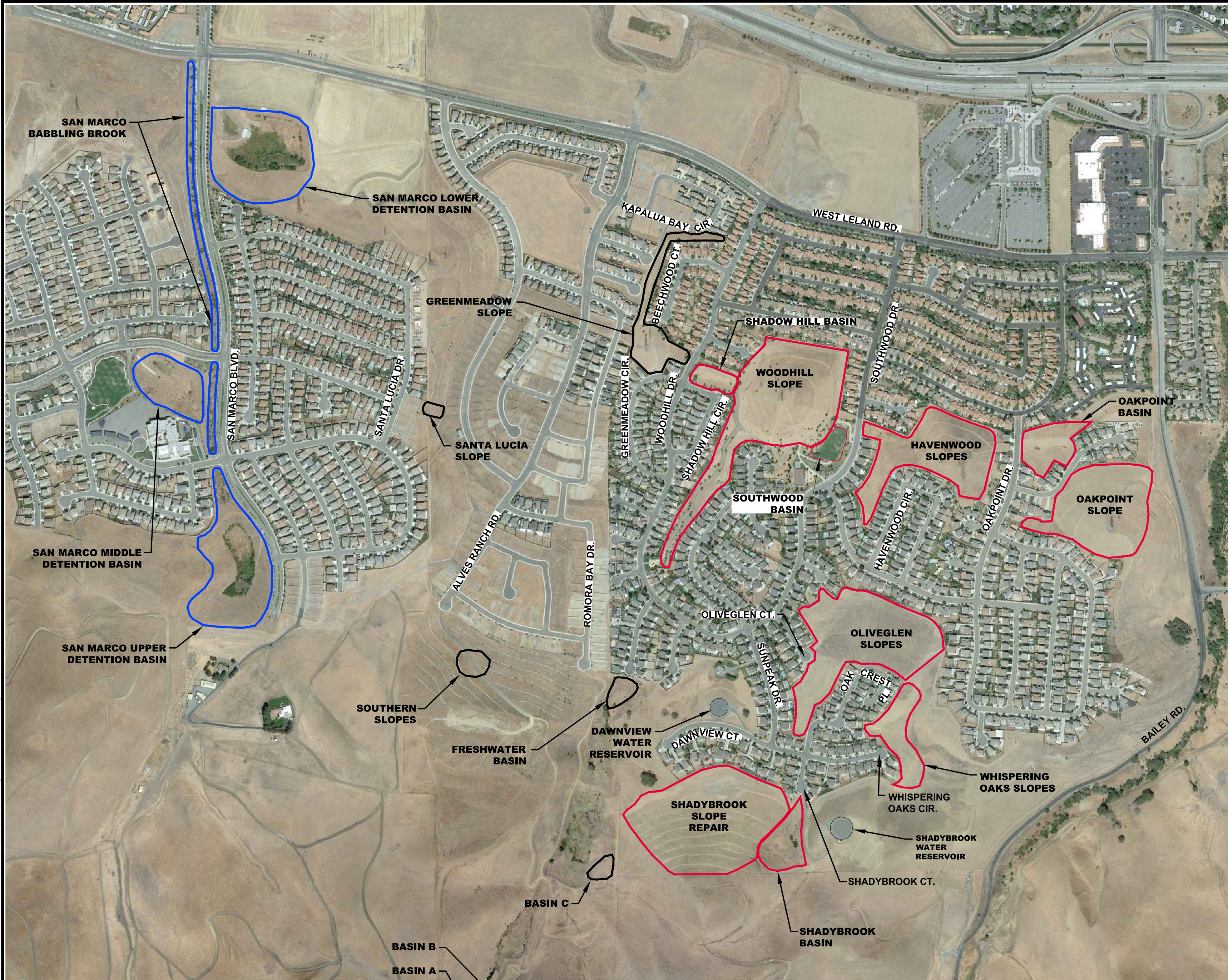


Fernando J. Silva, PE, GE
Senior Project Manager

SMD/FJS/jmk

Attachment: Plate 1 – Site Plan

ATTACHED IMAGES: Images: SITE.jpg Images: SITE SC=186.jpg Images: SITE SC=1994.jpg Images: SITE SC=2762.jpg
ATTACHED XREFS: XRef: Eng-C 17x22_L_StyleA, XRef: Eng-B 11x17_L_StyleA
PLOT FILE: W:\2017\00114812.001A - Pittsburg Southwest Geologic\GRAPHICS\ LAYOUT: PL 1
PLOTTED: 07 Nov 2017, 2:45pm, jsala



LEGEND

OAK HILL
SUBDIVISION

VISTA DEL MAR
SUBDIVISION

SAN MARCO
SUBDIVISION



500 250 0 500
APPROXIMATE SCALE (feet)

REFERENCE:
Google Earth Pro., Imagery
date 10-11-2011

**KLEINFELDER**
Bright People. Right Solutions.
www.kleinfelder.com

PROJECT NO.	114812
DRAWN:	NOV 2017
DRAWN BY:	JDS
CHECKED BY:	SD
FILE NAME:	
SITE.dwg	

SITE PLAN

PITTSBURG SOUTHWEST GEOLOGIC
HAZARDS ABATEMENT DISTRICT
PITTSBURG, CALIFORNIA

PLATE

1

The information included on this graphic representation has been compiled from a variety of sources and is subject to change without notice. Kleinfelder makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a land survey product nor is it designed or intended as a construction design document. The use or misuse of the information contained on this graphic representation is at the sole risk of the party using or misusing the information.

EXHIBIT “A”

2017/18 SOUTHWEST PITTSBURG GHAD II ANNUAL REPORT

By GHAD Staff Gina Haynes, P.E.

INTRODUCTION

The General Manager of the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD) or his staff has traditionally performed an annual report of the GHAD facilities and land within the GHAD areas of responsibility. This report to the Board is a summary of activities performed during the previous year, a description of current and anticipated issues, and description of the current financial status of the GHAD.

The GHAD areas of responsibility continue to increase as development expands in the southwest hills of Pittsburg. City staff continues to perform ongoing maintenance, under contract to the District, throughout the year. Additional maintenance responsibilities will begin when GHAD staff accepts the completion of the remaining basins and hillsides.

MAINTENANCE OUTSIDE THE GHAD

The developers of unfinished tracts remain responsible for maintenance of those parcels not yet accepted by the GHAD. Prior to the completion of the final home built within a basin drainage area, the developer of the tract remains the responsible party. Also, within the Vista Del Mar subdivision three detention basins and the parcel where the landslide occurred (Estate Lots) remain under developer control.

MAINTENANCE OF GHAD FACILITIES

The GHAD has maintenance responsibility for detention ponds within the District where construction is complete. Currently seven detention basins are the responsibility of the GHAD. Oakpoint Basin, Shadybrook Basin, Freshwater Basin, Shadow Hills Basin and San Marco Lower, Middle and Upper Basin (see site plan attached as Exhibit “A”).

The GHAD maintenance contracts this year included cleaning out v-ditches in the hillside areas to prevent erosion and potential for subsequent slope instability. The drainage facilities and areas immediately adjacent to the ditches were also cleared of brush, trash and debris.

On October 24, 2017, an inspection of the facilities and land within the GHAD was completed by the GHAD contracted geologist. The corrective maintenance work generated from that report is currently being completed by City maintenance staff under contract with the GHAD. Cut slopes and fill slopes in Oak Hills and San Marco were inspected by the GHAD staff and the GHAD geologist to check for any active slides. The District geotechnical engineer, Kleinfelder, Inc., has provided a detailed inspection

report (attached as Exhibit "B").

During the annual inspection on October 24, 2017, the GHAD geologist identified a small landslide on the east facing slope at the Shadybook Basin. This area of concern has been identified in past inspection reports. The landslide does not appear to adversely impact the basin's functionality and does not threaten structures or capital improvements.

The Shadybook north facing slope continues to be monitored for downward movement that is currently occurring, but is not expected to reach or adversely impact the residential structures along the toe of the slope. A generous debris bench constructed behind the homes on Dawnview Court seems to reduce the risk of the slide reaching the homes in that area. The top of the slide plane (headscarp) is becoming more pronounced along the eastern edge. There are drainage inlets, uphill of the homes, that were installed to reduce the rainfall impacts. The GHAD has contracted with the City of Pittsburg, Public Works Department to perform the annual cleaning of these structures. No action is anticipated at this time.

Previous pest control efforts undertaken prior to this year's inspection appeared to have limited the number of pests, but further efforts are required to assure the stability of slopes. Staff will continue to take action to reduce pest populations where necessary.

ANNUAL BUDGET

An updated Assessment Roll was prepared and submitted by the consultant, Francisco and Associates, for FY 17/18. Special assessment revenue for the Southwest Pittsburg Geologic Hazard Abatement District II, not including Toscana Bio-Retention Basin, is \$849,113.12. The Toscana Bio-Retention Basin assessment is now collected and reported separately, and totals \$19,817.28 for FY 17/18.

The accumulated reserve (fund balance) as of June 30, 2017, was \$3,339,873. As of October 31, 2017, GHAD expenses to date for FY 17/18 are \$319,778, which is within the annual budget approved by the GHAD Board.

SPECIAL PROJECTS/ISSUES

The GHAD has not accepted the land where a landslide took place on the Estate Lot area and three (3) detention basins in the Vista Del Mar subdivision. GHAD's experts recommend installation of subdrains and solar powered pumps to de-water the slide area. The developer of Vista Del Mar is responsible for the cost of this construction, plus a one-time payment for future maintenance and/or replacement of these facilities. GHAD staff has met with the Developer who has not yet agreed to an approach to address the repair. In addition, the Developer has not yet completed minor grading and construction of drainage improvements in the area above the southern end of Alves Ranch Road. Staff has met and corresponded with the Developer to resolve this issue. This land is proposed to be dedicated to the GHAD for ownership and maintenance,

once the GHAD's requirements are met.

After the development of Phase 1 of the Alves Ranch Subdivision, the developer will construct stormwater system improvements in the Alves Ranch Basin that meet the regulatory requirements of Section C.3 of the Municipal Regional Stormwater NPDES permit, as required by the Development Agreement. After the work is complete the Developer will dedicate the basin to the GHAD. Staff expects the homeowners in Alves Ranch Subdivision to fund the maintenance and replacement of that C.3 facility through an assessment fee.

The GHAD General Manager is currently working on a reimbursement agreement with the developer of Sky Ranch and Montreux to move forward with the annexation of property into the GHAD. This will require petition by property owners, preparation of a revised Plan of Control, public hearing and Engineer's Report, and further direction by the GHAD Board. Staff anticipates returning to the Board at a subsequent meeting once the agreement is complete.



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

DATE: 11/29/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Accept Contract 2013-25, Ambrose Aquatic Center Renovation Project as Complete and Authorize the City Engineer to File a Notice of Completion

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Contract 2013-25, Ambrose Aquatic Center Renovation Project (the "Project") was for renovation of the existing pool facilities at Ambrose Park. This Resolution will accept the construction contract as complete and authorize the City Engineer to file a Notice of Completion for the Project.

FISCAL IMPACT

Contract 2013-25, Ambrose Aquatic Center Renovation Project (the "Project") (Project 3057) is currently funded with \$827,000 from the City's Parkland Dedication Fee (PDF), a \$1,127,177 grant from Measure WW, \$729,650 from Contra Costa County, and \$347,000 from the Ambrose Recreation and Park District (ARPD). The total Project funding was \$3,030,827.

A project budget summary for the Project is attached to this Staff Report.

RECOMMENDATION

The City Council adopt the attached Resolution accepting the Project as complete and authorizing the City Engineer to file a Notice of Completion.

Staff requests that the anticipated unexpended funds of approximately \$16,375 remain in the Project account until further disposition per the Agreement with the ARPD.

BACKGROUND

The original project scope was to demolish the swimming pool and associated structures at Ambrose Park, located at 125 Memorial Way, and replace them with new facilities. The scope of work was later reduced to the demolition of the existing bath house, pool deck and mechanical building, restoration of the existing pool, replacement of the pool deck area, new fencing; accessible parking stalls; chemical storage building, and landscaping. The revised project was bid as Contract 2013-25, Ambrose Aquatic Center Renovation Project.

On December 19, 2011, the City Council adopted Resolution 11-11739, approving the execution of an agreement with the ARPD for construction management services provided by the City. The City entered into an agreement with the ARPD to assist by providing City staff to administer the pool design process, bidding, and management of the construction project under the direction of the District. The Ambrose Park and the pool are located within the Pittsburgh City limits, but are owned and maintained by the ARPD.

On March 21, 2016, the City Council adopted Resolution 16-13163, allocating funds, accepting the plans and specifications, and authorizing award of a construction contract for the Project in the amount of \$1,566,840 to Waterworks Industries, Inc.

On June 19, 2017, the City Council adopted Resolution 17-13328, allocating Funds and authorizing additional construction contingency for the Project. As a result of adopting Resolution 17-13328, the Project budget was increased from \$2,985,827 to \$3,030,827.

During construction there were five contract change orders issued totaling \$141,199.83. The resulting total amount of the contract with Waterworks Industries is \$1,708,039.83.

SUBCOMMITTEE FINDINGS

n/a

STAFF ANALYSIS

The majority of the costs included in the five change orders issued during construction were for additional lighting, pool shell modifications for plumbing, additional fencing/mow strips, replacement of the existing sewer lift station, trenching for gas service line, plumbing modifications for new and existing buildings, and improvements to the new equipment/chemical structure as a result of installing a roof over the originally planned open area. Several of these changes were for upgrades to the facility from the original scope of work.

Contract work performed by Waterworks Industries, Inc, was completed on June 3, 2017, which is the beginning of the one-year warranty period. Staff has inspected the project for compliance with the Contract documents and verified that punch list items have been completed. The contractor has posted the required 10% warranty bond.

ATTACHMENTS: Resolution
Project Funding Summary

Report Prepared By: Gina Haynes
Civil Engineer II

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution to Accept Contract	)	
2013-25, Ambrose Aquatic Center	)	RESOLUTION NO. 17-
Renovation Project as Complete and	)	
Authorize the City Engineer to File a	)	
<u>Notice of Completion</u>	)	

The City Council of the City of Pittsburgh DOES RESOLVE as follows:

WHEREAS, Contract 2013-25, Ambrose Aquatic Center Renovation Project (the "Project") is for rehabilitation of the existing pool and pool facilities located at Ambrose Park. The work of this Contract consists in general of demolition of the existing bath house, pool deck and mechanical building, restoration of the existing pool, replacement of the pool deck area, new fencing; accessible parking stalls; chemical storage building, and landscaping; and

WHEREAS, on December 19, 2011, the City Council adopted Resolution 11-11739, approving the execution of an agreement with the Ambrose Recreation and Parks District (ARPD) for construction management services provided by the City. The City entered into an agreement with the ARPD to assist by providing City staff to administer the pool design process, bidding, and management of the construction project under the direction of the District. The Ambrose Park and the pool are located within the Pittsburgh City limits, but are owned and maintained by the ARPD; and

WHEREAS, on March 21, 2016, the City Council adopted Resolution 16-13163, allocating funds, accepting the plans and specifications, and authorizing award of a construction contract for the Project in the amount of \$1,566,840 to Waterworks Industries, Inc.; and

WHEREAS, on June 19, 2017, the City Council adopted Resolution 17-13328, allocating Funds and authorizing additional construction contingency for the Project. As a result of adopting Resolution 17-13328, the Project budget was increased from \$2,985,827 to \$3,030,827; and

WHEREAS, during construction there were five contract change orders issued totaling \$141,199.83. The resulting total amount of the contract with Waterworks Industries is \$1,708,039.83; and

WHEREAS, Staff requests that the City Council adopt the accept the Project as complete and authorize the City Engineer to file a Notice of Completion; and

WHEREAS, Staff further requests that the anticipated unexpended funds of approximately \$16,375 remain in the Project account until further disposition per the Agreement with the ARPD.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Pittsburg as follows:

Section 1.

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2.

The construction contract with Waterworks Industries is hereby accepted as complete for a final amount of \$1,708,039.83.

Section 3.

The City Engineer is hereby authorized and directed to execute a Notice of Completion.

Section 4.

The anticipated unexpended funds of approximately \$16,375 shall remain in the Project account until further disposition per the Agreement with the ARPD.

Section 5.

The City Clerk shall attach a certified copy of this Resolution to the executed Notice of Completion.

Section 6.

The City Engineer is directed to file said document with the Office of the Recorder of the County of Contra Costa, State of California, within ten (10) days from the date hereof

Section 7.

The City Clerk shall certify to the adoption of this Resolution.

Section 8.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

2013-25, Ambrose Pool Renovation Project

(Project 3057)

Project Funding:

Contra Costa County	\$	729,650
Measure WW	\$	1,127,177
Ambrose District	\$	347,000
City of Pittsburg	\$	827,000
Total Funding	\$	3,030,827

Project Costs:

Design (2122)

Geotech (original design)	\$	3,675
Plan Review/permitting	\$	27,315
Consultant (re-design) Siegfried	\$	210,179
Miscellaneous Design Costs	\$	10,471
Consultant (original design) RJM	\$	208,174
Design Total	\$	459,816

Miscellaneous (1399)

Bidding (original plan set)	\$	3,002
Title Report/Environmental	\$	2,850
Other Miscellaneous Costs	\$	1,661
Bidding (redesign)	\$	3,709
Miscellaneous Total	\$	11,222

Consultant Services (2199)

Ambrose Master Plan	\$	129,682
Consultant Services Total		129,682

Construction (2281)

Construction Contract		1,708,040
Tree Removal/Utilities		11,080
Romtec Building Design/Supply/Construction		353,838
Security Cameras		44,925
Material Testing		13,607
Miscellaneous Construction Costs		9,447
Storm Drainage Realignment		69,682
Construction Total		2,210,619

Staff Direct Costs (1101)

Staff Costs Design/Bidding	\$	42,764
Staff Re-Design Constructon Management Costs	\$	68,251
Staff Time Total		111,015

Administrative Overhead (2372)

Staff Costs Design/Bidding	\$	40,346
Staff Re-Design Constructon Management Costs	\$	51,752
Administrative Overhead Total		92,098

Total Project Cost (Design, Bidding, and Construction) \$ 3,014,452

Estimated Remaining Funds \$ 16,375



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

DATE: 11/30/2017

TO: Mayor/Chair and Council/Agency Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Approving a Consultant Agreement for Design of Contract 2015-11, West Leland Corridor Safety Improvements

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Contract 2015-11, West Leland Corridor Safety Improvements is for the construction of safety measures at various locations along West Leland Road. This resolution will authorize a Consultant Agreement with TJKM in the amount of \$158,646 for design of the project.

FISCAL IMPACT

The proposed design fee for Contract 2015-11, West Leland Corridor Safety Improvements (the "Project") is \$158,646. Funding for the proposed design fee for this project will be provided from the current approved Project budget, which is a combination of Projects 3113, 3114, and 2207. The Project budget of \$1,251,500 includes \$1,190,620 Highway Safety Improvement Program (HSIP) Cycle 7 grant and \$60,880 of Gas Tax funding. A funding summary is attached to this report.

RECOMMENDATION

City Council adopt the attached resolution approving a Consultant Agreement with TJKM in the amount of \$158,646 for design of the Project and authorizing the City Manager to execute the Agreement.

BACKGROUND

The purpose of this project is to increase safety in the West Leland Corridor between Railroad Avenue and Bailey Road where multiple fatal traffic collisions have occurred in the last 10 years. The Project includes installation of speed warning signs, centerline rumble strips, high friction surface treatments at three curves and two intersections approaches, and raised pavement markers and striping through nine signalized intersections. Also

included with the Project are raised pavement markers and striping through signalized intersections at Railroad and California avenues and at East Leland and Loveridge roads as well as traffic signal modifications at Range Road and West Leland Road.

On December 11, 2015, Staff received notification from the California Department of Transportation (Caltrans) that the City had been selected to receive Highway Safety Improvement Program (HSIP) Cycle 7 funding in the amount of \$1,190,620 for three projects to improve safety on West Leland Road, Federal Aid Project HSIPL-5127(031).

On July 18, 2016, the City Council adopted Resolution 16-13214, approving the City of Pittsburg Capital Improvement Program for Fiscal Years 2016/17 through 2020/21, accepting grant funding from the Highway Safety Improvement Program, and allocating required matching funds. The approved CIP included Projects ST-38 West Leland Road Pavement Markers/Markings and Speed Signage Improvements (\$376,800 HSIP), ST-42 West Leland High Friction Surface Treatment Project (\$547,920 HSIP & \$60,880 Gas Tax funding match), and ST-43 West Leland Road Pavement Delineation, Warning Signage, High Visibility Crosswalk Improvements and Traffic Signal Modification at Range Road (\$265,900 HSIP). This project is a combination of those three projects.

On June 9, 2017, Statements of Qualifications (SOQ) were received from various consultants and were evaluated by Staff. TJKM Transportation Consultants was ranked as the most qualified based on their qualifications.

TJKM has submitted a proposal in the amount of \$158,646 for design of the Project.

SUBCOMMITTEE FINDINGS

Not Applicable

STAFF ANALYSIS

TJKM was selected for design of the Project based on their familiarity with the grant funded projects, their staff expertise, and previous history of providing engineering services to the City project. Staff will return to the City Council for award of a construction contract at a later date.

ATTACHMENTS: Resolution
Project Funding Summary

Report Prepared By: SM Saklaen, Civil Engineer I

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution Authorizing a Consultant)
Agreement For Design of Contract)
2015-11 West Leland Corridor) RESOLUTION NO 17-
Safety Improvements Project)

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, Contract 2015-11, West Leland Corridor Safety Improvements (the "Project"), is to increase safety in the West Leland Corridor between Railroad Avenue and Bailey Road where fatal traffic collisions have occurred in the last 10 years; and

WHEREAS, on December 11, 2015, Staff received notification from the California Department of Transportation (Caltrans) that the City had been selected to receive Highway Safety Improvement Program (HSIP) Cycle 7 funding in the amount of \$1,190,620 for three projects to improve safety on West Leland Road, Federal Aid Project HSIPL-5127(031); and

WHEREAS, on July 18, 2016, the City Council adopted Resolution 16-13214, approving the City of Pittsburgh Capital Improvement Program for Fiscal Years 2016/17 through 2020/21, accepting grant funding from the Highway Safety Improvement Program, and allocating required matching funds; and,

WHEREAS, the approved CIP included Projects ST-38 West Leland Road Pavement Markers/Markings and Speed Signage Improvements (\$376,800 HSIP), ST-42 West Leland High Friction Surface Treatment Project (\$547,920 HSIP & \$60,880 Gas Tax funding match), and ST-43 West Leland Road Pavement Delineation, Warning Signage, High Visibility Crosswalk Improvements and Traffic Signal Modification at Range Road (\$265,900 HSIP); and

WHEREAS, the Project is a combination of those three projects; and,

WHEREAS, on June 9, 2017 Statements of Qualifications (SOQ) were received from various consultants and TJKM Transportation Consultants was ranked as the most qualified based on their qualifications; and

WHEREAS, TJKM has submitted a proposal in the amount of \$158,646 for design of the Project; and

WHEREAS, Staff requests authorization for the City Manager to execute a Consultant Agreement with TJKM in the amount of \$158,646 for design of the Project.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1.

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2.

The City Council hereby authorizes a Consultant Agreement with TJKM in the amount of \$158,646 for design of the Project.

Section 3.

The City Manager is hereby authorized to execute the consultant agreement.

Section 4.

The City Clerk shall certify to the adoption of this Resolution.

Section 5.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Contract 2015-11, West Leland Corridor Safety Improvements

Project 2207, 3113, 3114

Project Funding	Current HSIP Grant Funding Project 3113	\$376,800
	Current HSIP Grant Funding Project 3114	\$265,900
	Current HSIP Grant Funding Project 2207	\$547,920
	Gas Tax City Matching Funds Project 2207	\$60,880

Funding Total **\$1,251,500****Project Expenditures:**

Design: (Code 2122)	Consultant Design Fee (Council consideration 12/18/17)	\$158,646
	Subtotal	\$158,646

Miscellaneous: (Code 1399)	Advertising	\$1,000
	Reproduction	\$2,000
	Subtotal	\$3,000

Construction: (Code 2281)	Construction Contract	\$840,000
	Contingency (~10%)	\$84,000
	Material Testing	\$15,500
	Subtotal	\$939,500

Wages/Benefits (Code 1101)	Staff Time for Design Management	\$30,177
	Staff Time for Construction Management	\$45,000
	Subtotal	\$75,177

Admin Overhead (Code 2372)	Staff Time for Design Management	\$30,177
	Staff Time for Construction Management	\$45,000
	Subtotal	\$75,177

Estimated Expenditures Total **\$1,251,500**



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

DATE: 11/17/2017
TO: Mayor and Council Members
FROM: Joe Sbranti, City Manager
SUBJECT: Adoption of a City Council Resolution to Create a Master Pay Schedule as Required by California Public Employees' Retirement System

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

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

FISCAL IMPACT

The affirmation of previously approved separate pay schedules as a single master pay schedule has no fiscal impact to the City for preparation or distribution, as the actions already occur.

RECOMMENDATION

The City Council adopt a resolution creating and affirming the City of Pittsburg's master pay schedule for all employee classifications so the City is in compliance with the requirements of the California Code of Regulations section 570.5 and the California Public Employees' Retirement System (CalPERS) relating to publically 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 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.

Currently, the City attaches salary schedule information by represented bargaining group to the memorandum of understanding (MOU) governing each bargaining group, and for unrepresented employees includes such salary information in compensation plans approved by City Council. Following City Council approval of these various salary schedules, the approved schedules are incorporated into one master salary schedule. However, this master salary schedule has customarily not been approved by Council as a single document, even though it contains the collective salary information derived from individual MOUs which have been approved by Council. As such, the recommendation to list compensation levels for all positions on one document duly approved and adopted by the Council has not been satisfied consistent with CalPERS' interpretation of California Government Code of Regulations section 570.5.

SUBCOMMITTEE FINDINGS

Not applicable

STAFF ANALYSIS

The adoption of the resolution will comply with CalPERS' interpretation of the requirements of Code of Regulations section 570.5 by affirming 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: Salary Schedule 11-16-17

Report Prepared By: Griselda Clift, Senior Human Resources Analyst

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Affirming Previously Adopted Employee Pay)
And Listing all Employee Compensation Levels)
On a Publicly Available Master Pay Schedule)

Resolution No. 17-

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 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; and

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the City now desires to affirm previously approved compensation levels for all bargaining groups and all compensation plans of the City of Pittsburg in one publicly available master pay schedule;

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. The recitals set forth above are true and correct statements and are hereby incorporated.

Section 2. The City Council adopt this Resolution affirming previously approved compensation levels for all bargaining groups and all compensation plans of the City of Pittsburg in one publicly available master pay schedule.

Section 3. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

Marilyn Craft, Mayor

Alice E. Evenson, City Clerk

CLASSIFICATION	RANGE	START	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	UNIT
Account Clerk (Part 1 of 2)	109	07/02/17	3,542	3,719	3,905	4,100	4,305			AFSCME
Account Clerk (Part 2 of 2)	170	07/02/17	4,100	4,305	4,520	4,746	4,983			AFSCME
Accountant I	350	07/02/17	5,370	5,639	5,921	6,217	6,528			MPC
Accountant II	500	07/02/17	6,011	6,312	6,628	6,959	7,307			MPC
Accounting Technician	220	07/02/17	4,744	4,981	5,230	5,492	5,767			AFSCME/MPC
Administrative Analyst I	390	07/02/17	5,549	5,826	6,117	6,423	6,744			MPC
Administrative Analyst II	700	07/02/17	6,425	6,746	7,083	7,437	7,809			MPC
Administrative Assistant (Part 1 of 2)	100	07/02/17	3,534	3,711	3,897	4,092	4,297			AFSCME
Administrative Assistant (Part 2 of 2)	160	07/02/17	4,092	4,297	4,512	4,738	4,975			AFSCME/MPC
Administrative Assistant to Director	290	07/02/17	5,070	5,324	5,590	5,870	6,164			MPC
Administrative Officer	860	07/02/17	8,702	9,137	9,594	10,074	10,578			MPC
Assistant City Engineer	920	07/02/17	10,484	11,448	12,020	12,621	13,252			MPC
Assistant City Manager	950	07/02/17	14,033				17,908			Sr. Exec Team
Assistant Director of Economic Development and Recreation	887	07/02/17	10,184				12,378			Mgmt Group
Assistant Director of Finance	887	07/02/17	10,184				12,378			Mgmt Group
Assistant Director of Public Works	895	07/02/17	10,662	11,195	11,755	12,343	12,960			MPC
Assistant Planner	450	07/02/17	5,916	6,212	6,523	6,849	7,191			MPC
Assistant to the City Manager	835	07/02/17	9,782				11,890			Mgmt Group
Associate Planner	740	07/02/17	6,849	7,191	7,551	7,929	8,325			MPC
Business Development Manager	860	07/02/17	8,702	9,137	9,594	10,074	10,578			MPC
Business License Coordinator	315	07/02/17	5,238	5,500	5,775	6,064	6,367			AFSCME
Chief Building Official	895	07/02/17	10,662	11,195	11,755	12,343	12,960			MPC
Chief of Police	955	07/03/16	13,789				17,431			Sr. Exec Team
City Clerk							470			Elected Official
City Council							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 Engineer	935	7/2/2017	12,480				15,168			Mgmt Group
City Manager	960	7/3/2016					20,714			Contract
City Treasurer							470			Elected Official
Civil Engineer I	510	07/02/17	6,185	6,494	6,819	7,160	7,518			MPC
Civil Engineer II	780	07/02/17	7,161	7,519	7,895	8,290	8,705			MPC
Combination Building Inspector	520	07/02/17	6,211	6,522	6,848	7,190	7,549			AFSCME
Community Relations Manager	700	07/02/17	6,425	6,746	7,083	7,437	7,809			MPC
Community Outreach Coordinator	315	09/18/17	5,238	5,500	5,775	6,064	6,367			AFSCME
Community Services Specialist	258	07/02/17	4,937	5,184	5,443	5,715	6,001			AFSCME
Compliance Principal	830	07/02/17	7,868	8,261	8,674	9,108	9,563			MPC
Contract Analyst	390	07/02/17	5,549	5,826	6,117	6,423	6,744			MPC
Crime Analyst	700	07/02/17	6,425	6,746	7,083	7,437	7,809			MPC
Customer Service Representative	95	07/02/17	3,211	3,372	3,541	3,718	3,904			AFSCME
Deputy City Clerk	330	07/02/17	5,324	5,590	5,870	6,164	6,472			MPC
Development Manager	890	07/02/17	9,783	10,272	10,786	11,325	11,891			MPC
Director of Community Development	940	07/02/17	12,000				15,168			Sr. Exec Team
Director of Community Services	940	07/02/17	12,000				15,168			Sr. Exec Team

CLASSIFICATION	RANGE	START	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	UNIT
Director of Finance	940	07/02/17	12,000				15,168			Sr. Exec Team
Director of Human Resources	940	07/02/17	12,000				15,168			Sr. Exec Team
Director of Public Works	945	07/02/17	12,968				15,764			Sr. Exec Team
Director of Records and Council Services	835	07/02/17	9,782				11,890			Sr. Exec Team
Director of Recreation and Maintenance Services	920	07/02/17	10,903				13,252			Mgmt Group
Director of Water Utilities	935	07/02/17	12,480				15,168			Mgmt Group
Electrician	420	07/02/17	5,725	6,011	6,312	6,628	6,959			Teamsters
Electrician Apprentice	200	07/02/17	4,572	4,801	5,041	5,293	5,558			Teamsters
Engineering Analyst	820	07/02/17	7,437	7,809	8,199	8,609	9,039			MPC
Engineering Technician I	310	07/02/17	5,185	5,444	5,716	6,002	6,302			AFSCME
Engineering Technician II	460	07/02/17	6,004	6,304	6,619	6,950	7,297			AFSCME
Environmental Affairs Manager	890	07/02/17	9,783	10,272	10,786	11,325	11,891			MPC
Environmental Health Specialist	470	07/02/17	5,946	6,243	6,555	6,883	7,227			AFSCME
Equipment Mechanic	270	07/02/17	5,057	5,310	5,576	5,855	6,148			Teamsters
Equipment Shop Supervisor	530	07/02/17	6,287	6,601	6,931	7,278	7,642			MPC
Executive Assistant	400	07/02/17	5,728				6,962			Mgmt Group
Executive Secretary to the Chief of Police	330	07/02/17	5,324	5,590	5,870	6,164	6,472			MPC
Finance Division Manager	855	07/02/17	8,557	8,985	9,434	9,906	10,401			MPC
Financial Analyst	580	07/02/17	6,746	7,083	7,437	7,809	8,199			MPC
GIS Coordinator	760	07/02/17	6,979	7,328	7,694	8,079	8,483			MPC
Harbormaster	830	07/02/17	7,868	8,261	8,674	9,108	9,563			MPC
Housing Inspector	315	07/02/17	5,238	5,500	5,775	6,064	6,367			AFSCME
Housing Manager	855	07/02/17	8,557	8,985	9,434	9,906	10,401			MPC
Housing Specialist	210	07/02/17	4,665	4,898	5,143	5,400	5,670			AFSCME
Human Resources Analyst	700	07/02/17	6,425	6,746	7,083	7,437	7,809			MPC
Human Resources Manager	890	07/02/17	9,782				11,890			Mgmt Group
Human Resources Specialist	330	07/02/17	5,324	5,590	5,870	6,164	6,472			MPC
Lead Marina Services Worker	320	07/02/17	5,293	5,558	5,836	6,128	6,434			Teamsters
Lead Police Records Clerk	255	07/02/17	4,976	5,225	5,486	5,760	6,048			AFSCME
Maintenance Assistant	95	07/02/17	3,211	3,372	3,541	3,718	3,904			Teamsters
Maintenance Lead Worker - Env. Services/Fac. Util.	320	07/02/17	5,293	5,558	5,836	6,128	6,434			Teamsters
Maintenance Worker I - Env. Services/Fac. Util.	140	07/02/17	3,950	4,148	4,355	4,573	4,802			Teamsters
Maintenance Worker II - Env. Services/Fac. Util.	200	07/02/17	4,572	4,801	5,041	5,293	5,558			Teamsters
Marina Maintenance Worker	140	07/02/17	3,950	4,148	4,355	4,573	4,802			Teamsters
Office Assistant	95	07/02/17	3,211	3,372	3,541	3,718	3,904			AFSCME
Payroll Specialist	330	07/02/17	5,324	5,590	5,870	6,164	6,472			MPC
Permit Technician	260	07/02/17	5,003	5,253	5,516	5,792	6,082			AFSCME
Pest Control Specialist	470	07/02/17	5,946	6,243	6,555	6,883	7,227			Teamsters
Planning Manager	890	07/02/17	9,783	10,272	10,786	11,325	11,891			MPC
Planning Technician	260	07/02/17	5,003	5,253	5,516	5,792	6,082			AFSCME
Police Captain	650	07/02/17	12,117	12,723	13,359	14,027	14,728	15,464		PMG
Police Lieutenant	640	07/02/17	10,563	11,091	11,646	12,228	12,839	13,481		PMG
Police Officer	600	07/02/17	5,762	6,050	6,352	6,670	7,003	7,354	7,721	POA
Police Officer (Continuation of Steps)	600	07/02/17						8107 (H)	8513 (I)	POA
Police Records Clerk (Part 1 of 2)	110	07/02/17	3,712	3,898	4,093	4,298	4,513			AFSCME

CLASSIFICATION	RANGE	START	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	UNIT
Police Records Clerk (Part 2 of 2)	180	07/02/17	4,297	4,512	4,738	4,975	5,224			AFSCME
Police Records Manager	540	07/02/17	6,276	6,590	6,920	7,266	7,629			MPC
Police Sergeant	625	07/02/17	8,185	8,594	9,023	9,475	9,948	10,446		POA
Power Company Manager	920	07/02/17	10,903				13,252			Mgmt Group
Property and Evidence Coordinator	410	07/02/17	5,713	5,999	6,299	6,614	6,945			AFSCME
Public Works Manager	890	07/02/17	9,783	10,272	10,786	11,325	11,891			MPC
Public Works Superintendent	880	07/02/17	8,790	9,230	9,691	10,176	10,685			MPC
Public Works Supervisor	530	07/02/17	6,287	6,601	6,931	7,278	7,642			MPC
Purchasing Analyst	720	07/02/17	6,702	7,037	7,389	7,758	8,146			MPC
Records Specialist	330	07/02/17	5,324	5,590	5,870	6,164	6,472			AFSCME
Recreation Coordinator	230	07/02/17	4,814	5,055	5,308	5,573	5,852			AFSCME
Recreation Supervisor	550	07/02/17	6,289	6,603	6,933	7,280	7,644			MPC
Redevelopment Project Manager	820	07/02/17	7,437	7,809	8,199	8,609	9,039			MPC
Senior Administrative Analyst	820	07/02/17	7,437	7,809	8,199	8,609	9,039			MPC
Senior Civil Engineer	860	07/02/17	8,702	9,137	9,594	10,074	10,578			MPC
Senior Combination Building Inspector	760	07/02/17	6,979	7,328	7,694	8,079	8,483			MPC
Senior Financial Analyst	790	07/02/17	7,810	8,200	8,610	9,040	9,492			MPC
Senior Human Resources Analyst	820	07/02/17	7,437	7,809	8,199	8,609	9,039			MPC
Senior Planner	840	07/02/17	7,930	8,326	8,742	9,179	9,638			MPC
Senior Redevelopment Project Manager	860	07/02/17	8,702	9,137	9,594	10,074	10,578			MPC
Sweeper Operator	140	07/02/17	3,950	4,148	4,355	4,573	4,802			Teamsters
Utility Billing Supervisor	540	07/02/17	6,276	6,590	6,920	7,266	7,629			MPC
Utility Lineworker	200	07/02/17	4,572	4,801	5,041	5,293	5,558			Teamsters
Utility Supervisor	810	07/02/17	8,338	8,755	9,193	9,653	10,136			MPC
Utility Technician I	705	07/02/17	6,470	6,794	7,134	7,491	7,866			Teamsters
Utility Technician II	805	07/02/17	7,344	7,711	8,097	8,502	8,927			Teamsters
Water Instrument/Maintenance Technician I	480	07/02/17	6,705	7,040	7,392	7,762	8,150			Teamsters
Water Instrument/Maintenance Technician II	750	07/02/17	7,762	8,150	8,557	8,985	9,434			Teamsters
Water Maintenance Mechanic I	480	07/02/17	6,705	7,040	7,392	7,762	8,150			Teamsters
Water Maintenance Mechanic II	750	07/02/17	7,762	8,150	8,557	8,985	9,434			Teamsters
Water Plant Apprentice Operator	200	07/02/17	4,572	4,801	5,041	5,293	5,558			Teamsters
Water Plant Operator	560	07/02/17	6,734	7,071	7,425	7,796	8,186			Teamsters
Water Plant Superintendent	883	07/02/17	9,230	9,692	10,177	10,686	11,220			MPC
Water Plant Supervisor	810	07/02/17	8,338	8,755	9,193	9,653	10,136			MPC
Water Quality Analyst I	380	07/02/17	5,903	6,198	6,508	6,833	7,175			Teamsters
Water Quality Analyst II	710	07/02/17	7,107	7,462	7,835	8,227	8,638			Teamsters
SEASONAL CLASSIFICATIONS										
Expert Consultant	0910	03/16/15	30.00				100.00			n/a
High School Intern	0550	06/22/14					10.50			n/a
Intern (college-level)	0510	04/16/12	12.00		13.50		15.00			n/a
Maintenance Aide	0530	12/30/07	10.67	11.21	11.78	12.37	13.03	13.74 (F)	14.48 (G)	15.25 (H)
Maintenance Helper	0520	06/22/14					10.50			n/a
Police Officer Trainee	6009	07/02/17	26.59	20% less than Police Officer Step A						n/a
Recreation Leader I	0550	06/22/14					10.50			n/a
Recreation Leader II	0560	12/30/07	10.50		11.00		12.00			n/a

CLASSIFICATION	RANGE	START	STEP A	STEP B	STEP C	STEP D	STEP E	STEP F	STEP G	UNIT
Recreation Leader III	0570	06/17/13	13.00	14.00	15.00	16.00	17.00	18.00 (F)	19.00 (G)	20.00 (H)



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

DATE: 11/29/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Allocate Funding for Contract 2017-15, West Leland Road/Burton Avenue Traffic Signal Modification Project

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Contract 2017-15, West Leland Road/Burton Avenue Traffic Signal Modification Project (the "Project") is for design and construction of modifications to the existing traffic signal at Burton Avenue and West Leland Road. This will provide a protected/permissive eastbound left turn at the intersection to improve safety for vehicles turning north onto Burton Avenue. The attached Resolution will allocate funding to design and construct the Project.

FISCAL IMPACT

Staff is requesting the allocation of \$50,000 from Measure J (Fund 204) to design and construct the Project. A Project Budget Summary is attached to this report.

RECOMMENDATION

City Council adopt the attached resolution allocating \$50,000 from Measure J (Fund 204) to the Project for design and construction.

BACKGROUND

Staff has received complaints from the public regarding difficulty for drivers to make left turns from eastbound West Leland Road onto Burton Avenue when traffic volumes are high. Staff has identified minor modifications to the traffic signal that can allow protected left turns for eastbound West Leland Road motorists to increase safety.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

Drivers turning left in the eastbound direction on West Leland Road are having difficulty finding a safe gap in opposing through traffic during the morning rush hour and are turning left onto Burton Avenue during the all red phase. The protected/permissive left turn phase will improve the safety for eastbound left turn vehicles at the intersection.

This approach has two through lanes without a left turn lane. There is insufficient roadway width to restripe an additional left turn lane eastbound. In order to provide for a protected left turn phase, the signal operation would need to be split phased in eastbound and westbound directions.

ATTACHMENTS: Resolution
Project Budget Summary

Report Prepared By: Ronald A. Nevels, Senior Civil Engineer

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution Allocating Funding for)
Contract 2017-15, West Leland Road/) RESOLUTION NO. 17-
Burton Avenue Traffic Signal)
Modification Project)

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, Contract 2017-15, West Leland Road/Burton Avenue Traffic Signal Modification Project(the "Project")is for design and construction of modifications to the existing traffic signal at Burton Avenue and West Leland Road. This will provide a protected/permissive eastbound left turn at the intersection to improve safety for vehicles turning north onto Burton Avenue; and

WHEREAS, Staff has received complaints from the public stating that it is difficult to make left turns from eastbound West Leland Road onto Burton Avenue when traffic volumes are high; and

WHEREAS, Staff has identified minor modifications to the traffic signal that can allow protected left turns for eastbound West Leland Road motorists to increase safety; and

WHEREAS,Staff is requesting the allocation of \$50,000 from Measure J (Fund 204) to design and construct the Project.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1.

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2.

The City Council hereby authorizes the allocation of \$50,000 from Measure J(Fund 204) for design and construction of the Project.

Section 3.

The City Clerk shall certify to the adoption of this Resolution.

Section 4.

This Resolution shall take effect immediately upon adoption.

PASSEDAND ADOPTED by the City Council of the City of Pittsburgh at a regular

meeting on the 18thday of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

**Contract 2017-15, West Leland Road/ Burton Avenue Traffic Signal
Modification Project**

Project Funding: Measure J (requested allocation) \$50,000

Funding Total \$50,000

Project Expenditures:

Design: Consultant Design \$4,500
(Code 2122)

Subtotal \$4,500

Miscellaneous: Advertising \$0
(Code 1399) Reproduction \$500
Postage \$0

Subtotal \$500

Construction: Estimated Construction \$30,000
(Code 2281) Construction Contingency (10%) \$3,000

Subtotal \$33,000

Staff Time: Staff Design Management \$1,000
(Code 1101) Staff Construction Management \$5,000

Subtotal \$6,000

Admin: Staff Design Management \$1,000
(Code 2372) Staff Construction Management \$5,000

Subtotal \$6,000

Expenditures Total \$50,000



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

DATE: 12/1/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a Resolution to Approve a Revision to the Recreation and Planning Fees

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The Community Advisory Commission recommends that the City Council adopt the Recreation Department proposed changes to recreation fees and the addition of a special projects fee for the Planning Department. The fee increases are requested to become effective on January 1, 2018.

FISCAL IMPACT

Adoption of the proposed fees would bring the current fee schedule comparable with the fees in surrounding cities. Increases are competitive and adjusted to ensure that the City is covering costs while maintaining the subsidy to allow for affordability to our residents. It is anticipated that the new fee schedule will generate \$21,756.00 to cover the operational costs offered through our Recreation Department.

RECOMMENDATION

The City Council adopt the revised Master Fee Schedule including the updated Recreation Department and Planning Department Fees as recommended by the Community Advisory Commission.

BACKGROUND

The City's Master Fee Schedule is a compilation of the fees charged for services and development with the City of Pittsburg. All fees are reviewed from time to time in order to ensure that the fees charged do not exceed the estimated costs required to produce the services and that all fees are in compliance with the California Government Code Sections 66016 and 66018.

The Master Fee Schedule was originally adopted by the City Council in 2004. Since then, various resolutions have been adopted to bring some of the fees current. In 2015, the City contracted with Willdan Financial Services to conduct a comprehensive user fee study of the City's various services and associated user fees. Willdan Financial Services completed their review and provided the City with a detailed comprehensive report and recommendations. On June 6, 2015, City Council adopted Resolution 15-13068 amending the citywide Master Fee Schedule as a result of the study. This includes amended Recreation Fees that allowed for future annual consumer price index (CPI) increases.

Most fee changes are per the Master Fee Schedule requirement of an annual Consumer Price Increase (CPI) increase. However, substantial fee changes are only in a few areas as follows:

Field Rentals (lines 13-25)

The recommended fee is to be rounded to the next dollar to reflect a 3% CPI increase from prior year.

Buchanan Park Community Center (lines 37-41)

The current fee structure includes Equipment as a separate add-on for this facility. Equipment has been identified as tables and chairs that exist within the facility for the specific use by the user. Staff recommends that the rental fee should be all inclusive of the use of tables and chairs. In doing so, lines 40 and 41 would be removed from the fee schedule.

Library Community Room Janitorial Fee (lines 45)

Staff recommends increasing the janitorial fee to be the same as the fee for Buchanan Park Community Center (line 39).

Senior Center Rental Fee (lines 56-57)

Currently the Senior Center is the only conference and event center that is under City control and is priced far below market at \$116 per hour for residents and \$139 per hour for non-residents. Staff compared the Senior Center facility with comparable facilities in Antioch and Concord that included similar amenities, capacity, and uses. The Antioch Community Center charges \$218 per hour for rentals occurring Monday through Thursday, while Friday and Saturdays are considered "peak" and have a rate of \$260 per hour. This facility does not have an exclusivity use as it is shared with many other users whereas the Senior Center is reserved to one user at a time. Staff recommends increasing the rental fees for the Senior Center to a more competitive rate of \$200 for residents and \$225 for non-residents. Assuming 32 rentals at the Senior Center, as was the total rentals in FY 16/17, the Recreation Department can expect a revenue increase of \$10,752.

Small World Park After Hours Rental Deposit (line 89)

To be consistent with other facility deposits, staff recommends increasing the deposit to \$164 for this facility.

Small World Park After Hours Party Castle Rental Fee (lines 94-95)

This facility is no longer allowed as a separate after hours rental and the department recommends its removal from the fee schedule.

New Fees to Be Added to Fee Schedule

In reviewing requests from residents for various facility use and equipment staff determined that the Department could offer the following uses to accommodate these requests. The rates allow the department to recover our costs.

Small World Park Rentals (Party Castle Off Season) - \$173 for a 4-hour rental

Small World Park (Party Castle Off Season) Add-on Ride Operator - \$85 includes 2 rides during the 4-hour rental

Field Rental Add-on for CP-1 Only (Scoreboard and Sound) – Fully Burdened Rate of Positions Involved

Facility Rental Add-ons for various equipment such as projector/screen (\$50), podium (\$20), sound (\$50)

Small World Park Equipment Rentals - \$7 per table

The following fees are to be added to the Buchanan Swim Center:

Rental Deposit- \$164 (This is consistent with other facility rental deposits.)

School & Swim Team Rentals - \$44 per hour

Spring/Fall Season Pass - \$25 per season

The City has entertained and sponsored a professional baseball team for the last four years at CP-1 during the months of June through August. As these types of uses are becoming more common in the region, staff recommends adding a fee for Professional Team Sport (Adult Team) at a rate of \$500 per game. This is consistent with the rate that the City of Martinez is proposing for the team that will utilize their field in the Spring of 2018.

The Planning Department is recommending the addition of a Special Projects fee to be added to the Planning section of the Master Fee Schedule. This fee would recover the actual cost of staff time but would also require a deposit of \$5,000.

SUBCOMMITTEE FINDINGS

The proposed fee changes were considered by the Community Advisory Commission (CAC) during their regularly scheduled December 6, 2017 meeting. The CAC recommended the adoption of the proposed adjustment to the Master Fee Schedule.

STAFF ANALYSIS

The Recreation Department evaluated the costs necessary to provide the proposed recreation fees as well as performed a study of comparable fees for facilities, programs and services in the cities of Concord, Antioch, and Brentwood. Staff adjusted facilities as appropriate while ensuring that fees are reasonably affordable for our residents.

Additionally, peak season for Recreation programs, reservations, and activities take place in the spring and summer months. The current fee structure implements rate increases for Recreation fees to be effective annually on July 1. Staff recommends that the fees should become effective each January 1 (beginning in 2018) based on Consumer Price Index, service costs, and comparison study.

Staff recommends the City Council adopt the proposed changes as per the attached spreadsheet including the addition of new fees effective January 1, 2018.

ATTACHMENTS: Resolution
Fee Schedule for Proposed Changes

Report Prepared By: Kolette Simonton, Assistant Director of Economic Development and Recreation

ROW	DESC	UNIT	NOTES	ADOPTED FEE		<i>Suggested Rate</i>		<i>Additional Changes/cComments</i>
AQUATICS								
2	Group Lessons/Parent Child - Resident			\$ 55.00		55		NO change
3	Group Lessons/Parent Child - Non Resident			\$ 62.00		62		NO change
4	Private Lesson - Resident			\$ 121.00		121		NO change
5	Private Lesson - Non Resident			\$ 127.00		128		
6	Recreational Swim - Youth			\$ 3.00		3		NO change
7	Recreational Swim - Adult			\$ 6.00		6		NO change
8	Pool Parties	Per Person	Minimum 10 people	\$ 7.00		7		NO change
9	Season Pass - 14 years and younger			\$ 18.00		19		
10	Season Pass - 15 years and older			\$ 25.00		27		
ADULT SPORTS								
11	Adult Spring Softball - Recreational	Per Team	Based on a 7-game schedule, plus double elimination playoffs and award	\$ 600.00		600		NO change
12	Adult Summer Softball - Regular League	Per Team	Based on a 8-game schedule, plus double elimination playoffs and award	\$ 600.00		600		NO change
FIELD RENTALS								
13	Grass Field Rental (Youth)	Per Hour		\$ 18.00		19		Adjusted for 3% CPI
14	Grass Field Rental (Adult)	Per Hour		\$ 30.00		31		Adjusted for 3% CPI
15	Grass Field Rental with Lights (Youth)	Per Hour		\$ 34.00		35		Adjusted for 3% CPI
16	Grass Field Rental with Lights (Adult)	Per Hour		\$ 48.00		49		Adjusted for 3% CPI
17	Artificial Grass Field Rental (Youth)	Per Hour		\$ 54.00		56		Adjusted for 3% CPI
18	Artificial Grass Field Rental (Adult)	Per Hour		\$ 66.00		68		Adjusted for 3% CPI
19	Artificial Grass Field Rental with Lights (Youth)	Per Hour		\$ 69.00		71		Adjusted for 3% CPI
20	Artificial Grass Field Rental with Lights (Adult)	Per Hour		\$ 84.00		87		Adjusted for 3% CPI
21	Tournaments	Per Game		\$ 18.00		19		Adjusted for 3% CPI
22	Field Prep			\$ 36.00		37		Adjusted for 3% CPI
23	Snack Bar - Profit	Per Day		\$ 120.00		124		Adjusted for 3% CPI
24	Snack Bar - Non-Profit	Per Day		\$ 60.00		62		Adjusted for 3% CPI
25	Senior Bocce Ball League	Per Team		Service is contracted out		Service is contracted out		Adjusted for 3% CPI
YOUTH SPORTS								
26	Youth Sports (Basketball)			\$ 90.00		90		NO change
27	Youth Sports (Flag Football)			\$ 84.00		84		NO change
28	Tiny Tots Sports (Soccer)			\$ 84.00		84		NO change
29	Tiny Tots Sports (Tag Football, Indoor Soccer, Outdoor Soccer, Basketball and T-Ball) - Resident			\$ 45.00		45		NO change
30	Tiny Tots Sports (Tag Football, Indoor Soccer, Outdoor Soccer, Basketball and T-Ball) - Non-Resident			\$ 66.00		66		NO change
RECREATION CLASSES								
31	Recreation Classes		Fee based upon cost of class to City (60/40% cost split; 40% to City)	Fee based upon cost of class to City (60/40% cost split; 40% to City)		Fee based upon cost of class to City (60/40% cost split; 40% to City)		NO change
SUMMER ACTIVITIES								
32	Summer Playground Program (Basic Camp)	Per Session		Service is contracted out		Service is contracted out		NO change
33	Summer Playground Program (Super Camp)	Per Session		Service is contracted out		Service is contracted out		NO change
34	Summer Excursions			Transportation / Admission Costs		Transportation / Admission Costs		NO change
35	Summer Specialty Camps	Per Session		Service is contracted out		Service is contracted out		NO change

ADULT EXCURSIONS							
36	Adult Excursions			Transportation and accommodations plus 25% administration fee		<i>Transportation and accommodations plus 25% administration fee</i>	NO change
FACILITY RENTALS							
37	Buchanan Park Community Center (Bldg Rental) - Resident	Per Hour	Security Officers will be required for all rentals after 3PM (Reso 10-11408)	\$ 58.00		119	includes equipment cost for tables & chairs plus 3% CPI increase
38	Buchanan Park Community Center (Bldg Rental) - Non Resident	Per Hour	Security Officers will be required for all rentals after 3PM (Reso 10-11408)	\$ 70.00		132	includes equipment cost for tables & chairs plus 3% CPI increase
39	Buchanan Park Community Center (Janitorial)		Fee for All Rentals	\$ 54.00		54	
40	Buchanan Park Community Center (Equipment) - Private		All Rentals	\$ 58.00		-	Recommend removing this fee
41	Buchanan Park Community Center (Equipment) - Profit		All Rentals	\$ 112.00		-	Recommend removing this fee
42	Buchanan Park Community Center (Deposit)		Refundable Deposit	\$ 579.00		579	
43	Buchanan Park Community Center (Deposit) - with Alcohol		Refundable Deposit	\$ 1,157.00		1,157	
44	Library Community Room (Building Rental)	Per Hour	Per Resolution 13-11800	\$ 38.00		39	Adjusted for 3% CPI
45	Library Community Room (Janitorial)		Fee for All Rentals	\$ 50.00		54	
46	Library Community Room (Deposit)		Refundable Deposit	\$ 108.00		111	Adjusted for 3% CPI
47	Buchanan Park Picnic Areas (Large Areas)	Per Day	Plus \$164.00 Refundable Deposit	\$ 174.00		179	Adjusted for 3% CPI
48	Buchanan Park Picnic Areas (Small Areas)	Per Day	Plus \$55.00 Refundable Deposit	\$ 58.00		60	Adjusted for 3% CPI
49	Stoneman Trailhead Park	Per Day	Plus \$164.00 Refundable Deposit	\$ 174.00		179	Adjusted for 3% CPI; former known as John Henry Johnson
50	City Park (Large Area)	Per Day	Plus \$164.00 Refundable Deposit	\$ 174.00		179	Adjusted for 3% CPI
51	Central Park	Per Day	Plus \$164.00 Refundable Deposit	\$ 174.00		179	Adjusted for 3% CPI
52	Highland Ranch Park - Gazebo	Per Day	Plus \$164.00 Refundable Deposit	\$ 174.00		179	Adjusted for 3% CPI
53	Buchanan Swim Center - Non-Resident	Per Hour	Plus \$120.00 Refundable Deposit	\$ 116.00		119	Adjusted for 3% CPI
54	Buchanan Swim Center - Resident	Per Hour	Plus \$109.00 Refundable Deposit	\$ 92.00		95	Adjusted for 3% CPI
55	Boatwright Plaza		for 4 hours	\$ 87.00		90	Adjusted for 3% CPI
56	Senior Center Rental - Non-Resident	Per Hour	4 Hr. Minimum	\$ 139.00		225	Antioch Comm Ctr: \$218-260/hr
57	Senior Center Rental - Resident	Per Hour	4 Hr. Minimum	\$ 116.00		200	Antioch Comm Ctr: \$218-260/hr
58	Senior Center Cleaning/Damage Deposit - With Alcohol		Refundable	\$ 869.00		895	Adjusted for 3% CPI
59	Senior Center Cleaning/Damage Deposit - Without Alcohol		Refundable	\$ 579.00		596	Adjusted for 3% CPI
60	Senior Center Kitchen Rental			\$ 85.00		88	Adjusted for 3% CPI
61	Senior Center Kitchen Deposit		Refundable	\$ 282.00		290	Adjusted for 3% CPI
62	Senior Center Alcohol Permit			\$ 29.00		30	Adjusted for 3% CPI
63	Senior Center Insurance		REQUIRED (Homeowners or Municipal Risk Mgmt)	REQUIRED (Homeowners or Municipal Risk Mgmt)		REQUIRED (Homeowners or Municipal Risk Mgmt)	NO change
64	Senior Center Cancellation Fee - 4 Months or More			\$ 180.00		180	NO change
65	Senior Center Cancellation Fee - 2-4 Months			25% of Total Rental Fee		25% of Total Rental Fee	NO change
66	Senior Center Cancellation Fee - 6 Weeks to 2 Months			50% of Total Rental Fee		50% of Total Rental Fee	NO change
67	Senior Center Cancellation Fee - Less than 6 Weeks			Entire Rental Fee Less Refundable Cleaning / Damage Deposit		Entire Rental Fee Less Refundable Cleaning / Damage Deposit	NO change
68	Senior Center Rental Penalty	Per 15 Min	After Event Ending Time	\$ 120.00		120	NO change

SMALL WORLD PARK							
69	Small World Park Admission (General 15 and Older)			\$ 6.00		6	NO change
70	Small World Park Admission (Senior)			\$ 2.10		3	NO change
71	Small World Park Admission (Child)			\$ 3.30		3	NO change
72	Small World Park Season Pass (General 15 and Older)		includes admission to Buchanan Swim Center	\$ 27.00		27	
73	Small World Park Season Pass (Child)		includes admission to Buchanan Swim Center	\$ 19.00		19	
74	Small World Park Rentals (Dinosaur Den)		Resident	\$ 22.00		25	Adjusted for 3% CPI
75	Small World Park Rentals (Dinosaur Den)		Non-Resident	\$ 46.00		47	Adjusted for 3% CPI; rate corrected from 2017
76	Small World Park Rentals (Robin Hood Haven)		Resident	\$ 24.00		25	Adjusted for 3% CPI
77	Small World Park Rentals (Robin Hood Haven)		Non-Resident	\$ 44.00		47	Adjusted for 3% CPI; rate corrected from 2017
78	Small World Park Rentals (Fort Pitt)		Resident	\$ 29.00		30	Adjusted for 3% CPI
79	Small World Park Rentals (Fort Pitt)		Non-Resident	\$ 58.00		60	Adjusted for 3% CPI
80	Small World Park Rentals (Barn Yard Glen/Fairy Tale Falls)		Resident	\$ 35.00		35	NO change
81	Small World Park Rentals (Barn Yard Glen/Fairy Tale Falls)		Non-Resident	\$ 70.00		70	NO change
82	Small World Park Rentals (Tea Party Pavillion 1-120 Persons)		Resident	\$ 81.00		85	Adjusted for 3% CPI
83	Small World Park Rentals (Tea Party Pavillion 1-120 Persons)		Non-Resident	\$ 116.00		120	Adjusted for 3% CPI
84	Small World Park Rentals (Party Castle)		Resident	\$ 58.00		60	Adjusted for 3% CPI
85	Small World Park Rentals (Party Castle)		Non-Resident	\$ 116.00		119	Adjusted for 3% CPI
86	Small World Park Power Box Rental (Group Picnic Sites)			\$ 25.00		26	Adjusted for 3% CPI
87	Small World Park (After Hours Rental) - Group Rate	4-Hour Rental	Any damage, excessive clean-up, exceeding rental time or cancellation of reservation will be deducted from deposit	\$ 561.00		575	Adjusted for 3% CPI
88	Small World Park (After Hours Rental) - Corporate Rate	4-Hour Rental	Any damage, excessive clean-up, exceeding rental time or cancellation of reservation will be deducted from deposit	\$ 687.00		708	Adjusted for 3% CPI
89	Small World Park (After Hours Rental) - Deposit			\$ 120.00		164	consistent with facility rental deposits
90	Carousel		Per Operator, Requires two operators	\$ 90.00		90	NO change
91	Train		Per Operator	\$ 90.00		90	NO change
92	Whale		Per Operator	\$ 90.00		90	NO change
93	Ferris Wheel		Per Operator	\$ 90.00		90	NO change
94	Small World Park (After Hours Rental) - Party Caste without play equipment)	4-Hour Rental		\$ 60.00			Remove
95	Small World Park (After Hours Rental) - Party Caste with play equipment / attendant)	4-Hour Rental		\$ 150.00			Remove
96	Small World Park (After Hours Rental) - Penalty	Every 15 Min	After Event Ending Time; will be deducted from deposit	\$ 30.00		30	NO change

SPECIAL EVENT PERMIT APPLICATION FEES								
97	Category 1 Special Event Permit (Application 16+ weeks in advance)		Non-Refundable: Athletic Events, Carnival, Fairs, Competitions/Contests, Food Related Events, Holiday Celebrations, Recreation, River/Park Clean-ups, Spectator Sports, Business Shows/Promotions, Training Activities)	\$ 50.00		50		NO change
98	Category 1 Special Event Permit (Application 12-15 weeks in advance)		Non-Refundable: Athletic Events, Carnival, Fairs, Competitions/Contests, Food Related Events, Holiday Celebrations, Recreation, River/Park Clean-ups, Spectator Sports, Business Shows/Promotions, Training Activities)	\$ 100.00		100		NO change
99	Category 1 Special Event Permit (Application 4-11 weeks in advance)		Non-Refundable: Athletic Events, Carnival, Fairs, Competitions/Contests, Food Related Events, Holiday Celebrations, Recreation, River/Park Clean-ups, Spectator Sports, Business Shows/Promotions, Training Activities)	\$ 200.00		200		NO change
100	Special Event Department Service Charge		If a permittee is required to pay Department Service Charges, those charges shall be calculated at the rates established in the City's Master Fee Schedule, as amended from time to time by City Council Resolution, in effect at the time the special event application is received.	Fully Burdened Rate of Positions involved		Fully Burdened Rate of Positions involved		NO change
SPECIAL EVENT CLEAN-UP AND DAMAGE DEPOSIT								
101	Special Event Clean-up and Damage Deposit (Small Event - No Food)		100-499 people	\$ -		-		NO change
102	Special Event Clean-up and Damage Deposit (Small Event - Food)		100-499 people	\$ 500.00		500		NO change
103	Special Event Clean-up and Damage Deposit (Medium Event - No Food)		500-999 people	\$ 500.00		500		NO change
104	Special Event Clean-up and Damage Deposit (Medium Event - Food)		500-999 people	\$ 1,000.00		1,000		NO change
105	Special Event Clean-up and Damage Deposit (Large Event - No Food)		1,000 or more people	\$ 1,000.00		1,000		NO change
106	Special Event Clean-up and Damage Deposit (Large Event - Food)		1,000 or more people	\$ 1,500.00		1,500		NO change
ITEMS TO BE ADDED TO RECREATION DEPARTMENT								
	Small World Park Rentals (Party Castle Off Season) - Resident	Four Hour Rental				150		
	Small World Park Rentals (Party Castle Off Season) - Non Resident	Four Hour Rental				12		
	Small World Park Rentals (Party Castle Off Season) Add-on Ride Operator	Four Hour Rental	includes two rides			83		
	Small World Park Rentals - Add-on Table Rental	Per Table				7		
	Field Rental Add-On for CP-1 Only - (Scoreboard & Sound)	Per hour	Includes 1 Rec Leader II			Fully Burdened Rate of Positions Involved		
	Professional Team Sport (Adult Team)	Per Game	Includes baseball, soccer, football, etc.			500		consistent with Martinez's proposed fee
	Facility Rental Add-On - Equipment (Projector, Screen)					50		comparable to other cities
	Facility Rental Add-On - Equipment (Sound)		only available for Senior Center			50		comparable to other cities
	Facility Rental Add-On - Equipment (Podium)					20		
	Facility Rental Add-On - Equipment (Wipe-Out Water Inflatable)		only available with Aquatics Rental			100		
	Buchanan Swim Center - Rental Deposit					164		consistent with Field Rental Deposits
	Buchanan Swim Center - Rental	Per Hour				116		
	School Rentals,Swim Team Rentals	Per Hour				44		Contract with school, swim teams practice with other programming
	Buchanan Swim Center - Spring Season Pass		Spring (Apr 16-June 8) M-F 9a-12p			25		
	Buchanan Swim Center - Fall Season Pass		Fall (Aug 20-Oct 5) M-F 9a-12p			25		
ITEMS TO BE ADDED TO PLANNING DEPARTMENT								
	Special Projects					actual cost with a deposit of \$5,000		

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of the Revision to the)
Recreation and Planning Fees)

RESOLUTION NO. 17-

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the Recreation Department has proposed revisions to the department's fees including the addition of a new Planning fee; and

WHEREAS, the proposed fees were considered by the Community Advisory Commission during their regularly scheduled meeting on December 6, 2017; and

WHEREAS, the Community Advisory Commission unanimously recommends that the proposed fees are adopted.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. The recitals set forth above are true and correct statements and are hereby incorporated in conjunction with the staff report.

Section 2. The City Council adopts this Resolution approving the proposed revision to the Recreation Department fee schedule and the addition of a new Planning fee.

Section 3. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 18th day of December, 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk



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

DATE: 11/29/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Accept the Plans and Specifications, Re-allocate Funds, and Authorize the Award of Contract 2017-12, Water Treatment Plant Filter Media Replacement Project.

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Contract 2017-12, Water Treatment Plant Filter Media Replacement Project (“the Project”) is for the removal and disposal of Anthracite and Granular Activated Carbon (GAC) and replacement with new GAC in water filters at the City’s Water Treatment Plant. Adoption of this resolution will accept the plans and specifications for the Project, re-allocate funding, and authorize the City Manager to award a construction contract to Calgon Carbon Corporation of Moon Township, Pennsylvania.

FISCAL IMPACT

The Project is to be funded from the 2017/18 Water Treatment Plant Filter Media Replacement Filter 1 & 2 (Project 5059) which is funded with \$150,000 of Water Operations Fund (WOF). Staff is requesting re-allocation of \$450,000 of 2005 Water Bond funds from the West Leland Water Main Project (WTP to Southwest Hills) (Project 5071) to the Project for a total Project budget of \$600,000.

A Project budget summary is attached to this Staff Report as Exhibit “A”.

RECOMMENDATION

City Council adopt the attached Resolution accepting the plans and specifications, re-allocating \$450,000 from the West Leland Water Main Project (WTP to Southwest Hills) (Project 5071), and authorizing the City Manager to award and execute a contract in the

amount of \$506,816 with Calgon Carbon Corporation for construction of the Base Bid (\$243,344) and Alternate Bid Items A, B, C, & D (total of alternates \$263,472).

City Council adopt the attached Resolution establishing a construction contingency of \$51,000 (approximately 10% of the contract amount). Staff further recommends that the City Engineer be authorized to approve contract change orders for this Project in a total amount not to exceed 50% of the contingency and the City Manager be authorized to approve change orders for this Project in a total amount not to exceed 100% of the contingency amount.

BACKGROUND

The Granular Activated Carbon (GAC) media in five of the eight filters at the City's Water Treatment Plant (WTP) is at the end of its useful life. The three remaining filters contain Anthracite, which is to be replaced with GAC as part of this Project. The Project Base Bid includes replacing the Anthracite and GAC in four filters with new GAC. The bids received include alternate bid items A, B, C, and D, which include removal and replacement of the GAC in the remaining four filters.

On June 19, 2017, the City Council adopted Resolution 17-13337, adopting the City's Operating Budget for Fiscal Years 2017/18 and allocating funds to several CIP projects. CIP Project W-35, 2017-18 Filter Media Replacement Project (Filters 1 & 2), was allocated \$150,000 of Water Operation Funds (Project 5059).

Advertising for the Project began on October 25, 2017. Bids for construction of the Project were opened on November 22, 2017. Calgon Carbon Corporation of Moon Township, PA was the low bidder with a Base Bid proposal of \$243,344. Determination of the lowest Bidder was made by comparing base bids.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The filters at the WTP generally need to have the GAC replaced every four years. In 2016, the GAC media in three filters was replaced with the less expensive Anthracite. This was a cost saving measure, but created a problem with maintaining the water chemistry due to the mixture of different filter media among the eight filters at the WTP. Additionally, GAC helps improve the taste of the water, and Anthracite does not.

Staff received one bid proposal for construction of the Project. The bid received has been checked for arithmetical errors, completeness, and conformance with the bid requirements. The low bid proposal submitted by Calgon Carbon Corporation is responsive to the bid requirements and the Base Bid is within 10% of the Engineer's estimate of \$250,000.

Staff recommends awarding the Base Bid (Filters 5, 6, 7 & 8) in the amount of \$243,344 and alternate bid items A, B, C, and D (Filters 1, 2, 3, and 4) in the amount of \$263,472 for a total contract amount of \$506,816.

The requested funding re-allocation to the Project from the West Leland Water Main Project (WTP to Southwest Hills) (Project 5071) will eventually need to be replenished, at a later date, when new development triggers the need for construction of the water main.

With the re-allocation of the requested funds, there will be more than sufficient funding remaining in the West Leland Water Main Project to complete the design of the water main in preparation for bidding and construction.

ATTACHMENTS: Resolution
Project Budget Summary-Exhibit "A"

Report Prepared By: Ronald A. Nevels, Senior Civil Engineer

Exhibit A - Project Budget Summary

Contract 2017-12, WTP Filter Media Replacement Project

Project Funding

Previous Allocation for Filter Media Replacement (Project 5059)	\$150,000
Requested Re-allocation from Southwest Hills Waterline (Project 5071)	\$450,000
Funding Total	\$600,000

Project Expenditures:

Design: (Code 2122)	Material Testing in Design	\$5,000
	Miscellaneous Design Expense	\$2,500
	Subtotal	\$7,500
Miscellaneous: (Code 1399)	Advertising	\$600
	Postage	\$0
	Subtotal	\$600
Construction: (Code 2281)	Construction Base Bid Plus Bid Alternates	\$506,816
	Construction Contingency (~10%)	\$51,000
	Material Testing	\$3,084
	Subtotal	\$560,900
Staff Time: (Code 1101)	Staff Time during Design phase	\$7,000
	Staff Time for Construction Management	\$8,500
	Subtotal	\$15,500
Admin Overhead (Code 2372)	Design Phase	\$7,000
	Construction Management	\$8,500
	Subtotal	\$15,500
Estimated Total Expenditures		\$600,000

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution to Accept the Plans and)
Specifications, Re- Allocate Funds, and)
Authorize the Award of Contract)
2017-12, Water Treatment Plant Filter)
Media Replacement Project)

RESOLUTION NO. 17-

The City Council of the City of Pittsburgh DOES RESOLVE as follows:

WHEREAS, the Granular Activated Carbon (GAC) media currently installed in the five of the eight filters at the City's Water Treatment Plant (WTP) is at the end of its useful life. Three of the filters contain Anthracite (filters 6,7, and 8), which is to be replaced with GAC as part of this Project; and

WHEREAS, the Project Base Bid includes replacing the Anthracite and GAC in filters No. 5, 6, 7 and 8 and replacing it with new GAC in the same filters. The bids received include alternate bid items A, B, C, and D, which include removal and replacement of the GAC in the remaining filters 1-4; and

WHEREAS, Contract 2017-12, Water Treatment Plant Filter Media Replacement Project ("the Project") is for the removal and disposal of Anthracite and Granular Activated Carbon (GAC) and replacement with new GAC in the water filters at the City's Water Treatment Plant; and

WHEREAS, on June 19, 2017, the City Council adopted Resolution 17-13337, adopting the City's Operating Budget for Fiscal Years 2017/18 and allocating funds to several CIP projects. CIP Project W-35, 2017-18 Filter Media Replacement Project (Filters 1 & 2), was allocated \$150,000 of Water Operation Funds (Project 5059); and

WHEREAS, advertising for the Project began on October 25, 2017. Bids for construction of the Project were opened on November 22, 2017. Calgon Carbon Corporation of Moon Township, PA was the low bidder with a Base Bid proposal of \$243,344; and

WHEREAS, Staff is requesting re-allocation of \$450,000 of 2005 Water Bond Funding from the West Leland Water Main Project (WTP to Southwest Hills) (Project 5071) to the Project for a total Project budget of \$600,000; and

WHEREAS, Staff requests that the City Council accept the plans and specifications for the Project; and

WHEREAS, Staff requests that the City Manager be authorized to award and execute a contract in the amount of \$506,816 with Calgon Carbon Corporation for construction of the Base Bid (\$243,344) and Alternate Bid Items A, B, C, & D (total of alternates \$263,472); and

WHEREAS, Staff recommends establishing a contingency fund in an amount of \$51,000 (~10% of the total contract amount) for unforeseen expenses; and

WHEREAS, Staff recommends that the City Engineer or his designee be authorized to approve contract change orders for this Project in a total amount not to exceed 50% of the contingency and the City Manager be authorized to approve change orders for this Project in a total amount not to exceed 100% of the contingency amount.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Pittsburg as follows:

Section 1.

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2.

The plans and specifications for the Project are hereby accepted.

Section 3.

The re-allocation of \$450,000 of 2005 Water Bond Funding from the West Leland Water Main Project (WTP to Southwest Hills) (Project 5071) to the Project for a total Project budget of \$600,000 is hereby approved.

Section 4.

The City Manager is hereby authorized to award and execute a contract in the amount of \$506,816 with Calgon Carbon Corporation for construction of the Base Bid (\$243,344) and Alternate Bid Items A, B, C, & D (total of alternates \$263,472).

Section 5.

The City Council hereby authorizes a contingency fund in an amount of \$51,000 (~10% of the total contract amount) for unforeseen expenses, and that the City Engineer or his designee is authorized to approve contract change orders up to 50% of this amount, and the City Manager is authorized to approve change orders up to 100% of this amount.

Section 6.

The City Manager is hereby authorized to execute such further documents and take such further actions as may be necessary or appropriate to carry out the City's obligations pursuant to the Contract.

Section 7.

The City Clerk shall certify to the adoption of this Resolution.

Section 8.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk



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

DATE: 11/28/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: 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 (J.A.G.)

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The Pittsburg Police Department has submitted a preliminary application to the U.S. Department of Justice for funding under the Edward J. Byrne Memorial Justice Assistance Grant (JAG) Program in the amount of \$14,952.00.

FISCAL IMPACT

No impact to the City General Fund. Upon award of grant funds, the Police Department is requesting appropriation of \$14,952 to the FY 2017-18 budget in fund 291 to be used for the purchase of three StarChase Pursuit Management and GPS Tracking Technology systems. Any costs incurred over the \$14,952 grant amount will be absorbed by other Police Department equipment funds.

RECOMMENDATION

Staff recommends City Council approval of the attached resolution authorizing the appropriation of J.A.G. grant funds and authorizing the City Manager or his designee to act on the City's behalf relative to this grant including the establishment of necessary fiscal accounting.

BACKGROUND

With the support of the Edward Byrne Memorial Justice Assistance Grant, the Pittsburg Police Department will enhance its Auto Theft Reduction and Recovery Program by adding three StarChase Pursuit Management and GPS Tracking Technology systems.

Often when stolen vehicles are located in the community, a vehicle pursuit may be initiated. Vehicle pursuits expose innocent citizens, law enforcement officers and fleeing violators to the risk of serious injury or death.

The system is a pursuit management technology that contains a miniature GPS tag and a launcher mounted in a police vehicle. This technology mitigates risk and protects communities. It is utilized for high-risk traffic situations, such as DUIs, traffic infractions, stolen vehicles, human trafficking or felony events.

The StarChase system is a proven technology that provides a significant tactical advantage to law enforcement officers in failure-to-yield or high-risk flight situations. Once a vehicle is tagged it enables a dispatcher to track the suspect in real time using a web-based mapping program. The officer remains on the street, a potentially dangerous pursuit is avoided, and the offender can then be safely apprehended.

Pittsburg Police Department currently has 11 vehicles equipped with a StarChase system. The first system was installed in December 2016. Since that time, 64 successful deployments have resulted in 50 arrests, 29 recovered stolen vehicles and the apprehension of four felony warrant suspects.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The Department's overall goal is to use funds from the Edward Byrne Memorial Justice Assistance Grant to enhance the existing Auto Theft Reduction and Recovery Program with new StarChase technology and continue the successful recovery of stolen vehicles, protect law enforcement officers and innocent citizens in the event a pursuit is initiated, as well as gather intelligence related to other law enforcement related investigations.

The Pittsburg Police Department has applied for \$14,952.00 from the U.S. Department of Justice, Bureau of Justice Assistance through the Edward Byrne Memorial Justice Assistance Grant (J.A.G.). The Department requests authorization to accept appropriate the grant funds.

ATTACHMENTS: Resolution

Report Prepared By: Brian Addington

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the matter of:

Approving Acceptance and Authorizing)
Use of Funds from the U.S. Department)
Of Justice Edward Byrne Memorial)
Justice Assistance Grant)

RESOLUTION NO. 17-

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the Edward Byrne Memorial Justice Assistance Grant (JAG) Program allows local governments to support a broad range of activities to prevent crime and improve the criminal justice system; and

WHEREAS, WHEREAS, the Police Department has applied for \$14,952 in program funds to be used for the purchase of three StarChase Pursuit Management and GPS Tracking Technology systems.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. The City Council finds and determines that the above recitals are true and correct and are incorporated herein.

Section 2. The Pittsburgh Police Department is authorized to accept grant funds from the U.S. Department of Justice Bureau of Justice Assistance (J.A.G.) and allocate their expense to the purchase of three StarChase Pursuit Management and GPS Tracking Technology systems.

Section 3. The City Manager or his designee is authorized to accept on the City's behalf relative to this grant, including the establishment of necessary fiscal accounting from fund 291 and execution of all necessary documents.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 18TH day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

ATTEST:

Dwaine "Pete" Longmire, Mayor

Alice E. Evenson, City Clerk



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

DATE: 11/28/2017
TO: Mayor and Council Members
FROM: Joe Sbranti, City Manager
SUBJECT: Adoption of a City Council Resolution Approving the Purchasing Agreement with Axon Enterprise, Inc
MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Staff Recommends approval of the Axon Enterprise Inc., five year Purchasing Agreement to provide equipment and electronic media storage for the Police Department.

FISCAL IMPACT

The proposed Purchasing Agreement will span five years. FY 2017/18 General Fund expenditure was previously approved by the City Council for a total project budget of \$230,000. No new funds are requested for the current fiscal year. Future General Fund expenditures are reduced to \$154,326.36 annually concluding in FY 2021/22.

RECOMMENDATION

Staff recommends City Council approval of the attached Resolution accepting the Purchasing Agreement between Axon Enterprises, Inc. and the Pittsburg Police Department.

BACKGROUND

The Pittsburg Police Department began using body worn cameras in 2012 and has outfitted two patrol cars with in-car cameras. The media captured on these devices has been stored locally at an increasing expense due to the volume.

The Purchasing Agreement includes body worn cameras, in car cameras, signal devices to automatically activate cameras, conducted electrical weapons, and interview room monitoring devices. The electronic media storage (Evidence.com) is unlimited in capacity and will store media from the aforementioned devices along with external sources.

SUBCOMMITTEE FINDINGS

NA

STAFF ANALYSIS

Continuing advancements in this technology and growing security concerns, has left our current equipment outdated, storage capabilities at capacity, and the Department unable to confidently comply with security requirements.

In 2015 Assembly Bill No. 69 was approved by the Governor adding Section 832.18 to the California Penal Code. Penal Code 832.18 requires law enforcement agencies to consider specified best practices when establishing policies and procedures for downloading and storing data from body-worn cameras, prohibiting the unauthorized use, duplication, or distribution of the data and establishing storage periods for evidentiary and non- evidentiary data. The Police Department must establish specific measures to prevent data tampering, deleting and copying including prohibiting the unauthorized use, duplication, or distribution of body worn camera data.

The data storage vendor, Evidence.com owned and operated by Axon Enterprise, Inc. is an experienced and reputable third-party vendor and meets all requirements set forth in Penal Code 832.18, to include abiding by to the terms and requirements set forth in the Federal Bureau of investigation (FBI) Criminal Justice Information Services (CJIS) Addendum. The detailed audit trail further prevents data tampering and unauthorized access ensuring the Department's security and compliance.

ATTACHMENTS: Resolution
Axon Enterprise, Inc. Quotation and Purchasing Agreement

Report Prepared By: Brian Addington, Chief of Police

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution to Approve and Authorize)
The Purchasing Agreement with)
Axon Enterprise, Inc.)

RESOLUTION NO. 17-_____

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the Pittsburgh Police Department began using body worn cameras in 2012 and has outfitted two patrol cars with in-car cameras. The media captured on these devices has been stored locally at an increasing expense;

WHEREAS, advancements in this technology and growing security concerns, has left the current equipment outdated, storage capabilities at capacity, and the Department unable to confidently comply with growing security requirements.

WHEREAS, staff has negotiated terms of an agreement with Axon Enterprise, Inc. for body-worn and fleet camera hardware equipment and software subscription, Tasers and unlimited data storage as outlined in the agreement.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. The recitals set forth above are true and correct statements and are hereby incorporated.

Section 2. The Chief of Police is authorized and directed to execute a Purchasing Agreement with Axon Enterprise, Inc. to provide equipment and electronic media storage for the Police Department.

Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 18th day of December, 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Axon Enterprise, Inc.

Protect Life.

17800 N 85th St.
Scottsdale, Arizona 85255
United States
Phone: (800) 978-2737
Fax: 480.658.0734

Patrick Wentz
(925) 252-4931
(925) 252-4813
wentz@ci.pittsburg.ca.us



Quotation

Quote: Q-98068-7

Date: 9/19/2017 5:23 AM

Quote Expiration: 10/31/2017

Contract Start Date*: 10/1/2017

Contract Term: 5 years

AX Account Number:

106911

Bill To:
Pittsburg Police Dept - CA
65 Civic Avenue
Pittsburg, CA 94565
US

Ship To:
Patrick Wentz
Pittsburg Police Dept - CA
65 Civic Avenue
Pittsburg, CA 94565
US

SALESPERSON	PHONE	EMAIL	DELIVERY METHOD	PAYMENT METHOD
Bob Dillon	480.905.2012	rdillon@axon.com	Fedex - Ground	Net 30

*Note this will vary based on the shipment date of the product.

Axon Fleet Pre-Order

Thank you for your interest in Axon! This pre-order is a commitment to purchase Axon Fleet. Axon Fleet will be available for delivery sometime in 2017. You will be notified if there are any delays. Axon reserves the right to make product changes without notice.

Axon Fleet System Compatibility

Additional costs may be incurred by the customer related to installing or optimizing their wireless infrastructure in order to achieve the desired wireless download speeds, access point coverage, bandwidth or network stability. These costs are solely the responsibility of the customer.

Officer Safety Plan (74) / Unlimited Plan (7)
Subscriptions Due: Net 30

- Axon Body 2 Cameras (81) & Accessories
- Spare Axon Body 2 Cameras (5)
- X26P CEWs (74) & Accessories
- Unlimited Axon Storage at Evidence.com
- Axon Body 2, Axon Dock & TASER X26P 5-Year Warranty
- Axon Body 2 & Axon Dock Refresh at (30) & (60) Months
- Axon Body Camera / Evidence.com Training & Rollout
- Professional License Subscriptions - Evidence/Records (5)
- 30TB Non-Axon Storage

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
74	74001	AXON CAMERA ASSEMBLY, ONLINE, AXON BODY 2, BLK	USD 399.00	USD 29,526.00	USD 29,526.00	USD 0.00
74	11553	SYNC CABLE, USB A TO 2.5MM	USD 0.00	USD 0.00	USD 0.00	USD 0.00
7	74001	AXON CAMERA ASSEMBLY, ONLINE, AXON BODY 2, BLK	USD 399.00	USD 2,793.00	USD 2,793.00	USD 0.00
7	11553	SYNC CABLE, USB A TO 2.5MM	USD 0.00	USD 0.00	USD 0.00	USD 0.00

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
100	74018	Z-BRACKET MOUNT, MENS, AXON RAPIDLOCK	USD 0.00	USD 0.00	USD 0.00	USD 0.00
20	74019	Z-BRACKET MOUNT, WOMENS, AXON RAPIDLOCK	USD 0.00	USD 0.00	USD 0.00	USD 0.00
45	11508	MOLLE MOUNT, DOUBLE, AXON RAPIDLOCK	USD 0.00	USD 0.00	USD 0.00	USD 0.00
25	11507	MOLLE MOUNT, SINGLE, AXON RAPIDLOCK	USD 0.00	USD 0.00	USD 0.00	USD 0.00
20	11509	BELT CLIP, RAPIDLOCK	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	74001	AXON CAMERA ASSEMBLY, ONLINE, AXON BODY 2, BLK	USD 0.00	USD 0.00	USD 0.00	USD 0.00
14	74008	AXON DOCK, 6 BAY + CORE, AXON BODY 2	USD 1,495.00	USD 20,930.00	USD 20,930.00	USD 0.00
14	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE.COM DOCK	USD 35.00	USD 490.00	USD 490.00	USD 0.00
74	11002	HANDLE, BLACK, CLASS III, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
74	11004	WARRANTY, 4 YEAR, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
74	70116	PPM, SIGNAL	USD 0.00	USD 0.00	USD 0.00	USD 0.00
60	11501	HOLSTER, BLACKHAWK, RIGHT, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
14	11504	HOLSTER, BLACKHAWK, LEFT, X26P	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	22013	KIT, DATAPORT DOWNLOAD, USB, X2/ X26P	USD 176.49	USD 882.45	USD 882.45	USD 0.00
1	85055	AXON FULL SERVICE	USD 15,000.00	USD 15,000.00	USD 0.00	USD 15,000.00
74	80075	OSP BWC & CEW BUNDLE: YEAR 1 PAYMENT	USD 1,188.00	USD 87,912.00	USD 37,899.84	USD 50,012.16
2,960	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
7	80082	UNLIMITED BWC BUNDLE: YEAR 1 PAYMENT	USD 948.00	USD 6,636.00	USD 1,050.00	USD 5,586.00
280	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	89101	PROFESSIONAL EVIDENCE.COM LICENSE: YEAR 1 PAYMENT	USD 468.00	USD 2,340.00	USD 2,340.00	USD 0.00
150	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
26,610	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 19,957.50	USD 19,957.50	USD 0.00
Officer Safety Plan (74) / Unlimited Plan (7) Subscriptions Due: Net 30 Tax Amount:						USD 4,864.84
Officer Safety Plan (74) / Unlimited Plan (7) Subscriptions Due: Net 30 Discount:						USD 115,868.79
Officer Safety Plan (74) / Unlimited Plan (7) Subscriptions Due: Net 30 Net Amount Due Including Taxes:						USD 75,463.00

Axon Interview Room Subscriptions Due: February, 2018

- Interview Room 1 - (2) Covert Cameras with Enclosures and Mics
- Interview Room 2 - (2) Covert Cameras with Enclosures and Mics
- Booking Room 1 - (1) Covert Camera with Enclosure and Mic
- Unlimited Axon Interview Room Storage at Evidence.com
- Axon Interview Room 5-Year Warranty
- Axon Interview Room Installation & Training

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
5	50113	AXIS F41 COVERT MAIN UNIT	USD 594.75	USD 2,973.75	USD 0.00	USD 2,973.75
5	50114	AXIS SENSOR UNIT FI025	USD 369.57	USD 1,847.85	USD 0.00	USD 1,847.85

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
2	74060	FIRE SENSOR ENCLOSURE – COVERT CAMERA	USD 190.00	USD 380.00	USD 0.00	USD 380.00
3	74059	MOTION SENSOR ENCLOSURE – COVERT CAMERA	USD 115.00	USD 345.00	USD 0.00	USD 345.00
5	50118	LOUROE MICROPHONE (POE)	USD 182.61	USD 913.05	USD 0.00	USD 913.05
1	50124	HP SWITCH - 24PORT GIGABIT POE MANAGED SWITCH	USD 1,304.35	USD 1,304.35	USD 0.00	USD 1,304.35
3	50127	POS-X TOUCHPANEL W/ 8GB RAM, 500GB SSD HD	USD 2,434.78	USD 7,304.34	USD 0.00	USD 7,304.34
3	50070	AXON TOUCH PANEL SOFTWARE	USD 1,500.00	USD 4,500.00	USD 0.00	USD 4,500.00
2	50144	RECORDING SERVER - Windows 2012 R2 64 bit – 2U Xeon (4-core)	USD 2,723.19	USD 5,446.38	USD 0.00	USD 5,446.38
2	50071	AXON STREAMING SERVER LICENSE (PER SERVER)	USD 1,750.00	USD 3,500.00	USD 0.00	USD 3,500.00
3	85170	INTERVIEW ROOM, INSTALL AND SETUP	USD 2,500.00	USD 7,500.00	USD 0.00	USD 7,500.00
5	50055	INTERVIEW ROOM UNLIMITED EVIDENCE.COM LICENSE YEAR 1 PAYMENT	USD 891.00	USD 4,455.00	USD 0.00	USD 4,455.00
3	74062	INTERVIEW ROOM 5 YR EXTENDED WARRANTY	USD 1,178.94	USD 3,536.82	USD 0.00	USD 3,536.82
Axon Interview Room Subscriptions Due: February, 2018 Tax Amount:						USD 3,154.49
Axon Interview Room Subscriptions Due: February, 2018 Net Amount Due Including Taxes:						USD 47,161.03

Axon Fleet Subscriptions (31) Due: April, 2018

- Axon Fleet Kits for (31) Units
- Cradlepoint Router Kits for (31) Units
- Spare Axon Fleet Kits (2)
- Unlimited Axon Fleet Storage at Evidence.com
- 5-year Axon Fleet & Cradlepoint Warranty
- Axon Fleet Installation & Training

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
62	74003	CAMERA SYSTEM, AXON FLEET	USD 399.00	USD 24,738.00	USD 9,269.00	USD 15,469.00
62	74025	MOUNT ASSEMBLY, AXON FLEET	USD 0.00	USD 0.00	USD 0.00	USD 0.00
62	74024	BATTERY SYSTEM, AXON FLEET	USD 0.00	USD 0.00	USD 0.00	USD 0.00
31	70112	AXON SIGNAL UNIT	USD 0.00	USD 0.00	USD 0.00	USD 0.00
31	71024	FLEET CABLE ASSEMBLY, ASU POWER	USD 0.00	USD 0.00	USD 0.00	USD 0.00
31	74027	Axon Fleet Dongle	USD 0.00	USD 0.00	USD 0.00	USD 0.00
31	85731	FLEET UNLIMITED PACKAGE: YEAR 1 PAYMENT	USD 693.00	USD 21,483.00	USD 0.00	USD 21,483.00
31	11605	CRADLEPOINT ROUTER - IBR900LP6	USD 660.00	USD 20,460.00	USD 0.00	USD 20,460.00
31	11511	ROUTER ANTENNA, FLEET	USD 220.00	USD 6,820.00	USD 0.00	USD 6,820.00
31	11521	CRADLEPOINT - NETCLOUD + CRADLECARE - 5 YEARS	USD 320.83	USD 9,945.73	USD 0.00	USD 9,945.73
31	74063	STANDARD FLEET INSTALLATION (PER VEHICLE)	USD 600.00	USD 18,600.00	USD 0.00	USD 18,600.00
2	74003	CAMERA SYSTEM, AXON FLEET	USD 399.00	USD 798.00	USD 798.00	USD 0.00
2	74024	BATTERY SYSTEM, AXON FLEET	USD 129.95	USD 259.90	USD 259.90	USD 0.00

Months

QTY	ITEM #	DESCRIPTION	UNIT	DISCOUNT (\$)	NET TOTAL
74	80076	OSP BWC PAYMENT	12.00	USD -2,999.96	USD 90,911.96
2,960	85110	EVIDENCE	0.00	USD 0.00	USD 0.00
7	80083	UNLIMITED PAYMENT	36.00	USD 0.00	USD 6,636.00
280	85110	EVIDENCE	0.00	USD 0.00	USD 0.00
5	89201	PROFESSOR LICENSE	40.00	USD 2,340.00	USD 0.00
150	85110	EVIDENCE	0.00	USD 0.00	USD 0.00
26,610	85035	EVIDENCE	57.50	USD 19,957.50	USD 0.00
3	50074	AXON TO MAINTENANCE ANNUAL PAYMENT	000.00	USD 0.00	USD 900.00
2	50072	AXON STREAMING SERVER SOFTWARE MAINTENANCE ANNUAL PAYMENT	350.00	USD 700.00	USD 0.00
5	50056	INTERVIEW ROOM UNLIMITED EVIDENCE.COM LICENSE YEAR 2 PAYMENT	118.00	USD 5,940.00	USD 0.00
1	74068	WIFI OFFLOAD SOFTWARE MAINT. YEAR 2 PAYMENT	600.00	USD 600.00	USD 0.00
31	85732	FLEET UNLIMITED PACKAGE: YEAR 2 PAYMENT	1,188.00	USD 36,828.00	USD 0.00
Axon Platform Subscriptions Year 2 Due: +12 Months Tax Amount:					USD 11,810.40
Axon Platform Subscriptions Year 2 Due: +12 Months Discount:					USD 19,297.54
Axon Platform Subscriptions Year 2 Due: +12 Months Net Amount Due Including Taxes:					USD 154,326.36

Months

- Officer Safety Plan (74)

[illegible]

• Axon Fleet Unlimited (31)

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
74	80077	OSP BWC & CEW BUNDLE: YEAR 3 PAYMENT	USD 1,188.00	USD 87,912.00	USD -2,999.96	USD 90,911.96
2,960	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
7	80084	UNLIMITED BWC BUNDLE: YEAR 3 PAYMENT	USD 948.00	USD 6,636.00	USD 0.00	USD 6,636.00
280	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	89301	PROFESSIONAL EVIDENCE.COM LICENSE: YEAR 3 PAYMENT	USD 468.00	USD 2,340.00	USD 2,340.00	USD 0.00
150	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
26,610	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 19,957.50	USD 19,957.50	USD 0.00
3	50074	AXON TOUCH PANEL SOFTWARE MAINTENANCE ANNUAL PAYMENT	USD 300.00	USD 900.00	USD 0.00	USD 900.00
2	50072	AXON STREAMING SERVER SOFTWARE MAINTENANCE ANNUAL PAYMENT	USD 350.00	USD 700.00	USD 0.00	USD 700.00
5	50057	INTERVIEW ROOM UNLIMITED EVIDENCE.COM LICENSE YEAR 3 PAYMENT	USD 1,188.00	USD 5,940.00	USD 0.00	USD 5,940.00
1	74069	WI-FI OFFLOAD SOFTWARE MAINT, YEAR 3 PAYMENT	USD 600.00	USD 600.00	USD 0.00	USD 600.00
31	85733	FLEET UNLIMITED PACKAGE: YEAR 3 PAYMENT	USD 1,188.00	USD 36,828.00	USD 0.00	USD 36,828.00

Axon Platform Subscriptions Year 3 Due: +24 Months Tax Amount:

USD 11,810.40

Axon Platform Subscriptions Year 3 Due: +24 Months Discount:

USD 19,297.54

Axon Platform Subscriptions Year 3 Due: +24 Months Net Amount Due Including Taxes:

USD 154,326.36

Axon Platform Subscriptions Year 4 Due: +36 Months

- Officer Safety Plan (74)
- Unlimited Plan (7)
- Professional Licenses (5)
- Axon Interview Room (3)
- Axon Fleet Unlimited (31)

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
74	80078	OSP BWC & CEW BUNDLE: YEAR 4 PAYMENT	USD 1,188.00	USD 87,912.00	USD -2,999.96	USD 90,911.96
2,960	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
7	80085	UNLIMITED BWC BUNDLE: YEAR 4 PAYMENT	USD 948.00	USD 6,636.00	USD 0.00	USD 6,636.00
280	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	89401	PROFESSIONAL EVIDENCE.COM LICENSE: YEAR 4 PAYMENT	USD 468.00	USD 2,340.00	USD 2,340.00	USD 0.00
150	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
26,610	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 19,957.50	USD 19,957.50	USD 0.00
3	50074	AXON TOUCH PANEL SOFTWARE MAINTENANCE ANNUAL PAYMENT	USD 300.00	USD 900.00	USD 0.00	USD 900.00
2	50072	AXON STREAMING SERVER SOFTWARE MAINTENANCE ANNUAL PAYMENT	USD 350.00	USD 700.00	USD 0.00	USD 700.00
5	50058	INTERVIEW ROOM UNLIMITED EVIDENCE.COM LICENSE YEAR 4 PAYMENT	USD 1,188.00	USD 5,940.00	USD 0.00	USD 5,940.00

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
1	74070	WI-FI OFFLOAD SOFTWARE MAINT, YEAR 4 PAYMENT	USD 600.00	USD 600.00	USD 0.00	USD 600.00
31	85734	FLEET UNLIMITED PACKAGE: YEAR 4 PAYMENT	USD 1,188.00	USD 36,828.00	USD 0.00	USD 36,828.00
Axon Platform Subscriptions Year 4 Due: +36 Months Tax Amount:						USD 11,810.40
Axon Platform Subscriptions Year 4 Due: +36 Months Discount:						USD 19,297.54
Axon Platform Subscriptions Year 4 Due: +36 Months Net Amount Due Including Taxes:						USD 154,326.36

Axon Platform Subscriptions Year 5 Due: +48 Months

- Officer Safety Plan (74)
- Unlimited Plan (7)
- Professional Licenses (5)
- Axon Interview Room (3)
- Axon Fleet Unlimited (31)

QTY	ITEM #	DESCRIPTION	UNIT PRICE	TOTAL BEFORE DISCOUNT	DISCOUNT (\$)	NET TOTAL
74	80079	OSP BWC & CEW BUNDLE: YEAR 5 PAYMENT	USD 1,188.00	USD 87,912.00	USD -2,999.96	USD 90,911.96
2,960	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
7	80086	UNLIMITED BWC BUNDLE: YEAR 5 PAYMENT	USD 948.00	USD 6,636.00	USD 0.00	USD 6,636.00
280	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
5	89501	PROFESSIONAL EVIDENCE.COM LICENSE: YEAR 5 PAYMENT	USD 468.00	USD 2,340.00	USD 2,340.00	USD 0.00
150	85110	EVIDENCE.COM INCLUDED STORAGE	USD 0.00	USD 0.00	USD 0.00	USD 0.00
26,610	85035	EVIDENCE.COM STORAGE	USD 0.75	USD 19,957.50	USD 19,957.50	USD 0.00
3	50074	AXON TOUCH PANEL SOFTWARE MAINTENANCE ANNUAL PAYMENT	USD 300.00	USD 900.00	USD 0.00	USD 900.00
2	50072	AXON STREAMING SERVER SOFTWARE MAINTENANCE ANNUAL PAYMENT	USD 350.00	USD 700.00	USD 0.00	USD 700.00
5	50059	INTERVIEW ROOM UNLIMITED EVIDENCE.COM LICENSE YEAR 5 PAYMENT	USD 1,188.00	USD 5,940.00	USD 0.00	USD 5,940.00
1	74071	WI-FI OFFLOAD SOFTWARE MAINT, YEAR 5 PAYMENT	USD 600.00	USD 600.00	USD 0.00	USD 600.00
31	85735	FLEET UNLIMITED PACKAGE: YEAR 5 PAYMENT	USD 1,188.00	USD 36,828.00	USD 0.00	USD 36,828.00
Axon Platform Subscriptions Year 5 Due: +48 Months Tax Amount:						USD 11,810.40
Axon Platform Subscriptions Year 5 Due: +48 Months Discount:						USD 19,297.54
Axon Platform Subscriptions Year 5 Due: +48 Months Net Amount Due Including Taxes:						USD 154,326.36

Subtotal	USD 780,796.27
Estimated Shipping & Handling Cost	USD 549.95
Estimated Tax	USD 63,672.12
Grand Total	USD 845,018.34

Officer Safety Plan Includes:

- Evidence.com Pro License
- Upgrades to your purchased AXON cameras and Docks at years 2.5 and 5 under TAP
- Extended warranties on AXON cameras and Docks for the duration of the Plan
- Unlimited Storage for your AXON devices and data from the Evidence Mobile App

- One TASER CEW of your choice with a 4 year extended warranty (5 years total of warranty coverage)
- One CEW holster and battery pack of your choice
- 40 GB of included storage for other digital media

Additional terms apply. Please refer to the Evidence.com Master Service Agreement for a full list of terms and conditions for the Officer Safety Plan.

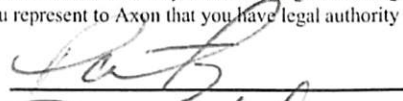
Hardware Shipping Estimate

Typically, hardware shipment occurs between 4 – 6 weeks after purchase date. Product availability for new or high demand products may impact delivery time.

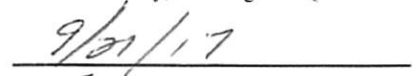
Axon Enterprise, Inc.'s Sales Terms and Conditions for Direct Sales to End User Purchasers

By signing this Quote, you are entering into a contract and you certify that you have read and agree to the provisions set forth in this Quote and Axon's Master Services and Purchasing Agreement posted at <https://www.axon.com/legal/sales-terms-and-conditions>. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, do not sign this Quote.

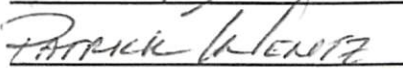
Signature:



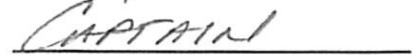
Date:



Name (Print):



Title:



PO# (if needed):



Quote: Q-98068-7

Please sign and email to Bob Dillon at rdillon@axon.com or fax to 480.658.0734

THANK YOU FOR YOUR BUSINESS!

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Master Services and Purchasing Agreement

This Master Services and Purchasing Agreement (the **Agreement**) by and between Axon Enterprise, Inc., (**Axon or Party**) a Delaware corporation having its principal place of business at 17800 N 85th Street, Scottsdale, Arizona, 85255, and Pittsburg Police Dept - CA, (**Agency, Party** or collectively **Parties**), is entered into the later of (a) the last signature date on this Agreement, or (b) the signature date on the quote (the **Effective Date**).

This Agreement sets forth the terms and conditions for the purchase, delivery, use, and support of Axon products and services as detailed in the Quote Appendix (the **Quote**), which is hereby incorporated by reference. It is the intent of the Parties that this Agreement shall act as a master agreement governing all subsequent purchases by Agency of Axon Products and all subsequent quotes for the same Products or Services accepted by Agency shall be also incorporated by reference as a Quote. In consideration of this Agreement, the Parties agree as follows:

1 **Term.** This Agreement will commence on the Effective Date and will remain in full force and effect until terminated by either Party. Axon services will not be authorized until a signed Quote or Purchase Order is accepted by Axon, whichever is first.

2 **Definitions.**

"Confidential Information" means all nonpublic information disclosed by Axon, Axon affiliates, business partners of Axon or their respective employees, contractors or agents that is designated as confidential or that, given the nature of the information or circumstances surrounding its disclosure, reasonably should be understood to be confidential.

"Documentation" means the (i) specifications, explanatory or informational materials, whether in paper or electronic form, that relate to the Services provided under this Agreement, or (ii) user manuals, technical manuals, training manuals, warnings, specification or other explanatory or informational materials, whether in paper or electronic form, that relate to the Products provided under this Agreement.

"Evidence.com Service" means Axon web services for Evidence.com, the Evidence.com site, Evidence Sync software, Axon Capture App, Axon View App, other software, maintenance, storage, and any product or service provided by Axon under this Agreement for use with Evidence.com. This does not include any third party applications, hardware warranties, or the my.evidence.com services.

"Policies" means the Trademark Use Guidelines, all restrictions described on the Axon website, and any other policy or terms referenced in or incorporated into this Agreement. Policies do not include whitepapers or other marketing materials.

"Products" means all Axon hardware, software, cloud based services, Documentation and software maintenance releases and updates provided by Axon under this Agreement.

"Quote" is an offer to sell, and is valid only for products and services listed on the quote at prices on the quote. Any terms and conditions contained within the Agency's purchase order in response to



the Quote will be null and void and shall have no force or effect. Axon is not responsible for pricing, typographical, or other errors in any offer by Axon and Axon reserves the right to cancel any orders resulting from such errors. Axon reserves the right to adjust prices or Products unless otherwise specified in the Quote.

"Services" means all services provided by Axon pursuant to this Agreement.

- 3 **Payment Terms.** Invoices are due to be paid within 30 days of the date of invoice, unless otherwise specified by Axon. All orders are subject to prior credit approval. Payment obligations are non-cancelable and fees paid are non-refundable and all amounts payable will be made without setoff, deduction, or withholding. If a delinquent account is sent to collections, the Agency is responsible for all collection and attorneys' fees. In the event the Agency chooses a phased deployment for the Products in the Quote, the Quote pricing is subject to change if the phased deployment changes.
- 4 **Taxes.** Unless Axon is provided with a valid and correct tax exemption certificate applicable to the purchase and ship-to location, the Agency is responsible for sales and other taxes associated with the order.
- 5 **Shipping: Title: Risk of Loss: Rejection.** Axon reserves the right to make partial shipments and Products may ship from multiple locations. All shipments are E.X.W. via common carrier and title and risk of loss pass to the Agency upon delivery to the common carrier by Axon. The Agency is responsible for all freight charges. Any loss or damage that occurs during shipment is the Agency's responsibility. Shipping dates are estimates only. The Agency may reject Products that do not match the Products listed in the Quote or are damaged or non-functional upon receipt (**Nonconforming Product**) by providing Axon written notice of rejection within 10 days of shipment. In the event the Agency receives a Nonconforming Product, the Agency's sole remedy is to return the Product to Axon for repair or replacement as further described in Section 7 – Warranties. Failure to notify Axon within the 10-day rejection period will be deemed as acceptance of Product.
- 6 **Returns.** All sales are final and no refunds or exchanges are allowed, except for warranty returns or as provided by state or federal law.
- 7 **Warranties.**
 - 7.1 **Hardware Limited Warranty.** Axon warrants that its law enforcement hardware products are free from defects in workmanship and materials for a period of ONE (1) YEAR from the date of receipt. Extended warranties run from the date of purchase of the extended warranty through the balance of the 1-year limited warranty term plus the term of the extended warranty measured after the expiration of the 1-year limited warranty. CEW cartridges and Smart cartridges that are expended are deemed to have operated properly. Axon-Manufactured Accessories are covered under a limited 90-DAY warranty from the date of receipt. Non-Axon manufactured accessories are covered under the manufacturer's warranty. If Axon determines that a valid warranty claim is received within the warranty period, as further described in the Warranty Limitations section, Axon agrees to repair or replace the Product. Axon's sole responsibility under this warranty is to either repair or replace with the same or like Product, at Axon's option.

7.2 Warranty Limitations.



- 7.2.1 The warranties do not apply and Axon will not be responsible for any loss, data loss, damage, or other liabilities arising from: (a) damage from failure to follow instructions relating to the Product's use; (b) damage caused by use with non-Axon products or from the use of cartridges, batteries or other parts, components or accessories that are not manufactured or recommended by Axon; (c) damage caused by abuse, misuse, intentional or deliberate damage to the product, or force majeure; (d) damage to a Product or part that has been repaired or modified by persons other than Axon authorized personnel or without the written permission of Axon; or (e) if any Axon serial number has been removed or defaced.
- 7.2.2 **To the extent permitted by law, the warranties and the remedies set forth above are exclusive and Axon disclaims all other warranties, remedies, and conditions, whether oral or written, statutory, or implied, as permitted by applicable law. If statutory or implied warranties cannot be lawfully disclaimed, then all such warranties are limited to the duration of the express warranty described above and limited by the other provisions contained in this Agreement.**
- 7.2.3 **Axon's cumulative liability to any Party for any loss or damage resulting from any claims, demands, or actions arising out of or relating to any Axon product will not exceed the purchase price paid to Axon for the product or if for services, the amount paid for such services over the prior 12 months preceding the claim. In no event will either Party be liable for any direct, special, indirect, incidental, exemplary, punitive or consequential damages, however caused, whether for breach of warranty, breach of contract, negligence, strict liability, tort or under any other legal theory.**

7.3 Warranty Returns. If a valid warranty claim is received by Axon within the warranty period, Axon agrees to repair or replace the Product that Axon determines in its sole discretion to be defective under normal use, as defined in the Product instructions. Axon's sole responsibility under this warranty is to either repair or replace with the same or like Product, at Axon's option.

- 7.3.1 For warranty return and repair procedures, including troubleshooting guides, please go to Axon's websites www.axon.com/support or www.evidence.com, as indicated in the appropriate product user manual or quick start guide.
- 7.3.2 Before delivering product for warranty service, it is the Agency's responsibility to upload the data contained in the product to the Evidence.com services or download the product data and keep a separate backup copy of the contents. Axon is not responsible for any loss of software programs, data, or other information contained on the storage media or any other part of the product services.
- 7.3.3 A replacement product will be new or like new and have the remaining warranty period of the original product or 90 days from the date of replacement or repair, whichever period is longer. When a product or part is exchanged, any replacement item becomes Purchaser's property and the replaced item becomes Axon's property.

8 Product Warnings. See Axon's website at www.axon.com/legal for the most current product warnings.

9 Design Changes. Axon reserves the right to make changes in the design of any of Axon's products



and services without incurring any obligation to notify the Agency or to make the same change to products and services previously purchased.

- 10 **Insurance.** Axon will maintain, at Axon's own expense and in effect during the Term, Commercial General Liability Insurance, and Workers ' Compensation Insurance and Commercial Automobile Insurance, and will furnish certificates of insurance or self-insurance upon request.
- 11 **Indemnification.** Axon will indemnify and defend the Agency Indemnitees (the Agency's officers, directors, and employees) from and against all claims, demands, losses, liabilities, reasonable costs and expenses arising out of a claim by a third party against an Agency Indemnitee resulting from any negligent act, error or omission, or willful misconduct of Axon under or related to this Agreement, except in the case of negligent acts, omissions or willful misconduct of the Agency or claims that fall under Workers Compensation coverage.
- 12 **IP Rights.** Axon owns and reserves all right, title, and interest in the Axon Products and Services, and related software, as well as any suggestions made to Axon.
- 13 **IP Indemnification.** Axon will defend, indemnify, and hold the Agency Indemnitees harmless from and against any claims, damages, losses, liabilities, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to any third-party claim alleging that use of Axon Products or Services as permitted under this Agreement infringes or misappropriates the intellectual property rights of a third party. The Agency must provide Axon with prompt written notice of such a claim, tender to Axon the defense or settlement of such a claim at Axon's expense, and cooperate fully with Axon in the defense or settlement of such a claim.

Axon has no liability to the Agency or any third party if any alleged infringement or claim of infringement is to any extent based upon: (a) any modification of the Evidence.com Services by the Agency or any third party not approved by Axon; (b) use of the Evidence.com Services in connection or in combination with equipment, devices, or services not approved or recommended by Axon; (c) the use of Evidence.com Services other than as permitted under this Agreement or in a manner for which it was not intended; or (d) the use of other than the most current release or version of any software provided by Axon as part of or in connection with the Evidence.com Services. Nothing in this Section will affect any warranties in favor of the Agency that are otherwise provided in or arise out of this Agreement.

- 14 **Agency Responsibilities.** The Agency is responsible for (i) use of Axon Products (including any activities under the Agency Evidence.com account and use by Agency employees and agents), (ii) breach of this Agreement or violation of applicable law by the Agency or any of the Agency's end users, (iii) Agency Content or the combination of Agency Content with other applications, content or processes, including any claim involving alleged infringement or misappropriation of third party rights by Agency Content or by the use of Agency Content, (iv) a dispute between the Agency and any third party over Agency use of Axon products or the collection or use of Agency Content, (v) any hardware or networks that the Agency connects to the Evidence.com Services, and (vi) any security settings the Agency establishes to interact with or on the Evidence.com Services.

15 **Termination.**

15.1 By Either Party. Either Party may terminate for cause upon 30 days advance notice to the

other Party if there is any material default or breach of this Agreement by the other Party, unless the defaulting Party has cured the material default or breach within the 30-day notice period. In the event that the Agency terminates this Agreement due to Axon's failure to cure the material breach or default, Axon will issue a refund of any prepaid amounts on a prorated basis from the date of notice of termination.

15.2 By Agency. The Agency is obligated to pay the fees under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during the Agency's then current fiscal year. In the event that sufficient funds will not be appropriated or are not otherwise legally available to pay the fees required under this Agreement, this Agreement may be terminated by the Agency. The Agency agrees to deliver notice of termination under this Section at least 90 days prior to the end of the Agency's then current fiscal year, or as soon as reasonably practicable under the circumstances.

15.3 Effect of Termination. Upon any termination of this Agreement: (a) all Agency rights under this Agreement immediately terminate; (b) the Agency remains responsible for all fees and charges incurred through the date of termination; and (c) Payment Terms, Warranty, Product Warnings, Indemnification, and Agency Responsibilities Sections, as well as the Evidence.com Terms of Use Appendix Sections on Agency Owns Agency Content, Data Storage, Fees and Payment, Software Services Warranty, IP Rights and License Restrictions will continue to apply in accordance with their terms. If the Agency purchases Products for a value less than MSRP and this Agreement is terminated before the end of the term then (a) the Agency will be invoiced for the remainder of the MSRP for the Products received and not already paid for; or (b) only in the case of termination for non-appropriations, return the Products to Axon within 30 days of the date of termination.

16 General.

16.1 Confidentiality. Both Parties will take all reasonable measures to avoid disclosure, dissemination or unauthorized use of either Party's Confidential Information. Except as required by applicable law, neither Party will disclose either Party's Confidential Information during the Term or at any time during the 5-year period following the end of the Term. Unless the Agency is legally required to disclose Axon's pricing, all Axon pricing is considered confidential and competition sensitive. To the extent allowable by law, Agency will provide notice to Axon prior to any such disclosure.

16.2 Excusable delays. Axon will use commercially reasonable efforts to deliver all products and services ordered as soon as reasonably practicable. In the event of interruption of any delivery due to causes beyond Axon's reasonable control, Axon has the right to delay or terminate the delivery with reasonable notice.

16.3 Force Majeure. Neither Party will be liable for any delay or failure to perform any obligation under this Agreement where the delay or failure results from any cause beyond the Parties' reasonable control, including acts of God, labor disputes or other industrial disturbances, systemic electrical, telecommunications, or other utility failures, earthquake, storms or other elements of nature, blockages, embargoes, riots, acts or orders of government, acts of terrorism, or war.

- 16.4 Proprietary Information.** The Agency agrees that Axon has and claims various proprietary rights in the hardware, firmware, software, and the integration of ancillary materials, knowledge, and designs that constitute Axon products and services, and that the Agency will not directly or indirectly cause any proprietary rights to be violated.
- 16.5 Independent Contractors.** The Parties are independent contractors. Neither Party, nor any of their respective affiliates, has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary, or employment relationship between the Parties.
- 16.6 No Third Party Beneficiaries.** This Agreement does not create any third party beneficiary rights in any individual or entity that is not a party to this Agreement.
- 16.7 Non-discrimination and Equal Opportunity.** During the performance of this Agreement, neither the Parties nor the Party's employees will discriminate against any person, whether employed by a Party or otherwise, on the basis of race, color, religion, gender, age, national origin, handicap, marital status, or political affiliation or belief. In all solicitations or advertisements for employees, agents, subcontractors or others to be engaged by a Party or placed by or on behalf of a Party, the solicitation or advertisement shall state all qualified applicants shall receive consideration for employment without regard to race, color, religion, gender, age, national origin, handicap, marital status, or political affiliation or belief.
- 16.8 U.S. Government Rights.** Any Evidence.com Services provided to the U.S. Government as "commercial items," "commercial computer software," "commercial computer software documentation," and "technical data" will have the same rights and restrictions generally applicable to the Evidence.com Services. If the Agency is using the Evidence.com Services on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, the Agency will immediately discontinue use of the Evidence.com Services. The terms "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data" are defined in the Federal Acquisition Regulation and the Defense Federal Acquisition Regulation Supplement.
- 16.9 Import and Export Compliance.** In connection with this Agreement, each Party will comply with all applicable import, re-import, export, and re-export control laws and regulations.
- 16.10 Assignment.** Neither Party may assign or otherwise transfer this Agreement without the prior written approval of the other Party. Axon may assign or otherwise transfer this Agreement or any of its rights or obligations under this Agreement without consent (a) for financing purposes, (b) in connection with a merger, acquisition or sale of all or substantially all of its assets, (c) as part of a corporate reorganization, or (d) to a subsidiary corporation. Subject to the foregoing, this Agreement will be binding upon the Parties and their respective successors and assigns.
- 16.11 No Waivers.** The failure by either Party to enforce any provision of this Agreement will not



constitute a present or future waiver of the provision nor limit the Party's right to enforce the provision at a later time.

16.12 Severability. This Agreement is contractual and not a mere recital. If any portion of this Agreement is held to be invalid or unenforceable, the remaining portions of this Agreement will remain in full force and effect.

16.13 Governing Law; Venue. The laws of the state where the Agency is physically located, without reference to conflict of law rules, govern this Agreement and any dispute of any sort that might arise between the Parties. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.

16.14 Notices. All communications and notices to be made or given pursuant to this Agreement must be in the English language. Notices provided by posting on the Agency's Evidence.com site will be effective upon posting and notices provided by email will be effective when the email was sent. Notices provided by personal delivery will be effective immediately. Contact information for notices:

Axon: Axon Enterprise, Inc.
ATTN: Contracts
17800 N. 85th Street
Scottsdale, Arizona 85255
contracts@axon.com

AGENCY:

16.15 Entire Agreement. This Agreement, including the APPENDICES attached hereto, and the Policies and the quote provided by Axon, represents the entire agreement between the Parties. This Agreement supersedes all prior or contemporaneous representations, understandings, agreements, or communications between the Parties, whether written or verbal, regarding the subject matter of this Agreement. No modification or amendment of any portion of this Agreement will be effective unless in writing and signed by the Parties to this Agreement. If Axon provides a translation of the English language version of this Agreement, the English language version of the Agreement will control if there is any conflict.

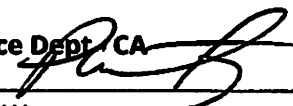
16.16 Counterparts. If this Agreement form requires the signatures of the Parties, then this Agreement may be executed by electronic signature in multiple counterparts, each of which is considered an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed. Each Party warrants and represents that its respective signatories, whose signatures appear below, have been and are, on the date of signature, duly authorized to execute this Agreement.

Axon Enterprise, Inc.

Signature: _____
Name: _____
Title: _____
Date: _____

Pittsburg Police Dept. CA

Signature:  _____
Name: Patrick Wentz
Title: Captain
Date: 9/21/2017

Evidence.com Terms of Use

Appendix

- 1 **Evidence.com Subscription Term.** The Evidence.com Subscription will begin after shipment of the Axon body worn cameras. If shipped in 1st half of the month, the start date is on the 1st of the following month. If shipped in the last half of the month, the start date is on the 15th of the following month. For phased deployments, the Evidence.com Subscription begins upon the shipment of the first phase. For purchases that consist solely of Evidence.com licenses, the Subscription will begin upon the Effective Date.
- 2 **Access Rights.** “Agency Content” means software, data, text, audio, video, images or other Agency content or any of the Agency’s end users (a) run on the Evidence.com Services, (b) cause to interface with the Evidence.com Services, or (c) upload to the Evidence.com Services under the Agency account or otherwise transfer, process, use or store in connection with the Agency account. Upon the purchase or granting of a subscription from Axon and the opening of an Evidence.com account, the Agency will have access and use of the Evidence.com Services for the storage and management of Agency Content during the subscription term (**Term**).

The Evidence.com Service and data storage are subject to usage limits. The Evidence.com Service may not be accessed by more than the number of end users specified in the Quote. If Agency becomes aware of any violation of this Agreement by an end user, the Agency will immediately terminate that end user’s access to Agency Content and the Evidence.com Services. For Evidence.com Lite licenses, the Agency will have access and use of Evidence.com Lite for only the storage and management of data from TASER CEWs and the TASER CAM during the subscription Term. The Evidence.com Lite Service may not be accessed to upload any non-TASER CAM video or any other files.

- 3 **Agency Owns Agency Content.** The Agency controls and owns all right, title, and interest in and to Agency Content and except as otherwise outlined herein, Axon obtains no interest in the Agency Content, and the Agency Content are not business records of Axon. The Agency is solely responsible for the uploading, sharing, withdrawal, management and deletion of Agency Content. Axon will have limited access to Agency Content solely for providing and supporting the Evidence.com Services to the Agency and Agency end users. The Agency represents that the Agency owns Agency Content; and that none of Agency Content or Agency end users’ use of Agency Content or the Evidence.com Services will violate this Agreement or applicable laws.

- 4 **Evidence.com Data Security.**
 - 4.1. **Generally.** Axon will implement commercially reasonable and appropriate measures designed to secure Agency Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive Information Security Program (ISP) that includes logical and physical access management, vulnerability management, configuration management, incident monitoring and response, encryption of digital evidence uploaded, security education, risk management, and data protection. The Agency is responsible for maintaining the security of end user names and passwords

and taking steps to maintain appropriate security and access by end users to Agency Content. Login credentials are for Agency internal use only and Agency may not sell, transfer, or sublicense them to any other entity or person. The Agency agrees to be responsible for all activities undertaken by the Agency, Agency employees, Agency contractors or agents, and Agency end users that result in unauthorized access to the Agency account or Agency Content. Audit log tracking for the video data is an automatic feature of the Services that provides details as to who accesses the video data and may be downloaded by the Agency at any time. The Agency shall contact Axon immediately if an unauthorized third party may be using the Agency account or Agency Content or if account information is lost or stolen.

4.2. FBI CJIS Security Addendum. Axon agrees to the terms and requirements set forth in the Federal Bureau of Investigation (FBI) Criminal Justice Information Services (CJIS) Security Addendum for the Term of this Agreement.

- 5. Axon's Support.** Axon will make available updates as released by Axon to the Evidence.com Services. Updates may be provided electronically via the Internet. Axon will use reasonable efforts to continue supporting the previous version of any software for 6 months after the change (except if doing so (a) would pose a security or intellectual property issue, (b) is economically or technically burdensome, or (c) is needed to comply with the law or requests of governmental entities. The Agency is responsible for maintaining the computer equipment and Internet connections necessary for use of the Evidence.com Services.
- 6. Data Privacy.** Axon will not disclose Agency Content or any information about the Agency except as compelled by a court or administrative body or required by any law or regulation. Axon will give notice if any disclosure request is received for Agency Content so the Agency may file an objection with the court or administrative body. The Agency agrees to allow Axon access to certain information from the Agency in order to: (a) perform troubleshooting services upon request or as part of Axon's regular diagnostic screenings; (b) enforce this agreement or policies governing use of Evidence.com Services; or (c) perform analytic and diagnostic evaluations of the systems.
- 7. Data Storage.** Axon will determine the locations of the data centers in which Agency Content will be stored and accessible by Agency end users. For United States customers, Axon will ensure that all Agency Content stored in the Evidence.com Services remains within the United States, including any backup data, replication sites, and disaster recovery sites. Axon may transfer Agency Content to third parties for the purpose of storage of Agency Content. Third party subcontractors responsible for storage of Agency Content are contracted by Axon for data storage services. Ownership of Agency Content remains with the Agency. For use of an Unlimited Evidence.com License, unlimited data may be stored in the Agency's Evidence.com account only if the data originates from an Axon Body Worn Camera or Axon Capture device. Axon reserves the right to charge additional fees for exceeding purchased storage amounts or for Axon's assistance in the downloading or exporting of Agency Content. Axon may place into archival storage any data stored in the Agency's Evidence.com accounts that has not been viewed or accessed for 6 months. Data stored in archival storage will not have immediate availability, and may take up to 24 hours to access.

-
- 8 **Suspension of Evidence.com Services.** Axon may suspend Agency access or any end user's right to access or use any portion or all of the Evidence.com Services immediately upon notice, in accordance with the following:
- 8.1. The Termination provisions of the Master Service Agreement apply;
 - 8.2. The Agency or an end user's use of or registration for the Evidence.com Services (i) poses a security risk to the Evidence.com Services or any third party, (ii) may adversely impact the Evidence.com Services or the systems or content of any other customer, (iii) may subject Axon, Axon's affiliates, or any third party to liability, or (iv) may be fraudulent;
 - 8.3. If Axon suspends the right to access or use any portion or all of the Evidence.com Services, the Agency remains responsible for all fees and charges incurred through the date of suspension without any credits for any period of suspension. Axon will not delete any of Agency Content on Evidence.com as a result of a suspension, except as specified elsewhere in this Agreement.
- 9 **Software Services Warranty.** Axon warrants that the Evidence.com Services will not infringe or misappropriate any patent, copyright, trademark, or trade secret rights of any third party. Axon disclaims any warranties or responsibility for data corruption or errors before the data is uploaded to the Evidence.com Services.
- 10 **License Restrictions.** Neither the Agency nor any Agency end users (including, without limitation, employees, contractors, agents, officers, volunteers, and directors), may, or may attempt to: (a) permit any third party to access the Evidence.com Services, except as permitted in this Agreement; (b) modify, alter, tamper with, repair, or otherwise create derivative works of any of the Evidence.com Services; (c) reverse engineer, disassemble, or decompile the Evidence.com Services or apply any other process or procedure to derive the source code of any software included in the Evidence.com Services, or allow any others to do the same; (d) access or use the Evidence.com Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas; (e) copy the Evidence.com Services in whole or part, except as expressly permitted in this Agreement; (f) use trade secret information contained in the Evidence.com Services, except as expressly permitted in this Agreement; (g) resell, rent, loan, or sublicense the Evidence.com Services; (h) access the Evidence.com Services in order to build a competitive product or service or copy any features, functions, or graphics of the Evidence.com Services; (i) remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within the Evidence.com Services or any copies of the Evidence.com Services; or (j) use the Evidence.com Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, to store or transmit material in violation of third party privacy rights, or to store or transmit malicious code. All licenses granted in this Agreement are conditional on continued compliance this Agreement, and will immediately and automatically terminate if the Agency does not comply with any term or condition of this Agreement. The Agency may only use Axon's trademarks in accordance with the Axon Trademark Use Guidelines (located at www.axon.com).
- 11 **After Termination.** Axon will not delete any Agency Content as a result of a termination during a period of 90 days following termination. During this 90-day period the Agency may

retrieve Agency Content only if all amounts due have been paid (there will be no application functionality of the Evidence.com Services during this 90-day period other than the ability to retrieve Agency Content). The Agency will not incur any additional fees if Agency Content is downloaded from Evidence.com during this 90-day period. Axon has no obligation to maintain or provide any Agency Content after this 90-day period and will thereafter, unless legally prohibited delete all of Agency Content stored in the Evidence.com Services. Upon request, Axon will provide written proof that all Agency Content has been successfully deleted and fully removed from the Evidence.com Services.

- 12 **Post-Termination Assistance.** Axon will provide Agency with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Agency Content will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.

Professional Services Appendix

1 **Professional Services Term.** Amounts pre-paid for professional services as outlined in the Quote and the Professional Service Appendix must be used within 6 months of the Effective Date.

2 **Scope of Services.** The project scope will consist of the Services identified on the Quote.

2.1. The Full-Service Package for the Axon and Evidence.com related Services includes four (4) consecutive days of on-site services and a Professional Services Offices (PSO) Manager that will work closely with the Agency to assess the Agency's deployment scope and to determine which on-site services are appropriate. If more than four (4) consecutive days of on-site services are needed, additional on-site assistance is available for \$7,000 per week (4 consecutive days) or \$2000 per day. The full set of service options is listed below:

System set up and configuration

- Setup Axon View on smart phones (if applicable). Configure categories & custom roles based on Agency need.
- Register cameras to Agency domain.
- Troubleshoot IT issues with Evidence.com and Axon Dock (Dock) access.
- Work with IT to install Evidence Sync software on locked-down computers (if applicable).
- One on-site session included.

Dock configuration

- Work with Agency to decide ideal location of Dock setup and set configurations on Dock if necessary.
- Authenticate Dock with Evidence.com using "admin" credentials from Agency.
- On site assistance included

Best practice implementation planning session

- Provide considerations for establishment of video policy and system operations best practices based on Axon's observations with other agencies.
- Discuss importance of entering metadata in the field for organization purposes and other best practice for digital data management.
- Provide referrals of other agencies using the Axon camera products and Evidence.com services
- Recommend rollout plan based on review of shift schedules.

System Admin and troubleshooting training sessions

Step-by-step explanation and assistance for Agency's configuration of security, roles & permissions, categories & retention, and other specific settings for Evidence.com.

Axon instructor training (Train the Trainer)

Training for Agency's in-house instructors who can support the Agency's Axon camera and Evidence.com training needs after Axon's Professional Service team has fulfilled its contracted on-site obligations

Evidence sharing training

Tailored workflow instruction for Investigative Units on sharing Cases and Evidence with local Prosecutor Agencies.

End user go live training and support sessions

Assistance with device set up and configuration. Training on device use, Evidence.com and Evidence Sync.

Implementation document packet

Evidence.com administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide

Post go live review session

- 2.2. Additional training days may be added on to any service package for additional fees set forth in the Quote.
- 3 **Out of Scope Services.** Axon is responsible to perform only the Services described on the Quote. Any additional services discussed or implied that are not defined explicitly by the Quote will be considered out of the scope.
- 4 **Delivery of Services.**
- 4.1. **Hours and Travel.** Axon personnel will work within normal business hours, Monday through Friday, 8:30 a.m. to 5:30 p.m., except holidays, unless otherwise agreed in advance. All tasks on-site will be performed over a consecutive timeframe, unless otherwise agreed to by the Parties in advance. Travel time by Axon personnel to Agency premises will not be charged as work hours performed.
- 4.2. **Changes to Services.** Changes to the scope of Services must be documented and agreed upon by the Parties in a change order. Changes may require an equitable adjustment in the charges or schedule.
- 5 **Authorization to Access Computer Systems to Perform Services.** The Agency authorizes Axon to access relevant Agency computers and network systems, solely for performing the Services. Axon will work diligently to identify as soon as reasonably practicable the resources and information Axon expects to use, and will provide an initial itemized list to the Agency. The Agency is responsible for, and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by the Agency.

Site Preparation and Installation. Prior to delivering any Services, Axon will provide 1 copy of the then-current user documentation for the Services and related Products in paper or electronic form (**Product User Documentation**). The Product User Documentation will include all environmental specifications that must be met in order for the Services and related Products to operate in accordance with the Product User Documentation. Prior to the installation of Product (whether performed by the Agency or Axon), the Agency must prepare the location(s) where the Products are to be installed (**Installation Site**) in accordance with the environmental specifications set forth in the Product User Documentation. Following the installation of the Products, the Agency must maintain the Installation Site where the Products have been installed in accordance with the environmental specifications set forth in the Product User Documentation. In the event that

there are any updates or modifications to the Product User Documentation for any Products provided by Axon under this Agreement, including the environmental specifications for the Products, Axon will provide the updates or modifications to Agency when they are generally released by Axon to Axon customers.

- 6 **Acceptance Checklist.** Axon will present an Acceptance Form (**Acceptance Form**) upon completion of the Services. The Agency will sign the Acceptance Form acknowledging completion of the Services once the on-site service session has been completed. If the Agency reasonably believes that Axon did not complete the Services in substantial conformance with this Agreement, the Agency must notify Axon in writing of the specific reasons for rejection of the Services within 7 calendar days from delivery of the Checklist. Axon will address the issues and then will re-present the Acceptance Form for approval and signature. If Axon does not receive the signed Acceptance Form or a written notification of the reasons for the rejection of the performance of the Services within 7 calendar days of delivery of the Acceptance Form, the absence of the Agency response will constitute affirmative acceptance of the Services, and a waiver of any right of rejection.
- 7 **Liability for Loss or Corruption of Data.** The Agency is responsible for: (i) instituting proper and timely backup procedures for any files and programs on the Agency's network, not including any Agency Content on Evidence.com (**Agency Software and Data**); (ii) creating timely backup copies of Agency Software and Data that may be damaged, lost, or corrupted due to Axon's provision of Services; and (iii) using backup copies to restore any Agency Software and Data in the event of any loss of, damage to, or corruption of the operational version of Agency Software and Data, even if such damage, loss, or corruption is due to Axon's negligence. However, regardless of any assistance provided by Axon: (i) Axon will in no way be liable for the accuracy, completeness, success, or results of efforts to restore Agency Software and Data; (ii) any assistance provided by Axon under this Section is without warranty, express or implied; and (iii) in no event will Axon be liable for loss of, damage to, or corruption of Agency Software and Data from any cause.

TASER Assurance Plan Appendix

The TASER Assurance Plan ("TAP") is an optional plan the Agency may purchase. If TAP is included on the Quote, this TAP Appendix applies. TAP may be purchased as a standalone plan. TAP for Axon body worn cameras is also included as part of Ultimate and Unlimited Licenses, as well as under the Officer Safety Plan. TAP provides hardware extended warranty coverage, Spare Products, and Upgrade Models at the end of the TAP Term. TAP only applies to the Axon Product listed in the Quote with the exception of any initial hardware or any software services offered for, by, or through the Evidence.com website. The Agency may not buy more than one TAP for any one covered Product.

- 1 **TAP Warranty Coverage.** TAP includes the extended warranty coverage described in the current hardware warranty. TAP warranty coverage starts at the end of the Hardware Limited Warranty term and continues as long as the Agency continues to pay the required annual fees for TAP. The Agency may not have both an optional extended warranty and TAP on the Axon camera/Dock product. TAP for the Axon camera products also includes free replacement of the Axon flex controller battery and Axon body battery during the TAP Term for any failure that is not specifically excluded from the Hardware Warranty.

- 2 **TAP Term.** TAP Term start date is based upon the shipment date of the hardware covered under TAP. If the shipment of the hardware occurred in the first half of the month, then the Term starts on the 1st of the following month. If the shipment of the hardware occurred in the second half of the month, then the Term starts on the 15th of the following month.

- 3 **SPARE Product.** Axon will provide a predetermined number of spare Products for those hardware items and accessories listed in the Quote (collectively the "Spare Products") to keep at the Agency location to replace broken or non-functioning units in order to improve the availability of the units to officers in the field. The Agency must return to Axon, through Axon's Return Merchandise Authorization (**RMA**) process, any broken or non-functioning units for which a Spare Product is utilized, and Axon will repair the non-functioning unit or replace with a replacement product. Axon warrants it will repair or replace the unit that fails to function for any reason not excluded by the TAP warranty coverage, during the TAP Term with the same product or a like product, at Axon's sole option. The Agency may not buy a new TAP for the replacement product or the Spare Product.
 - 3.1. Within 30 days of the end of the TAP Term, the Agency must return to Axon all Spare Products. The Agency will be invoiced for and is obligated to pay to Axon the MSRP then in effect for all Spare Products not returned to Axon. If all the Spare Products are returned to Axon, then Axon will refresh the allotted number of Spare Products with Upgrade Models if the Agency purchases a new TAP for the Upgrade Models.

- 4 **TAP Officer Safety Plan (OSP).** If the Officer Safety Plan (**OSP**) is included on the Quote, this section applies. OSP includes the benefits of the Evidence.com Unlimited License (which includes unlimited data storage for Axon camera and Axon Capture generated data in the Evidence.com Services and TAP for the Axon Camera), TAP for Evidence.com Dock, one Axon

brand CEW with a 4-year Warranty, one CEW battery, and one CEW holster. At any time during the OSP term, the Agency may choose to receive the CEW, battery and holster by providing a \$0 purchase order. At the time elected to receive the CEW, the Agency may choose from any current CEW model offered. The OSP plan must be purchased for a period of 5 years. If the OSP is terminated before the end of the term and the Agency did not receive a CEW, battery or holster, then we will have no obligation to reimburse for those items not received. If OSP is terminated before the end of the term and the Agency received a CEW, battery and/or holster then (a) the Agency will be invoiced for the remainder of the MSRP for the Products received and not already paid as part of the OSP before the termination date; or (b) only in the case of termination for non-appropriations, return the CEW, battery and holster to Axon within 30 days of the date of termination.

- 5 **TAP Upgrade Models.** Any products replaced within the 6 months prior to the scheduled upgrade will be deemed the Upgrade Model. Thirty days after the Upgrade Models are received, the Agency must return the products to Axon or Axon will deactivate the serial numbers for the products received by the Agency. In the case of Axon cameras, the Agency may keep the original products only if the Agency purchases additional Evidence.com licenses for the Axon camera products the Agency is keeping. The Agency may buy a new TAP for any Upgraded Model.

Upgrade Models are to be provided as follows during and/or after the TAP Term: (i) an upgrade will provided in year 3 if the Agency purchased 3 years of Evidence.com services with Ultimate Licenses or Unlimited Licenses, or TAP as a stand-alone service, and all payments are made; or (ii) 2.5 years after the TAP Term begins and once again 5 years after the TAP Term begins if the Agency purchased 5 years of Evidence.com services with an Ultimate License or Unlimited Licenses, OSP, or TAP as a stand-alone service, and made all TAP payments.

5.1. TAP Axon Camera Upgrade Models.

5.1.1. If the Agency purchased TAP for Axon cameras as a stand-alone service, then Axon will upgrade the Axon camera (and controller if applicable), free of charge, with a new on-officer video camera that is the same product or a like product, at Axon's sole option. Axon makes no guarantee that the Upgrade Model will utilize the same accessories or Dock. If the Agency would like to change product models for the Upgrade Model, then the Agency must pay the price difference in effect at the time of the upgrade between the MSRP for the offered Upgrade Model and the MSRP for the model that will be acquired. No refund will be provided if the MSRP of the new model is less than the MSRP of the offered Upgrade Model.

5.1.2. If the Agency purchased an Unlimited or Ultimate License or OSP, then Axon will upgrade the Axon camera (and controller if applicable), free of charge, with a new on-officer video camera of the Agency's choice.

5.2. TAP Dock Upgrade Models. If the Agency purchased TAP for the Axon Docks, or if the Agency purchased OSP, Axon will upgrade the Dock free of charge, with a new Dock with the same number of bays that is the same product or a like product, at Axon's sole option. If the Agency would like to change product models for the

Upgrade Model or add additional bays, then the Agency must pay the price difference in effect at the time of the upgrade between the MSRP for the offered Upgrade Model and the MSRP for the model desired. No refund will be provided if the MSRP of the new model is less than the MSRP of the offered Upgrade Model.

- 6** **TAP Termination.** If an invoice for TAP is more than 30 days past due or the Agency defaults on its payments for the Evidence.com services then Axon may terminate TAP and all outstanding Product related TAPs. Axon will provide notification that TAP coverage is terminated. Once TAP coverage is terminated for any reason, then:
- 6.1.** TAP coverage will terminate as of the date of termination and no refunds will be given.
 - 6.2.** Axon will not and has no obligation to provide the free Upgrade Models.
 - 6.3.** The Agency will be invoiced for and are obligated to pay to Axon the MSRP then in effect for all Spare Products provided under TAP. If the Spare Products are returned within 30 days of the Spare Product invoice date, credit will be issued and applied against the Spare Product invoice.
 - 6.4.** The Agency will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future TAP.

Axon Fleet Appendix

If Axon Fleet is included on the Quotes, this Appendix applies.

- 1 **Axon Fleet Evidence.com Subscription Term.** The Evidence.com Subscription for Axon Fleet will begin after the first shipment of the Axon Fleet hardware (**Axon Fleet Subscription**) if shipped in 1st half of the month, the start date is on the 1st of the following month. If shipped in the last half of the month, the start date is on the 15th of the following month. For phased deployments, the Axon Fleet Subscription begins upon the shipment of the first phase, and subsequent phases will begin upon shipment of that phase.
- 2 **Agency Responsibilities.** The Agency is responsible for ensuring its infrastructure and vehicles adhere to the minimum requirements needed to effectively operate Axon Fleet as established by Axon during the on-site assessment at the Agency's facility and/or in Axon's technical qualifying questions. The Quote is based upon the Agency's accurate representation of its infrastructure. Any inaccuracies the Agency provides to Axon regarding the Agency's infrastructure and vehicles may subject the Quote to change.
- 3 **CradlePoint.** If the Agency purchases CradlePoint Enterprise Cloud Manager, the Agency is responsible for complying with the CradlePoint end user license agreement. The Agency acknowledges that the term of the CradlePoint license may differ from the term of the Evidence.com license. The Agency further acknowledges that CradlePoint installation services are not within the scope of this Agreement. All CradlePoint hardware is warranted under CradlePoint's manufacturer's warranty. In the event that the Agency requires support for its CradlePoint hardware, the Agency will contact CradlePoint directly.
- 4 **Statement of Work.** If the Agency has purchased installation services for Axon Fleet, the Statement of Work (**Fleet SOW**) attached to this Appendix will detail Axon's deliverables to the Agency with respect to the installation of Axon Fleet and any related hardware. Axon is responsible to perform only the services described in this Fleet SOW. Any additional services discussed or implied that are not defined explicitly by the Fleet SOW will be considered out of the scope. Axon may subcontract any part of the Fleet SOW to a qualified subcontractor.
- 5 **Warranty Coverage.** Axon's standard Hardware Warranty applies to Axon Fleet.
- 6 **Axon Fleet Unlimited Storage.** For use of an Axon Fleet Unlimited Evidence.com License, unlimited data may be stored as part of the Axon Fleet unlimited storage only if the data originates from Axon Fleet hardware.
- 7 **Axon Fleet Unlimited Upgrade.** If the Agency has purchased Fleet Unlimited, the Axon Fleet camera hardware is covered by a 4-year extended warranty. Axon Fleet Unlimited also provides the Agency with Axon Fleet camera hardware Upgrade Models during the Term.

Upgrade Models are to be provided as follows during and/or after the Axon Fleet Unlimited Term: 2.5 years after the Axon Fleet Subscription Start Date and once again 5 years after the Axon Fleet Subscription Start Date if the Agency purchased 5 years made all Axon Fleet Unlimited payments.

Any products replaced within the 6 months prior to the scheduled upgrade will be deemed the Upgrade Model. Thirty days after the Upgrade Models are received, the Agency must return the products to Axon or Axon will deactivate the serial numbers for the products received unless the Agency purchases additional Evidence.com licenses for the Axon camera products the Agency is keeping.

- 8** **Fleet Unlimited Termination.** If an invoice for Axon Fleet Unlimited is more than 30 days past due or the Agency defaults on its payments for the Evidence.com services then Axon may terminate Axon Fleet Unlimited and all outstanding Product related to Axon Fleet Unlimited. Axon will provide notification that Axon Fleet Unlimited coverage is terminated. Once Axon Fleet Unlimited coverage is terminated for any reason, then:
- 8.1.** Axon Fleet Unlimited coverage will terminate as of the date of termination and no refunds will be given.
 - 8.2.** Axon will not and has no obligation to provide the free Upgrade Models.
 - 8.3.** The Agency will be invoiced for, and is obligated to pay to Axon, the MSRP then in effect for all Spare Products provided under Axon Fleet Unlimited. If the Spare Products are returned within 30 days of the Spare Product invoice date, credit will be issued and applied against the Spare Product invoice.
 - 8.4.** The Agency will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future Axon Fleet Unlimited.

Axon Interview Room Appendix

If Axon Interview Room is included on the Quote, this Appendix applies.

- 1 **Axon Interview Room Evidence.com Subscription Term.** The Evidence.com Subscription for Axon Interview Room (**Interview Room Subscription**) will begin after the first shipment of the Axon Interview Room hardware. If shipped in 1st half of the month, the start date is on the 1st of the following month. If shipped in the last half of the month, the start date is on the 15th of the following month. For phased deployments, the Interview Room Subscription begins upon the shipment of the first phase, and subsequent phases will begin upon shipment of that phase.
- 2 **Statement of Work.** The Axon Interview Room Statement of Work (**Interview Room SOW**) attached to this Appendix will detail Axon's respect to the professional services deliverables. Axon is responsible to perform only the services described in this Interview Room SOW. Any additional services discussed or implied that are not defined explicitly by the Interview Room SOW will be considered outside the scope of this Agreement. Axon may subcontract any part of the Interview Room SOW to a qualified subcontractor.
- 3 **Axon Interview Room Warranty.** Axon Interview Room Products are covered under the applicable manufacturer's warranty.
 - 3.1. **Warranty Returns.** The terms and conditions in the "Warranty Returns" section of the main body of the MSPA apply to warranty returns related to Hardware Maintenance.
 - 3.2. **Product Repair or Replacement.** If Axon determines that a valid warranty claim is received within the Hardware Maintenance Term, Axon agrees to repair or replace the hardware that Axon determines in its sole discretion to be defective under normal use. Axon's sole responsibility under this warranty is to either repair or replace damaged or defective hardware with the same or like hardware, at Axon's discretion. Axon is not obligated to repair or replace hardware that is damaged as a result of intentional or deliberate damage.
- 4 **Hardware Maintenance Warranty Coverage.** If the Agency purchased Axon Interview Hardware Maintenance warranty coverage, the Axon Interview Room hardware listed in the Quote will receive extended warranty coverage during the term purchased in the Quote (**Hardware Maintenance Term**). The Hardware Maintenance Term start date begins upon the Agency's receipt of the hardware covered under the Hardware Maintenance. Hardware Maintenance only applies to the Axon Interview Room hardware listed in the Quote. The Agency may not buy more than one Hardware Maintenance for any one covered Product. Hardware Maintenance includes the extended warranty coverage described in the current hardware warranty. Hardware Maintenance warranty coverage starts at the beginning of the Hardware Maintenance Term and continues throughout the Hardware Maintenance Term and as long the Agency continues to pay the required annual fees for Hardware Maintenance.

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- 4.1. **Hardware Maintenance Termination.** If an invoice for Hardware Maintenance is more than 30 days past due Axon may terminate Hardware Maintenance. Axon will provide notification that Hardware Maintenance coverage is terminated. Once Hardware Maintenance coverage is terminated for any reason, then:
- 4.1.1. Hardware Maintenance coverage will terminate as of the date of termination and no refunds will be given.
- 4.1.2. Axon will not, and has no obligation to, provide future support or services for the hardware covered by Axon Interview Room Hardware Maintenance.
- 5 **Support.** Axon will provide remote customer service for troubleshooting hardware issues. In the event Axon deems it necessary, and at Axon's sole discretion, Axon will provide an on-site technician for support.
- 6 **Axon Interview Unlimited.** For use of an Axon Interview Room Unlimited Evidence.com License, unlimited data may be stored as part of the Axon Interview Room unlimited storage only if the data originates from Axon Interview Room hardware.

▲, ▲ AXON, Axon, Axon Commander, Axon Convert, Axon Detect, Axon Dock, Axon Five, Axon Forensic Suite, Axon Interview, Axon Mobile, Evidence.com, Evidence Sync, TASER, and TASER CAM are trademarks of Axon Enterprise, Inc., some of which are registered in the US and other countries. For more information visit www.axon.com/legal. All rights reserved. © 2017 Axon Enterprise, Inc.



STATEMENT OF WORK & CONFIGURATION DOCUMENT

Axon Interview Recording Platform

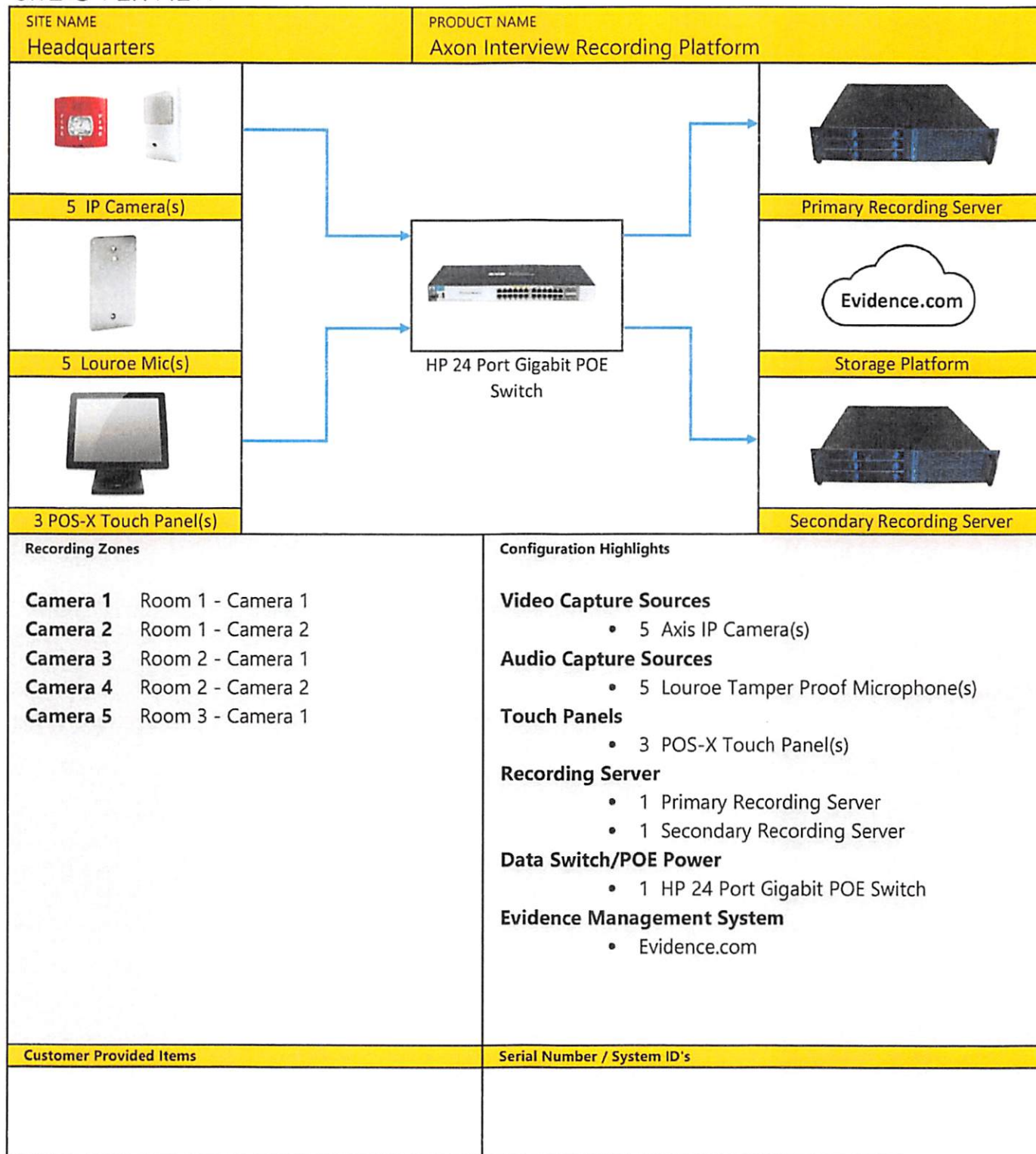
This document details a proposed system design

Agency created for: Pittsburg Police Department

Sold By:	Bob Dillon
Designed By:	Jason South
Installed By:	Axon Professional Services

Friday, September 01, 2017

SITE OVERVIEW



SYSTEM CONFIGURATION DETAILS

The following sections detail the configuration of the Axon Interview recording system

Cabling Considerations

Cabling Runs	11	Cat5 cable runs are required for this installation
	8	110v power outlets are required for this installation
Cabling Requirements	All Devices: Each Axis IP cameras will require (1) Category 5e/6e cable. This cable run should be connected to the customer's primary data network. Each POS-X touch panel, or PC running a virtual Touch Panel, will each require (1) Category 5e/6e cable. This cable run should be connected to the customer's primary data network Each POS-X touch panel, or PC running a Virtual Touch panel, will require (1) 110v power outlet. Each recording server will require (2) 110v power outlets Recording Server: The Primary Recording Server requires (1) dedicated cat 5e/6e cable The Secondary Recording Server requires (1) dedicated cat 5e/6e cable Data Switch: Type: HP 24 Port Gigabit POE Switch Each HP 24 Port Gigabit POE Switch at this location requires (1) category 5e cable. This cable run should be connected to the customer's primary data network core.	
Redundancy	This design does not include cable redundancy	
Customer Provided Items	Customer to provide all cabling runs	
Axon Provided Items	N/A	

Network Considerations

Network Requirements	Each Axis IP Camera will be connected to a HP 24 Port Gigabit POE Switch that provides the device with power and network connectivity		
	Each Recording Server must be given a static, IPv4 network address that is routable across the network		
	Each IP Camera must be given a static, IPv4 network address that is routable across the network		
	Each POS-X Touch Panel must be given a static, IPv4 network address that is routable across the network		
Network Addressing	Network Device	Static IPs	Total IPs
	IP Cameras	5	11
	POS-X Touch Panel	3	
	Recording Servers	2	
	HP 24 Port Gigabit POE Switch	1	
Axon Provided Items	Axon will provide the HP 24 Port Gigabit POE Switch		

Network Considerations Cont'd

Customer Provided Items	Customer to provide all device IP addresses
	Customer to also provide:
	Subnet Mask
	Gateway IP
	DNS/WINS IP
	Time Server IP
	Customer IT staff will configure all switches with proper network configuration

Video Capture Device

Room 1 - Camera 1	
Video Capture Source	Axis F41 Pinhole IP Camera
Deployment Method	This camera will be covertly installed in the environment
Recording Activation	Recording will be manually triggered via the POS-X Touch Panel
Customer Provided Items	N/A
Axon Provided Items	Axon will provide the camera for this zone

Video Capture Device

Room 1 - Camera 2	
Video Capture Source	Axis F41 Pinhole IP Camera
Deployment Method	This camera will be covertly installed in the environment
Recording Activation	Recording will be manually triggered via the POS-X Touch Panel
Customer Provided Items	N/A
Axon Provided Items	Axon will provide the camera for this zone

Video Capture Device

Room 2 - Camera 1	
Video Capture Source	Axis F41 Pinhole IP Camera
Deployment Method	This camera will be covertly installed in the environment
Recording Activation	Recording will be manually triggered via the POS-X Touch Panel
Customer Provided Items	N/A
Axon Provided Items	Axon will provide the camera for this zone

Video Capture Device

Room 2 - Camera 2	
Video Capture Source	Axis F41 Pinhole IP Camera
Deployment Method	This camera will be covertly installed in the environment
Recording Activation	Recording will be manually triggered via the POS-X Touch Panel
Customer Provided Items	N/A
Axon Provided Items	Axon will provide the camera for this zone

Video Capture Device

Room 3 - Camera 1	
Video Capture Source	Axis F41 Pinhole IP Camera
Deployment Method	This camera will be covertly installed in the environment
Recording Activation	Recording will be manually triggered via the POS-X Touch Panel
Customer Provided Items	N/A
Axon Provided Items	Axon will provide the camera for this zone

Audio Capture Device

Audio Capture Source	5	Louroe Tamper Proof Microphone(s) will be included in this design
Deployment Method	Each microphone will be overtly installed and connected to (1) IP camera in each zone	
Recording Activation	Recording will be activated in unison with the connected IP camera	
Customer Provided Items	N/A	
Axon Provided Items	Axon will provide all microphones	

Recording Servers

Recorder Count	2	recording server(s) will reside at this location
Server Model	Primary Recording Server and Secondary Recording Server	
Redundancy	This system includes recording redundancy	
Customer Provided Items	N/A	
Axon Provided Items	Axon Will provide all recording servers	

Metadata Tags

Metadata Tagging	The system will collect metadata information prior to, and after, the interview recording process (i.e. Interviewer Name, Interviewee Name, Case Number)	
Metadata Tags	Information collected prior to recording: • Interviewee first and last name • Case number • Case type • Interviewee type Information collected post recording: • Interviewer name(s)	
Customer Provided Items	Customer to provide preferred metadata fields	
Axon Provided Items	Axon to facilitate the creation of metadata fields	

EVIDENCE.COM CONFIGURATION DETAILS

The following sections detail the configuration of Evidence.com. This section pertains to all recording sites in the environment.

Application Package

Evidence Mgmt System	Evidence.com
Agency URL	TBD
Evidence Sync	Yes
Keys	TBD
Package Description	TBD
Application Features	Network Applications: • Remote monitoring application Evidence.com Application Features: • Secure Cloud Storage • Redaction • Download/Sharing • Audit Trail
Customer Provided Items	N/A
Axon Provided Items	Axon will provide all items in this category

Training

Application Package	This solution will include on-site application training covering: • Touch panel overview • Initiating interview wizard • Entering metadata • Controlling the interview process • Closing an interview Evidence.com functionality
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Axon International, Inc.'s Sales Terms and Conditions for Direct Sales to End User Purchasers

By signing this Statement of Work, you are agreeing to the items set forth in this document and Axon's Master Services & Purchasing Agreement posted at www.Axon.com/legal. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, do not sign Statement of Work.

This Statement of Work is bound to the applicable signed quote. Upon confirmation of the installation dates, to be confirmed in writing, the agency will give no less than a 2-week advanced notice of cancellation or change from the date of the scheduled installation. In the event the Agency cancels 2 weeks or less from the date of the scheduled installation, the agency will be responsible for all travel booked, and resource costs associated with the cancelled installation. Rescheduling of the installation will be at the discretion of Axon Professional Services based on available dates within the installation schedule calendar.

Changes to the scope of this SOW must be documented and agreed upon by the Parties in a change order. If the changes cause an increase or decrease in any charges or cause a scheduling change from that originally agreed upon, an equitable adjustment in the charges or schedule will be agreed upon by the Parties and included in the

This statement of work is based on the discovery information collected from the customer, and designed using common considerations. This statement of work is subject to change. Design variables can/will change once a physical site survey is completed.

Signature: 

Date: 9/21/17

Title: Captain

STATEMENT OF WORK DOCUMENT

Axon Fleet In-Car Recording Platform

This document details a proposed system design

Agency Created For: **Pittsburg Police Department**

Sold By:	Bob Dillon
Designed By:	Jason South
Installed By:	TBD

VEHICLE OVERVIEW

SITE NAME		CUSTOMER NAME	
Headquarters		Pittsburg Police Department	
Total Configured Vehicles			
•	30	Total Vehicles with this Configuration	Axon Camera
Video Capture Sources			
•	60	Total Cameras Deployed	Signal Unit
•	1	Axon Signal Unit(s) Per Vehicle	
Mobile Data Terminal Per Vehicle		In-Car Router	
•	1	Located In Each Vehicle	Battery Box
Mobile Router Per Vehicle			
•	1	Cradlepoint IBR900 Series	
Offload Mechanism			
•		WiFi Only	
Evidence Management System			
•		Evidence.com	

SYSTEM CONFIGURATION DETAILS

The following sections detail the configuration of the Axon Interview recording system

Vehicle Hardware

Vehicle Hardware	2	Axon Fleet Cameras will be installed in each vehicle
	2	Axon Fleet Battery Boxes will be installed in each vehicle
	1	Axon Signal Units will be installed in each vehicle
	1	Cradlepoint IBR900 Series router will be installed in each vehicle
		When triggered, the Axon Signal Unit (ASU) will activate the recording mechanism of all Axon cameras within 30 feet of the vehicle.
Axon Battery Boxes		Each battery box will provide power to its connected camera for up to 4 hours, to allow for video offload while the vehicle is in an off state.
Signal Activation Methods		A recording trigger will occur when the Axon Signal Unit detects a change in voltage on a terminal. All Axon cameras within 30 feet of the triggered Axon signal unit will begin recording.
Mobile Data Terminal		Each vehicle will be equipped with a Mobile Data Terminal
Mobile Data Terminal Requirements		Operating System: Windows 7 or Windows 10 - x32 or x64 Hard Drive: Must have 25GB+ of free disk space RAM/Memory: Windows 7 - 4GB or greater Windows 10 - 8GB or greater Ethernet Port: The system requires the MDT to have one dedicated and available Ethernet port reserved for an Ethernet cable from router. The Ethernet port can be located on an electronic and stationary mobile docking station. If a docking station is used, it is the preferred location for the Ethernet port. Wi-Fi Card: The system requires an 802.11n compatible Wi-Fi card using 5Ghz band. USB Ports: If the computer is assigned to the officer and does not remain with the vehicle, then the number dongles ordered should equal the number of officers or the number of computers assigned. At least one dedicated and available USB 2.0 port for the Fleet USB dongle USB Port on MDT or Dock.
Additional Considerations		If the customer has a MiFi hotspot, embedded cellular, or USB 4G, then the customer must purchase a Cradlepoint router with an external antenna and Cradlecare. For agencies that use NetMotion Mobility, Axon traffic must be passed through; such that it does not use the Mobility VPN tunnel.
Hardware Provisioning		Axon to provide Fleet Cameras, Axon Signal Units and Battery Boxes
		Axon will provide the following router for all vehicles: Cradlepoint IBR900 Series
		The customer will provide an MDT for each vehicle

In-Car Network Considerations

Network Requirements	The Cradlepoint IBR900 Series will create a dedicated 5Ghz WiFi network within each vehicle. This network will join the Axon Fleet cameras and Mobile Data Terminal together.			
Network Addressing	IP Addressing		Total IPs Required	
	Axon Fleet Cameras	60	120	
	Mobile Data Terminal	30		
	Cradlepoint IBR900 Series	30		
Hardware Provisioning	Customer to provide all IP addressing and applicable network information			

WiFi Offload Considerations

WiFi Offload Standards	There will be a maximum of 10 concurrent vehicles offloading at any given time.
	1 servers are required to facilitate the offload of in-car data to Evidence.com
	2 wireless access point(s) are required to facilitate the offload of data to Evidence.com
	When in proximity, the Cradlepoint IBR900 Series will connect to the agency's wireless access points an initiate the upload of recorded video content.
Hardware Provisioning	The customer will provide all wireless access points for this installation.

Store & Forward Server Considerations

Hardware Provisioning	The customer will provide all wireless access points for this installation.
	The customer will provide the data switch for this installation.
	The customer will provide the server rack for this installation.
	The customer will provide the KVM, monitor and mouse for this installation.
	The customer will provide the Uninterruptable Power Supply (UPS) for this installation.
	Servers will maintain a Sustained Disk Write Speed of 175 MBps.

Network Consideration Agreement

Network Consideration Agreement	Pittsburg Police Department acknowledges the minimum requirements for the network to support this Statement of Work and understands that a minimum of 35Mbps is required to support Axon Fleet.
	All Axon employees performing services under this SOW are CJIS certified.
	If the network provided by Pittsburg Police Department does not meet the minimum requirement, or in the event of a requested change in scope of the project, a Change Order will be required and additional fees may apply.

Project Management & Training

Project Management	AXON will assign a Project Manager that will provide the expertise to execute a successful Fleet camera deployment and implementation. The Project Manager will have significant knowledge and experience with all phases of the project management lifecycle and with all application modules being implemented. He/she will work closely with the customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables on time and on budget.
Training	AXON will provide on-site training to lead the AXON Fleet deployment. End-user go-live training and support: This training provides individual device set up and configuration assistance, training on device use, Evidence.com and AXON View XL.

**Axon International, Inc.'s Sales Terms and Conditions
for Direct Sales to End User Purchasers**

By signing this Statement of Work, you are agreeing to the items set forth in this document and Axon's Master Services & Purchasing Agreement posted at <https://www.Axon.com/sales-terms-and-conditions>. You represent that you are lawfully able to enter into contracts and if you are entering into this agreement for an entity, such as the company, municipality, or government agency you work for, you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, do not sign Statement of Work.

Changes to the scope of this SOW must be documented and agreed upon by the Parties in a change order. If the changes cause an increase or decrease in any charges or cause a scheduling change from that originally agreed upon, an equitable adjustment in the charges or schedule will be agreed upon by the Parties and included in the change order, signed by both Parties.

Signature: _____

Date: _____

Name (Print): _____

Title: _____



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

DATE: 11/29/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Declaring the City Council's Intent to Vacate a Portion of Los Medanos Street

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The portion of Los Medanos Street South of 10th Street has been unused and has not been maintained by the City for more than five (5) years. Staff proposes the City vacate the portion of the street that was once used as a roadway, but reserve an easement for the continued maintenance of existing City water and sewer facilities.

FISCAL IMPACT

Vacation of this portion of Los Medanos Street would reduce the City's maintenance cost obligation for surface improvements.

RECOMMENDATION

City Council adopt the attached Resolution declaring the City Council's Intent to Vacate a Portion of Los Medanos Street South of 10th Street, reserving an easement for subsurface utilities.

BACKGROUND

On November 14, 2017 the Planning Commission Adopted Resolution No.10078 determining that the proposed partial vacation of Los Medanos Street is consistent with the City's General Plan.

SUBCOMMITTEE FINDINGS

Not applicable

STAFF ANALYSIS

The proposed vacation of Los Medanos Street, as shown on Exhibit A and described on Exhibit B attached to this report, is necessary to eliminate the City's obligation for continuous maintenance of surface improvements for an unused street. The City will reserve an easement for the maintenance of the subsurface City water and sewer facilities.

Vacation of this roadway will facilitate the disposition and future development of adjacent properties. This action will not landlock the adjacent parcels. A portion of this section of Los Medanos Street will remain a public roadway and serve as the public access to 10th Street for the parcels at the southeastern and southwestern corners of East 10th Street and Los Medanos Street.

Pursuant to Government Code Section 8320, the attached resolution establishes February 5, 2018 as the date for a public hearing on this matter. Pursuant to that section, the subject roadway will be conspicuously posted on Los Medanos Street, at City Hall, and on the City's website.

ATTACHMENTS: Resolution
Exhibit "A" Legal Description
Exhibit "B" Site Plan

Report Prepared By: Jolan Longway
Civil Engineer II

EXHIBIT "A"
LEGAL DESCRIPTION
LOS MEDANOS STREET VACATION AND UTILITY EASEMENT RESERVATION

That certain parcel of land situated in the City of Pittsburg, County of Contra Costa, State of California being that portion of Los Medanos Street as shown on a Record of Survey filed in Book 141 of Licensed Surveyors Maps, at Page 24 on July 17, 2009 in the Office of the County Recorder of said Contra Costa County described as follows:

BEGINNING at the intersection of the westerly right-of-way of Los Medanos Street and the northerly right of way of the A.T. & S.F.R.R. as said Street and A.T. & S.F. R. R. are shown and so designated on said Record of Survey (141 LSM 24);

Thence, along said westerly right-of-way, North 17°50'05" East, 132.81 feet, to the southeasterly corner of the parcel of land described in the document to the Redevelopment Agency of Pittsburg, recorded as document 2008-240441, in said Office of the County Recorder and as shown on said Record of Survey (141 LSM 24);

Thence, South 72°09'34" East, 50 feet, to the easterly right-of-way of said Los Medanos Street;

Thence, along said easterly right-of-way, South 17°50'05" West, 121.30 feet to the northerly right-of-way of said A.T. & S.F.R.R. as shown on said Record of Survey (141 LSM 24);

Thence, along a said A.T. & S.F.R.R. and along anon-tangent 3919.83 foot radius curve to the left, to which point a radial line bears North 05°03'43" East, through a central angle of 00°45'02", an arc distance of 51.35 feet to the **POINT OF BEGINNING**.

CONTAINING 6,346 square feet, more or less

RESERVING THEREFROM an easement for public utility purposes.

SUBJECT TO all Covenants, Rights, Rights-of-Way and Easements of Record.

EXHIBIT "B" attached and by this reference made a part hereof.

Prepared by:
R.E.Y. Engineers, Inc.

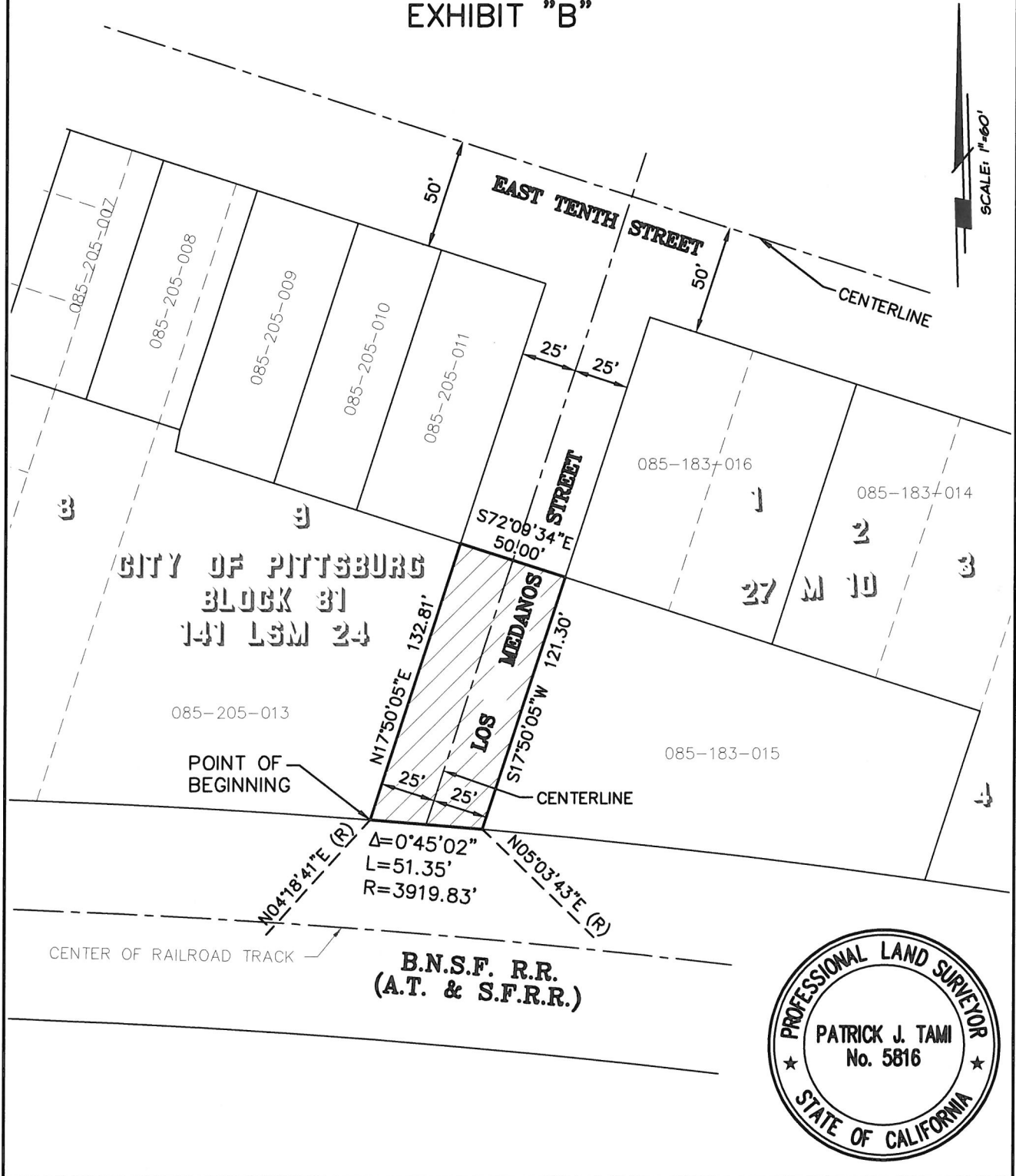
Patrick J. Tami

Patrick J. Tami, P.L.S.

License expires 6/30/2018



EXHIBIT "B"



JOB NO. 6969.XXX DATE: 10.12.2017 SCALE: 1"=60' DRAWN BY: BE CHECKED BY: PT	TITLE: LOS MEDANOS VACATION AND UTILITY EASEMENT RESERVATION CLIENT: CITY OF PITTSBURGH	905 Sutter Street, Ste 200 Folsom CA 95630 (916) 366-3040 Fax (916) 366-3303 R. E. Y. ENGINEERS, Inc Civil Engineers / Land Surveyors
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DRAWING FILE NO. S:\6969\XXX Los Medanos\10 - CAD Drawings\6969.XXX Vacation Exhibit.dwg

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Declaring the City Council's Intent to)
Abandon a Portion of Los Medanos)
Street Reserving an Easement for Access)
and Maintenance of Subsurface Utilities)

RESOLUTION NO. 17-

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, on November 14, 2017 the Pittsburgh Planning Commission adopted Resolution No.10078 determining that the proposed partial vacation of Los Medanos Street is consistent with the City's General Plan; and

WHEREAS, the proposed vacation of Los Medanos Street, as shown on Exhibit A and described on Exhibit B, is necessary to eliminate the City's obligation for continuous maintenance of surface improvements for an unused street; and

WHEREAS, the City will reserve an easement for the maintenance of the subsurface water and sewer facilities; and,

WHEREAS, vacation of this roadway will facilitate the disposition and future development of adjacent properties.

NOW, THEREFORE, the City Council finds and determines as follows:

- Section 1. The above recitals are true and correct, are incorporated herein.
- Section 2. Vacation of the roadway will not landlock the adjacent parcels. A portion of Los Medanos Street remains a public roadway and serve as the public access to 10th Street.
- Section 3. It is the City Council's intent to abandon said portion of Los Medanos Street as set forth on Exhibits "A" and "B" and included as attachments to this resolution.
- Section 4. The City Engineer is directed to post conspicuously notices of said public hearing along the proposed abandonment.
- Section 5. The Public Hearing for this matter is hereby set for February 5, 2018 at 7:00p.m.
- Section 6. Anyone wishing to receive additional information relative to this matter may do so by contacting the City Engineer's office at 65 Civic Avenue, Pittsburgh.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk



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

DATE: 12/5/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Accept the Public Improvements within Subdivision 9405 Belle Harbor for Continuous Maintenance

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Construction of the public improvements within Subdivision 9405 is complete and is ready to be accepted for continuous maintenance.

FISCAL IMPACT

When the public improvements are accepted, there will be increased maintenance service costs that will be partially offset by the typical revenues collected from private residences.

RECOMMENDATION

City Council adopt the attached resolution authorizing the City Engineer to accept the public improvements as complete, and assume responsibility for maintenance of these facilities.

BACKGROUND

On May 10, 2016 the Planning Commission approved the vesting tentative map for the Belle Harbor Subdivision, by adoption of Resolution No. 10033. Belle Harbor is located to the east of Harbor Street and south of School Street, and consists of 7.22 acres, which has been subdivided for 82 single-family homes.

On August 1, 2016 City Council adopted Resolution 16-13228 approving the final map, improvement plans, grading plans and subdivision improvement agreement for Subdivision 9405 Belle Harbor.

SUBCOMMITTEE FINDINGS

Not applicable.

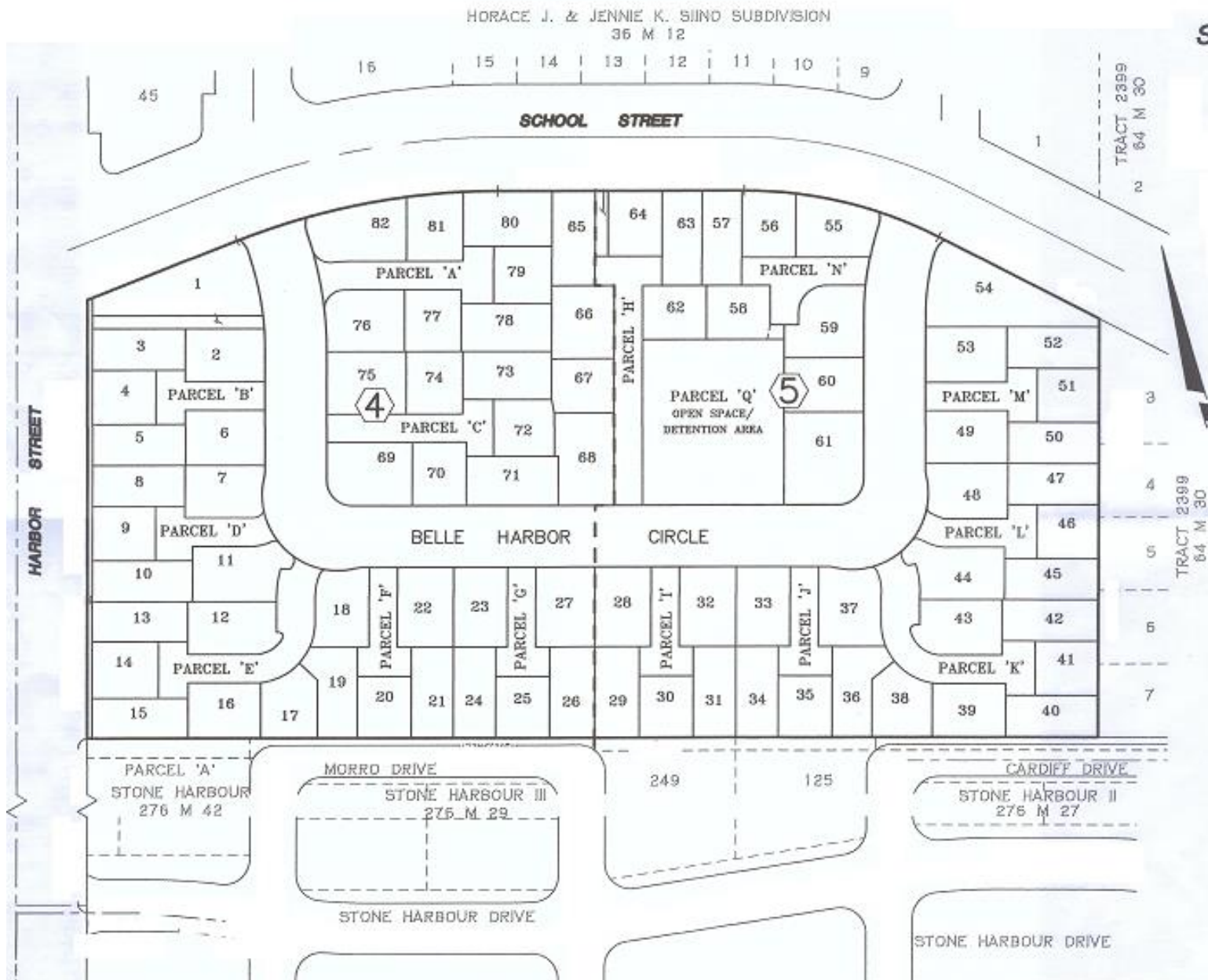
STAFF ANALYSIS

The subdivision improvements have been constructed in accordance with the approved plans. The Developer has agreed to but has not yet provided certain administrative items related to the development including minor modifications to the Covenants, Conditions and Restrictions (CC&Rs) for the Waterstone Homeowner's Association. Once these items are completed, the City Engineer will accept the public improvements. Upon acceptance, the City will release the payment and performance bond. The developer will provide the City with a warranty bond in the amount of Ninety-Four Thousand, Nine Hundred Sixteen Dollars (\$94,916). Said warranty bond shall be held for a period of one year from the date of this acceptance.

ATTACHMENTS: Resolution
Site Plan

Report Prepared By: Jolan Longway
Civil Engineer II

CITY OF PITTSBURG
CONTRA COSTA COUNTY, CALIFORNIA



BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Acceptance of Public Improvements)
Within Subdivision 9405 Belle Harbor)

RESOLUTION NO. 17-

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, on May 10, 2016, the Planning Commission approved the vesting tentative map for the Belle Harbor Subdivision, by adoption of Resolution No. 10033. Belle Harbor consists of 7.22 acres, which has been subdivided for 82 single-family homes. This tract is located east of Harbor Street and south of School Street; and

WHEREAS, on August 1, 2016 the City Council adopted Resolution 16-13228 approving the Final Map, Grading Plans, Improvement Plans, and Subdivision Improvement Agreement for Subdivision 9405 Belle Harbor; and

WHEREAS, Discovery Homes, Inc. hereinafter referred to as “Developer” entered into a Subdivision Improvement Agreement with the City of Pittsburgh for the construction of certain public improvements, described and set forth therein; and

WHEREAS, the City Engineer is authorized to determine that said improvements have been completed in accordance with the agreement and approved construction plans, and fee obligations have been met, and therefore recommends approval of the Developer’s request.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. The above recitals are true and correct, and are incorporated herein.

Section 2. Acceptance of the Public Improvements as complete for continuous maintenance is statutorily exempt from environmental review under Section 15268, Article 18 of the Guidelines for the Implementation of the California Environmental Quality Act.

Section 3 The City Engineer is authorized to accept on the City’s behalf, those portions of real property designated on the final map for Subdivision 9405 Belle Harbor.

Section 4. The City Engineer is authorized to accept on the City’s behalf, for continuous maintenance those surface and subsurface facilities including water, stormwater, and sewer conveyance system facilities, curbs, gutters, sidewalks, asphalt concrete paving, pavement delineation, and traffic signs as shown on the approved improvement plans for the subdivision.

Section 5. The City Engineer is authorized to accept on the City’s behalf, the easement designated on the final map as “Public Utilities Easement” or “P.U.E”. This dedication is for access, construction, reconstruction, and maintenance of structures whether covered or uncovered.

Section 6. Upon acceptance, the City will release the payment and performance bond, and

the Developer shall provide the City with a warranty bond in the amount of Ninety-Four Thousand, Nine Hundred Sixteen Dollars (\$94,916). Said warranty bond shall be held for a period of one year from the date of this acceptance.

Section 7. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk



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

DATE: 11/29/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Accepting the Plans and Specifications, and Authorizing Award of Contract 2017-01, 2017/2018 CDBG ADA Sidewalk Replacement Project.

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

Contract 2017-01, 2017/2018 CDBG ADA Sidewalk Replacement Project ("the Project") is for replacement of sidewalk on the north side of Buchanan Road from McFaul Drive to Loveridge Road and construction of 14 curb ramps in the vicinity of Foothill Elementary School. Adoption of this resolution will accept the plans and specifications for the Project and authorize the City Manager to award a construction contract to Rosas Brothers Construction of Oakland, California.

FISCAL IMPACT

The Project budget is funded by Community Development Block Grant (CDBG) in the amount of \$178,671 (Project 4800). This Resolution will authorize a construction contract for the base bid and alternate bid items for a total contract amount of \$134,895 and authorize the use of all available remaining funds as construction contingency (approximately \$34,000). The intent of this authorization is to construct as many additional curb ramps as possible within the authorized grant amount. A detailed Project Budget Summary is attached to this Staff Report.

RECOMMENDATION

City Council adopt the attached Resolution accepting the plans and special provisions, authorizing the City Manager to execute Contract 2017-01 in the amount of \$134,895 with Rosas Brothers Construction for construction of the base bid (\$95,065) and the additive alternate bid item (\$39,830), and authorizing the use of all available remaining funds as construction contingency (approximately \$34,000).

Staff further recommends that the City Engineer be authorized to approve contract change orders for this Project in a total amount not to exceed 50% of the contingency and the City Manager be authorized to approve change orders for this Project in a total amount not to exceed 100% of the contingency amount.

BACKGROUND

The Project to construct the base bid plus the additive alternate bid item includes the removal and replacement of existing sidewalk on the north side of Buchanan Road from McFaul Drive to Loveridge Road as well as construction of 14 new curb ramps in the vicinity of Foothill Elementary School.

On April 17, 2017, the City Council adopted Resolution 17-13309 approving the Community Development Block Grant 2017/18 Annual Action Plan and approving the CDBG subcommittee recommendation for funding the project in the amount of \$178,671.

Advertising for the Project began on Wednesday, October 11, 2017. Bids for construction of the Project were opened on November 8, 2017. Rosas Brothers Construction was the low bidder with a base bid of \$95,065 for replacement of the sidewalk on the north side of Buchanan Road and for construction of six curb ramps. Rosas Brothers Construction also submitted a bid for the alternate bid item to construct an additional eight curb ramps in the amount of \$39,830.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

Staff received ten bid proposals for the construction of the Project. The scope of work for the base bid is for replacement of the sidewalk on the north side of Buchanan Road from McFaul to Loveridge Road and six curb ramps near Foothill Elementary School. The additive alternate bid item is for construction of an additional eight curb ramps near the school.

The bids received have been checked for arithmetical errors, completeness, and conformance with the bid requirements. The bid proposal submitted by Rosas Brothers Construction is responsive, competitive and the base bid is eight percent less than the Engineer's estimate.

The contingency requested is higher than typical for this type of project in order to be able to use the remaining grant funds available. If funds are remaining in the project budget, staff will determine if additional curb ramps can be constructed. This will potentially allow for the use of the remaining grant funding for its intended purpose by installing additional ADA curb ramps. Staff estimates that construction of an additional seven curb ramps will be possible while staying within the authorized grant amount.

ATTACHMENTS: Resolution
Project Funding Summary

Report Prepared By: Ronald A. Nevels, Senior Civil Engineer

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

A Resolution Accepting the Plans and)
Specifications, and Authorizing Award)
of Contract 2017-01, 2017/2018 CDBG) RESOLUTION NO. 17-
ADA Sidewalk Replacement Project)

The City Council of the City of Pittsburgh DOES RESOLVE as follows:

WHEREAS, Contract 2017-01, 2017/2018 CDBG ADA Sidewalk Replacement Project ("the Project") is for replacement of sidewalk on the north side of Buchanan Road from McFaul Drive to Loveridge Road and construction of 14 curb ramps in the vicinity of Foothill Elementary School; and

WHEREAS, on April 17, 2017, the City Council adopted Resolution 17-13309 approving the Community Development Block Grant 2017/18 Annual Action Plan and approving the CDBG subcommittee recommendation for funding the project in the amount of \$178,671; and

WHEREAS, bids for construction of the Project were opened on November 8, 2017. Rosas Brothers Construction was the low bidder with a base bid of \$95,065; and

WHEREAS, Rosas Brothers Construction a price for the additive alternate bid item in the amount of \$39,830; and

WHEREAS, Staff recommends that the City Council accept the plans and specifications for the Project; and

WHEREAS, Staff recommends that the City Manager be authorized to execute a construction contract in the amount of \$134,895 with Rosas Brothers Construction for construction of the base bid (\$95,065) and the additive alternate bid item (\$39,830); and

WHEREAS, Staff recommends authorizing the use of all available remaining funds as construction contingency (approximately \$34,000) for construction of as many additional curb ramps in the vicinity of Foothill Elementary School as the budget allows; and

WHEREAS, staff recommends that the City Engineer or his designee be authorized to approve contract change orders for this Project for a total amount not to exceed 50% of the contingency and the City Manager be authorized to approve change orders for this Project for a total amount not to exceed 100% of the contingency amount.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1.

The above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City Council set forth below.

Section 2.

The plans and specifications for the Project are hereby accepted.

Section 3.

The award of a contract in the amount \$134,895 to Rosas Brothers Construction is hereby approved for construction of the base bid (\$95,065) and the additive alternate bid item (\$39,830).

Section 4.

The use of all available remaining funds as construction contingency (approximately \$34,000) is hereby authorized for unforeseen expenses or additional curb ramp installation.

Section 5.

The City Engineer or his designee is authorized to approve contract change orders for this Project in a total amount not to exceed 50% of the contingency and the City Manager is authorized to approve change orders for this Project in a total amount not to exceed 100% of the contingency amount.

Section 6.

The City Manager is hereby authorized to execute such further documents and take such further actions as may be necessary or appropriate to carry out the City's obligations pursuant to the Contract.

Section 7.

The City Clerk shall certify to the adoption of this Resolution.

Section 8.

This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST BY:

Alice E. Evenson, City Clerk

Contract 2017-01, 2017/18 CDBG ADA Sidewalk Replacement Project

Project 4800

Project Funding:	<u>2017/18 CDBG Grant</u>	<u>\$178,671</u>
	Funding Total	\$178,671

Project Expenditures:

Design: (Code 2122)	Consultant Design	\$0
	<u>Subtotal</u>	<u>\$0</u>

Miscellaneous: (Code 1399)	Advertising	\$710
	Reproduction	\$0
	Postage	\$0
	<u>Subtotal</u>	<u>\$710</u>

Construction: (Code 2281)	Base Bid	\$95,065
	Alternate	\$39,830
	Construction Contingency (10%)	\$34,000
	<u>Subtotal</u>	<u>\$168,895</u>

Staff Time: (Code 1101)	Staff Design	\$3,474
	Staff Construction Management	\$5,592
	<u>Subtotal</u>	<u>\$9,066</u>

Admin: (Code 2372)	Staff Design	\$0
	Staff Construction Management	\$0
	<u>Subtotal</u>	<u>\$0</u>

Expenditures Total \$178,671



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

DATE: 11/30/2017
TO: Mayor and Council Members
FROM: Joe Sbranti, City Manager
SUBJECT: Adoption of City Council Resolution Awarding a Purchase Contract for a Combination Sewer Truck
MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The City maintains a fleet of vehicles and equipment necessary for maintenance of the City's infrastructure, including a Combination Sewer Cleaner truck that needs replacement. Public Works staff requested bids from five vendors. The amount of the recommended bid exceeds the \$150,000 threshold for staff approval, and therefore requires approval by the City Council.

FISCAL IMPACT

The City Council previously approved \$500,000 in the FY 2017-18 Public Works Department's Fleet Maintenance budget, of which \$385,000 came from the Sewer Enterprise Fund. The Sewer Truck was part of the 2017/18 approved list for replacement.

RECOMMENDATION

City Council adopt the attached resolution to award a purchase contract to Municipal Maintenance Equipment (MME) in the amount of \$384,991.19 for a 2017 Combination Sewer Cleaner and authorize the Finance Director to execute a Purchase Order on behalf of the City.

BACKGROUND

The Public Works Department Fleet Maintenance Division is responsible for the maintenance of a vehicle fleet of 190 predominantly gas-powered cars, trucks, heavy equipment and other equipment. This includes 20 police patrol cars, 35 sedans, 5 motorcycles, 20 heavy-duty trucks and construction equipment and 90 light- and medium-duty trucks, vans and SUVs, and 19 other pieces of equipment (compressors, mowers, train, carousel, etc.). The entire fleet has a replacement value of approximately \$6 million.

The combination sewer trucks are used to clean sewers lines and storm drains and have a life of about 10 years. After that time their reliability decreases, and they require more maintenance to stay functioning. Currently, the City has three of these trucks, one purchased in 2004, 2015 and 2016. If approved, the new truck will replace the 2004 truck.

SUBCOMMITTEE FINDINGS

None

STAFF ANALYSIS

Staff sent requests for bids to five companies that provide combination sewer trucks. All five vendors expressed an interest in bidding, although bids were received from just one company. The Bid received was from Municipal Maintenance Equipment (MME). The Sewer Truck is on the approved Fleet Replacement list adopted by City Council for this Fiscal Year. The \$384,991.19 cost is within the \$385,000 allocation from the Sewer Enterprise Fund into the Fleet Maintenance budget for FY 2017/18. Delivery of the truck is anticipated approximately six months after the purchase is authorized.

ATTACHMENTS: Resolution
Bid Summary Sheet

Report Prepared By: Hilario Mata, Assistant Director of Public Works

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter Of:

RESOLUTION NO. 17-

Approve the Award of a Purchase)
Contract for Combination Sewer Truck)

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the City operates a fleet of approximately 190 vehicles and heavy equipment with an estimated value of over \$6,000,000; and,

WHEREAS, the Public Works Department is responsible for the care and maintenance of this equipment and annually replaces vehicles and equipment that become old or worn out to the point where they are no longer able to provide optimum service to the City and/or are too costly to maintain; and,

WHEREAS, the Combination Sewer Truck is an approved piece of equipment on the Fleet Replacement list for Fiscal Year 2017/18; and

WHEREAS, staff requested bids from five area vendors of Combination Sewer Trucks for the purchase of a new truck to replace current equipment; and,

WHEREAS, Municipal Maintenance Equipment (MME), the Vac-Con representative has provided a bid price of \$384,991.19, for the Combination Sewer truck; and

WHEREAS, this equipment is critical for the operation of the City's duties and responsibilities.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. Findings

- A. The recitals set forth above are true and correct statements and are hereby incorporated.
- B. The cost for purchase of one (1) Sewer Combination truck is accepted and awarded to MME in the amount of \$384,991.19.

Section 2. Authorization

- A. The Finance Director is hereby authorized and directed to execute this purchase order on behalf of the City of Pittsburgh.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk

**City of Pittsburgh
Combination Sewer Cleaner
RFQ# CSC-103117
October 31, 2017 2:00 pm**

BID TABULATION

Bids received: 10/31/17

Vehicle quantity: 1

COMPANY	Total bid
Municipal Maintenance Equip	\$384,991.19
ERS Equipment Read Receipt	No bid
Nixon-Egli Equipment	No bid
Owen Equipment	No bid
TTT Equipment	No bid



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

DATE: 12/7/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Receive and File Staff's Report on the Review of Development Impact Fees Received by the City of Pittsburg that are Subject to AB 1600 Reporting Requirements

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

AB 1600 (Government Code Sections 66000–66008) requires cities to justify and account for developer fees which they enact, increase or impose as a condition of new development for the purposes of financing “public facilities and improvements”. AB 1600 also requires an annual review of the developer fees that have been collected and spent during the previous year. This report fulfills these AB 1600 requirements.

FISCAL IMPACT

There is no fiscal impact to receive staff's report on the review of the Development Impact Fees received by the City of Pittsburg.

RECOMMENDATION

Receive staff's report pertaining to the review of Development Impact Fees received by the City of Pittsburg that are subject to AB 1600 reporting requirements.

BACKGROUND

Many cities charge fees on new development to fund public facilities and improvements such as streets, libraries, sewer and water systems and storm drains. These fees are commonly known as Development Impact Fees. In order to ensure that these fees are spent in a timely manner and on projects for which they were collected, the State Legislature passed a bill known as AB 1600 (Mitigation Fee Act). This bill applies to developer fees increased or imposed, on or after January 1, 1989. AB 1600 enacts Government Code Sections 66000-66008 that generally contain the following four requirements:

1. A local jurisdiction must follow the process set forth in the bill and make certain determinations regarding the purpose and use of the fees, and establish a “nexus” or connection between a development project or class of project and the public improvement being financed with the fee.
2. The fee revenue must be segregated from the general fund in order to avoid commingling of public improvement fees and the general fund.
3. If a local jurisdiction has had possession of a developer fee for five years or more and has not committed that money to a project or actually spent that money, then it must make findings describing the continuing need for that money. In addition, an annual report must be made of fees collected, interest earned, projects on which fees were expended, and any transfers or loans from the fee account. This report is to be reviewed by the local agency assessing the fees.
4. If a local jurisdiction cannot make the findings required under Paragraph 3, the city or county must refund the fees collected.

It should be noted that AB 1600 reporting requirements do not apply to the following fees:

Fees charged in lieu of parkland dedication
Regulatory and processing fees
Fees collected pursuant to development agreements
Fees collected pursuant to a reimbursement agreement that exceeds the developer’s share of an improvement
Assessment district proceeds or taxes

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The City of Pittsburg assesses the following Developer Impact Fees:

Kirker Creek Drainage Fee
Local Traffic Mitigation Fee
Park Dedication Fee
Inclusionary Housing In-Lieu Fee
Traffic Impact Fair Share Fee
Pittsburg Regional Transportation Development Impact Mitigation Fee
Water Facility Reserve Fees
Sewer Facility Reserve Fees

The Traffic Mitigation Fees, Pittsburg Regional Transportation Development Impact Mitigation Fees, Kirker Creek Drainage Fees, Inclusionary Housing In-Lieu Fees, Traffic Impact Fair Share Fee and the Sewer and Water Facility Reserve Fees that the City of Pittsburg collects, qualify as Development Impact Fees. Therefore, these fees must comply with the above referenced Government Code. Government Code Section 66001 requires the City to make available to the public certain information regarding development impact fees for each fund within 180 days after the end of the fiscal year.

Expenditures of the fees collected must occur within a 5-year period of collection unless the City can make the appropriate findings that there remains reasonable relationships between the current need for the fees and the purpose for which they were originally proposed.

Kirker Creek Drainage Fees collected in the amount of \$---,--- have been on deposit for over five years and these findings are stated on page 2 of the attached report. In addition, there are Traffic Impact Fair Share funds in the amount \$---,--- that have been on deposit for over five years and these findings are stated on Page 7 of the attached report.

Although the Park Dedication Fee is covered under the Quimby Act and not AB 1600, staff has included the Park Dedication Fee in this report for reporting purposes only.

ATTACHMENTS: Report for 16 Respective Developer Fee Funds related to Revenues and Expenditures for Fiscal Years 2012/13 through 2016/17

Resolution No. 05-10291; Water and Sewer Development Connection Fees

Resolution No. 05-10372; Sewer Development Connection Fees

Resolution No. 05-10215; Inclusionary Housing "In-Lieu" Fee

Resolution No. 06-10687; Rescinding Resolution No. 06-10651 and Approving and Adopting the Pittsburgh Local Transportation Mitigation Fee Program Update Report, Including a Revised Schedule of Local Transportation Development Impact Mitigation Fees and a Revised List of Transportation Improvement Projects

Resolution No. 07-10917; Local Transportation Development Impact Mitigation Fee

Resolution No. 10-11533; Establishing Fees for City's PRTDIM Program

Resolution No. 12-11778; Amending Resolution 05-10291 by Revising Water Facility Reserve Charges

Ordinance No. 01-1180; Adding Chapter 15.104 – Entitled "Stormwater Management Plan for Kirker Creek Watershed Drainage Area" to the Pittsburgh Municipal Code

Ordinance No. 05-1236; "The Stormwater Management Plan for Kirker Creek Watershed Drainage Area"

Ordinance No. 06-1275; Park Dedication in New City Subdivisions

Ordinance No. 10-1329; Establishing a Revised Regional Transportation Development Impact Mitigation Fee Program

Report Prepared By: Krista Nuxoll, Financial Analyst
Reviewed By: Brad Farmer, Director of Finance

Kirker Creek Drainage Fees Revenues and Expenditures - Fund 302					
FY12/13 - FY16/17	FY 12/13	FY 13/14	FISCAL YEAR		
			FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	1,334,173	1,322,341	1,246,441	668,963	424,216
REVENUES:					
Kirker Creek Drainage Fees Collected	1,937	710	99,647	14,232	-
Other Revenue:					
Interest Earnings	9,727	(813)	9,859	7,219	1,716
Funding from Outside Sources for Kirker Creek Slide Repair					
Sale of Plans & Specs	-	-	360	-	
Transfers-In:				15,407	1,473
Total Revenues:	11,664	(103)	109,866	36,858	3,189
EXPENDITURES:					
Project Expenditures:					
Railroad Ave. Storm Drainage Improvements	7,034	59,169	670,716	163,934	
Pump Station Repairs				59,550	1,330
Transfers - Out:					
Tsfr-Out to General Fund (Engineering Support)	16,463	16,628	16,628	16,961	17,301
Tsfr-Out to NPDES				41,160	
Total Expenditures:	23,497	75,797	687,344	281,605	18,631
Revenues Over/Under Expenditures:	(11,832)	(75,900)	(577,478)	(244,747)	(15,442)
Fund Balance - June 30	\$ 1,322,341	\$ 1,246,441	\$ 668,963	\$ 424,216	* \$ 408,774

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Ordinance No. 01-1180 dated April 16, 2001 and Ordinance No. 05-1236 dated 02/07/05.

The five-year CIP was adopted by the City Council on October 16, 2017 per Resolution No. 17-13381

* A portion of these funds (\$10,000) have been allocated towards the Railroad Ave. Storm Drainage Improvement project

KIRKER CREEK DRAINAGE FEES

Fiscal Year Collected	Amt. Collected
FY 06/07	191,360
FY 07/08	78,676
FY 08/09	1,526
FY 09/10	18,986
FY 10/11	61
FY 11/12	1,638
Total Fees :	292,247

The above fees collected in the amount of \$292,247 have been on deposit for over 5 years. Findings are as follows:

The Kirker Creek Drainage Fee was established in May 2001 for the purpose of providing funding for improvements to the storm water drainage system, which was overwhelmed by floodwaters in 1998. The City Council adopted Ordinance No. 01-1180 on May 7, 2001, adding Chapter 15.104, entitled "Storm Water Management Plan for Kirker Creek Watershed Drainage Area", to the Pittsburg Municipal Code. Chapter 15,104.080 set out a fee schedule, currently \$0.68 per square foot of impervious area for commercial development in the watershed. Fees collected are deposited in the account of the drainage facilities fund, and may be expended for land acquisition, construction, engineering, administration, repair, maintenance and operation of planned drainage facilities or to reduce the principal or interest of any bonded indebtedness of the drainage area.

Some of these fees were collected more than five years ago. Currently, the Kirker Creek Drainage Fund is insufficient to construct all of the improvements recommended in the 2001 Storm Water Master Plan. As development continues in this area of the City, additional funds will be collected and deposited into the Kirker Creek Drainage Fund and used to construct improvements identified by the 2001 Master Plan. Unfortunately, the timing of these funds is dependent on the pace of development within the watershed and is therefore inexact.

Reviewed and Confirmed By:



Jill Hecht - Director of Community Development

Local Traffic Mitigation Fees Revenues and Expenditures - Fund 303 FY12/13 - FY16/17					
	FY 12/13	FY 13/14	FISCAL YEAR		
			FY 14/15	FY15/16	FY16/17
Fund Balance - July 1	2,922,069	2,794,371	2,687,799	2,827,060	2,768,463
REVENUES:					
Traffic Mitigation Fees Collected	1,737		202,298	205,316	198,531
Other Revenue:					
Interest Earnings	19,733	(1,401)	25,676	42,657	9,548
Grant Revenue	62,430				
CCTA Reimbursement (California Ave Widening)	76,477				
Contra Costa Housing Authority Portion of Funding (El Pueblo Street Rehab)	275,801				
Sale of Plans and Specifications					
Transfers-In:					
Tsfr-In from RDA Tax Increment - California Ave Widening (Phase I)					
Tsfr-In from Traffic Impact Fair Share (Traffic Signal & Balclutha/Willow Pass)					
Total Revenues:	436,179	(1,401)	227,974	247,973	208,079
EXPENDITURES:					
Project Expenditures:					
California Ave. Widening Phase I (North)	18,054	9,533	8,919	9,005	2,976
El Pueblo Street Rehab Project	338,231		-		-
P/A Hwy/Loveridge Intersection Improvements	23,628	10,707	4,738		
W. Leland Road Extension (San Marco to Avila)	8,441	639	670	4,470	3,164
San Marco Blvd/ Santa Teresa Signal			147	4,709	5,665
Intelligent Transportation System Upgrade				213,252	3,933
Other Expenditures:					
Administration/Engineering Support	68,571	70,803	74,238	75,134	76,976
Transfers - Out:					
Tsfr-Out to RDA Fund - Bailey Rd. Widening/Streetscapes Improv.	106,950	3,490			
Tsfr-Out to Pittsburg CIP - Traffic Signal Installation (3104)					92,864
Tsfr-Out to Measure J - BART Multimodal Facility					300,000
Tsfr-Out to General Fund (Engineering Support)		10,000			
Total Expenditures:	563,876	105,172	88,712	306,570	485,578
Revenues Over/Under Expenditures:	(127,698)	(106,573)	139,262	(58,597)	(277,499)
Fund Balance - June 30	\$ 2,794,371	\$ 2,687,799	\$ 2,827,060	\$ 2,768,463	* \$ 2,490,964

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 06-10687 dated December 18, 2006.

*A portion of these funds have been allocated towards the Speed Hump Project (\$4,500), California Ave Widening (\$58,208), W. Leland Extension (\$32,617), San Marco/Santa Teresa Signal (\$150,480), Intelligent Transportation System Upgrade (\$12,815), San Marco Right Turn @ W. Leland (\$100,000), Traffic Signal Various Locations (\$8,150), Citywide Pavement Management (\$73,276)

The five-year CIP was adopted by the City Council on October 16, 2017 per Resolution No. 17-13381

Park Dedication Fees Revenues and Expenditures - Fund 304 FY12/13 - FY16/17					
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	2,380,718	2,486,676	1,973,672	1,156,413	1,706,435
REVENUES:					
Park Dedication Fees Collected			183,485	637,453	1,590,900
Other Revenue:					
Interest Earnings	10,766	8,162	22,783	20,168	3,754
Sale of Plans and Specs	345	214	428		
Donations - John Buckley Square Project			9,000		
Measure WW Grant - Ambrose Park Pool Renovation			19,842	(19,842)	973,220
Ambrose Park Pool Renovation - County Share	577,651			150,000	100,000
Ambrose Park Pool Renovation - Ambrose District Share				227,000	22,000
Grant Revenue (Soccer Fields)	(611)				
John Henry Johnson Park - Housing Related Parks Grant	40,701	72,222	7,967	43,885	
Transfers-In:					
Tsfr-In from 2006 RDA Tax Exempt Bond - Old Town Plaza	1				
Interfund Loan from Sewer Fund - John Buckley Square			400,000		
Interfund Loan from Pittsburg Power Fund - John Buckley Square			400,000		
Tsfr-In from City Capital Impr Fund - John Buckley Square			360,000		-
Tsfr-In from Infrastructure Repair/Rplcment Fund - Buckley Square			300,000		-
Total Revenues:	628,853	80,598	1,703,505	1,058,664	2,689,874
EXPENDITURES:					
Project Expenditures:					
Sullenberger Swim Center Rehab	115,049	34,391			
Hillview Junior High Playfield	2,708	-			
Small World Park New Features	87,608	39,824	61,822	13,383	
Ambrose Park Master Plan & Improvements	36,327	54,085	118,486	156,828	2,058,168
Old Town Plaza/Block 105 Improvements	7,000				
John Henry Johnson Park Improvements	90,701	72,222	7,967	6	42,580
City Park Bball Court/Lighting/Bleachers	128,125	19,471			
San Marco Park	132	1,853	133	867	24,556
John Buckley Square (Old Town Park)	2,533	285,968	2,264,454	235,724	18,380
Highlands Ranch Dog Park		32,551	311		
Buchanan Swim Center Wading Pool Heater			12,020		
DeAnza Park Rehabilitation				44,121	
Interest Accrual - Interfund Loans			1,808	3,413	6,538
Interfund Loan Payoff to Sewer Fund					400,000
Interfund loan Payoff to Power Fund					400,000
Transfers - Out:					
Tsfr-Out to General Fund - Engineering Support	52,710	53,237	53,763	54,300	56,472
Total Expenditures:	522,894	593,602	2,520,764	508,642	3,006,694
Revenues Over/Under Expenditures:	105,958	(513,004)	(817,259)	550,022	(316,820)
Fund Balance - June 30	\$ 2,486,676	\$ 1,973,672	\$ 1,156,413	\$ 1,706,435	* \$ 1,389,615

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Ordinance No. 06-1275 dated October 16, 2006.

The five-year CIP was adopted by the City Council on October 16, 2017 per Resolution No. 17-13381

*A major portion of these funds have been allocated towards the following: Small World Park New Features (\$5,363) , John Henry Johnson Park Improvements (\$1,299), San Marco Park (\$22,058), John Buckley Square/Old Town Park (\$51,382), De Anza Park Rehab (\$5,879), Standard Detail Update (\$31,000)

Inclusionary Housing In-Lieu Fees Revenues and Expenditures - Fund 305 FY12/13 - FY16/17					
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	375,287	378,278	378,093	381,635	387,492
REVENUES:					
Inclusionary Housing In Lieu Fees Collected					
Other Revenue:					
Interest Earnings	2,991	(185)	3,543	5,857	1,641
Transfers-In:					
Total Revenues:	2,991	(185)	3,543	5,857	1,641
EXPENDITURES:					
Project Expenditures:					
Transfers - Out:					
Total Expenditures:	-	-	-	-	-
Revenues Over/Under Expenditures:	2,991	(185)	3,543	5,857	1,641
Fund Balance - June 30	\$ 378,278	\$ 378,093	\$ 381,635	\$ 387,492	\$ 389,133

There have been no fee refunds to-date.

These fees will be used to help finance future construction of new affordable housing units by private and non-profit developers.

The description of this fee and fee amounts are attached per Resolution No. 05-10215 dated 2/7/2005 and Ordinance No. 04-1229 dated 11/15/04.

Traffic Impact Fair Share Fund Revenues and Expenditures - Fund 306 FY12/13 - FY16/17					
	FISCAL YEAR				
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	530,448	504,285	499,731	504,413	512,155
REVENUES:					
Traffic Impact Fair Share Fees Collected					
Other Revenue:					
Interest Earnings	3,837	(258)	4,682	7,742	2,067
Transfers-In:					
Total Revenues:	3,837	(258)	4,682	7,742	2,067
EXPENDITURES:					
Reimbursements - Prior Year Revenue		4,296			
Transfer-Out to General Fund (Staff Time - Liaison with CCTA)					
Transfer-Out to RDA CIP - Bailey Road Improvements Project	30,000				
To Traffic Signal @ Balclutha & Willow Pass (Project Funding)					
To CCTA for Design & Construction of Frontage Improvements - California Ave.					
Transfer-Out to Pittsburg CIP - Traffic Signal Installation					27,048
Total Expenditures:	30,000	4,296	-	-	27,048
Revenues Over/Under Expenditures:	(26,163)	(4,554)	4,682	7,742	(24,981)
Fund Balance - June 30	\$ 504,285	\$ 499,731	\$ 504,413	\$ 512,155	\$ 487,174

11/14/13 - A fee refund of \$3,750.00 + \$726.00 interest was paid to Empire Business Park (Lonne Carr). Refund due to a deposit intended to extend the left turn lanes at the intersection that was proposed, however there were no plans by the City, Contra Costa County or Caltrans to complete this at this time.

Description of fee:

Traffic Impact Fair Share fees were collected for the purpose of funding transportation projects in the area of new developments. Developers of individual projects paid a fee consistent with their percentage share of the cost of the traffic project, such as road widening or traffic signal, made necessary by their development. The share of responsibility was determined by a traffic study required by the City during the permit approval process. For example, if a fast food restaurant was determined by a traffic study to add 3 percent of the traffic at an intersection that will need a traffic signal, the developer would pay a fee in an amount equivalent to 3 percent of the cost of a signal, or \$6,600 for a \$220,000 traffic signal project. (See attachment for the amount collected per developer and the description of the specific traffic impact.)

ACCOUNT # 306-55501-5495
TRANSPORTATION MITIGATION (TRAFFIC IMPACT) FAIR SHARE REVENUE
at June 30, 2016

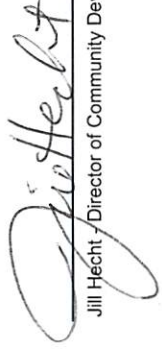
Deposit #	Date	Payee	Description	Amt. Paid	Interest Earned	Receipt #	Funds Used or Returned	Balance
1	05/18/01	A. D. Seeno	Fair Share - West Leland Signal at Oak Hills Drive	19,415.00	8,164.61	R000595397	(27,048.00)	\$ 532
2	05/18/01	A. D. Seeno	Re-Align Driveway at Los Medanos College with Signal at Leland and Century Blvd.	78,774.52	33,604.27	R000595312	-	\$ 112,379
3	12/12/06	William Lyon Homes	Fair Share for Intersection Improvements at - (1) West Leland Rd/Bailey Road Intersection (2) Avila Road/Willow Pass Road (3) San Marco/West Leland Intersection	351,448.00	52,815.45	0634602-1#17	(30,000.00)	\$ 374,263
Totals:				\$449,637.52	\$ 94,584.33		\$ (57,048)	\$ 487,174

Funds related to Items 1, 2, and 3 have been on deposit for over 5 years. Findings are as follows:

- 1 Traffic Signal at West Leland Road and Oak Hills Drive has been completed. Additional development on the vacant parcel between the Oak Hills Shopping Center and BART will also contribute a share of the traffic impacts at this intersection once it is constructed. A separate traffic signal project lies within the project area for several infrastructure projects planned in the Bailey Road/Leland Road area. The pace of development in this area is outside the City's control. Once the remaining development in the area is identified, the intersection will be redesigned and signalized using these funds and Local Traffic Mitigation Fee funding.
- 2 Fees collected in the amount of \$78,774.52 are for improvements to the intersection of East Leland Road and Century Boulevard, near the intersection of East Leland Road and Los Medanos College's eastern entrance. This project is included in the City's adopted Capital Improvement Program as ST-30, but has not yet been scheduled or constructed. Additional development on a vacant parcel on the southeast corner of this intersection will also contribute a share of the traffic impacts at this intersection. A roadway that is proposed to connect this intersection with Buchanan Road and James Donlon Boulevard may also contribute to these impacts. The pace of development in this area is outside the City's control, but it is a factor that has delayed implementation of this project. Once the remaining development in the area is identified, the project will be designed and constructed using these funds.
- 3 Intersection improvements are planned at three intersections that will be impacted by development in this area of the city. Specifically,
 - (a) At Willow Pass Road and Avila Road, including addition of left turn lanes in the westbound and southbound directions, and a right turn lane from the northbound direction; and
 - (b) At San Marco Boulevard and West Leland Road, including converting northbound shared lane into exclusive right turn lane, and convert northbound left turn lane to a thru-lane; and
 - (c) At Bailey Road and West Leland Road, including addition of westbound shared thru/right turn lane, addition of eastbound left turn lane, and eastbound right turn lane.

The timing of the construction of these projects is subject to the pace of development in the area of the City, among other factors. In addition, a portion of the project area lies outside the City's jurisdiction. These funds will be retained pending development of a project scope, schedule and design.

Reviewed and Confirmed By:



Jill Hecht - Director of Community Development

Pittsburg Regional Transportation Development Impact Mitigation (PRTDIM) Fees Revenues and Expenditures - Fund 307						
FY12/13 - FY16/17	Project Number	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1		2,880,864	5,432,836	5,973,086	2,346,247	2,381,746
REVENUES:						
PRTDIM Fees Collected		2,863,097	526,872	-	-	17,176
Other Revenue:						
Interest Earnings		27,566	27	32,396	36,001	9,563
Prior Year Revenue			95,526	-	-	-
Transfers-In:						
Total Revenues:		2,890,664	622,425	32,396	36,001	26,739
EXPENDITURES:						
Project Expenditures:						
James Donlon Blvd. Extension	3701	338,691	82,175	126,052	502	270
Railroad Avenue Traffic Signal Timing	3702					64,630
Bart Access Improvements Project	3703					15,512
Bart Parking and Access Strategy	3704					73,603
Transfers - Out:						
Tsfr-Out to eBART CFD				233,184	-	580,999
Transfer-Out (Interfund Loan to eBART CFD)				3,300,000	-	-
Total Expenditures:		338,691	82,175	3,659,236	502	735,014
Revenues Over/Under Expenditures:		2,551,973	540,250	(3,626,839)	35,499	(708,275)
Fund Balance - June 30		\$ 5,432,836	\$ 5,973,086	\$ 2,346,247	\$ 2,381,746	* \$ 1,673,471

These fees were used to help fund regional transportation improvements, necessary to offset the impacts of continuing growth and development within the City, and to cooperate with the City's regional partners, including ECCRFFA, to fund and implement transportation projects in the regional area. Fees are no longer retained at the City level, but instead are collected and passed through to East Contra Costa Regional Fee and Financing Authority (ECCRFFA) to be used for regional projects.

* A portion of these fees (\$999,001) have been programmed for the Multimodal Transit Station, (\$598,689) James Donlon Extension, (\$70,000) R/R Ave Traffic Signal Timing, (\$9,488) BART Access Improvements, (\$6,397) BART Parking and Access Strategy

¹ An interfund loan was paid out to the eBART CFD fund in the amount of \$3,300,000 to partially fund the Pittsburg Center eBART Station project construction. Funds will be repaid as special taxes are received in the development area per CFD 2014-1.

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 10-11533 dated 09/20/10 and Ordinance No. 10-1329 dated 10/04/10.

Water Facility Reserve Fees - Water Treatment Plant Expansion Revenues and Expenditures - Fund 502 FY12/13 - FY16/17						
	Project Number	FY 12/13	FY 13/14	FISCAL YEAR		
				FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1		612,951	346,681	133,632	217,548	1,579,399
REVENUES:						
Water Facility Reserve Fees Collected		79,200	69,800	87,110	176,477	136,857
Other Revenue:						
Interest Earnings		4,544	(1,741)	420	24,706	717
Sale of Plans & Specs				1,020		
Transfers-In from Water Bond			467,796	202,205	786,629	781,568
Transfers-In from Water Fund						467,732
Transfers-In from Water Fund (iBank loan funds)				1,938,432	1,543,952	3,766,561
Transfers-In from Water Facility Reserve (Other Fund)					610,668	39,331
Total Revenues:		83,744	535,855	2,229,187	3,142,432	5,192,766
EXPENDITURES:						
Project Expenditures:						
07/08 Water Treatment Plant Capital Repairs/Improvements						
Water Treatment Plant SCADA Upgrades	5035	36,028	45,096	3,854	-	36,656
Water Treatment Plant Sludge Handling Facility	5040	313,987	703,808	2,141,417	1,780,581	5,830,861
W-55 Buchanan Road Waterline	5049					100,000
Transfers-Out						
Total Expenditures:		350,014	748,904	2,145,271	1,780,581	5,967,517
Revenues Over/Under Expenditures:		(266,270)	(213,049)	83,916	1,361,851	(774,751)
Fund Balance - June 30		\$346,681	\$ 133,632	\$ 217,548	\$ 1,579,399	* \$ 804,648

The description of this fee and fee amounts collected prior to August 20, 2005 are attached per Resolution No. 98-8551.

The description of this fee and fee amounts collected on or after August 20, 2005 are attached per Resolution No. 05-10291.
Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

12/29/11 - A Fee refund of \$4,430 was paid to Discovery Builders for Irrigation Meters at San Marco Villas.

* A portion of these funds have been allocated to upgrade the Supervisory Control and Data Acquisition (SCADA) system at the Water Treatment Plant (\$24,030) and the installation of a waterline on School Street between Harbor and Vincent (\$381,300).

Water Facility Reserve Fees - Water Distribution Revenues and Expenditures - Fund 503 FY12/13 - FY16/17					
	FISCAL YEAR				
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	29,446	29,661	96,322	292,698	407,231
<u>REVENUES:</u>					
WFR - Water Distribution Fees Collected		66,400	194,555	208,348	63,420
Other Revenue: Interest Earnings	216	261	1,821	6,185	1,762
Transfers-In: Transfers-In from RDA 2006 Tax Exempt TAB					
Total Revenues:	216	66,661	196,376	214,533	65,182
<u>EXPENDITURES:</u>					
Transfers-Out to Water Facility Reserve Fund 502 - 2016/17 Water Main Installation Project				100,000	77,500
Total Expenditures:	-	-	-	100,000	77,500
Revenues Over/Under Expenditures:	216	66,661	196,376	114,533	(12,318)
Fund Balance - June 30	\$ 29,661	\$ 96,322	\$ 292,698	\$ 407,231	* \$ 394,913

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No.12-11778 dated 02/21/12

These fees will be used to insure that the existing distribution system has available operational capacity to meet the demands of new development outside the Southwest Hills.

Water Facility Reserve Fees - Zone 1 & 2 Reservoir Revenues and Expenditures - Fund 504						
FY12/13 - FY16/17	Project Number	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1		931,319	938,122	937,664	946,450	960,975
<u>REVENUES:</u>						
WFR - Zone 1/11 Reservoir Fees Collected						
Other Revenue:						
Interest Earnings		6,803	(458)	8,786	14,525	4,068
Transfers-In:						
Total Revenues:		6,803	(458)	8,786	14,525	4,068
<u>EXPENDITURES:</u>						
Project Expenditures:						
Transfers - Out:						
Total Expenditures:		-	-	-	-	-
Revenues Over/Under Expenditures:		6,803	(458)	8,786	14,525	4,068
Fund Balance - June 30		\$ 938,122	\$ 937,664	\$ 946,450	\$ 960,975	\$ 965,043

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

These fees will be used to fund the cost of a water reservoir for Zones 1 and 2 which are not within the Southwest Hills area.

Water Facility Reserve Fees - SE 20" Trans Line Revenues and Expenditures - Fund 505 FY12/13 - FY16/17						
	Project Number	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1		734,903	740,277	747,145	775,477	859,357
<u>REVENUES:</u>						
WFR - SE 20" Trans Line Fees Collected			7,200	21,230	71,135	30,590
Other Revenue:						
Interest Earnings		5,375	(332)	7,102	12,745	1,175
Transfers-In:						
Total Revenues:		5,375	6,868	28,332	83,880	31,765
<u>EXPENDITURES:</u>						
Project Expenditures:						
Interest Expense						22
Transfers Out to Water Fund (W-55 Buchanan Road Waterline)	5049					760,000
Total Expenditures:		-	-	-	-	760,022
Revenues Over/Under Expenditures:		5,375	6,868	28,332	83,880	(728,257)
Fund Balance - June 30		\$ 740,277	\$ 747,145	\$ 775,477	\$ 859,357	\$ 131,100

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

These fees will be used to fund the Segment 1E and Zone 2 Transmission Pipeline to the new Zone 2 Reservoir.

Water Facility Reserve Fees - SW Hills CIP - Phase I & II Revenues and Expenditures - Fund 506					
FY12/13 - FY16/17	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1					
	6,089	1	(0)	(0)	(0)
REVENUES:					
WFR - SW Hills CIP Fees Collected	226,325	225,760	264,975	426,880	272,555
Other Revenue:					
Interest Earnings	430	126	713	1,743	97
Refund on Prior Year Revenue - William Lyon (Incl. interest)					
Refund to Discovery Builders- Irrigation Meters @ SMV					
Transfers-In:					
Total Revenues:	226,755	225,886	265,688	428,623	272,652
EXPENDITURES:					
Project Expenditures:					
Interest Expense					403
Transfers - Out:					
Transfer-Out to Water Revenue Bond ⁽¹⁾	232,843	225,887	265,688	428,623	214,782
Total Expenditures:	232,843	225,887	265,688	428,623	215,185
Revenues Over/Under Expenditures:					
	(6,088)	(1)	0	-	57,467
Fund Balance - June 30					
	\$ 1	\$ (0)	\$ (0)	\$ (0)	\$ 57,467

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

12/29/11 - A Fee refund of \$4,080 was paid to Discovery Builders for Irrigation Meters at San Marco Villas.

(1) The fees collected will reimburse Water Bond funds used in prior years to construct the new 3.0 MG Zone 2 Reservoir, two pump stations (Zone 2 & 3) and Transmission Pipeline Segments 2-5 to serve Southwest Hills. Reimbursement will take place as funds become available, starting in Fiscal Year 2011/12. Project Descriptions and Expenses incurred are as follows:

West Leland Waterline	234,766
Vista Del Mar Waterline	235,154
Southwest Hills Water Improvement Project	13,200,368
Total Eligible for Reimbursement:	13,670,288
Reimbursed in Fiscal Year 11/12	(749,291)
Reimbursed in Fiscal Year 12/13	(232,843)
Reimbursed in Fiscal Year 13/14	(225,887)
Reimbursed in Fiscal Year 14/15	(265,688)
Reimbursed in Fiscal Year 15/16	(428,624)
Reimbursed in Fiscal Year 16/17	(214,782)
Balance Remaining to Reimburse Water Bond	\$ 11,553,173

Water Facility Reserve Fees - SW Hills Phase III Pipe/Reservoir Revenues and Expenditures - Fund 507					
FY12/13 - FY16/17	FISCAL YEAR				
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	1,613,830	1,714,394	1,827,001	1,977,678	2,156,897
REVENUES:					
WFR - SW Hills Phase III Pipe Fees Collected	88,770	113,080	132,790	147,201	126,385
Other Revenue:					
Interest Earnings	11,795	(473)	17,887	32,018	9,683
Transfers-In:					
Total Revenues:	100,565	112,607	150,677	179,219	136,068
EXPENDITURES:					
Project Expenditures:					
Transfers - Out:					
Total Expenditures:	-	-	-	-	-
Revenues Over/Under Expenditures:	100,565	112,607	150,677	179,219	136,068
Fund Balance - June 30	\$ 1,714,394	\$ 1,827,001	\$ 1,977,678	\$ 2,156,897	* \$ 2,292,965

12/29/11 - A Fee refund of \$890 was paid to Discovery Builders for Irrigation Meters at San Marco Villas.

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No.12-11778 dated 02/21/12

A portion of these funds have been programmed for the Water Main at West Leland, Water Treatment Plant to Southwest Hills (\$1,796,000)

In addition to funding segment P-1, the fees collected will reimburse Water Bond funds used in prior years to construct the new Transmission Pipeline Segments P2-5 to serve Southwest Hills. Reimbursement will take place as funds become available, and after the other segments of the pipeline are completed

Water Facility Reserve Fees - SW Hills Phase III Pump Revenues and Expenditures - Fund 508					
FY12/13 - FY16/17	FISCAL YEAR				
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	4	4	4	4	4
REVENUES:					
WFR - SW Hills Phase III Pump Fees Collected					
Other Revenue:					
Interest Earnings	-	(0)	0	0	0
Refund to Discovery Builders- Irrigation Meters @ SMV					
Transfers-In:					
Total Revenues:	-	(0)	0	0	0
EXPENDITURES:					
Project Expenditures:					
Transfers - Out:					
Transfer-Out to Water Revenue Bond ⁽¹⁾	-	-	-	-	4
Total Expenditures:	-	-	-	-	4
Revenues Over/Under Expenditures:	-	(0)	0	0	(4)
Fund Balance - June 30	\$ 4	\$ 4	\$ 4	\$ 4	\$ (0)

12/29/11 - A Fee refund of \$710 was paid to Discovery Builders for

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 dated

(1) The fees collected will reimburse Water Bond funds used in prior years to acquire the Zone 4 site at San Marco for water lines serving Zones 3 and higher within the Southwest Hills area. Reimbursement will take place as funds become available, starting in Fiscal Year 2011/12. Project Description and Expenses incurred are as follows:

San Marco Site Land Acquisition	\$325,000
Total Eligible for Reimbursement:	\$ 325,000
Reimbursed in FY 2011/12:	(103,102)
Balance Remaining to Reimburse Water Bond	\$ 221,898

Water Treatment Plant Sludge Handling Revenues and Expenditures - Fund 509 FY12/13 - FY16/17					
	FISCAL YEAR				
	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	5,120	103,033	188,146	295,731	0
REVENUES:					
WFR - Water Treatment Plant Sludge Handling	97,650	84,920	105,290	212,989	115,500
Other Revenue:					
Interest Earnings	263	193	2,295	1,948	21
Transfers-In:					
Total Revenues:	97,913	85,113	107,585	214,937	115,521
EXPENDITURES:					
Project Expenditures:					
Interest Expense					201
Transfers-Out to Water Facility Reserve - Fund 502 (W-33 WTP Sludge Handling Facility)				510,668	39,331
Total Expenditures:	-	-	-	510,668	39,532
Revenues Over/Under Expenditures:	97,913	85,113	107,585	(295,731)	75,989
Fund Balance - June 30	\$ 103,033	\$ 188,146	\$ 295,731	\$ 0	\$ 75,989

The Water Treatment Plant (WTP) Sludge Handling Fee (Fund 509) covers the cost of increasing the WTP's capacity for handling additional sedimentation basin sludge, a result of increased WTP water production resulting from additional development within the City.

Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

(1) \$550,000 was programmed for a Sludge Handling Facility at the Water Plant. Fund 502, Water Treatment Plant Expansion funded \$300,000 of the project, \$250,000 was funded with Sludge Handling funds (fund 509). The balance of \$300,000 has been reimbursed from Water Treatment Plant Sludge Handling funds in FY 2015/16.

Water Facility Reserve Fees - Zone 1 Reservoir Revenues and Expenditures - Fund 510				
FY12/13 - FY16/17	FISCAL YEAR			
	FY 12/13	FY 13/14	FY 14/15	FY 15/16
Fund Balance - July 1	-	-	34,221	134,804
REVENUES:				
WFR - Zone 1 Reservoir Fees Collected		34,080	99,790	85,880
Other Revenue:				
Interest Earnings		141	793	3,289
Transfers-In:				
Total Revenues:	-	34,221	100,583	89,169
EXPENDITURES:				
Project Expenditures:				
Transfers - Out:				
Total Expenditures:	-	-	-	-
Revenues Over/Under Expenditures:	-	34,221	100,583	89,169
Fund Balance - June 30	\$ -	\$ 34,221	\$ 134,804	\$ 223,973

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

Water Facility Reserve Fees - Zone 2 Reservoir Revenues and Expenditures - Fund 511					
FY12/13 - FY16/17	FY 12/13	FY 13/14	FISCAL YEAR		
			FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	-	-	-	-	72,862
<u>REVENUES:</u>					
WFR - Zone 1 Reservoir Fees Collected				72,065	14,210
Other Revenue:					
Interest Earnings				797	366
Transfers-In:					
Total Revenues:	-	-	-	72,862	14,576
<u>EXPENDITURES:</u>					
Project Expenditures:					
Transfers - Out:					
Total Expenditures:	-	-	-	-	-
Revenues Over/Under Expenditures:	-	-	-	72,862	14,576
Fund Balance - June 30	\$ -	\$ -	\$ -	\$ 72,862	\$ 87,438

There have been no fee refunds to-date.

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 dated 02/21/12

These fees will be used to fund the cost of a water reservoir for Zones 2 which are not within the Southwest Hills area.

Sewer Facility Reserve Fees -Collection System Capacity Buy-In					
Revenues and Expenditures - Fund 522					
FY12/13 - FY16/17	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	703,974	156,725	156,649	259,023	477,627
<u>REVENUES:</u>					
Sewer Facility Reserve Buy In - Fees Collected			100,426	212,019	127,008
Other Revenue:					
Interest Earnings	5,138	(76)	1,948	6,585	2,578
Transfers-In:					
Total Revenues:	5,138	(76)	102,374	218,604	129,586
<u>EXPENDITURES:</u>					
Project Expenditures:					
Highway 4 Trunk Line Relief			-	-	-
Transfers - Out:					
Transfer-Out to Sewer Operating - Sewer Rehab Pro	552,387				
Total Expenditures:	552,387	-	-	-	-
Revenues Over/Under Expenditures:	(547,249)	(76)	102,374	218,604	129,586
Fund Balance - June 30	\$ 156,725	\$ 156,649	\$ 259,023	\$ 477,627	\$ 607,213

There have been no fee refunds to-date.

The description of this fee and fee amounts collected prior to August 20, 2005 are attached per Resolution No. 97-8495.

The description of this fee and fee amounts collected on or after August 20,2005 are attached per Resolution No. 05-10291.

Revised fee amounts are attached per Resolution No. 05-10372

(1) These fees have been programmed for the Highway 4 Trunk Line Relief Project (\$133,113). The total project allocation of \$200,000 will be treated as a loan to Fund 523 - Sewer Facility Reserve - Hwy 4 Trunk Line to be paid back when revenue receipts are sufficient in fund 523.

Sewer Facility Reserve Fees - Hwy 4 Trunk Line Revenues and Expenditures - Fund 523						
FY11/12 - FY15/16	FISCAL YEAR					
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Fund Balance - July 1	13,838	13,982	14,084	15,768	17,092	17,354
REVENUES:						
SFR-Pipe - Fees Collected			1,689	1,176		5,593
Other Revenue:						
Interest Earnings	144	102	(5)	148	262	85
Transfers-In:						
Total Revenues:	144	102	1,684	1,324	262	5,678
EXPENDITURES:						
Project Expenditures:						
Reimbursement - prior year revenue ¹						2,865
Transfers - Out:						
Total Expenditures:	-	-	-	-	-	2,865
Revenues Over/Under Expenditures:	144	102	1,684	1,324	262	2,813
Fund Balance - June 30	\$ 13,982	\$ 14,084	\$ 15,768	\$ 17,092	\$ 17,354	\$ 20,166

¹ A developer refund was made in 2016/17 - for reimbursement of Sanitary Sewer Video

The description of this fee and fee amounts are attached per Resolution No. 05-10291 dated June 20, 2005.
Revised fee amounts are attached per Resolution No. 12-11778 d

These fees will be used to fund the increase in size for the Highway 4 Sewer Trunk Line to serve new development.

Funds in the amount of \$200,000 for the Hwy 4 Trunk Line Relief project are payable to fund 522 Sewer Facility Reserve Buy-In fund when revenue receipts are sufficient.

ATTACHMENT
RESOLUTION NO. 05-10291
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

RESOLUTION NO. 05 - 10291

**Amending Resolution 98-8551 and
Resolution 97-8495 by Adjusting
Charges for Water and Sewer
Development Connection Fees**

The PITTSBURG City Council DOES RESOLVE as follows:

WHEREAS, the City of Pittsburg operates and maintains a potable water system for Pittsburg water customers; and

WHEREAS, the City of Pittsburg operates and maintains a wastewater collection system for Pittsburg sewer customers; and

WHEREAS, the City Council of the City of Pittsburg directed staff to conduct a complete review of both water and sewer rates to address four major issues facing the water and sewer enterprises, as follows:

1. Ensure sufficient funds were collected to finance daily maintenance and operations.
2. Endure reasonable and appropriate funds were collected to provide a reserve for service rate stability and finance major capital replacement and repair projects.
3. Ensure new development paid its fair share of water and sewer system expansion costs and not burden ratepayers.
4. Ensure service rates were equitable and compliant with recent changes in state laws; and

WHEREAS, a sewer connection fee was adopted in 1985 and has not been updated; and

WHEREAS, a water connection fee schedule was adopted in 1997, and the last revision became effective in 2001; and

WHEREAS, the City of Pittsburg City Council authorized the consulting firm of Brown and Caldwell, Engineers to perform a review of the water system and sewer connection fees and make recommendations; and

WHEREAS, the comprehensive study of water and sewer Facility Reserve Charges, or development impact fees, resulted in recommendations to revise and update these charges to ensure an equitable rate structure and adequate revenue; and

WHEREAS, the recommendations have been received by the City of Pittsburg.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. Findings

A. The recitals set forth above are true and correct statements and are hereby incorporated.

B. Now, therefore, the City Council of the City of Pittsburg does hereby resolve, modify and amend as follows:

SECTION 1. Pursuant to Section 13.08.040 (Connection Fees) of the Pittsburg Municipal Code

- a. The water connection fees shall be based on the number and type of dwelling unit count for residential customers, and a water meter capacity ratio for non-residential customers and as follows:

Residential		
Single family residential	1.0 R	per dwelling unit
Multifamily residential	0.57 R	per dwelling unit
Non-Residential		
5/-8-inch meter	1.0 R	
¾-inch meter	1.0 R	
1-inch meter	2.5 R	
1 ½-inch meter	5.0 R	
2-inch meter	8.0 R	
3-inch meter	16.0 R	
4-inch meter	25.0 R	
6-inch meter	50.0 R	
8-inch meter	90.0 R	
10-inch meter	145.0 R	
12-inch meter	215.0 R	

The water connection fees (facility reserves charges), effective 2005, shall be as follows:

Zone I and II; not SW Hills	R = \$6,960
Zone III; not SW Hills	R = \$3,970
SW Hills; Alves	R = \$5,270
SW Hills, West Coast development	R = \$4,270
SW Hills; Pitts/Bay Point development area	R = \$5,010
SW Hills; San Marco development area	R = \$2,470
SW Hills; San Marco Hills development area	R = \$2,840
SW Hills; San Marco Meadows development	R = \$3,420
SW Hills; Bailey Estates	R = \$2,530
SW Hills; Smith development area	R = \$2,450
SW Hills; Ridge Farms/Bonneville development	R = \$3,520

The water connection fees (facility reserves charges), effective 2006, shall be as follows:

Zone I and II; not SW Hills	R = \$7,040
Zone III; not SW Hills	R = \$4,050
SW Hills; Alves	R = \$5,310
SW Hills, West Coast development	R = \$4,310
SW Hills; Pitts/Bay Point development area	R = \$5,050
SW Hills; San Marco development area	R = \$2,510

SW Hills; San Marco Hills development area	R = \$2,880
SW Hills; San Marco Meadows development	R = \$3,460
SW Hills; Bailey Estates	R = \$2,570
SW Hills; Smith development area	R = \$2,490
SW Hills; Ridge Farms/Bonneville development	R = \$3,560

The water connection fees (facility reserves charges), effective 2007, shall be as follows:

Zone I and II; not SW Hills	R = \$7,130
Zone III; not SW Hills	R = \$4,140
SW Hills; Alves	R = \$5,350
SW Hills, West Coast development	R = \$4,350
SW Hills; Pitts/Bay Point development area	R = \$5,090
SW Hills; San Marco development area	R = \$2,550
SW Hills; San Marco Hills development area	R = \$2,920
SW Hills; San Marco Meadows development	R = \$3,500
SW Hills; Bailey Estates	R = \$2,610
SW Hills; Smith development area	R = \$2,530
SW Hills; Ridge Farms/Bonneville development	R = \$3,600

The water connection fees (facility reserves charges), effective 2008, shall be as follows:

Zone I and II; not SW Hills	R = \$7,220
Zone III; not SW Hills	R = \$4,230
SW Hills; Alves	R = \$5,390
SW Hills, West Coast development	R = \$4,390
SW Hills; Pitts/Bay Point development area	R = \$5,130
SW Hills; San Marco development area	R = \$2,590
SW Hills; San Marco Hills development area	R = \$2,960
SW Hills; San Marco Meadows development	R = \$3,540
SW Hills; Bailey Estates	R = \$2,650
SW Hills; Smith development area	R = \$2,570
SW Hills; Ridge Farms/Bonneville development	R = \$3,640

- b. The sewer connection fees shall be based on the number and type of dwelling unit count for residential customers, and a use for non-residential customers as follows:

Residential

Single family residential or duplex	1.0 R	per dwelling unit
Multifamily residential, apartments, mobile homes	0.77 R	per dwelling unit

Non-Residential

Based on gallons per minute (gpm) flows as determined by City Engineer. The City may, at its option, review flows after two years to verify data submitted. If the data submitted is not correct, then additional fees may be required. Any additional fees would be based on the rates currently in effect.

440 gpd	2.0 R
880 gpd	4.0 R
2000 gpd	9.1 R

The sewer connection fees, effective 2005, shall be as follows:

Sewer Sub-basins SW101-105	R =	\$0
Sewer Sub-basins DS601-621 and SW109	R =	\$2,980
All other Sewer Sub-basins	R =	\$1,940

The sewer connection fees, effective 2006, shall be as follows:

Sewer Sub-basins SW101-105	R =	\$0
Sewer Sub-basins DS601-621 and SW109	R =	\$3,090
All other Sewer Sub-basins	R =	\$2,050

The sewer connection fees, effective 2007 shall be as follows:

Sewer Sub-basins SW101-105	R =	\$0
Sewer Sub-basins DS601-621 and SW109	R =	\$3,220
All other Sewer Sub-basins	R =	\$2,160

The sewer connection fees, effective 2008 shall be as follows:

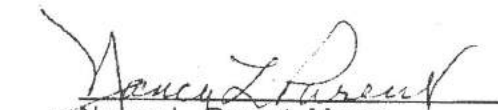
Sewer Sub-basins SW101-105	R =	\$0
Sewer Sub-basins DS601-621 and SW109	R =	\$3,430
All other Sewer Sub-basins	R =	\$2,270

SECTION 2. The fees establish by this resolution shall take effect sixty (60) days after its adoption, and, annually thereafter effective on November 1st of each year, starting in the year 2006.

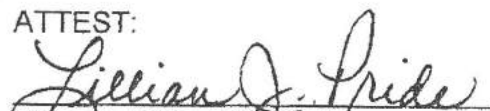
Effective each November 1, beginning November 1, 2009, Facility Reserve Charges currently in effect will be increased by one-half of the annual change in the San Francisco Bay Area Consumer Price Index.

PASSED AND ADOPTED by the City Council of the City of PITTSBURG at a regular meeting on the 20th day of June 2005, by the following vote:

AYES: Council Member Casey, Glynn, Johnson, Kee and Mayor Parent
 NOES: None
 ABSTAINED: None
 ABSENT: None


 Nancy L. Parent, Mayor

ATTEST:


 Lillian J. Pride, City Clerk



OFFICE OF THE CITY MANAGER
Administrative Offices
65 Civic Drive
Pittsburg, California 94565

DATE: June 20, 2005
TO: Mayor and Council Members
FROM: Marc S. Grisham, City Manager
SUBJECT: **ADOPT RESOLUTION SETTING WATER AND SEWER FACILITY
RESERVE CHARGES**

EXECUTIVE SUMMARY:

The City Council of the City of Pittsburg directed staff to conduct a complete review of both water and sewer rates to address major issues facing the water and sewer enterprises. The consulting firm of Brown and Caldwell, Engineers, was hired and completed a comprehensive study of water and sewer facility reserve charges (development impact fees). The recommended Facility Reserve Charges were first considered at a noticed public hearing on May 16, 2005 and continued to June 20, 2005. Following discussions with developer representatives, slightly revised Facility Reserve Charge recommendations will be presented.

FISCAL IMPACT:

The increases proposed will meet the costs of expanding the water and sewer systems to accommodate new development, without burdening the existing ratepayers unnecessarily. Revenues from these charges will increase substantially, but are dependent on the pace of new development.

RECOMMENDATION:

Adopt the attached Resolution setting Water and Sewer Facility Reserve Charges.

BACKGROUND:

A facility reserve charge (FRC), or development impact mitigation fee, is a charge to pay for public facilities in existence at the time the charge is imposed and serve new development, or to pay for new facilities that will be constructed in the future that are of benefit to the person or property being charged (new development or upgrades to existing meter capacity).

The facility reserve charges that are developed must meet the regulatory requirements found in Government Code Section 66000 et seq. regarding the establishment of capacity charges. The development of FRCs also must meet the policies stated in the City of Pittsburgh's General Plan adopted September 2004. Policy 3-P-11 states that the City should "Review and update the City's development impact fee schedule to ensure that new development pays its proportional share of the costs associated with the provision of facilities for police, parks, water, sewer, storm drainage, and schools".

FRCs ensure that "growth pays for growth" by allocating the cost of new facilities and the cost of unused capacity in existing facilities to new development while allocating the cost of repairing and refurbishing facilities used by current customers to sewer and water rates. FRCs adopted in the past did not adequately cover the costs of expansion of the water system or the value of available sewer system capacity. By not collecting appropriate FRCs, water and sewer ratepayers were unfairly burdened with development-related utility system costs.

FRCs are intended to recover a portion of the City's Capital Improvement Program costs, and utility rate payers' prior investment in capital facilities that support land development through utility system expansion prior to new development

The City has separate FRCs for both the water and sewer utilities. However, the development of FRC unit costs for the water and sewer utilities are very similar and address the same fundamental concerns. The payment of appropriate FRCs should:

1. Recoup the cost of new utility facilities that are necessary to provide utility services to new development, or
2. Recoup the value of utility facilities that have been previously provided for by ratepayer investment through construction, maintenance and rehabilitation and are now available for use by new developments.

The total FRC established for a particular utility and zone of benefit can result from either or both of these fundamental requirements. The unit cost of new capital facilities are established by calculating the cost of these facilities in the City's Capital Improvement Program (CIP) and apportioning these total costs to various developments in an equitable manner through the development of documents such as the Water and Wastewater Master Plans and the Water and Sewer Facility Reserve Charges report.

The unit cost of, or value to be recouped for, existing facilities is established by determining the replacement value of these facilities and equitably apportioning this cost to various developments in proportion with their use of the utility facilities.

The staff recommendations to revise and substantially increase sewer and water Facility Reserve Charges (FRC) based on the analysis prepared by the City's consultant, Brown and Caldwell, was first considered at a noticed public hearing on May 16, 2005. At the May 16 hearing, the City Council continued the consideration of the FRC revisions until June 20. The continuation was intended to provide developers and their representatives to have additional time to review the Brown and Caldwell analysis and negotiate with staff to address any factual errors or differences of opinion prior to further consideration by the City Council.

STAFF ANALYSIS:

Over the past month, Public Works and Engineering Department staff have met with developer representatives many times. The purpose of these meetings was to correct any agreed technical errors in the Brown & Caldwell study of Sewer and Water Facility Reserve Charges (FRC) and discuss any differences of opinion regarding the data, assumptions and methodology used for the Brown & Caldwell study. After several meetings, the differences in opinion between City staff and developer representatives evolved into three basic concerns or issues.

1. A factual (data) error in the development of one of the three sewer FRCs.
2. A difference in legal opinion regarding an existing water facility capacity reservation agreement in favor of West Coast Homebuilders and Seecon Financial & Construction Company which affect only one of eleven water FRCs.
3. A fundamental difference of opinion on how the valuation of the City's existing water and sewer system capacity should be established which affects two of the eleven water FRC's and two of the three sewer FRCs.

Since it is very important to the financial condition of both the Sewer and Water utility funds that reasonably increased FRC's be adopted as soon as possible, staff and developer representatives sought to find a compromise on the above three issues. If a compromise could be reached on the existing utility system capacity valuation methodology (item 3 above), then staff could recommend, and the City Council could adopt, revised fees and limit future discussion to final adjustments of the one water and one sewer fee (items 1 and 2 above) for resolution at a future meeting.

Therefore, the recommended fees will include two fees (one sewer and one water) and be lower than the original recommendation, for reasons described below, but still much higher and closer to reasonable than currently charged. The revised recommendation in this report also includes a recommendation to decrease the existing utility system

valuation as a compromise in system capacity valuation methodology. In brief, the recommendation will be different than the original fees proposed in three basic ways.

1. Sewer Facility Reserve Charge

The representative of the Seeno family of companies discovered a factual error in one of the sewer fees that can't be resolved before June 20. This is essentially caused because the Sewer Master Plan is already outdated and needs to be revised to reflect higher density development proposed for the area around the BART station, which was not incorporated into the Sewer Master Plan. Staff agrees there is a factual error and are recommending a fee that, while lower than was originally proposed, is substantially higher than currently charged and is acceptable to developers. The fee recommendation for this zone of benefit will be reevaluated in the very near future after the Sewer Master Plan can be updated to reflect higher development densities and the potential for additional sewer improvements to serve this higher density.

2. Water Facility Reserve Charge

After considerable negotiation, City staff and Seeno representatives were still in disagreement regarding the legal interpretation of several existing agreements between the City and West Coast Homebuilders/Seecon Financial & Construction Company (Agreements). The disagreement on the enforceability of these Agreements results in a disagreement on the amount of the new fee established for the SW Hills - San Marco zone of benefit. In order to move forward on the new FRC adoption, staff is recommending this specific fee be initially established at the amount agreed to by Seeno representatives. This fee, although lower than originally proposed will also be substantially higher than the current fee. As discussed in item 1 above, staff feels it is prudent to adopt this fee at the amount acceptable to Seeno representatives at this time and adjust just this single fee in the very near future after a final legal interpretation can be established.

3. Existing Utility System Valuation

State law requires that "fees may not exceed the estimated reasonable cost of providing the service". There is no definitive guidance in State law as to how a "reasonable estimate" is to be determined. Courts have decided legal challenges to fees based on courts findings that an agency's method was not "reasonable", but instead "capricious". However, court cases to date imply that agencies have broad latitude in establishing fees utilizing a variety of common accounting practices. In its determination of one such court case involving development impact fees, the court stated, "perfection in establishing fees is not possible nor is it expected". Common accounting practices can include valuation of assets based on current or replacement value, assets valuation can also be determined using the depreciated value of the assets, or the escalated acquisition cost method as well as commonly accepted accounting practices. Each of these accounting methods will generate a different asset value but all are generally acceptable and "reasonable". City staff and our consultant chose to use the replacement cost method to establish the value

of our current system assets as a basis for establishing a portion of our FRC's for both the water and sewer systems.

Seeno representatives and City staff continue to have a difference of opinion on the accounting method to use in establishing the value of the City's current utility system assets. In order to secure adoption of the new fees and terminate debate over the appropriate method of establishing the value of the system and, more precisely, the value of it's capacity, staff is now recommending reducing the water and sewer systems current replacement value based on 10 years of CIP reinvestment in the systems as a compromise to Seeno team's desire that we use a current system depreciated value. Staff is willing to make this concession, not because we feel there is any flaw in the original recommendation of the accounting methodology on which it was based, but rather to end debate and prevent possible litigation on these issues. In forwarding this revised recommendation, staff has knowingly made some concessions. However, if adopted, the new FRCs as revised following recent negotiations will all be significantly increased, be much more reasonable and require future development to contribute far more funds to utility system expansion, with less burden on utility rate payers who are already experiencing significant rate impacts to address long delayed problems in both the water and sewer utility systems. The originally proposed FRCs from the May 16, 2005 City Council meeting and revised FRC recommendations for the first year (2005), or initial adoption, are shown in Exhibit A for City Council reference as to the magnitude of the agreed changes.

The attached letter from George B. Speir (Exhibit B), representing the Seeno family of companies, is intended to demonstrate the Seeno "Team's" acceptance of these revised FRC recommendations. This letter is also intended to provide assurance that if the City Council adopts the fees as recommended, the only future debate would involve the two fees noted in bullets 1 and 2 above, or new FRCs in the future when the City may be forced to conduct a new study and possibly revised FRC's based on changed conditions.



Marc S. Grisham, City Manager

Report Prepared By: _____
 John L. Fuller
 Director of Public Works

Attachments:

Resolution Adjusting Charges for Water and Sewer Development Connection Fees

Exhibit A: Comparison of original recommended FRCs and revised recommended FRCs

Exhibit B: Letter from George B. Speir, Miller, Starr & Gegalía

ENVIRONMENTAL REVIEW CHECKLIST

Attachments - Page 11

AGENDA MEETING DATE: June 20, 2005
 AGENDA DATA DESCRIPTION: Adopt Resolution Setting Water and Sewer Facility Reserve Charges

ALL ACTIONS OF THE CITY COUNCIL MUST BE CONSIDERED FOR ENVIRONMENTAL REVIEW. COMPLETE THE CHECKLIST BELOW AND **ATTACH TO THE APPROPRIATE AGENDA DATA SHEET**. THE EXEMPTION, NEGATIVE DECLARATION OR EIR DETERMINATIONS MUST BE REFERENCED IN THE RESPECTIVE STAFF REPORT AND COPIES ATTACHED WHERE APPROPRIATE.

1. ☒ **This is not a project.** No environmental documents must be filed. A project is any activity which may cause a direct physical change in the environment or a reasonably foreseeable indirect change in the environment, and is either (1) undertaken by the City, (2) partly or fully subsidized by the City, or (3) permitted by the City. Only "discretionary projects" are subject to CEQA. Moreover, purchases for supplies, personnel related actions, emergency repairs and general policy-making are examples of actions which are not a project. If any of the following environmental factors would be potentially affected, further environmental review may still be required:

☐ Aesthetics
☐ Biological Resources
☐ Hazards & Hazardous Materials
☐ Mineral Resources
☐ Public Services
☐ Utilities/Service Systems

☐ Agriculture Resources
☐ Cultural Resources
☐ Hydrology/Water Quality
☐ Noise
☐ Recreation
☐ Mandatory Findings of Significance

☐ Air Quality
☐ Geology/Soils
☐ Land Use/Planning
☐ Population/Housing
☐ Transportation/Traffic

2. ☐ This is a project, but it is **statutorily exempt** under Section _____, Article 18 of the Guidelines for the Implementation of the California Environmental Quality Act or other applicable statutory exemption not listed in the Guidelines.
3. ☐ This is a project, but it is **categorically exempt** from environmental review under Section _____, Article 19 of the Guidelines for Implementation of the California Environmental Quality Act and no exceptions to the categorical exemption apply.
4. ☐ This is a project, but is subject to the "common sense" exemption to CEQA, because it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment. The basis for this determination must be set forth in writing in the Council's findings.
5. ☐ A ☐ **Negative Declaration** ☐ **Mitigated Negative Declaration** (ND/MND) was prepared for this project or the impacts were addressed under a previously completed ND/MND. The Initial Study and ND/MND prepared by the City must be attached to the Council materials for Council review and approval. The Council must adopt a resolution (re)adopting the Negative Declaration or Mitigated Negative Declaration and possibly a mitigation monitoring or reporting program as part of the project approval.
6. ☐ An **Environmental Impact Report** (EIR) was prepared for this project or the impacts have been addressed under a previously completed and certified EIR, SCH No. _____. The EIR must be provided to Council for review and approval. As part of the project approval, the Council must adopt resolutions (re)certifying the EIR and adopting findings, a mitigation monitoring or reporting program and if necessary, a statement of overriding considerations.
7. ☐ This project falls under the "_____ " **Master EIR**, State Clearinghouse No. _____. The new Initial Study prepared pursuant to Section 21157.1 of the Public Resources Code must be attached to the Council materials for Council review and approval. The Council must adopt a resolution adopting certain required findings based on this Initial Study as part of the project approval.

REVIEWED AND APPROVED BY: _____, PLANNING DEPARTMENT

NOTE: CEQA regulations are located in the State Public Resources Code, which can be viewed on the internet at: www.leginfo.ca.gov. Should you need further assistance in determining the applicability of CEQA to a Council action, please contact Planning Staff x. 4920.

EXHIBIT A

WATER FEES - 2005	Original Fee	Adjust for Reservoir Capacity Reservation in one zone	Adjust for Reservoir Capacity Reservation and 10 year CIP
Zone I & II not SW Hills	\$7,120	\$7,120	\$6,960
Zone III not SW Hills	\$4,130	\$4,130	\$3,970
SW Hills - Alves	\$5,270	\$5,270	\$5,270
SW Hills - West Coast	\$4,270	\$4,270	\$4,270
SW Hills - Pittsburg/Bay Point	\$5,010	\$5,010	\$5,010
SW Hills - San Marco	\$3,620	\$2,470	\$2,470
SW Hills - San Marco Hills	\$2,840	\$2,840	\$2,840
SW Hills - San Marco Meadows	\$3,420	\$3,420	\$3,420
SW Hills - Bailey Estates	\$2,530	\$2,530	\$2,530
SW Hills - Smith	\$2,450	\$2,450	\$2,450
SW Hills - Ridge Farms	\$3,520	\$3,520	\$3,520

SEWER FEES - 2005	Originally Proposed Fee	Adjust for Unit Count in one zone	Adjust for Unit Count and 10 year CIP
Sub Basin SW101-105	\$0	\$0	\$0
Sub Basin DS601-621 & SW109	\$4,330	\$3,690	\$2,980
All Other Sub Basins	\$2,650	\$2,650	\$1,940

EXHIBIT B

**MILLER
STARR
&
REGALIA**
A PROFESSIONAL
LAW CORPORATION

1331 NORTH CALIFORNIA BLVD.
FIFTH FLOOR
P.O. BOX 8177
WALNUT CREEK, CALIFORNIA 94596
FACSIMILE (925) 933-4126
TELEPHONE (925) 935-9400

FAX TRANSMISSION COVER SHEET

June 10, 2005

TO: John L. Fuller, Director of Public Works
City of Pittsburg

FACSIMILE: (925) 252-4004
TELEPHONE: (925) 252-4110

Ruthann Ziegler

FACSIMILE: (916) 556-1516
TELEPHONE: (916) 556-1531

FROM: George B. Speir

RE: Pittsburg Water/Sewer FRC

COMMENTS: Attached is our letter agreeing to the proposed FRCs. Please call if you have questions. Bill

Total Number of Pages (including this page)

4

.....
If you do not receive all pages, please contact the Copy Center at (925) 935-9400 ext. 240.
.....

.....
The information in this facsimile transmittal is intended only for the use of the addressee and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you are not the intended recipient, or the employee or agent responsible for delivering this transmittal to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the above address via the U.S. Postal Service. Thank you.
.....

**MILLER
STARR &
REGALIA**
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WALNUT CREEK, CALIFORNIA 94596
FACSIMILE (925) 933-4126
TELEPHONE (925) 935-9400

GEORGE E. SPEIR

G85@MSANDR.COM

June 15, 2005

The Honorable Nancy Parent, Mayor
Members of the City Council
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

Re: June 20, 2005 City Council Meeting
Water and Sewer Facility Reserve Charges

Dear Mayor Parent and Members of the Council:

This firm represents Albert D. Seeno Construction Company, West Coast Home Builders and Discovery Builders with respect to the City's proposed increases to its Water and Sewer Facility Reserve Charges ("FRCs"). As you know, the hearing on the Water and Sewer FRCs was continued from May 16, 2005 until the Council meeting on June 20, 2005, to permit City staff and representatives of my clients and the development community to meet and discuss the City's proposed FRCs. Over the last three weeks, several such meetings have occurred, including four meetings I attended with my clients. My clients, through this office, and through their water resources consultant, Stetson Engineers, were able to point out to City staff, and to the City's consultants, Brown and Caldwell, flaws in the fee which we believed should be revised. City staff has similarly explained to us how and why the fee has been calculated, and has sometimes agreed and sometimes disagreed with our concerns.

Although City staff and my clients have agreed to disagree on some issues, including using replacement cost without depreciation to value existing facilities, we have agreed that the amount of the amended charges which we understand will be proposed by the Director of Public Works, and as described on the attached Exhibit "A", is acceptable to my clients. We therefore support the proposal for adoption of the FRCs as attached, and have agreed that we will not challenge the adoption of these FRCs, in court or otherwise, assuming the amount of the FRCs adopted by the City Council are as recommended by staff. We also agree that if the City increases the FRCs in the future by a construction cost index or similar inflation multiplier, we will not challenge the FRCs as attached, and we reserve only the right to challenge the incremental change in the FRCs. We recognize that the City may in the future propose other

WCHB44678624078.1

The Honorable Nancy Parent, Mayor
Members of the City Council
June 15, 2005
Page 2

changes to the FRCs. Our acceptance of the charges in the amount attached is, of course, not an acceptance of any future or amended charges to be acted upon by future Council action.

As a result of our support and our hope that the Council will adopt staff's recommendation, we have not provided a lengthy analysis, reiterating our concerns regarding the calculation of the FRCs. Those comments have been provided to staff, orally and in writing, as part of the process of reviewing and discussing the FRCs. We would be willing to discuss our concerns directly with you at the Council meeting on June 20, 2005, at your request, should you believe that is appropriate or necessary.

We greatly appreciate the Council's patience in providing enough time to permit this process to occur. We would also like to thank Mr. Fuller, Mr. Pease and Tom Pavletic of Brown & Caldwell, for making themselves available during this process, and for their professionalism in discussing the disagreements we have in the methodology used to calculate the FRCs.

Very truly yours,

MILLER, STARR & REGALIA



George B. Speir

GBS:dj
Enclosure

cc: John L. Fuller, Director of Public Works
Walter Pease, Assistant Public Works Director
Albert D. Seeno, Jr.
Jay F. Torres-Muga
Jeanne Pavao

EXHIBIT "A" to June 15, 2005 letter to City Council

Revisions to Water and Sewer FRCs

WATER CHARGES	Adjust for Reservoir Capacity Reservation and 10 year CIP
Zone I & II not SW Hills	\$6,960
Zone III not SW Hills	\$3,970
SW Hills - Alves	\$5,270
SW Hills - West Coast	\$4,270
SW Hills - Pittsburg/Bay Point	\$5,010
SW Hills - San Marco	\$2,470
SW Hills - San Marco Hills	\$2,840
SW Hills - San Marco Meadows	\$3,420
SW Hills - Bailey Estates	\$2,530
SW Hills - Smith	\$2,450
SW Hills - Ridge Farms	\$3,520

SEWER CHARGES	Adjust for Unit Count and 10 year CIP
Sub Basin SW101-105	\$0
Sub Basin DS601-621 & SW109	\$2,980
All Other Sub Basins	\$1,940

**ATTACHMENT
RESOLUTION NO. 05-10372
DOCUMENT FOLLOWS**

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

RESOLUTION NO. 05-10372

Amending Resolution 05-10291 by)
 Revising The Sewer Facility Reserve)
 Charge For Sewer Sub-Basins)
DS601-DS621 And SW109)

The PITTSBURG City Council DOES RESOLVE as follows:

WHEREAS, the City of Pittsburgh operates and maintains a wastewater collection system for Pittsburgh sewer customers; and

WHEREAS, the City Council of the City of Pittsburgh directed staff to conduct a complete review of both water and sewer rates to address four major issues facing the water and sewer enterprises, as follows:

1. Ensure sufficient funds were collected to finance daily maintenance and operations.
2. Ensure reasonable and appropriate funds were collected to provide a reserve for service rate stability and finance major capital replacement and repair projects.
3. Ensure new development paid its fair share of water and sewer system expansion costs and not burden ratepayers.
4. Ensure service rates were equitable and compliant with recent changes in state laws; and

WHEREAS, revised and updated Sewer Facility Reserve Charges (Development Connection Fees) were adopted on June 20, 2005; and

WHEREAS, the Facility Reserve Charges were based on the adopted City's 2003 Wastewater Collection System Master Plan (Master Plan) and the City's adopted General Plan, with the exception of the Sewer Facility Reserve Charge for sewer sub-basins DS601-DS621 and SW109 that were based on anticipated higher land use densities in the Pittsburgh/Bay Point BART Station area that were adopted in the City of Pittsburgh Water Master Plan Amendment no. 2; and

WHEREAS, the Master Plan and the expansion cost component of the Sewer Facility Reserve Charge for sewer sub-basins DS601-DS621 and SW109 needed to be updated to reflect a higher density development proposed for the area around the Pittsburgh/Bay Point BART station; and

WHEREAS, the Sewer Expansion project, identified in the Master Plan was analyzed by MWH Consulting Engineers to identify potential additional deficiencies based on higher densities, and remedies and costs to resolve such deficiencies; and

WHEREAS, the City has received recommendations from MWH Consulting Engineers to resolve the additional deficiencies triggered by this higher density; and

WHEREAS, after meetings between City staff, property owners and developer representatives, all parties were able to agree on the proposed facilities needed for the higher densities; and

WHEREAS, the Sewer Facility Reserve Charge for sewer sub-basins DS601–DS621 and SW109 has been revised by Brown & Caldwell based upon the recommendations of MWH Consulting Engineers; and

WHEREAS, the changes to the Sewer Facility Reserve Charge for sewer sub-basins DS601–DS621 and SW109 are recommended for adoption; and

WHEREAS, the recommendations have been received by the City of Pittsburgh.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. Findings

- A. The recitals set forth above are true and correct statements and are hereby incorporated.
- B. Now, therefore, the City Council of the City of Pittsburgh does hereby resolve, modify and amend Resolution 05-10291 as follows:

The 2005 Sewer Development Connection Fees, effective March 17, 2006, shall be as follows:

Sewer Sub-basins DS601-621 and SW 109 R = \$3,550

The Sewer Development Connection Fees, effective November 1, 2006, shall be as follows:

Sewer Sub-basins DS601-621 and SW 109 R = \$3,710

The Sewer Development Connection Fees, effective November 1, 2007, shall be as follows:

Sewer Sub-basins DS601-621 and SW 109 R = \$3,870

The Sewer Development Connection Fees, effective November 1, 2008, shall be as follows:

Sewer Sub-basins DS601-621 and SW 109 R = \$4,030

Section 2.

The fees establish by this resolution shall take effect sixty (60) days after its adoption.

Effective each November 1, beginning November 1, 2009, Facility Reserve Charges currently in effect will be increased by one-half of the annual change in the San Francisco Bay Area Consumer Price Index.

PASSED AND ADOPTED by the City Council of the City of PITTSBURG at a regular meeting on the 17th day of January 2006, by the following vote:

AYES: Council Member Casey, Glynn, Johnson, Parent and Mayor Kee

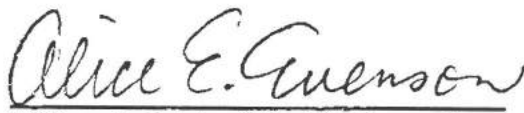
NOES: None

ABSTAINED: None

ABSENT: None


Michael B. Kee, Mayor

ATTEST:


Lillian J. Pride, City Clerk *deputy*



OFFICE OF THE CITY MANAGER
Administrative Offices
65 Civic Drive
Pittsburg, California 94565

DATE: January 17, 2006
TO: Mayor and Council Members
FROM: Marc S. Grisham, City Manager
SUBJECT: ADOPT RESOLUTION REVISING SEWER FACILITY RESERVE CHARGE FOR SEWER SUB-BASINS DS601-DS621 AND SW 109

EXECUTIVE SUMMARY:

The Pittsburg City Council directed staff to conduct a complete review of both water and sewer rates to address major issues facing the water and sewer enterprises. The consulting firm of Brown and Caldwell, Engineers, was hired and completed a comprehensive study of water and sewer Facility Reserve Charges (development impact fees). The recommended Facility Reserve Charges (FRC) were first considered at a noticed public hearing on May 16, 2005. At the request of developers, final adoption of new FRCs was postponed to June 20, 2005. Of the 14 FRCs adopted on June 20, there were two FRCs established based on unresolved issues. This action will clarify and resolve the one unresolved Sewer FRC from June 20.

FISCAL IMPACT:

Adoption of the revised sewer FRC for sewer sub-basins DS601-DS621 and SW 109 will meet the revenue projections necessary to defray the cost of expanding the sewer system to accommodate new development, without burdening the existing ratepayers. Revenues from these charges will increase, but are dependent on the pace of new development within this specific area of development impact and cannot be predicted with certainty.

RECOMMENDATION:

Adopt the attached Resolution revising the Sewer Facility Reserve Charge for sewer sub-basins DS601-DS621 and SW 109.

BACKGROUND:

A Facility Reserve Charge (FRC), or development impact mitigation fee, is a charge to pay for public facilities serving new developments that are in existence at the time the charge is imposed and/or provide for the construction of infrastructure or facilities that are of benefit to the person or property being charged. Facility Reserve Charges must meet the regulatory requirements found in Government Code Section 66000 et seq. regarding the establishment of capacity charges. The development of FRCs also must meet the policies stated in the City of Pittsburg's General Plan adopted September 2004. Policy 3-P-11 states that the City should "Review and update the City's development impact fee schedule to ensure that new development pays its proportional share of the costs associated with the provision of facilities for police, parks, water, sewer, storm drainage, and schools".

FRCs ensure that "growth pays for growth" by allocating the cost of new facilities and the cost of unused capacity in existing facilities to new development to meet the needs of new development that will use the new or existing facilities. Historically, Pittsburg's FRCs did not adequately cover the costs of expansion of the sewer system or adequately value available sewer system capacity. The City's established FRCs are intended to recover a portion of the City's Capital Improvement Program costs, and utility rate payers' prior investment in capital facilities that support land development through utility system expansion prior to new development. By not collecting appropriate FRCs, water and sewer ratepayers were unfairly burdened with development-related utility system costs. Therefore, it was necessary to consider an appropriate and justifiable increase in the City's FRCs.

The City has separate FRCs for both the water and sewer utilities. However, the development of FRC unit costs for the water and sewer utilities are very similar and address the same fundamental concerns. The payment of appropriate FRCs should:

1. Recoup the cost of new utility facilities that are necessary to provide utility services to new development, or
2. Recoup the value of utility facilities that have been previously provided for by ratepayer investment through construction, maintenance and rehabilitation and are now available for use by new developments.

The total FRC established for a particular utility and zone of benefit can result from either or both of these fundamental requirements. The unit cost of new capital facilities are established by calculating the cost of these facilities in the City's Capital Improvement Program (CIP) and apportioning these total costs to various developments in an equitable manner through the development of documents such as the Water and Wastewater Master Plans and the Water and Sewer Facility Reserve Charges report. The unit cost of, or value to be recouped for, existing facilities is established by

determining the replacement value of these facilities and equitably apportioning this cost to various developments in proportion to their estimated use of the utility facilities.

The staff recommendations to revise and substantially increase sewer and water Facility Reserve Charges (FRC) based on the analysis prepared by the City's consultant, Brown and Caldwell, was first considered at a noticed public hearing on May 16, 2005. At the May 16 hearing, the City Council continued the consideration of the FRC revisions until June 20, 2005. The continuation was intended to provide developers and their representatives additional time to review the Brown and Caldwell analysis and negotiate with staff to address any factual errors or differences of opinion prior to further consideration by the City Council.

The representative of the Seeno family of companies identified a possible factual error in one of the sewer fees that could not be resolved before the City Council adoption of amended FRCs on June 20, 2005. The factual error resulted from the fact that the Sewer Master Plan adopted on May 5, 2003 is anticipated to become outdated soon, and did not reflect higher land development densities anticipated in the vicinity of the Pittsburg/Bay Point BART Station (BART). The sewer FRC for the BART area originally developed by Brown & Caldwell Engineers was based on lower but adopted land use densities from the Sewer Master Plan and City General Plan. Staff agreed to consider establishing the sewer FRC for the BART area that reflect higher density development proposed for this area, which was not envisioned when the Sewer Master Plan was adopted. Therefore, on June 20, 2005, Public Works staff recommended a sewer FRC for the DS601-DS621 and SW 109 sewer sub-basins (BART area) that, while lower than originally proposed, was substantially higher than currently charged and was acceptable to developers. The FRC for this (BART) area was established to reflect the same sewer project cost to serve new development, but added 944 dwelling units, which lowered the FRC per dwelling unit.

On June 20, 2005, when Public Works staff agreed to recommend a lower sewer FRC for the BART area, it was noted that the Sewer Master Plan should be reanalyzed for the potential impact of this higher density development not considered in the adopted Sewer Master Plan. Staff advised the Developer and City Council that the reanalysis of the Sewer Master Plan might justify further revisions to the sewer FRC for the BART area.

MWH Engineers originally prepared the adopted Sewer Master Plan. Since both City staff and developers agreed that higher density development would probably take place around the BART station, but was not yet reflected in the City's adopted General Plan, City staff directed MWH Engineers to update the Sewer Master Plan to reflect this higher new development density using the original computer model and the revised densities. The updated sewer system analysis indicated that additional sewer system upgrades - EXHIBIT A - would be required to serve the increased development density, thereby increasing the sewer project costs to serve new development in the BART area. Specifically, the new analysis indicated that the higher BART area density requires that an additional 3,900 feet of existing sewer pipe must be increased in size. The

expansion component of the sewer FRC adopted on June 20, 2005 for sewer sub-basins DS601-DS621 and SW 109 decreased from the originally proposed \$1,680 per equivalent single-family dwelling unit to \$1,040 per dwelling unit as a result of raising the density from 1,525 units to 2,473 units. The sewer system expansion component of the FRC for sewer sub-basins DS601-DS621 and SW 109 also needed to be increased to an estimated \$1,640 per dwelling unit because of this same increased density and the higher project cost identified in the new analysis.

Based on the reanalysis of the Sewer Master Plan, staff recommended a revision to the BART area sewer FRC. The City Council first considered this second revision to the BART area sewer FRC on September 19, 2005, at which time developer representatives requested that the item be continued to provide them additional time to consider and analyze this latest change. The City Council continued the Public Hearing on the BART area sewer FRC revision to November 7, when developer representatives again requested continuation of this item, claiming difficulty in obtaining and operating the sewer model to complete their independent analysis. The City Council again continued the Public Hearing to December 12, 2005, when the developer representatives again requested, and the City Council granted, a third continuation of the item to January 17, 2006.

STAFF ANALYSIS:

Public Works staff was well aware that the computer program for the City's sewer model was complex and required experienced staff to operate it properly. As early as October 12, when staff met with developer representatives, the City offered to have its Sewer Master Plan consultant MWH run the sewer model analysis for the developers to save time and the developers' expense to acquire the appropriate software. However, the developer who requested a continuation of this item preferred to obtain and operate the sewer model software/program independently.

The developer representatives were finally able to acquire and operate the sewer model software and on December 1, 2005 they met with Public Works staff to review their independent findings. The conclusion of the meeting between developer representatives and Public Works staff was that the developer confirmed the City's prior analysis. In a meeting with City staff on December 20, developer representatives agreed that the recommended fee was appropriate given the current cost of sewer construction and the extent of the sewer improvements necessary to provide wastewater collection in the area of the Pittsburg/Bay Point BART station. However, on December 30, 2005, developer representatives raised a new issue previously not discussed (contrary to statements in their letter) regarding how escalated costs (cost of living increases) were handled. These new concerns were separate from the previous discussion of land use density impacts on the fee calculations.

PW staff reviewed the developer's latest concerns with our consultant Brown & Caldwell on January 6, 2006. Staff is willing to agree to calculating escalated costs in a revised manner which will generate the \$140 lower initial fee recommendation and have

advised developer representatives of this agreement. However, staff also advised the developer representatives that the altered method of fee escalation calculation will not only lower the initial fee, but will generate higher fees than originally recommended for future years. Although staff has, to date, not received confirmation that the developer agrees with and accepts the latest revision staff has agreed to, and would appear to match the developers request in their December 30 letter, we believe they will agree to this hopefully final fee recommendation.

Adoption of the attached resolution will both amend the Sewer Master Plan and reflect a BART area sewer FRC (sewer sub-basins DS601-DS621 and SW 109) appropriate to higher land use density.



Marc S. Grisham, City Manager

Report Prepared By: _____
John L. Fuller
Director of Public Works

Attachments:

Resolution Adjusting Charges for Sewer Development Connection Fees
Exhibit A: Revised Capacity Relief Projects report from MWH

**MWH**

December 20, 2005

Mr. Walter Pease
Assistant Public Works Director
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

File: 1481039/3.1.2

Subject: Revised Capacity Relief Projects for Oak Hills/Highway 4 Trunk

Dear Mr. Pease:

At your request, we have completed updated project cost estimates based on model results conducted by Stetson Engineers. A summary of the results is presented in the table below. Detailed cost breakdowns are attached.

Project No.	Project	Length (ft.)	Diam. (in.)	Assumed Construction Method	Estimated Capital Cost
C-1	Highway 4 Trunk	9,895	15	Pipe bursting/ bore & jack	\$3,236,600
C-2	West Leland Road	1,180	8	Open cut parallel	\$ 247,400
C-3	Bailey Road	806	12	Microtunneling	\$ 489,800

If you have any questions, please call me at 925-274-2202 or Ben Herston at 925-274-2294.

Sincerely,

Craig Smith
Senior Engineer

cc: Ben Herston

CITY OF PITTSBURG
Opinion of Probable Construction Cost

Item No:	C-1
Description:	Highway 4 Trunk
Alignment Limits:	Starting at Bailey Rd. along Memorial Way to Ambrose Park, along Hwy. 4 right of way under the Delta De Anza Trail, through residential neighborhood in Carpetta Cr. and Wedgewood Dr., ending at the DDSD Trunk sewer. DDSD connection is appx. 30 feet deep.
	Ex. 12" sewer pipe crossing Contra Costa Canal is steep and has sufficient capacity, no need to replace except for consistency with US/DS 15" pipes.
Project Justification:	Relieve predicted capacity deficiency in existing sewer for future growth in the southwestern portion of the City, including the BART Specific Plan, Oak Hills, Smith and Bailey Estates developments and expansion and infill of the existing area; must be completed before 100 residential units are added to the area.
Project Summary :	9,895 feet of 15-inch sewer
Potential Utility Conflicts :	EBMUD Mokelumne Aqueduct
Permitting & Easement Requirements :	City has 20 ft easement for 12-inch sewer line in steel casing. Must submit plans and specifications to EBMUD for approval of new Mokelumne aqueduct crossing, requiring 2 foot minimum clearance. Sewer must be in steel encasement across entire width (100 ft) of EBMUD property.

Alignment Description	Improvement Type		Length (feet)	Pipe Size (inches)	
Parallel Highway 4	Pipe Bursting		9,500	15	
Undemeath EBMUD Mokelumne Aqueduct	Bore & Jack		375	15	
Final segment at DDSD connection	Open Cut		20	15	
Total			9,895		
Project Costs	Pipe (in.)	Avg. Depth (ft.)	Quantity	Unit Cost (\$)	Total Cost (\$)
Baseline Construction Cost (BCC)					
Pipe Bursting 12" to 15"	15	10	9,500 lf	182	1,729,000
Bore & Jack (30-inch casing)	15	>15	375 lf	450	168,750
Jacking Pit			1 pit	35,000	35,000
Receiving Pit			1 pit	25,000	25,000
New connection to DDSD (final reach)	15	30'	20 lf	201	4,020
Shoring allowance		30'	1 ls	5,000	5,000
Junction Chamber or Pipe Core Tee Connection			1 ls	25,000	25,000
BCC Total					1,991,770
Estimated Construction Cost (ECC)					
(BCC plus 30% for contingencies)					2,589,300
Capital Improvement Cost					
(ECC plus 25% for engineering, administration, legal, and construction inspection)					3,236,600

Notes:

1. Pipe installation cost assumes average trenching conditions, vertical trench walls with solid shoring, imported backfill, average dewatering, new manholes, pavement removal and replacement, traffic control, mobilization/demobilization, and contractor's overhead and profit.
2. This cost estimate was developed for planning purposes only. A detailed cost estimate should be prepared during project design.
3. Cost estimate accuracy is -30 to +50 percent.

CITY OF PITTSBURG
Opinion of Probable Construction Cost

Item No:	C-2
Description:	West Leland Road
Alignment Limits:	West Leland Road, from Southwood Dr. to Oak Hills Dr.
Project Justification:	Relieve predicted capacity deficiency in existing sewer under 5-year design storm conditions on West Leland Road; provide capacity for BART Specific Plan, Oak Hills, Smith and Bailey Estates developments; must be completed before 100 residential units are added to this area.
Project Summary :	1,180 feet of 8-inch parallel sewer
Special Conditions:	Heavy traffic conditions, BART station

Alignment Description	Improvement Type		Length (feet)	Pipe Size (inches)	
West Leland Rd, from Southwood Dr. to Oak Hills Dr.	New Sewer		1,180	8	
Total			1,180		
Project Costs	Pipe (In.)	Avg. Depth (ft.)	Quantity	Unit Cost (\$)	Total Cost (\$)
Baseline Construction Cost (BCC)					
New Sewer (open cut)	8	5-10	1,180 lf	123	145,140
Allowance for Heavy Traffic Control			1,180 lf	6	7,080
<i>BCC Total</i>					152,220
Estimated Construction Cost (ECC)					
<i>(BCC plus 30% for contingencies)</i>					197,900
Capital Improvement Cost					
<i>(ECC plus 25% for engineering, administration, legal, and construction inspection)</i>					247,400

Notes:

1. Pipe installation cost assumes average trenching conditions, vertical trench walls with solid shoring, imported backfill, average dewatering, new manholes, pavement removal and replacement, traffic control, mobilization/demobilization, and contractor's overhead and profit.
2. This cost estimate was developed for planning purposes only. A detailed cost estimate should be prepared during project design.
3. Cost estimate accuracy is -30 to +50 percent.

CITY OF PITTSBURG
Opinion of Probable Construction Cost

Item No:	C-3
Description:	Bailey Road
Alignment Limits:	Bailey Road, north of West Leland
Project Justification:	Relieve predicted capacity deficiency in existing sewer under 5-year design storm conditions on Bailey; provide capacity for Smith and Bailey Estates, must be completed before these two developments are started
Project Summary :	806 feet of new 12-inch sewer
Special Conditions:	Heavy traffic conditions, BART station, approach to Highway 4 Interchange.
Construction Alternative:	Open cut

Alignment Description	Improvement Type	Length (feet)	Pipe Size (inches)	
Bailey Road, from West Leland Rd. to Maylard St.	New Sewer	806	12	
Total		806		

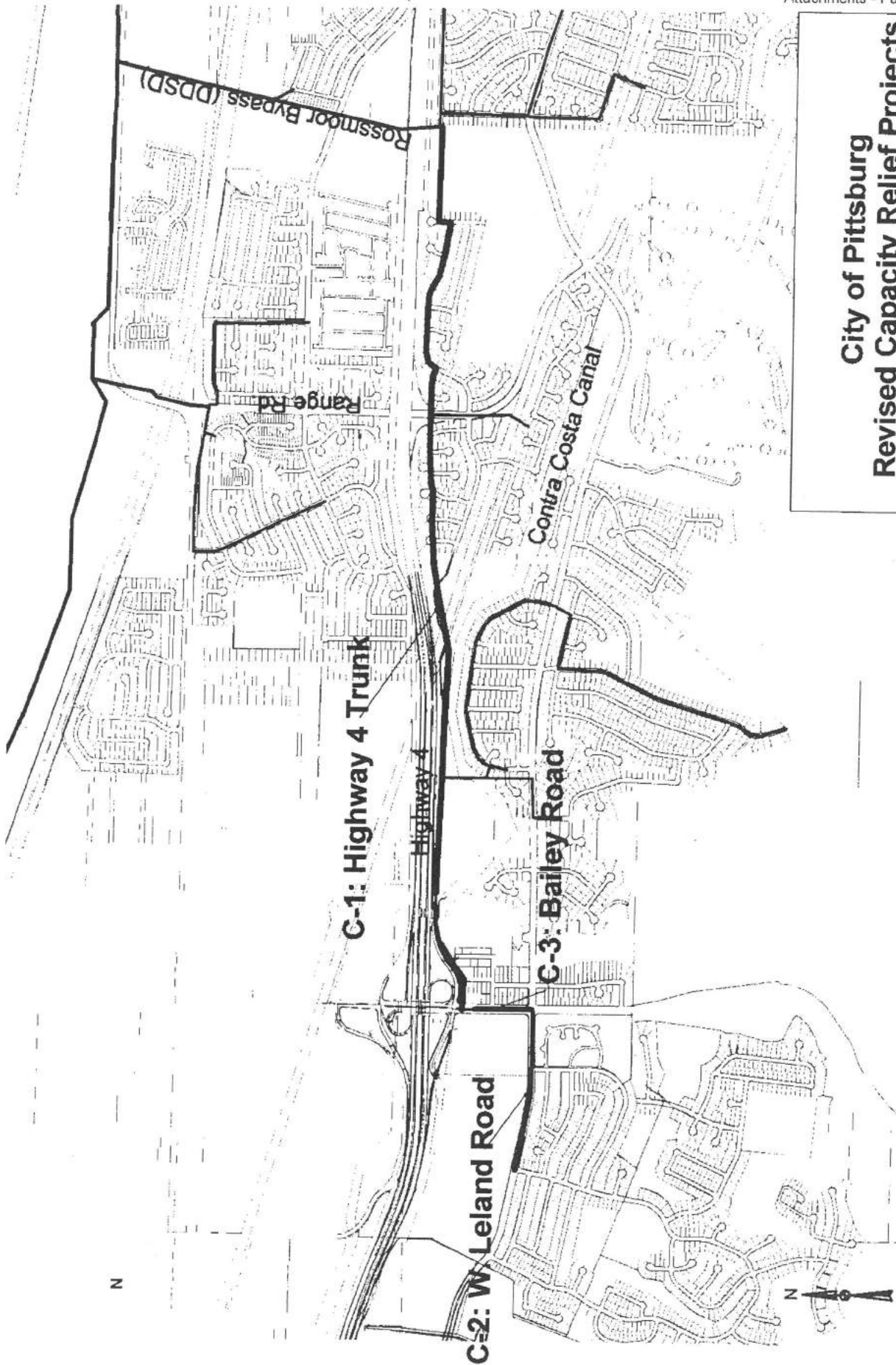
Project Costs	Pipe (in.)	Avg. Depth (ft.)	Quantity	Unit Cost (\$)	Total Cost (\$)
Baseline Construction Cost (BCC)					
New Sewer (microtunnel)	12	10	806 lf	225	181,350
Jacking Pit			2 pit	35000	70,000
Receiving Pit			2 pit	25000	50,000
BCC Total					301,350
Estimated Construction Cost (ECC) (BCC plus 30% for contingencies)					391,800
Capital Improvement Cost (ECC plus 25% for engineering, administration, legal, and construction inspection)					489,800

Notes:

1. Pipe installation cost assumes average trenching conditions, vertical trench walls with solid shoring, imported backfill, average dewatering, new manholes, pavement removal and replacement, traffic control, mobilization/demobilization, and contractor's overhead and profit.
2. This cost estimate was developed for planning purposes only. A detailed cost estimate should be prepared during project design.
3. Cost estimate accuracy is -30 to +50 percent.

**City of Pittsburgh
Revised Capacity Relief Projects**

June 2005



**ATTACHMENT
RESOLUTION NO. 05-10215
DOCUMENT FOLLOWS**

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the matter of:

RESOLUTION NO. 05-10215

Resolution Establishing Inclusionary)
Housing In Lieu Fee and Inclusionary)
Housing Monitoring Fee)

The Pittsburgh City Council DOES RESOLVE as follows:

A. Based on U.S. Census 2000 data, 49 percent of all households in Pittsburgh earn 80 percent or less than the area median income and thereby qualify as Low or Very Low Income households. Additionally, 36 percent of households in Pittsburgh spend more than 30 percent of their income on rent or mortgage and associated housing costs such as utilities and insurance.

B. On November 15, 2004, the Council adopted Ordinance No. 04-1229 adopting a Negative Declaration and amending Pittsburgh Municipal Code (PMC) in order to add Chapter 18.86: Inclusionary Housing, to the zoning ordinance. The inclusionary housing ordinance requires the construction of affordable housing units as part of all privately-constructed residential developments consisting of four or more units within the City.

C. The ordinance includes incentives for developers to construct affordable units as part of their residential projects, and also includes options for alternative compliance with the ordinance. Among the alternative compliance options is the option for developers, in specific instances and subject to certain findings by the City Council, to pay a fee to the City in lieu of constructing the required affordable units (PMC Subsections 18.86.040.D and 18.86.080.C). Subsection 18.86.080.C of the inclusionary ordinance authorizes the Council to establish, by resolution, the amount of the inclusionary housing in lieu fee.

D. Inclusionary housing in lieu fees paid to the City would be used to purchase existing residential units in order to convert them from market rate to affordable, and to help finance construction of new affordable units by other private and/or non-profit developers.

E. In addition to the in lieu housing fees allowed by the inclusionary ordinance, Subsection 18.86.110.B of the ordinance allows the City to charge a fee to developers and subsequent owners in order to defray the City's costs to monitor the program, including the cost of staff time necessary to verify income levels of occupants and potential buyers of deed restricted affordable units.

F. As part of the establishment of a new development fee, the Council must identify the purpose of the fee and the use to which the fee is to be put. The Council must find

that there is a reasonable relationship between the type of development on which the fee would be imposed, and the use of and need for the fee. Additionally, the Council must determine that there is a reasonable relationship between the amount of the fee and the added demand (in this case, for affordable housing and monitoring thereof) created by the development. (Gov. Code Section 66001)

G. In accordance with Government Code Section 66018, a "Notice of Public Hearing" for this inclusionary housing ordinance fee schedule was published in the Ledger Dispatch newspaper on December 31, 2004, and on January 7, 2005. On December 28, 2004, the Notice of Public Hearing was also posted in the Police Department lobby at City Hall and at the Pittsburg Library.

H. In accordance with Government Code Section 66016, the Notice of Public Hearing was mailed on December 28, 2004, to local residential development companies, local community and non-profit organizations, financial institutions and private individuals who had previously attended a Housing Element or inclusionary housing workshop. On January 4, 2005, a written summary of the proposed inclusionary housing in lieu and monitoring fee amounts was prepared and made available for review at a meeting held between City staff and interested members of the public, non-profit housing organizations and development community. Revised fee calculations requested by local developers were made available for review by the same interested parties at a second meeting held on January 7, 2005. A third summary, which included the final fee amounts that were to be recommended to the City Council, was made available for public review and was also mailed to development companies and non-profit organization representatives on January 18, 2005.

I. On January 18, 2005, the City Council opened the public hearing on the establishment of the inclusionary housing in lieu fees and inclusionary housing monitoring fees. As a result of the development company representatives' request for continued discussion with City staff in determination of the proposed fee amounts, the Council continued the hearing to the next regularly scheduled meeting of February 7, 2005.

J. On February 7, 2005, the City Council held a continued public hearing on the establishment of the inclusionary housing in lieu fees and inclusionary housing monitoring fees, at which time oral and/or written testimony was considered.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. Findings

The City Council hereby finds that based on the Staff Report entitled, "Establishment of an Inclusionary Housing In-Lieu Fee and Inclusionary Housing Monitoring Fee," dated February 7, 2005, and based on all the information contained in the Planning Department files on the inclusionary housing ordinance, adopted and incorporated here by reference and available for review in the Planning Department located at 65 Civic

Avenue, and based on all written and oral testimony presented at the public hearing that:

A. The Negative Declaration adopted by Ordinance No. 04-1229 was prepared in compliance with Public Resources Code Section 21000 et seq. (the California Environmental Quality Act, "CEQA") and the State CEQA Guidelines, that the Council has considered the information contained therein, and that the adopted Negative Declaration discusses and is adequate for purposes of consideration of the inclusionary housing ordinance fees.

B. The purpose of the inclusionary housing in lieu fee is to allow developers of residential projects an alternative to construction of affordable units as part of their market rate developments when the site location is not suitable for affordable housing, or when the calculated inclusionary requirement includes a "partial" unit. Because the in lieu fees would be used to fund acquisition and/or construction of new affordable units by private and non-profit developers, the inclusionary housing in lieu fees for ownership housing have been determined at four amounts that correspond to the difference between the cost of construction of a typical market rate unit (City of Pittsburg Inclusionary Housing Feasibility Study, August 2004, Tables 12 and 14) and the affordable sale price of that unit. This difference is equivalent to the subsidy necessary to construct a single-family detached residence (Low Density Owner Project) or small-lot single-family or attached/condominium residence (Owner Project), and to sell that unit affordably to an appropriately-sized Moderate, Low or Very Low income household. Because in lieu fees for Rental Projects are not an available option except in instances when the inclusionary requirement includes a fraction that is less than one-half (0.5) of a unit, the inclusionary in lieu fee has been determined at the cost of construction of the unbuilt "partial" unit. All inclusionary in lieu housing fees would be charged per inclusionary or partial inclusionary unit that is not built as part of a residential project and include a seven percent (7%) administrative charge for the City staff time necessary to manage the inclusionary housing in lieu fee account and to facilitate the development of the affordable units by another developer.

C. There is a reasonable relationship between the need for and use of the in lieu fee, and the residential development projects on which the fee would be imposed. Pittsburg currently has a majority of jobs in services and manufacturing sectors, and, correspondingly, a high percentage of low-income households that overpay for housing (Housing Element pages 13-11, 13-33, 13-36). As additional residential development in the City occurs, the increase in the local population will create increased need for service-based jobs (such as property maintenance, retail sales and food service, schools, libraries and emergency response) that offer salaries at or below moderate levels relative to the area median income. Additionally, continued development of executive-style housing consistent with Housing Element goals (program 13-P-1.2) will likely increase household income levels and median housing costs, pricing some Low and Moderate Income households out of the housing market (Housing Element pages 13-33, 13-67). In lieu fees collected from residential developers who opt not to build

inclusionary units would be used to construct housing that is affordable to employees of service-based businesses and other Low and Moderate Income households.

D. The purpose of the inclusionary housing monitoring fees is to fund ongoing monitoring and enforcement of inclusionary housing agreements. There is a reasonable relationship between the monitoring fee and the residential property owners that would be charged the fee. Specifically, the fees would re-imburse the City for staff time necessary to periodically review and ensure compliance with a unit's inclusionary requirements, including verification of income and size of eligible households on an annual basis (for rental units), or upon change of ownership (for for-sale units). The amounts of the monitoring fees are based on the estimated cost of staff time to conduct such reviews.

Section 2. Decision

A. Based on the findings set forth above, the City Council hereby establishes inclusionary housing in lieu fees and inclusionary housing monitoring fees in the following amounts:

Inclusionary Housing In Lieu Fees:

<u>Type of Residential Project</u>	<u>In-lieu Fee per Unbuilt Inclusionary Unit</u>
Low Density Owner Project	Moderate Income: \$ 34,200.00 Very Low Income: \$ 288,900.00
Owner Project	Low Income: \$ 146,600.00 Very Low Income: \$ 206,500.00
Rental Project	\$154,000.00 (multiplied by fraction, less than 0.5, of inclusionary unit required)

Inclusionary Housing Monitoring Fees:

<u>Type of Project</u>	<u>Amount of Monitoring Fee (per Inclusionary Unit)</u>	<u>Frequency of Payment of Fee</u>
Low Density Owner Project	\$ 100.00	Close of Escrow
Owner Project	\$ 100.00	Close of Escrow
Rental Project	\$ 35.00	Annually

B. The above fees shall become effective on April 8, 2005, sixty (60) days after the date of adoption of this resolution.

C. The Finance Director is hereby directed to establish a City Inclusionary Housing In Lieu Fee Fund and to place all inclusionary housing in lieu fees collected in said fund as they are received.

D. The Finance Director is hereby directed to place all inclusionary housing monitoring fees collected pursuant to the inclusionary ordinance in the appropriate fund which supports the staff who will be charged with the monitoring of inclusionary units.

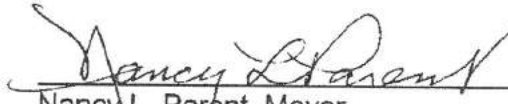
PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 7th day of February, 2005, by the following vote:

AYES: Council Member Casey, Glynn, Johnson, Kee and Mayor Parent

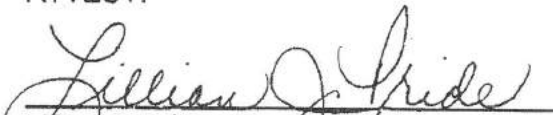
NOES: None

ABSTAINED: None

ABSENT: None


Nancy L. Parent, Mayor

ATTEST:


Lillian J. Pride, City Clerk



Office of the City Manager
65 Civic Avenue
Pittsburg, CA 94565

MEMO: February 7, 2005

TO: Mayor and Council Members

FROM: Marc S. Grisham, City Manager

RE: **ESTABLISHMENT OF AN INCLUSIONARY HOUSING IN LIEU FEE
AND INCLUSIONARY HOUSING MONITORING FEE.**

EXECUTIVE SUMMARY

The City's recently adopted inclusionary housing ordinance allows developers, in limited circumstances, to pay a fee to the City in lieu of constructing the required affordable units. The Council must establish by resolution the amounts of the fees before developers can utilize this in lieu fee option. The ordinance also allows the City Council to establish fees in order to defray City costs to monitor and enforce inclusionary housing agreements. Staff has drafted a resolution for Council consideration which establishes these fees.

FISCAL IMPACT

Funds collected in the form of in lieu fees would be used for construction of affordable units by another developer. Implementation of the inclusionary ordinance will require City staff to conduct ongoing monitoring in order to ensure compliance with the income and occupancy levels for specified affordable units. As proposed, the City would also be re-imbursed for the necessary additional staff time through payment of administration and monitoring fees on a per-residence basis.

RECOMMENDATION

City Council adopt the attached resolution establishing inclusionary housing in lieu and monitoring fees for the implementation of the inclusionary ordinance requirements.

City Council Staff Report.
Inclusionary Housing In Lieu Fee and Inclusionary Housing Monitoring Fee.
February 7, 2005

BACKGROUND

The public hearing on this item was opened at the Council meeting of January 18, 2005. However, in response to local developers' requests for additional time to review the fee amounts and alternative methods of calculation, staff recommended that the Council take no action on the item at that time. The Council moved to continue the public hearing to its next regular meeting of February 7, 2005.

On November 15, 2004, the Council adopted Ordinance No. 04-1229 adopting a negative declaration and amending the Pittsburgh Municipal Code in order to add Chapter 18.86: Inclusionary Housing, to the zoning ordinance. The inclusionary housing ordinance requires the construction of affordable housing units as part of all privately-constructed residential developments consisting of four or more units within the City. The ordinance includes incentives for developers to construct affordable units as part of their residential projects, and also includes options for alternative compliance with the ordinance. The ordinance also allows the City to charge a fee to developers and owners of affordable housing constructed under the ordinance in order to defray the City's costs to monitor affordability restrictions, including staff time spent verifying income levels of occupants and potential buyers of deed restricted affordable units.

Inclusionary Housing In Lieu Fee Option: The option for developers to pay the City a fee in lieu of constructing affordable units is one of the alternative compliance options allowed, in limited circumstances, by the inclusionary ordinance. The details of this alternative are outlined in Subsections 18.86.040.D and 18.86.080.C of the inclusionary ordinance. This alternative compliance measure is only available to developers in two situations:

1. When the residential project is a for-sale development and the project site is not suitable for affordable housing due to its distance from services, schools and transit, developers may opt to pay a fee as an alternative to constructing the required affordable units; or
2. When the project is either a rental or a for-sale project and the residential project's calculated inclusionary requirement includes a fraction that is less than 0.5, the project developer may opt to pay a pro rata fee for the "fractional" unit.

Inclusionary housing in-lieu fees paid to the City would be used to purchase existing residential units in order to convert them from market rate to affordable, and/or to help finance construction of new affordable units by another developer.

During two meetings with representatives of local development companies and nonprofit organizations, staff presented three alternative methods to calculating the amounts of the housing in lieu fees, using three combinations of construction costs, market prices and affordable sales prices. A summary of the three alternatives, the assumptions used for each, and the formulas to determine the in lieu fee amounts for each is attached to this staff report as Attachment 4.

City Council Staff Report.
Inclusionary Housing In Lieu Fee and Inclusionary Housing Monitoring Fee.
February 7, 2005

Housing In Lieu Fee Calculation: For-Sale Units: Staff recommends that the Council establish the ownership housing in lieu fee using the Construction-Affordability Gap, shown as Alternative 3 on Attachment 4 to this report. Developers would be charged in lieu fees for each inclusionary unit that they do not build as part of their development. As recommended, the in-lieu housing fee amounts for ownership units would be set at four amounts that are equivalent to the affordable housing developer's cost to build and sell a market rate unit at an affordable sales price.

To determine these amounts, staff began with the costs to construct a market rate unit in a residential development, using the construction costs of prototypical low density and low/medium density residential units as listed in Tables 12 and 14 of the Inclusionary Housing Feasibility Study prepared for the City in August 2004. Staff then subtracted the amount that the affordable housing developer could recoup by selling the house at an affordable sales price to an appropriately-sized Very Low, Low or Moderate income household. The difference, which is the recommended amount of the ownership housing in lieu fee, is equivalent to the subsidy that the affordable housing developer needs to build the unit and sell it affordably. Each in lieu fee amount is then increased by a 7% administrative charge for the City staff time necessary to manage the inclusionary housing in lieu fee account and to facilitate the development of the affordable units by another developer.

The recommended in lieu fees for ownership units are differentiated by income categories. This is done in order to increase the developer's options for compliance with the inclusionary ordinance. As an example, with fees differentiated by income level, if a developer of a residential project is required to dedicate 18 Moderate income units and 12 Very Low income units, the developer can either: 1) build all 30 of the requisite affordable units; or 2) request to pay in lieu fees for all 30 of the requisite affordable units; or 3) build the 18 Moderate income units as part of the market rate development, and request to pay in lieu fees for the remaining 12 Very Low income units.

Housing In Lieu Fee Calculation: Rental Units: In contrast with the in lieu fee for for-sale units, the housing in lieu fee for rental units is not based on an affordability gap. Instead, because in lieu fees for rental apartments are only allowed when the project's calculated requirement includes a fraction that is less than 0.5, the recommended fee amount is based strictly on the construction cost of the "partial" unit and does not assume any recouping of costs by the affordable housing developer (as with the owner models). The housing in lieu fee for rental units is also increased by a 7% administrative charge.

Recommended Inclusionary Housing In Lieu Fee Amounts: The five fee amounts in the following tables correspond to the three residential product types ("Low Density Owner Project," "Owner Project" and "Rental Project") identified in the inclusionary ordinance (Section 18.86.040). If the Council approves the in lieu fee option for a given development, the developer may pay all of the applicable housing in lieu fees prior to

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beginning any construction on the residential project, or to pro rate the total fees and pay a fraction at the time of issuance of a building permit for each market rate unit built in the residential development. For the ownership prototypes, the third column of the table shows what the pro rated fee would be per market rate unit, assuming the developer is allowed to pay the full 15% inclusionary requirement as in lieu fees.

Type of Residential Project	In Lieu Fee— (Construction-Affordability Gap per Inclusionary Unit Not Built)	In Lieu Fee per Market Rate Unit Built (0% Affordable Built)
Low Density Owner Project	Moderate Income: \$ 34,200	\$ 20,400
	Very Low Income: \$ 288,900	
Owner Project	Low Income: \$ 146,600	\$ 25,600
	Very Low Income: \$ 206,500	

Type of Residential Project	In Lieu Fee— (Construction Cost per Inclusionary Unit Not Built)	In Lieu Fee per Market Rate Unit Built
Rental Project	\$ 154,000 (multiplied by fraction less than ½)	Varies

Monitoring Fees: As recommended, monitoring costs would be \$100.00 per single-family house (due upon close of escrow of the inclusionary unit that is sold or re-sold) and \$35.00 per rental unit (paid annually by the project owner). These costs are based on the estimated staff time necessary to verify compliance with the provisions of the various affordable housing agreements, such as income levels and size of households seeking to purchase or rent inclusionary units.

Type of Project	Amount of Monitoring Fee (per Affordable Unit Built)	Frequency of Payment of Monitoring Fee
Low Density Owner Project	\$ 100.00	Close of escrow
Owner Project	\$ 100.00	Close of escrow
Rental Project	\$ 35.00	Annually

Required Findings and Effective Date of Fees: As part of the establishment of a new development fee, the Council must identify the purpose of the fee and the use to which the fee is to be put. The Council must find that there is a reasonable relationship between the type of development on which the fee would be imposed, and the use of and need for the fee. Additionally, the Council must determine that there is a

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reasonable relationship between the amount of the fee and the added demand (in this case, for affordable housing) created by the development (Gov. Code Section 66001).

Upon approval by the City Council, the fees would become effective 60 days after the date of adoption of the resolution and findings establishing the fees.

Public Notice: In accordance with Government Code Section 66018, a "Notice of Public Hearing" for this inclusionary housing ordinance fee schedule was published in the Ledger Dispatch newspaper on December 31, 2004, and on January 7, 2005. On December 28, 2004, the Notice of Public Hearing was also posted in the Police Department lobby at City Hall and at the Pittsburg Library.

In accordance with Government Code Section 66016, the Notice of Public Hearing was mailed on December 28, 2004, to local residential development companies, local community and non-profit organizations, financial institutions and private individuals who had previously attended a Housing Element or inclusionary housing workshop. On January 4, 2005, a written summary of the proposed inclusionary housing in lieu and monitoring fee amounts was prepared and made available for review at a meeting held between City staff and interested members of the public, non-profit housing organizations and development community. Revised fee calculations requested by local developers were made available for review by the same interested parties at a second meeting held on January 7, 2005. A third summary, which included the final fee amounts that were to be recommended to the City Council, was made available for public review and was also mailed to development companies and non-profit organization representatives on January 18, 2005.

STAFF ANALYSIS

The purpose of the affordable in lieu housing fee is to allow developers of residential projects an alternative to construction of affordable units as part of their market rate developments when the site location is not suitable for affordable housing or when the inclusionary requirement results in a "partial" unit. Because the in lieu fees would be used to fund construction and acquisition of new affordable units by private and non-profit developers, the recommended in lieu fees are equal the cost of construction of a "partial" rental unit, or for ownership units, are proposed at amounts that correspond to the subsidy necessary to construct and sell affordably a single-family detached residence and a small-lot single-family or attached/condominium residence (i.e., construction cost less affordable sales price).

There is a reasonable relationship between the need for and use of the in lieu fee, and the residential development projects on which the fee would be imposed. Pittsburg currently has a majority of its jobs in the services and manufacturing sectors, and, correspondingly, a high percentage of low-income households that overpay for housing (Housing Element pages 13-11, 13-33, 13-36). As additional residential development in the City occurs, the increase in the local population will create increased need for service-based jobs (such as property maintenance, retail sales and food service,

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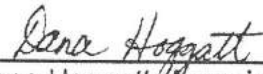
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schools, libraries and emergency response) that offer salaries at or below Moderate levels relative to the area median income. Additionally, continued development of executive-style housing consistent with Housing Element goals (program 13-P-1.2) will likely increase household income levels and median housing costs, pricing some Very Low, Low and Moderate Income households out of the housing market (Housing Element pages 13-33, 13-67). Fees collected from residential developers in lieu of creating inclusionary units would be used to construct housing that is affordable to employees working in these areas of service in the community.

The purpose of the administrative monitoring fees is to re-imburse the City for staff time necessary to periodically review and ensure compliance with a unit's inclusionary requirements, including verification of income and size of eligible households on an annual basis (for rental units), or upon change of ownership (for for-sale units). The recommended monitoring fees are based on the estimated cost of staff time to conduct such reviews.



Marc S. Grisham, City Manager

Report Prepared By: 
 Dana Hoggatt, Associate Planner
 MD

ATTACHMENTS:

1. Proposed Resolution
2. Negative Declaration (adopted November 15, 2004)
3. Inclusionary Housing Ordinance (Ord. No. 04-1229)
4. Summary of Alternative Methods to Calculate Housing In Lieu Fees and First-Time Homebuyer Affordability Analysis Table, dated January 12, 2005, with Cover Letter dated January 18, 2005
5. Table of Inclusionary Housing Fees of Other Cities
6. Notice of Public Hearing

ENVIRONMENTAL REVIEW CHECKLIST

Attachments - Page 43

AGENDA MEETING DATE: February 7, 2005
 AGENDA DATA DESCRIPTION: Establishment of an Inclusionary Housing In Lieu Fee and Inclusionary Housing Monitoring Fee.

ALL ACTIONS OF THE CITY COUNCIL MUST BE CONSIDERED FOR ENVIRONMENTAL REVIEW. COMPLETE THE CHECKLIST BELOW AND **ATTACH TO THE APPROPRIATE AGENDA DATA SHEET**. THE EXEMPTION, NEGATIVE DECLARATION OR EIR DETERMINATIONS MUST BE REFERENCED IN THE RESPECTIVE STAFF REPORT AND COPIES ATTACHED WHERE APPROPRIATE.

1. ☐ **This is not a project.** No environmental documents must be filed. A project is any activity which may cause a direct physical change in the environment or a reasonably foreseeable indirect change in the environment, and is either (1) undertaken by the City, (2) partly or fully subsidized by the City, or (3) permitted by the City. Only "discretionary projects" are subject to CEQA. Moreover, purchases for supplies, personnel related actions, emergency repairs and general policy-making are examples of actions which are not a project. If any of the following environmental factors would be potentially affected, further environmental review may still be required:

- | | | |
|--|---|---|
| ☐ Aesthetics | ☐ Agriculture Resources | ☐ Air Quality |
| ☐ Biological Resources | ☐ Cultural Resources | ☐ Geology/Soils |
| ☐ Hazards & Hazardous Materials | ☐ Hydrology/Water Quality | ☐ Land Use/Planning |
| ☐ Mineral Resources | ☐ Noise | ☐ Population/Housing |
| ☐ Public Services | ☐ Recreation | ☐ Transportation/Traffic |
| ☐ Utilities/Service Systems | ☐ Mandatory Findings of Significance | |

2. ☐ This is a project, but it is **statutorily exempt** under Section _____, Article 18 of the Guidelines for the Implementation of the California Environmental Quality Act or other applicable statutory exemption not listed in the Guidelines.
3. ☐ This is a project, but it is **categorically exempt** from environmental review under Section _____, Article 19 of the Guidelines for Implementation of the California Environmental Quality Act **and** no exceptions to the categorical exemption apply.
4. ☐ This is a project, but is subject to the "common sense" exemption to CEQA, because it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment. The basis for this determination must be set forth in writing in the Council's findings.
5. ☒ A ☒ **Negative Declaration** ☐ **Mitigated Negative Declaration** (ND/MND) was prepared for this project or the impacts were addressed under a previously adopted ND/MND.
6. ☐ An **Environmental Impact Report** (EIR) was prepared for this project or the impacts have been addressed under a previously completed and certified EIR, SCH No. _____. The EIR must be provided to Council for review and approval. As part of the project approval, the Council must adopt resolutions (re)certifying the EIR and adopting findings, a mitigation monitoring or reporting program and if necessary, a statement of overriding considerations.
7. ☐ This project falls under the "_____ " **Master EIR**, State Clearinghouse No. _____. The new Initial Study prepared pursuant to Section 21157.1 of the Public Resources Code must be attached to the Council materials for Council review and approval. The Council must adopt a resolution adopting certain required findings based on this Initial Study as part of the project approval.

REVIEWED AND APPROVED BY: Melissa Dykes, PLANNING DEPARTMENT

NOTE: CEQA regulations are located in the State Public Resources Code, which can be viewed on the internet at: www.leginfo.ca.gov. Should you need further assistance in determining the applicability of CEQA to a Council action, please contact Planning Staff x. 4920.
 H:Finance Forms/Form Environmental Review Checklist (10-19-04)

Attachment 2

CITY OF PITTSBURG NEGATIVE DECLARATION

INCLUSIONARY HOUSING ORDINANCE

Adopted by the Pittsburg City Council on: November 15, 2004

Notice is hereby given that the City of Pittsburg finds that no significant effect on the environment, as prescribed by the California Environmental Quality Act of 1970 (CEQA), as amended, will occur for the following proposed project:

1. Project Proponent: City of Pittsburg, 65 Civic Avenue, Pittsburg, CA 94565
2. Project Description: This is a City-initiated effort to adopt an ordinance amending Pittsburg Municipal Code in order to require the construction of affordable housing units in all privately-constructed developments within the City of Pittsburg. The amendment would add Chapter 18.86 of Part V: General Land Use Regulations of Title 18: Zoning, in order to incorporate an inclusionary housing requirement. In summary, the ordinance would be consistent with the minimum requirements for affordability as specified in Redevelopment Law, would apply to all new residential construction in the City of Pittsburg, and would require affordable housing as a component of all privately-constructed residential projects in the City. Affordability requirements would vary depending on the type of housing (density and ownership) constructed.
 - For ownership developments constructed on properties designated by the General Plan as *Low Density Residential*, *Hillside Low Density Residential*, or *Downtown Low Density Residential*, the minimum affordability requirement would be 20% for Moderate-income households, or 9% for Low-income and 6% Very Low-income households. Typical developments in this category include single-family detached residences.
 - For ownership developments constructed on properties designated by the General Plan as *Medium Density Residential* or *Downtown Medium Density Residential*, the minimum affordability requirement would be 20% for Low-income households, or 9% for Low-income and 6% for Very Low-income households. Typical developments in this category include single-family attached and townhouse developments.
 - For ownership developments constructed on properties designated by the General Plan as *High Density Residential*, *Downtown High Density Residential*, or *Mixed Use*, the minimum affordability requirement would be

20% for Low-income households, or 9% for Low-income and 6% for Very Low-income households. Typical developments in this category include stacked flat condominium developments.

- o For all rental developments, the minimum affordability requirement would be 9% for Low-income and 6% for Very Low-income, or 10% for Very Low-income, or 6% for Extremely Low-income households. Typical development in this category includes apartments.

The ordinance would include incentives for compliance as well as options for alternative compliance with the ordinance. Incentives to developers to construct affordable units would include deferred payment of local impact fees from building permit issuance to issuance of certificate of occupancy; financial subsidies; minor reductions in the sizes and/or number of rooms (formal living rooms, formal dining rooms, bathrooms) in the affordable units; and 0.25 credit for construction of large family rental units.

Alternative compliance measures would include opportunities for developers to dedicate buildable land for construction of affordable units by another developer; to pay fees in lieu of partial construction of affordable units (when the calculated requirement includes a fractional unit); to purchase price-restriction covenants in existing developments; or to construct affordable units of the same or comparable size and construction type off-site of the proposed residential development.

The ordinance would establish affordability requirements at the following income thresholds based on area median income (AMI): Moderate-income – up to 110% of AMI; Low-income (for ownership units) – up to 70% of AMI; Low-income (for rental units) – 60% of AMI; Very Low-income – up to 50% of AMI; and Extremely Low-income – up to 30% of AMI. AMI is based on the annual median income in Contra Costa County (currently \$82,200.00 for a household of four people).

3. Project Location: City-wide
4. Finding: The Planning Director has determined that the project described above will not have a significant effect on the environment.
5. Statement of Reasons in Support of the Finding: The inclusionary ordinance would not directly entitle any residential development proposal within the City. Individual developments' potential impacts on the natural and built environment would be reviewed at a project-specific level as their applications are submitted for review. General Plan policies adopted in order to reduce potential impacts to wildlife and wetland habitats, water quality and cultural and historic resources, traffic and transportation, recreational facilities and public services, will remain operative after adoption of the inclusionary ordinance. Each future application for residential development would be subject to the affordability requirements in the

ordinance, but would also be reviewed for consistency with adopted General Plan policy in order to minimize each future development's potential impacts.

Impacts resulting from this project were found to be less-than-significant in the following areas: Land Use and Planning, Population and Housing, Geological Problems, Water, Air Quality, Transportation/Circulation, Biological Resources, Energy and Mineral Resources, Hazards, Noise, Public Services, Utilities and Service Systems, Aesthetics, Cultural Resources, Recreation, and Mandatory Findings of Significance.

6. Initial Study: A description of the project, environmental analysis/initial study of the potential effects of the subject proposal, and documents referenced in the initial study may be reviewed at the City of Pittsburg Planning Department, located at 65 Civic Avenue, Pittsburg, CA 94565. The Environmental Impact Reports (EIR) for the General Plan and Los Medanos Community Development Plan are included as reference and are also available for review at the City of Pittsburg Planning Department.

Attachment 3

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

ORDINANCE NO. 04-1229

Ordinance Amending Pittsburgh Municipal)
Code in order to Add Chapter 18.86 of)
Part V: General Land Use Regulations of)
Title 18: Zoning ("Inclusionary Housing"))

The City Council of the City of Pittsburgh DOES ORDAIN as follows:

SECTION 1. Recitals.

A. Based on U.S. Census 2000 data, 49 percent of all households in Pittsburgh earn 80 percent or less than the area median income (AMI) and thereby qualify as Low or Very Low Income Households. Additionally, 36 percent of households in Pittsburgh spend more than 30 percent of their income on rent or mortgage and associated housing costs such as utilities and insurance. Census data also indicates that the 3.2 person average household size in Pittsburgh is higher than that for the County as a whole, which has an average household size of 2.72 persons per household; however, the existing housing stock is inadequate for the number of large households in the City. Specifically, 23 percent of renter and 10 percent of owner households in the City are overcrowded, with occupancies in excess of 1.01 persons per room. Census data further indicates that one-fifth, or 20 percent of households in the City are female-headed households, who are generally disadvantaged by lower average incomes and lower rates of auto and homeownership when compared to male counterparts.

B. November 17, 2003, the City Council adopted Resolution No. 04-9985 amending the Housing Element for the City of Pittsburgh. The City Council, as part of its adoption of the Housing Element, committed the City to the development of housing that is affordable to all income levels. Specifically, it is the City's goal to create 1,500 units affordable to Above Moderate Income Households; 268 units affordable to Moderate Income Households; 281 units affordable to Low Income Households; 347 units affordable to Very Low Income Households; and 59 units affordable to Extremely Low Income Households within the 1999 through 2006 reporting period. In order to meet these objectives, the City Council, as part of its adoption of the Housing Element, adopted program 13-P-2.4(J) committing the City to evaluate the need for an inclusionary housing ordinance with options for in-lieu fees or land dedication. The City Council determined that adoption of an inclusionary requirement was necessary if the City was to meet its affordable housing objectives, and initiated the process to prepare such an ordinance.

C. By Minute Order at a regular meeting held on February 2, 2004, the City Council accepted a work program and time line to establish an inclusionary housing ordinance in or prior to the month of February, 2005.

D. On April 5, 2004, the Council adopted Resolution No. 04-10050 appropriating funds for the consulting firm of David Paul Rosen and Associates (DRA) to prepare an inclusionary housing feasibility study and ordinance.

E. On June 3, 2004, and July 28, 2004, DRA held public workshops at the Civic Center in an effort to introduce the intent of the study, obtain public input, and to present the findings of the feasibility study completed in July 2004.

F. The feasibility study completed by DRA found that, under current market conditions, prototypical single-family and ownership residential development would be feasible with or without an inclusionary requirement. The study also found that multi-family rental development with or without an inclusionary requirement is generally infeasible under current market conditions, though a prototypical multi-family development of 22 units per acre was feasible with or without inclusionary requirements, with a density bonus and higher assumed financial risk. The study further analyzed the strengths and weaknesses of various incentives for developers to construct affordable housing and discussed alternative compliance options for construction of affordable units.

G. On September 7, 2004, and September 20, 2004, DRA held two public workshops with members of the public, City Council and Planning Commission. Based on the direction from the Council and Commission at the September 20, 2004, workshop, DRA and staff prepared a draft inclusionary housing ordinance which sets criteria for minimum affordability requirements for both ownership and rental residential projects, establishes incentives, and provides measures for alternative compliance with the ordinance.

H. In order to approve an amendment to the Zoning Ordinance, the Council, upon recommendation by the Commission, must find that the amendment is consistent with the objectives, policies, general land uses and programs in the General Plan; that the land use regulation is compatible with uses and regulations of the land use district or districts for which it is proposed; that there is a community need for the zoning change; and that the change will be in conformity with public convenience, general welfare, and good zoning practice (PMC Section 18.16.020).

1. The proposed inclusionary ordinance is consistent with the General Plan. The ordinance would implement Land Use Element goals 2-G-4 and 2-G-5 and Housing Element goals 13-G-1 and 13-G-2, which support expansion and diversification (in density and type) of the City's housing stock, and ensure that housing is made affordable to all income levels. The ordinance would also implement Housing Element policies 13-P-2.4 and 13-P-2.5, which commit the City to increase the supply of rental housing and homeownership opportunities available and affordable to Extremely Low, Very Low, Low and Moderate Income Households.
2. Incentives adopted with the ordinance would offer developers opportunities to construct small lot single-family infill projects to meet the inclusionary

requirements for estate-lot single-family and hillside estate projects. This component of the ordinance is consistent with adopted General Plan policies 2-P-16, 2-P-19, 2-P-59, 4-P-75, 5-P-5, 5-P-9 and 5-P-21, which encourage development of housing at a range of densities, including low-density hillside development and multiple-unit high-density, mixed use and small lot development on infill and other sites accessible to transit and services. Incentives in the ordinance would also comply with Downtown Element policies 5-P-19, 5-P-24 and 5-P-45, in support of affordable large family housing and reductions in parking requirements in areas of the downtown that are designated for high-density multi-family housing.

3. The proposed inclusionary ordinance is compatible with uses and regulations of the land use districts for the residential and commercial (i.e., mixed use) districts for which it is proposed. The inclusionary ordinance, while it would require development of affordable housing in conjunction with new residential development and would allow some flexibility in development regulations, would not supersede the permitted land uses and maximum densities adopted for the respective zoning districts within which the development would occur; specifically, new residential development must still conform to the allowable uses, density ranges and density bonus standards of the base district regulations as identified in Parts III and IV of the Zoning Ordinance and in City Council Ordinance No. 04-1216 (Interim Zoning Ordinance). Where dedication of land would be permitted by the inclusionary ordinance, the ordinance would still require that the dedicated land be appropriately zoned with adequate density to accommodate regional affordable housing units.
4. There is a community need for the inclusionary ordinance. Almost half of the households in Pittsburg are below Moderate income level, over one-third of households in Pittsburg are overpaying for housing, and 15 percent of all households in Pittsburg are overcrowded. The ordinance is necessary to ensure that a portion of all new rental and ownership housing is reserved for appropriately-sized Extremely Low, Very Low, Low and Moderate Income Households, in order to reduce the percentage of households in the City that are overcrowded and that overpay for housing. Components included in the ordinance would offer developers incentives to create rental housing for large families, also in an effort to reduce the percentage of overcrowded households. Additional incentives in the ordinance would offer reductions from the minimum parking requirements in the Zoning Ordinance and dedication of land within reasonable distance to public facilities, schools, parks, transit, retail and services. These incentives would serve to reduce developers' costs of compliance and would accommodate lower-income households (such as female-headed households) that may not be able to afford a personal vehicle.
5. The inclusionary ordinance would be in conformity with the public convenience, general welfare and good zoning practice. The ordinance would ensure the development of affordable housing necessary for the City to

meet its quantified housing objectives for all income levels, and would ensure that housing is developed to accommodate the high percentage of households in the City that have income levels at or below Moderate income level. The ordinance would also ensure that affordable housing is created and distributed throughout the City on appropriately-zoned sites and, for rental and Very Low income units, on properties that are accessible to and within reasonable distance of public facilities and services.

I. Amendments to zoning ordinances are subject to the California Environmental Quality Act (Public Resources Code (PRC) Section 21080(a)). On October 7, 2004, A Notice of Intent to Adopt a Negative Declaration for this inclusionary housing ordinance was filed with the County Clerk and was posted at City Hall and at the Pittsburg Library, the Planning Director having found that no significant effects upon the environment would occur as a result of this project. The Notice specified the beginning and ending dates of the public review period on the proposed Negative Declaration; a brief description of the project; the location where information on the project and other supporting documentation were available for review; and the date, time and location of the October 12, 2004, Commission public hearing on the project. On October 8, 2004, the Notice of Intent was also published in the local newspaper (Ledger Dispatch) and mailed to individuals and organizations who previously filed written request for such notice, in accordance with State PRC Sections 21092, 21092.2 and 21092.3.

J. On October 10, 2004, and October 26, 2004, the Planning Commission held two duly noticed public hearings on the Inclusionary Housing Ordinance. Following the close of the public hearing on October 26, 2004, the Planning Commission by vote of 6 to 0 (one Commissioner absent) moved to adopt Resolution No. 9530 recommending that the City Council amend Pittsburg Municipal Code in order to add Chapter 18.86: Inclusionary Housing, as presented in Exhibit A to that Resolution.

K. On October 22, 2004, a "Notice of Public Hearing" for the inclusionary housing ordinance was published in the local newspaper, posted at City Hall and the Pittsburg Library, and mailed out to individuals and organizations that requested such notice, in accordance with PMC Section 18.14.010 and Government Code Section 65090. Notice was also mailed to local development companies, community and non-profit organizations and private individuals who had previously attended a Housing Element or inclusionary housing workshop.

L. On November 1, 2004, the City Council held a public hearing on the inclusionary housing ordinance, at which time oral and/or written testimony was considered.

SECTION 2. Findings.

The City Council hereby finds that based on the Staff Report entitled, "Inclusionary Housing Ordinance," dated November 1, 2004, and based on all the information contained in the Planning Department files on the project, adopted and

incorporated here by reference and available for review in the Planning Department located at 65 Civic Avenue in Pittsburgh, and based on all written and oral testimony presented at the public hearing that:

A. The Negative Declaration and Initial Study prepared for this project were prepared in compliance with CEQA, State and City guidelines, and that the Council has independently reviewed and considered the information contained therein.

B. The amendment to the text of the Zoning Ordinance to add a requirement for inclusionary housing is consistent with the General Plan. The ordinance would implement Land Use, Downtown and Housing Element goals in support of diversity in the density, type and affordability of residential units in the City, and implements Housing Element goals and policies that commit the City to increasing its supply of housing affordable to Extremely Low, Very Low, Low and Moderate Income Households. As an incentive to developers, the ordinance supports development of affordable units at low densities; offers reductions to minimum parking requirements of the Zoning Ordinance; promotes creation of large-family, medium- and high-density rental, mixed use and small-lot single-family developments; and encourages dedication of land or construction of Extremely Low and Very Low income-appropriate units on infill and other sites accessible to public facilities, transit and services.

C. The addition of an inclusionary requirement in the Zoning Ordinance is compatible with uses and regulations of the land use districts for the residential and commercial (i.e., mixed use) districts for which it is proposed. The inclusionary ordinance would require development of affordable housing in conjunction with new residential development, but new residential development must still comply with the use and density regulations identified in Parts III and IV of the Zoning Ordinance and in the Interim Zoning Ordinance. The inclusionary ordinance would also require that any land dedicated in lieu of constructing affordable units be appropriately zoned and allow adequate density to accommodate regional affordable housing needs.

D. There is a community need for the inclusionary ordinance. The ordinance is necessary to ensure that a portion of the community's rental and ownership housing is reserved and affordable for appropriately-sized Extremely Low, Very Low, Low and Moderate Income Households, in order to reduce the percentage of households in the City that are overcrowded and that overpay for housing. The ordinance would encourage developers to create rental housing to add to the currently insufficient supply of rental housing for large families, many of whom live in overcrowded conditions. Additional incentives to reduce parking requirements would serve to reduce developers' costs of compliance, and options to dedicate land near public facilities, transit and services and would accommodate lower-income households (such as female-headed households) that may not be able to afford a personal vehicle.

E. The inclusionary ordinance is in conformity with the public convenience, general welfare and good zoning practice. The ordinance would ensure the development of affordable housing necessary for the City to meet its regional fair share housing allocation and quantified housing objectives for all income levels, and would ensure that housing is developed to accommodate the high percentage of households

in the City that have income levels at or below Moderate income level. The ordinance would also ensure that affordable housing is developed throughout the City, on appropriately-zoned sites and on properties that are within reasonable distance of public facilities and services.

SECTION 3. Approval.

Based on the findings and the authority set forth above, the City Council hereby adopts the Negative Declaration, and amends Part V: General Land Use Regulations of Title 18: Zoning of Pittsburgh Municipal Code, in order to add Chapter 18.86: Inclusionary Housing, to read as follows:

Chapter 18.86 INCLUSIONARY HOUSING

Sections:

- 18.86.010 Purpose.
- 18.86.020 Applicability.
- 18.86.030 Definitions.
- 18.86.040 Basic Requirements.
- 18.86.050 Performance Standards for Affordable Units.
- 18.86.060 Incentives for On-site Compliance.
- 18.86.070 Financial Subsidies.
- 18.86.080 Alternatives to Construction of Affordable Units On-site of Owner Projects or Low Density Owner Projects.
- 18.86.090 Time Performance Required.
- 18.86.100 Continued Affordability; City Review of Occupancy.
- 18.86.110 Use and Expenditure of Fees.
- 18.86.120 Affordable Housing Agreement.
- 18.86.130 Enforcement.
- 18.86.140 Severability.

18.86.010 Purpose.

The purpose of this Chapter is to establish minimum requirements, incentives, and alternative measures by which to ensure the provision of safe, decent and affordable housing for all segments of the City's population, regardless of household income.

18.86.020 Applicability.

A. The regulations of this Chapter shall apply to any residential development of five (5) or more dwelling units or residential lots, or dwelling units and residential lots which total five (5) or more in combination.

B. In order to prevent evasion of the provisions of this Chapter, contemporaneous construction of five (5) or more dwelling units on a lot, or on contiguous lots for which there is evidence of common ownership or control, even though not covered by the same City land use approval, shall also be subject to the regulations of this Chapter.

C. A residential development shall be exempt from this Chapter if:

1. The project is subject to a development agreement executed by the project developer and the City, and the project has an inclusionary housing component as approved by the City; or,
2. The project has an inclusionary housing component adopted as part of the approval of a prior City entitlement; or,
3. Prior to the effective date of this Chapter, the City has approved all discretionary planning approvals necessary for the project, including rezoning, general plan change, major subdivision, use permit, or design review approvals.
4. The project replaces Market Rate Units that have been destroyed by fire or other natural catastrophe, provided that the replacement units are built on the same site as the destroyed units, and the number of dwelling units and total building square footage is not higher than that of the destroyed Market Rate Units.

D. Notwithstanding any other provision of this Chapter, the requirements of this Chapter shall be waived, adjusted or reduced if the developer of the Residential Project demonstrates to the City Council, as part of the first approval for the Residential Project and/or as part of any appeal process for the first approval, that applying the requirements of this Chapter would take property in violation of the U.S. or California Constitution.

18.86.030 Definitions.

A. Affordable Ownership Price. Affordable Ownership Price means a sales price that results in a monthly housing payment consistent with California Health and Safety Code Section 50052.5(b), as amended from time to time.

1. For Very Low Income Households, monthly housing payment during the first calendar year of a household's occupancy, including mortgage interest and principal payments, property taxes, mortgage insurance, homeowner's insurance, homeowners' association dues, allowances for utilities and property maintenance costs, and any assessments paid by homeowners, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of fifty percent (50%) of the area median income allowed for appropriately-sized Very Low Income Households.

2. For Lower Income Households, monthly housing payment during the first calendar year of a household's occupancy, including mortgage interest and principal

payments, property taxes, mortgage insurance, homeowner's insurance, homeowners' association dues, allowances for utilities and property maintenance costs, and any assessments paid by homeowners, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of seventy percent (70%) of the area median income allowed for appropriately-sized Lower Income Households.

3. For Moderate Income Households, average monthly housing payments, during the first calendar year of a household's occupancy, including mortgage interest and principal payments, property taxes, homeowner's insurance, homeowners' association dues, allowances for utilities and property maintenance costs, and any assessments paid by homeowners, is equal to or less than one-twelfth (1/12) of thirty-five percent (35%) of one hundred ten percent (110%) of the area median income allowed for appropriately-sized Moderate Income Households.

B. Affordable Rent. The definition of Affordable Rent shall be consistent with California Health and Safety Code Section 50053, as amended from time to time.

1. For Extremely Low Income Households, monthly rent, including utilities and all fees for housing services, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of thirty percent (30%) of the area median income allowed for appropriately-sized Extremely Low Income Households.

2. For Very Low Income Households, monthly rent, including utilities and all fees for housing services, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of fifty percent (50%) of the area median income allowed for appropriately-sized Lower Income Households.

3. For Low Income Households, monthly rent, including utilities and all fees for housing services, is equal to or less than one-twelfth (1/12) of thirty percent (30%) of sixty percent (60%) of the area median income allowed for appropriately-sized Lower Income Households.

C. Affordable Unit. Dwelling units that are required under this Chapter to be rented at an Affordable Rent or available at an Affordable Ownership Price to specified households, and occupied by specified households.

D. Appropriately-sized. "Appropriately-sized" shall be consistent with California Health and Safety Code Section 50052.5(h), as amended from time to time, and shall be based on presumed maximum occupancy levels of one person in a studio apartment, two (2) persons in a one (1) bedroom unit, three (3) persons in a two (2) bedroom unit, and one additional person for each additional bedroom thereafter.

E. Area Median Income. Area median income as published pursuant to California Code of Regulations, Title 25, Section 6932 (or its successor provision).

F. Eligible Household. A household whose household income does not exceed the maximum specified in this section for a given Affordable Unit.

- G. **Extremely Low Income Household.** The definition of Extremely Low Income Household shall be consistent with California Health and Safety Code Section 50106, as amended from time to time. Extremely Low Income Household means persons and families whose income does not exceed thirty percent (30%) of area median income, adjusted for household size.
- H. **Extremely Low Income Renter Unit.** Extremely Low Income Renter Unit means a dwelling unit that is reserved at an Affordable Rent for Extremely Low Income Households.
- I. **Household Income.** The combined adjusted gross income for all adult persons living in a dwelling unit as calculated for the purpose of the Section 8 program under the United States Housing Act of 1937, as amended, or its successor.
- J. **Low Density Owner Project.** Low Density Owner Project means a Residential Project, or portion thereof, intended to be sold to owner-occupants upon completion, and constructed in a *Low Density Residential* or *Hillside Low Density Residential* area as designated in the City of Pittsburg General Plan.
- K. **Lower Income Household.** The definition of Lower Income Household shall be consistent with California Health and safety Code Section 50079.5, as amended from time to time. Lower Income Household means persons and families whose income does not exceed eighty percent (80%) of area median income, adjusted for household size.
- L. **Lower Income Owner Unit.** Lower Income Owner Unit means a dwelling unit in a Residential Project that is reserved for purchase at construction completion at an Affordable Ownership Price for a Lower Income Household.
- M. **Lower Income Renter Unit.** Lower Income Renter Unit means a dwelling unit in a Residential Project that is reserved at an Affordable Rent for a Lower Income Household.
- N. **Market Rate Units.** Dwelling units in Residential Projects that are not Affordable Units under Subsection C of this Section.
- O. **Moderate Income Household.** The definition of Moderate Income Household shall be consistent with California Health and Safety Code Section 50093, as amended from time to time. Moderate Income Household means persons and families whose income does not exceed one hundred-twenty percent (120%) of area median income, adjusted for household size.
- P. **Moderate Income Owner Unit.** Moderate Income Owner Unit means a dwelling unit in a Residential Project that is reserved for purchase at construction completion at an Affordable Ownership Price for a Moderate Income Household.
- Q. **Owner Project.** A Residential Project, or portion thereof, which is intended to be sold to owner-occupants upon completion and is not a Low Density Owner Project.
- R. **Rental Project.** A Residential Project, or portion thereof, which is intended to be rented to tenants upon completion.

S. Residential Project. Any planned development district, subdivision map, conditional use permit, design review or other discretionary City land use approval which entitles five (5) or more dwelling units or residential lots, or dwelling units and residential lots which total five (5) or more in combination.

T. Very Low Income Household. The definition of Very Low Income Household shall be consistent with California Health and Safety Code Section 50105, as amended from time to time. Very Low Income Household means persons and families whose income does not exceed fifty percent (50%) of area median income, adjusted for household size.

U. Very Low Income Owner Unit. Very Low Income Owner Unit means a dwelling unit that is reserved for purchase at construction completion at an Affordable Ownership Price for a Very Low income Household.

V. Very Low Income Renter Unit. Very Low Income Renter Unit means a dwelling unit that is offered at an Affordable Rent for a Very Low Income Household.

18.86.040 Basic Requirements.

A. For Rental Projects:

1. At least nine percent (9%) of all new dwelling units shall be Lower Income Renter Units and six percent (6%) of all new dwelling units shall be Very Low Income Renter Units; or,
2. At least ten percent (10%) of all new dwelling units shall be Very Low Income Renter Units; or,
3. At least six percent (6%) of all new dwelling units shall be Extremely Low Income Renter Units.

B. For Low Density Owner Projects:

1. At least nine percent (9%) of all new dwelling units shall be Moderate Income Owner Units and six percent (6%) of all new dwelling units shall be Very Low Income Owner Units; or,
2. At least twenty percent (20%) of all new dwelling units shall be Moderate Income Owner Units.

C. For Owner Projects:

1. At least nine percent (9%) of all new dwelling units shall be Lower Income Owner Units and six percent (6%) of all new dwelling units shall be Very Low Income Owner Units; or,

2. At least twenty percent (20%) of all new dwelling units shall be Lower Income Owner Units.

D. When the application of the Affordable Unit requirements set forth in the applicable Subsection A, B or C of this Section results in a number that includes a fraction, and the fraction is 0.5 or greater, the developer of the Residential Project must construct the next higher whole number of Affordable Units. When the application of the Affordable Unit requirements set forth in the applicable Subsection A, B or C of this Section results in a number that includes a fraction, and the fraction is less than 0.5, the developer may elect to construct the next higher whole number of Affordable Units or to pay a pro-rata fee to the City in lieu of constructing an Affordable Unit pursuant to Subsection 18.86.080.C. The in lieu fee permitted by this Subsection D shall be equal to the adopted in lieu fee multiplied by the fractional remainder resulting from applying the requirements of the applicable Subsection A, B or C of this Section.

E. The Affordable Units constructed as required under the applicable Subsection A, B or C of this Section shall be approved and completed not later than the times prescribed in Section 18.86.090.

F. For purposes of calculating the number of Affordable Units required by the applicable Subsection A, B or C of this Section, any additional units authorized as a density bonus pursuant to California Government Code Section 65915(b)(1) or (b)(2) shall not be counted as part of the Residential Project.

18.86.050 Performance Standards for Affordable Units.

A. Affordable Units shall be comparable in overall number of bedrooms, proportion of units in each bedroom category, quality of exterior appearance and overall quality of construction to market rate units in the same residential project.

B. Interior features and finishes in affordable units shall be durable, of good quality and consistent with contemporary standards for new housing.

C. A minimum of one (1) full bathroom and one half (0.5) bathroom must be provided in three bedroom Affordable Units, and a minimum of two (2) full bathrooms must be provided in Affordable Units with a minimum of four bedrooms.

18.86.060 Incentives for On-site Compliance.

Subject to the approval of the Planning Commission in conjunction with the Commission's consideration of a vesting tentative map, tentative map, use permit or design review application for the Residential Project, compliance with the basic requirements of the applicable Subsection A, B or C of Section 18.86.040 may include one or more of the following incentives:

- A. For Low Density Owner Projects, Affordable Units required by Subsection 18.86.040.B may be constructed as single-family dwelling units on smaller lot sizes and on the same project site as Market Rate Units. Notwithstanding the minimum lot area requirements of Section 18.50.015 of this Title, the minimum lot size for Affordable Units shall be determined by the Planning Commission in conjunction with its consideration of the tentative map for the Residential Project. All of the Affordable Units constructed under this Subsection A must have a minimum of three bedrooms.
- B. For Owner Projects, Affordable Units required by Subsection 18.86.040.C may be constructed as single-family detached dwelling units, single-family attached dwelling units or condominium dwelling units on the same site as Market Rate Units. Notwithstanding the minimum lot area requirements of Section 18.50.015 of this Title, the minimum lot size for Affordable Units shall be determined by the Planning Commission in conjunction with its consideration of the tentative map for the Residential Project. All of the single-family detached Affordable Units constructed under this Subsection B must have a minimum of three bedrooms. A minimum of one-third (1/3) of the single-family attached or condominium Affordable Units constructed under this Subsection B must have a minimum of three bedrooms.
- C. Affordable Units may be a maximum of ten percent (10%) smaller in square footage than Market Rate Units in the same Residential Project.
- D. Affordable Units may have a fewer number of bathrooms than Market Rate Units in the same Residential Project, but in no case shall Affordable Units have fewer than the number of bathrooms per bedrooms as specified in Subsection 18.86.050.C.
- E. Affordable Units may have a different interior design than Market Rate Units in the same Residential Project.
- F. Affordable Units may have different interior finishes and features than Market Rate Units in the same Residential Project, provided that the finishes and features are durable, of good quality and consistent with contemporary standards for new housing.
- G. Minimum off-street parking requirements may be reduced from the requirements of Chapter 18.78 of this Title, for Affordable Units and Market Rate Units in the same Residential Project, provided that the Residential Project is located within walking distance to transit facilities or is a mixed use Residential Project located in the downtown commercial area of the New York Landing Historical District. In order to reduce parking requirements for a Residential Project, the Planning Commission must find that the reduction in parking will reduce demand for on-site parking in an amount equal to the reduction approved, and that the proposed parking ratio will not negatively impact parking facilities in the area.
- H. Payment of in lieu parkland dedication fees, local traffic mitigation fees and building inspection fees typically required upon issuance of a building permit may be deferred until the developer of the Residential Project requests a final inspection for occupancy of the dwelling unit for which the permit was issued.

I. Four-bedroom Affordable Units may be constructed in Rental Projects and shall be credited as one and one-quarter (1.25) of a unit in the calculation of total Affordable Units required in Rental Projects pursuant to Subsection 18.86.040.A.

J. The number of dwelling units in a Residential Project may be increased in accordance with density bonus law (Government Code Section 65915).

18.86.070 Financial Subsidies.

At the request of the developer, and subject in each case to the approval of the City Council and Redevelopment Agency, the City and Redevelopment Agency will consider providing public subsidy of Residential Projects which:

- A. Provide an amount of Affordable Units in excess of the requirements of this Chapter; or,
- B. Provide four-bedroom Affordable Units, and the methodology for calculating the number of Affordable Units in a Rental Project as described in Subsection 18.86.060.I is not used; or
- C. Serve households with lower incomes than required under the applicable Subsection A, B or C of Section 18.86.040, while providing the same, or greater number of Affordable Units required under the applicable Subsection A, B or C of Section 18.86.040.

18.86.080 Alternatives to Construction of Affordable Units On-site of Owner Projects or Low Density Owner Projects.

A. Information and Finding Required. In lieu of building all required Affordable Units within an Owner Project or Low Density Owner Project, a developer may elect to meet the basic affordability requirements of this Chapter by utilizing one of the alternatives listed in Subsections B, C, D and E of this Section. Any request for off-site construction of Affordable Units, land dedication, in lieu fee payment or conversion of existing Market Rate Units to Affordable Units shall include a written explanation of why the alternative compliance measure is being requested. The request for off-site compliance shall be subject to the discretion of the City Council, who may approve the request upon finding that the requested off-site compliance measure would provide an opportunity for public benefit not otherwise obtainable through on-site construction.

B. Off-site Construction of Affordable Units. In lieu of building all required Affordable Units within an Owner Project or a Low Density Owner Project, a developer may request to construct, or make possible construction by another developer, all or some Affordable Units on a site or sites not physically contiguous to the Market Rate Units. Pursuant to Subsection A of this Section, any City Council approval of a request to construct Affordable Units off-site will include a requirement that:

1. The number of Affordable Units constructed off-site will be greater than the number of Affordable Units required by the applicable Subsection A, B or C of Section 18.86.040, or will be affordable to households with lower incomes than would otherwise be required by the applicable Subsection A, B or C of Section 18.86.040; and
2. The developer purchase the site for the off-site Affordable Units, secure all planning entitlements, and record affordability covenants against the site prior to issuance of a building permit for the related Market Rate Units; and
3. Final inspections for occupancy for the related Market Rate Units are completed after those for the off-site Affordable Units, or the off-site Affordable Units are secured by a letter of credit from the developer in an amount at a minimum equal to the in lieu fee amount described under Subsection C of this Section; and
4. For Low Density Owner Projects, the Affordable Units allowed by this Subsection A may be constructed as rental Affordable Units, provided that each Affordable Unit shall have a minimum of three bedrooms and the Affordable Units are reserved as Lower Income Renter Units, Very Low Income Renter Units or Extremely Low Income Renter Units in accordance with the basic requirements listed in Subsection 18.86.040.A.

C. **Fee In Lieu of Construction.** Subject to the discretion of the City Council, a developer of a Residential Project is permitted to pay fees in lieu of constructing Affordable Units if the City Council finds that the Residential Project site is not suitable for affordable housing. To determine suitability for affordable housing, the City will consider issues such as proximity to schools, shopping, public transportation, and recreational amenities. In lieu fees shall be paid upon issuance of the first building permit for a Residential Project. If building permits are issued for only part of a Residential Project, the fee amount shall be based only on the number of units then permitted. The in lieu fee shall be set by the City by fee resolution or other action of the City Council so that the fee amounts are equal to the cost of developing a comparable Market Rate Unit on-site. The City Council may annually review the fee authorized by this Subsection C, and may, based on that review, adjust the fee amount by resolution.

D. **Land Dedication.** In lieu of building all or a portion of the Affordable Units within a Residential Project, a developer may dedicate, without cost to the City, a lot or contiguous lots sufficient to accommodate at a minimum the number of required Affordable Units for the Residential Project that the developer elects not to build on-site. Wherever dedication of land is allowed by this Chapter, the value of the land shall be determined by the City with a written appraisal report prepared and signed by an appraiser acceptable to the City. If the appraised value of the land is less than the total amount of in lieu fees otherwise required pursuant to Subsection C of this Section, the developer shall dedicate the land and pay an in lieu fee that is equal to the difference between the appraised value of the land and the total amount of in lieu fees otherwise required by Subsection C of this Section.

Pursuant to Subsection A of this Section, the acceptance of an offer to dedicate land in lieu of compliance with other provisions of this Chapter is subject to the discretion of the City Council, who shall consider whether:

1. The true value of the lot or lots to be dedicated is equal to or greater than the amount of in lieu fees based on the cost to construct the otherwise required Affordable Units; and
2. The lot or lots are suitable for construction of Affordable Units at a feasible cost, served by utilities, streets and other infrastructure and there are no hazardous materials or other material constraints on development of affordable housing on the lot or lots; and
3. The lot or lots are located near schools, transit, and services appropriate for an affordable housing project; and
4. The lot or lots are appropriately zoned with adequate density to accommodate the developer's net affordable housing unit requirement; and
5. When dedicated to the City, the lot or lots will exhibit clear title; and
6. Any other terms and conditions as required by the City will be satisfied at the discretion of the City Manager or the Manager's designee.

E. Purchase of Off-Site Covenants. At the discretion of the City Council, a developer may elect to impose affordability covenants that restrict rents or sale prices of dwelling units in an off-site housing development to satisfy the requirements of this Chapter. The affordability covenants must be sufficient to meet the definition of Affordable Units and meet the requirements set forth in Section 18.86.040 and Section 18.86.100.

The imposition of affordability covenants may only satisfy fifty percent (50%) of the Affordable Unit requirements set forth in the applicable Subsection A, B or C of Section 18.86.040. A minimum of fifty percent (50%) of the Affordable Units allowed by this Subsection E shall be affordable to Very Low Income Households, subject to the requirements set forth in the applicable Subsection A, B or C of Section 18.86.040. For purposes of meeting the Affordable Unit requirements set forth in the applicable Subsection A, B or C of Section 18.86.040, two units described under this Subsection E will count as one Affordable Unit.

18.86.090 Time Performance Required.

A. On-site Construction. Affordable Units required by this Chapter shall be constructed and have had final inspections for occupancy prior to issuance of a certificate of occupancy for the related Market Rate Units in any Residential Project that is developed in a single

phase. For Residential Projects that are developed in phases, the rate of building permit issuance, construction and final inspection of Affordable Units shall be proportional to the rate of building permit issuance, construction and final inspection of the Market Rate Units within the Residential Project.

B. Alternative Compliance. No building permit shall be issued for any Market Rate Unit in a Residential Project until the developer of the Residential Project has received certification from the City Manager or the Manager's designee that the developer has met, or made arrangements satisfactory to the City to meet, an alternative requirement listed in Section 18.86.080. No final inspection for occupancy for any Market Rate Unit shall be conducted until the developer has constructed and had final inspections for occupancy of the Affordable Units off-site in accordance with the basic requirements of Section 18.86.040, or until the developer has secured a letter of credit in an amount at a minimum equal to the in lieu fee amount described under Subsection 18.86.080.C.

18.86.100 Continued Affordability; City Review of Occupancy.

A. Format and Recordation of Affordability Restrictions. Regulatory agreements consistent with the requirements of this Chapter and acceptable to the City Manager or the Manager's designee shall be recorded against Residential Projects with rental Affordable Units. For Affordable Units designated for owner occupancy, resale restrictions, deeds of trust and/or other documents consistent with the requirements of this Chapter and acceptable to the City Manager or the Manager's designee shall be recorded against owner-occupied Affordable Units. The forms of regulatory agreements, resale restrictions, deeds of trust and other documents required by this Subsection A, and any change in the form of any such document which materially alters any policy in the document, shall be approved by the City Manager or the Manager's designee.

B. Term of Affordability and Restrictions, Rental Affordable Units. In the case of Affordable Units that are initially rented:

1. The documents required by Subsection A of this Section shall be consistent with California Health and Safety Code Section 33334.3(f)(1)(A), as amended from time to time, but in no case shall the minimum term be less than 55 years.

2. The documents required by Subsection A of this Section shall provide for continued occupancy by households occupying the units and whose incomes increase during their occupancy, so that those households may, for a maximum of twelve (12) months, exceed the maximum household income otherwise permitted for the Affordable Unit.

C. Term of Affordability and Restrictions, Owner-occupied Units. In the case of Affordable Units that are initially sold:

1. The documents required by Subsection A of this Section shall be consistent with California Health and Safety Code Section 33334.3(f)(1)(B), but in no case shall the minimum term be less than 45 years. In the case of owner-occupied Affordable Units that are transferred during the required term, renewed restrictions shall be entered into on each change of ownership during the 45-year renewal term. Affordable Units that are owner-occupied and for which the City Council has executed an equity participation agreement with the developer of the Residential Project shall not be subject to the minimum 45-year term required by this Subsection C.

2. The documents required by Subsection A of this Section shall prohibit subsequent rental occupancy unless approved by the City Manager or the Manager's designee.

3. The maximum sales price permitted on resale of an Affordable Unit designated for owner-occupancy shall be the lower of: (1) fair market value or (2) the seller's lawful purchase price under this Chapter, increased by the rate of increase of area median income during the seller's ownership. The documents required by Subsection A of this Section may authorize the seller to recover the market value at time of sale of capital improvements made by the seller and may authorize an increase in the maximum allowable sales price to achieve such recovery. The resale restrictions shall allow the City a right of first refusal to purchase any affordable owner-occupancy unit at the maximum price that could be charged to a purchaser household, at any time the owner proposes sale.

18.86.110 Use and Expenditure of Fees.

A. The fees collected under this Chapter and all earnings from investment of the fees shall be expended exclusively to provide or assure continued provision of affordable housing through acquisition, construction, development assistance, regulation, financing, rent subsidies or other methods, and for costs of administering programs which serve those ends.

B. The City or its designee may charge fees to developers and/or owners of Residential Projects to defray costs associated with the administration of this Chapter.

18.86.120 Affordable Housing Agreement.

Developers of Residential Projects shall enter into affordable housing agreements with the City to establish implementing and monitoring details, including but not limited to provisions related to documenting the obligations of the developer, annual certifications in rental projects, and qualifying buyers/renters in accordance with the requirements and standards of this Chapter. The affordable housing agreement must be approved by the City Council and executed by the developer prior to approval of a final map for a Low

Density Owner Project or Owner Project. For a Rental Project, the affordable housing agreement must be approved by the City Council and executed by the developer prior to issuance of a grading permit or a building permit, whichever occurs first.

18.86.130 Enforcement.

A. The City Attorney shall be authorized to enforce the provisions of this Chapter and all regulatory agreements and resale controls placed on affordable units, by civil action and any other proceeding or method permitted by law.

B. Failure of any official or agency to fulfill the requirements of this Chapter shall not excuse any developer from the requirements of this Chapter.

18.86.140 Severability.

If any clause, sentence, section, or part of this Chapter, or any fee or requirement imposed upon any person or entity, is found to be unconstitutional, illegal, or invalid, such unconstitutionality, illegality, or invalidity shall affect only or impair any of the remaining provisions, clauses, sentences, sections or parts or the effect of this Chapter on other persons or entities. It is hereby declared to be the intention of the City Council that this Chapter would have been adopted had such unconstitutional, illegal, or invalid clause, sentence, section, or part not been included herein, or had such person or entity been expressly exempted from the application of this Chapter.

SECTION 4. Publication.

The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation, or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once five days before its adoption and again 20 days after its adoption.

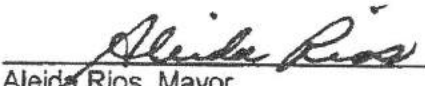
The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on November 1, 2004, and was adopted and ordered published at a meeting of the City Council held on November 15, 2004, by the following vote:

AYES: Council Member Parent, Kee, Glynn, Beals & Mayor Rios

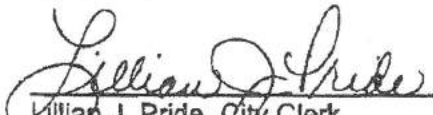
NOES: None

ABSTAINED: None

ABSENT: None


Aleida Rios, Mayor

ATTEST:


Lillian J. Pride, City Clerk

**City of Pittsburgh**

Planning Department

Civic Center - 65 Civic Avenue, Pittsburgh, CA 94565

Attachment 4

Telephone: (925) 252-4920 • FAX: (925) 252-4814

January 18, 2005

**RE: REVISED NUMBERS PROPOSED FOR INCLUSIONARY HOUSING IN LIEU
AND HOUSING MONITORING FEES**

Dear Interested Party:

Thank-you for your attendance and input at the two meetings with staff on January 4, 2005 and January 7, 2005, at which we discussed alternate methods to compute inclusionary housing in-lieu fees for the City of Pittsburgh. Three alternatives were presented to those in attendance at the January 7, 2005 meeting, and it was generally agreed that Alternative 3, which was intended to calculate fees based on the gap between construction costs and threshold affordable housing prices, was the most appropriate method for determining in-lieu fees. The equations used to calculate the affordable prices presented at that meeting, however, did not match all RDA requirements, and have since been revised.

Enclosed is a copy of the revised inclusionary housing in-lieu fee report, dated January 12, 2005. The fees for all three alternatives have been recalculated in the attached report utilizing the revised first time homebuyer ownership affordability analysis table (also enclosed) and also now include a 7% administration fee (calculated on base in-lieu fees only) for the City staff time necessary to manage the inclusionary housing in lieu fee account and to facilitate the development of the affordable units by another developer. This report will be presented to the Council at its February 7, 2005 meeting. Staff will be recommending adoption of in-lieu fees for owner occupied homes as presented in Alternative 3 of Table A on page one of the enclosed revised report. Rental unit in-lieu fees would still be based on cost of construction as provided in Alternative 1 of Table A. If you would like me to e-mail you a copy of the revised first time homebuyer ownership affordability analysis table so that you may review the underlying equations, please provide me your e-mail address with your request.

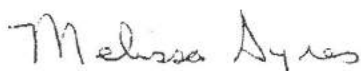
In addition to the in-lieu fees, staff will be recommending the Council adopt two administration fees to off-set the on-going cost of monitoring affordable units that are built under the inclusionary housing ordinance. Based on staff estimated time to monitor the affordable units and based on feedback presented on these fees at the January 4, 2005 and January 7, 2005 meetings, these fees will be recommended to be \$100.00 for each affordable single-family unit built (due upon first escrow closing and resale of homes), and \$35.00 per affordable rental unit built (paid annually).

We appreciate your time and effort to assist the City of Pittsburgh in developing an inclusionary housing ordinance and in-lieu fees that are both fair and supportive of our

goals to ensure a variety of housing opportunities and units affordable to all income levels within the community.

If you would like to discuss any of the information enclosed, please feel free to give Dana Hoggatt or myself a call at the number above. You can also reach Dana by e-mail at dhoggatt@ci.pittsburg.ca.us and me by e-mail at mayres@ci.pittsburg.ca.us.

Sincerely,



MELISSA AYRES
Planning Director

Enc: (2) Inclusionary Housing Fee report dated January 12, 2005
 First-time Homebuyer Analysis Table dated January 12, 2005

City of Pittsburgh Inclusionary Housing Ordinance
Housing In Lieu and Monitoring Fees
January 12, 2005

The inclusionary housing ordinance fee schedule would set up fee amounts for payment of fees in lieu of constructing affordable units as part of a residential project. In calculating the amounts of these fees, three alternatives are presented.

Alternative One: Construction Cost assumes that the inclusionary housing in lieu fee would be the same as the cost of construction of a unit in the Low Density Owner, Owner or Rental Project.

Alternative Two: Market-Affordability Gap is calculated at the gap between the market sales price and the affordable sales price of the unit at a specified density.

Alternative Three: Construction-Affordability Gap is calculated at the gap between the construction cost and the affordable sales price of the unit at a specified density.

In all cases, in lieu fees would be determined based on each inclusionary unit not built as part of the project. An administration fee equal to seven percent (7%) of the inclusionary in lieu fee is also assumed in all scenarios. All fees are rounded to the nearest hundred.

Table A lists inclusionary housing in lieu fees per inclusionary unit not built, based on each of the three alternatives above. Table B lists inclusionary housing in lieu fees per market rate unit built within the development, based on a "weighted" calculation that assumes a 15 percent inclusionary component. Assumptions and calculations for each of the alternatives are provided on the subsequent pages. Note that in lieu fees for Rental Projects are only allowed when the project's calculated requirement includes a fraction that is less than 0.5, and so are not determined on a per unit basis.

Table A:

Type of Residential Project	Alternative 1: Construction Costs	Alternative 2: Market-Affordability Gap	Alternative 3: Construction-Affordability Gap
Low Density Owner	\$ 414,100	Mod: \$ 257,300	Mod: \$ 34,200
		V.L.: \$ 512,000	V.L.: \$ 288,900
Owner Project	\$ 319,900	Low: \$ 234,300	Low: \$ 146,600
		V.L.: \$ 294,300	V.L.: \$ 206,500
Rental Project	\$ 154,000	N/A	N/A

Table B:

Type of Residential Project	Alternative 1: Construction Costs	Alternative 2: Market-Affordability	Alternative 3: Construction-Affordability
Low Density Owner	\$ 62,100	\$ 53,900	\$ 20,400
Owner Project	\$ 48,000	\$ 38,800	\$ 25,600
Rental Project	Varies	N/A	N/A

The monitoring fee amounts are based on the estimated staff time necessary to verify compliance with the provisions of various affordable housing agreements, such as income levels and sizes of households seeking to purchase or rent inclusionary units. These fees are recommended in the following amounts:

Type of Project	Amount of Monitoring Fee (per Inclusionary Unit)	Frequency of Payment of Fee
Low Density Owner Project	\$ 100.00	Resale/Close of Escrow
Owner Project	\$ 100.00	Resale/Close of Escrow
Rental Project	\$ 35.00	Annually

Alternative One: Construction Cost

In this alternative, inclusionary housing in lieu fees would be charged at cost for each inclusionary unit that is **not** built within the project. In lieu fee amounts are based on the cost of construction of: 1) a single-family detached residence, 2) a small-lot single-family or attached/condominium residence, and 3) a rental apartment. The three residential product types correspond to the three product types ("Low Density Owner Project," "Owner Project" and "Rental Project") identified in the inclusionary ordinance. Construction costs per unit are derived from per unit costs of prototypical low, medium and high density projects, as listed in Tables 12 and 14 of the City of Pittsburgh Inclusionary Housing Feasibility Study, August 2004.

Type of Residential Project	In Lieu Fee per Inclusionary Unit NOT Built	In Lieu Fee per Market Rate Unit Built
Low Density Owner	\$ 414,100	\$ 62,100
Owner Project	\$ 319,900	\$ 48,000
Rental Project	\$ 154,000	varies

In lieu fees charged per market rate unit built would be determined as follows:

Residential Project Type:	Low Density Owner
Assumed No. of Units:	100
Basic Requirement:	15 units (9% Moderate, 6% Very Low)
Construction Cost per Unit:	\$ 387,000
7% Administration Fee per Unit:	+ \$ 27,100
In Lieu Fee per Unbuilt Inclusionary Unit = \$ 414,100	

Total In Lieu Fees Required:	\$ 6,211,500	(= 414100 x 15)
In Lieu Fee per Market Rate Unit Built:	\$ 62,100	(= 6211500 / 100)

Residential Project Type:	Owner
Assumed No. of Units:	100
Basic Requirement:	15 units (9% Moderate, 6% Very Low)
Construction Cost per Unit:	\$ 299,000
7% Administration Fee per Unit:	+ \$ 20,900
In Lieu Fee per Unbuilt Inclusionary Unit = \$ 319,900	

Total In Lieu Fees Required:	\$ 4,798,500	(= 319900 x 15)
In Lieu Fee per Market Rate Unit Built:	\$ 48,000	(= 4798500 / 100)

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Alternative Two: *Market-Affordability Gap*

In each case, the **market-affordability gap** is calculated as the **difference between market sale price and affordable housing sale price** for the targeted income level.

Three sets of numbers are given for each project type. The first column of numbers identifies the market-affordability gap per inclusionary unit not built, at each income level. In the second column of numbers, the gap is then weighted by the number of inclusionary units required at a specific income level, in order to determine the total in lieu fees due, based on a minimum inclusionary requirement of 15 percent. In the third column of numbers, the total fees are then divided by the total number of market rate units in the development (in this case, 100 units), in order to determine the amount of in lieu fees due per building permit for each market rate unit built. The per unit in lieu fee listed in the third column of numbers assumes that the full 15 percent inclusionary requirement is paid in in lieu fees.

All **Low Density Owner Project** units are assumed to be **four-bedroom units**. The market price for four-bedroom units is the median house price based on recent home sales price lists from the San Marco Valencia, Capistrano and Highlands Ranch developments.

All **Owner Project** units are assumed to be **three-bedroom units**. Because there are no three-bedroom units for sale in typical developments in this category, the assumed market price for three-bedroom units is based on the Inclusionary Housing Feasibility Study (August 2004) assumed price (Table 17), adjusted by the consumer price index through October 2004.

Affordable sales prices assume a 5% down payment, 7% interest rate, and include mortgage, taxes, insurance, utility allowance and maintenance costs. Affordable prices are determined at **110% of AMI for Moderate Income, 70% of AMI for Low Income and 50% of AMI for Very Low Income**, in accordance with the inclusionary ordinance.

Based on the formula described above, in lieu fees unit would be determined as follows. Affordability gaps for each product type at each income level, as well as the calculations for the fee amounts, are listed on the subsequent page.

Type of Residential Project	In Lieu Fee, Market Gap per Inclusionary Unit Not Built	Market Gap per Inclusionary Unit Not Built (Weighted)	In Lieu Fee per Market Rate Unit Built (0% Affordable)
Low Density Owner	Mod: \$ 257,300	\$ 359,200	\$ 53,900
	V.L.: \$ 512,000		
Owner Project	Low: \$ 234,300	\$ 258,500	\$ 38,800
	V.L.: \$ 294,300		
Rental Project	N/A	N/A	N/A

Alternative Two: Market-Affordability Gap

<u>Residential Project Type:</u>	<u>Low Density Owner</u>
Assumed No. of Units:	100
Basic Requirement:	15 units (9% Moderate, 6% Very Low)
4-bedroom House Price:	\$ 595,500
Affordable Price-Moderate:	\$ 355,000
Affordable Price-Very Low:	\$ 117,000

Market-Affordability Gap: Moderate	\$ 240,500	= (595500 - 355000)
7% Administration Fee per Mod. Unit:	+ \$ 16,800	= (240500 x 0.07)
In Lieu Fee per Unbuilt Moderate Unit	= \$ 257,300	

Market-Affordability Gap: Very Low	\$ 478,500	= (595500 - 117000)
7% Administration Fee per Very Low Unit:	+ \$ 33,500	= (478500 x 0.07)
In Lieu Fee per Unbuilt Very Low Unit	= \$ 512,000	

Weighted In Lieu Fee per Inclusionary Unit NOT Built	$= [(257300 \times 9) + (512000 \times 6)] / 15$ $= [(2315700) + (3072000)] / 15$ $= (5387700) / 15$ $= \$ 359,200$	
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In Lieu Fee per Market Rate Unit Building Permit (assuming 0% inclusionary)	$= (5387700) / 100$ $= \$ 53,900$
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<u>Residential Project Type:</u>	<u>Owner</u>
Assumed No. of Units:	100
Basic Requirement:	15 units (9% Low, 6% Very Low)
3-bedroom House Price:	\$ 381,000
Affordable Price-Low:	\$ 162,000
Affordable Price-Very Low:	\$ 106,000

Market-Affordability Gap: Low	\$ 219,000	= (381000 - 162000)
7% Administration Fee per Low Unit:	+ \$ 15,300	= (219000 x 0.07)
In Lieu Fee per Unbuilt Low Income Unit	= \$ 234,300	

Market-Affordability Gap: Very Low	\$ 275,000	= (381000 - 106000)
7% Administration Fee per Very Low Unit:	+ \$ 19,300	= (275000 x 0.07)
In Lieu Fee per Unbuilt Very Low Unit	= \$ 294,300	

Weighted In Lieu Fee per Inclusionary Unit NOT Built	$= [(234300 \times 9) + (294300 \times 6)] / 15$ $= [(2108700) + (1768800)] / 15$ $= (3877500) / 15$ $= \$ 258,500$	
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In Lieu Fee per Market D.U. Building Permit (assuming 0% inclusionary)	$= (3877500) / 100$ $= \$ 38,800$
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Alternative Three: *Construction-Affordability Gap*

In each case, the **construction-affordability gap** is calculated as the **difference between the construction cost and affordable housing sale price** for the targeted income level.

Three sets of numbers are given for each project type. The first column of numbers identifies the construction-affordability gap per inclusionary unit not built, at each income level. In the second column of numbers, the gap is then weighted by the number of inclusionary units required at a specific income level, in order to determine the total in lieu fees due, based on a minimum inclusionary requirement of 15 percent. In the third column of numbers, the total fees are then divided by the total number of market rate units in the development (in this case, 100 units), in order to determine the amount of in lieu fees due per building permit for each market rate unit built. The per unit in lieu fee listed in the third column of numbers assumes that the full 15 percent inclusionary requirement is paid in in lieu fees.

Construction costs for a unit in a **Low Density Owner Project** and an **Owner Project** are derived from the construction costs as listed in Table 14 of the Pittsburgh Inclusionary Housing Feasibility Study (August 2004).

Affordable sales prices assume a 5% down payment, 7% interest rate, and include mortgage, taxes, insurance, utility allowance and maintenance costs. Affordable prices are determined at **110% of AMI for Moderate Income, 70% of AMI for Low Income** and **50% of AMI for Very Low Income**, in accordance with the inclusionary ordinance.

Based on the formula described above, in lieu fees would be determined as follows. Affordability gaps for each product type at each income level, as well as the calculations for the fee amounts, are listed on the subsequent page.

Type of Residential Project	In Lieu Fee, Constr. Gap per Inclusionary Unit Not Built	Construction Gap per Inclusionary Unit Not Built (Weighted)	In Lieu Fee per Market Rate Unit Built (0% Affordable)
Low Density Owner	Mod: \$ 34,200	\$ 136,100	\$ 20,400
	V.L.: \$ 288,900		
Owner Project	Low: \$ 146,600	\$ 170,600	\$ 25,600
	V.L.: \$ 206,500		
Rental Project	N/A	N/A	N/A

Alternative Three: Construction-Affordability Gap

<u>Residential Project Type:</u>	<u>Low Density Owner</u>
Assumed No. of Units:	100
Basic Requirement:	15 units (9% Moderate, 6% Very Low)
Construction Cost per Unit:	\$ 387,000
Affordable Price-Moderate:	\$ 355,000
Affordable Price-Very Low:	\$ 117,000

Construction-Affordability Gap: Moderate	\$ 32,000	= (387000 - 355000)
7% Administration Fee per Mod. Unit:	+ \$ 2,200	= (32000 x 0.07)
In Lieu Fee per Unbuilt Moderate Unit	= \$ 34,200	

Construction-Affordability Gap: Very Low	\$ 270,000	= (387000 - 117000)
7% Administration Fee per Very Low Unit:	+ \$ 18,900	= (270000 x 0.07)
In Lieu Fee per Unbuilt Very Low Unit	= \$ 288,900	

Weighted In Lieu Fee per Inclusionary Unit NOT Built	= [(34200 x 9) + (288900 x 6)] / 15
	= [(307800) + (1733400)] / 15
	= (2041200) / 15
	= \$ 136,100

In Lieu Fee per Market D.U. Building Permit (assuming 0% inclusionary)	= (2041200) / 100
	= \$ 20,400

<u>Residential Project Type:</u>	<u>Owner</u>
Assumed No. of Units:	100
Basic Requirement:	15 units (9% Low, 6% Very Low)
Construction Cost per Unit:	\$ 299,000
Affordable Price-Low:	\$ 162,000
Affordable Price-Very Low:	\$ 106,000

Construction-Affordability Gap: Low	\$ 137,000	= (299000 - 162000)
7% Administration Fee per Low Unit:	+ \$ 9,600	= (137000 x 0.07)
In Lieu Fee per Unbuilt Low Income Unit	= \$ 146,600	

Construction-Affordability Gap: Very Low	\$ 193,000	= (299000 - 106000)
7% Administration Fee per Very Low Unit:	+ \$ 13,500	= (193000 x 0.07)
In Lieu Fee per Unbuilt Very Low Unit	= \$ 206,500	

Weighted In Lieu Fee per Inclusionary Unit NOT Built	= [(146600 x 9) + (206500 x 6)] / 15
	= [(1319400) + (1239100)] / 15
	= (2558500) / 15
	= \$ 170,600

In Lieu Fee per Market D.U. Building Permit (assuming 0% inclusionary)	= (2558400) / 100
	= \$ 25,600

First Time Home Buyer Ownership Affordability Analysis: City of Pittsburgh

	5 Room/Persons Moderate		5 Room/Persons Low		5 Room/Persons Very Low		4 Room/Persons Moderate		4 Room/Persons Low		4 Room/Persons Very Low	
for-sale	4-Bedroom	4-Bedroom	4-Bedroom	4-Bedroom	4-Bedroom	4-Bedroom	3-Bedroom	3-Bedroom	3-Bedroom	3-Bedroom	3-Bedroom	3-Bedroom
sales price		355,000.00		178,000.00		117,000.00		326,000.00		162,000.00		106,000.00
City Second												
5% down		17,750.00		8,900.00		5,850.00		16,300.00		8,100.00		5,300.00
1st mortg		337,250.00		169,100.00		111,150.00		309,700.00		153,900.00		100,700.00
payment		2,243.73		1,125.03		739.48		2,060.44		1,023.90		669.96
taxes		369.79		185.42		121.88		339.58		168.75		110.42
insurance		60.00		60.00		60.00		60.00		60.00		60.00
homeowner fee		0.00		0.00		0.00		0.00		0.00		0.00
utilities		150.00		150.00		150.00		150.00		150.00		150.00
other costs		41.00		41.00		41.00		41.00		41.00		41.00
monthly costs		2,864.52		1,561.44		1,112.36		2,651.03		1,443.65		1,031.38
income needed		98,212.26		62,457.73		44,494.35		90,892.29		57,746.02		41,255.05
110% AMI	\$	98,340.00	\$	98,340.00	\$	98,340.00	\$	91,080.00	\$	91,080.00	\$	91,080.00
70% AMI	\$	62,595.00	\$	62,595.00	\$	62,595.00	\$	57,960.00	\$	57,960.00	\$	57,960.00
50% AMI	\$	44,700.00	\$	44,700.00	\$	44,700.00	\$	41,400.00	\$	41,400.00	\$	41,400.00

ASSUMPTIONS:

Assumes buyer can only pay 5% down and closing costs.

Assumes Moderate buyer cannot afford to pay more than 35% of annual income toward principle, interest, taxes, insurances, utilities, repair/maintenance and homeowners dues.

Assumes Low/Very Low income buyer cannot afford to pay more than 30% of annual income toward principle, interest, taxes, insurances, utilities, repair/maintenance and homeowners dues.

Assumes 7.0 fixed rate loan

Assumes one person per bedroom plus one

Assumes 2004 Income Limits

REVISED: 1/12/05

Inclusionary Requirements of Adjacent Cities

City	Owner In Lieu Fee	Rental In Lieu Fee	Notes
Brentwood	\$10,000 per built market rate unit (if project has less than 11 units); \$235,000 per unbuilt V. Low unit; \$176,000 per unbuilt Low income unit	Not available	Basic requirement is 7% Low and 3% Very Low . No requirement to construct units if project has 10 or fewer units. If project has 10 or fewer units, in lieu fees may be paid at \$10,000 per market rate unit. In lieu fees based on gap between construction cost and affordable sale price and include administration costs.
Concord	\$17,660 per built market rate unit over four units	\$4,903 per built market rate unit over four units	Basic requirement is 10% Low or 6% Very Low for rental projects, and 10% Moderate or 6% Low for owner projects. No inclusionary requirement or fees required for first four units of a project, or for any project with four or fewer units. Fees allowed only for projects built on less than 20 acres or for fractional units.
Fremont	\$30,882 per built market rate unit	Not available	Basic requirement is 15% Moderate for all owner projects of 7 or more units, and 6% Low and 9% Very Low for all rental projects. Fees are only allowed for owner projects with an average lot size of 10,000 square feet or more. In lieu fee is based on gap between cost of construction and affordable sales price.
Walnut Creek	Fee based on total project square footage, calculated per square foot at \$1.00 times the number of units in the project (i.e., \$2.00/sf for 2-unit project, \$3.00/sf for 3-unit project...up to \$9.00 for 9 units). In lieu fees may be paid for calculated fractional units, based on the following affordability gaps: Low Income Rental: \$111,600 V. Low Income Rental: \$193,000 Mod. Income Owner: \$185,000 Low Income Owner: \$306,350 V. Low Income Owner: \$394,350	Fee based on total project square footage, calculated per square foot at \$0.80 times the number of units in the project (i.e., \$1.60/sf for 2-unit project, \$2.40/sf for 3-unit project...up to \$7.20 for 9 units).	Basic requirement is 10% Moderate or 6% Low or 4.5% Very Low for all owner projects, and 10% Low or 6% Very Low for all rental projects. In lieu fees are only allowed for residential projects with 2-9 units, or for calculated fractional units less than 0.7. In lieu fee amounts are based on the gap between market and affordable sales prices.

NOTICE OF PUBLIC HEARING

The Pittsburg City Council will hold a public hearing on:

Date: January 18, 2005

Time: 7:00 P.M.

Place: City Council Chambers at City Hall
65 Civic Avenue, Pittsburg, California

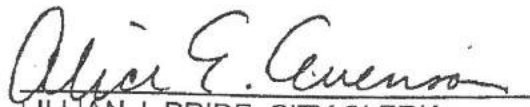
Concerning the following matter:

ESTABLISHMENT OF AN INCLUSIONARY HOUSING IN-LIEU FEE AND INCLUSIONARY HOUSING MONITORING FEE.

The City Council has adopted an inclusionary housing ordinance which provides, in some cases, for the payment of an in-lieu fee. The ordinance also provides for the establishment of a fee to cover the administrative costs of monitoring inclusionary housing units that are produced. The City Council will now consider the establishment of these fees as provided for in the inclusionary housing ordinance.

You are invited to submit comments regarding any aspect of this matter in writing or verbally at the public hearing. If you challenge the above matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to, the public hearing.

For further details on this matter, contact Dana Hoggatt, Assistant Planner, 65 Civic Avenue, Pittsburg, by telephone at (925) 252-4920, through e-mail at dhoggatt@ci.pittsburg.ca.us or by fax at (925) 252-4814.


LILLIAN J. PRIDE, CITY CLERK

ATTACHMENT
RESOLUTION NO. 06-10687
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Rescinding Resolution No. 06-10651 and)
 Approving and Adopting the Pittsburg Local)
 Transportation Mitigation Fee Program Update)
 Report, Including a Revised Schedule of Local)
 Transportation Development Impact Mitigation)
 Fees and a Revised List of Transportation)
Improvement Projects)

RESOLUTION NO. 06-10687

The City Council of the City of Pittsburg hereby finds the following to be true and correct:

1. Pursuant to the *Mitigation Fee Act*, California Government Code Section 66000, et seq., a local agency is authorized to charge a fee to development applicants in connection with approval of a development project for the purpose of defraying all or a portion of the costs of public facilities related to the development project.
2. In 2002, the City initiated a comprehensive update of the Local Transportation Mitigation Fee Program to update the list of transportation improvement projects, including additional local transportation improvements. That update, which was documented in a report entitled "Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update", prepared by the City's consultants (Fehr and Peers), dated December, 2006 (the "Report"), included a list of capital improvement projects and an updated fee structure for new development.
3. The Report establishes that projected new development within the City of Pittsburg will further congest its roadways and place additional demand on the local transportation system.
4. Future development in the City will generate the need for the additional local traffic improvements specified in the Report, and the study determined that these local traffic improvements are consistent with the City's General Plan, adopted on November 16, 2001, by City Council Resolution No. 01-9490.
5. Travelers on some of the local transportation facilities described in Table 2 of the Report, currently experience congestion and delays that are expected to increase in severity as the result of projected development. Expansion and construction of related improvements to the identified transportation facilities will enhance the flow of traffic, reduce congestion and noise, and improve safety and air quality throughout the Regional Area. Based upon this data, the City Council finds that there is a reasonable relationship between the need for the expansion and/or improvements to the identified transportation facilities and to the types of development on which the fee is imposed.
6. The Report finds that a total of twenty-nine (29) local traffic and transportation projects are necessary to accommodate future growth and its associated traffic demand. The specific transportation improvements to be financed by the fees are described in Table

2 of the Report that is deemed to be the capital improvement plan of the program.

7. The estimated costs of the capital improvements, the continued need for those improvements and the reasonable relationship between such need and the impacts of the various types of development pending or anticipated and for which the fee is charged, were studied and reviewed as a part of the project Report.

8. The local traffic/transportation projects are necessary for the safety and capacity of the transportation system as determined by planned growth forecasted by ABAG for the City of Pittsburg.

9. The City of Pittsburg's existing local transportation mitigation fee is insufficient to achieve the transportation improvements necessary to address the impacts generated by new development as identified in the Report. For example, the City of Pittsburg's existing local transportation mitigation fee for single-family residences is \$4,020, while the Report indicates that it would actually cost \$7,170 per single-family residence to fully fund the necessary improvements. This critical funding shortfall places residents of the community in a condition dangerous to their health and safety because with every approval of a new residence or commercial structure under the old fee, the construction of critical roadway, safety, and accessibility improvements will be delayed unless and until a substantial supplemental funding source is made available to the City.

10. The Buchanan Road Bypass is one of 29 improvements identified by the Report as key to East Contra Costa County's regional infrastructure. The City of Pittsburg has a current and immediate need to construct the Buchanan Road Bypass in order to divert new traffic from existing congested roads, reduce idling time and delay, create a safer pedestrian crossing for school children who attend Highlands Elementary School, and reduce emissions generated by vehicles.

11. The congested condition of some of the City's existing roads will be significantly exacerbated by new development, creating a condition dangerous to public health and safety through increased vehicle emissions, unless increased funding for local transportation improvements is made available. Maximizing emission reductions is necessary to help protect the health and safety of Pittsburg residents as evidenced by the fact that between 1992 and 1995 the state ambient air quality standards for ozone and particulate matter (PM-10), (General Plan Draft Environmental Impact Report, p. 4-45) had been exceeded.

12. The congested condition of some of the City's existing roads will be significantly exacerbated by new development, creating a condition dangerous to public health and safety by delaying police, fire, and paramedic emergency response times, unless increased funding for local transportation improvements is made available.

13. The congested condition of some of the City's existing roads will be significantly exacerbated by new development, compromising public welfare by forcing motorists to endure long, costly delays while commuting to and from school, work, local services, and other destinations, unless increased funding for local transportation improvements is made available. In 2002, the average motorist spent 73 additional hours traveling due to congestion at a cost of \$1,516 per traveler (delay cost of \$21/hour),

according to a Transportation Research Board study.

14. Certain roadways and intersections in the City of Pittsburg do not meet current accessibility standards as mandated by the Americans with Disabilities Act, which will place new residents and employees of the community in a condition that is dangerous to their health or safety. Additional funding is necessary to provide facilities that comply with federal law. Construction of the projects identified in the Report will make much-needed accessibility improvements by removing barriers and obstructions, closing gaps between missing segments of bike lanes and sidewalks, and installing handicap accessible ramps in some locations.

15. The purpose of the local transportation mitigation fee program is to generate monies that will fund the projects. The projects will improve safety and provide additional transportation capacity. In this way, the transportation system can keep pace with the planned growth in the City by providing assistance for the transportation needs and improved infrastructure contained in the City's General Plan.

16. Adoption of increased local transportation mitigation fees, together with other sources of revenue, will provide for the implementation of a transportation system that provides access to the major developed areas of Pittsburg and maintains acceptable travel conditions on the local transportation system. One other source of such revenues will be fee revenues from the East Contra Costa Regional Fee and Financing Authority's Regional Transportation Development Impact Mitigation (RTDIM) Fee Program, as set forth in Chapter 15.102 of the Pittsburg Municipal Code. Five (5) of the 29 projects that will be partially funded with the local transportation mitigation fees will receive a supplemental source of funding from the RTDIM fee program. Even with such supplemental funding, neither the City's LTMF program nor the RTDIM program will collect all the monies necessary to fully fund all of the projects included in such fee programs and which are needed to offset the impacts of new development. The local transportation mitigation fee will be imposed at the rates set forth in this resolution and the existing, complementary RTDIM will continue to be imposed at the rates set forth by the East Contra Costa Regional Fee and Financing Authority and Council resolution pursuant to Municipal Code Chapter 15.102.

17. The local transportation mitigation fees will be used to pay for administration of the fee area and for the planning, environmental documentation, design, acquisition of right-of-way, and construction of the projects.

18. The cost estimates set forth in Table 2 of the Report are reasonable cost estimates for constructing the projects, and the fees expected to be generated by future developments will not exceed the total costs of constructing the local transportation improvements. There is a reasonable relationship between the amounts of the local transportation mitigation fees set forth in Exhibit "A" and the cost of the public facilities or portion of the public facilities attributable to the development on which the fee is imposed.

19. The Report establishes, by use of a five-step technical analysis, that single, Citywide uniform local transportation mitigation fees are justified as being reasonably related to the types of development on which the fees are to be imposed, and that there is a reasonable relationship between the need for the facilities described in Table 2 of the

Report and the types of development on which the fees are imposed, i.e., single family, multiple family, retirement community, commercial, office, industrial, and other uses. The method of allocation of the fee schedule in Exhibit "A" to a particular development within a class bears a fair and reasonable relationship to each development's burden on, and benefit from the local transportation improvements to be funded by the fees.

20. There is a reasonable relationship between the fee's use and the type of development projects on which the fees are imposed, in that the types of development subject to the fees will generate additional traffic that will place additional demand on the local transportation system. The additional traffic generated by the development projects will result in a need to expand, extend, or improve existing transportation facilities and a need to construct new facilities to mitigate the adverse traffic effects that would otherwise result from such development. Construction of the improvements specified in the Report will result in improved traffic flow, reduced congestion and noise, and improved safety and air quality in the study area.

21. The local transportation mitigation fees collected pursuant to this resolution will be used for transportation improvements that will mitigate impacts and reduce traffic congestion and delays, and improve noise, safety and air quality throughout the City, and the City Council finds that there is a reasonable relationship between the use of the local transportation mitigation fees (transportation improvements) and the type of development projects upon which the fees are imposed.

22. These fees implement policies of the City of Pittsburg General Plan adopted November 16, 2001, including the policies that new development shall contribute its fair share of the cost of public infrastructure and services. This shall include installation of public facilities, payment of impact fees, and participation in a Capital Improvement Financing Program.

23. The City Council determines that the adoption of this local transportation mitigation fees resolution is statutorily exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a)(4) of the CEQA Guidelines because the fees collected from this action will be used for local transportation infrastructure necessary to maintain an acceptable level of service within existing service areas. Once sufficient funds are collected and prior to approval of the final alignment and configuration of the individual transportation improvement projects, the City of Pittsburg will take all other CEQA required actions.

24. The City Council further finds that the adoption of updates in the local transportation mitigation fees annually in accordance with changes in the Engineering News Record Index is also statutorily exempt under Section 15273(a)(4) of the California Environmental Quality Act because the amount of any increase is precisely determinable based on the published change of the Index and relates solely to the increase of construction costs for the previously identified projects.

25. In accordance with Government Code Sections 66016-66018, at least 14 days prior to the public hearing at which this resolution is adopted, notice of the time and place of the hearing was mailed to eligible interested parties who filed a written request

with the City for mailed notice of meetings on new or increased fees or service charges and the Report was available for public review and comment for ten (10) days prior to the public hearing at which this resolution was adopted and ten (10) days advance notice of the public hearing at which this Resolution was adopted was given by publication in accordance with Section 6062(a) of the Government Code.

NOW, THEREFORE, the City Council of the City of Pittsburg does hereby RESOLVE:

Section I. Rescission of Resolution No. 06-10651. After considering the studies and analyses prepared by the City's consultants and staff as reflected in the Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update Report, dated October 2006, together with the testimony received at a public hearing held on November 6, 2006, the City Council rescinds Resolution No. 06-10651, "Approving and Adopting the Pittsburg Local Transportation Mitigation Fee Program Update Report, Including a Revised Schedule of Local Transportation Development Impact Mitigation Fees and a Revised List of Transportation Improvement Projects."

Section II. Approval and Adoption of Report. After considering new studies and analyses prepared by the City's consultants and staff as reflected in the Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update Report, dated December 2006, together with the testimony received at a public hearing held on December 18, 2006, the City Council approves and adopts said Report including the Technical Appendix, and incorporates the Report by reference and makes it a part of this Resolution. The final Report is ordered to be kept on file with the City Clerk.

Section III. Basis for Findings. The Report and the referenced publications contain sufficient information for the City Council to make the above findings, and the City Council declares that it has relied thereon in reaching its conclusions and recommendations set forth herein.

Section IV. Adoption of Findings. Based on this review, the City Council adopts the findings and conclusions set forth herein as its findings in support of adopting a revised schedule of local transportation mitigation fees, in accordance with the funding scenario described as Option 1 in Table 9, "Fee Options and Revenue Impacts," of the Report, and as specifically set forth in Exhibit "A", attached hereto and incorporated herein.

Section V. Adoption of Fees.

A. The fees set forth in Exhibit "A", attached hereto, are enacted as the Local Transportation Mitigation Fees of the City of Pittsburg for local transportation impacts.

B. Those fees established by this resolution shall on January 1 of each year be automatically increased or decreased from the amount then applicable by the same percentage as the percentage of increase or decrease in construction costs between September 1 of the calendar year immediately preceding September 1 of the current calendar year, based on the Engineering News-Record Construction Costs Index - San Francisco Bay area, without further action of the City Council.

C. The local transportation mitigation fees collected pursuant to this resolution shall be used exclusively for the projects listed in Table 2 of the Report.

Section VI. Payment of Fee.

A. The applicable local transportation mitigation fee shall be determined on the basis of the fee schedule in effect at the time of the building permit, or other applicable permit is issued. If no permit is required, then the fees are payable in the amounts in effect at the commencement of the project. The Chief Building Official or other official designated by the City Manager shall determine the amount of the fee in accordance with the standards set forth in this resolution.

B. The property owner shall pay to the City, the local transportation mitigation fee imposed under this chapter in the amount established by this resolution. The fee shall be paid prior to the issuance of a building permit.

C. No building permit shall be issued for property within the City unless the local transportation mitigation fee for that property is paid as required by this resolution.

D. The local transportation mitigation fees shall also be paid as a condition of an extension or renewal of a public permit issued after passage of this resolution if a fee has not been paid previously.

Section VII. Exemptions from Fee. The local transportation mitigation fee shall not be imposed in the following instances of a development project:

A. The fee shall not be required of any project involving replacement of existing structures destroyed by fire or other natural disaster or constructed as part of a redevelopment project, or rehabilitation of existing structures where the total cost of the work undertaken is less than fifty percent (50%) of the value of the existing structure.

B. The following uses are categorically exempt from the fees imposed by this Resolution: Christmas tree lots, seasonal fruit stands, mobile food vendors, and circuses and carnivals.

C. Any alteration or addition to a residential structure, except to the extent that a residential unit is added to a single family residential unit or another unit is added to an existing multi-family residential unit.

Section VIII. Use of Fee Revenue. The revenues raised by payment of the local transportation mitigation fees shall be placed in a separate, interest-bearing account to permit accounting for such revenues and the interest that they generate.

Fees paid pursuant to this resolution shall be placed in a fund to be used solely for the purposes and projects as described below. Any interest accumulated on such funds shall also be used only for said purposes and projects.

A. To pay for acquisition/construction of the Improvements;

B. To pay for design, engineering, construction of and property acquisition for, and reasonable costs of outside consultant studies related to the Improvements;

C. To reimburse developers that have designed and constructed a usable portion of any of the Improvements with prior City approval and have entered into an agreement, as provided in Section 13, below;

D. To pay for and/or reimburse costs of the local transportation mitigation fee program development, including, but not limited to, the cost of studies, legal costs, and other costs of updating the fee; and

E. To pay for and/or reimburse costs of the City of Pittsburg's administration of the local transportation mitigation fee program, including, but not limited to, the cost of studies, legal costs, and other costs of updating the Fee, as shown on Exhibit "A".

Section IX. Periodic Review and Adjustments to Fees.

A. Within one hundred eighty (180) days after the close of each fiscal year, the City Manager or his designee shall prepare a report for the City Council, pursuant to Government Code Section 66006, identifying the balance of fees in the account at the beginning and end of the fiscal year, the fee, interest, and other income, and the amount of expenditure by public facility, any refunds, and other expenditures.

B. The City shall make the periodic report available to the public, and the City Council shall review the report at a regularly scheduled meeting in accordance with Section 66006.

C. The City shall similarly conduct the periodic review under Government Code Section 66001(d) every five (5) years.

D. Pursuant to Government Code Section 66002, the City Council shall also annually review, as a part of its Capital Improvement Plan, the local transportation improvements to be financed with the local transportation mitigation fees. The City Council shall make findings identifying the purpose to which the existing fee balances are to be put and demonstrating a reasonable relationship between the fee and the purpose for which it is charged. This annual review may warrant adjustments to the local transportation mitigation fees adopted herein.

Section X. Applicable Law. The local transportation mitigation fees are imposed upon new development projects, as defined and authorized by the Mitigation Fee Act, California Government Code Sections 66000 et seq., and accordingly are not governed by the provisions of California Constitution Article XIID.

Section XI. Severability. Each component of the Fee and all portions of this resolution are severable. Should any individual component of the Fee or any portion of this resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining Fee components and/or resolution portions shall be and continue in full force and effect, except as to those Fee components and/or resolution portions that have

force and effect, except as to those Fee components and/or resolution portions that have been adjudged invalid. The City Council of the City of Pittsburg hereby declares that it would have adopted this resolution and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section, subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

Section XII. Effective Date. This resolution shall become effective immediately. In accordance with Government Code Section 66017, the Fee shall be effective sixty (60) days from the effective date of this resolution.

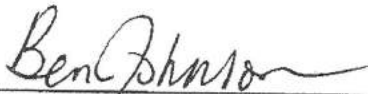
PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2006, by the following vote:

AYES: Members Casey, Kee, Parent and Mayor Johnson

NOES: None

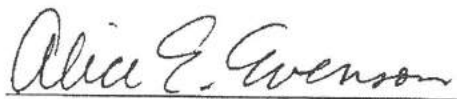
ABSENT: Evola

ABSTAIN: None



Ben Johnson, Mayor

ATTEST:



Alice E. Evenson, City Clerk

EXHIBIT "A"

2007 LTMF SCHEDULE

<u>Land Use Category</u>	<u>Fee Units</u>	<u>Local Transportation Mitigation Fees (LTMF) Fees</u>	<u>LTMF Fees with City of Pittsburgh Administrative Costs (1%)</u>
Single family residential (Rural Estate, Low Density Residential, Low Density Hillside, Rural Residential)	Per dwelling unit	\$ 7,170	\$ 7,242
Multiple family residential (Medium Density, High Density)	Per dwelling unit	\$ 4,370	\$ 4,414
Retirement Community	Per dwelling unit	\$ 2,712	\$ 2,739
Commercial (Neighborhood Commercial, Community Commercial, Service Commercial)	Per square foot of gross floor area	\$ 1.26	\$ 1.27
Office (Office Commercial)	Per square foot of gross floor area	\$ 1.26	\$ 1.27
Industrial	Per square foot of gross floor area	\$ 1.26	\$ 1.27
Other	Per peak hour trip as determined	\$ 7,170	\$ 7,242



**OFFICE OF THE CITY MANAGER
Administrative Offices
65 Civic Avenue
Pittsburg, California 94565**

DATE: December 18, 2006

TO: Mayor and Council Members

FROM: Marc S. Grisham, City Manager

SUBJECT: RESCISSION OF RESOLUTION NO. 06-10651 AND APPROVAL AND ADOPTION OF THE PITTSBURG LOCAL TRANSPORTATION MITIGATION FEE (LTMF) PROGRAM UPDATE REPORT, INCLUDING A REVISED SCHEDULE OF LOCAL TRANSPORTATION MITIGATION FEES AND A REVISED LIST OF TRANSPORTATION IMPROVEMENT PROJECTS, AND ADOPTION OF AN ORDINANCE AMENDING CHAPTER 15.90, "TRANSPORTATION MITIGATION FEE," OF THE PITTSBURG MUNICIPAL CODE

EXECUTIVE SUMMARY:

The attached Ordinance and Resolution will rescind City Council Resolution No. 06-10651 and adopt new local transportation mitigation fees based upon a revised Pittsburg Local Transportation Mitigation Fee (LTMF) Study Update report, dated December 2006. The report includes several options for updating the fee, which are summarized in Table 9 of the report. The new fees will be based upon new growth projections and a revised list of transportation improvement projects necessary to mitigate new development's local transportation impacts.

FISCAL IMPACT:

The City collects the local transportation mitigation fee (the "fee") from developers and administers the fee projects' construction. If City Council approves staff's recommendations, the current single-family residential fee of \$4,020 per unit will be increased to \$6,103 per unit, the current multi-family residential fee of \$2,733 per unit will be increased to \$3,723 per unit, the current retirement community fee of \$1,609 per unit will be increased to \$2,440 per unit, and the current commercial and industrial fee of \$0.63 per square foot will be increased to \$1.26 per square foot.

RECOMMENDATION:

Staff Report
December 18, 2006
Page 2 of 5

Staff recommends the City Council approve and adopt: (1) the attached resolution rescinding Resolution 06-10651, and approving a revised Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update Report and establishing a revised local transportation mitigation fee schedule, which is listed in Exhibit "A" of the resolution and as Option 3 in Table 9 of the report; and (2) an ordinance amending Chapter 15.90, "Transportation Mitigation Fee," of the Pittsburg Municipal Code.

BACKGROUND:

Under Municipal Code Chapter 15.90, the City has adopted a Local Transportation Mitigation Fee ("LTMF"). Projected new development in the City will further congest the roadways and thoroughfares and increase traffic delays in the City. City Council Resolution No. 92-7789 originally set the amount of the LTMF and directed an annual review of the dollar amount of the LTMF.

On November 17, 1997, City Council adopted Ordinance 97-1130. This ordinance approved the "Final Report: Pittsburg Traffic Mitigation Fee Study Update (the "Report") prepared by Fehr & Peers Associates, Inc., dated October 23, 1997, and amended Table 1, "Mitigation Fees by Land Use," contained in Municipal Code Section 15.90.060. The specific transportation improvements to be financed by the LTMF are described in the Report, on file with the City Clerk.

On November 1, 1999, City Council adopted Resolution No. 99-9056, increasing the LTMF by 4.9% to account for a corresponding increase in the Construction Cost Index from October 1997 to October 1999.

On November 6, 2000, City Council adopted Resolution No. 00-9282, increasing the LTMF by 2% to account for a corresponding increase in the Construction Cost Index from October 1999 to October 2000.

On November 19, 2001, City Council adopted Resolution No. 01-9532, increasing the LTMF by 3.3% to account for a corresponding increase in the Construction Cost Index from October 2000 to October 2001.

On September 3, 2002, City Council adopted Resolution No. 02-9674, approving a consultant agreement with Fehr & Peers Associates, Inc. to prepare a Pittsburg Traffic Mitigation Fee Update Study.

On March 17, 2003, City Council adopted Resolution No. 03-9786, increasing the LTMF by 3.3% to account for a corresponding increase in the Construction Cost Index from October 2001 to October 2002.

On January 5, 2004, City Council adopted Resolution No. 04-9973, increasing the LTMF by 2.1% to account for a corresponding increase in the Construction Cost Index from October 2002 to October 2003.

On December 20, 2004, City Council adopted Resolution No. 04-10200, increasing the LTMF by 5.0% to account for a corresponding increase in the Construction Cost Index from October 2003 to October 2004.

Staff Report
December 18, 2006
Page 3 of 5

On January 3, 2006, City Council adopted Resolution No. 06-10451, increasing the LTMF by 2.6% to account for a corresponding increase in the Construction Cost Index from October 2004 to October 2005.

On July 17, 2006, and on August 21, 2006, City Council held two public workshops to discuss the Draft Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update report, prepared by Fehr & Peers, and determine a preferred fee option.

On November 6, 2006 City Council adopted Resolution No. 06-10651, approving a Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update Report, dated October 2006, and establishing a revised local transportation mitigation fee schedule. The proposed resolution if adopted would rescind Resolution No. 06-10651.

On November 6, 2006 City Council also introduced Ordinance No. 06-1276, amending Chapter 15.90 of the PMC, which establishes a local transportation mitigation fee program. The first reading of Ordinance No. 06-1276 has been abandoned and will not be considered for a second reading. The first reading of the proposed ordinance would replace Ordinance No. 06-1276.

STAFF ANALYSIS:

There are two items for Council action tonight related to the new LTMF Program. The first is a resolution approving and adopting the Fehr & Peers nexus study entitled "Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update", which includes a revised list of transportation improvement projects and a revised schedule of LTMF fees. The second is an ordinance amending PMC Chapter 15.90, "Transportation Mitigation Fee."

The proposed resolution would rescind Resolution No. 06-10651 and approve a new Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update report, dated December 2006. The revised update report was created as a result of comments received from Council and additional staff and consultant analysis. The revised update report yields a decrease of potential fee revenue (from \$81,000,000 identified in the October, 2006 report to \$73,000,000 identified in the December, 2006 report) as well as a decrease in corresponding fees. This was a result of removing five LTMF projects (RW.3, W. Leland Phase I; RW.7 Range Road Interchange; SG.1, W. Leland/Woodhill Signal; SG.6, W. Leland/Burton Signal; and SG.13, Century/Northpark Signal), accounting for current revenues, and running a new traffic model.

Staff is recommending the adoption of a fee schedule (Exhibit "A" in the attached resolution) that is listed in the report as Option 3 in Table 9. Option 3, if adopted would carry forward the 15% reduction in residential fees and \$1.26 cap on non-residential LTMF fees that were recommended and approved by Council on November 6, 2006.

The recommended option also limits non-residential fees to \$1.26/s.f., which could potentially be as high as \$8.50/s.f., and reduces residential fees by 15% from their full fee potential amounts as described in detail of the report. These City subsidies as well as project funding shortfalls must be generated from other sources to supplement the LTMF program. Potential funding sources for the fee projects are identified in the report, including the Regional Transportation Development Impact Mitigation (RTDIM) fee, funds from Measure C and J,

Staff Report
December 18, 2006
Page 4 of 5

and Grant Programs.

The recommended fee schedule compares well with other local transportation mitigation fee programs in the region. For example, the Single Family Residential Fee being recommended tonight is \$6103/unit. This compares with \$10,020/unit in the City of Brentwood, \$11,279 in the City of Oakley, and \$2692 in the City of Concord. The Non-Residential Fee being recommended tonight is \$1.26/s.f., which compares with \$6.25 in the City of Oakley and \$6.95 in the City of Brentwood.

The proposed ordinance would remove Section 15.90.060, "Calculation of fee," which calculates and presents a list of fees in a tabular form, amend Section 15.90.040, "Payment of fee," by removing reference to Section 15.90.060, and amend Section 15.90.010, "Findings and purpose," paragraph E., which references an outdated fee study. These amendments to PMC Chapter 15.90 provide consistency between PMC Chapter 15.102, "Regional Transportation Development Impact Mitigation Fee (RTDIM) Program," and PMC 15.90, "Transportation Mitigation Fee" and enable both transportation fees to be adopted and set by resolution. Staff is re-introducing the proposed ordinance tonight to remove the reference in Municipal Code Section 15.90.010 (E) to the preparation date of the LTMF program update report. This will allow future amendments to be made by resolution and avoid the process of adopting an ordinance every time a program update is made.

Marc S. Grisham, City Manager

Report Prepared by: Paul Reinders

Attachments: - Resolution
- Ordinance
- Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update,
dated December 2006

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Amending Chapter 15.90 of the)
Pittsburg Municipal Code Which)
Establishes a Local Transportation)
Mitigation Fee Program)

ORDINANCE NO. 06-1281

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Findings.

- A. The City's Local Traffic Mitigation Fee was originally established by City Council Ordinance No. 92-1033, which approved the "Pittsburg Traffic Mitigation Fee Study, March 1992" and set forth the provisions of Chapter 15.90, "Transportation Mitigation Fee," of the Pittsburg Municipal Code; and
- B. On November 17, 1997, the City Council adopted Ordinance 97-1130, which approved the "Final Report: Pittsburg Traffic Mitigation Fee Study Update" prepared by Fehr & Peers Associates, Inc. and dated October 23, 1997, and amended Municipal Code Section 15.90.060 to reflect changes in the Local Traffic Mitigation Fee Schedule; and
- C. On July 17, 2006 and August 21, 2006, the City Council held two public workshops to discuss the Draft Pittsburg Local Transportation Mitigation Fee Program Update report, prepared by Fehr & Peers, and determine a preferred fee option for new City development; and
- D. The purpose of this ordinance is to amend Municipal Code Chapter 15.90 to update and provide greater clarity with regard to the calculation of Local Transportation Mitigation Fees in the City of Pittsburg.

SECTION 2. Amendment to Municipal Code Section 15.90.010 (E).

Section 15.90.010 of Chapter 15.90 "Transportation Mitigation Fee" of Title 15 "Buildings and Construction" of the Pittsburg Municipal Code is amended as follows:

- "E. The specific transportation improvements to be financed by the fee are described in the most recent 'Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update,' adopted by council resolution and on file with the city clerk."

SECTION 3. Amendment to Municipal Code Section 15.90.040

Section 15.90.040 of Chapter 15.90 "Transportation Mitigation Fee" of Title 15 "Buildings and Construction" of the Pittsburg Municipal Code is amended as follows:

- "A. The property owner shall pay to the City the transportation mitigation fee established by City Council resolution. The fee shall be paid prior to the issuance of a building permit.

- B. The applicable transportation mitigation fee shall be determined on the basis of the fee schedule in effect at the time of the building permit, or other applicable permit is issued. If no permit is required, then the fees are payable in the amounts in effect at the commencement of the project. The Chief Building Official or other official designated by the City Manager shall determine the amount of the fee in accordance with the standards set forth in the City Council resolution.
- C. No building permit shall be issued for property within the City unless the transportation mitigation fee for that property is paid as required by this ordinance.
- D. The transportation mitigation fees shall also be paid as a condition of an extension or renewal of a public permit issued after passage of this resolution if a fee has not been paid previously."

SECTION 4. Amendment to Municipal Code Section 15.90.060

Section 15.90.060 of Chapter 15.90 "Transportation Mitigation Fee" of Title 15 "Buildings and Construction" of the Pittsburg Municipal Code is stricken and removed in its entirety.

SECTION 5. Effective Date.

This ordinance shall take effect thirty (30) days after its adoption.

SECTION 6. Publication.

The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation, or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once five (5) days before its adoption and again twenty (20) days after its adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on December 18, 2006 and was adopted and ordered published at a meeting of the City Council held on _____, 2006 by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Ben Johnson, Mayor

ATTEST:

Alice E. Evenson, City Clerk

Final Report

Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update

December 2006

*Prepared for:
City of Pittsburg*



FITCH & FITCH

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1. INTRODUCTION

BACKGROUND

Pursuant to the *Mitigation Fee Act*, California Government Code Section 66000, et seq. (also known as AB 1600), a local agency is authorized to charge a fee to development applicants in connection with approval of a development project for the purpose of defraying all or a portion of the costs of public facilities related to the development project. The City of Pittsburg first implemented a transportation impact fee (the Local Transportation Mitigation Fee, or LTMF) in 1992 for the purpose of financing capital improvements to the local transportation system. These capital improvements are required to mitigate the traffic impacts of new development within the City of Pittsburg consistent with the land use and transportation policies of the General Plan. Specifically, the purpose of the fee is to maintain baseline levels of service or meet the City's standards for transportation operations.

The City conducted an update of the fee program in 1997 to help fund an expanded list of local transportation improvements. This updated fee was documented in *Pittsburg Traffic Mitigation Fee Study Update: Final Report*, Fehr & Peers, September 1997.

The City of Pittsburg also participates in the East Contra Costa Regional Fee and Finance Authority (ECCRFFA), a joint powers authority consisting of the Cities of Pittsburg, Antioch, Oakley, and Brentwood and the County of Contra Costa. ECCRFFA administers a regional transportation impact fee, known as the Regional Transportation Development Impact Mitigation (RTDIM) fee, for the purpose of generating funds to support the provision of regional transportation infrastructure necessary to serve future travel demand. The RTDIM fee program and the LTMF program work together to comprehensively address future transportation needs in Pittsburg.

PURPOSE

The purpose of this study is to provide the technical basis for a comprehensive update of Pittsburg's Local Transportation Mitigation Fee (LTMF) program. The focus of the updated program is to support an overall transportation system in Pittsburg that serves the expected future demand, based on changes in regional and local land use projections, planned and approved development projects, and associated changes to capital improvements and updated cost estimates. The updated LTMF is also intended to ensure consistency with the recent update of the RTDIM fee program conducted by ECCRFFA.

This report documents the analytical approach for determining the nexus between the fees and the local impact created by anticipated development in Pittsburg. A traffic and fair-share cost analysis is conducted to equitably distribute the costs of the necessary improvements to development that causes the impacts, per the provisions of AB 1600. The most up-to-date versions of the available analytical tools and techniques have been used to ensure the highest level of consistency with current standards.

USE OF THE LOCAL TRANSPORTATION MITIGATION FEE

AB 1600 requires that mitigation fee programs comply with certain basic requirements, including:

- Identifying the purpose of the fee

- Identifying how the fee will be used and the facilities to be funded through the fee
- Determining a reasonable relationship between the fee's use and the type of development on which the fee is imposed
- Determining a reasonable relationship between the need for the public facility and the type of development on which the fee is imposed
- Determining a reasonable relationship between the amount of the fee and the cost of the public facility (or portion of facility) attributable to new development

These items are addressed throughout this study and are summarized in the final chapter.

STUDY AREA

As shown on Figure 1, the study area includes the entire City of Pittsburg. The goal of the study is to calculate a fee that would be collected on new development in all parts of the City.

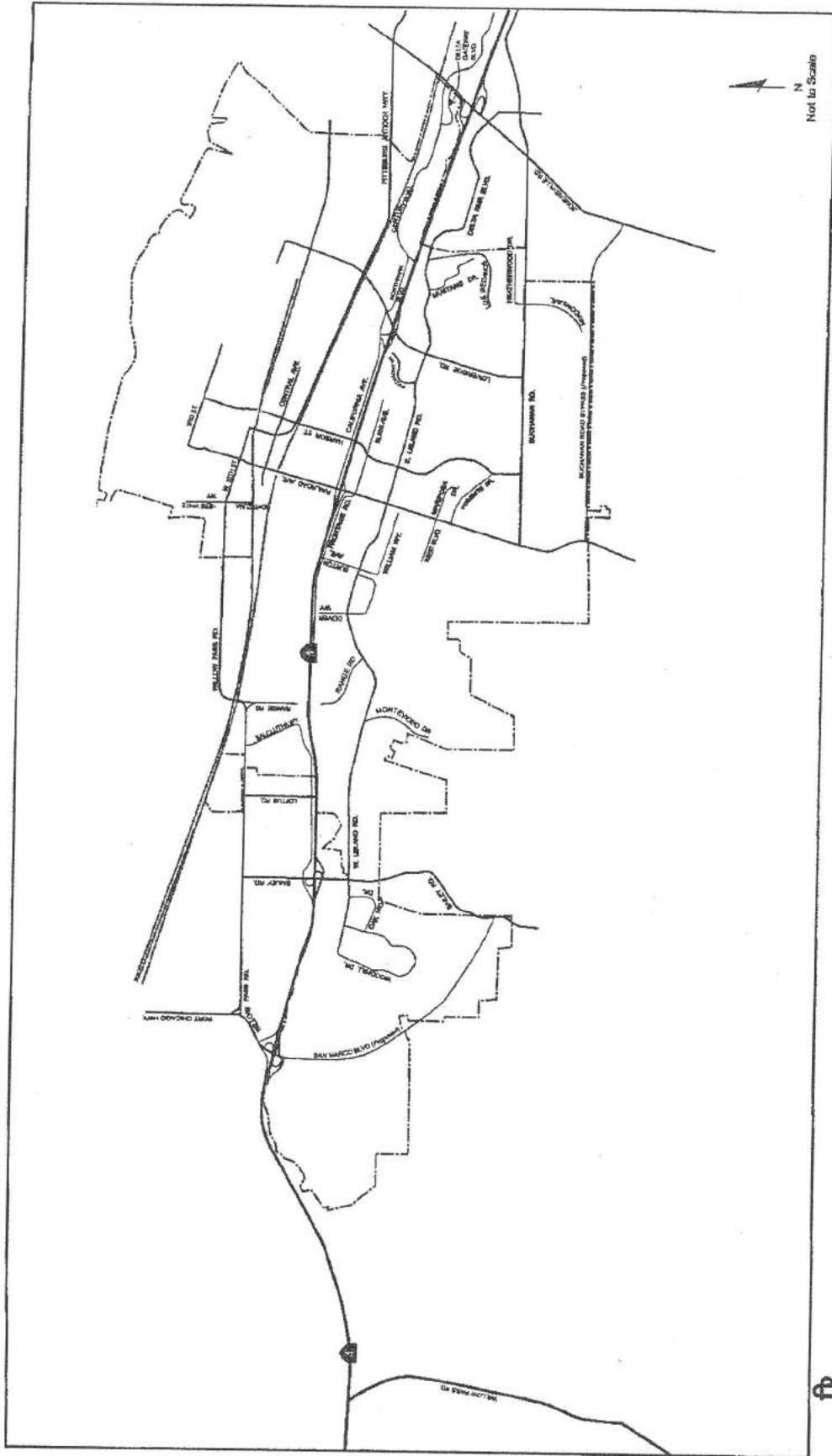
STUDY PROCESS

This study was developed under the direction of City of Pittsburg staff. After review and public hearing, the City Council will consider approval of the study and adoption of a new fee schedule.

ORGANIZATION OF THE REPORT

This report contains a total of six chapters including this introductory chapter.

- *Chapter 2 – Fee Program Background* summarizes the status of the current LTMF program and describes the projects proposed to be included in the updated LTMF program.
- *Chapter 3 – Analysis Methodology* describes the methods used in conducting the technical analysis necessary to establish the nexus.
- *Chapter 4 – Analysis Results* describes the results of the nexus analysis.
- *Chapter 5 – LTMF Program Funding Considerations* discusses the effect of the impact fees on the financing of the City's transportation improvement program.
- *Chapter 6 – Program Summary* provides a brief summary of the study results presented here and reviews the requirements of AB 1600.



FEHR & PEERS
TRANSPORTATION CONSULTANTS

June 2008
2208-1

Pittsburgh Transportation Mitigation Fee Update

**STUDY AREA
FIGURE 1**

2. FEE PROGRAM BACKGROUND

The City of Pittsburg has experienced considerable population and employment growth over the past decade, and it continues to be a major growth center in the region. This growth in population and employment translates into increased demand for travel, and traffic congestion on local roads has resulted. Highway 4, the primary regional transportation route through Pittsburg, is typically heavily congested in the westbound direction during the weekday AM peak period, and in the eastbound direction in the PM peak period. This is a result of having significantly more housing than employment in East County communities. According to the 1998 Pittsburg General Plan, traffic on Highway 4 increased by almost 50 percent between 1986 and 1996 as continued housing construction occurred in Pittsburg and elsewhere in East County; Caltrans data shows that volumes on Highway 4 have continued to grow by approximately 30% over the past five years. Traffic volumes on Pittsburg's major arterials have also experienced significant increases, due to growth within Pittsburg as well as congestion on Highway 4, with many drivers seeking alternative cut-through routes.

According to the Countywide Transportation Plan, increases in freeway traffic in Contra Costa County are expected to be greatest along Highway 4 in the vicinity of Pittsburg and Antioch. The East County Action Plan projected an increase in traffic of more than 72 percent on Highway 4 between Railroad Avenue and Somersville Road between 1990 and 2010. Major arterial roadways are also forecast to experience dramatic increases in traffic. For example, the East County Action Plan estimates an increase of 44 percent on Kirker Pass Road between 1990 and 2010. These increases are due to household and job growth both in Pittsburg and in adjacent communities.

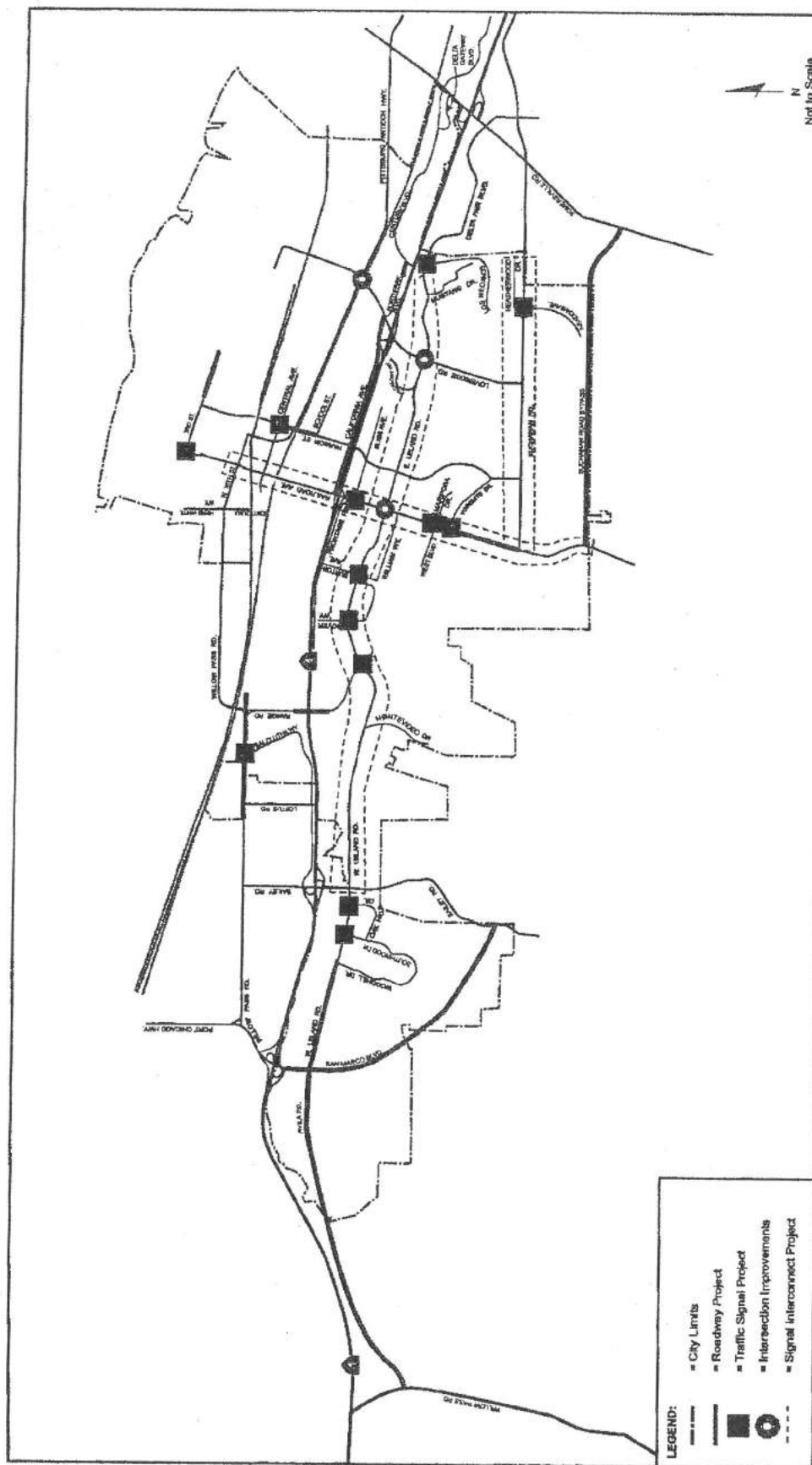
This chapter describes the current status of the traffic mitigation fee in Pittsburg. As described in the previous chapter, the City last updated the fee program in 1997, as documented in *Pittsburg Traffic Mitigation Fee Study Update: Final Report*, Fehr & Peers, September 1997. The fee levels are adjusted annually to account for inflation in construction costs.

THE CURRENT LTMF PROGRAM

Figure 2 displays the location of the improvements encompassed by the LTMF program as it was updated in 1997. The current LTMF provides contributions toward several improvements, including:

- Widening of Railroad Avenue, California Avenue, and Avila Road.
- Intersection improvements at Railroad Avenue/Leland Road, Loveridge Road/Leland Road, and Loveridge Road/Pittsburg-Antioch Highway.
- Construction of the Buchanan Road Bypass, the Range Road overcrossing, and the extension of West Leland Road.

Table 1 displays the current schedule of impact fees for each land use category. The subsidy column reflects the City's policy of subsidizing fees on non-residential land uses to encourage employers to locate in Pittsburg. While the subsidy is a substantial portion of the costs allocated to non-residential uses, it does not affect or increase the residential fees. The 1997 fee study report discussed this policy in further detail, and estimated that the subsidy would represent about 37% of the total residential and non-residential fees collected.



FEHR & PEERS
TRANSPORTATION CONSULTANTS

June 2006
2206 E

Pittsburg Transportation Mitigation Fee Update

1997 LOCAL TRANSPORTATION MITIGATION FEE PROJECTS
FIGURE 2

Pittsburg Local Transportation Mitigation Fees
December 2006

TABLE 1
CURRENT (2006) CITY OF PITTSBURG LOCAL TRANSPORTATION MITIGATION FEES

LAND USE CATEGORY	CURRENT FEE	SUBSIDY
Rural Estate (RE)	\$4,020/ D.U.	\$0.00
Low Density Residential (RL)	\$4,020/ D.U.	\$0.00
Low Density-Hillside (RL-H)	\$4,020/ D.U.	\$0.00
Rural Residential (RR)	\$4,020/ D.U.	\$0.00
Medium Density (RM)	\$2,733/ D.U.	\$0.00
High Density (RH)	\$2,733/ D.U.	\$0.00
Retirement Community (RC)	\$1,609/ D.U.	\$0.00
Neighborhood Commercial (CN)	\$10.61/ S.F.	\$9.98/S.F.
Community Commercial (CC)	\$7.55/ S.F.	\$6.92/S.F.
Service Commercial (SC)	\$10.61/ S.F.	\$9.98/S.F.
Office Commercial (OC)	\$7.55/ S.F.	\$6.92/S.F.
Industrial	\$2.41/ S.F.	\$1.78/S.F.

Notes: D.U. = Dwelling Unit, S.F. = Square Foot
Source: City of Pittsburg, 2006.

THE PROPOSED FEE PROGRAM

The nexus analysis presented in the subsequent chapters is based on recent interest in expanding the list of improvement projects included in the fee program. Figure 3 shows the improvement projects to be included in the proposed fee program. Examples of projects in this updated fee program that were not included in the previous LTMF project lists include:

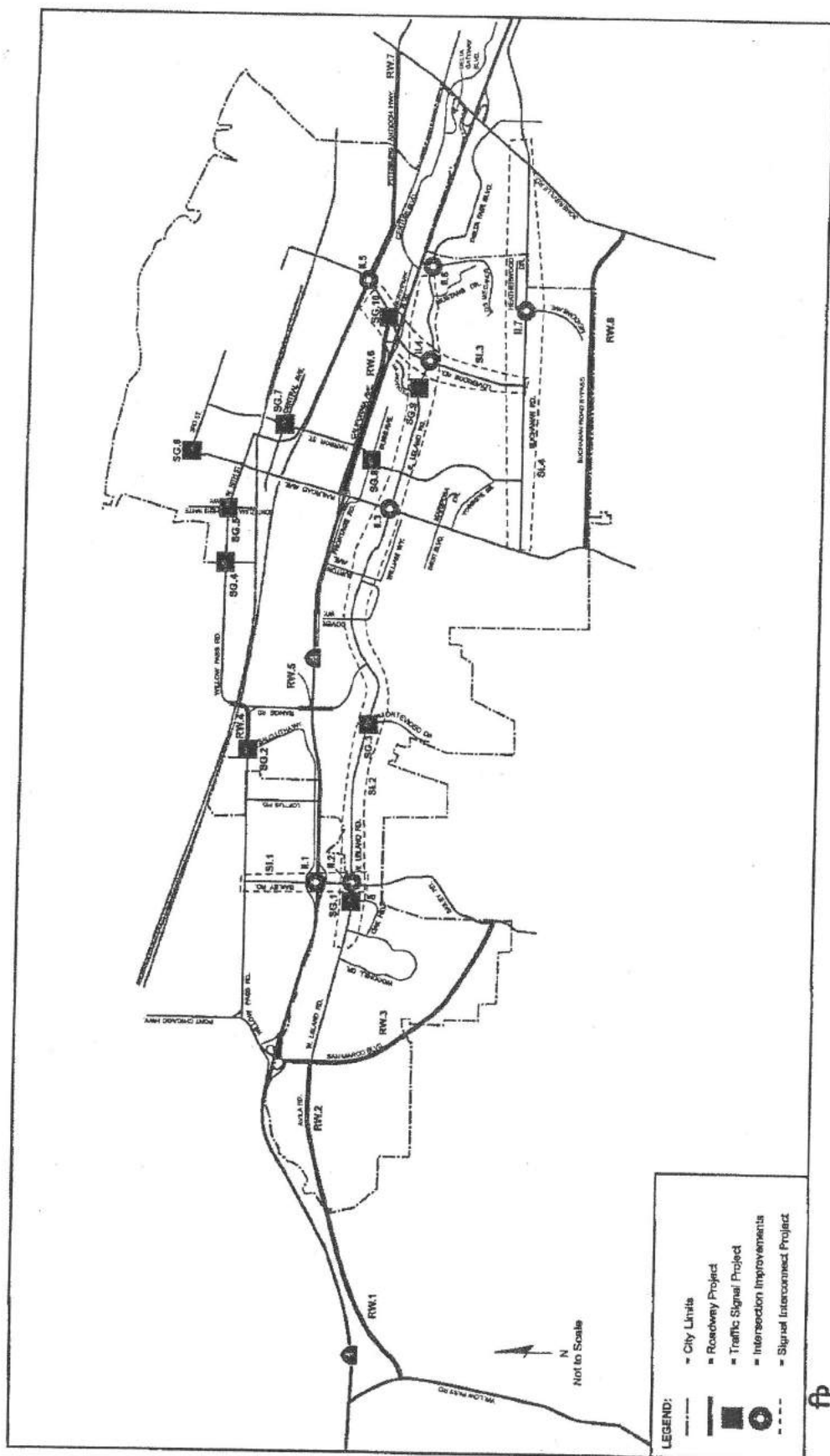
- Bailey Road and Loveridge Road signal interconnect projects.
- Intersection improvements at East Leland Road/Los Medanos College, West Leland Road/Bailey Road, SR4/Bailey Road, and Railroad Avenue/Leland Avenue.
- Traffic signalization projects at West Leland Road/Oak Hills Drive, West Leland Road/Montevideo Drive, West 10th Street/Herb White Way, and California Avenue/Loveridge Road, among others.

The Range Road overcrossing is also included in the LTMF update. The Range Road interchange was considered for inclusion and was analyzed in earlier drafts of this report, but was excluded from the final program at the direction of the City Council.

All of the improvements included in this fee study update have been identified through previous planning studies or environmental impact analyses conducted in the City. For instance, many of the improvements were identified in certified EIRs as mitigation measures needed to address cumulative traffic impacts, or have been identified as necessary through local planning efforts.

All roads within the City of Pittsburg's jurisdiction are considered part of the local transportation network, and are thus eligible for funding through the LTMF program. However, while all facilities in the local transportation network are eligible for LTMF funding, not all improvements on all facilities will be part of the LTMF program. The projects selected for inclusion in the LTMF program are those that improve city-wide transportation conditions by serving traffic from multiple development areas, typically on major or minor arterial streets.

The nexus analysis presented in the following chapters calculates the fees that could be collected to support these projects.



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2006 LOCAL TRANSPORTATION MITIGATION FEE PROJECTS
FIGURE 3



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3. ANALYSIS METHODOLOGY

This chapter describes the methodology used to determine the nexus between the impact from new development in Pittsburg and the needed improvements. The focus of the fee program is on developing an overall transportation system that will accommodate the City's expected future traffic demand.

The technical analysis for this study was completed through a series of five steps. Each is listed below, along with a brief description. The next chapter describes how these steps were applied to the City of Pittsburg and the results of the fee calculations.

Step 1 – Summarize Capital Improvements and Estimate Costs

As described in Chapter 2, the City has defined a set of transportation projects necessary to provide the capacity needed to accommodate future growth in the City. Estimated costs for each of the improvements were provided by the City.

Step 2 – Identify Existing Deficiencies on Local Network

By definition, a fee program charges fees to new development to fund transportation improvements necessary to serve the demand and impacts generated by that new development. The following procedure was used to determine if any of the transportation projects identified in Step 1 are on facilities that experience current traffic problems, as defined by the City.

A complicating factor in the evaluation of existing traffic conditions is the ongoing construction project along Highway 4 and the Railroad Avenue Interchange. This construction activity can be expected to cause temporary changes in traffic patterns, as drivers try to avoid the construction-related delays around the Railroad Avenue corridor. This means that traffic counts collected now may not be representative of typical, non-construction periods.

To address this issue, peak hour traffic counts at a number of intersections around the City were assembled from traffic studies conducted just prior to the Railroad Avenue construction project. However, no data was available from these previously-published reports for several of the intersections to be included in this study. New traffic data was collected at these intersections, as well as at several other key locations in the vicinity of the Railroad Avenue corridor. By comparing the non-construction and during-construction data at a few key intersections, we could determine the likely effects of the construction project on localized traffic patterns. These results were then used to adjust the new traffic counts to better represent pre-construction conditions.

The resulting intersection turning movement data was used to evaluate the existing level of service (LOS) at intersections that would be affected by the planned transportation improvements in the City's LTMF program. These results were compared to the City's LOS thresholds to determine if any of the study intersections have existing deficiencies.

For regional roads defined as Routes of Regional Significance by the transportation planning committee for East County (TRANSPAN), we compared the intersection LOS results to the standards listed in the

2004 *Traffic Service Objectives Monitoring Report*.¹ Intersections that did not meet either the City's or TRANSPLAN's standards were flagged as having an existing deficiency.

Step 3 – Summarize the Amount of New Development Expected in Pittsburg

As described in more detail below, the regional travel model used in this study to analyze the transportation effects of new development is based upon regional forecasts of residential and commercial growth produced by the Association of Bay Area Governments (ABAG). The land use projections available for use in the regional model at the time this analysis was conducted extend to the year 2025 and are consistent with ABAG forecasts produced in their Projections 2000 (P'00) and Projections 2002 (P'02) datasets.

Step 3 consists of the following three sub-steps: 1) estimating the amount of new development expected in Pittsburg; 2) converting the projections of future employment into estimates of building area; and 3) converting the overall land use projections into the units necessary for fee calculation, known as Dwelling Unit Equivalents (DUEs). The three sub-steps are described more fully below.

Estimating Future New Development in Pittsburg

For purposes of the fee calculation, it is important to identify the amount of residential and non-residential land use currently in the City, in order to produce a reasonably accurate estimate of the new development that will be subject to the updated fee. The following general land use categories were used in this summary: single-family residential, multi-family residential, retail jobs, service jobs, and other jobs. The CCTA model contains employment data in a few additional categories with relatively small numbers of jobs; to simplify the calculations, all of the employment in the City was consolidated into the three categories listed above (retail, service, and other).

Estimates of current residential development in Pittsburg were provided by City staff and derived from California Department of Finance records. Current employment estimates were taken from ABAG's most recent set of land use data, Projections 2005 (P'05). Projections of future (2025) housing and jobs in the City were taken from the CCTA model and were checked for reasonableness against P'05 projections, and against recent local development trends.

Converting Employment Projections to Building Area

The ABAG-based land use forecasts for Pittsburg include both residential and non-residential uses. Non-residential uses are represented in terms of numbers of jobs. Because the fees will be assessed on the basis of building area, the forecasts of total jobs were converted into building area by applying the following factors:

- Office: 275 square feet/job

1. As required by Contra Costa County's Measure C, the transportation planning committee for East County (TRANSPLAN) regularly prepares an Action Plan for the Routes of Regional Significance in the subregion. The Action Plan defines quantifiable Traffic Service Objectives (TSOs) for each major regional facility and actions necessary to achieve those objectives. CCTA periodically prepares a TSO Monitoring Report to document the current status of the TSOs and progress made toward achieving them. The most recent TSO Monitoring Report was published in December 2004.

- Retail: 500 square feet/job
- Other: 400 square feet/job

These factors reflect relationships between employment and building area that can be derived from the *Trip Generation* publication of the Institute of Transportation Engineers, and are consistent with factors used in recent General Plan analyses and other traffic studies in East County.

Converting Land Use Projections to Dwelling Unit Equivalents (DUEs)

The concept of DUEs is commonly used in fee studies to account for the fact that different development types generate traffic with different characteristics and with different levels of impact on the City's transportation system. For purposes of this LTMF update, we applied the DUE conversion factors used in the recently-completed RTDIM fee update for ECCRFFA. These factors account for peak hour trip rates, the effects of pass-by trips, and trip lengths associated with each of the development types. For example, commercial uses tend to generate more trips per square foot than office uses, but those commercial trips tend to be shorter in length (for instance, people tend to drive farther to work in an office than they do to buy groceries or rent videos). The DUE conversion process accounts for these differences in impact on the transportation system.

The factor for commercial uses is applied to the retail jobs category in the CCTA model projections, the office factor is applied to service jobs, and the industrial factor is applied to other jobs. All DUEs are then normalized to the single-family residential rate.

Step 4 – Calculate Project Costs Attributable to New Development

For improvement projects on facilities that are not subject to an existing deficiency (as defined in Step 2), the need for the improved facility is generated by new development rather than by existing transportation problems. Therefore, all of the estimated project costs could potentially be included in the fee program.

For projects on facilities that have been identified as experiencing existing deficiencies, the cost of the improvement was divided between existing development and new development. The cost share attributable to new development, and therefore eligible for inclusion in the fee program, was calculated as follows:

1. Quantify the existing deficiency by determining the current traffic volume that exceeds the available capacity. For example, if a facility with a theoretical capacity of 2,000 vehicles is currently carrying 2,200 vehicles, the existing deficiency would be calculated as $2,200 - 2,000 = 200$. The theoretical capacity was based on the maximum volume that would either meet the applicable LOS standard or fail to satisfy the signal warrant (thereby allowing an unsignalized intersection to continue to operate without a signal).
2. Determine the future traffic growth by subtracting the current traffic volumes from the forecasted future traffic volumes. For example, if the future demand on the facility is projected to be 2,500 vehicles, the future traffic growth would be calculated as $2,500 - 2,200 = 300$.
3. Define the "overall benefit" of the project as the correction of the existing deficiency (from number 1 above) plus the accommodation of future growth (from number 2). In our example, the overall

benefit of improving the road would be to correct the existing deficiency of 200 vehicles and to accommodate the future growth of 300 vehicles, for a total benefit of 500.

4. Calculate new development's share of the benefit as the result of number 2 divided by number 3. In this case, the share of the benefit to new development would be 60%, or 300 divided by 500. Therefore, 60% of the project cost would be included in the fee program. The remaining 40% of the project cost would need to be funded through other sources.

After accounting for existing deficiencies, the next step was to determine how much of the traffic on the improved facility was attributable to new development in Pittsburg, and how much was attributable to "regional" growth (new development outside Pittsburg). This level of analysis requires the use of a regional travel demand model, which uses land use and transportation network inputs to produce estimates of future travel demand and usage of roadway facilities. This study used the most recent version of the regional travel demand model adopted for use in Contra Costa County. This model, developed and maintained by the Contra Costa Transportation Authority (CCTA) and implemented in the TransCAD software program, is the primary transportation analysis tool available at this time for regional planning studies in East County.

In this study, model runs were conducted to estimate future (2025) traffic demand in East County based on official regional land use forecasts provided by ABAG. For each improvement project, the CCTA model was used to determine the amount of local traffic using the affected intersection or roadway segment. Local traffic was defined as trips generated by new development that had either an origin or a destination (or both) in Pittsburg. Trips with neither a Pittsburg origin nor a Pittsburg destination were defined as regional. The local percentage was calculated by dividing the number of local trips on a facility by the total number of new trips. The local percentage was then applied to the total project cost to determine the Pittsburg share of the cost. This represents the level of funding that could be paid for through Pittsburg's LTMF. The percentage of the cost not attributable to new development in Pittsburg would be covered by other funding sources.

Step 5 – Determine Fee Amounts

The existing balance in the City's Local Traffic Mitigation Fee account was subtracted from the total cost to be contributed by new development (Step 4). This total was then divided by the total number of new DUEs (Step 3) to determine the appropriate fee amount for each land use category.

4. ANALYSIS RESULTS

This chapter summarizes the results of the nexus analysis steps outlined in Chapter 3. Further detail on technical procedures and calculations is provided in the Technical Appendix (available under separate cover).

Step 1 – Summarize Capital Improvements and Estimate Costs

As described earlier, the City defined a comprehensive set of transportation projects that would provide the capacity estimated to accommodate projected growth. Table 2 provides a list of the improvements, along with estimated costs provided by the City.

The proposed project list includes improvements to major arterials and to local roads, signalization of a number of currently unsignalized intersections, and the installation of signal interconnect systems to improve traffic flow along several major arterials. Many of these projects are already included in the existing LTMF program, as shown by an asterisk next to the project description in Table 2.

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TABLE 2
2006 LTMF UPDATE - PROJECT LIST

ID	Project	Description	Total Cost
Roadway Projects			
RW.1	Avila Road Widening*	Widen to two lanes each direction between Willow Pass Rd and West Leland Rd.	\$6,825,000
RW.2	W. Leland Road Phase II	Extend from San Marco Blvd to Avila Rd., two lanes each direction.	\$12,180,000
RW.3	San Marco Boulevard	New two-lane roadway between existing terminus and Bailey Rd.	\$7,240,000
RW.4	Willow Pass Road Widening and bridge reconstruction*	Widen to four lanes between Loftus Rd and Range Road ramp.	\$4,200,000
RW.5	Range Road over-crossing*	New two-lane crossing over SR 4.	\$22,050,000
RW.6	California Avenue Widening*	Widen to four lanes between Railroad Ave and Loveridge Rd.	\$17,535,000
RW.7	Pittsburg-Antioch Highway Widening	Widen to four lanes between Loveridge Rd and Somersville Rd.	\$11,550,000
RW.8	Buchanan Road Bypass*	New two-lane road from Somersville Road to Kirker Pass Road	\$34,965,000
Signal Interconnect Projects			
SI.1	Bailey Road	Signal interconnect between Willow Pass Rd and Willow Ave/Oak Hills Circle.	\$210,000
SI.2	Leland Road*	Signal interconnect from existing terminus to Delta Fair Blvd.	\$315,000
SI.3	Loveridge Road	Signal interconnect between Pittsburg-Antioch Highway and Buchanan Rd.	\$105,000
SI.4	Buchanan Road*	Signal interconnect between Railroad Ave and Somersville Rd.	\$525,000
Traffic Signal Projects			
SG.1	W. Leland Road/ Oak Hills Drive	Install new signal.	\$210,000

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TABLE 2
2006 LTMF UPDATE - PROJECT LIST

ID	Project	Description	Total Cost
SG.2	Willow Pass Road/ Balclutha Way*	Install new signal.	\$210,000
SG.3	W. Leland Road/ Montevideo Drive	Install new signal.	\$194,250
SG.4	Willow Pass Road/ Empire Business Park	Install new signal.	\$157,500
SG.5	W. 10th Street/ Herb White Way	Install new signal.	\$210,000
SG.6	Railroad Avenue/ 3rd Street*	Install new signal.	\$210,000
SG.7	Harbor Street/ Central Avenue*	Install new signal.	\$210,000
SG.8	Harbor Street/ Bliss Avenue	Install new signal.	\$194,250
SG.9	E. Leland Road/ Piedmont Way	Install new signal.	\$194,250
SG.10	California Avenue/ Loveridge Road	Install new signal.	\$210,000
Intersection Improvements			
II.1	SR 4/Bailey Road	Add a northbound left turn lane.	\$105,000
II.2	W. Leland Road/ Bailey Road	Add a westbound right turn lane, southbound right turn lane, and eastbound left turn lane.	\$1,050,000
II.3	Railroad Avenue/ Leland Avenue*	Add an eastbound right turn lane and a northbound left turn lane.	\$525,000
II.4	Loveridge Road/ Leland Avenue*	Add a southbound right turn lane.	\$210,000
II.5	Pittsburg-Antioch Highway/Loveridge Road.	Add an eastbound right turn lane and an additional westbound left turn lane.	\$178,500
II.6	E. Leland Road/Los Medanos College*	Lengthen the Century/Leland eastbound left-turn lane by realigning the easternmost Los Medanos College driveway.	\$420,000

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**TABLE 2
2006 LTMF UPDATE - PROJECT LIST**

ID	Project	Description	Total Cost
11.7	Buchanan Road/ Meadows Avenue Control Point Metering*	Install signal metering to limit traffic flow	\$525,000
Total			\$122,713,750
Notes:			
* Projects listed in the 1997 TMF Report.			
Source: Fehr & Peers, 2006.			

Step 2 – Identify Existing Deficiencies on Roadway Network

The traffic analysis determined if deficiencies exist at locations with planned roadway improvements listed on Table 2 above. Two standards were used in this analysis — the East County Action Plan (for Routes of Regional Significance) and the City of Pittsburg General Plan (for all other routes).

According to the East County Action Plan, signalized intersections on Routes of Regional Significance are acceptable if they operate at a mid-LOS D (volume-to-capacity ratio of 0.85) or better, except for intersections on Bailey Road from West Leland to Canal, which are acceptable at a level of service E. The Action Plan does not address unsignalized intersections on these routes.

For City of Pittsburg routes, acceptable operations at signalized intersections are defined as LOS D or better. For unsignalized intersections, acceptable operations are defined as LOS D or better and low enough traffic volumes that the peak hour traffic signal warrant is not triggered. The method for evaluating unsignalized intersections is to first look at the LOS results; if the intersection operates at LOS D or better, it is considered acceptable. If the worst approach operates at an LOS E or F, then the peak hour signal warrant is checked; if volumes are high enough to meet the warrant thresholds, then the intersection is considered to operate unacceptably and require improvement.

Traffic counts at a number of study intersections throughout the City were assembled as described in Chapter 3, and the results of the level of service analysis are shown in Table 3. Two intersections currently operate below the applicable LOS standard: California Avenue/Railroad Avenue and East Leland Road/Los Medanos College.

The California Avenue/Railroad Avenue intersection, which is signalized, currently operates at LOS F in the AM peak hour. This intersection will be reconstructed and improved as part of the ongoing Railroad Avenue improvement project. The capital improvement project included in this LTMF update does not include further upgrades to this intersection specifically, but rather involves the widening of California Avenue itself between Railroad Avenue and Loveridge Road. Therefore, the fact that the California Avenue/Railroad Avenue intersection currently operates at LOS F is not considered an existing deficiency for the purposes of this study, because it does not affect the California Avenue widening project that is part of the LTMF program.

The East Leland Road/Los Medanos College intersection, which is side-street stop controlled, has a worst-approach LOS E in the AM peak and LOS F in the PM peak, and meets the peak hour signal warrant in the PM peak hour. This location is planned for improvement through project II.6 listed in this TMF update. This existing deficiency was treated as described in Chapter 3.

As discussed in Chapter 3, Step 2, the current operations of Routes of Regional Significance is assessed through comparison with the Traffic Service Objectives (TSOs) reported in the *2004 TSO Monitoring Report*. This report indicates that one of the facilities identified for improvement in the updated fee program currently does not meet the relevant TSO. Buchanan Road between Railroad Avenue and Somersville Road currently exceeds the Delay Index TSO² during both the AM and PM peak hours. This facility is therefore considered to have an existing deficiency, which is consistent with the findings presented in the recent ECCRFFA update (documented in *East Contra Costa Regional Fee Program Update: Final Report*, Fehr & Peers, June 2005). The analysis in the ECCRFFA report determined the proportion of the capacity needs on Buchanan Road attributable to new development (about 68%), and this same factor was applied in this study both for the signal interconnect improvement to Buchanan Road (project SI.4), as well as to the Buchanan Road Bypass construction project (project RW.8) because the Bypass is partially intended to address traffic issues along existing Buchanan Road. The other facilities highlighted for improvement in this program are not subject to exceedances of the established TSOs.

2. The Delay Index is a measure of traffic congestion, and is defined as the ratio of the time required to travel between two points during the peak hour when roads are most congested, to the time required during uncongested off-peak times.

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**TABLE 3
EXISTING LEVEL OF SERVICE ANALYSIS**

ID	Intersection	Control	AM Peak Hour		PM Peak Hour		Peak Hour Signal Warrant Met?	Existing Deficiency?
			V/C or Delay ¹	LOS ²	V/C or Delay ¹	LOS ²		
1	W. Leland Road/ Oak Hills Drive	SSS	3.5 (12.6 NB)	A (B NB)	2.6 (11.5 NB)	A (B NB)	N	N
2	Bailey Road/ WB SR 4 ramps	Signal	0.87	D	0.85	B		N
3	Bailey Road/ EB SR 4 ramps	Signal	0.68	B	0.8	C		N
4	W. Leland Road/ Bailey Road	Signal	0.9	D	0.75	C		N
5	Willow Pass Road/ Loftus Road	Signal	0.43	A	0.7	B		N
6	Willow Pass Road/ Balclutha Way	SSS	3.2 (41.7)	A (E)	3.7 (61.1)	A (F)	N	N
7	W. Leland Road/ Montevideo Drive	SSS	0.6 (19.3)	A (C)	1.2 (116.2)	A (F)	N	N
8	Willow Pass Road/ Range Road - south side	SSS	5.8 (10.8)	A (B)	9.6 (15.1)	A (C)	N	N
9	Willow Pass Road/ Range Road - north side	Uncontrolled						N
10	W. 10th Street/ Herb White Way	SSS	3.1 (12.7)	A (B)	2.2 (20.6)	A (C)	N	N
12	Buchanan Road/ Railroad Avenue	Signal	0.46	A	0.59	A		N
13	Railroad Avenue/ Leland Road	Signal	0.63	B	0.8	C		N
14	California Avenue/ Railroad Avenue	Signal	1.07	F	0.79	C		N*
15	Harbor Street/ Bliss Avenue	SSS	6.0 (61.2)	A (F)	11.7 (56.6)	B (F)	N	N
16	California Avenue/ Harbor Street	Signal	0.67	B	0.78	C		N
17	Harbor Street/ Central Avenue	AWS ⁵	9.9 (10.1)	A (B)	10.3 (10.5)	B (B)	N	N
18	E. Leland Road/ Piedmont Way	Signal	0.43	A	0.58	A		N
19	Buchanan Road/ Loveridge Road	Signal	0.73	C	0.7	B		N

TABLE 3
EXISTING LEVEL OF SERVICE ANALYSIS

ID	Intersection	Control	AM Peak Hour		PM Peak Hour		Peak Hour Signal Warrant Met?	Existing Deficiency?
			V/C or Delay ¹	LOS ²	V/C or Delay ¹	LOS ²		
20	Loveridge Road/ Leland Road	Signal	0.67	B	0.72	C		N
21	California Avenue/ Loveridge Road	Signal	0.9	D	0.51	A		N
22	Pittsburg-Antioch Highway/Loveridge Road	Signal	0.69	B	0.79	C		N
23	Buchanan Road/ Meadows Avenue	Signal	0.67	B	0.78	C		N
24	E. Leland Road/ Los Medanos College	SSS	0.5 (40.7)	A (E)	8.8 (170.4)	A (F)	Y	Y
25	Buchanan Road/ Somersville Road	Signal	0.68	B	0.68	B		N

Notes:

Bold = Exceeding applicable service standards.

* Explanation of existing deficiency determination provided in Chapter 4, Step 2.

1. For signalized intersections, volume-to-capacity ratio is presented. For unsignalized intersections, information presented is intersection average delay (followed by worst approach delay in parentheses) expressed in seconds per vehicle.
2. For unsignalized intersections, information presented is intersection average LOS (followed by worst approach LOS in parentheses).
3. SSS = Side-Street STOP.
4. An all-way stop has recently been installed at this intersection as a temporary measure in advance of a planned traffic signal. However, it is analyzed here as a side-street stop because that is the more realistic alternative to a signal, and thus captures how it would operate if not signalized.
5. AWS = All-Way STOP.

Source: Fehr & Peers, 2006.

Step 3 – Summarize the Amount of New Development Expected in Pittsburg

Chapter 3 described the sources of information used to estimate the amount of new development expected in Pittsburg. This section provides additional detail on how those development projections were derived.

To estimate Pittsburg's current (year 2005) residential development, we used data provided by City staff and based on California Department of Finance records, which indicate a total of approximately 20,000 housing units in Pittsburg in 2005. This total was then split into single- and multi-family units according to the appropriate proportions in the CCTA model.

To estimate the current number of jobs in Pittsburg, we began with data from ABAG P'05 on the total number of jobs in Pittsburg in 2005 (approximately 15,000) and divided that total among the "retail," "service," and "other" categories according to the appropriate proportions in the CCTA model.

Projections of year 2025 housing and jobs in Pittsburg were drawn from the CCTA model, resulting in estimates of approximately 26,500 housing units and 29,000 jobs. These figures were split into single- and multi-family housing, and into the appropriate employment categories, based on the relevant proportions in the CCTA model. Table 4 shows the City-wide totals of housing and employment for both 2005 and 2025.

As described earlier, the land use projections in the CCTA model are based on a combination of P'00 and P'02 information. ABAG has recently prepared a new set of projections, P'05, and we compared the 2025 projections from the CCTA model with the P'05 data to ensure reasonableness. For both housing and jobs, the P'05 projections are slightly lower than those in the CCTA model, with the P'05 projections containing approximately 24,000 housing units and 28,000 jobs in Pittsburg in 2025.

We also checked historical growth trends in Pittsburg. The CCTA model projections translate into a growth rate of about 325 building permits per year over the next 20 years. This is a somewhat slower rate of growth than the roughly 400 units per year that the City has processed over the past five years. By contrast, the P'05 projections would translate into a growth rate of only 200 units per year, which is half the rate the City has recently experienced. Therefore, the 2025 projections from the CCTA model seem reasonable given recent trends.

As described in Chapter 3, the land use forecasts were then converted to DUEs to account for the fact that different development types generate traffic with different characteristics and levels of impact on the City's transportation system. Table 5 presents the conversion factors used to calculate DUEs in this study. Please note that these factors are consistent with those used in the recent ECCRFFA fee update and reflect the most recent trip generation information available from the national reference source, the Institute of Transportation Engineers (ITE). These factors are different from those used in the 1997 LTMF study, reflecting differences in trip generation rates, employee density ratios, and other elements of the calculation. The results of the DUE conversion are presented in Table 6.

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**TABLE 4
PITTSBURG HOUSING AND EMPLOYMENT PROJECTIONS**

Land Use Category	2005	2025	Total Growth	% Growth
Single-family units	14,052	18,180	4,128	29%
Multi-family units	6,022	8,357	2,335	39%
Total residential	20,074	26,537	6,463	32%
Retail jobs	3,768	7,046	3,279	87%
Service jobs	4,822	9,657	4,835	100%
Other jobs	6,480	12,622	6,142	95%
Total jobs	15,070	29,325	14,255	95%

Source: CCTA, ABAG, Fehr & Peers.

**TABLE 5
DUE CONVERSION FACTORS**

Land Use Category	Unit	Peak Hour Trip Rate ¹	% New Trips ²	Average Trip Length ³	VMT per Unit	DUE per Unit
Single-Family	DU	1.01	100	9.6	9.7	1.00
Multi-Family	DU	0.62	100	9.6	6.0	0.61
Commercial	1,000 SF	3.75	50	5.0	9.4	0.97
Office	1,000 SF	1.49	65	10.7	10.4	1.07
Industrial	1,000 SF	0.76	80	10.7	6.5	0.67

Notes:

1. ITE Trip Generation, 7th Edition.
2. SANDAG Brief Guide of Vehicular Traffic Generation Rates, July 1998.
3. Average trip lengths for the East County area from the model, in miles.

Source: Fehr & Peers, 2006.

TABLE 6
GROWTH IN DUES

Land Use Category	Total Growth	DUE Per Unit	Growth Converted to DUEs
Single-family units	4,128	1.00	4,128
Multi-family units	2,335	0.61	1,424
Total residential	6,463		5,552
Retail jobs	3,279	0.97	1,590
Service jobs	4,835	1.07	1,423
Other jobs	6,142	0.67	1,646
Total jobs	14,255		4,659
TOTAL DUES			10,211

Notes:

1. Relationship between land use categories in the model and the fee program assumed to be: Retail=Commercial; Service=Office; and Other=Industrial.
2. Retail DUE conversion based on 500 square feet per job and a DUE per thousand square feet of 0.97.
DUE = Retail Jobs * 0.500 * 0.97
3. Service DUE conversion based on 275 square feet per job and a DUE per thousand square feet of 1.07.
DUE = Service Jobs * 0.275 * 1.07
4. Other DUE conversion based on 400 square feet per job and a DUE per thousand square feet of 0.67.
DUE = Other Jobs * 0.400 * 0.67

Source: Fehr & Peers, 2006.

Step 4 - Calculate Project Costs Attributable to New Development

As described in Chapter 3, if a facility is not subject to an existing deficiency, then the need for improvement is generated by new development rather than by existing transportation problems and all of the estimated improvement costs are included in the fee program. For those projects that improve currently deficient facilities (the East Leland/Los Medanos College improvement and the Buchanan Road signal interconnect and the Buchanan Road Bypass, as described in Step 2 above), the proportion of the cost attributable to new development was calculated as detailed in Chapter 3. In addition, the proportion of traffic not related to growth in Pittsburg was also excluded from the project cost. Table 7 summarizes these calculations and shows the resulting amounts that would be included in the fee program in the column titled Potential Fee Contribution.

Using the East Leland/Los Medanos intersection improvement as an example, that side-street stop-controlled location currently has traffic volumes high enough to meet the peak hour signal warrant. Peak hour volumes on the minor street would need to decrease by 23 vehicles for the intersection to operate adequately under current conditions. The travel modeling process forecast growth in peak hour traffic of 94 vehicles at this intersection. Therefore, the total benefit of the improvement would be to correct the

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existing deficiency of 23 plus accommodate the future growth of 94, for a total benefit of 117. New development's share of that benefit would be 94 divided by 117, or 80%.

**TABLE 7
POTENTIAL FEE CONTRIBUTIONS**

ID	Project	Total Cost	Adjustment for Existing Deficiency ¹	Pittsburg Share of New Traffic	Potential Fee Contribution
Roadway Projects					
RW.1	Avila Road Widening	\$6,825,000		66%	\$4,504,500
RW.2	W. Leland Road Phase II*	\$12,180,000		68%	\$8,282,400
RW.3	San Marco Boulevard	\$7,240,000		79%	\$5,719,600
RW.4	Willow Pass Road Widening and bridge reconstruction*	\$4,200,000		81%	\$3,402,000
RW.5	Range Road over-crossing	\$22,050,000		97%	\$21,386,458
RW.6	California Avenue Widening*	\$17,535,000		96%	\$16,833,600
RW.7	Pittsburg-Antioch Highway* Widening	\$11,550,000		81%	\$9,355,500
RW.8	Buchanan Road Bypass*	\$34,965,000	68%	2%	\$475,524
Signal Interconnect Projects					
SI.1	Bailey Road	\$210,000		84%	\$176,400
SI.2	Leland Road	\$315,000		75%	\$236,250
SI.3	Loveridge Road	\$105,000		81%	\$85,050
SI.4	Buchanan Road	\$525,000	68%	93%	\$332,010
Traffic Signal Projects					

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TABLE 7
POTENTIAL FEE CONTRIBUTIONS

ID	Project	Total Cost	Adjustment for Existing Deficiency ¹	Pittsburg Share of New Traffic	Potential Fee Contribution
SG.1	W. Leland Road/Oak Hills Drive	\$210,000		84%	\$176,400
SG.2	Willow Pass Road/ Balclutha Way	\$210,000		81%	\$170,100
SG.3	W. Leland Road/ Montevideo Drive	\$194,250		73%	\$141,803
SG.4	Willow Pass Road/ Empire Business Park	\$157,500		90%	\$141,750
SG.5	W. 10 th Street/Herb White Way	\$210,000		88%	\$184,800
SG.6	Railroad Avenue/3 rd Street	\$210,000		100%	\$210,000
SG.7	Harbor Street/Central Avenue	\$210,000		100%	\$210,000
SG.8	Harbor Street/Bliss Avenue	\$194,250		96%	\$186,480
SG.9	E. Leland Road/Piedmont Way	\$194,250		75%	\$145,688
SG.10	California Avenue/ Loveridge Road	\$210,000		63%	\$132,300
Intersection Improvements					
II.1	SR 4/Bailey Road	\$105,000		85%	\$89,250
II.2	W. Leland Road/Bailey Road	\$1,050,000		74%	\$777,000
II.3	Railroad Avenue/ Leland Avenue	\$525,000		85%	\$446,250
II.4	Loveridge Road/Leland Avenue	\$210,000		82%	\$172,200
II.5	Pittsburg-Antioch Highway/Loveridge Road.	\$178,500		61%	\$108,885

TABLE 7
POTENTIAL FEE CONTRIBUTIONS

ID	Project	Total Cost	Adjustment for Existing Deficiency ¹	Pittsburg Share of New Traffic	Potential Fee Contribution
11.6	E. Leland Road/ Los Medanos College	\$420,000	80%	72%	\$241,920
11.7	Buchanan Road/Meadows Avenue Control Point Metering	\$525,000		94%	\$493,500
Total Cost					\$74,817,617
Subtract Existing LTMF Account Balance					\$1,554,382
Total Cost Minus Existing Funds					\$73,263,235
Projected Growth in DUE's					10,211
Fee per DUE					\$7,170

Notes:

* Projects that also appear in the RTDIM fee program. Combined funding for these projects is discussed further in Chapter 5.

¹ For projects addressing existing deficiencies, the Adjustment for Existing Deficiency column shows the proportion of project costs attributable to traffic generated by future development.

Source: Fehr & Peers, 2006.

Step 5 – Determine Fee Amounts

Table 8 displays the calculated impact fees. These fees have been calculated based on the complete list of projects included in the proposed TMF program as shown in Table 2. The total fee contribution calculated in Table 7 (\$74,817,617) minus the existing funds in the City's LTMF account (\$1,554,382) was divided by the total number of Dwelling Unit Equivalents (DUEs) expected in Pittsburg (10,211) to calculate the resulting fee per DUE (\$7,170). These figures do not reflect any reductions or subsidies that the City may choose to implement. This calculation also does not consider the effects of other funding sources that may be available to some of the projects.

TABLE 8
PRELIMINARY FEE CALCULATIONS

Land Use Category	Current Fees ¹	Potential Fees
Rural Estate (RE)	\$4,020/D.U.	\$7,170/D.U.
Low Density Residential (RL)	\$4,020/D.U.	\$7,170/D.U.
Low Density-Hillside (RL-H)	\$4,020/D.U.	\$7,170/D.U.
Rural Residential (RR)	\$4,020/D.U.	\$7,170/D.U.

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Medium Density (RM)	\$2,733/D.U.	\$4,370/D.U.
High Density (RH)	\$2,733/D.U.	\$4,370/D.U.
Retirement Community (RC)	\$1,609/D.U.	\$2,870/D.U.
Neighborhood Commercial (CN)	\$10.61/S.F.	\$7.00/S.F.
Community Commercial (CC)	\$7.55/S.F.	\$4.90/S.F.
Service Commercial (SC)	\$10.61/S.F.	\$7.00/S.F.
Office Commercial (OC)	\$7.55/S.F.	\$7.70/S.F.
Industrial	\$2.41/S.F.	\$4.80/S.F.

¹ Does not reflect the subsidy currently applied for non-residential uses.
Source: City of Pittsburg, Fehr & Peers, 2006.

The new potential fee amounts represent a change from the current fee schedule, for a variety of reasons. The total cost of the program has increased since the 1997 LTMF study was completed, due to a combination of factors such as the inclusion of additional capital improvements and increases in the cost of construction and right-of-way acquisition. The 1997 LTMF study estimated the cost of the overall program at about \$86 million (in 1997 dollars), while this updated program cost is estimated at over \$122 million (in current dollars). The proportion of the program cost that is projected to be covered by fee revenues has remained relatively similar; in 1997, fee revenues were projected to cover 58% of the program cost, while this new update estimates that fee revenues will cover about 60% of the total program.

The analytical tools and techniques used to develop the fee calculations have also changed since 1997. This update makes use of the new regional travel demand model available from CCTA, which was adopted for use in eastern Contra Costa County in the summer of 2005 and incorporates recent land use forecasts from ABAG. In addition, this LTMF update uses several analytical procedures, such as the methods to account for existing deficiencies and to convert land use forecasts into DUEs, that are consistent with the recent RTDIM update prepared by ECCRFFA and reflect the most recent information from the transportation planning industry's reference sources. All of these elements are different from those used in the 1997 LTMF study, and account for the differences in the fee levels presented above.

OPTIONS FOR FEE ADJUSTMENTS

As noted in Chapter 2, the current LTMF program includes fee subsidies for non-residential land uses. The following presents several options for applying varying levels of subsidy to various land use categories and summarizes the effect on the overall revenue that would be generated by the updated LTMF program. Table 9 presents this information for the program. The following options were examined:

1. Limit non-residential fees to \$1.26 per square foot (which is double the current fee level). This would involve subsidies of between \$3.54 and \$6.44 per square foot for the different commercial and industrial land use categories. It is estimated that this would result in a 36% reduction in LTMF program revenue.

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2. Limit non-residential fees to \$1.26 per square foot, and use the residential fees adopted by the City Council at their November 2006 hearing. It is estimated that this would result in a 40% reduction in LTMF program revenue.
3. Limit non-residential fees to \$1.26 per square foot and reduce residential fees by 15%. It is estimated that this would result in a 44% reduction in LTMF program revenue.
4. Limit non-residential fees to \$1.26 per square foot and reduce residential fees by 25%. It is estimated that this would result in a 49% reduction in LTMF program revenue.

This information is provided for illustrative purposes to show the effects of adjusting the fee amounts for different categories of land uses. For example, for every 5% reduction in the residential fee there is about a \$2 million decrease in fee revenues that must be made up through other funding sources.

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**TABLE 9
FEE OPTIONS AND REVENUE IMPACTS**

Land Use Category	Potential Fees without Range Road Interchange	Option 1: Limit non-residential fees to \$1.26 per square foot	Option 2: Council-Approved Fees (November 2006)	Option 3: Option 1 plus reduce residential fees by 15%	Option 4: Option 1 plus reduce residential fees by 25%
Rural Estate	\$7,170/D.U.	\$7,170/D.U.	\$6,766/D.U.	\$6,095/D.U.	\$5,378/D.U.
Low Density Residential	\$7,170/D.U.	\$7,170/D.U.	\$6,766/D.U.	\$6,095/D.U.	\$5,378/D.U.
Low Density-Hillside	\$7,170/D.U.	\$7,170/D.U.	\$6,766/D.U.	\$6,095/D.U.	\$5,378/D.U.
Rural Residential	\$7,170/D.U.	\$7,170/D.U.	\$6,766/D.U.	\$6,095/D.U.	\$5,378/D.U.
Medium Density	\$4,370/D.U.	\$4,370/D.U.	\$4,131/D.U.	\$3,715/D.U.	\$3,278/D.U.
High Density	\$4,370/D.U.	\$4,370/D.U.	\$4,131/D.U.	\$3,715/D.U.	\$3,278/D.U.
Retirement Community	\$2,870/D.U.	\$2,870/D.U.	\$2,712/D.U.	\$2,440/D.U.	\$2,153/D.U.
Neighborhood Commercial	\$7.00/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.
Community Commercial	\$4.90/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.
Service Commercial	\$7.00/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.
Office Commercial	\$7.70/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.
Industrial	\$4.80/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.	\$1.26/S.F.
Overall Revenue	\$73,000,000	\$47,000,000	\$44,000,000	\$41,000,000	\$37,000,000
% reduction		36%	40%	44%	49%
\$ reduction		\$26,000,000	\$29,000,000	\$32,000,000	\$36,000,000

Source: Fehr & Peers, 2006.

5. LTMF PROGRAM FUNDING CONSIDERATIONS

This chapter describes some of the other sources of funds that may be used to complement LTMF revenues in completing the capital improvements addressed in this study.

FUNDING OF LTMF PROJECTS

As with the original LTMF program, the fee revenue from the updated LTMF program will not pay the total cost of all the identified improvements. Funding will need to be generated from other sources to supplement the LTMF revenues. The following describes some of the other sources of funds that could be applied to improvements in the LTMF program.

RTDIM Fee – As described earlier, the ECCRFFA administers a regional transportation impact fee known as the RTDIM fee. On Table 7, five projects in the LTMF program were shown with an asterisk to denote that those projects are also included in the RTDIM fee program. As discussed in detail on pages 23 through 25 of the *East Contra Costa Regional Fee Program Update, Final Report*, June 16, 2005, the RTDIM fee program does not cover all of the costs associated with its capital improvement projects. In fact, the RTDIM fees only provide about 30% of the funds needed to cover the total costs of the program. The RTDIM fee program relies upon several other sources of funds (such as bridge toll revenues through Regional Measure 2, State Transportation Improvement Program (STIP) funds, the County-wide sales tax known as Measure C/Measure J, and other programs) to supplement the regional fee revenues, and even after accounting for those other funding sources, there is still an estimated shortfall of almost \$390 million (or about 23%) in the RTDIM fee program.

Given this shortfall and the fact that most of the other sources of funds identified to supplement the RTDIM program are not targeted to any of the five projects located in Pittsburg, it is reasonable to conclude that the regional funds available to support these five Pittsburg projects will likely be fairly limited. Any RTDIM funds received for these five projects will be used to cover the portion of the costs that are not included in the LTMF program (i.e., the costs that are not attributable to new development in Pittsburg). In this way, the LTMF and the RTDIM fee programs will work together to address the needs for transportation improvements in Pittsburg.

Measure C/Measure J – Approved by Contra Costa County voters in 1988, Measure C imposed a one-half cent sales tax to help pay for transportation improvements over a 20-year period. The sales tax was reauthorized as Measure J in November 2004. The City of Pittsburg will be eligible to receive some Measure C/Measure J funds to help construct improvements to the local transportation network. These funds could be used to help cover the unfunded portion of the LTMF program (such as the share of project costs attributable to existing deficiencies).

Grant Programs – The City of Pittsburg routinely applies for grants through various state and federal programs (such as the Congestion Mitigation and Air Quality, or CMAQ program) to help finance public infrastructure. The timing and amount of these grants can vary substantially from year to year, depending on the availability of funds at the granting agency and the number of applicants. One of the uses for these grant funds would be to cover the costs associated with correcting existing deficiencies identified in Table 7.

LTMF PROGRAM ADMINISTRATION

As has been the case since the program's inception, the LTMF will be adjusted annually to reflect changes in construction costs. The City will track trends in project costs over time (for example, through use of the Construction Cost Index published in the Engineering News Record) and will use that information to assist in determining appropriate adjustments to the LTMF program, which could take the form of fee refunds if project costs decline or fee increases if costs escalate.

6. PROGRAM SUMMARY

This report provides a detailed discussion of the elements of the proposed Pittsburg LTMF program and explains the analytical techniques used to develop this nexus study. The report addresses all of the fee program elements required by AB 1600, as described below.

- *Identifying the purpose of the fee*

The purpose of the LTMF program is to mitigate the traffic impacts of new development within the City, consistent with the land use and transportation policies of the General Plan, by developing an overall transportation system that will accommodate the City's expected future traffic demand.

- *Identifying how the fee will be used and the facilities to be funded through the fee*

The fee will be used to help fund capital improvement projects necessary to accommodate future traffic demand in Pittsburg. Table 2 describes the projects to be funded through the fee.

- *Determining a reasonable relationship between the fee's use and the type of development on which the fee is imposed*

As described in the report, different types of development generate traffic with different characteristics. The calculations presented in Tables 4, 5 and 6 account for these different characteristics by applying different per-unit fee factors to each type of development. These considerations account for the differential impacts on the local transportation system generated by different development types.

- *Determining a reasonable relationship between the need for the public facility and the type of development on which the fee is imposed*

The need for the facilities listed in Table 2 has been established through a series of technical reports and studies conducted over the last several years, as described in Chapter 2. Table 3 shows that there are few existing deficiencies on any of the facilities to be included in this LTMF program, indicating that most of the need for improvements is going to be generated by new development.

- *Determining a reasonable relationship between the amount of the fee and the cost of the public facility (or portion of facility) attributable to new development*

The nexus analysis presented in this report accounts for existing deficiencies in the local transportation system and does not include the costs of rectifying those deficiencies in the fee program. The costs attributable to traffic demand generated outside the City of Pittsburg are similarly removed from the program. Thus, the LTMF program is targeted toward the costs of public improvements attributable to new development within Pittsburg; Table 7 provides detailed information on these calculations.

ATTACHMENT
RESOLUTION NO. 07-10917
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Approving and Adopting the December 2007)
 Update to the December 2006 Report:)
 Pittsburg Local Transportation Mitigation Fee)
 (LTMF) Program Update, Including a Revised)
 Schedule of Local Transportation Development)
Impact Mitigation Fees)

RESOLUTION NO. 07-10917

The City Council of the City of Pittsburg hereby finds the following to be true and correct:

1. Pursuant to the *Mitigation Fee Act*, California Government Code Section 66000, *et seq.*, a local agency is authorized to charge a fee to development applicants in connection with approval of a development project for the purpose of defraying all or a portion of the costs of public facilities related to the development project.

2. In 2007, the City initiated an update of the Local Transportation Mitigation Fee Program to include an additional option to reduce the fee for residential development. That update, which was documented in a report entitled "December 2007 Update to the December 2006 Report: Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update", prepared by the City's consultants (Fehr and Peers Transportation Consultants), dated December 2007 (the "Report"), included a list of capital improvement projects and optional fee structures for new development.

3. The Report establishes that projected new development within the City of Pittsburg will further congest its roadways and place additional demand on the local transportation system.

4. Future development in the City will generate the need for the additional local traffic improvements specified in the Report, and the study determined that these local traffic improvements are consistent with the City's General Plan, adopted on November 16, 2001, by City Council Resolution No. 01-9490.

5. Travelers on some of the local transportation facilities described in Table 2 of the Report, currently experience congestion and delays that are expected to increase in severity as the result of projected development. Expansion and construction of related improvements to the identified transportation facilities will enhance the flow of traffic, reduce congestion and noise, and improve safety and air quality throughout the Regional Area. Based upon this data, the City Council finds that there is a reasonable relationship between the need for the expansion and/or improvements to the identified transportation facilities and to the types of development on which the fee is imposed.

6. The Report finds that a total of twenty-nine (29) local traffic and transportation projects are necessary to accommodate future growth and its associated traffic demand. The specific transportation improvements to be financed by the fees are described in Table 2 of the Report that is deemed to be the capital improvement plan of the program.

7. The estimated costs of the capital improvements, the continued need for those improvements and the reasonable relationship between such need and the impacts of the various types of development pending or anticipated and for which the fee is charged, were studied and reviewed as a part of the project Report.

8. The local traffic/transportation projects are necessary for the safety and capacity of the transportation system as determined by planned growth forecasted by the Association of Bay Area Governments (ABAG) for the City of Pittsburg.

9. The Buchanan Road Bypass is one of 29 improvements identified by the Report as key to East Contra Costa County's transportation infrastructure. The City of Pittsburg has a current need to construct the Buchanan Road Bypass in order to divert new traffic from existing congested roads, reduce idling time and delay, create a safer pedestrian crossing for school children who attend Highlands Elementary School, and reduce emissions generated by vehicles.

10. The congested condition of some of the City's existing roads will be significantly exacerbated by new development, compromising public welfare by forcing motorists to endure long, costly delays while commuting to and from school, work, local services, and other destinations.

11. The purpose of the local transportation mitigation fee program is to generate monies that will fund the projects. The projects will improve safety and provide additional transportation capacity. In this way, the transportation system can keep pace with the planned growth in the City by providing assistance for the transportation needs and improved infrastructure contained in the City's General Plan.

12. The local transportation mitigation fees, together with other sources of revenue, will provide for the implementation of a transportation system that provides access to the major developed areas of Pittsburg and maintains acceptable travel conditions on the local transportation system. One other source of such revenues will be fee revenues from the East Contra Costa Regional Fee and Financing Authority's Regional Transportation Development Impact Mitigation (RTDIM) Fee Program, as set forth in Chapter 15.102 of the Pittsburg Municipal Code. Five (5) of the 29 projects that will be partially funded with the local transportation mitigation fees will receive a supplemental source of funding from the RTDIM fee program. The local transportation mitigation fee will be imposed at the rates set forth in this resolution and the existing, complementary RTDIM will continue to be imposed at the rates set forth by the East Contra Costa Regional Fee and Financing Authority and Council resolution pursuant to Municipal Code Chapter 15.102.

13. The local transportation mitigation fees will be used to pay for administration of the fee area and for the planning, environmental documentation, design, acquisition of right-of-way, and construction of the projects.

14. The fees expected to be generated by future developments will not exceed the total costs of constructing the local transportation improvements. There is a reasonable relationship between the amounts of the local transportation mitigation fees and the cost of the public facilities or portion of the public facilities attributable to the development on which the fee is imposed.

15. The Report establishes, by use of a five-step technical analysis, that single, Citywide uniform local transportation mitigation fees are justified as being reasonably related to the types of development on which the fees are to be imposed, and that there is a reasonable relationship between the need for the facilities described in Table 2 of the Report and the types of development on which the fees are imposed, i.e., single family, multiple family, commercial, office, industrial, and other uses. The method of allocation of the fee to a particular development within a class bears a fair and reasonable relationship to each development's burden on, and benefit from the local transportation improvements to be funded by the fees.

16. There is a reasonable relationship between the fee's use and the type of development projects on which the fees are imposed, in that the types of development subject to the fees will generate additional traffic that will place additional demand on the local transportation system. The additional traffic generated by the development projects will result in a need to expand, extend, or improve existing transportation facilities and a need to construct new facilities to mitigate the adverse traffic effects that would otherwise result from such development. Construction of the improvements specified in the Report will result in improved traffic flow, reduced congestion and noise, and improved safety and air quality in the study area.

17. The local transportation mitigation fees collected pursuant to this resolution will be used for transportation improvements that will mitigate impacts and reduce traffic congestion and delays, and improve noise, safety and air quality throughout the City, and the City Council finds that there is a reasonable relationship between the use of the local transportation mitigation fees (transportation improvements) and the type of development projects upon which the fees are imposed.

18. These fees implement policies of the City of Pittsburg General Plan adopted November 16, 2001, including the policies that new development shall contribute its fair share of the cost of public infrastructure and services. This shall include installation of public facilities, payment of impact fees, and participation in a Capital Improvement Financing Program.

19. The City Council determines that the adoption of this local transportation mitigation fees resolution is statutorily exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a)(4) of the CEQA Guidelines because the fees collected from this action will be used for local transportation infrastructure necessary to maintain an acceptable level of service within existing service areas. Once sufficient funds are collected and prior to approval of the final alignment and configuration of the individual transportation improvement projects, the City of Pittsburg will take all other CEQA required actions. The City Council further finds that the adoption of updates in the local transportation mitigation fees annually in accordance with changes in the Engineering News Record Index is also statutorily exempt under Section 15273(a)(4) of the California Environmental Quality Act because the amount of any increase is precisely determinable based on the published change of the Index and relates solely to the increase of construction costs for the previously identified projects.

NOW, THEREFORE, the City Council of the City of Pittsburg does hereby RESOLVE:

Section I. Approval and Adoption of Report. After considering the studies and analyses prepared by the City's consultants and staff as reflected in the December 2007 Update to the December 2006 Report: Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update, together with the testimony received at the public hearing, the City Council approves and adopts said Report including the Technical Appendix, and incorporates the Report by reference and makes it a part of this Resolution. The final Report is ordered to be kept on file with the City Clerk.

Section II. Basis for Findings. The Report and the referenced publications contain sufficient information for the City Council to make the above findings, and the City Council declares that it has relied thereon in reaching its conclusions and recommendations set forth herein.

Section III. Adoption of Findings. Based on this review, the City Council adopts such findings and conclusions set forth herein as its findings in support of adopting a revised schedule of local transportation mitigation fees, in accordance with the funding scenario described as Option 3 in Table 9, "Fee Options and Revenue Impacts," of the Report, attached hereto and incorporated herein.

Section IV. Adoption of Fees.

A. The fees set forth in the fee option chosen by Council, shown in Table 9 of the Report, are enacted as the Local Transportation Mitigation Fees of the City of Pittsburgh for local transportation impacts.

B. Those fees established by this resolution shall, beginning on January 1, 2009, and January 1 of each year thereafter, be automatically increased or decreased from the amount then applicable by the same percentage as the percentage of increase or decrease in construction costs between September 1 of the calendar year immediately preceding September 1 of the current calendar year, based on the Engineering News-Record Construction Costs Index – San Francisco Bay Area, without further action of the City Council. The Engineering News Record Construction Cost Index for the San Francisco Bay Area is commonly used in the local engineering profession to account for changes in construction costs due to changes in material costs and labor rates observed in this region.

C. The local transportation mitigation fees collected pursuant to this resolution shall be used exclusively for the projects listed in Table 2 of the Report.

Section V. Payment of Fee.

A. The applicable local transportation mitigation fee shall be determined on the basis of the fee schedule in effect at the time a building permit, or other applicable permit is issued. If no permit is required, then the fees are payable in the amounts in effect at the commencement of the project. The Chief Building Official or other official designated by the City Manager shall determine the amount of the fee in accordance with the standards set forth in this resolution.

B. The property owner shall pay to the City, the local transportation mitigation fee imposed under this chapter in the amount established by this resolution. The fee shall be paid prior to the issuance of a building permit.

C. No building permit shall be issued for property within the City unless the local transportation mitigation fee for that property is paid as required by this resolution.

D. The local transportation mitigation fees shall also be paid as a condition of an extension or renewal of a public permit issued after passage of this resolution if a fee has not been paid previously.

Section VI. Exemptions from Fee. The local transportation mitigation fee shall not be imposed in the following instances of a development project:

A. The fee shall not be required of any project involving replacement of existing structures destroyed by fire or other natural disaster or constructed as part of a redevelopment project, or rehabilitation of existing structures where the total cost of the work undertaken is less than fifty percent (50%) of the value of the existing structure.

B. Projects involving replacing structures on property not covered under Section VI, paragraph A, shall pay a fee equal to the difference between the fee calculated for the proposed use and the fee calculated for the existing use. The amount of fee credit given for existing structures shall be based upon the current fee in effect when the fee is to be paid and only applies to the property that has structures being replaced.

C. The following uses are categorically exempt from the fees imposed by this Resolution: Christmas tree lots, seasonal fruit stands, mobile food vendors, and circuses and carnivals.

D. Any alteration or addition to a residential structure, except to the extent that a residential unit is added to a single family residential unit or another unit is added to an existing multi-family residential unit.

Section VII. Use of Fee Revenue. The revenues raised by payment of the local transportation mitigation fees shall be placed in a separate, interest-bearing account to permit accounting for such revenues and the interest that they generate.

Fees paid pursuant to this resolution shall be placed in a fund to be used solely for the purposes and projects as described below. Any interest accumulated on such funds shall also be used only for said purposes and projects.

A. To pay for acquisition/construction of the Improvements;

B. To pay for design, engineering, construction of and property acquisition for, and reasonable costs of outside consultant studies related to the Improvements;

C. To reimburse developers that have designed and constructed a usable portion of any of the Improvements with prior City approval and have entered into an agreement, as provided in Section 13, below;

D. To pay for and/or reimburse costs of the local transportation mitigation fee program development, including, but not limited to, the cost of studies, legal costs, and other costs of updating the fee; and

E. To pay for and/or reimburse costs of the City of Pittsburg's administration of the local transportation mitigation fee program, including, but not limited to, the cost of studies, legal costs, and other costs of updating the Fee.

Section VIII. Periodic Review and Adjustments to Fees.

A. Within one hundred eighty (180) days after the close of each fiscal year, the City Manager or his designee shall prepare a report for the City Council, pursuant to Government Code Section 66006, identifying the balance of fees in the account at the beginning and end of the fiscal year, the fee, interest, and other income, and the amount of expenditure by public facility, any refunds, and other expenditures.

B. The City shall make the periodic report available to the public, and the City Council shall review the report at a regularly scheduled meeting in accordance with Section 66006.

C. The City shall similarly conduct the periodic review under Government Code Section 66001(d) every five (5) years.

D. Pursuant to Government Code Section 66002, the City Council shall also annually review, as a part of its Capital Improvement Plan, the local transportation improvements to be financed with the local transportation mitigation fees. The City Council shall make findings identifying the purpose to which the existing fee balances are to be put and demonstrating a reasonable relationship between the fee and the purpose for which it is charged. This annual review may warrant adjustments to the local transportation mitigation fees adopted herein.

Section IX. Applicable Law. The local transportation mitigation fees are imposed upon new development projects, as defined and authorized by the Mitigation Fee Act, California Government Code Sections 66000 *et seq.*, and accordingly are not governed by the provisions of California Constitution Article XIID.

Section X. Severability. Each component of the Fee and all portions of this resolution are severable. Should any individual component of the Fee or any portion of this resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, then the remaining Fee components and/or resolution portions shall be and continue in full force and effect, except as to those Fee components and/or resolution portions that have been adjudged invalid. The City Council of the City of Pittsburg hereby declares that it would have adopted this resolution and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section, subsection, clause sentence, phrase or other portion may be held invalid or unconstitutional.

Section XI. Effective Date. This resolution shall become effective immediately. In accordance with Government Code Section 66017, the Fee shall be effective sixty (60) days from the effective date of this resolution.

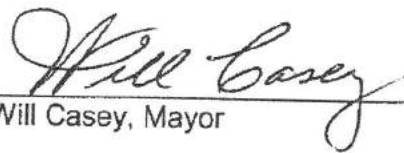
PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 17th day of December 2007, by the following vote:

AYES: Members Evola, Kee, Parent and Mayor Casey

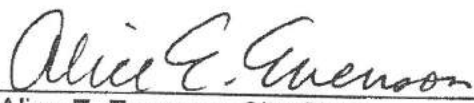
NOES: None

ABSENT: Member Johnson

ABSTAIN: None


Will Casey, Mayor

ATTEST:


Alice E. Evenson, City Clerk



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

DATE: 12/11/2007
TO: Mayor and Council Members
FROM: Marc S. Grisham, City Manager
SUBJECT: **APPROVAL AND ADOPTION OF THE DECEMBER 2007 UPDATE
TO THE DECEMBER 2006 REPORT: PITTSBURG LOCAL
TRANSPORTATION MITIGATION FEE (LTMF) PROGRAM UPDATE,
INCLUDING NEW FEE OPTIONS TABLE (Continuation of a Public
Hearing held on November 17, 2007)**

MEETING DATE: 12/17/2007

EXECUTIVE SUMMARY

The attached resolution will adopt new local transportation mitigation fees based upon a December 2007 Update to the December 2006 Report, Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update (the "Report"). The Report was prepared by the City's consultant, Fehr & Peers, Transportation Consultants, and includes a new option (Option 3) to reduce the current residential fees by approximately 9.3%.

FISCAL IMPACT

The City collects and maintains an account for the local transportation mitigation fee (the "fee") from developers, and administers the fee projects' construction. If City Council approves staff's recommendation to adopt Option 3, listed in Table 9 of the Report, the current single-family residential fee of \$7170 per dwelling unit (DU) would be reduced to \$6500 / DU, the current multi-family residential fee of \$4370 / DU would be reduced to \$3962 / DU, the current retirement community fee of \$2870 / DU would be reduced to \$2602, and the current commercial and industrial fee of \$1.26 per square foot would remain the same.

RECOMMENDATION

Staff recommends the City Council approve and adopt the December 2007 Update to the December 2006 Report: Pittsburg Local Transportation Mitigation Fee (LTMF) Program Update. Further, staff recommends the City Council adopt Option 3 listed in Table 9, "Fee Options and Revenue Impacts," of the Report and adopt a fee schedule based upon it, with an additional 1% mark-up for administrative and legal costs. Administrative and legal costs

have been shown in the past to exceed the 1% mark-up recommended for this fee.

BACKGROUND

Under Municipal Code Chapter 15.90, the City has adopted a Local Transportation Mitigation Fee (the "LTMF"). Projected new development in the City will further congest the roadways and thoroughfares and increase traffic delays in the City. City Council Resolution No. 92-7789 originally set the amount of the LTMF and directed an annual review of the dollar amount of the LTMF.

On November 17, 1997, City Council adopted Ordinance 97-1130. This ordinance approved the "Final Report: Pittsburgh Traffic Mitigation Fee Study Update", prepared by Fehr & Peers Associates, Inc., dated October 23, 1997, and amended Table 1, "Mitigation Fees by Land Use," contained in Municipal Code Section 15.90.060. The specific transportation improvements to be financed by the LTMF are described in the Report, on file with the City Clerk.

City Council has since periodically adjusted the LTMF based on increased construction costs and updated the Report to account for new development projections and additional projects.

On December 18, 2006 City Council adopted Resolution No. 06-10687, Rescinding Resolution No. 06-10651 and approving and adopting the most recent Pittsburgh Local Transportation Mitigation Fee Program Update Report, including a revised schedule of local transportation mitigation fees and a revised list of transportation improvement projects, and adoption of an Ordinance amending Chapter 15.90, "Transportation Mitigation Fee," of the Pittsburgh Municipal Code.

On November 19, 2007 City Council held a public hearing to consider the 2007 Update to Final Report: Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update. The public hearing was continued to December 17, 2007.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

The item for Council action tonight is related to the City's Local Transportation Mitigation Fee Program. Attached is a resolution approving and adopting a December 2007 Update to the December 2006 Report, Pittsburgh Local Transportation Mitigation Fee (LTMF) Program Update. The Report includes a new table of fee options and revenue impacts (Table 9).

Staff is recommending the City Council approve and adopt this Report, along with the attached LTMF schedule based upon option 3 listed in Table 9 of the Report. This is consistent with other similar development fee reductions (e.g. the Regional Transportation Development Impact Mitigation fee), which serve to encourage development in Pittsburgh.

A 1% mark-up for administrative and legal costs will be added to the LTMF fee schedule.

ATTACHMENTS: Resolution
December 2007 Update to the December 2006 Report: Pittsburgh Local Transportation

Mitigation Fee (LTMF) Program Update, and Technical Appendix
2008 LTMF Schedule

Report Prepared By: Paul Reinders

EXHIBIT "A"

2008 LTMF SCHEDULE

<u>Land Use Category</u>	<u>Fee Units</u>	<u>Local Transportation Mitigation Fees (LTMF) Fees</u>	<u>LTMF Fees with City of Pittsburgh Administrative Costs (1%)</u>
Single family residential (Rural Estate, Low Density Residential, Low Density Hillside, Rural Residential)	Per dwelling unit	\$ 6,500	\$ 6,565
Multiple family residential (Medium Density, High Density)	Per dwelling unit	\$ 3,962	\$ 4,002
Retirement Community	Per dwelling unit	\$ 2,602	\$ 2,628
Commercial (Neighborhood Commercial, Community Commercial, Service Commercial)	Per square foot of gross floor area	\$ 1.26	\$ 1.27
Office (Office Commercial)	Per square foot of gross floor area	\$ 1.26	\$ 1.27
Industrial	Per square foot of gross floor area	\$ 1.26	\$ 1.27
Other	Per peak hour trip as determined	\$ 6,500	\$ 6,565

ATTACHMENT
RESOLUTION NO. 10-11533
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Adopting the 2010 East Contra
Costa Regional Fee Program Update
And Establishing Fees for City's PRTDIM
Program Pursuant to Pittsburg Municipal
Code Section 15.103.020

RESOLUTION NO. 10-11533

The City Council of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, since 1994 the City of Pittsburg has imposed a regional traffic development impact mitigation fee on new development in the City to pay for new development's fair share of required regional transportation infrastructure improvements; and

WHEREAS, on September 20, 2010, the City Council adopted an urgency ordinance codifying Pittsburg Municipal Code Chapter 15.103, which established a new Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program in the City of Pittsburg; and

WHEREAS, the City retained Fehr & Peers to prepare a PRTDIM fee nexus study ("Fee Study") entitled "2010 East Contra Costa Regional Fee Program Update," in accordance with the requirements of Government Code Section 66000 et seq. ("Mitigation Fee Act"); and

WHEREAS, the Fee Study identifies a list of necessary regional transportation improvements approved by the City and its regional transportation partners, including the East Contra Costa Regional Fee and Financing Authority; and

WHEREAS, the Fee Study provides information and data regarding the nexus between the identified regional transportation improvements and the benefitting land uses that would pay the PRTDIM fees at the time of development; and

WHEREAS, it is the City's policy that new development should contribute its fair share to public facilities and services through the imposition of impact fees which are used to finance, defray or reimburse the City for the costs of facilities required to serve such new development; and

WHEREAS, on September 20, 2010, the City Council held a duly noticed public hearing on the proposed PRTDIM fees consistent with the Mitigation Fee Act; and

WHEREAS, the Fee Study prepared by Fehr & Peers has been made available to the public for review and comment at least ten (10) days before the public hearing on the proposed PRTDIM fees consistent with the Mitigation Fee Act; and

WHEREAS, pursuant to the provisions of Pittsburg Municipal Code Chapter 15.103, the City Council of the City of Pittsburg desires to impose and adopt the Fee Study and identified PRTDIM fees in accordance with the nexus calculations and recommendations in the Fee

Study.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. Recitals

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City set forth below.

Section 2. Mitigation Fee Act Compliance

The City Council finds and determines that the 2010 East Contra Costa Regional Fee Program Update ("Fee Study") prepared by Fehr & Peers, attached as Exhibit A to the staff report and incorporated herein by this reference, complies with the requirements of the Mitigation Fee Act by establishing the basis for the imposition of the fees on new development. This finding is based on the fact that the Fee Study:

- A. Identifies the purpose of the fees;
- B. Identifies the use to which the fees will be put;
- C. Shows a reasonable relationship between the use of the fees and the type of development project on which the fees are imposed;
- D. Demonstrates a reasonable relationship between the need for the public facilities and the type of development projects on which the fees are imposed;
- E. Demonstrates a reasonable relationship between the amount of the fees and the cost of the public facilities or portion of the public facilities attributable to the development on which the fees are imposed.

Section 3. Use of PRTDIM Fees

The City Council hereby determines that the fees collected pursuant to Pittsburg Municipal Code Chapter 15.103 shall be used to finance and implement the public facilities described or identified in the Fee Study, plus related administrative costs including consultant, legal, City staff and other expenses incurred in developing and/or administering the Fee.

Section 4. Project Descriptions and Cost Estimates

The City Council has considered the specific project descriptions and cost estimates identified in the Fee Study and hereby approves such project descriptions and cost estimates and finds them reasonable as the basis for calculating and imposing the PRTDIM fees.

Section 5. Adoption of Fee Study

The City Council hereby adopts the 2010 East Contra Costa Regional Fee Program Update ("Fee Study") prepared by Fehr & Peers, attached as Exhibit A to the staff report and incorporated herein by this reference, consistent with Pittsburg Municipal Code Section 15.103.020.

Section 6. Adoption of PRTDIM Fees

The City Council hereby adopts the PRTDIM fee schedule attached as Exhibit B to the staff report and incorporated herein by this reference, consistent with Pittsburg Municipal Code Section 15.103.020.

Section 7. Severability

If any Section of this Resolution is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining Sections shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

Section 8. Effective Date

This Resolution shall take effect immediately upon adoption, consistent with the urgency ordinance adopted by the City Council on September 20, 2010 codifying the PRTDIM program at Pittsburg Municipal Code Chapter 15.103.

Section 9. Application of Fees

The fees established by the PRTDIM program and identified in this Resolution shall be applied to all new development within the City as of September 7, 2010.

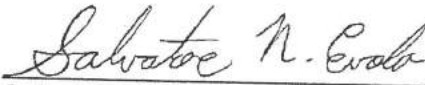
APPROVED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 20th day of September, 2010, by the following vote:

AYES: Casey, Johnson, Parent, Evola

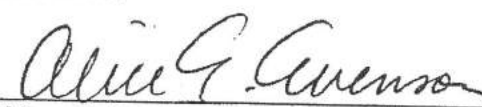
NOES: Kée

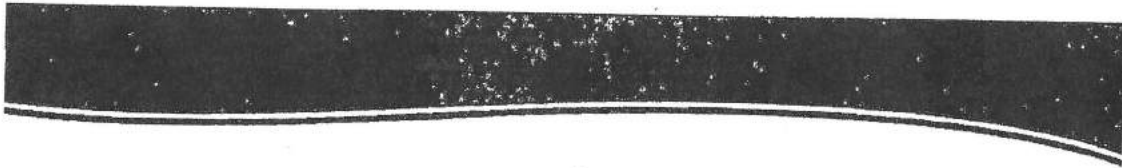
ABSTAINED: None

ABSENT: None


Salvatore N. Evola, Mayor

ATTEST:


Alice E. Evenson, City Clerk



Final Report

**East Contra Costa
Regional Fee Program Update**

September 2010

WC10-2756



FEHR & PEERS
TRANSPORTATION CONSULTANTS

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1. INTRODUCTION

BACKGROUND

The purpose of a regional transportation impact fee program is to support an overall regional transportation system in East County that serves the expected future travel demand. The East Contra Costa Regional Fee and Financing Authority (ECCRFFA or the Authority) is a regional planning agency charged with obtaining the funding for regional transportation improvement projects in eastern Contra Costa County. The Authority's jurisdiction has traditionally encompassed the eastern portion of the County, including unincorporated areas as well as the Cities of Antioch, Brentwood, Oakley, and Pittsburg.

The Authority first implemented a transportation impact fee in 1994. The original fee program is documented in *Response to Proposed Route 4 Bypass Authority Development Fee Program*, Korve Engineering, April 1993. The fee was designed to provide a contribution from new development toward a series of regional transportation improvements, such as the State Route (SR) 4 Bypass and the widening of SR 4 through Pittsburg and Antioch. Working with the member agencies and Caltrans, the Authority has successfully utilized fee revenue to initiate the design and construction of the SR 4 Bypass, and has contributed funds to other regionally significant projects.

The fee program has undergone some modifications in the intervening years, with the fee levels for each community being changed periodically to reflect changes in construction costs. The Authority conducted an update of the fee program in 2001 to help fund an expanded list of regional transportation improvements. As the program update process was proceeding, a second joint powers authority was established (the East County Transportation Improvement Authority, or ECTIA). The fee structures for both Authorities were finalized in January 2002, and fees were levied by both Authorities to support different lists of improvement projects. A combined Strategic Plan was published in February 2003 outlining the cash flow projections and project prioritization for the regional improvements supported by the fee programs.

In 2005, the two fee Authorities were combined into a single entity by dissolving ECTIA and updating ECCRFFA to cover a comprehensive set of needed improvements to the regional transportation system. An updated nexus study was conducted and documented in the *Final Report: East Contra Costa Regional Fee Program Update*, June 2005. All of the jurisdictions adopted an updated fee schedule at that time, which has been annually adjusted to account for construction cost changes.

PURPOSE OF CURRENT STUDY

In the summer of 2010, the City of Pittsburg formally withdrew from ECCRFFA and requested that the June 2005 nexus study report be updated. This document is intended to update the June 2005 report. The key information from the June 2005 report has been maintained: for example, the list of capital improvement projects remains the same, and the same analytical methods and procedures are used in the fee calculations. Updated information has been applied where available: for example, updates have been applied to the project cost estimates as well as the projections of future land development in the East County area, and the most recent version of the Contra Costa Transportation Authority (CCTA) regional travel model has been used.

The structure of the report remains similar, with some changes made to reflect current conditions. Notations have been added to explain where elements of the June 2005 nexus study have been maintained as is, and where updates have been incorporated. The reader is encouraged to refer directly to the original June 2005 report for specific information about the nexus study conducted at that time.

ORGANIZATION OF THE REPORT

This report contains a total of four chapters including this introductory chapter.

- *Chapter II – Current Fee Program* summarizes the status of the current ECCRFFA fee program and identifies the projects included in the program.
- *Chapter III – Analysis* describes the methods used and the results of the technical analysis conducted to establish the nexus.
- *Chapter IV – Funding Considerations* discusses fee options and other sources of funds for the overall regional transportation improvement program.

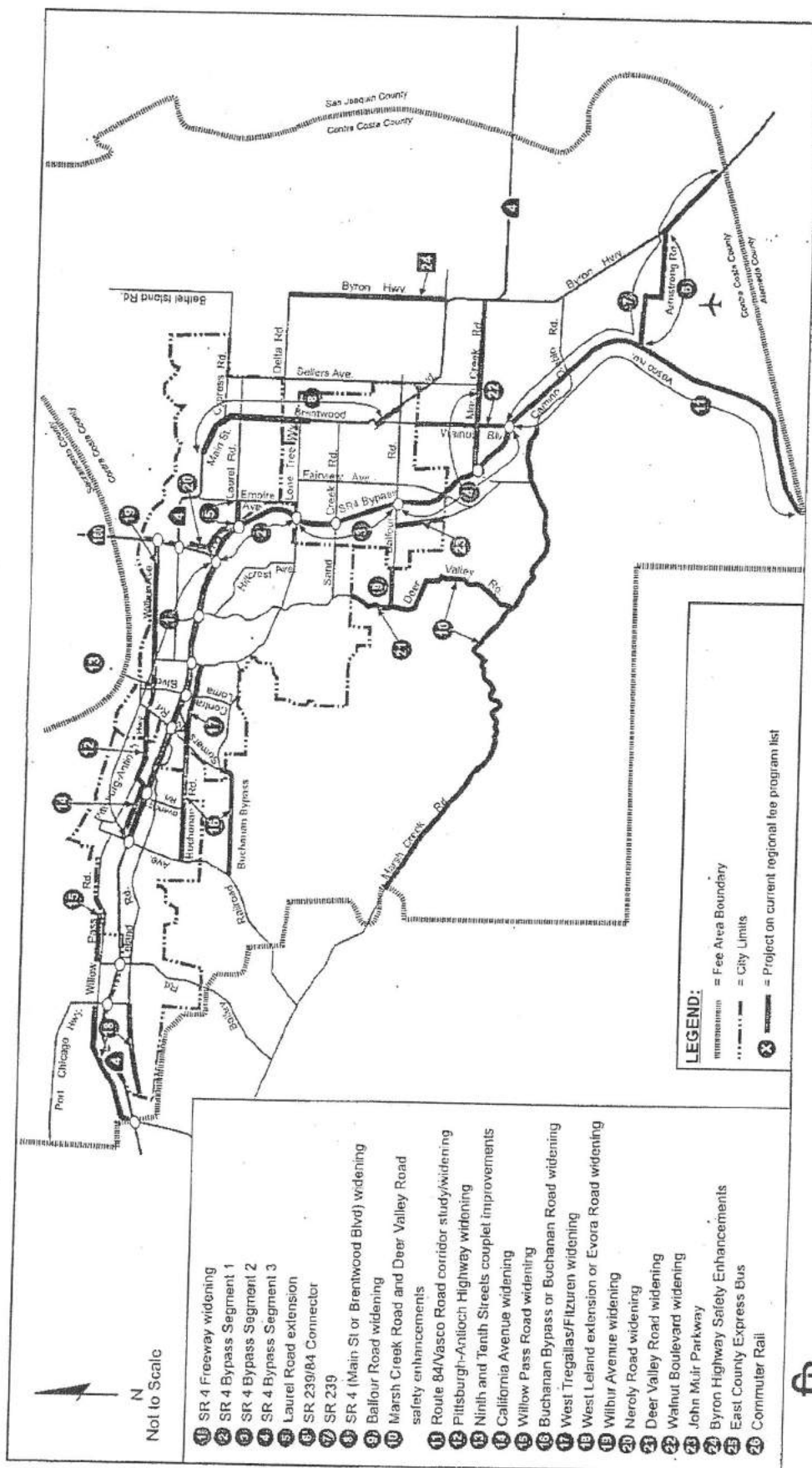
2. CURRENT FEE PROGRAM

Eastern Contra Costa County is an area that has experienced considerable population and employment growth. This growth in population and employment translates into increased demand for travel, and congestion on East County's freeways and arterial roads has resulted. The *Route 4 East Corridor Major Investment Study*, May 1999, as well as the *SR 4 Corridor System Management Plan* currently being prepared by Caltrans and the Metropolitan Transportation Commission (MTC), are two of the regional planning documents that provide extensive information on travel trends and expected growth in East County, and forecast increasing congestion on the major facilities in the area without substantial improvements to the transportation system.

Currently, the ECCRFFA fee program includes 26 transportation improvement projects, such as the widening of the SR 4 freeway, continued construction of the SR 4 Bypass, improvements to local arterial roads such as Willow Pass Road and Balfour Road, and the extension of major regional transit service through eBART. The current fee schedule is shown in Table 1, and a map of the projects is provided on Figure 1.

TABLE 1 CURRENT ECCRFFA REGIONAL TRANSPORTATION DEVELOPMENT IMPACT FEES		
Land Use	Unit	Fee per Unit
Single-Family	DU	\$ 17,795.00
Multi-Family	DU	\$ 10,924.00
Commercial	Sq. Ft.	\$ 1.49
Office	Sq. Ft.	\$ 1.31
Industrial	Sq. Ft.	\$ 1.31
Other	Unit	\$ 17,795.00

Source: East Contra Costa Regional Fee and Financing Authority; fees effective January 1, 2010.



EAST COUNTY REGIONAL FEE PROJECTS

3. ANALYSIS

This chapter describes the analytical process used to determine the nexus between the impact from new development in East County and the needed improvements. The focus of the fee program is on developing a regional transportation system that will accommodate the expected future traffic demand.

The technical analysis for this study was completed through a series of six steps. Each is listed below, along with a brief description. Specific notations are included to denote which analytical steps have been maintained from the original June 2005 study, and which have been updated.

Step 1 – Determine Capacity Needs to Accommodate Future Growth

The June 2005 nexus study conducted an analysis to determine the need for future capacity improvements in East County in order to accommodate the expected future travel demand. Estimates of future travel in East County based on the then-current regional land use projections from the Association of Bay Area Governments (ABAG) were used to evaluate the expected future traffic demand in the major corridors serving regional traffic, namely the east-west corridor along existing SR 4 and the north-south corridor along the future SR 4 Bypass. This "screenline" analysis was used to determine how many lanes of additional roadway capacity would be needed to accommodate the expected future demand.

Since the June 2005 study was conducted, new travel demand modeling tools have been developed by the Contra Costa Transportation Authority (CCTA) and used throughout Contra Costa County, and new land use projections have been developed by ABAG. In order to confirm the screenline analysis from the June 2005 study, we applied the most recent version of the CCTA model, which produces forecasts of future travel demand to the year 2030, and examined the results for the same locations evaluated in the original study. The new model produces estimates of future traffic volumes throughout the regional corridors in the East County that are similar to or higher than the results shown in the June 2005 study. This confirms that the capacity enhancements identified in the 2005 study as being necessary to serve future demand remain needed.

Step 2 – Identify Needed Improvement Projects and Costs

As documented in the June 2005 nexus study, the participating jurisdictions worked together in extensive coordination meetings to define a set of transportation projects that would provide the capacity estimated to be needed through the analysis described above. The list of capital improvement projects identified through that process has been maintained in this updated report, and is provided in Table 2. The regional benefit of the roadway improvement projects is linked to the capacity needs identified through the screenline analysis described in Step 1. For transit projects, benefits derive from improved connectivity to regional destinations and additional transportation choices for East County travelers.

It should be noted that, as was the case in the June 2005 report, a few elements of the capital improvement projects on the list in Table 2 have been constructed. The purpose of the nexus study is to establish the relationship between the impacts caused by development in East County and the costs to address those impacts by improving the regional transportation system, and to calculate the maximum fee that would result from those improvements (while acknowledging that the actual fee charged has always been substantially less than the maximum). While some elements of that regional system have now been built, many other elements are either under construction or remain to be completed. For purposes of consistency, all elements of the system remain on the project list, and before calculating the maximum fees, we deduct the value of all the regional fees that have been collected to date, in order to account for the fact that development that has occurred over the past 16 years has already contributed to the regional improvements.

ECCRFFA Study Update
September 2010

Estimated costs for each of the improvements were provided by the sponsoring agency as part of the June 2005 nexus study. In cases where more recent cost estimates are now available, those have been incorporated into this updated report and are noted in Table 2. In cases where more recent cost estimates were not readily available, we have applied an index factor to adjust the original cost estimates to reflect current conditions. The cost index factor reflects the San Francisco regional Construction Cost Index as published in the Engineering News Record (ENR), and equates to 1.186 (or an 18.6% increase in costs). This cost adjustment is the same as the net adjustment that has been applied to the ECCRFFA fees cumulatively over the past five years to adjust them for changes in construction costs.

TABLE 2
CAPITAL IMPROVEMENT PROJECT LIST AND ESTIMATED COSTS

Number	Project	Description	Jurisdiction	Cost Estimate from 2005 Report (\$ million)	New Cost Estimate (\$ million)
1	SR 4 Freeway widening	Railroad Avenue to Loveridge Road, widen to 8 lanes	CCTA	\$ 98.0	\$ 101.0 ¹
		Loveridge Road to Somersville Road, widen to 8 lanes	CCTA	\$ 75.0	\$ 167.0 ¹
		Somersville Road to Bypass (8 lanes to Hillcrest, 6 lanes to Bypass)	CCTA	\$ 240.0	\$ 426.0 ¹
		Hillcrest Avenue Interchange expansion	Antioch, CCTA	\$ 10.0	\$ 11.9 ²
2	SR 4 Bypass Segment 1	Phase 1: 6 lanes to Laurel Road, interchanges at Laurel Road and Lone Tree Way	Bypass Authority	\$ 103.6	\$ 106.0 ¹
		Phase 2: SR 160 Interchange	Bypass Authority	\$ 25.0	\$ 50.0 ¹
		Laurel interchange, phase 2	Bypass Authority	\$ 1.0	\$ 1.2 ²
3	SR 4 Bypass Segment 2	Phase 1: 2 lanes	Bypass Authority	\$ 20.0	\$ 29.0 ¹
		Phase 2: 4 lanes, Sand Creek Road to Balfour Road	Bypass Authority	\$ 16.0	\$ 20.8 ¹
		Widen to 6 lanes, Laurel Road to Sand Creek Road	Bypass Authority	\$ 38.0	\$ 45.1 ²
		Sand Creek Road Interchange	Bypass Authority	\$ 30.0	\$ 32.9 ¹
		Balfour to Marsh Creek Road (2 lanes) plus Marsh Creek east-west connector	Bypass Authority	\$ 44.0	\$ 80.0 ¹
4	SR 4 Bypass Segment 3	Vasco Road Extension, Marsh Creek Road to Vasco Road, 2 lanes	Bypass Authority	\$ 10.0	\$ 11.9 ²
		Segment 3, widen to 4 lanes	Bypass Authority	\$ 38.0	\$ 45.1 ²
		Balfour Road Interchange	Bypass Authority	\$ 36.0	\$ 68.8 ¹
		Marsh Creek Road Interchange	Bypass Authority	\$ 24.0	\$ 28.5 ²
		Vasco Road Interchange	Bypass Authority	\$ 20.0	\$ 23.7 ²
		SR4 Bypass to Empire Avenue, 6 lanes	Antioch, Oakley	\$ 24.2	\$ 28.7 ²
5	Laurel Road Extension	SR4 Bypass to Empire Avenue, 6 lanes	Antioch, Oakley	\$ 24.2	\$ 28.7 ²
6	SR 239/84 Connector	Armstrong Road extension, 2 lanes (formerly Byron Airport Road)	County	\$ 6.1	\$ 7.2 ²
7	SR 239	Corridor study and preliminary design (no construction costs)	County	\$ 10.0	\$ 10.0 ³
8	SR 4 (Main Street or Brentwood Boulevard) widening	Vintage Parkway in Oakley to Marsh Creek bridge in Brentwood and Chestnut Street to Balfour Road in south Brentwood, 4 lanes	Oakley, Brentwood	\$ 31.0	\$ 36.8 ²

ECCRFFA Study Update
September 2010

**TABLE 2
CAPITAL IMPROVEMENT PROJECT LIST AND ESTIMATED COSTS**

Number	Project	Description	Jurisdiction	Cost Estimate from 2005 Report (\$ million)	New Cost Estimate (\$ million)
9	Balfour Road widening	Deer Valley Road to Brentwood city limits, widen to 4 lanes	County	\$ 6.8	\$ 8.1 ²
10	Marsh Creek Road and Deer Valley Road safety enhancements	Marsh Creek: Walnut Blvd to Clayton Deer Valley: Balfour to Marsh Creek Rd	County	\$ 14.2	\$ 16.8 ²
11	Route 84/Vasco Road	Widen to 4 lanes to County line	County	\$ 209.0	\$ 247.9 ²
Northern Parallel Arterials					
12	Pittsburg-Antioch Highway	Somersville Road to Loveridge Road, widen to 4 lanes	Antioch, Pittsburg	\$ 11.0	\$ 13.0 ²
13	Ninth and Tenth Streets	A Street to L Street, couplet improvements	Antioch	\$ 4.5	\$ 5.3 ²
14	California Avenue	Railroad Avenue to Loveridge Road, widen to 4 lanes	Pittsburg	\$ 16.7	\$ 19.8 ²
15	Willow Pass Road	Range Road to Loftus Road and Bailey Road to city limits, widen to 4 lanes	Pittsburg, County	\$ 6.9	\$ 8.2 ²
Southern Parallel Arterials					
16	Buchanan Bypass or Buchanan Road	New 4-lane arterial (perhaps 2 lanes, depending on studies) Railroad Avenue to Somersville Road, widen to 4 lanes	Pittsburg Pittsburg, Antioch	\$ 40.0	\$ 47.5 ²
17	West Tregallas Road/ Fitzuren Road	Lone Tree Way to Buchanan Road, widen to 4 lanes	Antioch	\$ 25.0	\$ 29.7 ²
18	West Leland Road or Evora Road	Extend from San Marco to Avila Road (Concord) Willow Pass Road (BP) to Willow Pass Road (Concord), widen to 4 lanes	Pittsburg County	\$ 11.6	\$ 13.6 ²
Regional Arterial Projects					
19	Wilbur Avenue	Minaker Dr. to SR 160, widen to 4 lanes	Antioch, County	\$ 20.0	\$ 23.7 ²
20	Neroly Road	Oakley Rd to Laurel Rd, widen to 4 lanes	Oakley	\$ 5.0	\$ 5.9 ²
21	Deer Valley Road	Antioch city limits to Balfour Road, widen to 4 lanes	County	\$ 9.0	\$ 10.7 ²
22	Walnut Boulevard	Brentwood city limits to SR 4 Bypass, widen to 4 lanes	County	\$ 12.0	\$ 14.2 ²
23	John Muir Parkway	New roadway between Balfour Road and Fairview Avenue	Brentwood	\$ 11.4	\$ 13.5 ²
24	Byron Highway	Delta Road to SR 4, safety enhancements	County	\$ 3.6	\$ 4.3 ²
Regional Transit Projects					
25	East County Express Bus		Tri-Delta Transit	\$ 8.3	\$ 9.8 ²
26	Commuter Rail (eBART)		CCTA	\$ 377.0	\$ 462.0 ¹
Total Cost				\$ 1,691.9	\$ 2,285.8
¹ Updated cost information was provided by sponsoring agency. ² Updated cost was derived by applying construction cost escalation factor of 18.6% to 2005 cost estimate. ³ No escalation factor applied, because this project does not involve construction.					

Step 3 – Identify Existing Deficiencies on Regional Network

By definition, a fee program charges fees to new development in order to fund transportation improvements necessary to serve the demand and impacts generated by that new development. The following procedure was used to determine if any of the transportation projects identified in Step 2 were on facilities that experience current traffic problems, as defined by the region.

As required by Contra Costa County's Measures C and J, the transportation planning committee for East County (TRANSPAN) regularly prepares an Action Plan for the Routes of Regional Significance in the subregion. The Action Plan defines quantifiable Traffic Service Objectives (TSOs) for each major regional facility and actions necessary to achieve those objectives. CCTA periodically prepares a TSO Monitoring Report to document the current status of the TSOs and progress made toward achieving them. At the time of the June 2005 report, the available TSO Monitoring Report was dated December 2004. Since then, the 2007 TSO Monitoring Report was prepared and published in September 2008.

While a new Action Plan was completed in 2009 that defined slightly different "multimodal" transportation service objectives (MTSOs), a new MTSO monitoring report has not yet been prepared. Therefore, we will refer to the 2004 and 2007 TSO monitoring reports. The TSO monitoring reports are used to determine the status of the facilities identified in Step 2 as needing improvement. If the reports indicate that a facility identified in Step 2 is not currently meeting its applicable TSO, then that facility is flagged as an existing deficiency.

In the East County area, the Delay Index is the primary TSO used to assess the performance of major road segments along regional freeways and arterials. The Delay Index is a measure of traffic congestion, and is defined as the ratio of the time required to travel between two points during the peak hour when roads are most congested, to the time required during uncongested off-peak times. On rural routes, a measure of peak hour Level of Service (LOS) for rural highways is used in addition to the Delay Index TSO. In conjunction with the participating jurisdictions during the preparation of the June 2005 report, it was determined that the Delay Index and Rural Highway LOS TSOs were the appropriate measures of current transportation system performance to use in evaluating the presence of existing deficiencies in East County.

The 2004 TSO Monitoring Report indicated that two of the facilities identified for improvement in the fee program were not meeting the relevant TSO. These facilities were: State Route 4 between Loveridge Road and Hillcrest Avenue, which exceeded the Delay Index TSO during the AM peak hour; and Buchanan Road between Railroad Avenue and Somersville Road, which exceeded the Delay Index TSO during both the AM and PM peak hours. The June 2005 study therefore considered these two facilities to have existing deficiencies, and the costs for improving them were treated differently, as described in more detail under Step 4 below.

The 2007 TSO Monitoring Report contains somewhat different information about existing deficiencies. The report indicated that TSOs were not being met at the following locations: Vasco Road, which exceeded the roadway segment LOS standard during both AM and PM peak hours; Evora Road, which exceeded the Delay Index TSO during the AM peak hour; and Buchanan Road, which exceeded the Delay Index TSO during the PM peak hour.

In order to preserve consistency with the June 2005 nexus study, and also to present a conservative fee calculation, all of the facilities identified as deficient in either the 2004 or 2007 TSO Monitoring Report are being treated as existing deficiencies in this study. The remainder of the regional facilities highlighted for improvement in this program are not subject to exceedances of the established TSOs.

Step 4 – Calculate Project Costs Attributable to New Development

For improvement projects on facilities that are not subject to an existing deficiency (as defined in Step 3), the need for the improved facility is being generated by new development rather than by existing transportation problems. Therefore, all of the estimated project costs are included in the fee program.

For projects on facilities that have been identified as experiencing existing deficiencies, the cost of the improvement was divided between existing development and new development. The cost share attributable to new development, and therefore included in the fee program, was calculated as follows:

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1. Quantify the existing deficiency by determining the current traffic volumes that exceed the available capacity. For example, if a facility with a theoretical capacity of 2,000 vehicles is currently carrying 2,200 vehicles, the existing deficiency would be calculated as $2,200 - 2,000 = 200$.
2. Determine the future traffic growth by subtracting the current traffic volumes from the forecasted future traffic volumes. For example, if the future demand on that facility is projected to be 2,500 vehicles, the future traffic growth would be calculated as $2,500 - 2,200 = 300$.
3. Define the overall benefit of the project as the correction of the existing deficiency (from number 1 above) plus the accommodation of future growth (from number 2). In our example, the overall benefit of improving the road would be to correct the existing deficiency of 200 vehicles and to accommodate the future growth of 300 vehicles, for a total benefit of 500.
4. Calculate new development's share of the benefit as the result of number 2 divided by number 3. In this case, the share of the benefit to new development would be 60%, or 300 divided by 500. Therefore, 60% of the project cost would be included in the fee program. The remaining 40% of the project cost would need to be funded through other sources.

Based on the discussion in Step 3 above, the projects that were considered to address existing deficiencies include the State Route 4 Freeway Widening, Buchanan Road, Vasco Road, and Evora Road. Table 2 shows the resulting amounts that would be included in the fee program in the column titled Potential Fee Contribution. For SR 4 (project #1), the fee program contains about 93% of the total cost. For Buchanan Road (project #16), the fee program contains 68% of the project cost. For Vasco Road (project #11), the fee program contains 82% of the project cost, and for Evora Road (project #18), the fee program contains 92% of the cost.

The cost shares for a few other unique projects were addressed differently.

- For the construction of John Muir Parkway (project #23), the developments fronting that road are conditioned to provide a portion of the improvement (equivalent to \$8.8 million), so only the remaining cost is included in the fee program.
- The projects to construct safety enhancements along Marsh Creek and Deer Valley Roads (project #10) and along Byron Highway (project #24) do not add lanes of capacity to the subject roads, but do correct roadway safety issues that will be exacerbated by the growth in traffic due to new development. Both existing and new traffic will benefit from improvements that address safety issues. Therefore, the fee program covers a percentage of the cost equal to the expected growth in overall development. In this case, new growth is expected to constitute 23% of the total future development in East County, so 23% of the cost of this project is included in the fee program.
- Regional transit projects (Express Bus in project #25 and eBART in project #26) are addressed similarly to the Marsh Creek/Deer Valley Roads safety enhancement project described above. Again, because new growth is expected to constitute 23% of the total future development in East County, 23% of the cost of these projects is included in the fee program. As described in Step 2, many East County residents will benefit in some way from these regional transit improvements, no matter where they live and whether they are a new resident or an existing one.

Table 3 shows the total costs of each project, as well as the portion of the cost that is considered to be eligible for funding through the regional fee program (i.e., the portion of the cost that reflects the application of the various percentages described above).

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**TABLE 3
PROJECT COSTS ELIGIBLE FOR FEE FUNDING**

Number	Project	Description	Jurisdiction	Total Cost (\$ million)	Cost Eligible for Fee Funding (\$ million)
1	SR 4 Freeway widening	Railroad Avenue to Loveridge Road, widen to 8 lanes	CCTA	\$ 101.0	\$ 93.9 ¹
		Loveridge Road to Somersville Road, widen to 8 lanes	CCTA	\$ 167.0	\$ 155.3 ¹
		Somersville Road to Bypass (8 lanes to Hillcrest, 6 lanes to Bypass)	CCTA	\$ 426.0	\$ 396.2 ¹
		Hillcrest Avenue Interchange expansion	Antioch, CCTA	\$ 11.9	\$ 11.0 ¹
2	SR 4 Bypass Segment 1	Phase 1: 6 lanes to Laurel Road, interchanges at Laurel Road and Lone Tree Way	Bypass Authority	\$ 106.0	\$ 106.0
		Phase 2: SR 160 Interchange	Bypass Authority	\$ 50.0	\$ 50.0
		Laurel Interchange, phase 2	Bypass Authority	\$ 1.2	\$ 1.2
3	SR 4 Bypass Segment 2	Phase 1: 2 lanes	Bypass Authority	\$ 29.0	\$ 29.0
		Phase 2: 4 lanes, Sand Creek Road to Balfour Road	Bypass Authority	\$ 20.8	\$ 20.8
		Widen to 6 lanes, Laurel Road to Sand Creek Road	Bypass Authority	\$ 45.1	\$ 45.1
		Sand Creek Road Interchange	Bypass Authority	\$ 32.9	\$ 32.9
4	SR 4 Bypass Segment 3	Balfour to Marsh Creek Road (2 lanes) plus Marsh Creek east-west connector	Bypass Authority	\$ 80.0	\$ 80.0
		Vasco Road Extension, Marsh Creek Road to Vasco Road, 2 lanes	Bypass Authority	\$ 11.9	\$ 11.9
		Segment 3, widen to 4 lanes	Bypass Authority	\$ 45.1	\$ 45.1
		Balfour Road Interchange	Bypass Authority	\$ 68.8	\$ 68.8
		Marsh Creek Road Interchange	Bypass Authority	\$ 28.5	\$ 28.5
		Vasco Road Interchange	Bypass Authority	\$ 23.7	\$ 23.7
5	Laurel Road Extension	SR4 Bypass to Empire Avenue, 6 lanes	Antioch, Oakley	\$ 28.7	\$ 28.7
6	SR 239/84 Connector	Armstrong Road extension, 2 lanes (formerly Byron Airport Road)	County	\$ 7.2	\$ 7.2
7	SR 239	Corridor study and preliminary design (no construction costs)	County	\$ 10.0	\$ 10.0
8	SR 4 (Main Street or Brentwood Boulevard) widening	Vintage Parkway in Oakley to Marsh Creek bridge in Brentwood and Chestnut Street to Balfour Road in south Brentwood, 4 lanes	Oakley, Brentwood	\$ 36.8	\$ 36.8
9	Balfour Road widening	Deer Valley Road to Brentwood city limits, widen to 4 lanes	County	\$ 8.1	\$ 8.1
10	Marsh Creek Road and Deer Valley Road safety enhancements	Marsh Creek: Walnut Blvd to Clayton Deer Valley: Balfour to Marsh Creek Rd	County	\$ 16.8	\$ 3.9 ³
11	Route 84/Vasco Road	Widen to 4 lanes to County line	County	\$ 247.9	\$ 203.3 ¹
Northern Parallel Arterials					
12	Pittsburg-Antioch Highway	Somersville Road to Loveridge Road, widen to 4 lanes	Antioch, Pittsburg	\$ 13.0	\$ 13.0
13	Ninth and Tenth Streets	A Street to L Street, couplet improvements	Antioch	\$ 5.3	\$ 5.3



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TABLE 3
PROJECT COSTS ELIGIBLE FOR FEE FUNDING

Number	Project	Description	Jurisdiction	Total Cost (\$ million)	Cost Eligible for Fee Funding (\$ million)
14	California Avenue	Railroad Avenue to Loveridge Road, widen to 4 lanes	Pittsburg	\$ 19.8	\$ 19.8
15	Willow Pass Road	Range Road to Loftus Road and Bailey Road to city limits, widen to 4 lanes	Pittsburg, County	\$ 8.2	\$ 8.2
Southern Parallel Arterials					
16	Buchanan Bypass or Buchanan Road	New 4-lane arterial (perhaps 2 lanes, depending on studies) Railroad Avenue to Somersville Road, widen to 4 lanes	Pittsburg Pittsburg, Antioch	\$ 47.5	\$ 32.3 ¹
17	West Tregallas Road/ Fitzuren Road	Lone Tree Way to Buchanan Road, widen to 4 lanes	Antioch	\$ 29.7	\$ 29.7
18	West Leland Road or Evora Road	Extend from San Marco to Avila Road (Concord) Willow Pass Road (BP) to Willow Pass Road (Concord), widen to 4 lanes	Pittsburg County	\$ 13.8	\$ 12.6 ¹
Regional Arterial Projects					
19	Wilbur Avenue	Minaker Dr. to SR 160, widen to 4 lanes	Antioch, County	\$ 23.7	\$ 23.7
20	Neroly Road	Oakley Rd to Laurel Rd, widen to 4 lanes	Oakley	\$ 5.9	\$ 5.9
21	Deer Valley Road	Antioch city limits to Balfour Road, widen to 4 lanes	County	\$ 10.7	\$ 10.7
22	Walnut Boulevard	Brentwood city limits to SR 4 Bypass, widen to 4 lanes	County	\$ 14.2	\$ 14.2
23	John Muir Parkway	New roadway between Balfour Road and Fairview Avenue	Brentwood	\$ 13.5	\$ 4.7 ²
24	Byron Highway	Delta Road to SR 4, safety enhancements	County	\$ 4.3	\$ 1.0 ³
Regional Transit Projects					
25	East County Express Bus		Tri-Delta Transit	\$ 9.8	\$ 2.3 ³
26	Commuter Rail (eBART)		CCTA	\$ 462.0	\$ 106.3 ³
Total Cost				\$ 2,285.8	\$ 1,787.1
Collected Fees⁴					\$ (213.0)
Total Fee Contribution					\$ 1,574.1
1. For projects addressing existing deficiencies, only the cost share attributed to traffic generated by future developments is included in the fee program. 2. The remainder of the cost is provided by developers fronting John Muir Parkway. 3. For transit projects and safety enhancement projects, only the cost share proportional to new development's share of total future population (23%) is included in the fee program. 4. Regional fee funds collected to date.					

Step 5 – Summarize the Amount of New Development Expected in East County

The ABAG-based land use forecasts for East County include both residential and non-residential uses. Non-residential uses are represented in terms of numbers of jobs. The future land use assumptions presented here have been updated to reflect the currently available land use data for East County from the CCTA model, which is based on ABAG *Projections 2005*. The ABAG forecasts are the official regional land use projections developed for use in regional planning applications. The most recent set of land use projections is ABAG *Projections 2009*; however, those figures have not yet been incorporated into the CCTA model and thus are not readily available for use in this analysis. For comparison purposes, we have looked at the citywide total growth figures from both *Projections 2005* and *Projections 2009*; the projections are fairly similar for the City of Pittsburg, while in other East County cities, the more recent projections generally show slower growth trends, particularly in terms of jobs. This indicates that using the *Projections 2005* data in the fee calculations will be more conservative, in that the higher amount of growth will result in lower fees for each land use category.

Table 4 shows the land use totals, both for households and employment, for the jurisdictions in East County for both years 2010 and 2030. (Note that the land use projections available for the June 2005 report extended only to the year 2025; more recent projections now extend to 2030.)

TABLE 4 LAND USE PROJECTIONS IN EAST COUNTY JURISDICTIONS								
Jurisdiction	Year 2010				Year 2030			
	House- holds	Employment			House- holds	Employment		
		Service	Retail	Other		Service	Retail	Other
Antioch	34,654	5,887	6,765	11,627	42,917	11,112	11,388	19,885
Brentwood	20,967	3,072	1,988	3,603	24,954	7,264	5,691	6,465
Oakley	10,119	1,283	737	3,552	12,822	3,474	1,553	7,353
Pittsburg	20,775	4,709	3,978	8,644	31,145	10,950	7,256	15,309
Unincorporated East County	16,897	1,489	698	6,352	22,415	2,236	1,729	8,081
Total East County	103,412	16,440	14,166	33,778	134,253	35,036	27,617	57,093

Sources: CCTA Travel Demand Model, 2010.

Fee programs typically use the concept of the dwelling unit equivalent (DUE), to account for the fact that different development types generate traffic with different characteristics and to normalize for those effects. This update remains consistent with the June 2005 study's procedure for converting land use projections into DUEs, with some minor updates to account for new reference materials that are now available.

Because the fees are assessed on the basis of building area, the forecasts of total employees were converted to square feet of non-residential development by applying the following factors (which are the same as used in the June 2005 report):

- Office: 275 square feet/employee
- Retail: 500 square feet/employee
- Other: 400 square feet/employee

These factors reflect relationships between employment and building area that can be derived from the *Trip Generation* publication of the Institute of Transportation Engineers, and are consistent with factors used in recent General Plan analyses and other traffic studies in East County.

The conversion to DUEs was further accomplished by applying use-specific trip rates from ITE *Trip Generation* (we now use the 8th Edition of that report, which has recently become available), estimates of pass-by trips from

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SANDAG Brief Guide of Vehicular Traffic Generation Rates, July 2002 (which is an update of the 1998 SANDAG report to which the previous nexus study referred), and average trip lengths for each trip purpose from the June 2005 report. For example, commercial uses tend to generate more trips per square foot than office uses, but those commercial trips tend to be shorter in length (because people tend to drive farther to work in an office than they do to buy groceries or rent videos); the DUE conversion process accounts for these differences in impact on the transportation system. All DUEs were then normalized to the single-family residential rate.

Table 5 contains the conversion factors used to calculate DUEs in this study. Table 6 shows the forecasted growth by jurisdiction between the current year and 2030, both in terms of numbers of households and jobs, and in terms of DUEs. The total number of DUEs estimated between 2010 and 2030 is relatively similar to the number of DUEs estimated between 2005 and 2025 in the original June 2005 report.

TABLE 5
DUE CONVERSION FACTORS

Land Use Category	Unit	Peak Hour Trip Rate ¹	% New Trips ²	Average Trip Length ³	VMT per Unit	DUE per Unit
Single Family	DU	1.01	100%	9.6	9.7	1.00
Multi Family	DU	0.62	100%	9.6	6	0.62
Commercial	1,000 SF	3.73	50%	5.0	9.3	0.96
Office	1,000 SF	1.49	65%	10.7	10.4	1.07
Industrial	1,000 SF	0.83	80%	10.7	7.1	0.73

1. PM peak hour rates from ITE Trip Generation, 8th Edition.
 2. SANDAG Brief Guide of Vehicular Traffic Generation Rates, July 2002.
 3. Average trip lengths for the East County area from the CCTA model, in miles.
- Source: Fehr & Peers, 2010.

TABLE 6
FORECASTED GROWTH IN EAST COUNTY, CONVERTED TO DUES

Jurisdiction	Estimated Growth (2010-2030)				Estimated Growth in DUEs (2010-2030)				
	House-holds	Employment			Residential ¹	Non-Residential			Sum
		Service	Retail	Other		Service ²	Retail ³	Other ⁴	
Antioch	8,263	5,225	4,623	8,258	7,230	1,537	2,219	2,411	13,397
Brentwood	3,967	4,192	3,703	2,862	3,611	1,233	1,777	836	7,457
Oakley	2,703	2,191	816	3,801	2,422	645	392	1,110	4,569
Pittsburg	10,370	6,241	3,278	6,665	9,189	1,836	1,573	1,946	14,544
Unincorporated East County	5,518	747	1,031	1,729	4,986	220	495	505	6,206
Total East County	30,841	18,596	13,451	23,315	27,438	5,471	6,456	6,808	46,173

Notes: Relationship between land use categories in the model and the fee program were assumed to be: Retail=Commercial; Service=Office; and Other=Industrial.

1. The multi family units were multiplied by a DUE factor of 0.62.
 2. Service DUE conversion based on 275 square feet per employee and a DUE per thousand square feet of 1.07. $DUE = EMP * 0.275 * 1.07$
 3. Retail DUE conversion based on 500 square feet per employee and a DUE per thousand square feet of 0.96. $DUE = EMP * 0.500 * 0.97$
 4. Other DUE conversion based on 400 square feet per employee and a DUE per thousand square feet of 0.73. $DUE = EMP * 0.400 * 0.67$
- Source: Fehr & Peers, 2010.

Step 6 – Determine Fee Amounts

The maximum total cost to be contributed by new development (which was determined in Step 4 to be \$1,574.1 million) is then divided by the total number of new DUEs (which was determined in Step 5 to be 46,173) to determine the appropriate fee amount for each land use category. Table 7 displays the impact fees resulting from these calculations. These figures do not reflect any reductions that may be implemented (for example, ECCRFFA has historically reduced the fees for non-residential uses in order to promote economic development and job creation in East County). This calculation also does not consider the effects of other funding sources that may be available to some of the projects. Existing development in East County has been contributing to transportation improvements for many years, through payment of earlier regional fees, transportation-related sales taxes, gasoline taxes and other programs, and consideration of those other sources of transportation funds is addressed in the next chapter.

**TABLE 7
PRELIMINARY FEE CALCULATIONS**

Land Use Category	Fee Calculation Results
Single-Family Residential (per dwelling unit)	\$ 34,090.41
Multi-Family Residential (per dwelling unit)	\$ 21,136.06
Commercial (per square foot)	\$ 32.73
Office (per square foot)	\$ 36.48
Industrial (per square foot)	\$ 24.89
Other	\$ 34,090.41
Source: Fehr & Peers, 2010.	

4. FUNDING CONSIDERATIONS

This chapter describes different fee options and other sources of funds for the regional transportation improvements. Table 8 presents a summary of the funding scenarios discussed in this chapter.

FULL FEE CALCULATIONS

As described in Chapter 3, the basic nexus calculations of the total fees that could be charged to new development result in fees per DUE of approximately \$34,000. As shown in the Full Fee column in Table 8, an updated program that charged fees equivalent to those presented in Table 8 would generate an estimated \$1,574.1 million. In addition, ECCRFFA staff report that approximately \$213 million has been collected to date through the regional fee programs to support the listed improvement projects. Thus, the Full Fee scenario shows \$1,787.1 million generated by regional fees, as compared to the total project cost of \$2,285.8 million. This scenario is provided for informational purposes only, to illustrate the situation if regional fees were the only sources of funding for the transportation projects listed. However, other sources of funding outside of the regional fee program are available to support some of the improvements on the project list. To the extent that funding opportunities are known for certain projects, those are described in more detail below.

OTHER FUNDING SOURCES

As with most fee programs, the fee revenue is not expected to cover the total cost of all regional improvements. Other funding will be generated, some of which has already been identified. The following describes some of the other sources of funds that are available for regional projects; many of these have been allocated specifically to both the SR 4 East project and the eBART project, according to fact sheets available from CCTA, and other allocations are expected over the life of these programs.

Measure C/Measure J – Approved by Contra Costa County voters in 1988 as Measure C and renewed in 2004 as Measure J, it imposes a one-half percent sales tax to pay for transportation improvements. Approximately \$390 million has been allocated to the SR 4 East widening (from Railroad Avenue to the SR 4 Bypass) and eBART.

Regional Measures 1 and 2 – These regional voter-approved charges impose surcharges on the seven Bay Area toll bridges to help pay for transportation improvement projects in major travel corridors throughout the Bay Area. Approximately \$267 million of these funds are being allocated for SR 4 East and eBART.

State Transportation Improvement Program (STIP) Funds – Generated by gas tax revenues, these funds are allocated by the State of California to Contra Costa County every two years for programming transportation improvement projects. About \$127 million of STIP funds are currently allocated for SR 4 East and eBART; other allocations are expected but are not known at this time.

Other Funds – Other sources of funds for the SR 4 East project include: \$40 million in federal funds, \$39 million from the state Transportation Congestion Relief Program (TCRP), \$85 million in state Proposition 1B funds, and about \$10 million in State/Local Partnership funds. Other sources for the eBART project include: \$5 million in TCRP, \$40 million in Proposition 1B, and \$115 million in AB 1171 funds.

Again, it is likely that other funds will be available for other projects, but they are uncertain at this time.

EFFECTS OF DIFFERENT FEE SCENARIOS

The availability of funds from other federal, state and local sources allows for reductions in the fees charged through the regional program. In addition, the governing board always has the option to set fees at specific levels in order to support various policy goals. Two fee alternatives are presented here and in Table 8 for informational purposes.

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- **Alternative A:** This alternative reflects the fee levels currently being charged by ECCRFFA. Accounting for other funding sources, the fee program under this alternative would experience a deficit estimated at \$438.7 million.
- **Alternative B:** This alternative reflects a reduction of about 11% compared to the fee levels currently being charged by ECCRFFA. Accounting for other funding sources, the fee program under this alternative would experience an estimated deficit of \$496.7 million.

**TABLE 8
FUNDING CONSIDERATIONS**

	Full Fee*	Alternative A	Alternative B
Proposed Fee			
Single-Family Residential (per DU)	\$ 34,090.41	\$ 17,795.00	\$ 15,795.00
Multi-Family Residential (per DU)	\$ 21,136.06	\$ 10,924.00	\$ 9,700.50
Commercial (per SF)	\$ 32.73	\$ 1.49	\$ 1.32
Office (per SF)	\$ 36.48	\$ 1.31	\$ 1.16
Industrial (per SF)	\$ 24.89	\$ 1.31	\$ 1.16
Program Funding Summary			
Funding Sources	(\$ million)	(\$ million)	(\$ million)
Future Fee Revenue Projections ¹	\$ 1,574.1	\$ 516.2	\$ 458.2
Regional Fee Funds Collected To Date	\$ 213.0	\$ 213.0	\$ 213.0
SR 4 Widening Funding Sources ²		\$ 661.9	\$ 661.9
eBART Funding Sources		\$ 456.0	\$ 456.0
Total Program Funding	\$ 1,787.1	\$ 1,847.1	\$ 1,789.1
Total Program Cost	\$ 2,285.8	\$ 2,285.8	\$ 2,285.8
Total Surplus/Deficit	\$ (498.8)	\$ (438.7)	\$ (496.7)
1. Weighted average of the updated fees based on the amount of new development projected in each jurisdiction, and applied to the full list of projects. 2. SR 4 Widening funds include \$98.9M for segment between Railroad Avenue and Loveridge Road, \$167M for segment between Loveridge Road and Somersville Road, and \$396M for segment between Somersville Road and SR 4 Bypass. * As described in the text, the Full Fee scenario is an informational illustration of the hypothetical situation where regional fees are the only sources of funding for the listed projects. Sources: CCTA, SR 4 Bypass Authority, Fehr & Peers, 2010.			

EXHIBIT B
PRTDIM FEE SCHEDULE*

<u>UNIT TYPE</u>	<u>FEE AMOUNT</u>
Single-Family Residential (per DU)	\$15,795.00
Multi-Family Residential (per DU)	\$9,700.50
Commercial (per SF)	\$1.32
Office (per SF)	\$1.16
Industrial (per SF)	\$1.16

*Fee amounts are consistent with Alternative B, identified in Table 8 of the Fee Study.



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

DATE: 9/10/2010

TO: Mayor and Council Members

FROM: Marc S. Grisham, City Manager

SUBJECT: Adoption of a City Council Resolution Adopting the 2010 East Contra Costa Regional Fee Program Update and Establishing Fees for City's PRTDIM Program Pursuant to Pittsburg Municipal Code Section 15.103.020

MEETING DATE: 9/20/2010

EXECUTIVE SUMMARY

On September 20, 2010, the City Council adopted Urgency Ordinance No. 10-1328, adding Chapter 15.103 to the Pittsburg Municipal Code ("PMC") and establishing the Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program. PMC Chapter 15.103 provides the structure and details the requirements of the PRTDIM program. PMC Section 15.103.020 authorizes the City Council to "set forth the specific amount of the PRTDIM fees" by resolution based on the 2010 East Contra Costa Regional Fee Program Update ("Fee Study") and any subsequent updates to the Fee Study. The attached Resolution would adopt the 2010 East Contra Costa Regional Fee Program Update (attached as Exhibit "A") and establish fees for the City's PRTDIM program pursuant to PMC Section 15.103.020.

FISCAL IMPACT

There is no fiscal impact to the City. City will continue to collect regional traffic mitigation fees from new development and apply those funds to transportation projects of regional significance.

RECOMMENDATION

That the City Council adopt the attached Resolution adopting the 2010 East Contra Costa Regional Fee Program Update attached as Exhibit "A", and establishing fees for City's PRTDIM program pursuant to PMC Section 15.103.020. Further, that the City Council adopt the PRTDIM fee schedule attached as "Exhibit "B", representing Alternative B of the Fee Study.

BACKGROUND

On September 20, 2010, City adopted an urgency ordinance establishing the PRTDIM program by codifying PMC Chapter 15.103. The stated purpose of the PRTDIM program is to ensure that new development in City continues to pay its fair share of regional transportation improvement projects. Through the PRTDIM program, City intends to continue supporting the East Contra Costa Regional Fee and Financing Authority ("ECCRFFA") and other regional partners in multi-jurisdictional transportation planning efforts and projects of regional significance in East County.

As required by PMC Section 15.103.020, the PRTDIM Fee Study and fee amounts are to be established by resolution.

SUBCOMMITTEE FINDINGS

na

STAFF ANALYSIS

The proposed Resolution would adopt the Fee Study and fee amounts as required by the PMC. The Fee Study identifies a list of regional transportation improvements approved by the City and its regional transportation partners, including ECCRFFA and TRANSPLAN, and deemed necessary to account for the impacts associated with new development.

On July 6, 2010, the City Council adopted Resolution No. 10-11494 authorizing the City Manager to enter into an agreement with Fehr & Peers for the creation of a Fee Study related to the proposed PRTDIM program. In an effort to continue regional coordination and collaboration with the City's regional partners, the Fee Study utilizes the same list of twenty six (26) regionally significant projects developed by TRANSPLAN and utilized by ECCRFFA in the formulation of ECCRFFA's regional fee.

The Fee Study complies with the requirements of the Mitigation Fee Act by establishing the basis for the imposition of the PRTDIM fees on new development. The Fee Study identifies the purpose of the PRTDIM fees, identifies how the fees will be utilized, shows a reasonable relationship between the use of the fees and the type of development project on which the fees are imposed and demonstrates a reasonable relationship between the need for the public facilities and the type of development project on which the fees are imposed. The Fee Study includes descriptions and cost estimates for the identified projects and demonstrates the nexus between the identified projects and the amount of PRTDIM fees imposed.

The attached Resolution would establish the amount of the PRTDIM fees pursuant to PMC Section 103.020. As evidenced in Chapter 3 of the Fee Study, the basic nexus calculations support a fee to new development of approximately \$34,000 per single-family dwelling unit. Page 19 of the Fee Study, however, provides two alternative options to this full fee amount (see Table 8, "Funding Considerations"). Alternative A would establish the PRTDIM fee at the level currently being charged by ECCRFFA. Alternative B would establish a fee of \$15,795 per single family residential unit and \$9,700.50 per multi-family residential unit, a reduction of approximately 11% compared to Alternative A. Again, the Fee Study demonstrates that the identified projects, project costs and development projections would support a full regional traffic fee of approximately \$34,000 per dwelling unit. Both

Alternative A and Alternative B are below the fully supported fee amount, and are justified by the Fee Study.

Staff recommends that the City Council adopt the fees identified in Alternative B. Staff believes that the lower fee alternative is appropriate given the current economy. The adoption of the fees identified in Alternative B may help stimulate a weak housing market and encourage the creation of additional jobs in the construction field. In addition, recent dramatic reductions in housing costs have made the regional fee amounts a higher percentage of total new home prices. Staff believes that the proposed fees identified in Alternative B may encourage more housing starts and help stimulate the economy. It should be noted that the City Council has the authority to revisit the issue and establish revised PRTDIM fee amounts in the future.

Pursuant to the requirements of the Mitigation Fee Act, notice of a public hearing related to the PRTDIM program and related fees was published in a newspaper of general circulation, notice was mailed to individuals and entities that have filed a written request, and the information supporting the PRTDIM program and fee, including the Fee Study, were available to the public at least ten (10) days prior to the public hearing.

Staff recommends that the City Council adopt the attached Resolution adopting the 2010 East Contra Costa Regional Fee Program Update and establishing fees for City's PRTDIM program pursuant to PMC Section 15.103.020.

ATTACHMENTS: Resolution
Exhibit "A", Fee Study
Exhibit "B", PRTDIM Fee Schedule

Report Prepared By: Paul Reinders, Senior Civil Engineer

ATTACHMENT
RESOLUTION NO. 12-11778
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Amending Resolution 05-10291)
By Revising the Water)
Facility Reserve Charges)

RESOLUTION NO. 12-11778

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the City of Pittsburgh operates and maintains a potable water system for Pittsburgh water customers; and,

WHEREAS, Section 13.08.040 of the Pittsburgh Municipal Code authorizes facilities reserve charges to be adopted by resolution;

WHEREAS, the City of Pittsburgh conducted a complete Water Facility Reserve Charges rate study in 2005; and,

WHEREAS, On June 20, 2005, the City Council approved Resolution 05-10291 to approve updated Water Facility Reserve Charges (Water Connection Fees); and,

WHEREAS, on October 4, 2010, the City Council approved Resolution 10-11546, adopted 2010 Water System Master Plan (2010 Plan); and,

WHEREAS, the new 3.0 million gallon West Leland Reservoir and the two new pump stations identified as part of the 2010 Plan have been constructed, and more accurate costs can now be used to determine equitable Facility Reserve Charges; and,

WHEREAS, the bond costs are now known and are included in the cost of the facilities; and,

WHEREAS, the rate of increase in the average Construction Cost Index in 2005 was assumed to be 3%; and,

WHEREAS, the rate of increase in the Engineering News Record (ENR) 20-City Construction Cost Index (CCI) has been 4%; and,

WHEREAS, the City Council authorized the consulting firm of Municipal Financial Services to review the water system facility reserve charges and make recommendations; and the recommendations have been prepared and received by the City of Pittsburgh; and

WHEREAS, the development community has had an opportunity to review and comment on the recommended changes.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. Findings

- A. The recitals set forth above are true and correct statements and are hereby incorporated.
- B. Now, therefore, the City Council of the City of Pittsburg does hereby resolve, modify and amend as follows:

"SECTION 1. Pursuant to Section 13.08.040 Connection Fees of the Pittsburg Municipal Code

- a. The water connection fees shall be based on the number and type of dwelling unit count for residential customers, and a water meter capacity ratio for non-residential customers and as follows:

Residential

Single family residential	1.0 R	per dwelling unit
Multifamily residential	0.77 R	per dwelling unit

Non-Residential

5/-8-inch meter	1.0 R
¾-inch meter	1.0 R
1-inch meter	2.5 R
1 ½-inch meter	5.0 R
2-inch meter	8.0 R
3-inch meter	16.0 R
4-inch meter	25.0 R
6-inch meter	50.0 R
8-inch meter	90.0 R
10-inch meter	145.0 R

- b. The Water Facility Reserve Charges shall be as follows:

Southeast Hills and Infill

Montreux	R = \$2,970
Thomas Ranch	R = \$3,540
Sky Ranch	R = \$4,010
Zone 1	R = \$8,410
Zone 2	R = \$5,840

Southwest Hills

Alves/Vista del Mar	R = \$6,210
Zone 2	R = \$5,300
San Marco – Villages A & M (Zone 2)	R = \$6,160
San Marco (single family development area)	R = \$2,230
Zone 3 and above (not San Marco)	R = \$3,760

The Water Facility Reserve Charges, effective November 1, 2012 shall be as follows:

Southeast Hills and Infill

Montreux	R = \$3,090
Thomas Ranch	R = \$3,680
Sky Ranch	R = \$4,160
Zone 1	R = \$8,670
Zone 2	R = \$6,050

Southwest Hills

Alves/Vista del Mar	R = \$6,380
Zone 2	R = \$5,440
San Marco – Villages A & M (Zone 2)	R = \$6,330
San Marco (single family development area)	R = \$2,310
Zone 3 and above (not San Marco)	R = \$3,880

The Water Facility Reserve Charges, effective November 1, 2013 shall be as follows:

Southeast Hills and Infill

Montreux	R = \$3,190
Thomas Ranch	R = \$3,800
Sky Ranch	R = \$4,290
Zone 1	R = \$8,940
Zone 2	R = \$6,230

Southwest Hills

Alves/Vista del Mar	R = \$6,520
Zone 2	R = \$5,560
San Marco – Villages A & M (Zone 2)	R = \$6,470
San Marco (single family development area)	R = \$2,360
Zone 3 and above (not San Marco)	R = \$3,970

The Water Facility Reserve Charges, effective November 1, 2014 shall be as follows:

Southeast Hills and Infill

Montreux	R = \$3,300
Thomas Ranch	R = \$3,930
Sky Ranch	R = \$4,430
Zone 1	R = \$9,200
Zone 2	R = \$6,440

Southwest Hills

Alves/Vista del Mar	R = \$6,680
Zone 2	R = \$5,690
San Marco – Villages A & M (Zone 2)	R = \$6,610
San Marco (single family development area)	R = \$2,430
Zone 3 and above (not San Marco)	R = \$4,080

Section 2. "Zone 3 and above (not San Marco)" is defined as the development areas identified in the 2010 Water System Master Plan Figure 3.5 as: Smith, Bailey Estates, Faria, Montecito, Village O, Village C, Ridge Farms, De Bonneville and Spilker.

Section 3. The fees establish by this resolution shall take effect sixty (60) days after its adoption.

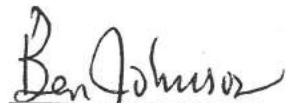
PASSED AND ADOPTED by the City Council of the City of PITTSBURG at a regular meeting on the 21st day of February 2012, by the following vote:

AYES: Casey, Evola, Longmire, Parent, Johnson

NOES: None

ABSTAINED: None

ABSENT: None


Ben Johnson, Mayor

ATTEST:

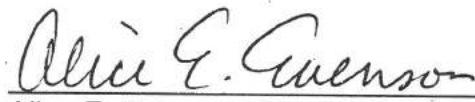

Alice E. Evenson, City Clerk

Exhibit A

City of Pittsburg

Comparison of current and proposed Water Facility Reserve charges.

	Current - effective 11/1/08	Proposed 2/21/12	change from current 11/1/2008
Southeast Hills and Infill			
Montreux	\$4,230	\$2,970	(\$1,260)
Thomas Ranch	\$4,230	\$3,540	(\$690)
Sky Ranch (Zone 2-4)	\$4,230	\$4,010	(\$220)
Zone 1 infill	\$7,220	\$8,410	\$1,190
Zone 2 infill	\$7,220	\$5,840	(\$1,380)
Southwest Hills			
Pitts/Bay Point	\$5,130	\$5,300	\$170
West Coast	\$4,390	\$5,300	\$910
San Marco - Villages A&M	\$2,590	\$6,160	\$3,570
San Marco	\$2,590	\$2,230	(\$360)
San Marco Hills (now San Marco)	\$2,960	\$2,230	(\$730)
San Marco Meadows (now Montecito)	\$3,540	\$3,760	\$220
Alves/Vista del Mar	\$5,390	\$6,210	\$820
Bailey Estates	\$2,650	\$3,760	\$1,110
Smith	\$2,570	\$3,760	\$1,190
Ridge Farms/Bonneville	\$3,640	\$3,760	\$120

Charge is per single family dwelling unit (R)



CITY OF PITTSBURG
WATER UTILITIES DEPARTMENT
 65 Civic Avenue, Pittsburg, California 94565

June 30, 2011

To: Interested Parties

Subject: City of Pittsburg City Council Consideration of Increase to Water System Development Connection Fees

On July 7, 2005, the City Council of the City of Pittsburg adopted revised Water Development Connection Fees (DCF's). The DCF's were based on the City's Water System Master Plan and its Amendment No. 2. At that time, representatives of local developers noted that bonding costs noted in the Plan and fee calculations were speculative and that project costs were estimates. The City agreed, and adopted the DCF's without using estimated bond costs as a basis. In 2011, the City is incurring actual bond and project costs, and is reevaluating the DCF's to ensure adequate revenue is collected to cover the cost of development.

The City Council adopted Water System Master Plan Amendment No. 3 on July 2, 2007. In November 2008, the development community asked that proposed revisions to the Water Development Fees be postponed until the new Water System Master Plan was completed. The City agreed to this request.

The 2010 Water System Master Plan (2010 Plan) was adopted in October 2010. While Amendments No. 1 and 2 mostly focused on the Southwest Hills, Amendment No. 3 and the 2010 Plan included the Southeast Hills and Pressure Zones 1 and 2 (Infill) within the City. As a result, the Southeast Hills and Infill components for the water system have been better defined, and costs have been more accurately allocated. For these reasons, the City is now proposing revisions to the Water Development Fees.

The proposed DCF's reflect actual project and bond costs for the Zone 2 Pump Station, and Southwest Hills' pipelines, reservoir and Zone 3 pump station. The new 3.0 million gallon West Leland Reservoir and two new pump stations (Water Treatment Plant Zone 2 and Vista del Mar Zone 3) are complete. More accurate costs can now be included in the project cost component of the DCF analysis. Bond costs are now known and are included in the calculation of the DCF's.

In addition to projects and bond costs, there are the following changes and fee impacts:

- Rates have not increased since November 1, 2008.
- The "buy-in" cost for the Water Treatment Plant was reanalyzed and has been reduced; capacity expansion costs were identified.
- Water Distribution System "buy-in" costs is based on the 2010 Water System Master Plan data. This is the most significant portion (\$3,840) of the rate increase for the Southeast Hills and Infill DCF's (see attachment).

The Pittsburgh City Council's consideration of changes to the Facility Reserve Charges is tentatively scheduled for a Public Hearing in September. Please review the enclosed table of proposed fee changes and provide comments and/or concerns to the Water Utilities Department by August 12, 2011 for consideration and inclusion.

Copies of the June 2011 draft Development of Water Facility Reserve Charges report are available from the Water Utilities or Engineering Departments or by calling LeeAnn Knight at 252-4998.

Sincerely

A handwritten signature in black ink that reads "Walter C. Pease". The signature is written in a cursive, flowing style.

Walter C. Pease
Director of Water Utilities
(925) 252-6966

c. Joe Sbranti, City Manager
Keith Halvorson, City Engineer

Exhibit D

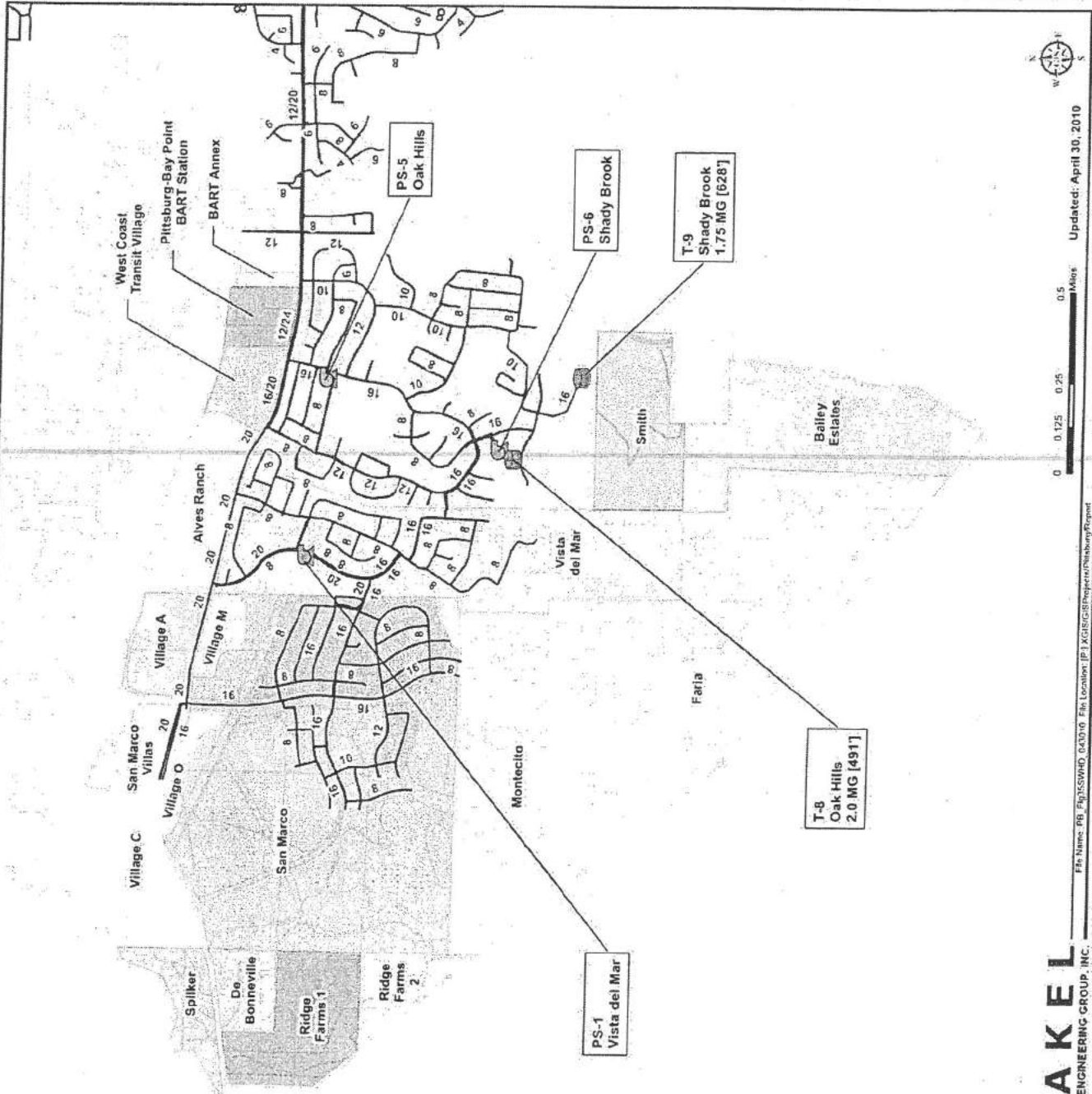
Legend

- Existing
- WTP
- Storage Tank
- Booster Stations
- Pipes

Southwest Hills Developments

- Alves Ranch
- BART Annex
- Bailey Estates
- De Bonneville
- Faria
- Montecito
- Pittsburg-Bay Point BART Station
- Ridge Farms 1
- Ridge Farms 2
- San Marco
- Smith
- Spilker
- San Marco Villas
- Village A
- Village C
- Village M
- Village O
- Vista del Mar
- West Coast Transit Village
- Parcels
- Water Bodies

Figure 3.5
Southwest Hills
Future Developments
Water System Master Plan
City of Pittsburg





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

DATE: 2/3/2012
TO: Mayor and Council Members
FROM: Joe Sbranti, City Manager
SUBJECT: Adoption of a City Council Resolution to Amend Resolution 05-10291
Revising the Water Facility Reserve Charges
MEETING DATE: 2/21/2012

EXECUTIVE SUMMARY

In June 2005, the City adopted updated Water Facility Reserve Charges on new development to pay for construction of facilities needed to serve the new areas of the City. The City has since sold bonds to pay for various utility improvements and completed construction of two pump stations and one reservoir. With the adoption of the 2010 Water System Master Plan, the City authorized a review of the City fee structure for Water Facility Reserve Charges. Recommendations of the study include adjustments to the fee schedule that are proposed for adoption.

FISCAL IMPACT

The adoption of the revised Water Facility Reserve Charges will provide approximately \$30 million through build-out that is required to pay the costs of water system expansion to accommodate new development without burdening the existing ratepayers. Revenues from these changes are dependent on the pace of new development.

RECOMMENDATION

Adopt the attached Resolution revising the Water Facility Reserve Charges.

BACKGROUND

A facility reserve charge (FRC), or development impact mitigation fee, is a charge to pay for public facilities serving new developments that are in existence at the time the charge is imposed, or to pay for new facilities that benefit new development or the person or property being charged.

FRCs ensure that "growth pays for growth" by allocating the cost of new facilities and the cost of unused capacity in existing facilities to new development, while allocating the cost of repairing and refurbishing existing facilities to meet the needs of new development that will use them. The City has separate FRCs for water and sewer utilities.

On June 20, 2005, the City Council adopted Resolution 05-10291 to revise water development connection fees (FRCs) based on the City's Water System Master Plan and its Amendment No. 2. At that time, representatives of local developers noted that bonding costs noted in the Plan and fee calculations were speculative and that project costs were estimates. The City agreed, and adopted the Water FRCs without using estimated bond costs as a basis.

On July 2, 2007, the City Council approved Resolution 07-10835 adopting the Water System Master Plan Amendment No. 3. In November 2008, the development community asked that the proposed revisions to the Water FRCs be postponed until the new Water System Master Plan was completed. The City agreed to this request.

On October 4, 2010, the City Council approved Resolution 10-11546 adopting the 2010 Water System Master Plan (2010 Plan). While Amendments No. 1 and 2 focused on the Southwest Hills, Amendment No. 3 and the 2010 Plan included the Southeast Hills and Pressure Zones 1 and 2 (Infill) within the City. As a result, the Southeast Hills and Infill components for the water system have been better defined, and costs have been more accurately allocated. For these reasons, the City is now proposing revisions to the Water FRCs.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The proposed Water FRCs vary from \$2,230 to \$8,410 per single family unit. As a cost comparison, Contra Costa Water District charges \$8,773 for each standard residential (5/8" x 3/4" inch meter) connection.

Development areas with the highest charges are those that (1) are not building any pump stations, transmission lines or reservoirs as part of their projects; and (2) are buying into the existing distribution system for fire flow and reliability. Development areas with the lowest charges are those that have built or will build most of their facilities as part of their development.

Facility Reserve Charges must meet regulatory requirements found in Government Code Section 66000 et seq. regarding the establishment of capacity charges. The development of FRCs also must meet the policies stated in the City of Pittsburg's General Plan adopted in September 2004. General Plan Policy 3-P-11 states that the City should "Review and update the City's development impact fee schedule to ensure that new development pays its proportional share of the costs associated with the provision of facilities for police, parks, water, sewer, storm drainage, and schools".

FRCs are intended to recover a portion of the City's Capital Improvement Program costs, as well as utility rate payers' prior investment in capital facilities that will benefit the new developments.

Historically, Pittsburgh's FRCs have not adequately covered the costs of expanding the water system or not adequately valued the available water system capacity. By not collecting appropriate FRCs, current water and sewer ratepayers will be unfairly burdened with development-related utility system costs. For this reason, staff is recommending approval of the FRC rate adjustments attached to this report.

The City has separate FRCs for both the water and sewer utilities. However, the method of developing FRC unit costs for the water and sewer utilities is very similar. The payment of appropriate FRCs should: 1) recoup the cost of new utility facilities necessary to provide utility services to new development, and/or 2) recoup the value of utility facilities that have been previously provided for by ratepayer investment through construction, maintenance, and rehabilitation and are now available for use by new developments.

The unit cost of new capital facilities is established by calculating the cost of these facilities in the City's Capital Improvement Program (CIP) and apportioning these total costs to various developments in an equitable manner through the documents such as the Water System Master Plan and the Water FRC report.

The unit cost of, or value to be recouped for, existing facilities is established by determining the replacement value of these facilities and apportioning this cost to various developments in proportion with their use of the utility facilities. Staff's recommendations to revise the Water FRC are based on the analysis prepared by the City's consultant, Municipal Financial Services.

The current fee schedule was approved in November 2008. The rates were based on an amendment to the 2001 Water System Master Plan, Amendment No. 2, which was adopted in 2005.

The rates did not include projected costs or changes included in Water System Master Plan Amendment #3, which was adopted in 2007 with an analysis of developments anticipated in the southeast hills and infill development. The rates also did not take into account bond costs for current projects. These costs are now known and have been included in the calculation of the revised FRC rate schedule.

Since the adoption of the current fee schedule, the City has also completed construction of a new 3.0 million gallon Zone 2 West Leland Reservoir and the new Zone 2 and Vista del Mar Zone 3 Pump Stations. As a result, cost estimates used as a basis for the current fees have been updated with more accurate, actual cost data.

The proposed new FRC rate schedule includes the San Marco Village A & M development area as a contributing development to the cost of the new Zone 2 reservoir. The capacity that was available in the Oak Hills Reservoir has been fully used by the developer.

The proposed San Marco Zone 4 Pump Station, originally projected to be built by the City, is now being built by the developer. The Water FRC for the Bailey Estates area has also been updated to reflect the demand on the Southwest Hills pump stations and reservoirs.

The "buy-in" cost for the Water Treatment Plant was reanalyzed and includes the cost to expand the capacity for handling sludge. The net effect has been a reduction in the buy-in cost.

In addition, the new fee schedule reflects a change to the multifamily residential factor from 0.57 R to 0.77 R. This is based on a more accurate identification of water use for multifamily units in the 2010 Water System Master Plan of 340 gallons per dwelling unit per day.

Developers were notified of the proposed changes by letter dated June 30, 2011. Comments were requested by August 12, 2011. One developer (Seecon) also received a printed copy of the "Development of Water Facility Reserve Charges" report with their letter. Staff has met on several occasions with Seecon staff and their consulting engineers and has provided additional information as requested.

ATTACHMENTS: Resolution Revising Water Facility Reserve charges
Exhibit A: Comparison of current and proposed Water Facility Reserve charges
Exhibit B: Development of Water Facility Reserve Charges. Municipal Financial Services report (on file with City Clerk).
Exhibit C: Letters to developers
Exhibit D: Southwest Hill Future Developments. 2010 Water System Master Plan Figure 3.5.

Report Prepared By: Walter C. Pease, Director of Water Utilities

ATTACHMENT
ORDINANCE NO. 01-1180
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

ORDINANCE NO. 01-1180

**Adopting an Ordinance Adding Chapter)
15.104 - Entitled "Stormwater Management)
Plan for Kirker Creek Watershed Drainage)
Area " to the Pittsburg Municipal Code)**

The City Council of the City of Pittsburg DOES ORDAIN as follows:

Section 1. Background.

The Kirker Creek Watershed is the City of Pittsburg's most vulnerable flood area because of its size and location. This major watershed covers the greater part of the City of Pittsburg. Water collection originates in the hills of the southernmost end of the watershed and flows north through the City. Undersized culverts are unable to contain the runoff and overflow, causing flooding.

In 1998, the El Nino stormwater runoff exceeded the capacities of Kirker Creek and as a result, Highway 4 flooded which closed off access to Pittsburg and neighboring communities for approximately one week.

Through the Stormwater Management Plan improvements study, it was determined that in order to increase capacity and eliminate flooding, the need for channel improvements, culvert and bridge modifications and detention basins for storage would be required.

On January 19, 1999 the City Council approved by resolution 99-8789 the Kirker Creek Drainage Improvement Plan and Schedule.

In May, 1999 the City of Pittsburg accepted a (STIP) State Transportation Improvement Program grant for 3.5 million, to fund a portion of the mitigation proposed in the Stormwater Management Plan, and to alleviate the flooding problem on Route 4. The grant requires the City to adopt an ordinance requiring on-site or other mitigation of additional runoff caused by new development in the Kirker Creek Watershed Drainage Area.

In July 1999, the City of Pittsburg approved an agreement with consultant firm, Mark Thomas & Co. Inc. to prepare environmental documentation and final design for the Kirker Creek drainage improvement project.

On October 16, 2000, the City certified the Final Environmental Impact Report for the Kirker Creek Watershed flood relief and approved the Mitigation Plan for the State Route 4/Loveridge Road Flood Relief Project (Kirker Creek).

Section 2. Summary.

This ordinance adds Chapter 15.104 to Title 15 of the City Municipal Code, Stormwater Management Plan for Kirker Creek Watershed Drainage Area and requires new development in the Kirker Creek Watershed to either permanently mitigate stormwater flow or pay a fee calculated in proportion to the creation of new impervious surface within the drainage area.

Section 3. Addition of New Municipal Code Chapter 15.104.

A new Chapter 15.104 entitled "Stormwater Management Plan for Kirker Creek Watershed" is added to Title 15 of the Municipal Code to read as follows:

"CHAPTER 15.104
STORMWATER MANAGEMENT PLAN
FOR KIRKER CREEK WATERSHED DRAINAGE AREA

15.104.010	Definitions
15.104.020	Kirker Creek Stormwater Management Plan
15.104.030	Findings
15.104.040	Exemptions
15.104.050	Conditions of Development
15.104.060	Building Permits
15.104.070	Subdivisions
15.104.080	Fee Schedule
15.104.090	Fee Payment
15.104.100	Review of Fees
15.104.110	Severability

15.104.010 Definitions.

For purposes of this section, the listed terms shall be defined as follows:

- A. "Impervious surface" means any hard surface area which either prevents or retards the entry of water into the soil mantle as it entered under natural conditions pre-existent to development, and/or a hard surface area which causes water to run off the surface in greater quantities or at an increased rate of flow from the flow present under natural conditions existing prior to development.
- B. Permanent on-site detention facility means to construct on said property to be developed a facility that is intended to remain in service permanently on the development site.
- C. "Temporary On-site" means to construct a "temporary" short-term measure that will later be removed or changed.
- D. "City Official" means the Director of Community Development or a staff person designated by the Director to perform the duties set forth in this ordinance.
- E. "Kirker Creek Watershed" is that area in the City of Pittsburg as defined on attached map.

15.104.020 Kirker Creek Watershed Stormwater Management Plan.

The Kirker Creek Watershed Drainage Improvement Plan & Schedule adopted by the City Council by Resolution 99-8789 on January 19, 1999, is the Stormwater Management Plan for the Kirker Creek Watershed Drainage Area.

15.104.030 Findings.

The Council finds and determines that said drainage area has inadequate drainage facilities; that future subdivision and development of property within said drainage area will have a significant adverse impact on existing and future development; that development of property within the drainage area, with its resultant increase in impervious surfaces, will require the construction of facilities described in the Stormwater Management Plan; that the fees herein provided to be charged are uniformly applied per acre for Commercial and Industrial, or per unit for Residential and Multifamily Residential of impervious surface basis and fairly apportioned within said drainage area on the basis of benefits conferred on property upon which additional impervious surfaces in said drainage area are constructed; that the estimated total of all fees collectible hereunder does not exceed the estimated total costs of all drainage facilities shown on the Stormwater Management Plan; and that the drainage facilities planned are in addition to existing drainage facilities already serving the drainage area at the time of the adoption of the Stormwater Management Plan.

15.104.040 Exemptions.

A. The fee shall not be required for the following: 1) to replace a structure destroyed or damaged by fire, flood, winds or other acts of God, provided the resultant structure has the same, or less impervious surface as the original structure; 2) To modify structures or other impervious surfaces, provided the amount of ground coverage is not increased by more than 100 square feet; or 3) To convey land to a government agency, public entity, public utility, or abutting property owner where a new building lot or site is not created as a result of the conveyance.

B. The fee shall not apply to property north of Pittsburg/Antioch Highway because the City finds that such properties are downstream of Kirker Creek and do not contribute flow to Kirker Creek. However, property owners downstream of Kirker Creek will be required to mitigate their stormwater flow in accordance with other applicable laws and City requirements.

15.104.050 Conditions Of Development.

The City Council finds that existing facilities are inadequate and that the creation of new impervious surface area in the Kirker Creek Watershed prior to the completion of downstream improvements will create a substantial risk of flooding. Accordingly, the following conditions will apply to new development within the Kirker Creek Watershed prior to completion of all recommended improvements to the drainage area downstream of the proposed development:

A. A property owner may construct permanent on-site detention facilities to contain any increase in runoff between pre-and post-development conditions. Pre-development conditions are at the time of application; post-development conditions are

after construction of the development has begun. Sizing of detention facilities will be in accordance with the Stormwater Management Plan criteria. If permanent on-site detention facilities are constructed, no fee is required under this ordinance.

B. A property owner may construct temporary on site or off-site detention measures that must remain in place until downstream improvements required by the Stormwater Management Plan are completed. Temporary measures could include, but are not limited to: 1) allowing temporary ponding in parking lots or other impervious areas; 2) enclosing roofs with parapets to contain water; or 3) conveying the runoff to a temporary cistern/tank. Sizing for temporary detention measures will be according to the Stormwater Management Plan criteria. The City Official must review and approve temporary measures proposed for the development. When the downstream improvements required by the Stormwater Management Plan are completed, then the temporary detention measures can be eliminated. Where temporary drainage measures are utilized, a property owner will be required to pay drainage fees in accordance with the fee schedule.

C. Unless a property owner utilizes either permanent on-site detention facilities or temporary detention measures as described above, approval of the proposed development will be delayed until the downstream improvements required by the Stormwater Management Plan are completed. The drainage fees are payable when development occurs.

D. Single lots under 6,000 square feet are exempt from physical mitigation. However, payment of the drainage fee is still required.

E. All new development, whether subject to the drainage fee or not, is responsible for construction of all drainage facilities needed to connect the development site to the City's existing storm drain system.

15.104.060 Building Permits.

Except as expressly permitted by this ordinance, the City Official shall not issue any building permit for construction within the drainage area until the required drainage fee has been paid. For initial construction the fee shall be as set forth in fee schedule. For single family residential swimming pools on lots for which the drainage fee has not been paid, the fee shall be \$572 per pool for increased impervious areas such as the concrete decking and walkways built around the pool. For other construction, modifications or replacements to an existing facility that cause an increase in impervious surface, including but not limited to driveways, walks, patios etc., the amount of net increase in impervious surface shall be subject to a fee of \$ 0.65 per square foot, but in no case shall it exceed the amount required under the fee schedule.

15.104.070 Subdivisions.

Except as expressly permitted by this ordinance, the property owner shall pay the drainage fee on the entire proposed subdivision or on each individual unit for which a final or parcel map is filed prior to recordation of said map. Townhouse, condominium and cluster housing type subdivisions creating individual lots less than 4,000 square feet shall be treated as multifamily residential and the lot size used in determining the "square feet of land per unit" shall be the lot size prior to subdividing. The fee amount shall be as set forth in the fee schedule.

15.104.080 Fee Schedule.

The fee schedule is based on a uniform fee per square foot of new impervious surface area created by development as a result of the relationship between increased impervious surface which results in increased stormwater runoff. The fee schedule has been developed in accordance with the Contra Costa County Flood Control and Water Conservation District's County Report on Impervious Surface Drainage Fee Ordinance that specifies Standard Impervious Surface area for each land use category. The following fee is based on the estimated standard impervious surface area per acre or unit at \$0.65/SF.

Land Use Category	Measured By	Building Permit (1)	Subdivision Permit (2)
<u>Commercial/Industrial</u>	acre	\$26,728	\$28,711
<u>Offices - Medium (with 15 to 25% Site free of impervious surface areas)</u>	acre	\$22,906	\$25,597
<u>Offices - Light (with 25% or more of Site free of impervious surface areas)</u>	acre	\$19,169	\$21,606
<u>Multifamily Residential (Including Mobile Home Parks):</u>			
<2500 SF land/unit (3)	acre	\$21,060	\$21,060
2500 to 2999	unit	\$1,248	\$1,248
3000 to 3999	unit	\$1,430	\$1,430
4000 to 4999	unit	\$1,664	\$1,664
5000 to 5999	unit	\$1,905	\$1,905
6000 to 6999	unit	\$2,139	\$2,139
7000 to 7999	unit	\$2,366	\$2,366
8000 +	unit	\$2,483	\$2,483
<u>Single Family Residential Projects</u>			
4000 to 4999 SF lot size	unit	\$1,749	\$2,802
5000 to 5999	unit	\$1,827	\$2,919
6000 to 6999	unit	\$1,905	\$3,036
7000 to 7999	unit	\$1,983	\$3,153
8000 to 8999	unit	\$2,100	\$3,322
10,000 to 13,999	unit	\$2,334	\$3,660
14,000 to 19,999	unit	\$2,724	\$4,212
20,000 to 29,999	unit	\$3,367	\$5,051
30,000 to 39,999	unit	\$4,180	\$6,032
40,000+	unit	\$5,012	\$6,949

Note: (1) Building permit fees are based on standard impervious surface area without streets included.
 (2) Subdivision permit fees are based on standard impervious surface area with streets included.
 (3) Lot size divided by number of units

On single family lots, barns and sheds in excess of 400 square feet and tennis and sports courts shall not be considered as incidental residential facilities included in the above fee schedule. The drainage fee for the portion of these facilities in excess of 400 square feet shall be calculated using the square foot fee in section 15.104.060 "Building Permits" and shall be in addition to the above fee amounts.

For the purpose of this ordinance lot size shall be: (1) for existing lots, that land shown on the latest equalized assessment roll as a lot; or (2) for new subdivision lots, that land shown on the final or parcel map as a lot. The fee amounts under "Single Family Residential" shall apply to lots containing only one dwelling unit. For multifamily residential (including mobile home parks) fees will be as listed in 15.104.080 "Fee Schedule."

15.104.090 Fee Payment.

All fees collected hereunder shall be paid into the City and deposited to the account of the drainage facilities fund established by the Finance Department for the drainage area. Monies in said fund shall be expended solely for land acquisition, construction, engineering, administration, repair, maintenance and operation or reimbursement for the same, in whole or in part, of planned drainage facilities within the drainage area or to reduce the principal or interest of any bonded indebtedness of the drainage area.

15.104.100 Review Of Fees.

Project estimates shall be reviewed every year or sooner as deemed necessary that this ordinance is in effect. The fee schedule shall be adjusted annually on January 1 to account for inflation using the Engineering News Record Construction Cost Index. Such adjustment shall not require further notice or public hearing.

15.104.110 Severability.

If any section, subsection, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not effect the remaining portions of this ordinance. The City Council declares that it would have passed this ordinance and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more such provisions be declared invalid."

Section 4. Publication.

The City Clerk shall either (a) have this ordinance published once within fifteen (15) days after adoption in a newspaper of general circulation, or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once five (5) days before its adoption and again twenty (20) days after its adoption.

This ordinance shall take effect 60 days after its adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on April 16, 2001, and was adopted and ordered published at a meeting of the City Council held on May 7, 2001, by the following vote:

AYES: Council Member Aiello, Lewis, Rios and Mayor Quesada

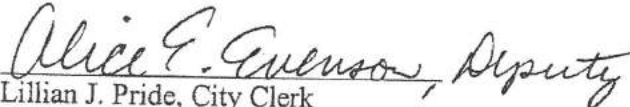
NOES: Council Member Beals

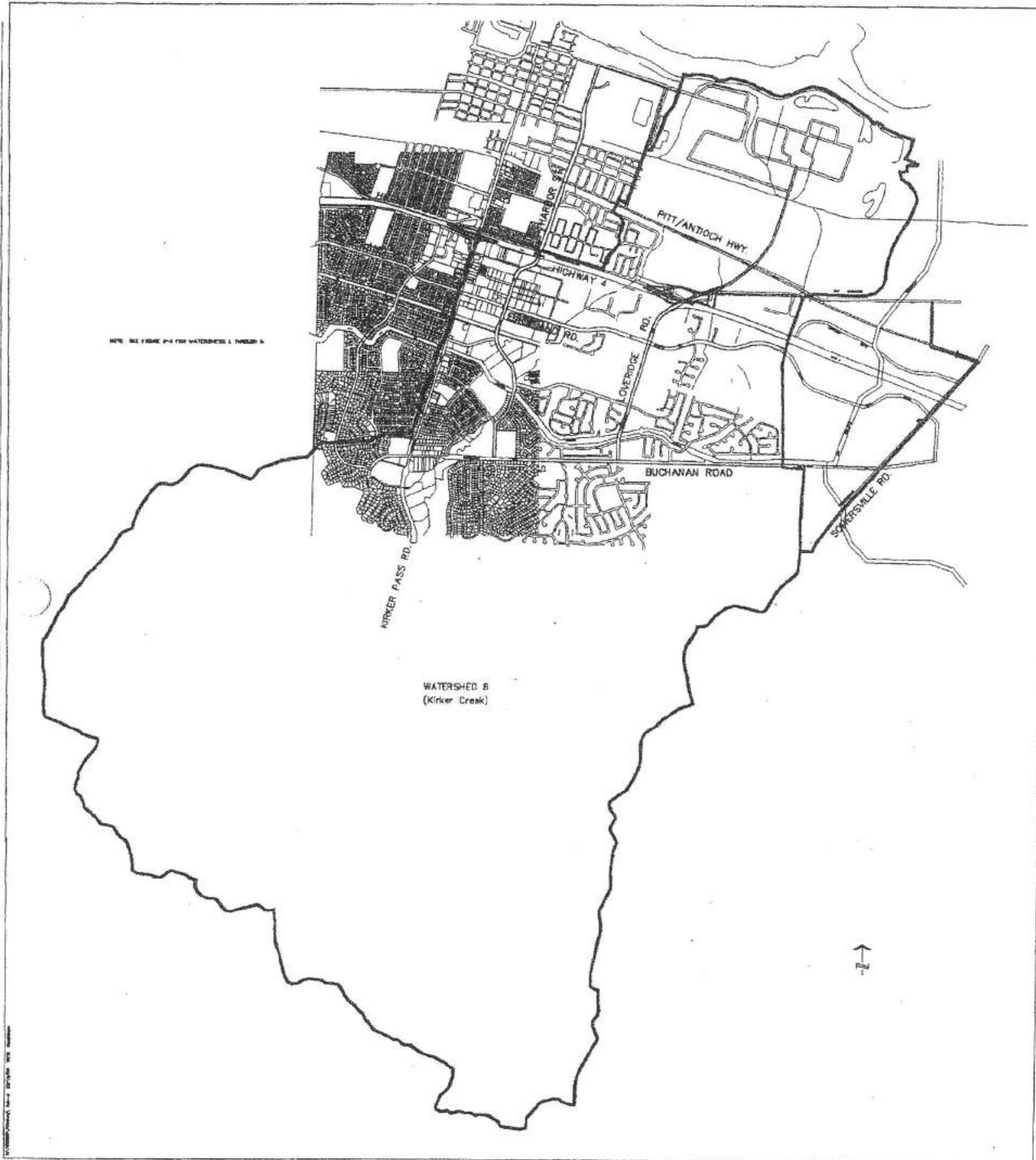
ABSTAINED: None

ABSENT: None


Frank R. Quesada, Mayor

ATTEST:


Lillian J. Pride, City Clerk



KIRKER CREEK WATERSHED



OFFICE OF THE CITY MANAGER

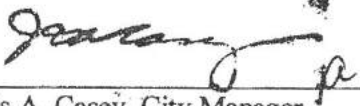
DATE: May 7, 2001
TO: Mayor and Council Members
FROM: Willis A. Casey, City Manager
RE: Second Reading of the Kirker Creek Watershed, Stormwater Management Plan
Drainage Fee Ordinance No. 01-1180

BACKGROUND

On April 16, 2001, the City Council approved the Kirker Creek Watershed, Stormwater Management Plan Drainage Fee Ordinance No. 01-1180. This is the second reading.

RECOMMENDATIONS

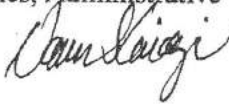
It is recommended that the City Council adopt the Kirker Creek Watershed Stormwater Management Plan Drainage Fee Ordinance No. 01-1180.



Willis A. Casey, City Manager

Report Prepared By:



Rebecca Ines, Administrative
Analyst I


Attachments

1. Kirker Creek Watershed, Stormwater Management Plan Drainage Fee Ordinance No. 01-1180.

ATTACHMENT
ORDINANCE NO. 05-1236
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

ORDINANCE NO. 05-1236

**Ordinance to Amend Sections 15.104.060,)
15.104.070 and 15.104.080 of the Pittsburg)
Municipal Code Related to "The Stormwater)
Management Plan for Kirker Creek)
Watershed Drainage Area.")**

The City Council of the City of Pittsburg DOES ORDAIN as follows:

Section 1.

The City adopted Ordinance 01-1180 on May 7, 2001, adding Chapter 15.104, entitled "Stormwater Management Plan for Kirker Creek Watershed Drainage Area," to the Pittsburg Municipal Code. Chapter 15.104.080 established a fee schedule for new development in the Kirker Creek Watershed Drainage Area to cover the costs of the increase of new impervious surfaces that contribute to the Stormwater runoff. The drainage fee was based upon the method utilized by the Contra Costa County Flood Control District and is consistent with fees established by neighboring cities' stormwater drainage fees. All new development is required to pay a uniform fee per square foot of impervious surface of new improvements. The initial rate, still in effect, is \$ 0.65 per square foot.

Section 2. Findings

The Council reaffirms the findings set forth in Ordinance 01-1180, that:
"Project estimates shall be reviewed every year or sooner as deemed necessary that this ordinance is in effect. The fee schedule shall be adjusted annually on January 1 to account for inflation using the Engineering News Record Construction Cost Index. Such adjustment shall not require further notice or public hearing." The Construction Cost Index indicates an increase of 4.5% since the ordinance was adopted in May 2001.

Section 3. Summary

The City Council adopted Ordinance No. 01-1180 on May 7, 2001, which added Chapter 15.104, entitled "Stormwater Management Plan for Kirker Creek Watershed Drainage Area," to the Pittsburg Municipal Code. The Ordinance implemented a uniform mitigation fee per square foot of new impervious surface areas created by development. The ordinance stipulated that the fee is to be reviewed every year to adjust for inflation. This fee has not been increased since it's inception in 2001 and is due for a review. An increase to \$0.68 per square foot is justified by increases in the reference index and construction costs of recent local projects.

Section 4. Title 15, Chapter 15.104, Section 15.104.060, is hereby amended to read as follows:

"15.104.060 Building Permits.

Except as expressly permitted by the ordinance codified in this chapter, the city official shall not issue any building permit for construction within the drainage area until the required drainage fee has been paid. For initial construction, the fee shall be based upon calculations provided by the developer, of the increase in impermeable areas of all improvements, including street improvements, sidewalks, building roofs, parking lots, etc. For single family residential swimming pools on lots for which the drainage fee has not been paid, the fees shall be calculated for the pool area and increased impervious areas such as the concrete decking and walkways built around the pool. For other construction, modifications or replacements to an existing facility that cause an increase in impervious surface, including but not limited to driveways, walks, patios, etc., the amount of net increase in impervious surface shall be subject to a fee paid prior to the issuance of a permit. All fees charged shall be at the rate listed in the Fee Schedule."

Section 5. Title 15, Chapter 15.104, Section 15.104.070, is hereby amended to read as follows:

"15.104.070 Subdivisions.

Except as expressly permitted by the ordinance codified in this chapter, the property owner shall pay the drainage fee for the increase in impermeable surfaces on the frontage improvements for the proposed subdivision for which a final or parcel map is filed prior to recordation of said map. Drainage fees for each home within the subdivision shall be paid prior to issuance of the building permit for all impermeable surfaces created by the home and related on-site improvements. All fees charged shall be at the rate listed in the Fee Schedule."

Section 6. Title 15, Chapter 15.104, Section 15.104.080, is hereby amended to read as follows:

"15.104.080 Fee Schedule.

All fees charged under this code will be calculated at the rate of \$0.68 per square foot for the increased impervious area. The fee charged under this code section is based upon a uniform fee per square foot of impervious surface area created by development because the increased impervious surface results in increased stormwater runoff. The fees to be charged under this code shall be calculated from plans and measurements of the actual proposed increased impervious area, i.e., roof areas, sidewalks, and frontage improvements that cause increased runoff."

Section 7. Publication

The City Clerk shall either (a) have this ordinance published once within fifteen (15) days after adoption in a newspaper of general circulation, or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once five (5) days before its adoption and again twenty (20) days after its adoption.

This ordinance shall take effect, thirty (30) days after its adoption.

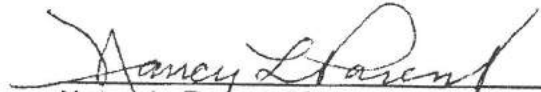
The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on January 18, 2005 and was adopted and ordered published at a meeting of the City Council held on February 7, 2005 by the following vote:

AYES: Council Member Casey, Glynn, Johnson, Kee and Mayor Parent

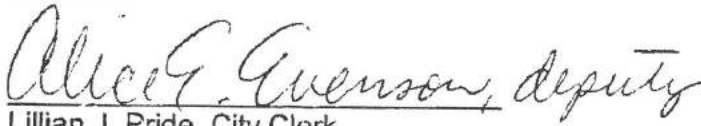
NOES: None

ABSTAINED: None

ABSENT: None


Nancy L. Parent, Mayor

ATTEST:


Lillian J. Pride, City Clerk



OFFICE OF THE CITY MANAGER
65 Civic Avenue
Pittsburg, California 94565

MEMO: February 7, 2005

TO: Mayor and City Council Members

FROM: Marc S. Grisham, City Manager

RE: **ADOPTION OF ORDINANCE NO. 05-1236 AMENDING THE MUNICIPAL CODE 15.104 TO UPDATE THE FEE FOR THE STORMWATER MANAGEMENT PLAN FOR THE KIRKER CREEK WATERSHED DRAINAGE AREA.**

EXECUTIVE SUMMARY

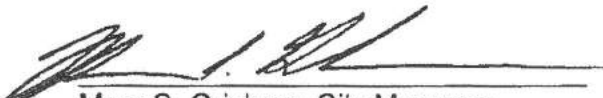
On January 18, 2005, the City Council introduced Ordinance No. 05-1236 to amend the Municipal Code 15.104 to update the fee for the Stormwater Management Plan for the Kirker Creek Watershed Drainage Area. This is the second reading. To implement this change, the Council must now adopt the ordinance.

RECOMMENDATION

Adopt the attached ordinance amending of the Stormwater Management Plan for Kirker Creek Watershed Drainage Fee Area to be increased from \$0.65 to \$0.68 per square foot of new impervious surface area.

STAFF ANALYSIS

The ordinance will become effective 30 days after its adoption.



Marc S. Grisham, City Manager

Report Prepared By: Rebecca Ines, Admin. Analyst

ATTACHMENTS: Ordinance No. 05-1236

**CITY OF PITTSBURG
NOTICE OF PUBLIC HEARING**

THE PITTSBURG CITY COUNCIL WILL HOLD A PUBLIC HEARING ON:

Date: January 18, 2005
Time: 7:00 P.M.
Place: City Hall
65 Civic Avenue, Pittsburg, CA
Third Floor Council Chambers

Concerning the following matter:

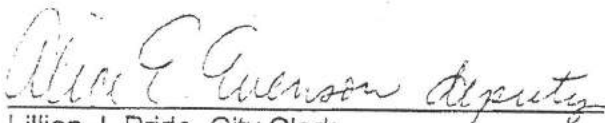
A proposed Amendment to Municipal Code 15.104, to increase the fee of the Stormwater Management Plan for Kirker Creek Watershed Drainage Area.

The City Council adopted Ordinance # 01-1180 in May 7, 2001 adding Chapter 15.104 "Stormwater Management Plan for Kirker Creek Watershed Drainage Area", to the Pittsburg Municipal Code. The fee is to be reviewed every year to adjust for inflation. This fee has not been increased since it's inception in 2001. An increase to \$0.68 per square foot is justified by increases in the reference index and construction costs of recent City projects.

Interested persons regarding any aspect of this matter may be heard in writing or verbally at this time.

For further details on this matter, contact Keith Halvorson, Assistant City Engineer, 65 Civic Avenue, Pittsburg, CA (925) 252-4930.

Dated January 4, 2005


Lillian J. Pride, City Clerk

ATTACHMENT
ORDINANCE NO. 06-1275
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Ordinance Amending Municipal Code)
Section 17.32.020 Relating to Park)
Dedication In New City Subdivisions)

ORDINANCE NO. 06-1275

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Findings.

- A. California Government Code § 66477 authorizes a City Council to require the dedication of park land or the payment of in lieu fees as a condition to the approval of a tentative map in a new subdivision;
- B. California Government Code § 66477 requires a City to provide definite standards for determining the proportion of a subdivision to be dedicated and the amount of any fee to be paid in lieu thereof;
- C. Municipal Code Section 17.32.020, adopted under the authority of California Government Code § 66477, requires the dedication of land or payment of fees in lieu thereof, or a combination of both, for park or recreational purposes; and
- D. The purpose of this ordinance is to amend Municipal Code Section 17.32.020 to provide greater clarity and more definite standards for calculating the value of a park land dedication in lieu fee in the City of Pittsburg.

SECTION 2. Amendment to Municipal Code Section 17.32.020.

Section 17.32.020 of Chapter 17.32 "Dedication and Reservations" of Title 17 "Subdivisions" of the Pittsburg Municipal Code is amended as follows:

"17.32.020 Park Dedication

- A. Authority. This section is enacted under the general police power and Government Code Section 66477.
- B. Requirements. As a condition of approval of a tentative or parcel map, at the option of the City, the subdivider shall dedicate land, pay a fee instead, or do a combination of both, as to be detailed in the conditions of the tentative or parcel map, for park or recreational purposes according to the standards and formula in this section.
- C. General Standard.
 - 1. The dedication of land or payment of fees, or both, shall be the proportionate amount necessary to provide five (5) acres of park area per one thousand (1,000) persons residing within a subdivision.
 - 2. The amount of land dedicated or fees paid is based upon the residential density. Residential density is determined on the basis of the tentative or parcel map and the average household size.
 - 3. No land dedication or fee is required on a parcel for which park dedication requirements have previously been met.

D. Standards and Formula for Dedication of Land.

1. Where a park or recreation facility is designated in the park and recreation element of the Pittsburgh general plan to be located in whole or in part within a proposed subdivision, the subdivider is required to dedicate the land for a local park. All park land dedicated shall conform to the provisions of this section.

2. The amount of land to be dedicated shall be determined according to the following standards and formula:

Dwelling Type	Density per DU	Park Acres per 100 units
Single-family (detached)	3.46 persons/unit	1.73 acres
Multiple-family (including townhomes/apts.) (including condos/	2.65 persons/unit	1.325 acres

3. The subdivider shall without credit provide: (a) full street improvements and utility connections including curbs, gutters, street paving, traffic control devices, street trees, and sidewalks adjacent to land which is dedicated under this section; (b) fencing along the property line of the subdivision contiguous to the dedicated land; and (c) other minimal improvements which the City determines to be essential to the acceptance of land for residential purposes.

4. Dedication of land is governed by the procedure in subsection K of this section.

E. Formula for Fees in Lieu of Land Dedication.

1. If (a) there is no park or recreation facility designated in the general plan within a proposed subdivision, or (b) the dedication of land under subsection D of this section is not feasible or compatible with the general plan, or (c) the City has previously acquired the necessary park property, or (d) the City otherwise determines that in lieu fees will be required, the subdivider shall pay a fee instead of land dedication.

2. The amount of an in lieu fee required under this section shall be calculated and collected as follows:

a. Fair market value shall be determined at the time of approval of the final map covering the territory in question

b. Any applicable in lieu fee shall be paid in full to the City at the time of approval of the final map covering the territory in question.

c. The City may, but is not required to, value and collect an in lieu fee at an earlier date if consistent with (i) an agreement executed and signed by the party responsible for the payment of the in lieu fee, (ii) a resolution by the City Council authorizing the early payment of the in lieu fee, and (iii) the best interests of the citizens of the City of Pittsburgh.

d. Fair market value shall be the value of a typical buildable acre of land within the City suitable for residential or parkland development excluding areas which are unbuildable due to flooding, topography, easements, or other restrictions. Park sites should be designed so that at least eighty percent (80%) of the site has slopes of less than three percent (3%) and should be available for year-round use.

e. The City has the sole discretion to determine what is and what is not a typical buildable acre of land for purposes of this section. The City's determination as to what constitutes a typical buildable acre of land shall be binding for purposes of this Chapter.

f. The fair market value of land for in lieu fee purposes shall be established periodically by the City Council through a City Park Fee Resolution.

g. Biennially, or more frequently as directed by the City Council, the City Engineer shall determine the average fair market value of a buildable acre of land within the City. The City Engineer may coordinate the appraisal of land and direct appropriate City resources for the determination of this fair market value. The City Engineer's fair market value determination shall be considered by the City Council upon adoption of the City Park Fee Resolution.

h. The City Engineer may, but is not required to, hire one or more professional appraisers to assist in determining fair market value pursuant to subsection E(2)(g). The City Engineer, and any appraisal, shall consider the following when determining fair market value for purposes of this section:

1. The General Plan;
2. Residential zoning and density;
3. Building entitlements;
4. Existing citywide public improvements;
5. The value of private improvements required in citywide residential developments, including the improvements listed in subsection D of this section;
6. The sales price or appraised value of comparable residentially zoned property within the city utilizing data from the previous two (2) calendar year period; and
7. The sales price or appraised value of comparable residentially zoned property outside the City utilizing data from the previous two (2) calendar year period.

i. The City Council shall occasionally, but at least once every other fiscal year, update the City Park Fee Resolution. The City Council may, at its option, choose to update the City Park Fee Resolution more frequently as new market information becomes available. The fair market value established in the City Park Fee Resolution shall be applied to the calculation of all park dedication in lieu fees required under this section.

j. The fair market value established in each City Park Fee Resolution shall be adjusted for inflation pursuant to the Bay Area Consumer Price Index until an updated fair market value is established by the City Council. When applicable, the adjusted rate shall be established each February and shall be based on the average 12 month inflation rate of the preceeding 12 months.

F. Fees in Lieu of Land Dedication - Fifty (50) Parcels or Less. If the proposed subdivision contains fifty (50) parcels or less, the City may only require the payment of fees under this section, and may not require the dedication of land. However, this section does not preclude the dedication and acceptance of land for park and recreation purposes in a subdivision of fifty (50) parcels or less if the subdivider proposes dedication voluntarily and the land is acceptable to the City.

G. Combination of Fees and Dedication. The Planning Commission may approve a combination of fee payment and land dedication when:

1. Only a portion of a proposed and accepted park falls within a subdivision. That portion shall be dedicated for park purposes and a fee is required for any additional amount of land that would otherwise be required for dedication; or
2. A major part of the park or recreation site has already been acquired and only a small portion of land is needed from the subdivision to complete the site. The needed portion shall be acquired by dedication and a fee required for any additional amount of land that would otherwise be required for dedication; or

3. The Planning Commission determines that a combination of fees and dedication will best serve the public interest.

The Planning Commission's determination as to fees, dedication, or a combination of both may be appealed to the City Council by the party responsible for the dedication of land or the payment of in lieu fees or by the City Manager.

H. Determination of Land or Fee. Whether the City accepts land dedication or requires a fee, or a combination of both, is determined by considering the following:

1. Open Space, Youth and Recreation element of the General Plan;
2. Topography, geology, access and location of land in the subdivision available for dedication. Proposed park sites should be designed so that eighty percent (80%) of the site has slopes of less than three percent (3%) and should be available for year-round use;
3. Size and shape of the subdivision and land available for dedication, specifically, proposed park sites should consist of a minimum of two (2) contiguous acres in new residential neighborhoods;
4. The feasibility of dedication;
5. Whether the City has previously acquired sufficient land for park and recreation purposes;
6. Whether the public interest is best served by the dedication of land or the imposition of an in lieu fee; and
7. The factors set forth in subsections F and G of this section.

I. Partial Credit for Private Open Space. Where private open space for active park and recreation uses is provided in a proposed subdivision, the City may grant partial credit not to exceed fifty percent (50%) against the requirement of land dedication or payment of fees if the City finds it is in the public interest to do so and that all of the following standards are met:

1. Yard, court areas, setbacks and other open area or landscaping required to be maintained by the zoning and building ordinances and regulations are not included in the computation of credit; and
2. The private ownership and maintenance of the area is adequately provided for by recorded written agreement, covenants or restrictions; and
3. The use of the private area is restricted for park and recreational purposes by recorded covenants which run with the land in favor of the future owners of property within the subdivision and which cannot be amended or eliminated without the City's consent; and
4. The proposed private area is reasonably adoptable for use for active park and recreational purposes, taking into consideration such factors as size, shape, topography, geology, access and location; and
5. The proposed facilities are in substantial conformance with the parks and recreation element of the general plan; and
6. The space for which credit is given is a minimum of two (2) acres and provides a minimum of four (4) of the following local park basis elements, or a combination of elements and other recreational improvements, which will meet the specific recreation and park needs of the future residents of the area:

Elements	Acres
a. Children's play apparatus areas	.50 - .75
b. Family picnic areas	.25 - .75
c. Landscape parklike and quiet areas	.50 - 1.00

d. Game court areas	.25 - .50
e. Turf play fields	1.00 - 3.00
f. Swim pool (42' x 75') with adjacent deck and lawn	.25 - .50
g. Recreation center buildings	.15 - .25

J. Credit for Park and Recreation Improvements. If the subdivider provides park and recreation improvements to the dedicated land (other than improvements required by subsection D(3) of this section), the value of the improvements is a credit against the payment of fees or dedication of land required by this section. To qualify for credit under this subsection, the subdivider must first obtain approval from the Recreation and Planning Commissions for the precise improvements to be installed.

K. Procedure.

1. General. When a developer submits a tentative map to the City, he shall specify as part of the filing how he intends to satisfy the park dedication requirements of this section.

2. Recommendation and Decision. At the time of approval of a tentative map, the Planning Commission shall determine whether to require a dedication of land, payment of a fee instead, or a combination of both. The Planning Commission's decision shall be based upon a report and recommendation from the Recreation Commission which shall include:

- a. The amount of land required for purposes of park dedication;
- b. Credit to be given under subsection I or J of this section;
- c. The location of the dedicated land or proposed use of in lieu fees.

The decision of the Planning Commission may be appealed to the City Council by the party responsible for the dedication of land or the payment of in lieu fees or by the City Manager.

3. Time for Dedication or Payment.

a. The subdivider shall dedicate the land required for dedication at the time of the filing of the final or parcel map for the subdivision.

b. The subdivider shall pay the required in-lieu fees at a time consistent with Sections E(2)(b) - E(2)(c).

L. Use of Land and Fees.

1. The land, fees, or combination of both may be used only for the purpose of developing new or rehabilitating existing neighborhood or community park or recreational facilities to serve the subdivision.

2. The City Council shall develop and adopt a schedule specifying how, when, and where it will use the land, fees and interest. Fees and interest collected under this section shall be committed within five (5) years after the payment of the fees or the issuance of building permits on one-half (1/2) the lots created by the subdivision, whichever occurs later.

M. Exemptions. This section does not apply to:

1. Subdivisions containing less than five (5) parcels and not used for residential purposes. However, the City shall place the following condition on the parcel map:

"If, within four (4) years, a building permit is required for construction of a residential structure on one (1) or more of the parcels, the owner of each such parcel is required to pay a park dedication fee under this chapter before the permit is issued."

2. Commercial or industrial subdivisions or to condominium projects or stock cooperatives which consist of the subdivision of airspace in an existing apartment building which is more than five (5) year old when no new dwelling units are added."

SECTION 3. Effective Date.

This ordinance shall take effect thirty (30) days after its adoption.

SECTION 4. Publication.

The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation, or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once five (5) days before its adoption and again twenty (20) days after its adoption.

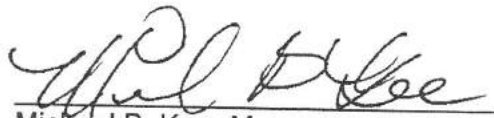
The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on October 2, 2006 and was adopted and ordered published at a meeting of the City Council held on October 16, 2006 by the following vote:

AYES: Members Casey, Glynn, Johnson, Parent and Mayor Kee

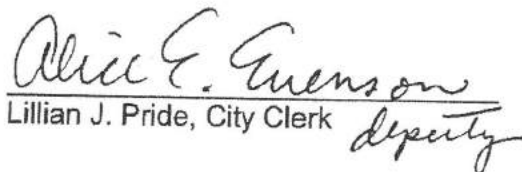
NOES: None

ABSTAINED: None

ABSENT: None


Michael B. Kee, Mayor

ATTEST:


Lillian J. Pride, City Clerk *deputy*



**OFFICE OF THE CITY MANAGER
Administrative Offices
65 Civic Avenue
Pittsburg, California 94565**

DATE: October 16, 2006
TO: Mayor and Council Members
FROM: Marc S. Grisham, City Manager
**SUBJECT: AMENDMENTS TO MUNICIPAL CODE SECTION 17.32.020 RELATING
TO PARK DEDICATION REQUIREMENTS IN NEW CITY SUBDIVISIONS**

EXECUTIVE SUMMARY:

The attached Ordinance, if adopted by the City Council, will clarify the procedure for park dedication and the imposition of in lieu fees within the City. The proposed amendments to the Municipal Code give the City the express authority to require the dedication of land, impose an in lieu fee, or a combination of both. Under the proposed Ordinance, the City Council will establish the fair market value of land for in lieu fee purposes by Resolution. The Ordinance also requires that land be valued at the time of final map acceptance. This is the second reading of the proposed Ordinance.

FISCAL IMPACT:

The Ordinance, if adopted, will reduce the administrative costs associated with the valuation of land in each subdivision and will provide consistency with regard to the valuation and payment of in lieu fees. The proposed park dedication structure will continue to generate significant revenue for the City's park and recreation facility needs.

RECOMMENDATION:

That the City Council adopt the attached Ordinance amending Municipal Code Section 17.32.020 relating to park dedication in new city subdivisions.

STAFF ANALYSIS:

California Government Code Section 66477 (also known as the "Quimby Act") authorizes the City to require the dedication of park land or the payment of an in lieu fee as a condition to the approval of a tentative map in a new subdivision. The Quimby Act requires the City to establish definite standards for determining the proportion of a subdivision to be dedicated and the amount of any fee to be paid in lieu thereof.

Staff, including the City Attorney, reviewed the existing standards and procedures relating to the dedication of park land and the payment of in lieu fees in new City subdivisions. The current park dedication section of the Municipal Code is unclear and has led to several practical problems in application. The City Engineer has requested that the Municipal Code be clarified to provide more definite standards for park dedication and in lieu fee valuation.

Dedication of Land or Payment of an In Lieu Fee

Municipal Code Section 17.32.020 is currently unclear as to whether the City has the authority to require the dedication of land, the payment of an in lieu fee, or a combination of both. The proposed amendments to the Municipal Code make it clear that the City has the authority to determine on a case-by-case basis whether the dedication of land, the payment of fees, or a combination of both will be required.

In addition, Policy 8(P)(6) of the Pittsburg General Plan calls for the City to revise its park dedication ordinance to define "useable area" for parkland dedication requirement purposes. The adoption of the attached Ordinance will enable the City to meet this express directive of the Pittsburg General Plan.

The Timing of the Fair Market Value Determination

Under the current language of Municipal Code Section 17.32.020(E), fair market value for the purpose of calculating in lieu fees is determined at the time of tentative map approval. As a practical matter, approval of the tentative map occurs early in the development planning process. California real estate prices have risen considerably over the years, and the City has routinely been forced to accept the value of land at the tentative map approval stage even when the physical construction of a subdivision occurs years later.

The proposed Ordinance would change the timing of the fair market value determination for in lieu fee purposes. If approved, fair market value will now be determined at the time of approval of a final map. The City will be in a better position to collect fees that reflect the value of land in a subdivision and fund appropriate park and recreational facilities with those fees.

The proposed amendments to the Municipal Code also allow for an earlier valuation and payment of in lieu fees where authorized by resolution of the City Council, memorialized in a written agreement, and found to be in the best interests of the citizens of Pittsburgh.

Fair Market Value Determination

Under the current language of Municipal Code Section 17.32.020(E)(2), fair market value for in lieu fee purposes is the value of a "typical buildable acre of the subdivision, excluding areas which are unbuildable due to flooding, topography, easements, or other restrictions." This fair market value is to be determined by the City with a written report prepared and signed by an appraiser acceptable to the City.

This provision in the Municipal Code has given rise to considerable confusion on land dedication matters. The Quimby Act requires the City to adopt "definite standards" for the dedication of land and the imposition of in lieu fees. The City's current Municipal Code provisions do not define a "buildable acre" or give additional guidance to an appraiser charged with determining the fair market value of land.

The proposed amendments to Municipal Code Section 17.32.020 establish clear guidelines for the determination of fair market value for in lieu fee purposes. The City Council will establish, by a City Park Fee Resolution, a standard value for a buildable acre of land within the City. This will be the rate for determining in lieu fees. This will substantially reduce the administrative costs associated with the analysis of multiple appraisals and negotiations over the fair market value of land in a particular subdivision. Additionally, it will provide developers with a definite and consistent standard to consider as a project moves forward.

The proposed amendments direct the City Engineer to determine the average fair market value of land in the City. Standards are provided for the appraisal of land under the City Engineer's direction. The City Engineer's determination as to fair market value is to be considered by the City Council when the Council establishes the City Park Fee Resolution.

Under the proposed amendments to the Municipal Code, the City Council is required to update the City Park Fee Resolution at least once every two years. The City Council may, at its option, choose to update the City Park Fee Resolution more frequently as new market information becomes available.

Appeal of Planning Commission Decision

The Municipal Code provisions relating to park dedication require the Planning Commission to determine whether to require the dedication of land, the payment of an in lieu fee, or a combination of both. The Planning Commission also determines the amount of land required for purposes of park dedication or the payment of a corresponding in lieu fee.

The current Municipal Code allows a decision of the Planning Commission to be appealed to the City Council, but does not indicate which parties have the right to appeal. The proposed amendments to the Municipal Code clarify the appeal process by authorizing either the party responsible for the dedication of land or the City Manager to appeal a decision of the Planning Commission to the City Council.

A handwritten signature in black ink, appearing to read 'M. Grisham', is written over a horizontal line.

Marc S. Grisham, City Manager

Attachments:
Ordinance No. 06-1275

ATTACHMENT
ORDINANCE NO. 10-1329
DOCUMENT FOLLOWS

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

An Ordinance Adding Chapter 15.103 to	)	
the Pittsburg Municipal Code Establishing	)	
a Revised Regional Transportation	)	
<u>Development Impact Mitigation Fee Program</u>	)	ORDINANCE NO. 10-1329

The City Council of the City of Pittsburg DOES ORDAIN as follows:

SECTION 1. Recitals.

- A. The City previously adopted regional traffic development impact fees, codified in Pittsburg Municipal Code Chapters 15.100 and 15.102, respectively, applicable to new residential, commercial and industrial development to offset the costs of upgrading the regional transportation system to serve new development in the City.
- B. By Resolution No. 10-11492, the City Council authorized the City's withdrawal from the East Contra Costa Regional Fee and Financing Authority ("ECCRFFA"), a joint powers agency previously designated by the City as the agency responsible for the funding and implementation of transportation improvement projects in the East Contra Costa County area ("East County").
- C. The City has determined that the best interests of the public will be served through the establishment of a Revised Regional Transportation Development Impact Fee Program ("Fee Program"), which would allow the City to establish fee collection, financing, and management mechanisms, an implementation schedule for identified projects, and coordinate the funding of regional projects with the City's regional partners, including ECCRFFA.
- D. The City contracted with Fehr & Peers to prepare an "East Contra Costa Regional Fee Program Update" ("Fee Study") which updates ECCRFFA's 2005 nexus study report by revising information related to project cost estimates and land use projections within East County.
- E. The City desires to adopt a new regional traffic development impact fee based on the content of the Fee Study, and to set forth the same by ordinance in the Pittsburg Municipal Code.
- F. The City has determined that this Ordinance is based on the construction of public facilities and/or improvements identified by using levels on important regional routes in East County as specified by TRANSPLAN and previously adopted by ECCRFFA.
- G. A public hearing on the proposed Ordinance was noticed by publication in a newspaper of general circulation in accordance with applicable laws.

SECTION 2. Adding Chapter 15.103 "Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") Program" to Title 15 "Buildings and Construction" of the Pittsburg Municipal Code

Title 15 "Buildings and Construction" of the Pittsburg Municipal Code is hereby amended to add Chapter 15.103 "Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") Program," which shall read as follows:

Section 15.103.010 Findings and Purpose.

- A. Projected new development in the City of Pittsburg will further congest the freeways and arterial roadways in the cities of Pittsburg, Antioch, Brentwood, Oakley and the unincorporated eastern portion of Contra Costa County (the "regional area") and place additional demands on the regional transportation system.
- B. The City of Pittsburg previously participated in the East Contra Costa Regional Fee and Financing Authority ("ECCRFFA"), a joint powers agency, for the funding and implementation of transportation improvement projects in the regional area.
- C. The City of Pittsburg intends to establish its own comprehensive fee program to help fund regional transportation improvements which are necessary to offset the impacts of continuing growth and development within the City, and to cooperate with the City's regional partners, including ECCRFFA, to fund and implement transportation projects in the regional area. Expansion and construction of the improvements identified in the 2010 East Contra Costa Regional Fee Program Update ("fee study"), on file and available for review at the City, will increase the flow of traffic, reduce congestion and noise, and improve safety and air quality throughout the regional area.
- D. Pursuant to the Mitigation Fee Act, California Government Code Section 66000, *et seq.*, a local agency is authorized to charge a fee to development applicants in connection with approval of a development project for the purpose of offsetting all or a portion of the costs of public facilities related to the development project.
- E. The Pittsburg city council finds that the creation of a Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program is necessary to ensure that new development pays its fair share of the construction costs of the regional transportation improvements identified in the 2010 East Contra Costa Regional Fee Program Update, and any subsequently adopted fee program updates.
- F. This chapter is statutorily exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 21080(b)(8) of the Public Resources Code and Section 15273(a)(4) of the CEQA Guidelines because the fees collected as a result of this action will be used for regional transportation infrastructure necessary to maintain an acceptable level of service within existing service areas. Once sufficient funds are collected and prior to the approval of the final alignment and configuration of the individual transportation improvement projects, the City of Pittsburg or other lead agency, as appropriate, will take all other CEQA required actions. The city council further finds that the adoption of the automatic change in PRTDIM fees annually in accordance with changes in the Engineering News-Record index is also statutorily exempt

under Section 15273(a)(4) because the amount of any increase is precisely determinable based on the published change of the index and relates solely to the increase of construction costs for the previously identified projects.

Section 15.103.020 Adoption of PRTDIM Fees and Reports.

The city council shall, by resolution, set forth the specific amount of the PRTDIM fees based on the 2010 East Contra Costa Regional Fee Program Update and any subsequent fee program updates adopted by the city council. The city council may, by resolution, update the PRTDIM fees as often as necessary. All such resolutions adopting or updating PRTDIM fees shall contain the findings necessary under the Mitigation Fee Act.

Section 15.103.030 Automatic Fee Increases.

PRTDIM fees established by city council resolution shall, on January 1st of each year, be automatically increased or decreased from the amount then applicable by the same percentage as the percentage of increase or decrease in construction costs between September 1st of the calendar year immediately preceding September 1st of the current calendar year, based on the Engineering News-Record Construction Costs Index – San Francisco Bay Area, without further action by the city council.

Section 15.103.040 Payment of Fees.

- A. The property owner shall pay to the city the PRTDIM fee established by city council resolution. The fee shall be paid prior to the issuance of a building permit, or at such earlier time as agreed to in writing between the property owner and the city.
- B. The applicable PRTDIM fee shall be determined on the basis of the fee schedule in effect at the time of building permit issuance, or at such earlier time as agreed to in writing between the property owner and the city. If no permit is required, then the fees are payable in the amounts in effect at the commencement of the project. The chief building official or other official designated by the city manager shall determine the amount of the fee in accordance with the standards set forth in the city council resolution.
- C. No building permit shall be issued for property within the city unless the PRTDIM fee for that property is paid or otherwise satisfied as required by this chapter.
- D. The PRTDIM fees shall also be paid as a condition of an extension or renewal of a public permit issued prior to the adoption of this ordinance if a city regional traffic mitigation fee has not been paid previously.

Section 15.103.050 Fee Exemptions.

- A. Developments that are subject to the PRTDIM fee established by this chapter shall be exempt from payment of the City of Pittsburg regional transportation mitigation fee (RTMF) codified in chapter 15.100 and the regional transportation development impact mitigation fee (RTDIM) codified in chapter 15.102.

- B. Developments that are not subject to the PRTDIM fee established by this chapter shall remain subject to payment of the city of Pittsburg regional transportation development impact mitigation fee (RTDIM) codified in chapter 15.102.
- C. The PRTDIM fee shall not be required of any project involving the replacement of existing structures destroyed by fire or other natural disaster, to the extent that the replacement project does not exceed the number of units or intensity of use that existed prior to the fire or other natural disaster.
- D. The PRTDIM fee shall not be required of any project involving the rehabilitation of existing structures where the total cost of the work undertaken is less than fifty percent (50%) of the value of the existing structure. The property owner has the burden to document, to the chief building official's satisfaction, that a rehabilitation project on the property qualifies for this exemption.
- E. The following uses are categorically exempt from the fees imposed by this chapter: Christmas tree lots, seasonal fruit stands, mobile food vendors and circuses and carnivals.
- F. Any alteration or addition to a residential structure, except to the extent that a residential unit is added to a single-family residential unit or another unit is added to an existing multifamily residential unit.

Section 15.103.060 Creation of PRTDIM Fee Account.

The funds generated by payment of the PRTDIM fee shall be placed into a separate account established for the funding of regional transportation projects consistent with this chapter. The funds in the account, including any accumulated interest, shall be used only for the purposes and projects described in this section.

- A. To pay for the acquisition/construction of the improvements identified in the 2010 East Contra Costa Regional Fee Program Update, and any subsequently adopted fee program updates ("improvements");
- B. To pay for the design, engineering, construction of any property acquisition for, and the reasonable costs of outside consultant studies and analyses related to, the improvements;
- C. To reimburse other public entities, including ECCRFFA, for the improvements constructed by other sources, including funds generated by other public entities, unless such funds were obtained from grants or gifts intended by the grantor to be used for the improvements;
- D. To reimburse developers that have designed, constructed and/or dedicated a useable portion of any of the improvements, with city's prior written approval, and have entered into an agreement with the city that provides for such reimbursement;

- E. To pay for and/or reimburse costs of city's PRTDIM program development and ongoing administration of the PRTDIM fee program, including, but not limited to, the cost of studies, legal costs, and other costs related to updating the fee; and
- F. To pay for and/or reimburse costs related to the City of Pittsburg's administration of the PRTDIM fee program, including, but not limited to, the costs of studies, legal costs, and other costs related to administering the PRTDIM program and updating the fee.

Section 15.103.070 Annual and Five-Year PRTDIM Program Reviews.

- A. Within one hundred eighty (180) days after the close of each fiscal year, the city manager or his or her designee shall prepare a report for the city council, pursuant to Government Code Section 66006, identifying the balance of fees in the account at the beginning and end of the fiscal year, including any revenue, interest, credit, refunds, reimbursements and the amount of expenditures, if any, identified by public facility, and any other income or expenditures during the fiscal year.
- B. The city shall make the periodic report available to the public, and the city council shall review the report at a regularly scheduled meeting in accordance with Government Code Section 66006.
- C. The city shall conduct the periodic review required by Government Code Section 66001(d) every five years.
- D. Pursuant to Government Code Section 66002, the city council shall annually review, as part of its capital improvement plan, the regional traffic improvements identified in the fee study to be financed with PRTDIM fees. The city council shall make findings identifying the purpose to which the existing fee balances are to be put and demonstrating a reasonable relationship between the fee and the purpose for which it is charged. This annual review may warrant adjustments to the PRTDIM fees.

Section 15.103.080 Other Authority.

This chapter is intended to establish a supplemental method for funding the cost of certain regional transportation improvements identified in the 2010 East Contra Costa Regional Fee Program Update, and any subsequently adopted fee program updates. The provisions of this chapter shall not be construed to limit the power of the city council to impose any other fee or exactions or to continue to impose existing fees or exactions on development within the city, but shall be in addition to any other requirements the city council is authorized to impose or has previously imposed. In addition, individual property owners shall remain obligated to fund, construct and/or dedicate the improvements, public facilities and other exactions or dedications required by the city, including without limitation those required by the city standard details and specifications and other applicable public works standards.

Section 15.103.090 Severability.

Each component of this chapter is severable. Should any portion of this chapter be held invalid and unenforceable by a body of competent jurisdiction, then the remaining portions shall continue to be in full force and effect. The city council of the city of Pittsburg declares that it would have adopted this chapter and each section, subsection, clause, sentence, phrase and other portion thereof, irrespective of the fact that one or more section, subsection, clause, sentence, phrase or other portion may be held invalid or unconstitutional.

SECTION 3. Severability

If any Section, paragraph, sentence or other portion of this Ordinance is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining Sections, paragraphs, sentences and portions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

SECTION 4. Effective Date

This ordinance shall be in full force and effective sixty (60) days after its adoption.

SECTION 5. Publication

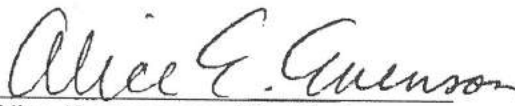
The City Clerk shall either (a) have this ordinance published once within 15 days after adoption in a newspaper of general circulation or (b) have a summary of the ordinance published twice in a newspaper of general circulation, once 5 days before its adoption and again 20 days after adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on September 20, 2010 and was adopted and ordered published at a meeting of the City Council held on October 4, 2010 by the following vote:

AYES: Casey, Johnson, Evola
 NOES: None
 ABSTAIN: None
 ABSENT: Kee, Parent


 Salvatore N. Evola, Mayor

ATTEST:


 Alice E. Evenson, City Clerk



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

DATE: 9/24/2010
TO: Mayor and Council Members
FROM: Marc S. Grisham, City Manager
SUBJECT: Second Reading of Ordinance No. 10-1329, Adding Chapter 15.103 to the Pittsburg Municipal Code Establishing a Revised Regional Transportation Development Impact Mitigation Fee Program
MEETING DATE: 10/4/2010

EXECUTIVE SUMMARY

Ordinance No. 10-1329 will create a new municipal code chapter for a revised regional transportation development impact mitigation fee program, which was enacted by City Council Resolution No. 10-11533. The ordinance provides the basic framework for the collection, use and administration of the Pittsburg Regional Transportation Development Impact Fee (PRTDIM) in a manner that can be easily accessed by the general public in Pittsburg's Municipal Code.

FISCAL IMPACT

No fiscal impact is anticipated because the PRTDIM fee includes a 1% City administrative fee.

RECOMMENDATION

- (1) Staff recommends that the City Council adopt a motion waiving further reading of Ordinance No. 10-1329.
- (2) Staff recommends that the City Council adopt Ordinance No. 10-1329 and direct the City Clerk to publish the ordinance in a manner consistent with Government Code Section 36933.

BACKGROUND

On June 6, 1994, the City of Pittsburg adopted Resolution 94-8066, authorizing a Joint Exercise of Powers Agreement ("JPA") with the Cities of Antioch, Brentwood and the County of Contra Costa, which provided for the creation of ECCRFFA to assist in the establishment

of a uniform regional development fee program and the funding and implementation of regional transportation improvement projects in the East County area. In 1999, the City of Oakley was added as a member of ECCRFFA.

On August 1, 2005, the City of Pittsburg adopted Resolution 05-10348, approving the adoption of a Second Amendment to the ECCRFFA JPA, which provided for a revision of the ECCRFFA regional transportation improvement program consistent with the "East Contra Costa Regional Fee Program Update," previously approved by the ECCRFFA Board. The Second Amendment updated the relevant fees and regional transportation projects to be funded, as defined in the program update report.

Over time, the City has expressed concerns related to the fact that certain regional transportation projects within the City were not funded as promised by ECCRFFA in the past. For more than a year, the City attempted to work with ECCRFFA to address the City's desire to prioritize certain regional transportation projects essential to Pittsburg residents. Despite good faith negotiations between the parties, the outstanding issues between the City and ECCRFFA were not resolved to City's satisfaction. On July 6, 2010, the City Council adopted Resolution No. 10-11492 authorizing the City Manager to provide notice to ECCRFFA and its member agencies of the City's intent to withdraw from ECCRFFA.

City has, since the initiation of the withdrawal process, made it clear to its regional transportation partners (including ECCRFFA and TRANSPLAN) that it was the City's intention to create its own regional transportation mitigation fee program to ensure that new development in City continues to pay its fair share toward transportation projects of regional significance. Through the proposed regional program, City intends to continue supporting ECCRFFA, multi-jurisdictional transportation planning efforts and projects of regional significance in East County.

SUBCOMMITTEE FINDINGS

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STAFF ANALYSIS

The attached Ordinance would add chapter 15.103 to the Pittsburg Municipal Code establishing the new PRTDIM fee program. The PRTDIM program is necessary to ensure that new development pays its fair share of the costs associated with the projects identified in the 2010 East Contra Costa Regional Fee Program Update ("Fee Study"). The Fee Study identifies a list of regional transportation improvements approved by the City and its regional transportation partners, including ECCRFFA, and deemed necessary to account for the impacts associated with new development.

The PRTDIM program, as proposed, would require developers of property in the City to pay a PRTDIM fee in an amount established by City Council resolution prior to the issuance of a building permit for the project. The applicable fee is to be determined based upon the fee schedule in effect at the time of building permit issuance. In the event that no building permit is required, the PRTDIM fee is payable in the amounts in effect at the time of commencement of the project in question. No building permit is to be issued for property within the City unless and until the PRTDIM fee for that property is paid as required by the attached Ordinances.

The attached Ordinances authorize the City Council to adopt the Fee Study and any subsequent updates by resolution. The City Council is similarly authorized to set the specific amount of the PRTDIM fees by resolution, consistent with the calculations and limitations identified in the Fee Study. PRTDIM fees, once established, increase (or decrease) automatically each year based on the percentage change in the Engineering News-Record Construction Costs Index – San Francisco Bay Area.

Certain development projects are exempt from payment of the PRTDIM fee consistent with Section 15.103.050. For example, a project limited to the replacement of an existing structure destroyed by fire or other natural disaster is exempt from the PRTDIM. Similarly, certain projects involving the rehabilitation of an existing structure and/or an alteration or addition to an existing structure are exempt from the PRTDIM fee.

Funds generated by payment of the PRTDIM fee must be placed into a separate account established for the funding of regional transportation projects. Consistent with Section 15.103.060, the funds in the account (including any accumulated interest) may be used only for identified purposes, including but not limited to the acquisition, construction, design, and engineering of identified improvements, the reimbursement of other public entities, including ECCRFFA, for any improvements constructed by other sources, the reimbursement of developers that have designed, constructed, and/or dedicated a usable portion of any identified improvement, and to reimburse the City for costs associated with the administration of the PRTDIM program.

The attached Ordinance will establish the proposed PRTDIM fee program. The City is committed to regional transportation project development in East Contra Costa County, and will continue to work cooperatively with ECCRFFA and other regional partners to develop regional solutions to East County's transportation issues.

ATTACHMENTS: Ordinance No. 10-1329

Report Prepared By: Paul Reinders, Senior Civil Engineer



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

DATE: 9/10/2010
TO: Mayor and Council Members
FROM: Marc S. Grisham, City Manager
SUBJECT: Adoption of an Urgency Ordinance and Introduction and Waive First Reading of an Ordinance Adding Chapter 15.103 to the Pittsburg Municipal Code Establishing the Pittsburg Regional Transportation Development Impact Mitigation Fee Program
MEETING DATE: 9/20/2010

EXECUTIVE SUMMARY

On July 6, 2010, the City Council adopted Resolution No. 10-11492 authorizing the City Manager to provide notice to the East Contra Costa Regional Fee and Financing Authority ("ECCRFFA") and its member agencies of the City's intent to withdraw from ECCRFFA. Subsequently, the City provided ECCRFFA with notice of its intent to withdraw as authorized by the underlying joint powers agreement. As discussed throughout the withdrawal process, the City intends to create its own regional transportation mitigation fee program to ensure that new development in City continues to pay its fair share toward transportation projects of regional significance. Through its regional program, City intends to continue supporting ECCRFFA, TRANSPLAN, multi-jurisdictional transportation planning efforts and projects of regional significance in East County. The attached ordinances, if adopted, would establish the Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program.

FISCAL IMPACT

There is no fiscal impact to the City. City will continue to collect regional traffic mitigation fees from new development and apply those funds to transportation projects of regional significance.

RECOMMENDATION

That the City Council: 1) adopt the attached Urgency Ordinance Adding Chapter 15.103 to the Pittsburg Municipal Code Establishing the Pittsburg Regional Transportation Development Impact Mitigation Fee Program; and 2) introduce, read by title only, and waive the first full reading of the attached Ordinance Adding Chapter 15.103 to the Pittsburg

Municipal Code Establishing the Pittsburg Regional Transportation Development Impact Mitigation Fee Program.

BACKGROUND

On June 6, 1994, the City of Pittsburg adopted Resolution 94-8066, authorizing a Joint Exercise of Powers Agreement ("JPA") with the Cities of Antioch, Brentwood and the County of Contra Costa, which provided for the creation of ECCRFFA to assist in the establishment of a uniform regional development fee program and the funding and implementation of regional transportation improvement projects in the East County area. In 1999, the City of Oakley was added as a member of ECCRFFA.

On August 1, 2005, the City of Pittsburg adopted Resolution 05-10348, approving the adoption of a Second Amendment to the ECCRFFA JPA, which provided for a revision of the ECCRFFA regional transportation improvement program consistent with the "East Contra Costa Regional Fee Program Update," previously approved by the ECCRFFA Board. The Second Amendment updated the relevant fees and regional transportation projects to be funded, as defined in the program update report.

Over time, the City has expressed concerns related to the fact that certain regional transportation projects within the City were not funded as promised by ECCRFFA in the past. For more than a year, the City attempted to work with ECCRFFA to address the City's desire to prioritize certain regional transportation projects essential to Pittsburg residents. Despite good faith negotiations between the parties, the outstanding issues between the City and ECCRFFA were not resolved to City's satisfaction. On July 6, 2010, the City Council adopted Resolution No. 10-11492 authorizing the City Manager to provide notice to ECCRFFA and its member agencies of the City's intent to withdraw from ECCRFFA.

City has, since the initiation of the withdrawal process, made it clear to its regional transportation partners (including ECCRFFA and TRANSPLAN) that it was the City's intention to create its own regional transportation mitigation fee program to ensure that new development in City continues to pay its fair share toward transportation projects of regional significance. Through the proposed regional program, City intends to continue supporting ECCRFFA, multi-jurisdictional transportation planning efforts and projects of regional significance in East County.

SUBCOMMITTEE FINDINGS

na

STAFF ANALYSIS

The proposed Ordinances would add chapter 15.103 to the Pittsburg Municipal Code establishing the new PRTDIM fee program. The PRTDIM program is necessary to ensure that new development pays its fair share of the costs associated with the projects identified in the 2010 East Contra Costa Regional Fee Program Update ("Fee Study"). The Fee Study identifies a list of regional transportation improvements approved by the City and its regional transportation partners, including ECCRFFA, and deemed necessary to account for the impacts associated with new development.

Pursuant to the requirements of the Mitigation Fee Act, notice of a public hearing related to the PRTDIM program was published in a newspaper of general circulation, notice was

mailed to individuals and entities that have filed a written request, and the information supporting the PRTDIM program and fee, including the Fee Study, were available to the public at least ten (10) days prior to the public hearing.

The PRTDIM program, as proposed, would require developers of property in the City to pay a PRTDIM fee in an amount established by City Council resolution prior to the issuance of a building permit for the project. The applicable fee is to be determined based upon the fee schedule in effect at the time of building permit issuance. In the event that no building permit is required, the PRTDIM fee is payable in the amounts in effect at the time of commencement of the project in question. No building permit is to be issued for property within the City unless and until the PRTDIM fee for that property is paid as required by the attached Ordinances.

The attached Ordinances authorize the City Council to adopt the Fee Study and any subsequent updates by resolution. The City Council is similarly authorized to set the specific amount of the PRTDIM fees by resolution, consistent with the calculations and limitations identified in the Fee Study. PRTDIM fees, once established, increase (or decrease) automatically each year based on the percentage change in the Engineering News-Record Construction Costs Index – San Francisco Bay Area.

Certain development projects are exempt from payment of the PRTDIM fee consistent with Section 15.103.050. For example, a project limited to the replacement of an existing structure destroyed by fire or other natural disaster is exempt from the PRTDIM. Similarly, certain projects involving the rehabilitation of an existing structure and/or an alteration or addition to an existing structure are exempt from the PRTDIM fee.

Funds generated by payment of the PRTDIM fee must be placed into a separate account established for the funding of regional transportation projects. Consistent with Section 15.103.060, the funds in the account (including any accumulated interest) may be used only for identified purposes, including but not limited to the acquisition, construction, design, and engineering of identified improvements, the reimbursement of other public entities, including ECCRFFA, for any improvements constructed by other sources, the reimbursement of developers that have designed, constructed, and/or dedicated a usable portion of any identified improvement, and to reimburse the City for costs associated with the administration of the PRTDIM program.

URGENCY FINDINGS

Government Code Section 36937(b) authorizes the City Council, by a 4/5 vote, to adopt an urgency ordinance for the immediate preservation of the public peace, health and safety. Urgency ordinances take effect immediately upon adoption.

Staff believes that the following facts and circumstances support the City Council's ability to adopt the attached urgency ordinance as necessary for the immediate preservation of the public peace, health and safety:

A. The identified transportation improvements are needed due to increased congestion attributable to projected growth in population in East County. These improvements were identified by using levels on important regional routes in East County as specified by TRANSPLAN. The improvements include widening various roads, safety enhancements on several roads, and improvements to routes parallel to State Route 4. The public health, safety and welfare are compromised by the delay in financing and constructing the improvements identified in the Fee Study.

B. There is a direct relationship between increased traffic congestion and the increase of vehicle and pedestrian accidents and air quality degradation. Decreased air quality negatively affects the health of persons living and working in the area, including children and infants. Any delay in the construction of the improvements will detrimentally affect the public welfare and health because of increased traffic congestion in the affected areas, and increased air pollution as a result of the traffic congestion.

C. Traffic congestion adversely affects emergency personnel response times, including fire protection, medical and law enforcement services. By alleviating such congestion, the identified improvements will enable the agencies that provide those services locally and regionally to respond to emergencies in a timely manner.

D. A number of new commercial and residential developments are currently in the planning and/or building permit issuance stage. If development is allowed to occur without adopting the PRTDIM program intended to fund the infrastructure necessary to mitigate regional transportation impacts from new development, the circulation system will further degrade without a source of critical funding to implement those improvements.

CONCLUSION

The attached Ordinances, if adopted, would establish the proposed PRTDIM fee program. The City is committed to regional transportation project development in East Contra Costa County, and will continue to work cooperatively with ECCRFFA and other regional partners to develop regional solutions to East County's transportation issues.

Staff recommends that the City Council: 1) adopt the attached Urgency Ordinance Adding Chapter 15.103 to the Pittsburg Municipal Code Establishing the Pittsburg Regional Transportation Development Impact Mitigation Fee Program; and 2) introduce, read by title only, and waive the first full reading of the attached Ordinance Adding Chapter 15.103 to the Pittsburg Municipal Code Establishing the Pittsburg Regional Transportation Development Impact Mitigation Fee Program.

ATTACHMENTS: Ordinances (2)

Report Prepared By: Paul Reinders, Senior Civil Engineer



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

DATE: 12/7/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Receive and File the Comprehensive Annual Financial Report ("CAFR") for the Fiscal Year Ended June 30, 2017, the Report to the City Council and Management for the Year Ended June 30, 2017, and Other Miscellaneous Audit Reports

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The Comprehensive Annual Financial Report ("CAFR") for the Fiscal Year Ended June 30, 2017 has met the Governmental Accounting Standards Board's standard. The City of Pittsburg has again received an unqualified or "clean opinion" by the City's auditing firm, Maze and Associates, Certified Public Accountants.

FISCAL IMPACT

There is no fiscal impact to receive the CAFR and other Miscellaneous Audit Reports.

RECOMMENDATION

Receive and file the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017 and the Report to the City Council and Management for the Year Ended June 30, 2017 and other miscellaneous audit reports as listed.

BACKGROUND

Pursuant to and in compliance with GASB 34, the City of Pittsburg is submitting its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The audit firm Maze and Associates (Maze) has completed their review and examination of the City's financial transactions and statements for the year ended June 30, 2017. Maze has expressed an opinion that our financial statements presented fairly, in all material respects, and in conformity with the accounting principles generally accepted in the United States of America.

The following is a summary of the financial highlights from the Management's Discussion and Analysis section of the CAFR:

The assets & deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the Fiscal Year 2016-2017 by \$375.2 million (M) (net position).

The City's total net position of \$375.2M increased from the prior fiscal year 2015-2016 by \$0.6M. The increase was due to several attributes from the business or enterprise funds. See below for a detailed explanation.

As of June 30, 2017, the City's governmental fund balances decreased \$2.7M leaving a balance of \$40.5M compared to the prior fiscal year balance of \$43.2M. The reduction resulted from capital expenditures of \$3.7M which included the Pittsburg Center Station BART construction project \$3.5M, and various other smaller capital projects. Offsetting these costs was an additional \$1M received in past-due pass through payments from the Successor Agency to the former Redevelopment Agency of the City of Pittsburg.

The City's net position from business type activities (enterprise funds) increased by appropriately \$0.5M from \$129.8M to \$130.3M from operations. During the current year, enterprise funds increased their Capital Improvement Project (CIP) expenditures by \$10M. This is the result of several larger projects nearing completion during the current fiscal year. These projects include the Water Treatment Plant/Sludge Handling Facility project for \$5.8M, the Buchanan Road Waterline project for \$3.8M, and several small CIP projects for \$0.4M. The City also refinanced the 2008 Water Revenue Bonds, eliminating a variable interest rate swap component associated with the Bonds, resulting in a reduction of outstanding debt of \$1.9M and strengthens the bond rating of the water system.

As of June 30, 2017, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was \$19.9M. Which consisted of \$2.4M designated as "Nonspendable" for items that are not in a spendable form such as deposits, interfund advances, and inventory; \$0.4M designated as "Assigned" for economic development activities and encumbrances, which is intended to be used for specific purposes designated by the City Council and \$17.0M unassigned. The unassigned balance consists of \$9.2M in General Fund operating reserve available to cover expenses in the event of an emergency and \$7.5M is in the Budget Stabilization Fund that can be used to balance future budgets, subject to the limits of the Fiscal Sustainability Ordinance.

The current Memorandum on Internal Control and Required Communications for Year Ended June 30, 2017 is attached to this report. Please note that there was no findings or recommendations from the current year's audit.

ATTACHMENTS: Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017
Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule for Fiscal Year Ended June 30, 2017
Memorandum on Internal Controls

Report Prepared By: Laura Mendez, Finance Reporting Manager
Reviewed by: Brad Farmer, Director of Finance

**CITY OF PITTSBURG
MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS
FOR THE YEAR ENDED JUNE 30, 2017**

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**CITY OF PITTSBURG
MEMORANDUM ON INTERNAL CONTROL
AND
REQUIRED COMMUNICATIONS**

For the Year Ended June 30, 2017

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MEMORANDUM ON INTERNAL CONTROL

To the City Council of
the City of Pittsburg, California

In planning and performing our audit of the financial statements of the City of Pittsburg (City), as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Included in the Schedule of Other Matters are recommendations not meeting the above definitions that we believe are opportunities for strengthening internal controls and operating efficiency.

Management's written responses included in this report have not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of management, City Council, others within the organization, and agencies and pass-through entities requiring compliance with *Government Auditing Standards*, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Maze & Associates' in a cursive, stylized script.

Pleasant Hill, California
November 28, 2017

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**CITY OF PITTSBURG
MEMORANDUM ON INTERNAL CONTROL**

SCHEDULE OF OTHER MATTERS

2017-01: NEW GASB PRONOUNCEMENTS OR PRONOUNCEMENTS NOT YET EFFECTIVE

The following comment represents new pronouncements taking effect in the next few years. We have cited them here to keep you abreast of developments.

Effective in fiscal year 2017-18:

GASB 75 – Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for post-employment benefits other than pensions (other post-employment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

GASB 81 – Irrevocable Split-Interest Agreements

This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period.

GASB 85 – Omnibus 2017

The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]).

Effective in fiscal year 2018-19:

GASB 83 – Certain Asset Retirement Obligations

This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

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REQUIRED COMMUNICATIONS

To the City Council
City of Pittsburg, California

We have audited the financial statements of the City of Pittsburg for the year ended June 30, 2017. Professional standards require that we communicate to you the following information related to our audit under generally accepted auditing standards, *Government Auditing Standards* and Uniform Guidance.

Significant Audit Findings

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are included in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year except as follows:

The following Governmental Accounting Standards Board (GASB) pronouncements became effective, but did not have a material effect on the financial statements:

- GASB 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- GASB 74 – *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*
- GASB 78 – *Pensions Provided through Certain Multiple – Employer Defined Benefit Pension Plans*
- GASB 80 – *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*

The following pronouncement became effective and required modifications to the notes to the financial statements:

- GASB 77 – *Tax Abatement Disclosures*
- GASB 82 – *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*

Unusual Transactions, Controversial or Emerging Areas

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the City's financial statements were:

Estimated Net Pension Assets and Liabilities and Pension-Related Deferred Outflows and Inflows of Resources: Management's estimate of the net pension assets and liabilities and deferred outflows/inflows of resources are disclosed in Note 11 to the financial statements and are based on actuarial studies determined by a consultant, which are based on the experience of the City. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Net OPEB Obligation: Management's estimate of the net OPEB obligation is disclosed in Note 12 to the financial statements and is based on actuarial study determined by a consultant, which is based on the experience of the City. We evaluated the key factors and financial statements taken as a whole.

Estimated Liability for Claims Payable: Management's estimate of the liability for claims payable is disclosed in Note 10 to the financial statements and is based on actuarial studies determined by a consultant, which is based on the claims experience of the City. We evaluated the key factors and assumptions used to develop the estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Estimated Depreciation: Management's estimate of the depreciation is based on useful lives determined by management. These lives have been determined by management based on the expected useful life of assets as disclosed in Note 1 to the financial statements. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Professional standards require us to accumulate all known and likely uncorrected misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have no such misstatements to report to the City Council.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in a management representation letter dated November 28, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information Accompanying the Financial Statements

We applied certain limited procedures to the required supplementary information that accompanies and supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the required supplementary information and do not express an opinion or provide any assurance on the required supplementary information.

We were engaged to report on the supplementary information which accompany the financial statements, but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Introductory and Statistical Sections which accompany the financial statements, but are not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

This information is intended solely for the use of City Council and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Maze & Associates

Pleasant Hill, California
November 28, 2017

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED UPON PROCEDURES FOR
COMPLIANCE WITH THE PROPOSITION 111
2017-2018 APPROPRIATIONS LIMIT INCREMENT**

Honorable Mayor and Members of the City Council
City of Pittsburg, California

We have performed the procedures below which were agreed to by the City of Pittsburg, California, on the Appropriations Limit Worksheet (Worksheet) for the year ended June 30, 2018. The City's management is responsible for the Worksheet. These procedures, which were suggested by the League of California Cities and presented in their Article XIII B Appropriations Limitation Uniform Guidelines, were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures you requested us to perform and our findings were as follows:

- A. We obtained the Appropriations Limitation Worksheet and determined that the 2017-2018 Appropriations Limit of \$152,687,025 and annual adjustment factors were adopted by Resolution of the City Council. We also determined that the population and inflation options were selected by a recorded vote of the City Council.
- B. We recomputed the 2017-2018 Appropriations Limit by multiplying the 2016-2017 Prior Year Appropriations Limit by the Total Growth Factor. We recomputed the Total Growth Factor by multiplying the population option by the inflation option.
- C. For the Worksheet, we agreed the Per Capita Income Factor, City Population Factor and County Population Factor to California State Department of Finance Worksheets.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Worksheet. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and the City Council and is not intended to be and should not be used by anyone other than those specified parties; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

Maze & Associates

Pleasant Hill, California
November 28, 2017

City of Pittsburg California

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2017



Prepared by the Finance Department

Laura Mendez
Division Manager, Financial Reporting

Brad Farmer
Director of Finance



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

City of Pittsburg
Basic Financial Statements
For the Year Ended June 30, 2017
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CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017



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

December 1, 2017

Honorable Mayor
Members of the City Council
And Residents of Pittsburg

We are pleased to present the City of Pittsburg (City) Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2017. The information in this CAFR is prepared in accordance with "Generally Accepted Accounting Principles" (GAAP) and includes an unqualified opinion on the report by the City's independent certified public accountants. Although we rely on the standards and expertise of these external authorities, the City is responsible for the accuracy and fairness of this report, inclusive of all disclosures that are necessary to enable the reader to understand the City's operations.

For those readers interested in a more detailed review of the City's financial statements, a narrative section called Management's Discussion and Analysis (MDA) has been included as part of the Financial Section. The MDA reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MDA also discloses significant items affecting the financial condition of the City and is designed to be read in conjunction with this letter of transmittal.

City Profile

The City was incorporated in 1903 and is located along the Sacramento-San Joaquin River Delta, situated on the north side of Mount Diablo. Pittsburg is located in the northeast part of Contra Costa County.

While the City is a general law City, it operates utilizing the Council-Manager form of government. The five Council members are elected at large for staggered four-year terms to govern the City. Also elected to four-year terms are the City Treasurer and City Clerk. The City Council is responsible for establishing policies, adopting an annual budget, appointing commissions and committees, and hiring the City Manager and City Attorney. The City Manager is responsible for implementing the Council's policies, overseeing the day-to-day operations of the City and appointing the directors of the City's departments.

The City provides a full range of municipal services, including police, water treatment and distribution, sewer collection, streets, cultural and recreational facilities, golf course, public works and parks, economic development, planning, zoning, building inspection, code enforcement, housing assistance, marina operations, energy distribution, engineering, and general administration. The Contra Costa County Fire Protection District provides fire protection services for the City.

Reporting Entities

The financial statements included in this CAFR present the City (the primary government) with all the City funds, Housing Authority, and the Pittsburg Power Company (Pittsburg Power) as component units. These three component units are separate legal entities; however, the members of the City Council also serve as members of the Housing Authority Board, the Successor Agency Board, the Southwest Pittsburg Geologic Hazard Abatement District II ("GHAD II") Board, and the Pittsburg Power Company Board. Therefore, the financial information for the Housing Authority, Successor Agency, GHAD II, and Pittsburg Power Company are blended with the City's financial information.

Economic Conditions and Outlook

The City continues to see modest signs of recovery from the great recession. Pittsburg's population has grown to approximately 70,679. Unemployment rates have continued to drop from 17.4% at the peak of the recession to 5.0% in 2017. During this past year the City continued to see increases in revenue from sales, property and other taxes. Both Franchise and Motor Vehicle In-Lieu fees also increased, while the City saw decreased revenues from Gas Taxes due to low petroleum costs. The City's construction sector continues to see positive movement due to the addition of new single family housing units.

Sales taxes saw a modest two percent (2%) increase or \$259,000, while property tax revenue has saw an increased by of eight percent (8%) or \$273,000 due to increasing property assessment values and supplemental taxes collected on homes resold throughout the City.

While revenues continue to improve, staff throughout the City have continued to be diligent in maintaining a low level of costs to deliver the core services to both the residents and the business community.

In November 2016, the City of Pittsburg issued the 2016 Water Revenue Refunding Bonds totaling \$30,850,000. The proceeds were used to retire the 2008 Water Revenue Refunding Bonds which also eliminate the variable swap financing portion of this debt. Through this refunding the City was able to not only reduce the overall debt and lower the annual debt service requirements, but also increased the overall credit rating for the Water System of the City.

The City's Economic Development department continues to offer programs and incentives to attract new businesses, assist existing businesses, and collaborate with non-profit organizations to train and enable residents to find employment. The East County One-Stop Career Center and Future Build are two non-profit entities the City works with to provide businesses and residents with employment and training opportunities locally.

General Fund Condition and Long-term Plans

To assist the City management and City Council plan the City's General Fund budget and use of the Budget Stabilization Fund, the City developed a 7-year General Fund Forecast and Balancing Plan ("7-Year Plan"). Periodically, the 7-year Plan is updated based on current revenue and expenditure information. The City's goal is to have a structurally balanced General Fund budget by the end of FY 2018-2019.

While the 7-Year Plan has been a great tool for City management and City Council to achieve a structurally balanced budget per the City's Fiscal Sustainability Ordinance, the City has also established a longer-range 20-Year forecast for the City's General Fund. This plan incorporates anticipated fluctuations of revenues and expenditures over a longer term, thus allowing the City to manage its affairs in a prudent fiscal manner, while providing services to residents and businesses necessary for a growing community.

These plans, in combination with the actual revenues and expenses, have resulted in the City utilizing less than 15% of the originally projected use of the Budget Stabilization Fund through FY 2016-2017.

Fiscal Sustainability Ordinance

In June 2017, the City passed an updated Fiscal Sustainability Ordinance to ensure the City protects its revenues and to ensure proper fiscal responsibility. As part of the Ordinance, reserve levels and funding mechanics were mandated to provide for emergencies and ensure that proper fiscal reserve levels were maintained. Within the Ordinance, reserve levels were set at 30% of annual operating expenses for the City's General Fund, Internal Service Funds and Enterprise Funds. The reserve level was placed at a percentage of operating expenses rather than a static number to ensure adequate reserve levels are maintained over time. The City also established a Budget Stabilization Fund to provide a minimum of \$2 million or 5% of the City's annual General Fund operating expenses but no more than \$7.5 million or 25% of the annual City's General Fund operating expenses. Once the Budget Stabilization Fund is fully funded, excess funds are mandated to be allocated 75% toward the Infrastructure Repair and Replacement Fund and 25% toward the Other Post-employment Benefits (OPEB) Fund. Currently the Budget Stabilization Fund is fully funded.

Major Initiatives

Projects completed in Fiscal Year 2016-17 include the following:

- 2016/17 CDBG ADA Sidewalk Replacement Project (segment along Buchanan Road)
- School Area Safety Improvements Project
- Water Treatment Plant Fuel Storage Tanks Removal/ Replacement
- Class I Bicycle Lane on Frontage Road
- Traffic Signal W. Leland Road at Oak Hills Drive
- 24" / 20" / 16" / 12" Water Main Buchanan Road
- Rossmoor Water Well Replacement
- John Buckley Square Improvements (Bocce Court/Restroom)
- Ambrose Park Master Plan & Improvements (Pool Replacement for Ambrose Recreation and Park District)

FY 2017-18 Major Initiatives:

Capital Projects – The City has made great strides in redeveloping the downtown areas and infrastructure throughout the City. In FY 17-18, the City will continue these efforts with:

- Downtown Slurry Seal
- West 4th Street Sidewalk Gap Closure
- Class I Bicycle Lane along Power Avenue
- Multimodal Transfer Facility (in area of Pittsburgh Center BART Station)
- Water Treatment Plant Intake Modifications
- Water Treatment Plant Facility Improvements Phase 1B
- Ray Giacomelli Community Park
- Re-Striping Pavement at San Marco Boulevard at West Leland Road

BART Extension and Pittsburgh Center Station – One of the most significant projects that began in September 2013 is the new BART Pittsburgh Center Station located in central Pittsburgh. The station is scheduled to open May 2018 and the City foresees additional transit-oriented development, higher density mixed-use housing and commercial development near the station.

OTHER INFORMATION

The City is responsible for establishing and maintaining internal control structures designed to ensure that the assets be protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structures are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit and Compliance

As a recipient of federal and state financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the Finance staff of the City. In management's opinion, the City's internal controls adequately safeguard assets, and provide reasonable assurance of the proper recording of financial transactions. In addition, the results of the City's single audit for the fiscal year ended June 30, 2016 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls

The City maintains budgetary controls to safeguard City assets and ensures compliance with legal provisions embodied in the annual appropriated budget as approved by the City Council. Activities of the General Fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also applies and maintains an encumbrance accounting system as a technique to accomplishing budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management. The City has received the "Government Finance Officers Association's Distinguished Budget Presentation" award for its budget document.

Appropriations Limit

Proposition 4, the "Gann" initiative, was passed by California voters in 1978 and is intended to limit governmental General Fund appropriations. The appropriation limit is calculated each year based upon fiscal year 1978-79 appropriations, modified by the composite consumer price index, and population changes that have occurred in subsequent years. The City's General Fund appropriation limit for fiscal year 2016-17 amounted to \$143,703,948. The City's FY 2016-17 General Fund budget was \$41.3 million, which is below the appropriation limit.

Cash Management

The City holds temporarily idle cash in the Local Agency Investment Fund (LAIF) as administered by the Treasurer of the State of California. LAIF invests in obligations of the United States Treasury, Federal Agency Coupons and Discount Notes, Medium Term Notes, and Certificates of Deposit. These investments, as permitted under an investment policy adopted by the City Council, defines eligible investments and maturities of the City's investment portfolio and requires securities to be held by the City or by a qualified custodial institution and registered in the name of the City. The quarterly return on LAIF pooled investments at June 30, 2017 was 0.92%, an increase of 0.44% compared to the same period of last fiscal year 0.55%. Total LAIF interest earnings were \$120,258 for the fiscal year 2016-17 an increase of \$73,343 from the fiscal year 2015-16.

Risk Management

The City is self-insured for the first \$25,000 of each loss and maintains excess liability insurance through the Management Pooling Authority (MPA). The City is self-insured for liability occurrences over \$29 million per occurrence. The City also maintains statutory excess workers' compensation insurance through the Municipal Pooling Authority (MPA).

Independent Audit

Maze & Associates, Certified Public Accountants, an independent public accounting firm, has examined the financial statements of the City and its affiliated agencies. Their opinion on the City's financial statements and supplemental information is included within this report.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pittsburgh for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. In order to receive the "Certificate of Achievement" award, a government agency must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

Acknowledgements

The preparation of this report is the result of the concerted effort and dedication of all the employees of the City of Pittsburgh Finance Department. However, we would like to acknowledge Laura Mendez and the extra effort she invested in completing this year's Audited Financial Statements.

Finally, we would like to thank the Mayor and members of the City Council for their support in planning and conducting the financial operations of the City in a responsible and transparent manner.

Respectfully submitted,

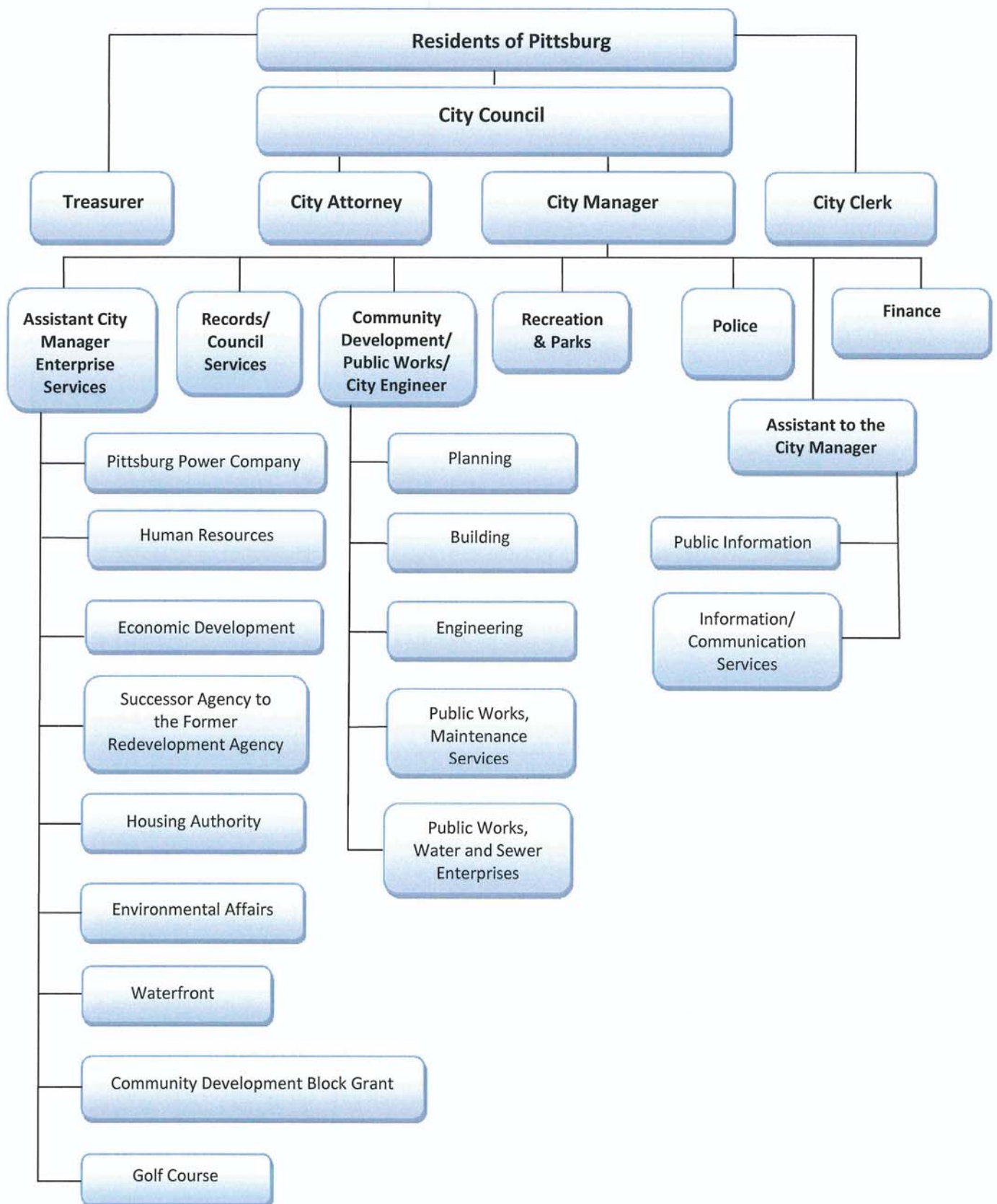


Joe Sbranti
City Manager



Brad Farmer
Director of Finance

➤ CITY GOVERNMENT ORGANIZATION



City of Pittsburgh
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2017

City Council

Merl Craft, Mayor
Pete Longmire, Vice Mayor
Jelani Killings, Council Member
Salvatore Evola, Council Member
Juan Antonio Banales, Council Member

Other Elected Officials

Nancy L. Parent, City Treasurer
Alice E. Evenson, City Clerk

City Attorney

Ruthann G. Ziegler, Esquire, City Attorney

Management Staff

Joe Sbranti, City Manager
Garrett Evans, Assistant City Manager
Brian Addington, Chief of Police
Don Buchanan, Director of Recreation and Maintenance Services
Alice E. Evenson, Director of Records and Council Services
Brad Farmer, Director of Finance
Sharon Jackson, Manager of Housing Authority
Hilario Mata, Assistant Director of Public Works
Fritz McKinley, Director of Community Development/City Engineer
Van dePiero, Harbormaster



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

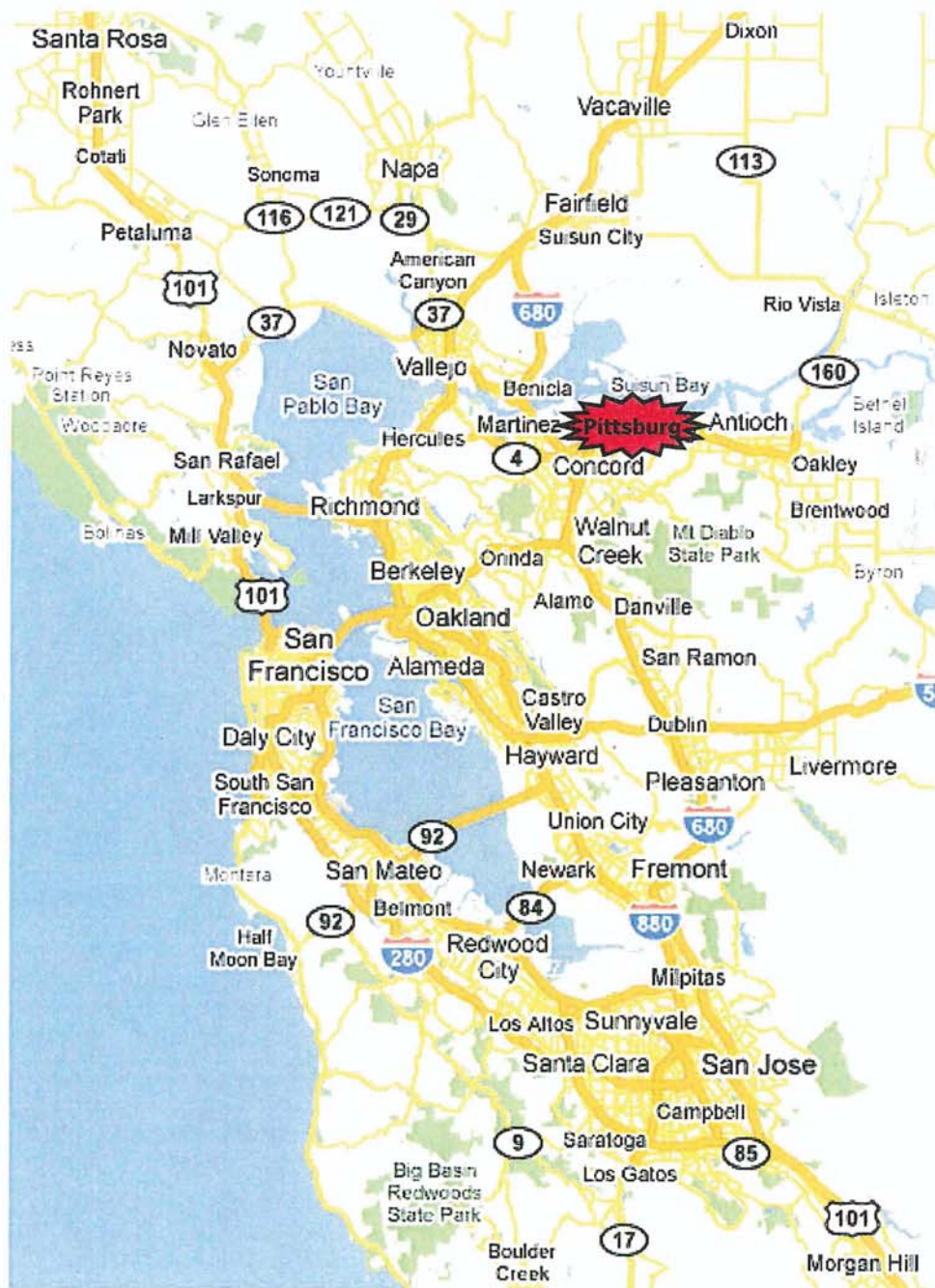
Presented to

**City of Pittsburg
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council of the
City of Pittsburg, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pittsburg, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Introductory Section, Supplementary Information, and Statistical Section listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
November 28, 2017



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Pittsburgh (the City), we offer readers this discussion and analysis of the City's financial performance for the Fiscal Year ended June 30, 2017. The accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures in this report, are the responsibility of the City. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standard Board (GASB). We encourage readers to consider the information presented here in conjunction with additional information which can be found in the introductory section of this report and within the City's financial statements, which follow this discussion.

FINANCIAL HIGHLIGHTS

- The assets & deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the Fiscal Year 2016-2017 by \$375.2 million (M) (*net position*).

The City's total net position of \$375.2M increased from the prior fiscal year 2015-2016 by \$0.6M. The increase was due to several attributes from the business or enterprise funds. See below for a detailed explanation.

As of June 30, 2017, the City's governmental fund balances decreased \$2.7M leaving a balance of \$40.5M compared to the prior fiscal year balance of \$43.2M. The reduction resulted from capital expenditures of \$3.7M which included the Pittsburgh Center Station BART construction project \$3.5M, and various other smaller capital projects. Offsetting these costs was an additional \$1M received in past-due pass through payments from the Successor Agency to the former Redevelopment Agency of the City of Pittsburgh.

The City's net position from business type activities (enterprise funds) increased by appropriately \$0.5M from \$129.8M to \$130.3M from operations. During the current year, enterprise funds increased their Capital Improvement Project (CIP) expenditures by \$10M. This is the result of several larger projects nearing completion during the current fiscal year. These projects include the Water Treatment Plant/Sludge Handling Facility project for \$5.8M, the Buchanan Road Waterline project for \$3.8M, and several small CIP projects for \$0.4M. The City also refinanced the 2008 Water Revenue Bonds, eliminating a variable interest rate swap component associated with the Bonds, resulting in a reduction of outstanding debt of \$1.9M and strengthening the bond rating of the water system.

- As of June 30, 2017, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was \$19.9M. Which consisted of \$2.4M designated as "Nonspendable" for items that are not in a spendable form such as deposits, interfund advances, and inventory; \$0.4M designated as "Assigned" for economic development activities and encumbrances, which is intended to be used for specific purposes designated by the City Council and \$17.0M unassigned. The unassigned balance consists of \$9.2M in General Fund operating reserve available to cover expenses in the event of an emergency and \$7.5M is in the Budget Stabilization Fund that can be used to balance future budgets, subject to the limits of the Fiscal Sustainability Ordinance.
- There are three major funds in the Governmental Funds section of the Comprehensive Annual Financial Report: 1) the General Fund, 2) Housing Authority (Section 8) and 3) Successor Agency Housing.
- There are five major enterprise funds in the Proprietary Funds section of the Comprehensive Annual Financial Report: (1) Water Utility, (2) Sewer Utility, (3) Marina, and (4) Pittsburgh Power Company (including Island Energy) and (5) Waterfront Operations.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements - The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements consist of:

- The Statement of Net Position presents information on all the City's assets and deferred outflow of resources and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The Statement of Activities presents information reflecting any change in the government's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs (regardless of the timing of related cash flows). Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation and compensated leave of absence).

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include legislative and legal, general government, public safety, public works, community development and recreation. The business-type activities of the City include Water, Sewer, Marina, Pittsburgh Power Company (includes Island Energy operation), and Waterfront Operations.

The Government-Wide Financial Statements include not only the City but the Housing Authority and Housing Successor Agency. Financial information for these component units are blended with the financial statements of the primary government itself.

Fund Financial Statements – A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Pittsburgh, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and City's fiduciary funds.

- *Governmental Funds*: These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the Government-Wide Financial Statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. However, this information does not encompass the additional long-term focus of the government-wide statements. Reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2017

The City maintains 42 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for three funds that are considered to be major funds. These funds consist of the General Fund, Housing Authority (Section 8), and the Successor Agency Housing Fund. Data from the other 39 governmental funds, which are combined into a single, aggregated presentation under Other Governmental Funds, are considered as non-major funds.

A budgetary comparison statement has been provided for the funds that have an adopted budget to demonstrate compliance with this budget.

Proprietary Funds: The City maintains two different types of proprietary funds; Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report the same functions presented as “business-type activities” in the Government-Wide Financial Statements. The Enterprise Funds are used to account for Water, Sewer, Marina, Pittsburg Power Company (including Island Energy) operations, and Waterfront Operations.

Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for maintaining its fleet of vehicles, building maintenance, information and communication systems, risk management/insurance, and employee fringe benefits activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within “governmental activities” in the government-wide financial statements.

Proprietary Funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Proprietary Fund Financial Statements provide separate information for the Water Fund, the Sewer Fund, the Marina Fund, Pittsburg Power Company (including Island Energy), and Waterfront Operations, all of which are considered to be major funds. Conversely, Internal Service Funds are combined into a single, aggregated presentation in the Proprietary Fund Financial Statements.

- *Fiduciary Funds:* Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-Wide Financial Statement because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that which is used for Proprietary Funds. The Assessment District Bonds Fund, the Environmental Impact Fee Fund and the Other Impact Fees Fund are held as Fiduciary Funds by the City. With the dissolution of Redevelopment Agency per ABX 1484, the activities of the Successor Agency to the Former Redevelopment Agency are reported as Private Purpose Trust Fund in the Fiduciary Fund section. Also, included in the Fiduciary Funds is the Miscellaneous Employee Retirement System.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

Notes To The Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. This year, the City implemented the following GASB Pronouncements:

GASB Statement 73 – Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68.

GASB Statement 74 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.

GASB Statement 77 – Tax Abatement Disclosures.

GASB Statement 78 – Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plan.

GASB Statement 80 – Blending Requirements for Certain Component Units as amendment of GASB Statement No. 14.

GASB Statement 82 – Pension Issues – and amendment of GASB Statements No. 67, No. 68 and No. 73.

For a detailed description of the all the pronouncements see Note 1R – Summary of Significant Accounting Policies.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, combined net position (government and business-type activities) totaled \$375.2M at the close of the Fiscal Year ending June 30, 2017, which is \$608,000 more than the Fiscal Year ending June 30, 2016.

The Government-Wide Financial Statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole. The following table reflects the Summary of Net Position for the Fiscal Year ended June 30, 2017 with the comparative data for the Fiscal Year ended June 30, 2016.

City of Pittsburgh
Summary of Net Position
As of June 30, 2017

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Current Assets	\$ 92,202,117	\$ 90,658,271	\$ 54,390,686	\$ 48,031,830	\$ 146,592,803	\$ 138,690,101
Capital Assets	256,222,682	254,497,754	136,085,995	144,743,621	392,308,677	399,241,375
Total Assets	348,424,799	345,156,025	190,476,681	192,775,451	538,901,480	537,931,476
Deferred Outflow of Resources	9,387,226	12,562,159	7,820,995	2,445,189	17,208,221	15,007,348
Current Liabilities	10,606,118	11,773,638	8,012,332	7,867,897	18,618,450	19,641,535
Non-Current Liabilities	92,580,004	95,701,588	58,996,610	56,767,449	151,576,614	152,469,037
Total Liabilities	103,186,122	107,475,226	67,008,942	64,635,346	170,195,064	172,110,572
Deferred Inflows of Resources	97,598,965	5,316,375	1,564,521	293,466	99,163,486	5,609,841
Net Investment in Capital Assets	255,982,568	253,993,565	90,569,824	101,088,405	346,552,392	355,081,970
Restricted	27,990,550	24,280,860	45,659,407	28,553,531	73,649,957	52,834,391
Unrestricted	(39,107,180)	(33,347,842)	(6,475,018)	659,892	(45,582,198)	(32,687,950)
Total Net Position	\$ 244,865,938	\$ 244,926,583	\$ 129,754,213	\$ 130,301,828	\$ 374,620,151	\$ 375,228,411

Current assets are assets that are liquid in nature or can be converted into cash quickly. Current liabilities are outstanding liabilities that are due within one year.

The Statement of Net Position contains more detailed information on current assets, capital assets, deferred outflows of resources, current liabilities, non-current liabilities and deferred inflows of resources.

At the end of the Fiscal Year 2016-2017 the total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$375.2M.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

Changes in Net Position – In Fiscal Year 2016-2017, the City's total Governmental expenditures of \$77.36M was less than its revenues and transfers of \$77.42M by \$61,000. The City's expenses cover a range of services. Of the Governmental Activities, the largest expenses were in Public Safety \$26.0M, Community Development and Services \$23.3M, and Public Works \$15.8M. These expenses include capital outlays, which are now reflected in the City's capital assets. Further analysis is provided within the governmental and business-type sections on the following pages. For additional information on the Capital Assets, please refer to Note 6 – Capital Assets disclosure.

Governmental Activities – Governmental Activities reflect an increase of \$61,000 in net position, and Business Activities reflect an increase of \$0.5M in net position for the Fiscal Year 2016-17. A comparison of the cost of services by function for the City's Governmental Activities is shown below, along with the revenues used to cover the net expenses of the Governmental Activities, as well as comparative data from the Fiscal Year 2015-2016.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

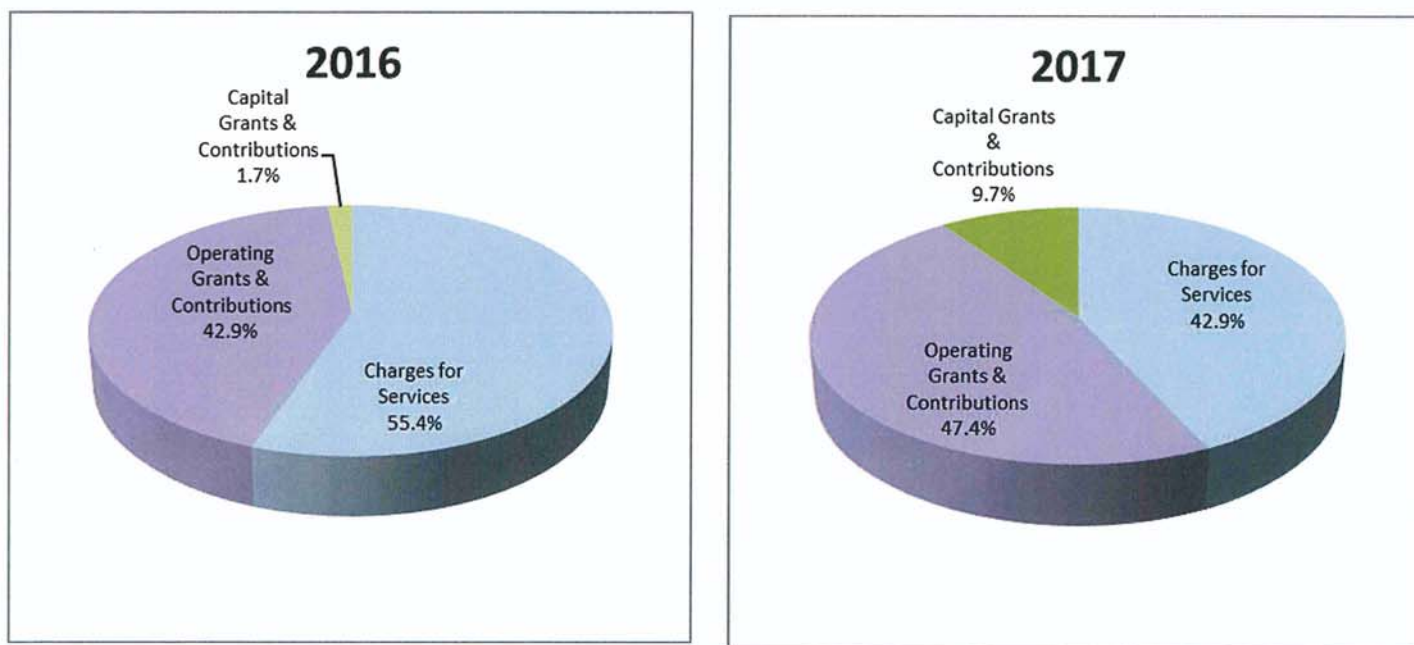
Statement of Changes in Net position
Fiscal Year Ended June 30, 2017
With comparative data for fiscal year ended June 30, 2016

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Revenue:						
Program Revenues:						
Charges for Services	\$ 17,614,456	\$ 16,441,762	\$ 35,326,234	\$ 36,333,258	\$ 52,940,690	\$ 52,775,020
Operating Grants and Contributions	13,641,846	18,154,961	270,931	200,127	13,912,777	18,355,088
Capital Grants and Contributions	545,127	3,705,925	1,780,581	6,026,102	2,325,708	9,732,027
Sub-Total	31,801,429	38,302,648	37,377,746	42,559,487	69,179,175	80,862,135
General Revenues:						
Property Taxes	3,300,776	3,573,822	-	-	3,300,776	3,573,822
Sales Tax	13,112,880	13,372,246	-	-	13,112,880	13,372,246
Franchise Fees	4,638,074	4,706,887	-	-	4,638,074	4,706,887
Motor Vehicle in lieu fees	4,422,099	4,544,316	-	-	4,422,099	4,544,316
Gas Taxes	1,401,377	1,319,101	-	-	1,401,377	1,319,101
Other Taxes	7,917,168	8,534,935	-	-	7,917,168	8,534,935
Investment Earnings- Unrestricted	743,082	329,042	665,412	325,437	1,408,494	654,479
Gain on Sale of Assets	-	(34,554)	-	96,473	-	61,919
Sub-Total	35,535,456	36,345,795	665,412	421,910	36,200,868	36,767,705
Total Revenues	67,336,885	74,648,443	38,043,158	42,981,397	105,380,043	117,629,840
Expenses:						
General Government	3,897,771	4,383,317	-	-	3,897,771	4,383,317
City Council	70,516	83,145	-	-	70,516	83,145
City Manager and City Clerk	777,722	524,118	-	-	777,722	524,118
City Attorney	321,554	459,224	-	-	321,554	459,224
Human Resources	969,397	569,682	-	-	969,397	569,682
Finance and Services	3,064,750	1,933,608	-	-	3,064,750	1,933,608
Community Development & Services	23,752,847	23,263,875	-	-	23,752,847	23,263,875
Public Safety	26,746,601	25,990,472	-	-	26,746,601	25,990,472
Public Works	19,237,901	15,776,982	-	-	19,237,901	15,776,982
Interest on Long-Term Debt	4,476,644	4,378,265	-	-	4,476,644	4,378,265
Water Utility	-	-	18,552,726	25,929,659	18,552,726	25,929,659
Sewer Utility	-	-	2,583,101	3,176,015	2,583,101	3,176,015
Marina	-	-	2,424,083	2,471,440	2,424,083	2,471,440
Pittsburg Power	-	-	6,597,065	6,569,528	6,597,065	6,569,528
Waterfront Operations	-	-	972,469	1,512,250	972,469	1,512,250
Total Expenses	83,315,703	77,362,688	31,129,444	39,658,892	114,445,147	117,021,580
Increase(Decrease) in Net Position before Transfers	(15,978,818)	(2,714,245)	6,913,714	3,322,505	(9,065,104)	608,260
Transfers	2,354,972	2,774,890	(2,354,972)	(2,774,890)	-	-
Change in Net Position	(13,623,846)	60,645	4,558,742	547,615	(9,065,104)	608,260
Net Position-Beginning of Year	258,489,784	244,865,938	125,195,471	129,754,213	383,685,255	374,620,151
Net Position-End of Year	\$ 244,865,938	\$ 244,926,583	\$ 129,754,213	\$ 130,301,828	\$ 374,620,151	\$ 375,228,411

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

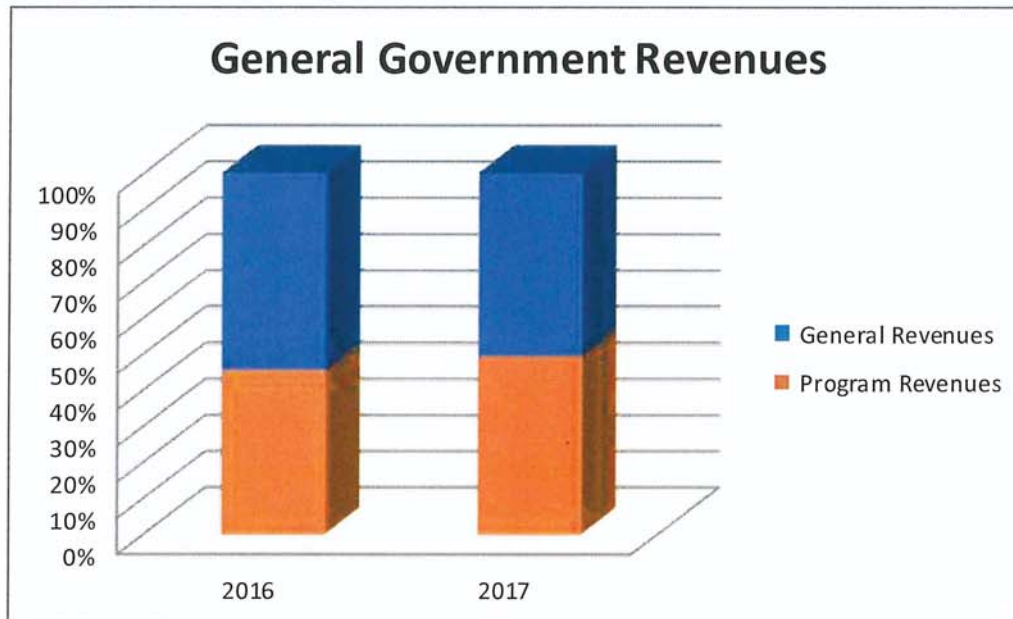
Total Program Revenues from Governmental Activities were \$38.3M in Fiscal Year 2016-2017. Per GASB 34, program revenues are derived directly from the program or from parties outside the reporting government's taxpayers or citizenry. Program Revenues reduce the net cost of the function to be financed from the government's general revenues. As reflected in the pie chart below, 42.9% of the Governmental Program Revenues came from Charges for Services (which includes licenses and permits, plan checking fees, developer fees and several other revenues), 47.4% from the Operating Grants and Contributions category (including restricted revenues such as Gas Tax, Measure J Tax, Asset Seizure fund and Federal/State Grants), and 9.7% from Capital Grants and Contributions. The Charges for Services decreased by \$1.17M primarily due to community development and service fee reductions. Operating Grants and Contributions increased by \$4.5M, Housing Authority reimbursements from HUD increased by \$2.5M and Park Dedication income accounted for \$2.0M. Capital Grants and Contributions increased by \$3.2M. The city received \$1.3M in contributed real property from the Successor Agency, \$1.0M from a Measure WW Grant, and \$0.9M in past-due pass through payments from the Successor Agency to the former Redevelopment Agency of the City of Pittsburgh.

Government Revenues by Program Type

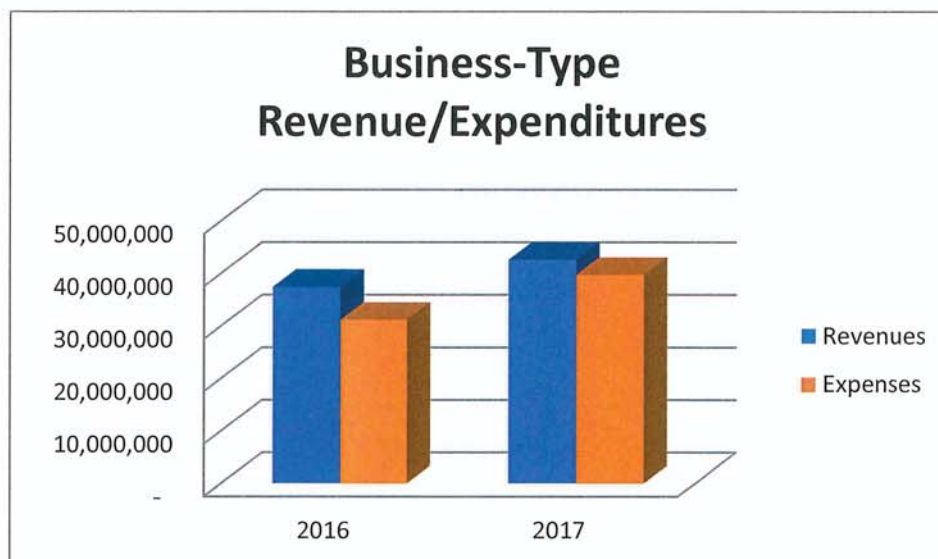


About 32% of General Government services in FY 2016-17 are funded by General Revenues. General Revenues are all other revenues not categorized as program revenues such as property taxes, sales taxes, intergovernmental and investment earnings. Interest on long-term debt is paid through general revenues. In addition, 79% of Public Safety services and 95% of Public Works services are supported through general revenues.

General revenues from Governmental Activities represented \$39.1M or 51% of total City revenues, and Program revenues reflected \$38.3M or 49% of total Governmental Activities revenues. Sales Taxes comprised the largest percentage of General Revenues, \$13.4M or 34.2%, received during the fiscal year.



Business-Type Activities – Net position for Business-Type Activities were \$130.3M, a net increase of \$0.5M over the prior fiscal year. Total program revenues for Business-Type Activities were \$42.6M. Total expenses for Business-Type Activities were \$39.7M for the Fiscal Year 2016-2017. The increase in both revenues and expenses are a reflection of the bond refinancing that incurred in the current year.



City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Housing Authority (Section 8), which is reported as a Special Revenue Fund, saw a decrease in fund balance of \$132,000. This decrease was a result in lower program funding received from U.S Department of Housing and Urban Department (HUD) to deplete the excess reserve balance previously held by the Authority.

General Fund Budgetary Highlights – The final amended budget totaled \$42.1M, including \$821,303 for prior fiscal year budget carry forward totals and new appropriation amendments to the originally adopted budget. These amendments are briefly summarized below.

The City Council approved the of the following budget carry-forwards and amendments during the current fiscal year:

Contractual & Professional Services	Engineering	\$ 83,501	Police	\$ 446,945
Contractual & Professional Services	Planning	62,000	Recreation	92,743
Capital Equipment	Engineering	61,586	Planning	84,160
Capital Equipment	Safety	46,170	City Attorney	68,243
Contractual Services	Safety	29,545	Human Resources	65,735
Contingencies	Non-Departmental	22,933	City Manager	13,696
Contractual Services	EOC	22,500	Transfers In/Out	12,093
Supplies	Public Works	21,000	City Council	8,722
Contractual & Professional Services	Public Works	14,183	Graffiti Removal Program	(5,504)
Part Time Salaries	Engineering	7,633	EOC	(5,550)
Contractual & Professional Services	Human Resources	7,625	Public Works	(6,591)
Contractual & Professional Services	City Manager	5,875	Engineering	(24,904)
Festivals and Events	Human Resources	2,305	City Clerk	(33,517)
			Finance/Utility Billing	(86,579)
			Non-Departmental	(195,245)
Total Budget Carryovers		<u>\$ 386,856</u>	Total Amendments	<u>\$ 434,447</u>
			Grand Total	<u>\$ 821,303</u>

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2017

At the close of the fiscal year ended June 30, 2017, General Fund revenues exceeded the revised budget by \$2.0M. This increase is primarily attributable to higher sales tax collections due to continued economic recovery within the City.

General Fund Expenditures were \$405,000 higher than the original budget and \$1.3M lower than the revised budget. The reduced spending reflects staff's consistent efforts to maintain control over costs while awaiting the actual variable revenues to materialize such as sales and use taxes and pass-through payments. Staff has taken great care over the past several years to reduce or delay spending on non-critical items during the current fiscal year, in an effort to meet the requirements of the City's Budget Stabilization Ordinance. During the past year, the City saw savings in 1) contractual services of \$300,000; 2) salaries/wages of \$430,000; 3) health insurance of \$207,000; 4) legal of \$116,000; and 5) personnel expenses of \$250,000 due to staff cost recovery through capital projects. As a result of delayed spending, the City has \$150,000 in budgetary carry forwards to FY 2017-18. These carryovers reflect the City's continued commitment to reinvest in the areas of greatest need, while exercising care in the manner in which it spends available resources.

Deferred revenue in the General Fund is \$1.2M and consists of \$1M for future infrastructure construction projects and \$200,000 for various projects within the City. Please see Note 4 for a further explanation.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2017

The City's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but with more detail. According to standardized Governmental reporting, the Water Fund, Sewer Fund, and Pittsburgh Power Company are major funds. The Marina and Waterfront Operations Fund are not considered to be major funds; however, the City has elected to continue to report the Marina and Waterfront Operations Funds as major funds.

Total net position of the Proprietary Funds at the end of the year were \$130.3M; an increase of \$0.5M from the prior fiscal year.

Capital Asset and Debt Administration – The City's investment in capital assets for its Governmental and Business Type activities as of June 30, 2017, was \$399.2M (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways, bridges, water lines, and sewer and storm systems. The total increase in the City's investment in capital assets net of depreciation was \$6.9M as compared to prior year.

City of Pittsburgh
Capital Assets
(Net of Depreciation)
June 30, 2017

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Non-depreciable assets:						
Land	\$ 32,338,944	\$ 33,763,463	\$ 1,646,186	\$ 1,646,186	\$ 33,985,130	\$ 35,409,649
Construction in Progress	11,361,946	17,750,305	14,833,767	24,915,875	26,195,713	42,666,180
Total	43,700,890	51,513,768	16,479,953	26,562,061	60,180,843	78,075,829
Depreciable assets (net of depreciation):						
Buildings and improvements	54,536,317	51,071,509	14,749,307	14,525,188	69,285,624	65,596,697
Machinery and Equipment	2,637,911	3,202,405	6,675,307	6,312,234	9,313,218	9,514,639
Infrastructure	155,347,564	148,710,072	98,181,428	97,344,138	253,528,992	246,054,210
Total	212,521,792	202,983,986	119,606,042	118,181,560	332,127,834	321,165,546
Total	\$ 256,222,682	\$ 254,497,754	\$ 136,085,995	\$ 144,743,621	\$ 392,308,677	\$ 399,241,375

Please see more detailed information regarding the City's capital assets in Note 6 of the Basic Financial Statements.

Debt Service Administration – A complete detail of all outstanding debt is contained in Note 7 in the Notes to the Basic Financial Statements section. At the end of the fiscal year, the City had total long-term debt outstanding of \$34.1M for the 2006 Pension Obligation Bonds; \$343,000 for a loan from California Energy Resources Conservation and Development Commission loan for conversion of the City's light poles to more energy efficiency LED lights, and \$161,000 for a capital lease for a street sweeper. As of June 30, 2017, the \$43.7M in Business-Type Activities Long Term Debt comprised of two revenue bonds in the Water and Sewer Funds in the amount of \$32.7M and a California Infrastructure and Economic Development Bank (I-Bank) loan for financing the modifications of Pittsburgh Water Treatment Plant and other infrastructures in the amount of \$10.9M.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2017

City of Pittsburg
Long-Term Debt
June 30, 2017

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Pension Obligation Bonds	\$ 34,036,850	\$ 34,104,558	\$ -	\$ -	\$ 34,036,850	\$ 34,104,558
Energy Conservation Loan	406,268	343,493	-	-	406,268	343,493
Capital Lease - VOIP	36,257	-	-	-	36,257	-
Capital Lease - Street Sweeper	203,857	160,696	-	-	203,857	160,696
2008 A Revenue Bonds	-	-	30,485,000	-	30,485,000	-
2016 Water Revenue Refunding Bonds	-	-	-	29,605,000	-	29,605,000
2014 Waste Water Revenue Bonds	-	-	3,864,000	3,111,000	3,864,000	3,111,000
2014 I-Bank Loan	-	-	11,167,171	10,939,216	11,167,171	10,939,216
Total	\$ 34,683,232	\$ 34,608,747	\$ 45,516,171	\$ 43,655,216	\$ 80,199,403	\$ 78,263,963

2016A Water Revenue Refunding Bonds

In November 2016, the City of Pittsburg issued 2016 Water Revenue Refunding Bonds in the amount of \$30,070,000 Series 2016A Tax Exempt, and \$780,000 Series 2016 Taxable Bonds, for a combined total of \$30,850,000. The proceeds from the Bonds were used to retire the 2008 Water Revenue Refunding Bonds. This bond refunding reduced required annual debt payments and eliminated the risk associated with the 2008 variable rate bonds while increased the City's enterprise credit rating.

The City will continue to work hard to provide top quality services to its residents while being fiscally conservative. This approach implements the discipline that staff continually monitors expenses while exploring the use of alternative revenue sources and the Budget Stabilization Fund when necessary, and continued progress to a balanced General Fund by Fiscal Year 2018-19.

Requests for Information – This financial report is designed to provide a general overview of the finances for the City of Pittsburg. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Pittsburg Finance Department, 65 Civic Avenue, Pittsburg, California 94565.



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

BASIC FINANCIAL STATEMENTS



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

**GOVERNMENT-WIDE
FINANCIAL
STATEMENTS**



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

City of Pittsburg
STATEMENT OF NET POSITION
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments (Note 2)	\$ 38,847,021	\$ 41,742,841	\$ 80,589,862
Restricted cash and investments (Note 2)	2,817,501	365,068	3,182,569
Receivables:			
Accounts	7,688,032	4,731,060	12,419,092
Interest	296,267	-	296,267
Loans/notes (Note 3)	40,729,207	-	40,729,207
Internal balances (Note 1H)	(604,336)	604,336	-
Inventory	841,325	303,126	1,144,451
Prepaid items and other assets	43,254	285,399	328,653
Total current assets	<u>90,658,271</u>	<u>48,031,830</u>	<u>138,690,101</u>
Noncurrent assets:			
Capital assets (Note 6):			
Land and nondepreciable assets	51,513,768	26,562,061	78,075,829
Depreciable capital assets, net of accumulated depreciation	202,983,986	118,181,560	321,165,546
Total capital assets, net	<u>254,497,754</u>	<u>144,743,621</u>	<u>399,241,375</u>
Total Assets	<u>345,156,025</u>	<u>192,775,451</u>	<u>537,931,476</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related (Note 11)	12,562,159	2,455,189	15,017,348
Total Deferred Outflows of Resources	<u>12,562,159</u>	<u>2,455,189</u>	<u>15,017,348</u>
LIABILITIES			
Current liabilities:			
Accounts payable	2,337,329	1,732,638	4,069,967
Salaries payable	1,751,549	-	1,751,549
Interest payable (Note 1J)	726,586	686,317	1,412,903
Refundable deposits	1,057,899	1,495,450	2,553,349
Taxes payable	8,147	135,929	144,076
Loans payable	131,813	-	131,813
Due to other agencies	12,281	-	12,281
Unearned revenue (Note 4)	1,536,811	1,437,125	2,973,936
Claims and judgment payable-due within one year (Note 10)	257,254	-	257,254
Compensated absences - due within one year (Note 1M)	1,754,940	428,480	2,183,420
Long-term debt - due within one year (Note 7)	2,199,029	1,951,958	4,150,987
Total current liabilities	<u>11,773,638</u>	<u>7,867,897</u>	<u>19,641,535</u>
Noncurrent liabilities:			
Compensated absences - due in more than one year (Note 1M)	584,313	142,818	727,131
Net pension liability (Note 11)	42,677,165	7,725,290	50,402,455
OPEB liability (Note 12)	20,030,392	7,196,083	27,226,475
Long-term debt - due in more than one year (Note 7)	32,409,718	41,703,258	74,112,976
Total noncurrent liabilities	<u>95,701,588</u>	<u>56,767,449</u>	<u>152,469,037</u>
Total Liabilities	<u>107,475,226</u>	<u>64,635,346</u>	<u>172,110,572</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related (Note 11)	5,316,375	293,466	5,609,841
Total Deferred Inflows of Resources	<u>5,316,375</u>	<u>293,466</u>	<u>5,609,841</u>
NET POSITION (Note 9)			
Net investment in capital assets	<u>253,993,565</u>	<u>101,088,405</u>	<u>355,081,970</u>
Restricted for:			
Capital projects	12,896,095	17,577,521	30,473,616
Debt service	2,813,905	3,496,202	6,310,107
Special purpose projects (Note 9D)	8,570,860	693,260	9,264,120
Facility fee reserve		6,786,548	6,786,548
Total restricted net position	<u>24,280,860</u>	<u>28,553,531</u>	<u>52,834,391</u>
Unrestricted	<u>(33,347,842)</u>	<u>659,892</u>	<u>(32,687,950)</u>
Total Net Position	<u>\$ 244,926,583</u>	<u>\$ 130,301,828</u>	<u>\$ 375,228,411</u>

See accompanying notes to financial statements

City of Pittsburgh
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General government	\$ 4,383,317	\$ 7,802,751	\$ 1,000	\$ 2,702,088	\$ 6,122,522	-	\$ 6,122,522
City Council	83,145	-	-	-	(83,145)	-	(83,145)
City Manager and City Clerk	524,118	15	-	-	(524,103)	-	(524,103)
City Attorney	459,224	-	-	-	(459,224)	-	(459,224)
Human Resources	569,682	15,000	-	-	(554,682)	-	(554,682)
Finance and services	1,933,608	173,354	-	-	(1,760,254)	-	(1,760,254)
Community development and services	23,263,875	5,989,087	15,412,889	23,500	(1,838,399)	-	(1,838,399)
Public safety	25,990,472	1,793,282	2,687,243	973,220	(20,536,727)	-	(20,536,727)
Public works	15,776,982	668,273	53,829	7,117	(15,047,763)	-	(15,047,763)
Interest on long-term debt	4,378,265	-	-	-	(4,378,265)	-	(4,378,265)
Total Governmental Activities	77,362,688	16,441,762	18,154,961	3,705,925	(39,060,040)	-	(39,060,040)
Business-type Activities:							
Water Utility	25,929,659	20,352,786	163,487	5,867,517	-	\$ 454,131	454,131
Sewer Utility	3,176,015	5,241,131	-	-	-	2,065,116	2,065,116
Marina	2,471,440	2,011,270	-	-	-	(460,170)	(460,170)
Pittsburg Power	6,569,528	7,269,448	36,640	158,585	-	895,145	895,145
Water Front Operations	1,512,250	1,458,623	-	-	-	(53,627)	(53,627)
Total Business-type Activities	39,658,892	36,333,258	200,127	6,026,102	-	2,900,595	2,900,595
Total	\$ 117,021,580	\$ 52,775,020	\$ 18,355,088	\$ 9,732,027	(39,060,040)	2,900,595	(36,159,445)
General revenues:							
Taxes:							
Property taxes					3,573,822	-	3,573,822
Sales taxes					13,372,246	-	13,372,246
Franchise taxes					4,706,887	-	4,706,887
Gas taxes					1,319,101	-	1,319,101
Other taxes					8,534,935	-	8,534,935
Motor Vehicle in-lieu (unrestricted)					4,544,316	-	4,544,316
Investment earnings-unrestricted					329,042	325,437	654,479
Gain (loss) on sale of capital assets					(34,554)	96,473	61,919
Transfers (Note 5C)					2,774,890	(2,774,890)	-
Total General Revenues and Transfers					39,120,685	(2,352,980)	36,767,705
Change in Net Position					60,645	547,615	608,260
Net Position-Beginning of Year					244,865,938	129,754,213	374,620,151
Net Position-End of Year					\$ 244,926,583	\$ 130,301,828	\$ 375,228,411

See accompanying notes to financial statements

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources which are not accounted for in another fund. The General Fund includes the Budget Stabilization and Economic Development fund balances and activity.

Housing Authority (Section 8) Special Revenue Fund was established to administer grants from the Housing and Urban Development Department (HUD) to subsidize the rental costs of low-income families and homeless veterans.

Successor Agency Housing Special Revenue Fund was established to account for activities related to the assets assumed by the City as Housing Successor to the Pittsburgh Redevelopment Agency for the housing activities of the former Redevelopment Agency.

City of Pittsburgh
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
ASSETS			
Cash and investments (Note 2)	\$ 17,486,394	\$ 226,555	\$ 1,229,526
Restricted cash and investments (Note 2)	-	-	-
Receivables:			
Accounts	4,575,997	19,264	-
Interest	296,267	-	-
Loans and notes (Note 3)	3,388,399	-	32,738,692
Due from other funds (Note 5A)	80,270	-	-
Inventory	96,933	1,374	-
Prepaid items and other assets	19,128	-	-
Advances to other funds (Note 5B)	125,792	-	-
Total Assets	\$ 26,069,180	\$ 247,193	\$ 33,968,218
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,053,749	\$ 15,294	\$ 16,731
Salaries payable	1,751,993	-	-
Taxes payable	8,147	-	-
Refundable deposits	942,429	6,105	-
Loans payable	-	-	-
Due to other agencies	-	-	-
Due to other funds (Note 5A)	-	-	-
Advances from other funds (Note 5B)	-	-	-
Total Liabilities	3,756,318	21,399	16,731
Deferred Inflows of Resources:			
Unavailable revenue (Note 4B)	2,430,105	134,757	32,738,692
Total Liabilities and Deferred Inflows of Resources	6,186,423	156,156	32,755,423
Fund Balances (Note 9):			
Nonspendable	2,410,696	1,374	-
Restricted	-	89,663	1,212,795
Committed	-	-	-
Assigned	434,778	-	-
Unassigned	17,037,283	-	-
Total Fund Balances	19,882,757	91,037	1,212,795
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 26,069,180	\$ 247,193	\$ 33,968,218

See accompanying notes to basic financial statements

Other Governmental Funds		Total Governmental Funds	
\$	15,090,472	\$	34,032,947
	2,817,501		2,817,501
	2,956,031		7,551,292
	-		296,267
	4,602,116		40,729,207
	-		80,270
	269,143		367,450
	1,726		20,854
	3,342,808		3,468,600
\$	29,079,797	\$	89,364,388

\$	915,124	\$	2,000,898
	-		1,751,993
	-		8,147
	109,365		1,057,899
	131,813		131,813
	12,281		12,281
	80,270		80,270
	3,843,600		3,843,600
	5,092,453		8,886,901

	4,661,808		39,965,362
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	9,754,261		48,852,263
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	270,869		2,682,939
	20,013,972		21,316,430
	2,756,478		2,756,478
	29,349		464,127
	(3,745,132)		13,292,151

	19,325,536		40,512,125
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\$	29,079,797	\$	89,364,388
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City of Pittsburgh
Reconciliation of the
Governmental Funds Balance Sheet
with the Statement of Net Position
June 30, 2017

Total fund balances reported on the Governmental Funds Balance Sheet	\$ 40,512,125
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Amounts reported for Governmental Activities in the Statement of Net Position
are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	252,444,439
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LONG TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not
reported in the Governmental Funds:

Long-term debt	(34,448,051)
Interest payable	(726,586)
Compensated absences	(2,279,099)
OPEB obligation	(20,030,392)
Net pension liability and related deferred inflows/outflows	(35,431,381)

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of
current financial resources and therefore are not reported as assets or liabilities in the
Governmental Funds:

Unavailable revenue	38,428,551
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ALLOCATION OF INTERNAL SERVICE FUND NET POSITION

Internal Service Funds are not Governmental Funds. However, they are used by management to
charge the costs of certain activities, such as insurance and central services and maintenance
to individual Governmental Funds. The net current assets of the Internal Service Funds are therefore
included in Governmental Activities in the following line items on the Statement of Net Position.

Cash and investments	4,814,074
Accounts receivable	136,740
Inventory	473,875
Prepaid/other assets	22,400
Capital assets	2,053,315
Accounts payable	(335,987)
Compensated absences	(60,154)
Advance from other funds	(229,336)
Claims and judgments payable	(257,254)
Capital lease	(160,696)

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 244,926,583</u>
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See accompanying notes to financial statements



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

City of Pittsburgh

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2017

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
REVENUES:			
Property tax	\$ 3,573,822	\$ -	\$ -
Sales tax	13,372,246	-	-
Franchise tax	4,545,452	-	-
Other taxes	1,712,450	-	-
Intergovernmental revenues	7,494,882	14,362,955	-
Permits, licenses, and fees	1,056,906	-	-
Fines and forfeitures	292,235	-	-
Special assessments	-	-	-
Service fees	3,685,279	1,117,272	7,800
Use of money and property	142,904	(4,208)	67,388
Other revenues	2,103,960	74,488	696,013
Total Revenues	37,980,136	15,550,507	771,201
EXPENDITURES:			
Current:			
General government	3,143,562	-	-
City Council	83,145	-	-
City Manager and City Clerk	687,648	-	-
City Attorney	459,513	-	-
Human resources	880,116	-	-
Finance and services	2,850,111	-	-
Community development and services	5,829,914	15,681,924	601,922
Public safety	24,110,402	-	-
Public works - administration	92,639	-	-
Public works - streets	2,243,733	-	-
Public works - parks	131,094	-	-
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	(17,254)	-
Total Expenditures	40,511,877	15,664,670	601,922
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,531,741)	(114,163)	169,279
OTHER FINANCING SOURCES (USES):			
Transfers in (Note 5C)	4,433,226	-	-
Transfers out (Note 5C)	(1,284,990)	(17,591)	(709)
Total Other Financing Sources (uses)	3,148,236	(17,591)	(709)
NET CHANGE IN FUND BALANCES	616,495	(131,754)	168,570
FUND BALANCES:			
Beginning of year	19,266,262	222,791	1,044,225
End of year	\$ 19,882,757	\$ 91,037	\$ 1,212,795

See accompanying notes to basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,573,822
-	13,372,246
161,435	4,706,887
4,598,285	6,310,735
2,240,642	24,098,479
2,475,502	3,532,408
16,134	308,369
3,658,692	3,658,692
5,083,798	9,894,149
122,915	328,999
1,082,906	3,957,367
19,440,309	73,742,153
44,110	3,187,672
-	83,145
22,675	710,323
-	459,513
49,681	929,797
119,043	2,969,154
3,326,070	25,439,830
1,784,151	25,894,553
617,615	710,254
4,775,006	7,018,739
-	131,094
6,600,626	6,600,626
2,082,775	2,082,775
2,281,427	2,264,173
21,703,179	78,481,648
(2,262,870)	(4,739,495)
2,441,642	6,874,868
(3,489,307)	(4,792,597)
(1,047,665)	2,082,271
(3,310,535)	(2,657,224)
22,636,071	43,169,349
\$ 19,325,536	\$ 40,512,125

City of Pittsburgh
Reconciliation of the
Net Change in Fund Balances-Total Governmental Funds
with the Statement of Activities
For the year ended June 30, 2017

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (2,657,224)

Amounts reported for Governmental Activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital additions from the following departments are therefore added back to fund balance:

Capital outlay	6,600,626
Amounts charged to Public Works department	643,760

Depreciation expense is deducted from the fund balance (Depreciation expense is net of Internal Service Fund depreciation \$499,417 which has already been allocated to serviced funds.)	(10,988,971)
--	--------------

Retirements of capital assets are deducted from the fund balance	122,992
--	---------

Land Contributions is added to the fund balance	1,335,756
---	-----------

LONG TERM DEBT AND PAYMENTS

Repayment of debt principal is added back to fund balance	2,082,775
---	-----------

Accreted interest is deducted from fund balance	(2,087,708)
---	-------------

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Interest payable	10,421
Deferred revenue	(100,771)
Compensated absences	151,389
OPEB obligation	1,047,644
Net pension liability, deferred inflows and deferred outflows	3,258,314

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds.

The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	641,642
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 60,645
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See accompanying notes to financial statements

PROPRIETARY FUND FINANCIAL STATEMENTS

The enterprise funds account for activities that are financed and operated in a manner similar to private business enterprises. The City Council has determined that the costs of providing the following services to the public be recovered primarily through user charges.

Water Utility Fund -This fund accounts for the revenues and expenses associated with management, operation, and maintenance of water treatment and distribution system to water customers of the City of Pittsburg. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

Sewer Utility Fund -This fund accounts for the revenues and expenses associated with the maintenance and repair of 126 miles of sewer mains, sewer lift stations and sewer laterals within the City's right-of-way.

Marina Fund -This fund accounts for the revenues received from Marina berth rentals, from sales of gasoline, and expenditures from operation and maintenance.

Pittsburg Power Fund - This fund was created by the Joint Powers Agreement between the City of Pittsburg and the Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

Water Front Operations Fund - This fund was created for the collection of rents and other trust revenues from the tidelands granted by the Contra Costa County Local Agency Formation Commission within Pittsburg's city limits. The City shall submit a plan indicating details of intended development, preservation, or other use of the trust lands. Any use of the trust lands shall be consistent with the plan as approved by the Commission.

City of Pittsburgh
Statement of Net Position
Proprietary Funds
June 30, 2017

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
ASSETS			
Current assets:			
Cash and investments (Note 2)	\$ 20,323,761	\$ 12,185,983	\$ 1,216,108
Restricted cash and investments (Note 2)	365,068	-	-
Receivables:			
Accounts	2,954,438	690,046	71,881
Inventory	153,783	39,823	9,149
Prepaid items and other assets	-	-	-
Total current assets	23,797,050	12,915,852	1,297,138
Noncurrent assets:			
Advance to other funds (Note 5B)	-	229,336	-
Capital assets (Note 6):			
Land and nondepreciable assets	23,964,003	806,433	-
Depreciable assets, net	69,590,806	26,983,206	13,012,037
Total noncurrent assets	93,554,809	28,018,975	13,012,037
Total Assets	117,351,859	40,934,827	14,309,175
DEFERRED OUTFLOWS OF RESOURCES			
Pension related (Note 11)	1,192,520	280,593	210,445
Total Deferred Outflow of Resources	1,192,520	280,593	210,445
LIABILITIES			
Current liabilities:			
Accounts payable	1,236,799	80,867	32,699
Refundable deposits	1,206,400	5,000	82,332
Taxes payable	-	-	3,254
Accrued interest payable	682,299	4,018	-
Unearned revenue (Note 4)	-	-	-
Compensated absences payable - due within one year (Note 1M)	211,616	52,812	61,508
Claims and judgments payable - due within one year (Note 10C)	-	-	-
Long-term debt - due within one year (Note 7)	1,190,958	761,000	-
Total current liabilities	4,528,072	903,697	179,793
Noncurrent liabilities:			
Advance from other funds (Note 5B)	-	-	-
Compensated absences payable - due in more than one year (Note 1M)	70,538	17,597	20,502
Net pension liability (Note 11)	3,752,284	882,890	662,168
OPEB liability (Note 12)	3,972,032	995,587	624,176
Long-term debt - due in more than one year (Note 7)	39,353,258	2,350,000	-
Total noncurrent liabilities	47,148,112	4,246,074	1,306,846
Total Liabilities	51,676,184	5,149,771	1,486,639
DEFERRED INFLOWS OF RESOURCES			
Pension related (Note 11)	142,540	33,539	25,155
Total Deferred Inflows of Resources	142,540	33,539	25,155
NET POSITION (Note 9)			
Net investment in capital assets	53,010,593	24,678,639	13,012,037
Restricted for:			
Capital projects	6,309,307	9,705,979	41,208
Debt service	2,847,601	648,601	-
Special purpose	427,398	217,000	-
Facility fees	6,260,697	525,851	-
Unrestricted	(2,129,941)	256,040	(45,419)
Total Net Position	\$ 66,725,655	\$ 36,032,110	\$ 13,007,826

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
\$ 6,605,941	\$ 1,411,048	\$ 41,742,841	\$ 4,814,074
-	-	365,068	-
1,014,083	612	4,731,060	136,740
100,371	-	303,126	473,875
181,889	103,510	285,399	22,400
7,902,284	1,515,170	47,427,494	5,447,089
375,000	-	604,336	-
1,791,625	-	26,562,061	-
8,400,172	195,339	118,181,560	2,053,315
10,566,797	195,339	145,347,957	2,053,315
18,469,081	1,710,509	192,775,451	7,500,404
631,334	140,297	2,455,189	-
631,334	140,297	2,455,189	-
340,724	41,549	1,732,638	336,431
37,600	164,118	1,495,450	(444)
132,675	-	135,929	-
-	-	686,317	-
919,574	517,551	1,437,125	-
80,931	21,613	428,480	45,116
-	-	-	257,254
-	-	1,951,958	44,357
1,511,504	744,831	7,867,897	682,714
-	-	-	229,336
26,977	7,204	142,818	15,038
1,986,503	441,445	7,725,290	-
1,248,353	355,935	7,196,083	-
-	-	41,703,258	116,339
3,261,833	804,584	56,767,449	360,713
4,773,337	1,549,415	64,635,346	1,043,427
75,463	16,769	293,466	-
75,463	16,769	293,466	-
10,191,797	195,339	101,088,405	1,892,619
1,521,027	-	17,577,521	-
-	-	3,496,202	-
-	48,862	693,260	-
-	-	6,786,548	-
2,538,791	40,421	659,892	4,564,358
\$ 14,251,615	\$ 284,622	\$ 130,301,828	\$ 6,456,977

City of Pittsburgh
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2017

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
OPERATING REVENUES:			
Charges for services	\$ 18,216,233	\$ 5,015,193	\$ 1,253,459
Meter fees	56,429	-	-
Other fees	336,785	-	2,179
Facility reserve fees	854,438	132,601	-
Rent and concessions	-	-	68,499
Gas and oil sales	-	-	585,476
Other operating revenues	1,052,388	93,337	101,657
Total Operating Revenues	20,516,273	5,241,131	2,011,270
OPERATING EXPENSES:			
Salaries and wages	2,690,848	670,075	439,153
Department supplies	5,776,257	50,127	419,436
Rentals	15,995	107	17,473
Utilities	666,391	8,487	153,477
Maintenance and operations	5,844,459	114,251	200,635
Depreciation (Note 6)	1,588,010	864,247	520,329
Insurance premiums	-	-	-
Insurance deductible	96,567	29,309	20,046
Fringe benefits	3,983,557	1,168,122	559,138
Other operating expenses	1,021,598	214,304	141,753
Total Operating Expenses	21,683,682	3,119,029	2,471,440
OPERATING INCOME (LOSS)	(1,167,409)	2,122,102	(460,170)
NONOPERATING REVENUES (EXPENSES):			
Investment earnings	102,568	56,017	5,069
Interest and fiscal charges	(4,245,977)	(56,986)	-
Gain (loss) on disposal of assets	-	-	-
Total Nonoperating Revenues (Expenses)	(4,143,409)	(969)	5,069
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(5,310,818)	2,121,133	(455,101)
CONTRIBUTIONS AND TRANSFERS:			
Capital contributions	5,867,517	-	-
Transfers in (Note 5C)	50,000	-	-
Transfers out (Note 5C)	(1,038,066)	(997,764)	(15,885)
Total Contributions and Transfers	4,879,451	(997,764)	(15,885)
Change in Net Position	(431,367)	1,123,369	(470,986)
NET POSITION:			
Beginning of Year	67,157,022	34,908,741	13,478,812
End of Year	\$ 66,725,655	\$ 36,032,110	\$ 13,007,826

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
\$ 5,993,193	\$ 2,634	\$ 30,480,712	\$ 9,336,973
-	-	56,429	-
795,291	-	1,134,255	-
-	-	987,039	-
226,756	1,433,937	1,729,192	-
-	-	585,476	-
290,848	22,052	1,560,282	399,375
7,306,088	1,458,623	36,533,385	9,736,348
1,269,630	303,728	5,373,434	678,235
1,771,037	602	8,017,459	700,644
21,375	2,203	57,153	43,905
17,883	-	846,238	367,937
915,062	109,062	7,183,469	1,337,719
535,921	1,848	3,510,355	499,417
118,514	-	118,514	1,222,464
42,867	10,222	199,011	422,944
1,283,705	601,790	7,596,312	4,528,687
709,467	482,795	2,569,917	(16,878)
6,685,461	1,512,250	35,471,862	9,785,074
620,627	(53,627)	1,061,523	(48,726)
156,613	5,170	325,437	(36,805)
115,933	-	(4,187,030)	-
96,473	-	96,473	34,554
369,019	5,170	(3,765,120)	(2,251)
989,646	(48,457)	(2,703,597)	(50,977)
158,585	-	6,026,102	-
50,000	-	100,000	754,181
(818,449)	(4,726)	(2,874,890)	(61,562)
(609,864)	(4,726)	3,251,212	692,619
379,782	(53,183)	547,615	641,642
13,871,833	337,805	129,754,213	5,815,335
\$ 14,251,615	\$ 284,622	\$ 130,301,828	\$ 6,456,977

City of Pittsburgh
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 19,428,770	\$ 5,135,970	\$ 1,846,664
Cash payments to suppliers of goods and services	(13,419,837)	(375,572)	(987,488)
Cash payments to or on behalf of employees for services	(4,621,780)	(1,239,500)	(784,291)
Other operating revenues	1,052,388	93,337	101,657
Net cash provided (used) by operating activities	2,439,541	3,614,235	176,542
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interfund receipts	607,998	-	-
Interfund payments	-	173,274	-
Transfers in	50,000	-	-
Transfers out	(1,038,066)	(997,764)	(15,885)
Net cash provided (used) by noncapital financing activities	(380,068)	(824,490)	(15,885)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term debt	(1,107,955)	(753,000)	-
Interest and fiscal charges paid on long-term debt	(3,815,020)	(57,770)	-
Payments made on capital lease	-	-	-
Proceeds from sale of capital assets	-	-	-
Capital contributions received	5,867,517	-	-
Acquisition of capital assets	(11,153,352)	(256,841)	(6,547)
Net cash provided (used) by capital and related financing activities	(10,208,810)	(1,067,611)	(6,547)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	102,568	56,017	5,069
Net cash provided (used) by investing activities	102,568	56,017	5,069
Net increase (decrease) in cash and cash equivalents	(8,046,769)	1,778,151	159,179
CASH AND CASH EQUIVALENTS:			
Beginning of Year	28,735,598	10,407,832	1,056,929
End of Year	\$ 20,688,829	\$ 12,185,983	\$ 1,216,108
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,167,409)	\$ 2,122,102	\$ (460,170)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,588,010	864,247	520,329
Changes in operating assets and liabilities:			
Accounts receivable	(35,115)	(11,824)	(62,949)
Inventory	-	-	-
Prepaid items	-	-	-
Accounts payable	(168,120)	41,013	6,745
Salaries and wages payable	-	-	-
Refundable deposits	169,550	-	(2,618)
Taxes payable	-	-	(38,795)
Unearned revenue	-	-	-
Compensated absences	61,339	21,333	11,399
Due to retirement system	(254,206)	13,412	10,060
Insurance claims payable	-	-	-
Net cash provided (used) by operating activities	\$ 2,439,541	\$ 3,614,235	\$ 176,542

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
\$ 6,747,905	\$ 905,283	\$ 34,064,592	\$ 9,206,777
(3,511,085)	(579,730)	(18,873,712)	(5,220,246)
(2,122,300)	(534,307)	(9,302,178)	(3,964,742)
290,848	22,052	1,560,282	399,375
1,405,368	(186,702)	7,448,984	421,164
-	-	607,998	-
402,610	-	575,884	210,345
50,000	-	100,000	754,181
(818,449)	(4,726)	(2,874,890)	(61,562)
(365,839)	(4,726)	(1,591,008)	902,964
-	-	(1,860,955)	-
115,933	-	(3,756,857)	-
-	-	-	(79,418)
87,762	-	87,762	34,554
158,585	-	6,026,102	-
(737,080)	(5,450)	(12,159,270)	(1,060,326)
(374,800)	(5,450)	(11,663,218)	(1,105,190)
156,613	5,170	325,437	(36,805)
156,613	5,170	325,437	(36,805)
821,342	(191,708)	(5,479,805)	182,133
5,784,599	1,602,756	47,587,714	4,631,941
\$ 6,605,941	\$ 1,411,048	\$ 42,107,909	\$ 4,814,074
\$ 620,627	\$ (53,627)	\$ 1,061,523	\$ (48,726)
535,921	1,848	3,510,355	499,417
(214,261)	(506)	(324,655)	(130,196)
-	-	-	-
(112,872)	132,696	19,824	-
72,086	29,272	(19,004)	7,236
-	-	-	(444)
6,200	(4,118)	169,014	-
6,834	-	(31,961)	-
59,798	(663,478)	(603,680)	-
4,045	8,569	106,685	(12,880)
185,787	6,707	(38,240)	-
-	-	-	106,757
\$ 1,405,368	\$ (186,702)	\$ 7,448,984	\$ 421,164



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

FIDUCIARY FUND FINANCIAL STATEMENTS

The fiduciary funds account for resources received and are held by the City in a fiduciary capacity. Disbursements are made in accordance with the trust agreement or applicable legislative enactment for each fund.

Successor Agency to the Redevelopment Agency Private – Purpose Trust – This fund was established to account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Pittsburg.

Miscellaneous Employee Retirement System (MERS) Pension Trust Fund – This fund was established to account for the activities of the Miscellaneous Employees' Retirement System of 1962.

Agency Funds -These funds were created to account for all of the Assessment District Bonds, Environmental and Other Impact Fees. Special assessments received are used to meet the debt service requirements and to pay for the administrative costs. The environment impact fees are collected and utilized for environmental improvement projects and the other impact fees are collected on behalf of other agencies and remitted to them for their improvement projects. Other agencies include Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

City of Pittsburg
Statement of Fiduciary Net Position
June 30, 2017

	Successor Agency to the Redevelopment Agency Private-Purpose Trust	MERS Pension Trust Fund	Agency Funds
ASSETS			
Cash and investments (Note 2)	\$ 2,024,312	\$ -	\$ 5,862,296
Cash and investments held by fiscal agent (Note 2)	41,688,533	-	2,768,905
Assessment receivable	-	-	2,095,330
Accounts receivable	2,816	-	-
Inventory	16,821	-	-
Loans receivable (Notes 14A)	9,586,876	-	-
Capital assets (Note 14B):			
Land and construction in progress	17,709,886	-	-
Depreciable capital assets, net	1,633,672	-	-
Total Assets	72,662,916	-	\$ 10,726,531
LIABILITIES			
Accounts payable	90,207	-	419,477
Interest payable	4,319,240	-	-
Refundable deposits	5,898	-	-
Deferred assessments	-	-	2,041,799
Due to other parties	-	-	40,285
Due to other governments	794,420	-	-
Due to bond-holders	-	-	8,224,970
Compensated absences payable:			
Due within one year	16,683	-	-
Due within more than one year	5,561	-	-
Long-term obligations (Note 14C):			
Due in one year	24,117,047	-	-
Due in more than one year	287,913,997	-	-
Total Liabilities	317,263,053	-	\$ 10,726,531
NET POSITION			
Held in Trust for Private Purpose	\$ (244,600,137)	\$ -	

See accompanying notes to financial statements

City of Pittsburgh
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2017

	Successor Agency to the Redevelopment Agency Private-Purpose Trust	MERS Pension Trust Fund
ADDITIONS		
Property tax	\$ 10,218,501	\$ -
Use of money and property	1,297,102	-
Employer contributions	-	3,077
Other revenues	960,101	-
Total Additions	12,475,704	3,077
DEDUCTIONS		
General administration	286,148	-
Pass-throughs	115,813	-
Benefit payments	-	3,077
Loss on disposition of capital assets (Note 14B)	31,994	-
Transfer of land to the City (Note 14B)	1,335,756	-
Depreciation expense (Note 14B)	43,541	-
Interest and fiscal charges	14,434,633	-
Total Deductions	16,247,885	3,077
Change in Net Position	(3,772,181)	-
NET POSITION HELD IN TRUST		
Beginning of Year	(240,827,956)	-
End of Year	\$ (244,600,137)	\$ -

See accompanying notes to financial statements



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Pittsburg, California, (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities. The City uses the City Council/Manager form of government. The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government's exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by No. 61. The City is the primary governmental unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The following entities have been accounted for as "blended" component units of the City. Despite being legally separate, these entities are so intertwined with the City that they are, in substance, part of the City's operations. Accordingly, the balances and transactions of these component units are reported within the funds of the City. Balances for these entities are reported as separate funds in the special revenue and enterprise funds. The following specific criteria are used in determining that these other entities are blended component units:

- The members of the City Council also act as the governing bodies of the entities.
- The entities are managed by employees of the City. A portion of the City's salary and overhead expenses are billed to the entities each year.
- The City and the entities are financially interdependent. The City makes loans to the entities for community development purposes and for operational purposes. General revenues of the agencies are used to repay the loans to the City.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

The following is a brief review of the component units included in the accompanying basic financial statements of the City:

Housing Authority

Housing Authority Section 8, in the accompanying financial statements, was established to account for Federal funds for low income housing under both certificate and voucher programs. The Housing Authority also administers the Veterans Affairs Supportive Housing (VASH), which provides rental and other clinical services to homeless veterans. The Housing Authority is reported as a blended component unit because the Board is made up of the City Council members, and the Housing Authority has a financial benefit/burden relationship with the City. The Housing Authority is reported in the special revenue fund of the City. No separate financial report is issued by the Housing Authority.

Pittsburg Infrastructure Financing Authority

The Public Infrastructure Financing Authority (PIFA) was established by a Joint Exercise of Powers Agreement dated December 5, 1994, by and among the City and the former Redevelopment Agency, and is qualified to issue bonds under the Mello-Roos Local Bond Pooling Act of 1985. The PIFA was formed to finance the acquisition of certain public improvements and to refinance prior outstanding special assessment district debt with City commitment. The PIFA is reported as a blended component unit because its governing body consists of City Council members, and the PIFA has a financial benefit/burden relationship with the City. The PIFA is currently inactive; therefore, no separate financial report is issued.

Southwest Pittsburgh GHAD II

The Southwest Pittsburgh GHAD II (GHAD) was established by City Council in order to provide maintenance of slope stability in the open spaces areas of Southwest Pittsburgh. Funding for the GHAD is provided through assessment fees levied on the property taxes of the homes built on the hillside areas. This fund centralizes the accounting for the revenues and expenses associated with GHAD as required by law.

Pittsburg Power Company

The Pittsburg Power Company (the Company) was established by a Joint Exercise of Powers Agreement dated September 23, 2006, by and among the City and the Agency. The Company was formed to establish a municipal utility for natural gas and electric service. The Company is reported in the Pittsburg Power enterprise fund of the City. No separate financial report is issued by the Company.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

Pittsburg Arts and Community Foundation

The Pittsburg Arts and Community Foundation (PACF) was created as an independent non-profit corporation set up to increase, support and encourage art, literacy, education, economic development, affordable housing and other community resources and programs to benefit the City of Pittsburgh and its residents.

Since the City of Pittsburgh and PACF have the same governing board, have a financial benefit/burden relationship and the City can impose its will on PACF, it is required to be reported as a blended component unit of the City. Its financial information can be found as a special revenue fund under non-major Governmental Funds. No separate financial report is issued by PACF.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column.

These financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and deferred outflows and liabilities and deferred inflows, including capital assets, as well as infrastructure assets, and long-term liabilities and deferred inflows, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following inter-fund activities have been eliminated:

- Due to/from other funds
- Advances from/to other funds
- Transfers in/out

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect).

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-Wide financial statements. The City has presented all major funds that met the qualifications for major fund reporting. The following are descriptions of the major funds.

General Fund – This fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources which are not accounted for in another fund. To comply with GASB 54, the Budget Stabilization, Economic Development and California Theatre balances are combined and reported under the General Fund. Details are as follows:

<u>Fund</u>	<u>Balances</u>
General Fund	\$ 12,223,515
Budget Stabilization	7,500,000
Economic Development	159,242
Total	<u>\$ 19,882,757</u>

Housing Authority (Section 8) Special Revenue Fund – This fund was established to administer grants from Housing and Urban Development Department (HUD) to subsidize the rental costs of low-income families and veterans.

Successor Agency Housing Fund - This fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, charges for services, Federal and State grants, sales taxes and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental and business-type activities in the government-wide financial statements as appropriate.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows, liabilities and deferred inflows (whether current or noncurrent) are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

The following are descriptions of the major enterprise funds.

Water Utility Fund – This fund accounts for the revenues and expenses associated with management, operation, and maintenance of water treatment and distribution system to water customers of the City of Pittsburg. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

Sewer Utility Fund – This fund accounts for the revenues and expenses associated with the maintenance and repair of 126 miles of sewer mains, sewer lift stations and sewer laterals within the City's right-of-way.

Marina Fund – This fund accounts for the revenues received from Marina berth rentals, from sales of gasoline, and expenses from operation and maintenance.

Pittsburg Power Fund - This fund was created by the Joint Powers Agreement between the City of Pittsburg and the former Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

Water Front Operations Fund - This fund was created for the collection of rents and other trust revenues from the tidelands granted by the Contra Costa County Local Agency Formation Commission within Pittsburg's city limits. The City shall submit a plan indicating details of intended development, preservation, or other use of the trust lands. Any use of the trust lands shall be consistent with the plan as approved by the Commission.

Internal service fund balances and activities have been combined with governmental activities in the government-wide financial statements, and are comprised of the following funds:

Fleet Maintenance Fund – Used to account for the costs of operating, maintaining, and replacing automotive equipment used by other departments. Rental rates charged to the using departments include operating costs and equipment depreciation.

Building Maintenance Fund – Used to account for the cost of maintaining all City governmental buildings.

Insurance Fund – Used to account for revenues from charges to operating departments sufficient to provide adequate reserve for future claims.

Information/Communication Services Fund – Used to account for the cost of operating, maintaining and replacing a data processing system. Rental rates charged to the using departments include operating cost and equipment depreciation.

Fringe Benefits Fund – Used to allocate fringe costs to various departments.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

Other Post-Employment Benefits (OPEB) Fund – Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses. This fund receives its funding from surplus funds beyond the maximum amount required for the Budget Stabilization reserve (25% of surplus) and from Citywide allocations based on salaries.

The City also reports fiduciary fund types.

Fiduciary Fund Financial Statements – Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Change in Fiduciary Net Position. The City's fiduciary funds represent a private purpose trust fund, a pension trust fund and agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Fiduciary funds are accounted for on the accrual basis of accounting as are the Proprietary funds explained above.

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund (Successor Agency) – This fund was created to account for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

Miscellaneous Employee Retirement System Pension Trust Fund – This fund was established to account for the activities of the Miscellaneous Employees' Retirement System of 1962.

Agency Funds – These funds were created to account for all of the Assessment District Bonds, Environmental and Other Impact Fees. Special assessments received are used to meet the debt service requirements and to pay for the administrative costs. The environmental impact fees are collected and utilized for environmental improvement projects and the other impact fees are collected on behalf of other agencies and remitted to them for their improvement projects. Other agencies include Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

C. Use of Restricted/Unrestricted Net Position

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

D. Spending Policy

The City's policy is to spend restricted fund balances first, before spending unrestricted fund balances, for expenditures incurred for purposes for which both restricted and unrestricted fund balances are available, except for instances wherein an Agency ordinance or resolution specifies the fund balance. The Agency's policy is that committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent, when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, except for instances wherein an Agency ordinance specifies the fund balance.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

E. Cash and Investments

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California, entitled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
- Overall Custodial Credit Risk
- Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

F. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

G. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the county within sixty days after year-end.

Lien Date	January 1
Levy Date	July 1
Due Date	Secured: November 1 and February 1 Unsecured: July 1
Collection Date	Secured: December 10 and April 10 Unsecured: August 31

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the City and Contra Costa County. The Teeter Plan authorizes the Auditor/Controller of Contra Costa County to allocate 100% of the secured property taxes billed, but not yet paid.

H. Interfund Balances/Internal Balances

Advances to and advances from other funds represent inter-fund loans in the fund financial statements. Advances between funds are offset by a fund balance reservation or by deferred revenue in the applicable governmental funds to indicate that they are not expendable available financial resources.

Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as deferred revenue.

All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as "internal balances."

I. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

City policy has set the capitalization thresholds for reporting capital assets as follows:

- General Capital Assets \$5,000
- Infrastructure Capital Assets \$25,000

Depreciation is recorded on a straight-line method over the useful lives of the assets as follows:

- Building and Improvements 30 - 45 years
- Machinery and Equipment 5 - 20 years
- Infrastructure 30 - 75 years

The GASB Statement No. 34 requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with GASB Statement No. 34, the City has included the value of all infrastructure assets in its Government-Wide Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include:

- Street system
- Site amenities such as parking and landscaped areas used by the City in the conduct of its business.
- Water and sewer plants

Each major infrastructure system can be divided into subsystems. For example the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the Government-Wide Financial Statements. The appropriate operating department maintains information regarding the subsystems.

For all infrastructure systems, the City has elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City conducted a valuation of its infrastructure assets as of July 1, 2002. This valuation determined the original cost using one of the following methods:

- 1) Use of historical records where available.
- 2) Standard unit costs appropriate for the construction/acquisition date of the asset.
- 3) Present replacement cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date.

The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date was computed on a straight-line method using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

Interest accrued during capital assets construction, if any, is capitalized for the business-type activities and proprietary funds as part of the asset cost.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

J. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability incurred for governmental fund types and proprietary fund types.

In the fund financial statements, propriety fund types recognize the interest payable when the liability is incurred.

K. Long-Term Debt

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

Fund Financial Statements

The Governmental Fund Financial Statements do not present long-term debt, which are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

L. Unearned Revenue

Government-Wide Financial Statements

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are unearned grants and prepaid charges for services.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

Fund Financial Statements

Unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which funds are not available to meet current financial obligations. Typical transactions for which unavailable revenue is recorded are grants received but not yet earned or available, interest on inter-fund advances receivable and long-term loans receivable.

M. Compensated Absences

City employees have vested interests in varying levels of vacation compensation. If vacation is not used by the employee during the term of employment, compensation is payable to the employee at the time of retirement or termination. Such compensation is calculated at the employee's then prevalent rate at the time of retirement or termination and compensated at 100% of accumulated hours. The City's liability for compensated absences is recorded in various Governmental funds or Proprietary funds as appropriate. The liability for compensated absences is determined annually. Compensated absences for governmental activities are liquidated primarily by the General Fund.

Governmental funds include only amounts expected to be paid after the end of the fiscal year for terminated employees. The long-term liabilities are recorded in the Statement of Net Position.

The change in compensated absences was as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 2,503,522	\$ 464,613	\$ 2,968,135
Additions/(Payments), net	(164,269)	106,685	(57,584)
Ending Balance	\$ 2,339,253	\$ 571,298	\$ 2,910,551
Current Portion	\$ 1,754,940	\$ 428,480	\$ 2,183,420

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has reported deferred outflows of resources in the Statement of Net Position and Proprietary Fund Statements for the pension-related adjustments.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from loans. The City has reported deferred inflows of resources in the Statement of Net Position and Proprietary Fund Statements for pension-related adjustments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

O. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

P. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. New and Closed Funds

During fiscal year ended June 30, 2017, the City created the Fire District CFD Special Revenue Fund. The City also closed the Miscellaneous Employee Retirement System (MERS) Pension Trust Fund and the Energy Efficiency & Conservation Special Revenue Fund. In addition, the name of the Measure C Tax Special Revenue Fund changed to Measure J Tax Special Revenue Fund.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

R. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes.

GASB Statement No. 74 – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

GASB Statement No. 77 – *Tax Abatement Disclosures*. This Statement establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government's tax revenues. See Note 13 for further information.

GASB Statement No. 78 – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

GASB Statement No. 80 – *Blending Requirements for Certain Component Units* an amendment of GASB Statement No. 14. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

GASB Statement No. 82 – *Pension Issues* – an amendment of GASB Statements No. 67, No. 68, and No. 73. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

NOTE 2 - CASH AND INVESTMENTS

The City pools cash from all sources and all funds except Cash and Investments held by Trustees so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form. Individual investments are generally made by their City's fiscal agent as required under its debt issues, or through the City's Investment Advisor, Public Financial Management (PFM).

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements.

	Government-Wide Statement of Net Position			Separate	Total
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds	
Cash and investments	\$ 38,847,021	\$ 41,742,841	\$ 80,589,862	\$ 7,886,608	\$ 88,476,470
Restricted cash and investments	2,817,501	365,068	3,182,569	44,457,438	47,640,007
Total cash and investments	\$ 41,664,522	\$ 42,107,909	\$ 83,772,431	\$ 52,344,046	\$ 136,116,477

C. Investments Authorized by the California Government Code and the City's Investment Policy

The City's Investment Policy and the California Government Code allow the City to invest in the following investments, provided the credit ratings of the issuers are acceptable to the City, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum per Issuer
U.S. Treasury Obligations	5 years	none	none	none
Federal Agency Obligations	5 years	none	none	25%
Bankers' Acceptances	180 days	A1/P1	40%	5%
State and Local Obligations	5 years	"A"	30%	5%
Commercial Paper	270 days	A1/P1/F1	25%	5%
Negotiable Certificates of Deposit	5 years	Aa/AA	30%	5%
Certificates of Deposits	1 year	"A"	30%	5%
Repurchase Agreements	90 days	"A"	15%	5%
Medium-Term Notes	5 years	"A"	30%	5%
Asset-Backed Securities	5 years	"AA"	20%	5%
Supranational Securities	5 years	2 highest ratings	30%	none
Money Market Funds	n/a	3 highest ratings	20%	10%
Local Agency Investment Fund (LAIF)	n/a	none	\$50 million	none
California Asset Management Program (CAMP)	n/a	n/a	none	none

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Pools*, investments were stated at fair value using the aggregate method.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

The City's investments with Local Agency Investment Fund (LAIF), a State of California external investment pool, at June 30, 2017, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

Structured Notes – debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or state maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities – generally mortgage-backed securities which entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

As of June 30, 2017, the City had \$33,764,195 invested in LAIF, which had invested 42.96% of the pool investment funds in Government Securities. The LAIF fair value factor of .998940671 was used to calculate the fair value of the investments in LAIF. The fair value of the City's position in the pool is materially equivalent to the value of the pool share. At June 30, 2017, these investments matured in an average of 194 days.

D. Investments Authorized by Debt Agreements

The City and Successor Agency to the Redevelopment Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the agencies fail to meet their obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
U.S. Treasury Obligations	n/a	none
U.S. Agencies	n/a	AAA
Bankers' Acceptances	360 days	A-1/A-1+/P1
Commercial Paper	270 days	A1/P1/F1
Money Market Fund	n/a	3 highest ratings
State of California Obligations	n/a	A
Municipal Obligations	n/a	AAA
Pre-refunded Municipal Obligations	n/a	AAA
Medium Term Notes	5 years	A
Certificates of Deposit	1 year	none
Guaranteed Investment Agreements	n/a	none
Repurchase Agreements	90 days	A
Local Agency Investment Fund (LAIF)	n/a	none
California Asset Management Program (CAMP)	n/a	none

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

E. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2017:

	Level 1	Level 2	Total
Investments by Fair Value Level:			
U.S. Treasury	\$ 10,927,634	\$ -	\$ 10,927,634
Federal Agency Obligations	-	4,956,767	4,956,767
Commercial Paper	-	4,186,733	4,186,733
Corporate Notes	-	14,141,731	14,141,731
Certificates of Deposit	-	8,449,036	8,449,036
Asset-Backed Securities	-	3,482,607	3,482,607
Supranational Securities	-	1,686,411	1,686,411
Held by Trustee:			
Federal Agency Obligations	-	878,517	878,517
Subtotal	<u>\$ 10,927,634</u>	<u>\$ 37,781,802</u>	<u>48,709,436</u>
Investments Measured at Net Asset Value Per Share:			
Held by Trustee:			
California Asset Management Program Pool			136,148
Investments Measured at Cost:			
Money Market Funds			18,793
Held with Trustee:			
Money Market Funds			46,286,169
Investments Exempt from Fair Value Hierarchy:			
Local Agency Investment Fund			33,764,195
Cash in banks and on hand			6,862,566
Cash available at I-Bank			339,170
Total Cash and Investments			<u>\$ 136,116,477</u>

U.S. Treasury Notes classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets. Federal Agency Obligations, Commercial Paper, Medium Term Corporate Notes, and the Asset-Backed Security classified in Level 2 of the fair value hierarchy, are valued using pricing techniques of matrix pricing or market corroborated pricing, with inputs such as yield curves or indices.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

These prices are obtained from various pricing sources by the City's custodian bank. The Certificates of Deposit are valued using techniques of matrix pricing and multi-dimensional relational model and/or option adjusted spread provided by the City's custodian bank. The Supranational Securities, classified in Level 2 of the fair value hierarchy, is valued based on information gathered from market sources and integrate relative credit information, observed movements, and sector news into the evaluated pricings applications and models provided by the City's custodian bank.

The California Local Agency Investment Fund classified in Level 2 of the fair value hierarchy, is valued based on the fair value factor provided by the Treasurer of the State of California, which is calculated as the fair value divided by the amortized cost of the investment pool. Fair value is defined as the quoted market value on the last trading day of the period.

F. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity.

Investment Type	Investment Maturities (in years)		
	Less than 1 year	1 - 5 years	Total
U.S. Treasury & Federal Obligations	\$ 878,517	\$ 15,884,401	\$ 16,762,918
Commercial Paper	4,186,733	-	4,186,733
Corporate Notes	921,427	13,220,304	14,141,731
Certificates of Deposit	3,713,381	4,735,655	8,449,036
Asset-Backed Securities	-	3,482,607	3,482,607
Supranational Securities	-	1,686,411	1,686,411
CAMP	136,148	-	136,148
Local Agency Investment Fund	33,764,195	-	33,764,195
Money Market Funds	46,304,962	-	46,304,962
Total Investments	<u>\$ 89,905,363</u>	<u>\$ 39,009,378</u>	<u>128,914,741</u>
Cash in banks and on hand			6,862,566
Cash available at I-Bank			339,170
Total Cash and Investments			<u>\$ 136,116,477</u>

Money Market Funds are available for withdrawal on demand and at June 30, 2017 matured in an average of 37 days.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 2 - CASH AND INVESTMENTS (Continued)

G. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2017 for each investment type as provided by Standard and Poor's investment rating system.

	Fair Value	AAA	AAAm	AA+	AA	AA- / A-1+	A+ / A / A-1	A- / A-2	Not Rated
U.S. Treasury & Federal Obligations	\$ 16,762,918	\$ -	\$ -	\$ 16,762,918	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Paper	4,186,733	-	-	-	-	-	4,186,733	-	-
Corporate Notes	14,141,731	-	-	1,574,625	294,304	2,492,253	6,626,826	3,153,723	-
Certificates of Deposit	8,449,036	-	-	-	-	3,540,646	4,908,390	-	-
Asset-Backed Securities	3,482,607	2,417,987	-	-	-	-	-	-	1,064,620
Supranational Securities	1,686,411	1,686,411	-	-	-	-	-	-	-
CAMP	136,148	-	136,148	-	-	-	-	-	-
Local Agency Investment Fund	33,764,195	-	-	-	-	-	-	-	33,764,195
Money Market Funds	46,304,962	-	22,969,473	-	-	-	-	-	23,335,489
Total Investments	128,914,741	\$ 4,104,398	\$ 23,105,621	\$ 18,337,543	\$ 294,304	\$ 6,032,899	\$ 15,721,949	\$ 3,153,723	\$ 58,164,304
Cash in banks and on hand	6,862,566								
Cash available with I-Bank	339,170								
Total Cash and Investments	\$ 136,116,477								

H. Concentration of Credit Risk

As of June 30, 2017 the City did not have any significant investments in the securities of any individual issuers, other than U. S. Treasury securities, mutual funds and external investment pools exceed 5% of the City's total investments.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 3 - LOANS AND NOTES RECEIVABLES

As of June 30, 2017, loans and notes receivable consisted of the following:

Description	Balance
<i>Governmental Funds:</i>	
HUD Community Development Block Grant	\$ 263,844
CalHome Program Loans	484,626
Rehabilitation and Construction Loans	1,275,177
9th Street Associates (Santa Fe Commons Housing Development)	1,800,250
Century Plaza Corporation	1,060,304
Residential Loans on Vidrio	2,168,843
Other Assistance Loan	159,252
Fairfield Belmont, L.P. Loan	4,486,648
Steadfast Marina Heights L.P.	1,400,000
Mariner Walk Loan	180,000
Vista Del Mar Loans	250,000
Mercy Housing California Loan	4,565,818
Domus Development LLC	7,742,562
Low Income Families Loans	917,440
Presidio Village Senior Housing	706,912
Palm Plaza Group, LLC	145,600
Palm Plaza Development	188,000
Resources for Community Development Loan	6,904,382
Domus Development LLC Loan (Sienna Court)	5,251,330
PACF Loans	778,219
Total Governmental Funds - Loans and Notes Receivable	<u>\$ 40,729,207</u>

A. HUD Community Development Block Grant (CDBG) Loans

The HUD CDBG Special Revenue fund had a loans receivable balance of \$263,844 as of June 30, 2017, which consisted of \$116,813 in CDBG entitlement loans and \$147,031 in First Time Homebuyer loans.

B. CalHome Program Loans

CalHome Program funds of \$600,000 were awarded by the State of California and are used to provide first-time home buyer mortgage assistance as well as housing rehabilitation assistance for low income homeowners. Loans are payable upon sale or transfer of property, when the property ceases to be owner-occupied, or upon the CalHome loan maturity date. The outstanding balance as of June 30, 2017 was \$484,626.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)

C. Rehabilitation and Construction Loans

Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. These residential loans are available from \$5,000 to \$25,000 per property at a loan term of 3% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types was \$1,275,177 as of June 30, 2017.

D. Community Capital Improvement and Neighborhood Stabilization Program Loan

This is a rehabilitation and construction loan to eliminate blight to a property owner to assist improvements and rehabilitation of properties that were vacant or underutilized.

During fiscal year 2011-2012, the City provided a property development loan of \$1,614,713 to 9th Street Associates LP to develop the units at Santa Fe Commons. The loan terms include 3% simple interest and is due in 55 years. The repayment will be made from residual receipts. The outstanding balance as of June 30, 2017 was \$1,800,250.

E. Other Loans

During fiscal year 2013-14, the City of Pittsburgh approved a loan to Century Plaza Corporation for anchor tenant retention and remodeling of the Century Plaza. The total approved loan amount was \$1,300,000 and will be disbursed in five years. Loan bears 2% annual interest and is due and payable on July 1, 2023. Century Plaza Corporation will receive a loan repayment credit effective July 1, 2019 if it is in compliance with the terms stipulated by the loan agreement. The accrued interest will be forgiven along with the loan credit. The outstanding amount as of June 30, 2017 was \$1,060,304.

During fiscal year 2010-2011, the City of Pittsburgh financed several residential loans to the homebuyers of Vidrio Condominium. The outstanding amount as of June 30, 2017 was \$2,168,843.

During fiscal year 2014-15, the City of Pittsburgh approved a loan of up to \$150,000 for the properties at 444 and 446 Railroad Avenue. The loan bears interest of 3% per annum. Payment is deferred until September 1, 2018 at which point monthly payments of principal and interest will be due for a term of 3 years. The outstanding amount as of June 30, 2017 was \$159,252.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)

F. Housing Successor Agency Loans

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$4,880,000 to the Fairfield Belmont, L.P. for the purchase and renovation of 224 affordable residential units located within the Redevelopment Project Area. The loan bears the lesser interest of 1% per year or the amount of the former Redevelopment Agency Receipts and provides for the Agency to receive 20% of the project's residual receipts annually. With the dissolution of the Redevelopment Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$4,486,648.

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$1,400,000 to the Steadfast Marina Heights L.P. for the purchase and renovation of 200 affordable residential units located within the Redevelopment Project Area. The loan bears interest of 7% per year or the amount of Agency Receipts and provides for the Agency to receive 30% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$1,400,000.

During fiscal year 2005-2006, a Development and Disposition Agreement was entered into with Olson Urban Housing LLC (Developer) of up to \$1,000,000 and with Lyon Vista Del Mar 533, LLC (Developer) of up to \$800,000, to provide mortgage assistance for qualified moderate income households purchasing the affordable units. With the dissolution of the Agency effective February 1, 2012, the loans were assumed by the Housing Successor. The balance outstanding as of June 30, 2017 was \$180,000 and \$250,000, respectively, for the property owners.

During fiscal year 2005-2006, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$1,052,854 to Mercy Housing California for the development of a 64-unit dwelling and child care center located within the Redevelopment Project Area. During the fiscal year 2007-2008, an amendment was filed to increase the loan for a total of \$4,952,854. The loan bears interest of 1% per year and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$4,565,818.

During fiscal year 2005-2006, the former Redevelopment Agency entered into a Development and Disposition Agreement with Domus Development LLC (Developer) of up to \$8,000,000 for the development of a 28-unit residential rental dwelling and an 8,000 square foot ground floor commercial space at the northeast corner of Railroad Avenue and 10th Street. Funding was provided by the Housing-Set Aside funds in the amount of \$6,000,000 and \$2,000,000 by future tax increments. During the fiscal year 2007-2008, an amendment was filed to increase the loan up to an additional \$800,000 and \$4,845,755 of the loan was disbursed to the Developer. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$7,742,562.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)

During fiscal year 2006-2007 and 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds to low income families to purchase homes. The loans bear no interest and are deferred until the property changes title or are refinanced for cash. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$917,440.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$566,150 to Pacific Community Services for prior construction of 104 units called the Presidio Village Senior Housing. The loan bears interest of 3% per year and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance and accrued interest as of June 30, 2017 was \$706,912.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund provided \$728,000 and \$940,000 to Palm Plaza Group, LLC and Palm Plaza Development, respectively, for the purchase and renovation of residential units located within the Redevelopment Project Area. With the dissolution of the Agency effective February 1, 2012, these loans were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$145,600 for Palm Plaza Group, LLC and \$188,000 for Palm Plaza Development, respectively, totaling \$333,600.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$6,105,848 to Resources for Community Development for the development of 71 rental dwellings and a community center. During the fiscal year 2008-2009, an amendment was filed to increase the loan up to an additional \$350,000 and \$5,710,730 of the loan was disbursed to the Developer. The loan bears interest of 1% per annum and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$6,904,382.

During fiscal year 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$250,000 to Domus Development LLC for the feasibility study of a senior affordable housing development (Sienna Court). The loan bears interest of 3% per annum. The Domus Development LLC loan was amended in fiscal year 2010-2011 to increase the loan by an additional \$850,000, and then further amended in fiscal year 2010-2011 bringing total loan funding to \$4,323,645. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor. The outstanding balance as of June 30, 2017 was \$5,251,330.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)

G. Pittsburgh Arts and Community Foundation (PACF) Loans

During fiscal year 2010-2011, the PACF assumed a construction loan and lease due from a Pittsburgh resident. The loan will be repaid through lease payments on 159 4th Street, with a balloon payment due on December 1, 2023. During fiscal year 2011-2012, PACF assumed an NSP Home Buyer assistance program loan that was issued to a Pittsburgh resident. Loan payments are deferred for 10 years, expiring on March 24, 2020, and will be forgiven if certain terms are met. The outstanding amounts of these loans as of June 30, 2017 were \$753,797 and \$24,422, respectively, totaling \$778,219.

NOTE 4 - UNEARNED AND UNAVAILABLE REVENUE

A. Government-Wide Financial Statements

Unearned revenues in Government-Wide Financial Statements represent amounts for which revenues have not been earned. At June 30, 2017, unearned revenues in the Government-Wide Financial Statements consisted of unearned developer, donation, and grant revenues of \$1,536,811 in Governmental Activities and \$1,437,125 in Business-Type Activities.

B. Fund Financial Statements

At June 30, 2017, the following amounts were recorded in the Fund Financial Statements because either the revenues had not been earned or the funds were not available to finance expenditures of the current period:

Governmental Funds					
	General Fund	Housing Authority (Sec. 8)	Successor Agency Housing	Non-Major Governmental Funds	Total Governmental Funds
Unearned developer/donation revenue	\$ 3,954	\$ -	\$ -	\$ -	\$ 3,954
Unearned service revenue	1,206,595	134,757	-	191,505	1,532,857
Sub-total	1,210,549	134,757	-	191,505	1,536,811
Loans receivable	1,219,556	-	32,738,692	4,470,303	38,428,551
Total	<u>\$ 2,430,105</u>	<u>\$ 134,757</u>	<u>\$ 32,738,692</u>	<u>\$ 4,661,808</u>	<u>\$ 39,965,362</u>

Business-Type			
	Pittsburg Power	Water Front Operations	Total
Unearned developer/donation revenue	\$ 538,103	\$ -	\$ 538,103
Unearned service revenue	381,471	517,551	899,022
	<u>\$ 919,574</u>	<u>\$ 517,551</u>	<u>\$ 1,437,125</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 5 - INTERFUND TRANSACTIONS

A. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. Current inter-fund balances are as follows:

DUE FROM FUND:	DUE TO FUND:	AMOUNT
Non-Major Governmental Funds:		
<i>Special Revenue Funds:</i>		
Measure J Tax	General Fund	\$ 6,400
Local Law Enforcement Block Grant	General Fund	25,628
Storm Water Utility (NPDES)	General Fund	40,134
Fire District CFD	General Fund	8,108
	Due to General Fund	<u>\$ 80,270</u>

B. Interfund Advances

At June 30, 2017, the following funds had advances that were not expected to be repaid within the next year:

FROM FUND:	TO FUND:	AMOUNT
GOVERNMENTAL FUNDS		
General Fund	Park Maintenance CFD 2007-1 Special Revenue Fund	\$ 125,792
Regional Traffic Mitigation		
Capital Projects Fund	Railroad Avenue Specific Area Plan Special Revenue Fund	3,342,808
ENTERPRISE FUNDS		
Pittsburg Power	Golf Course Special Revenue Fund	375,000
Sewer Utility	Building Maintenance Internal Service Fund	229,336
	TOTAL ADVANCES	<u>\$ 4,072,936</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 5 - INTERFUND TRANSACTIONS (Continued)

During fiscal year 2006-2007, the General Fund advanced \$150,000 to the Park Maintenance CFD 2007-1 Special Revenue Fund to help to eliminate the deficit fund balance. Interest is accrued annually at the LAIF rate. The balance as of June 30, 2017 was \$125,792.

During fiscal year 2014-2015, the Regional Traffic Mitigation Capital Projects Fund advanced \$3,300,000 to the Railroad Avenue Specific Area Plan Special Revenue Fund to help fund the construction of the eBART Pittsburgh Center Station Project. The advance is to be repaid to the Regional Traffic Mitigation Fund by June 30, 2044 and bears simple interest at the average State Local Agency Investment Fund (LAIF) interest rate. The repayment began in fiscal year 2015 with annual payments in amount up to the accrued interest due, and the current balance as of June 30, 2017 was \$3,342,808.

During fiscal year 2002-2003, the Pittsburgh Power Enterprise Fund advanced \$375,000 to the Golf Course Special Revenue Fund for the replacement and improvements of golf carts. The advance is to be repaid within ten years provided the money is available in the Golf Fund. The current balance as of June 30, 2017 was \$375,000.

During fiscal year 2016-2017, the Sewer Utility Enterprise Fund advanced \$252,960 to the Building Maintenance Internal Service Fund to assist in financing the City Hall HVAC Chiller Replacement project. The advance is to be repaid within ten years and bears interest at 1.5% per year. The current balance as of June 30, 2017 was \$229,336.

During fiscal year 2011-2012, the Water Utility Enterprise Fund advanced \$3,800,000 to various funds as detailed in the table above, to apply towards the unfunded pension liability with Contra Costa County Employees' Retirement Association (CCCERA). The advance was to be repaid to the Water Utility fund by February 21, 2017 and bore interest at .3% per year. The repayments began in fiscal year 2012 - 2013 with interest only payments. This advance was completely paid off as of June 30, 2017.

During fiscal year 2014-2015, the Sewer Utility and Pittsburgh Power Enterprise Funds each advanced \$400,000, for a total of \$800,000, to the Park Dedication Capital Improvement Fund to help fund the Old Town Park Project. The advances were to be repaid no later than June 30, 2025 and bore simple interest at the average annual State Local Agency Investment Fund (LAIF) interest rate. The advances were paid off as of June 30, 2017.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 5 - INTERFUND TRANSACTIONS (Continued)

C. Interfund Transfers

At June 30, 2017, the City had the following inter-fund transfers:

- A. Transfers to the General Fund were to fund General Fund operations and administrative services for which the other funds received services.
- B. Transfers to cover Citywide Lighting & Landscaping, Park Maintenance and Golf Course operating expenses.
- C. Transfers for road maintenance/repairs/improvements and water/sewer infrastructure repairs, and accounts for program income in CDBG.
- D. Transfers for Golf Course maintenance and repairs.
- E. Transfers to the Water Utility Enterprise Fund to subsidize senior discount.
- F. Transfers to cover Future Build program.
- G. Transfers to fund unfunded OPEB liabilities and interfund loan for Chiller Replacement.

FROM FUND:	TO FUND:	AMOUNT
Non-Major Governmental Funds		\$ 1,998,173
Water Utility Enterprise		915,455
Sewer Utility Enterprise		703,193
Pittsburg Power Enterprise		776,500
Internal Service Funds		39,905
	General Fund	4,433,226 A
General Fund		963,808 B
Water Utility Enterprise		21,500 C
Sewer Utility Enterprise		21,000 C
Pittsburg Power Enterprise		8,998 D
Non-Major Governmental Funds		1,426,336 C
	Non-Major Governmental Funds	2,441,642
	<i>Sub-total: Total Governmental Funds</i>	6,874,868
General Fund	Water Utility Enterprise	50,000 E
General Fund	Pittsburg Power Enterprise	50,000 F
General Fund	Internal Service Funds	221,182 G
Housing Authority (Section 8) Special	Internal Service Funds	17,591 G
Successor Agency Housing Special Revenue	Internal Service Funds	709 G
Non-Major Governmental Funds	Internal Service Funds	64,798 G
Water Utility Enterprise	Internal Service Funds	101,111 G
Sewer Utility Enterprise	Internal Service Funds	273,571 G
Marina Enterprise	Internal Service Funds	15,885 G
Pittsburg Power Enterprise	Internal Service Funds	32,951 G
Water Front Operations Enterprise	Internal Service Funds	4,726 G
Internal Service Fund	Internal Service Funds	21,657 G
	<i>Sub-total: Total Proprietary Funds</i>	854,181
	TOTAL TRANSFERS	\$ 7,729,049

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 6 - CAPITAL ASSETS

A. Government-Wide Financial Statements

At June 30, 2017, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 33,763,463	\$ 1,646,186	\$ 35,409,649
Construction in progress	17,750,305	24,915,875	42,666,180
Total non-depreciable assets	51,513,768	26,562,061	78,075,829
Depreciable assets:			
Buildings and improvements	90,463,284	23,918,284	114,381,568
Machinery and equipment	15,821,582	10,144,708	25,966,290
Infrastructure	294,525,900	144,893,442	439,419,342
Total depreciable assets	400,810,766	178,956,434	579,767,200
Less accumulated depreciation:			
Buildings and improvements	(39,391,775)	(9,393,096)	(48,784,871)
Machinery and equipment	(12,619,177)	(3,832,474)	(16,451,651)
Infrastructure	(145,815,828)	(47,549,304)	(193,365,132)
Total accumulated depreciation	(197,826,780)	(60,774,874)	(258,601,654)
Total net depreciable assets	202,983,986	118,181,560	321,165,546
Total capital assets	\$ 254,497,754	\$ 144,743,621	\$ 399,241,375

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 6 - CAPITAL ASSETS (Continued)

The following is a summary of capital assets for governmental activities:

	Balance at July 1, 2016	Additions	Deletions	Reclassifications	Balance at June 30, 2017
Non-depreciable assets:					
Land	\$ 32,338,944	\$ 1,424,519	\$ -	\$ -	\$ 33,763,463
Construction in progress	11,361,946	6,682,576	-	(294,217)	17,750,305
Total	43,700,890	8,107,095	-	(294,217)	51,513,768
Depreciable assets:					
Buildings and improvements	90,165,660	250,508	(157,500)	204,616	90,463,284
Machinery and equipment	14,781,687	1,472,357	(432,462)		15,821,582
Infrastructure	294,436,299	-	-	89,601	294,525,900
Total	399,383,646	1,722,865	(589,962)	294,217	400,810,766
Less accumulated depreciation:					
Buildings and improvements	(35,629,343)	(3,853,432)	91,000	-	(39,391,775)
Machinery and equipment	(12,143,776)	(907,863)	432,462	-	(12,619,177)
Infrastructure	(139,088,735)	(6,727,093)	-	-	(145,815,828)
Total	(186,861,854)	(11,488,388)	523,462	-	(197,826,780)
Total depreciable assets, net	212,521,792	(9,765,523)	(66,500)	294,217	202,983,986
Total capital assets, net	\$ 256,222,682	\$ (1,658,428)	\$ (66,500)	\$ -	\$ 254,497,754

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 6 - CAPITAL ASSETS (Continued)

Governmental activities depreciation expense for capital assets for the year ended June 30, 2017 is as follows:

General government	\$ 1,350,345
City Manager and City Clerk	49,742
City Attorney	62
Human Resources	5,294
Finance and services	103,589
Community development and services	144,219
Public Safety	489,238
Public Works	9,345,899
Total depreciation expense	<u>\$ 11,488,388</u>

The following is a summary of capital assets for business-type activities:

	Balance at July 1, 2016	Additions	Deletions	Reclassifications	Balance at June 30, 2017
Non-depreciable assets:					
Land	\$ 1,646,186	\$ -	\$ -	\$ -	\$ 1,646,186
Construction in progress	14,833,767	11,254,140	-	(1,172,032)	24,915,875
Total	<u>16,479,953</u>	<u>11,254,140</u>	<u>-</u>	<u>(1,172,032)</u>	<u>26,562,061</u>
Depreciable assets:					
Buildings and improvements	23,643,301	89,984	-	184,999	23,918,284
Machinery and equipment	9,977,427	184,178	(16,897)		10,144,708
Infrastructure	143,354,675	648,390	(96,656)	987,033	144,893,442
Total	<u>176,975,403</u>	<u>922,552</u>	<u>(113,553)</u>	<u>1,172,032</u>	<u>178,956,434</u>
Less accumulated depreciation:					
Buildings and improvements	(8,893,994)	(499,102)	-	-	(9,393,096)
Machinery and equipment	(3,302,120)	(547,251)	16,897	-	(3,832,474)
Infrastructure	(45,173,247)	(2,464,002)	87,945	-	(47,549,304)
Total	<u>(57,369,361)</u>	<u>(3,510,355)</u>	<u>104,842</u>	<u>-</u>	<u>(60,774,874)</u>
Total depreciable assets, net	<u>119,606,042</u>	<u>(2,587,803)</u>	<u>(8,711)</u>	<u>1,172,032</u>	<u>118,181,560</u>
Total capital assets, net	<u>\$ 136,085,995</u>	<u>\$ 8,666,337</u>	<u>\$ (8,711)</u>	<u>\$ -</u>	<u>\$ 144,743,621</u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 6 - CAPITAL ASSETS (Continued)

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2017 are as follows:

Water Utility	\$	1,588,010
Sewer Utility		864,247
Marina		520,329
Pittsburg Power		535,921
Water Front Operations		1,848
Total	\$	<u>3,510,355</u>

B. Fund Financial Statements

The Governmental Fund Financial Statements do not present General Government Capital Assets. Consequently, capital assets are shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

The capital assets of the enterprise funds in the Proprietary Fund Financial Statements are the same as those shown in the business-type activities of the Government-Wide Financial Statements. Internal Service Funds capital assets are combined with governmental activities.

NOTE 7 - LONG TERM DEBT

Governmental Activities

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2017:

Description	Original Issue Amount	Beginning Balance July 1, 2016	Additions	Retirements	Ending Balance June 30, 2017	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities:							
2006 Pension Obligation Bonds	\$ 39,566,056	\$ 34,036,850	\$ 2,087,708	\$ 2,020,000	\$ 34,104,558	\$ 2,090,000	\$ 32,014,558
CEC Energy Conservation Loan	571,097	406,268	-	62,775	343,493	64,672	278,821
Capital Lease - VOIP	176,450	36,257	-	36,257	-	-	-
Capital Lease - Street Sweeper	225,000	203,857	-	43,161	160,696	44,357	116,339
Total Governmental Activities		<u>\$ 34,683,232</u>	<u>\$ 2,087,708</u>	<u>\$ 2,162,193</u>	<u>\$ 34,608,747</u>	<u>\$ 2,199,029</u>	<u>\$ 32,409,718</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 7 - LONG TERM DEBT (Continued)

Series 2006 Pension Obligation Bonds

On June 15, 2006, the City issued \$39,566,056 of Series 2006 Taxable Pension Obligations Bonds bearing interest at 5.784-6.115% to prepay the City's unfunded accrued actuarial liability of the Miscellaneous and Safety plans through the California Public Employees' Retirement System. The City also prepaid the unfunded liability owed to Contra Costa County Employees Retirement Association (CCCERA) which amounted to \$12,700,000 as of June 30, 2006. The Bonds are issued as current interest bonds and capital interest bonds where the current interest is payable annually on July 1, and the capital appreciation bonds will accrete interest from the date of issuance and will be payable only upon maturity or redemption. The bonds are payable from any form of taxation. Annual principal and interest payments on the bonds are expected to require approximately 5% of city-wide revenues. The total principal and interest remaining to be paid on the bonds is \$74,144,982. For the current year, principal and interest paid were \$3,481,241 and city-wide revenues were \$75,043,393.

The Bonds unaccreted discount and the current year accretion totaled \$20,090,442 and \$2,087,708, respectively at June 30, 2017. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 5.85% and 6.12%. Repayment of the accreted principal commenced July 1, 2015. Final repayment will be July 1, 2036.

The annual debt service requirements to mature the Series 2006 Pension Obligation Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal (1)	Interest	Total
2018	\$ 2,090,000	\$ 1,440,995	\$ 3,530,995
2019	2,160,000	1,418,272	3,578,272
2020	2,240,000	1,392,911	3,632,911
2021	2,320,000	1,364,763	3,684,763
2022	2,405,000	1,333,684	3,738,684
2023-2027	13,465,000	6,090,259	19,555,259
2028-2032	14,705,000	5,077,013	19,782,013
2033-2037	14,810,000	1,832,085	16,642,085
Total	\$ 54,195,000	\$ 19,949,982	\$ 74,144,982

(1) Includes unaccreted discount in the total amount of \$20,090,442

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 7 - LONG TERM DEBT (Continued)

CEC Energy Conservation Loan

On May 31, 2012, the City obtained a State of California Energy Resources Conservation and Development Commission loan from the California Energy Commission (CEC), in the amount of \$571,097, bearing an interest rate of 3.00% to convert all decorative lamp fixtures from High Pressure Sodium (HPS) to Light Emitted Diode (LED), including the installation of 621 LED lamps on 610 poles. The loan is repayable from general funds from savings in energy costs, and interest and principal payments are payable semiannually on June 22 and December 22, commencing December 22, 2013.

As of June 30, 2017, the outstanding principal balance on the loan was \$343,493.

The annual debt service requirements to mature the loan outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 64,672	\$ 9,825	\$ 74,497
2019	66,627	7,870	74,497
2020	68,626	5,871	74,497
2021	70,715	3,782	74,497
2022	72,853	1,645	74,498
Total	<u>\$ 343,493</u>	<u>\$ 28,993</u>	<u>\$ 372,486</u>

Capital Lease for Governmental Activities

On November 2, 2012, the City entered into a four-year tax-exempt lease agreement for a total principal cost of \$310,572 with Key Government Finance, Inc., the proceeds of which were used to upgrade the telephone voice over internet protocol (VOIP) system. The interest rate on the capital lease is 2.820% and principal and interest payments are due annually, commencing November 2, 2012, maturing on November 2, 2016. As of June 30, 2017, the outstanding principal balance was fully repaid.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 7 - LONG TERM DEBT (Continued)

On November 5, 2015, the City entered into a five year lease agreement for a total principal cost of \$225,000 with Holman Capital Corporation for one street sweeper. The interest rate on the capital lease is 2.75% and principal and interest payments are due semi-annually, commencing May 5, 2015, maturing on November 5, 2020. As of June 30, 2017, the outstanding principal balance of the lease was \$160,696.

The annual debt service requirements to mature the lease outstanding at June 30, 2017, are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 44,357	\$ 4,117	\$ 48,474
2019	45,585	2,888	48,473
2020	46,847	1,626	48,473
2021	23,907	328	24,235
Total	\$ 160,696	\$ 8,959	\$ 169,655

Business-Type Activities

The following is a summary of long-term debt transactions of the business-type activities for the year ended June 30, 2017:

Description	Original Issue Amount	Beginning Balance July 1, 2016	Additions	Retirements	Ending Balance June 30, 2017	Amounts Due Within One Year	Amounts Due in More Than One Year
2008A Water Revenue Refunding Bonds	\$ 38,395,000	\$ 30,485,000	\$ -	\$ 30,485,000	\$ -	\$ -	\$ -
2014 Waste Water Revenue Refunding Bonds	5,342,000	3,864,000	-	753,000	3,111,000	761,000	2,350,000
2016 Water Revenue Refunding Bonds	30,850,000	-	30,850,000	1,245,000	29,605,000	955,000	28,650,000
2014 California Infrastructure and Economic Development Bank Loan	11,387,398	11,167,171	-	227,955	10,939,216	235,958	10,703,258
		<u>\$ 45,516,171</u>	<u>\$ 30,850,000</u>	<u>\$ 32,710,955</u>	<u>\$ 43,655,216</u>	<u>\$ 1,951,958</u>	<u>\$ 41,703,258</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 7 - LONG TERM DEBT (Continued)

2008 Water Revenue Refunding Bonds

On May 8, 2008, the City issued \$38,395,000 of Series 2008 Water Revenue Refunding Bonds with multi-model interest rates, to refund, on a current basis, 2005 Water Revenue Bonds, to fund a debt service reserve account with respect to the 2008 Bonds and to pay certain costs of issuance of the 2008 Bonds. The bonds are authorized to be issued in a Weekly Interest Rate Period, a Daily Interest Rate Period, a Long-Term Interest Rate Period, an Index Interest Period or an Auction Rate Bond Interest Rate Period. A portion of the proceeds from the 2008 Bonds was placed in an irrevocable trust to provide for all future debt service payments on the defeased 2005 Bonds. The Bonds are payable solely from Water System revenues. Annual principal and interest payments on the bonds are expected to require less than 13% percent of net revenues. As of June 30, 2017, the outstanding amount of \$30,485,000 was fully refunded by the 2016A Water Revenue Refunding Bonds.

2016 Water Revenue Refunding Bonds

On November 15, 2016, the City issued 2016A Water Revenue Refunding Bonds in the amount of \$30,070,000 Series 2016A Tax Exempt and \$780,000 Series 2016-Taxable Bonds for a combined total of \$30,850,000. The proceeds from the Bonds were used to retire the 2008 Water Refunding Bond and to pay a Swap Termination Fee. The Tax-Exempt Bonds bear interest ranging from 2%-5% and the Taxable bonds bear interest of 0.87%. Interest on Tax-Exempt bonds is payable semi-annually each February 1st and August 1st. The Tax-Exempt bonds and taxable bond will mature on August 1, 2034 and February 1, 2017 respectively. As a result of this refinancing, the City reduced required annual debt payments but also eliminated the risk associated with the 2008 variable rate bonds and increased the City's Enterprise credit rating. The refunding resulted in an overall debt service savings of \$62,746, and the net present value of the debt service savings, called an economic loss, amounted to \$381,953.

The annual debt service requirements to mature the loan outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 955,000	\$ 1,244,000	\$ 2,199,000
2019	1,315,000	1,208,150	2,523,150
2020	1,360,000	1,154,650	2,514,650
2021	1,405,000	1,099,350	2,504,350
2022	1,450,000	1,042,250	2,492,250
Thereafter	23,120,000	6,218,575	29,338,575
Total	\$ 29,605,000	\$ 11,966,975	\$ 41,571,975

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 7 - LONG TERM DEBT (Continued)

2014 Waste Water Revenue Refunding Bonds (Bank of the West Private Placement)

The City of Pittsburgh Financing Authority previously issued \$11,950,000 of Wastewater Revenue Refunding Bonds, Series 2004 pursuant to a Trust Agreement, a Master Installment Sale Agreement and a First Supplemental Installment Sale Agreement; all dated March 1, 2004. The bonds bore interest rates from 2.00%-4.25%.

To refinance the 2004 Bonds, the Financing Authority, with the City, entered into an installment sale agreement to provide funds in an aggregate principal amount of \$5,342,000. The financing was placed privately with Bank of the West. A portion of the proceeds of the Financing was deposited into an irrevocable escrow for full redemption of the 2004 Bonds. The installment sales payments bear an interest rate of 1.55% per annum with interest payments made semi-annually on June 1 and December 1 commencing December 1, 2014 through June 1, 2021. The installments are payable solely from Net Wastewater Revenues. Annual principal and interest payments are expected to require less than 15% percent of net revenues. The total principal and interest remaining to be paid is \$3,220,384. For the current year, principal and interest paid were \$809,970 and wastewater net revenues were \$2,121,133.

The annual debt service requirements to mature the loan outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 761,000	\$ 45,268	\$ 806,268
2019	772,000	33,434	805,434
2020	782,000	21,429	803,429
2021	796,000	9,253	805,253
Total	\$ 3,111,000	\$ 109,384	\$ 3,220,384

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 7 - LONG TERM DEBT (Continued)

2014 California Infrastructure and Economic Development Bank Installment Sale Agreement

On November 17, 2014, the City of Pittsburgh entered into an installment sale agreement (agreement) with the California Infrastructure and Economic Development Bank for financing the costs of modifications to the Pittsburgh Water Treatment Plant and installation of approximately 9,100 feet of transmission line and other related costs. The principal amount provided under the agreement is \$11,387,398 payable over a term of 30 years. Principal payments are made annually on August 1, commencing August 1, 2015 through August 1, 2044. The installment sales payments bear an interest rate of 3.51% per annum with interest payments made semi-annually on February 1 and August 1, commencing February 1, 2015 through August 1, 2044. The installments are payable from Water Charge Revenues. During fiscal year ended June 30, 2017, principal and interest paid was \$649,425 and water charge revenues were \$20,516,272.

The annual debt service requirements to mature the outstanding balance at June 30, 2017, were as follows:

Year Ending June 30,	Principal	Interest	Annual Fee	Total
2018	\$ 235,958	\$ 379,825	\$ 32,818	\$ 648,601
2019	244,240	371,398	32,110	647,748
2020	252,812	362,675	31,377	646,864
2021	261,686	353,645	30,619	645,950
2022	270,871	344,299	29,834	645,004
2023-2027	1,503,823	1,569,406	136,392	3,209,621
2028-2032	1,786,933	1,281,326	112,196	3,180,455
2033-2037	2,123,340	939,014	83,442	3,145,796
2038-2042	2,523,081	532,258	49,277	3,104,616
2043-2045	1,736,472	92,827	10,539	1,839,838
Total	<u>\$ 10,939,216</u>	<u>\$ 6,226,673</u>	<u>\$ 548,604</u>	<u>\$ 17,714,493</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 8 - SPECIAL ASSESSMENT DISTRICT DEBT WITHOUT CITY COMMITMENT

The City has sponsored special assessment debt issues under which it has no legal or moral liability with respect to repayment of the debt and therefore does not include this debt in the City's Governmental Activities. The activity for those issues for the year ended June 30, 2017, was as follows:

	Balance June 30, 2016	Retirements	Balance June 30, 2017
2001-03 Century Plaza A.D. Bonds	\$ 3,315,000	\$ 120,000	\$ 3,195,000
2011 Pittsburgh IFA Bonds	13,835,000	1,080,000	12,755,000
2015 Vista Del Mar A.D. Refunding Bonds	9,655,000	295,000	9,360,000
Total	<u>\$ 26,805,000</u>	<u>\$ 1,495,000</u>	<u>\$ 25,310,000</u>

2001-03 Century Plaza Assessment District Bonds - The Century Plaza Bonds bear interest rates between 2.40% and 5.88% with interest payments made semi-annually on March 2 and September 2. The Century Plaza Bonds are to be paid from annual assessment installments. Proceeds from the Century Plaza Bonds were used to finance the construction and acquisition of certain public improvements within the City's Assessment District No. 2001-03. The outstanding balance at June 30, 2017 amounted to \$3,195,000.

2011 Pittsburgh Infrastructure Financing Authority Bonds - In August 2011, the City refinanced the 1998 Marina Walk Assessment District Bonds, 1998 Pittsburgh Infrastructure Financing Authority Bonds, 2001-01 San Marco Assessment District Bonds and 2001-02 Oak Hills South Assessment District Bonds. These Districts were consolidated into one Reassessment District No. 2011-1. The true interest cost of the refunded bonds is 4.5%. The outstanding balance at June 30, 2017 amounted to \$12,755,000.

2015 Vista Del Mar Assessment District Special Tax Refunding Bonds - In June 2015, the City refunded and defeased the 2005 Vista Del Mar Assessment District Bonds. The 2015 Vista Del Mar Bonds bear interest rates between 2.00% and 5.00% with interest payments made semi-annually on March 1 and September 1. The Vista Del Mar Bonds are to be paid from special taxes which are levied by the City on taxable real property within the boundaries of the District. The outstanding balance at June 30, 2017, amounted to \$9,360,000.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 9 - NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis.

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

In the Government-Wide Financial Statements, net positions are classified in the following categories.

Net Investment in Capital Assets, describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 9 - NET POSITION AND FUND BALANCES (Continued)

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by formal action of the City Council through City Resolution, which may be altered only by formal action (Resolution) of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed through City Resolution, Ordinance, or through language in the adopted budget, by the City Council or its designee (City Manager for items from \$75,000 to \$150,000 and Senior Executive Team members for items below \$75,000) and may be changed at the discretion of the City Council or its designee.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

To comply with GASB 54 requirements, the Budget Stabilization, Economic Development and California Theatre activities are consolidated within the General Fund. The following table provides details of the General Fund's fund balance at June 30, 2017:

Fund/Activity	Nonspendable	Assigned	Unassigned	Total
General	\$ 2,410,696	\$ 275,536	\$ 9,537,283	\$ 12,223,515
Budget stabilization	-	-	7,500,000	7,500,000
Economic development	-	159,242	-	159,242
Total	\$ 2,410,696	\$ 434,778	\$ 17,037,283	\$ 19,882,757

Budget Stabilization Arrangement

City Council adopted a Resolution establishing a Budget Stabilization Fund for the City's General Fund and requires the City to deposit year-end surpluses into it. The funds can only be used to help balance future budgets. As of June 30, 2017, the Budget Stabilization, which is reported within the unassigned fund balance of the General Fund, had a balance of \$7,500,000.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 9 - NET POSITION AND FUND BALANCES (Continued)

Detailed classifications of the City's Fund Balances, as of June 30, 2017, are listed below:

Fund Balance Classifications	General Fund	Special Revenue		Other Governmental Funds	Total
		Housing Authority Section 8	Successor Agency Housing		
Nonspendables:					
Items not in spendable form:					
Prepaid Items & Other Assets	\$ 19,128	\$ -	\$ -	\$ 1,726	\$ 20,854
Interfund Advances	125,792	-	-	-	125,792
Loans and Notes Receivable	2,168,843	-	-	-	2,168,843
Inventory	96,933	1,374	-	269,143	367,450
Total Nonspendable Fund Balances	2,410,696	1,374	-	270,869	2,682,939
Restricted for:					
Special Revenue	-	-	-	5,374,899	5,374,899
Debt Service	-	-	-	2,818,842	2,818,842
Low Income Housing	-	89,663	1,212,795	662,569	1,965,027
Capital Projects	-	-	-	11,157,662	11,157,662
Total Restricted Fund Balances	-	89,663	1,212,795	20,013,972	21,316,430
Committed to:					
Capital Improvement	-	-	-	1,737,547	1,737,547
Field Replacement	-	-	-	489,616	489,616
Public Education	-	-	-	529,315	529,315
Total Committed Fund Balances	-	-	-	2,756,478	2,756,478
Assigned to:					
Reserved for Operations, Carryover Budget	146,525	-	-	-	146,525
Reserved for Police Buys	1,220	-	-	-	1,220
Reserved for Leisure Service	6,656	-	-	-	6,656
Reserved for Inventory	98,213	-	-	-	98,213
Payroll Imprest Fund Balance	22,922	-	-	-	22,922
For Economic Development	159,242	-	-	-	159,242
Public Safety	-	-	-	29,349	29,349
Total Assigned Fund Balances	434,778	-	-	29,349	464,127
Unassigned:					
General fund	9,537,283	-	-	-	9,537,283
Stabilization Arrangements	7,500,000	-	-	-	7,500,000
Other governmental funds	-	-	-	(3,745,132)	(3,745,132)
Total Unassigned Fund Balances	17,037,283	-	-	(3,745,132)	13,292,151
Total Fund Balances	\$ 19,882,757	\$ 91,037	\$ 1,212,795	\$ 19,325,536	\$ 40,512,125

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 9 - NET POSITION AND FUND BALANCES (Continued)

C. Deficit Fund Balance/Net Position

At June 30, 2017, the following funds had deficit fund balances:

Fund	Amount
<i>Special Revenue Funds:</i>	
Park Maintenance CFD 2007-1	\$ 62,021 (a)
Railroad Avenue Specific Area Plan	3,309,868 (b)
Fire District CFD	8,196 (c)
Golf Course	365,047 (d)

- (a) The deficits will be reduced with future years' assessment revenues.
- (b) The deficit is caused by the completion of the eBart project and will be reduced by future assessment revenues.
- (c) The deficit is caused by the administration fees for the fire district and will be reduced by future special taxes.
- (d) The deficit is caused by the recategorization of the Golf Course from an Enterprise Fund to a Special Revenue fund, as capital assets are no longer recorded within the fund, and will be reduced with future revenues.

D. Restricted Net Position for Special Projects and Programs

At June 30, 2017, the City has the following restricted net position for special projects and programs approved by Resolution 17-13376:

Measure C Fund	\$ 3,393,616
Gas Tax Fund	1,567,895
NPDES Fund	23,761
Local Traffic Mitigation Fund	353,134
Park Dedication Fund	239,938
City Capital Improvement Project Fund	907,979
Kirker Creek Drainage Fund	24,921
Community Capital Improvement Fund	1,404,035
Regional Traffic Mitigation Fund	617,704
Community Development Block Grant Fund	20,214
Golf Course Fund	17,663
	<u>\$ 8,570,860</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 10 - RISK MANAGEMENT

A. General Liability Insurance

The City is self-insured for the first \$25,000 of each loss and maintains excess liability insurance through Municipal Pooling Authority (MPA). The City is not insured for liability occurrences over \$29,000,000 per occurrence.

B. Workers' Compensation

The City maintains statutory excess workers' compensation insurance through MPA, and is insured for an individual accident resulting in claims up to statutory limits. The City is not self-insured for any initial portion of a claim but is self-insured for claims exceeding statutory limits.

C. Estimated Reserves for Claims

Municipalities are required to record their liability for uninsured claims and to reflect the current portion of this liability as expenditure in their financial statements. As discussed below, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion, of these claims.

The City reports all claims as a current liability based on historical results. The City's liability for uninsured claims, based on claims history, was computed as follows and is recorded in the Insurance Internal Service Fund:

For the Years Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2010	\$ 208,770	\$ (95,076)	\$ (29,519)	\$ 84,175
2011	84,175	69,494	-	153,669
2012	153,669	(27,629)	(8,327)	117,713
2013	117,713	47,199	(36,027)	128,885
2014	128,885	88,503	(22,323)	195,065
2015	195,065	202,195	(148,208)	249,052
2016	249,052	90,846	(189,401)	150,497
2017	150,497	506,110	(399,353)	257,254

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 10 - RISK MANAGEMENT (Continued)

D. Purchased Insurance

MPA provides additional coverage for the following risks incurred by the City:

<u>Coverage Type</u>	<u>Deductible</u>	<u>Coverage Limits</u>
All Risk Fire and Property	\$ 25,000	\$ 1,000,000,000
Flood	150,000	25,000,000
Boiler and Machinery	5,000	100,000,000
All Vehicles (Physical Damage)	2,000	250,000
Police Vehicles (Physical Damage)	3,000	250,000
Workers' Compensation	None	Statutory Limits
Liability	25,000	29,000,000
Employment Liability	50,000	2,000,000
Cyber Liability	50,000	2,000,000
Public Entity Pollution Liability	100,000	1,000,000
Government Crime Coverage	10,000	1,000,000

MPA is governed by a Board consisting of representatives from member municipalities.

The Board controls the operations of MPA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's deposits with MPA are in accordance with formulas established by MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Audited financial statements can be obtained from Municipal Pooling Authority at 1911 San Miguel Drive #200, Walnut Creek, CA 94596-5332.

E. Adequacy of Protection

During the past three fiscal (claims) years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. Plan Descriptions and Summary of Balances by Plan

The City has three defined benefit pension plans, a Miscellaneous Plan, Safety Plan, and the Miscellaneous Employees' Retirement System of 1962 of the City of Pittsburgh, California (MERS). The Miscellaneous Plan is an Agent-Multiple Employer Plan and the Safety Plan is a Cost-Sharing Employer Plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City Ordinance.

All qualified permanent and probationary employees are eligible to participate in the separate Safety Plan, cost-sharing multiple employer defined benefit pension plan and Miscellaneous (all other) Plan, an agent multiple-employer defined benefit pension plan, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Below is a summary of the deferred outflows of resources, net pension liabilities and deferred inflows of resources by Plan:

Plan	Deferred Outflows of Resources	Net Pension Liability/ Proportionate Share of Net Pension	Deferred Inflows of Resources	Pension Expense
CalPERS Plans:				
Miscellaneous	\$ 7,014,822	\$ 22,072,256	\$ 838,470	\$ 3,429,517
Safety	8,002,526	21,519,369	4,771,371	3,442,677
CCCERA Closed Plan	-	6,810,830	-	(4,501,523)
Total	<u>\$ 15,017,348</u>	<u>\$ 50,402,455</u>	<u>\$ 5,609,841</u>	<u>\$ 2,370,671</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

Each Plan is discussed in detail below.

B. CalPERS Miscellaneous Plan

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012.

The Plans’ provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous		
	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Hire date			
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	62	62
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1.000% to 2.500%
Required employee contribution rates	7%	7%	6.25%
Required employer contribution rates	15.918%	15.918%	15.918%

Employees Covered – As of the June 30, 2015 actuarial valuation date, the following employees were covered by the benefit terms for the Plan:

	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	115
Inactive employees entitled to but not yet receiving benefits	147
Active employees	164
Total	426

As of June 30, 2017, the City had 180 active employees in the Miscellaneous Plan.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Net Pension Liability - The City’s net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Changes in Net Pension Liability - The changes in the Net Pension Liability for the Miscellaneous Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2015	\$ 77,691,371	\$ 61,130,408	\$ 16,560,963
Changes in the year:			
Service cost	1,885,618	-	1,885,618
Interest on the total pension liability	5,954,324	-	5,954,324
Differences between actual and expected experience	696,901	-	696,901
Contribution - employee (paid by employer)	-	1,875,971	(1,875,971)
Contribution - employee	-	902,130	(902,130)
Net investment income	-	284,705	(284,705)
Administrative expenses	-	(37,256)	37,256
Benefit payments, including refunds of employee contributions	(2,993,564)	(2,993,564)	-
Net changes	5,543,279	31,986	5,511,293
Balance at June 30, 2016	\$ 83,234,650	\$ 61,162,394	\$ 22,072,256

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

		Miscellaneous
1% Decrease		6.50%
Net Pension Liability	\$	34,360,910
Current Discount Rate		7.50%
Net Pension Liability	\$	22,072,256
1% Increase		8.50%
Net Pension Liability	\$	12,007,560

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings on investments – 5 year straight-line amortization

All other amounts – Straight-line amortization over the average expected remaining services lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

For the year ended June 30, 2017, the City recognized pension expense of \$3,429,517. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,094,191	\$ -
Differences between actual and expected experience	518,208	(110,618)
Changes in assumptions	-	(727,852)
Net differences between projected and actual earnings on plan investments	3,402,423	-
Total	<u>\$ 7,014,822</u>	<u>\$ (838,470)</u>

\$3,094,191 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2018	\$ 239,554
2019	283,683
2020	1,685,025
2021	873,899

Actuarial assumptions and information regarding the discount rate are discussed in Note 11D below.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

C. CalPERS Safety Plan

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Safety		
	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Hire date			
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50	50
Monthly benefits, as a % of eligible compensation	3%	2.7%	2.7%
Required employee contribution rates	9%	9%	11.5%
Required employer contribution rates	21.628%	16.656%	12.082%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2017, the contributions recognized as part of pension expense for each Plan were as follows:

	Safety
Contributions - employer	\$ 2,573,034

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - As of June 30, 2017, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Total Safety Net Pension Liability	\$ 21,519,369

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2016, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2016 and 2017 was as follows:

	Safety All Tiers
Proportion - June 30, 2015	0.39815%
Proportion - June 30, 2016	0.46609%
Change - Increase (Decrease)	0.06794%

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

For the year ended June 30, 2017, the City recognized pension expense of \$3,442,677. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,573,034	\$ -
Differences between actual and expected experience	-	(181,897)
Changes in assumptions	-	(793,087)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	310,697	-
Change in proportion	1,222,396	(3,796,387)
Net differences between projected and actual earnings on plan investments	3,896,399	-
Total	\$ 8,002,526	\$ (4,771,371)

\$2,573,034 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended		Total
	June 30	
2018	\$	(526,376)
2019		(1,360,716)
2020		1,530,867
2021		1,014,346

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate -
The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Total</u>
1% Decrease	6.65%
Net Pension Liability	\$ 33,160,223
Current Discount Rate	7.65%
Net Pension Liability	\$ -
1% Increase	8.65%
Net Pension Liability	\$ 11,963,422

Actuarial assumptions and information regarding the discount rate are discussed in Note 11D below.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

D. Information Common to the Miscellaneous and Safety Plans

Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous and Safety (1)
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Actuarial Assumptions:	
Discount Rate	7.5% (Miscellaneous), 7.65% Safety
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	3.2% - 12.2% (2)
Investment Rate of Return	7.5% (3)
Mortality	Derived using CalPers Membership Data for all Funds (4)

(1) Actuarial assumptions are the same for all benefit tiers (Tier I-Classic, Tier II, and Tier III-PEPRA)

(2) Depending on age, service and type of employment

(3) Net of pension plan investment expenses, includes inflation

(4) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2014 experience study report available on CalPERS' website.

GASB 68, paragraph 68, states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% and 7.65% used for the June 30, 2015 measurement date was net of administrative expenses.

Discount Rate – The discount rate used to measure the total pension liability was 7.5% for the Miscellaneous Plan and 7.65% for the Safety Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current discount rates are appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.5% and 7.65% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under the GASB 68 section.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2015.

Asset Class	New Strategic Allocation	Real Return	
		Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

E. Contra Costa County Employees' Retirement Association

Between July 1, 1973 and June 30, 2001, the City provided retirement benefits to its employee groups by contracting with the Contra Costa County Employees' Retirement Association (CCCERA). The City of Pittsburgh converted to the CalPERS retirement system effective July 1, 2001 and entered into a Termination Withdrawal Agreement with CCCERA that resulted in the following consequences: CCCERA retained the obligation to provide future benefits to the City's past retirees and vested members that had left the City's employment prior to July 1, 2001.

The City would provide CalPERS retirement benefits for its then current and future employees. The Termination Withdrawal Agreement stated that as of June 30, 2001, the City accrued liability and allocated assets was determined at \$31,483,218. The Termination Withdrawal Agreement also stated that due to market fluctuation and the uncertainty with other actuarial assumptions, the unfunded accrued liability will be recomputed every three years as CCCERA's triennial experience studies are completed. In addition, CCCERA is required to annually submit to the City a cash accounting update of the City of Pittsburgh Bookkeeping Asset Account. If the ratio of the balance of the City's Bookkeeping Asset Account to its triennial updated termination unfunded liability is below 95% or exceeds 105%, the resulting obligation (if not paid in full) or surplus, will be amortized as a level amount over 15 years at a 7.75% annual interest rate.

In January 2006, the City received correspondence from CCCERA indicating that the City had an updated unfunded liability of \$11,902,898 that had been re-determined as of December 31, 2003. In June 2006, the City issued Pension Obligation bonds for a total amount of \$39,566,055; upon completion of this transaction the City utilized these bond proceeds to prepay the unfunded liability owed to CCCERA which amounted to \$12,700,000 as of June 30, 2006. The balance of bond funds in the amount of \$25,977,758 was used to prepay the City's unfunded accrued liability for both the miscellaneous and safety plans to the Public Employees Retirement System (PERS).

Almost a year later the City received a letter from CCCERA dated August 23, 2007, providing the December 31, 2006 withdrawal liability update. In summary, the update reported the funding ratio of the present value of benefits (\$47.9 million) to allocated market assets (\$45.4 million) as 94.8%. The August 23, 2007 letter stated that since this ratio is below 95% this triggers a lump sum payment as of December 31, 2006 for \$2,505,433 plus interest at the rate of 7.8% to date of payment or an annual payment of \$289,144 to be amortized over 15 years starting with the first payment due on December 31, 2007.

In December of 2010, CCCERA sent a letter to the City regarding the triennial update of the City of Pittsburgh's withdrawal liability as of December 31, 2009. The City of Pittsburgh's unfunded termination liability of \$15,877,533 was calculated by The Segal Company, which would result in an annual payment of \$1,826,746 or approximately \$1.5 million more than CCCERA's previous 2006 calculated annual payment of \$289,144. In response to CCCERA's December 2010 calculated triennial update of the City's withdrawal liability, the City worked with CCCERA to amend the City's Termination Agreement to (1) allow the calculation be prepared on an Actuarial rather than Market value of assets basis, and (2) create an 18-month lag between the valuation date and the date the contribution is due which lowered the December 31, 2009 unfunded obligation from \$15.9 million to \$9.9 million.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

In addition, the City borrowed \$3.8 million from the City's Water Fund balance at the LAIF annual interest rate to repay a portion of the City's CCCERA unfunded liability and used \$1,980,096 of various fund balances to help reduce the City's CCCERA unfunded liability. Thus, through FY 2013-14, the City reduced its CCCERA unfunded liability by \$5,780,096 leaving \$4.1 million to be repaid over 15 years at the 7.75% annual interest rate.

In December of 2013, CCCERA sent a triennial update of the City Of Pittsburg's pension liability with CCCERA. The liability increased to \$11,312,353 resulting in 14 annual payments of \$1,306,656 at an interest rate of 7.25% per annum.

In December of 2015, CCCERA sent a triennial update of the City Of Pittsburg's pension liability with CCCERA. The liability decreased to \$6,810,830 resulting in 15 annual payments of \$773,523 at an interest rate of 7% per annum.

F. Miscellaneous Employees' Retirement System of 1962

The Miscellaneous Employees' Retirement System of 1962 of the City of Pittsburg, California (MERS), a single-employer defined benefit plan, was established effective July 1, 1962 for employees who entered the City's service on or after July 1, 1962, or who transferred from the Retirement System of 1948. The Plan is a government pension plan and is not subject to the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The City and employees both contributed to the establishment of a reserve for the purpose of paying an annuity at age sixty-five of one-one hundred fortieth of the final compensation for each year of service after entry into the system. The Plan is a terminated plan and as such, all participants are fully vested.

The funded status of the Plan as of June 30, 2014, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a percentage of Covered Payroll ((b-a)/c)
June 30, 2014	\$ 3,502	\$ 15,768	\$ 12,266	22.2%	N/A	N/A

The Schedule of Funding Progress, presented as required supplementary information ("RSI") following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Plan assets are increasing or decreasing over time relative to the AAL for benefits. Additionally, the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

The most recent actuarial valuation for the Plan was performed as of June 30, 2015. A 3.0% increase in the cost of living adjustment (COLA) was recommended for the current year.

Assumptions and methods used for the valuation were as follows:

Inflation	3.00%
Interest rate	0 - 4.25%
Mortality Table	RP-2000 Projected with MP 2014

The last retired participant remaining in the plan passed away in January 2017, and therefore, the trust is closed as of June 30, 2017.

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The City of Pittsburgh Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the City. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing City employees.

The City allows eligible retirees to continue in the City medical plans, currently Kaiser and Health Net. The City contributes up to a percentage of the single or dual Kaiser Retiree premium based on years of City service. No dental, vision, or life insurance benefits are provided.

On December 24, 2013, the City established an agreement with the California Public Employees' Retirement System (CalPERS) to set aside funds and deposit into the California Employer's Retiree Benefit Trust (CERBT) fund to accumulate, and distribute assets for the exclusive benefit of retirees and their beneficiaries. Plan assets are irrevocable and may not be used for any purpose other than funding post-retirement health care. The CERBT fund is an agent multiple employer plan and in order to ensure that the CERBT fund remains compliant with all reporting requirements, the CalPERS is responsible for publishing aggregate GASB 43 compliance Financial Statements, Notes, and Required Supplementary Information (RSI). The information may be found on CalPERS website at www.calpers.ca.gov.

Funding Policy. There is no statutory requirement for the City to prefund its OPEB obligation. The City has currently chosen to prefund OPEB. There are no employee contributions.

For fiscal year 2016-2017, the City contributed \$2,106,521 in healthcare plan benefits, including \$1,403,301 in premium payments for retirees, \$222,000 for implied subsidies and \$481,220 for contributions to CERBT fund.

For fiscal year 2016-2017, the City received no reimbursements from the CERBT fund for premium payments for retirees.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

The City allows retirees to participate in the same City medical plans (Kaiser and Health Net) as active employees. For the Kaiser medical plan, retiree premium rates are the same as the active employees. Because this premium rate is a "blended" rate, retiree premiums payments are lower than what they would pay if the retirees were in a standalone medical plan, resulting in an implied subsidy for retirees under GASB Statement 45. The Annual Required Contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC is equal to the normal cost plus a 30-year amortization of the unfunded actuarial liability.

Annual OPEB Cost and Net OPEB Obligation. The following table, based on the City's most recent actuarial valuation dated October 27, 2015, as of June 30, 2015, shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's Net OPEB obligation:

Annual Required Contribution	\$ 5,426,000
Interest on net OPEB obligation	1,210,000
Adjustment to annual required contribution	(1,978,000)
Annual OPEB cost (expense)	4,658,000
Payments made on current retiree premiums	(1,403,301)
Contributions to CERBT	(481,220)
Implied subsidy payments	(222,000)
Increase in net OPEB obligation	2,551,479
Net OPEB obligation - beginning of year	24,674,996
Net OPEB obligation - end of year	\$ 27,226,475

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation
June 30, 2015	\$ 4,618,000	23.1%	\$ 22,111,508
June 30, 2016	4,603,000	28.8%	24,674,996
June 30, 2017	4,658,000	30.1%	27,226,475

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Funded Status and Funding Progress. The funded status of the plan as of June 30, 2015, the plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 49,903,000
Actuarial value of plan assets	(2,162,000)
Unfunded actuarial accrued liability (UAAL)	<u>\$ 47,741,000</u>
Funded ratio (actuarial value of plan assets/AAL)	4%
Projected covered payroll (active Plan members)	\$ 16,869,000
UAAL as a percentage of covered payroll	283.0%

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are consistent with the long-term perspective of the calculations.

In the June 30, 2015 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 5.00% investment rate of return (net of administrative expenses), and a 3.25% general inflation assumption. Premiums were assumed to increase with a Non-Medicare medical cost increase rate of 7.5% for 2016 and grading down to 5.0% for 2021 and thereafter. The Medicare premiums were assumed to increase at a rate of 7.8% and grading down to 5.0% for 2021 and thereafter. The initial UAAL was amortized as a level percentage of projected payrolls over a fixed 30-year period from June 30, 2010 and will be amortized as a level dollar amortization over a 25 year period from June 30, 2015.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 13 - COMMITMENTS AND CONTINGENCIES

A. Grants from Other Governments

The City participates in a number of Federal, State, and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2017, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

B. Litigation

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)

C. Construction Commitments

As of June 30, 2017, the City has construction commitments to various capital projects as shown in the table below:

Project	Amount
2010/11 Sewer Replacement Program	\$ 6,104,503
2014/15 CCTV/Inspection/Sewer Replacement	3,386,489
Multimodal Transit Station Access Impr 2013-19	3,056,001
Main W Leland (WTP to SW Hills)	3,000,000
Total of Construction Commitments < \$100,000	1,266,525
Water Treatment Plant Sludge Handling Facility	1,150,126
Water Main Installation	739,100
Seismic Retrofit Bridge	639,016
West High Friction Lighting	605,177
James Donlon Extension Project	598,689
West Leland Street Lighting	574,794
Mare Island Residential Units - Gas Electric Meters	497,012
Citywide Storm Drain Improvements (2009-01)	415,229
IE Facility Relocation Project	399,730
Waterliner School Street between Harbor/Vincent	381,300
W. Leland Pavement Marker/Speed Sign	373,008
Railroad Ave. Building Improvements	276,633
Water Main - Buchanan Road	263,900
San Marco Blvd Class I Trail	262,681
W. Leland Delinatioin/Crosswalk	262,574
16/17 Sludge Removal	250,000
Railroad Ave Pavement Rehab (2009-28)	226,545
Capital Reinvestment Projects	217,053
2013/14 WTP Capital Repairs & Improvements	197,504
City Hall Chiller	189,900
Railroad Avenue (3rd-8thST) Improvements	180,000
West 4th Street Sidewalk Gap Closure	177,235
Ambrose Park Master Plan & Improvements (2008-21)	153,957
San Marco/Santa Teresa Signal	150,479
2016/17 Cable Replacement	141,464
Highway 4 Trunk Line Relief (2007-09)	133,113
Pavement Repair Project 2016-08	123,861
South Island RA Switch Removal	104,664
Delta Diablo Recycled Water-Buckley Parl	102,500
Gas Line Removal and Replacement	100,000
Total Construction Commitments	<u>\$ 26,700,762</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)

D. Sales Tax Participation Agreements

The City negotiates sales tax participation agreements on an individual basis. The City has sales tax participation agreements with three entities as of June 30, 2017:

Entity	Tax Abated	Gross Dollar Amount of Abatement in Fiscal Year 2017	Commitments made
Contra Costa County	i) 50% of Sales Tax Revenue from annexation area; ii) 100% PG&E Franchise Fee to City in the Annexation Area	\$57,299	Upon annexation of the northwest inclusion Mirant Power Plant, the City would receive an increased share of the County's property tax revenue of 50% of all sales and use tax revenues from the Annexation Area.
Private Company (Confidential)*	25% of Sales Tax Revenue of the parcel not to exceed \$1,850,000 over 10 years from 10/15/2012 through 10/14/2022	108,824	Relocation of business
Contra Costa County	\$150,000 to County if Sales Tax Revenues that the City receives from the annexation area is greater than \$250,000/year. If Sales Tax Revenue is less than \$250,000, then the amount to be transferred to the County shall be reduced by the amount the sales revenue that fell short of \$250,000.	150,000	None

*Pursuant to the Sales and Use Tax law (chapter 8 – Article 1 – section 7056), in order to protect the confidential information of sales taxes collected and abatements provided to each of the specific agencies, the City has presented the aggregate amount abated during the current fiscal year for this entity.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. Activities of the Successor Agency are as follows:

A. *Notes and Loans Receivable*

The various rehabilitation and construction loans including deferred and accrued interest balance is \$9,586,876 as of June 30, 2017. These loans have been made to individual homeowners, businesses and developers within the Redevelopment Project Area. The terms of these loans are specific to the borrower and interest rates, as well as usage and repayment requirements, vary according to the loan type. The following are descriptions of the various loans:

- Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. These residential loans are available from \$5,000 to \$25,000 per property at a loan term of 3% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types as of June 30, 2017 was \$314,126.
- In 2005, a long agreement was entered into with the Mt. Diablo Unified School District (District) in the amount of \$6,178,936 for capital improvements. The funding was provided with the 2003A Bond proceeds. The District will repay the loan from school impact fees collected until the Agency is fully reimbursed or 35 years, whichever occurs first. The balance outstanding as of June 30, 2017 was \$4,206,971.
- The remaining loans receivable of \$5,065,779 as of June 30, 2017 represent a number of small business and property owner rehabilitation and construction loans to eliminate blight by assisting improvements and rehabilitation of properties that were vacant or underutilized.

B. *Capital Assets*

Capital assets are valued at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. The Agency's policy has set the capitalization threshold for general capital assets at \$5,000 and infrastructure capital assets at \$25,000 for reporting purposes. The Successor Agency has recorded all its public domain (infrastructure) capital assets, which include landscape, storm, street, and traffic systems.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Successor Agency has assigned the useful lives and capitalization thresholds listed below to capital assets.

Depreciation is recorded on a straight-line method over the useful lives of the assets as follows:

- Building and Improvements 30 - 45 years
- Machinery and Equipment 5 - 20 years
- Infrastructure 30 - 75 years

Capital Asset Additions, Retirements and Balances

	Balance at June 30, 2016	Additions	Deletions	Transfers to City	Balance at June 30, 2017
Capital assets not being depreciated:					
Land	\$ 19,077,636	\$ -	\$ (31,994)	\$ (1,335,756)	\$ 17,709,886
Total capital assets not being depreciated	19,077,636	-	(31,994)	(1,335,756)	17,709,886
Capital assets being depreciated:					
Buildings and Improvements	1,919,494	157,500	(157,500)	-	1,919,494
Total capital assets being depreciated	1,919,494	157,500	(157,500)	-	1,919,494
Less accumulated depreciation for:					
Buildings and Improvements	(242,281)	(43,541)	-	-	(285,822)
Net capital assets being depreciated	1,677,213	113,959	(157,500)	-	1,633,672
Total capital assets, net	\$ 20,754,849	\$ 113,959	\$ (189,494)	\$ (1,335,756)	\$ 19,343,558

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

During fiscal year 2016-2017, the Successor Agency transferred land valued at \$1,335,756 to the City's Governmental Activities.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

C. Long-Term Debt

The Successor Agency' long term debt activities for fiscal year ended June 30, 2017 are as follows:

Description	Original Issue Amount	Balance June 30, 2016	Additions	Retirements	Balance June 30, 2017	Amounts Due Within One Year	Amounts Due in More Than One Year
Tax Allocation Bonds:							
1999 RDA Bonds	\$ 30,106,357	\$ 34,177,865	\$ 3,417,206	\$ -	\$ 37,595,071	\$ -	\$ 37,595,071
2006A RDA Housing Set-Aside Bonds	11,020,000	9,100,000	-	240,000	8,860,000	255,000	8,605,000
2014 RDA Tax Allocation Refunding Bonds	67,445,000	64,800,000	-	7,960,000	56,840,000	9,145,000	47,695,000
2016A RDA Housing Set-Aside Bonds	13,845,000	13,845,000	-	665,000	13,180,000	845,000	12,335,000
2016A RDA Subordinated Refunding Bonds	120,085,000	120,085,000	-	-	120,085,000	-	120,085,000
2016B RDA Subordinated Refunding Bonds	26,690,000	26,690,000	-	11,385,000	15,305,000	11,065,000	4,240,000
2016C RDA Subordinated Refunding Bonds	37,755,000	37,755,000	-	-	37,755,000	-	37,755,000
Sub-total		306,452,865	3,417,206	20,250,000	289,620,071	21,310,000	268,310,071
Unamortized premium on 2016A RDA		25,381,765	-	2,970,792	22,410,973	2,807,047	19,603,926
Total Successor Agency Del		\$ 331,834,630	\$ 3,417,206	\$ 23,220,792	\$ 312,031,044	\$ 24,117,047	\$ 287,913,997

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

1999 Redevelopment Agency Tax Allocation Bonds

1999 Redevelopment Agency Tax Allocation Bonds (1999 RDA Bonds) outstanding at June 30, 2017 amounted to \$95,795,000. The bonds bear interest at rates between 4.1 % and 6.2% with interest payments made semi-annually on February 1 and August 1. The bonds mature on August 1 of each year. The proceeds of the bonds were used to provide money for certain public capital improvements located within the Agency's Project Area, to fund a reserve account, and to pay cost of issuance incurred in connection with the issuance. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 20% from these revenues. The total principal and interest remaining to be paid on the bonds is \$95,795,000. For FY 2016-17, there were no principal and interest payments. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

In June 2014, the City issued the 2014 Successor Agency to the Redevelopment Agency of the City of Pittsburgh Bonds which partially refunded \$6,110,000 of currently outstanding Current Interest Bonds of the 1999 bonds.

The Bonds unaccreted discount and the current year accretion totaled \$58,199,929 and \$3,417,206 respectively at June 30, 2017. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 6.10% and 6.20%. Repayment of the accreted principal will commence August 1, 2019. Final repayment will be August 1, 2030.

The annual debt service requirements to mature the Capital Appreciation Bond portion of the 1999 RDA Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal (1)	Interest	Totals
2018	\$ -	\$ -	\$ -
2019	-	-	-
2020	5,150,000	-	5,150,000
2021	5,150,000	-	5,150,000
2022	5,150,000	-	5,150,000
2023-2027	43,765,000	-	43,765,000
2028-2031	36,580,000	-	36,580,000
Totals	\$ 95,795,000	\$ -	\$ 95,795,000

(1) Includes unaccreted discount in the total amount of \$58,199,929

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2006 Series A Housing Set Aside Redevelopment Agency Tax Allocation Bonds

2006 Series A Housing Set Aside Tax Allocation Bonds (2006A HSA RDA Bonds) outstanding at June 30, 2017 amounted to \$8,860,000. On November 30, 2006, the Agency issued \$11,020,000 of Series 2006A Bonds bearing interest at 5.12-5.31% to fund low and moderate income housing of benefit to the Agency's Los Medanos Redevelopment Project, to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2006A RDA bonds. The bonds with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2007 through August 1, 2036. Annual principal and interest payments on the bonds are expected to require less than 22% from these revenues. The total principal and interest remaining to be paid on the bonds is \$14,464,136. For FY 2016-17, principal and interest paid were \$715,641. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2006A Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 255,000	\$ 462,855	\$ 717,855
2019	265,000	449,296	714,296
2020	280,000	435,085	715,085
2021	295,000	420,092	715,092
2022	310,000	404,168	714,168
2023-2027	1,815,000	1,747,984	3,562,984
2028-2032	2,360,000	1,196,837	3,556,837
2033-2037	3,280,000	487,819	3,767,819
Total	<u>\$ 8,860,000</u>	<u>\$ 5,604,136</u>	<u>\$ 14,464,136</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2014 Redevelopment Agency Tax Allocation Refunding Bonds

2014 Series Successor Agency to the Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2014 STAB Bonds) outstanding at June 30, 2017 amounted to \$56,840,000. The 2014 STAB Bonds bear interest at rates between 4.00% and 5.00% with interest payments made semi-annually on February 1 and August 1. The 2014 STAB Bonds mature annually from 2016 to 2030 on August 1 in amounts ranging from \$2,645,000 to \$6,335,000. Proceeds from the 2014 STAB Bonds were used to refund \$74,049,000 of the Agency's 2003A RDA Bonds, partially refund the 1999 RDA Bonds, and to pay costs of issuance incurred in connection with the issuance, sales and delivery of 2014 STAB Bonds. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 14% from these revenues. The total principal and interest remaining to be paid on the bonds is \$70,235,250. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bond.

The annual debt service requirements to mature the Series 2014 Bonds outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 9,145,000	\$ 2,603,375	\$ 11,748,375
2019	8,735,000	2,156,375	10,891,375
2020	5,755,000	1,794,125	7,549,125
2021	6,040,000	1,504,250	7,544,250
2022	6,335,000	1,199,875	7,534,875
2023-2027	13,115,000	3,545,875	16,660,875
2028-2030	7,715,000	591,375	8,306,375
Total	<u>\$ 56,840,000</u>	<u>\$ 13,395,250</u>	<u>\$ 70,235,250</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2016 Series A Housing Set Aside Successor Agency Tax Allocation Refunding Bonds

In February 2016, the Successor Agency issued 2016 Series A Set Aside Tax Allocation Refunding Bonds (2016A HSA Bonds) in the original principal amount of \$13,845,000 and \$26,690,000, respectively. The proceeds of the bonds were used to refund and defease all of the outstanding 2004 Series A Housing Set-Aside Redevelopment Agency Tax Allocation Bonds. The 2016 Series A Bonds bear interest rates between 1.323% and 3.984% with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2016 through August 1, 2029. The Bonds are secured by an irrevocable pledge of the Pledged Tax Revenues to be derived from Los Medanos II and Los Medanos III subareas and an irrevocable pledge of certain moneys in the Redevelopment Property Tax Trust Fund.

The annual debt service requirements to mature the Series 2016A HSA Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 845,000	\$ 467,747	\$ 1,312,747
2019	860,000	449,419	1,309,419
2020	880,000	427,344	1,307,344
2021	905,000	402,490	1,307,490
2022	930,000	375,005	1,305,005
2022-2026	5,150,000	1,353,562	6,503,562
2027-2030	3,610,000	258,790	3,868,790
Total	<u>\$ 13,180,000</u>	<u>\$ 3,734,357</u>	<u>\$ 16,914,357</u>

2016 Series A and B Subordinate Tax Allocation Refunding Bonds

In February 2016, the Successor Agency issued 2016 Series A and B Subordinate Tax Allocation Refunding Bonds in the original principal amount of \$120,085,000 and \$26,690,000, respectively. The Bonds bear an interest rate of 5% with interest payments made semi-annually on March 1 and September 1 each year commencing September 1, 2016 through September 1, 2029.

The 2016 Series A Bond proceeds were used to refund the outstanding balance of the 2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds in the amount of \$101,195,000. The issuance of the Bond terminated the swap agreement in connection with the 2004 Series A Bond. The 2016 Series A Bond proceeds were also used to refund and defease a portion of the outstanding 2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

The annual debt service payments on the 2016 Series A Subordinate Tax Allocation Refunding Bonds outstanding at June 30, 2017, are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ -	\$ 6,004,250	\$ 6,004,250
2019	-	6,004,250	6,004,250
2020	-	6,004,250	6,004,250
2021	-	6,004,250	6,004,250
2022	6,175,000	5,849,875	12,024,875
2022-2026	65,440,000	20,708,250	86,148,250
2027-2030	48,470,000	3,716,250	52,186,250
Total	\$ 120,085,000	\$ 54,291,375	\$ 174,376,375

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The 2016 Series B Bond proceeds were used to refund the outstanding balance of the 2006 Series B Redevelopment Agency Subordinate Tax Allocation Bonds in the amount of \$22,470,000 and also used to refund and defease a portion of the outstanding 2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds.

The annual debt service payments on the 2016 Series B Subordinate Tax Allocation Refunding Bonds outstanding at June 30, 2017, are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 11,065,000	\$ 226,551	\$ 11,291,551
2019	4,240,000	54,548	4,294,548
Total	\$ 15,305,000	\$ 281,099	\$ 15,586,099

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2017

NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2016 Series C Successor Agency Subordinate Tax Allocation Refunding Bonds

In June 2016, the Successor Agency issued 2016 Series C Tax Allocation Refunding Bonds in the original principal amount of \$37,755,000. The proceeds of the bonds were used to refund all the outstanding balance of the 2006 Series C Redevelopment Agency Subordinate Tax Allocation Refunding Bonds. The 2016 Series C Bonds bear an interest rate of 5% with interest payments made semi-annually on March 1 and September 1 each year commencing on September 1, 2016 through September 1, 2021. The Bonds are secured by an irrevocable pledge of the Subordinate Pledged Tax Revenues to be derived from the Project Area and an irrevocable pledge of all the moneys in the Redevelopment Property Tax Trust Fund.

The annual debt service requirements on the 2016 Series C Successor Agency Subordinate Tax Allocation Refunding Bonds outstanding as of June 30, 2017 are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ -	\$ 1,887,750	\$ 1,887,750
2019	8,250,000	1,681,500	9,931,500
2020	11,300,000	1,192,750	12,492,750
2021	11,880,000	613,250	12,493,250
2022	6,325,000	158,125	6,483,125
Total	<u>\$ 37,755,000</u>	<u>\$ 5,533,375</u>	<u>\$ 43,288,375</u>

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

D. Commitments and Contingencies

The activities of the former Redevelopment Agency and the Successor Agency are subject to further examination by the State of California and the amounts, if any, of transfers or expenditures may be disallowed. The State Controller's Office conducted a review of propriety of asset transfers between the former Redevelopment Agency or the Successor agency and any public agency that occurred on or after January 1, 2011 and issued an opinion on July 30, 2015 requesting two parcels be transferred back to the Successor Agency from the City. The City transferred the two parcels in question back to the Successor Agency in March 2016.



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

**REQUIRED
SUPPLEMENTARY
INFORMATION**

City of Pittsburgh
Required Supplementary Information
For the Year Ended June 30, 2017

1. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Public hearings are conducted at the City to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.
2. Budgets for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds are adopted on a basis consistent with GAAP.
3. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2017, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
4. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and re-appropriated amounts for prior year encumbrances. The City Manager must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
5. Appropriations lapse at the end of the fiscal year and then are re-budgeted for the coming year. Beginning with the FY 2014-2015 budget, capital project appropriations continue appropriations until the project is completed.

City of Pittsburgh
Required Supplementary Information
For the Year Ended June 30, 2017

1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Since encumbrances do not yet constitute expenditures or liabilities, encumbrances outstanding at year-end are reported as reservations of fund balances.

The following funds had expenditures in excess of appropriation:

Housing Authority (Section 8) Special Revenue Fund	\$	674,498	(a)
Assets Seizure Special Revenue Fund		875	(b)
Pittsburg Arts & Community Foundation Special Revenue Fund		140,125	(c)
Railroad Avenue Specific Area Plan Special Revenue Fund		24,788	(d)
Project Amenities Management Special Revenue Fund		29,024	(e)

- (a) The excess was due to unexpected tenant repairs, maintenance and additional staff time to cover community events.
- (b) There was no expenditure budget created for this fund as the amount of revenue for the fund is uncertain.
- (c) The excess expenditure was covered by developer deposits.
- (d) The excess was due to the interest accrual on the interfund loan from the Regional Transportation Mitigation Fund to fund the e-Bart Pittsburg Center Station construction. One-time special tax revenues from CFD 2014-1 over several years will pay back the interfund loan.
- (e) The excess was due to higher expenditures related to police services provided to the community.

City of Pittsburgh
General Fund
Schedule of Revenues and Expenditures
and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2017

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
REVENUES:				
Property tax	\$ 3,534,000	\$ 3,569,000	\$ 3,573,822	\$ 4,822
Sales tax	12,045,971	12,264,600	13,372,246	1,107,646
Franchise tax	3,943,000	4,456,292	4,545,452	89,160
Other taxes	6,785,000	1,658,000	1,712,450	54,450
Intergovernmental revenues	1,779,242	7,264,221	7,494,882	230,661
Permits, licenses, and fees	1,827,667	983,050	1,056,906	73,856
Fines and forfeitures	616,600	219,432	292,235	72,803
Service fees	2,103,727	3,557,671	3,685,279	127,608
Use of money and property	502,250	96,090	142,904	46,814
Other revenues	2,431,261	1,928,333	2,103,960	175,627
Total revenues	35,568,718	35,996,689	37,980,136	1,983,447
EXPENDITURES:				
Current:				
General government	4,052,629	3,146,107	3,143,562	2,545
City Council	88,161	96,883	83,145	13,738
City Manager and City Clerk	745,538	731,592	687,648	43,944
City Attorney	406,541	474,784	459,513	15,271
Human resources	921,156	996,821	880,116	116,705
Finance and services	3,035,749	2,955,706	2,850,111	105,595
Community development and services	4,219,519	6,185,165	5,829,914	355,251
Public safety	24,121,516	24,644,176	24,110,402	533,774
Public works - administration	103,636	103,636	92,639	10,997
Public works - streets	2,295,000	2,323,672	2,243,733	79,939
Public works - parks	117,046	126,816	131,094	(4,278)
Total expenditures	40,106,491	41,785,358	40,511,877	1,273,481
OTHER FINANCING SOURCES (USES)				
Transfers in	6,530,411	6,592,411	4,433,226	2,159,185
Transfers (out)	(2,709,559)	(2,785,918)	(1,284,990)	(1,500,928)
Total other financing sources (uses)	3,820,852	3,806,493	3,148,236	658,257
NET CHANGE IN FUND BALANCE	\$ (716,921)	\$ (1,982,176)	616,495	\$ 2,598,671
FUND BALANCE:				
Beginning of year			19,266,262	
End of year			\$ 19,882,757	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Housing Authority (Section 8) - Special Revenue Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Intergovernmental revenues	\$ 13,603,330	\$ 13,603,330	\$ 14,362,955	\$ 759,625
Service fee	1,285,511	1,285,511	1,117,272	(168,239)
Use of money and property	2,000	2,000	(4,208)	(6,208)
Other revenues	57,266	57,266	74,488	17,222
Total revenues	14,948,107	14,948,107	15,550,507	602,400
EXPENDITURES:				
Community development and services	14,399,537	14,990,172	15,664,670	(674,498)
Total expenditures	14,399,537	14,990,172	15,664,670	(674,498)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(17,591)	(17,591)	(17,591)	-
Total other financing sources (uses)	(17,591)	(17,591)	(17,591)	-
NET CHANGE IN FUND BALANCE	\$ 530,979	\$ (59,656)	(131,754)	\$ (72,098)
FUND BALANCE:				
Beginning of year			222,791	
End of year			\$ 91,037	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Successor Agency Housing

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES:				
Service fees	\$ 7,500	\$ 7,500	\$ 7,800	\$ 300
Use of money and property	4,120	4,120	67,388	63,268
Other revenues	272,511	272,511	696,013	423,502
Total revenues	284,131	284,131	771,201	487,070
EXPENDITURES:				
Community development and services	387,071	728,801	601,922	126,879
Total expenditures	387,071	728,801	601,922	126,879
OTHER FINANCING SOURCES (USES)				
Transfers in	-	314,547	-	(314,547)
Transfers (out)	(709)	(709)	(709)	-
Total other financing sources (uses)	(709)	313,838	(709)	(314,547)
NET CHANGE IN FUND BALANCE	\$ (103,649)	\$ (130,832)	168,570	\$ 299,402
FUND BALANCE:				
Beginning of year			1,044,225	
End of year			\$ 1,212,795	

CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

As of fiscal year ending June 30, 2017

Last 10 Years*

Measurement Date	2014	2015	2016
Total Pension Liability			
Service Cost	\$ 1,857,954	\$ 1,843,426	\$ 1,885,618
Interest on total pension liability	5,258,464	5,559,084	5,954,324
Differences between expected and actual experience	-	(227,056)	696,901
Changes in assumptions	-	(1,494,012)	-
Changes in benefits	-	-	-
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,914,360)	(2,993,564)
Net change in total pension liability	4,364,402	2,767,082	5,543,279
Total pension liability - beginning	70,559,887	74,924,289	77,691,371
Total pension liability - ending (a)	\$ 74,924,289	\$ 77,691,371	\$ 83,234,650
Plan fiduciary net position			
Contributions - employer	\$ 1,519,402	\$ 1,631,437	\$ 1,875,971
Contributions - employee	873,360	1,036,916	902,130
Net investment income	8,949,231	1,323,594	284,705
Administrative expense	-	(68,782)	(37,256)
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,914,360)	(2,993,564)
Net change in plan fiduciary net position	8,589,977	1,008,805	31,986
Plan fiduciary net position - beginning	51,531,626	60,121,603	61,130,408
Plan fiduciary net position - ending (b)	\$ 60,121,603	\$ 61,130,408	\$ 61,162,394
Net pension liability - ending (a)-(b)	\$ 14,802,686	\$ 16,560,963	\$ 22,072,256
 Plan fiduciary net position as a percentage of the total pension liability	 80.24%	 78.68%	 73.48%
 Covered payroll	 \$ 12,627,215	 \$ 11,526,481	 \$ 11,958,650
 Net pension liability as percentage of covered-employee payroll	 117.23%	 143.68%	 184.57%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (aka. Golden Handshakes).

Changes in assumptions: The discount rate was changed from 7.65% (net of administrative expense) to 7.5%.

* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

CITY OF PITTSBURGH, AGENT MULTIPLE EMPLOYER PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
As of fiscal year ending June 30, 2017
Last 10 Years*

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially determined contribution	\$ 2,464,100	\$ 2,745,066	\$ 3,094,191
Contributions in relation to the actuarially determined contributions	<u>(2,464,100)</u>	<u>(2,745,066)</u>	<u>(3,094,191)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered payroll	 <u>\$ 12,627,215</u>	 <u>\$ 11,526,481</u>	 <u>\$ 11,958,650</u>
 Contributions as a percentage of covered-employee payroll	 19.51%	 23.82%	 25.87%

Notes to Schedule

Valuation date: June 30, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	For details, see June 30, 2015 Funding Valuation Report.
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2015 Funding Valuation Report
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment rate of return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Years*

As of fiscal year ending June 30, 2017

Measurement Date	Safety Plan		
	6/30/2014	6/30/2015	6/30/2016
Plan's Proportion of the Net Pension Liability / Asset	0.37777%	0.39815%	0.46609%
Plan's Proportionate Share of the Net Pension Liability / (Asset)	\$14,169,983	\$16,405,587	\$21,519,369
Plan's Covered Payroll	\$12,627,215	\$13,134,628	\$14,209,375
Plan's Proportionate Share of the Net Pension Liability / (Asset) as a Percentage of it's Covered-Employee Payroll	112.22%	124.90%	151.44%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	81.42%	79.38%	74.91%
Plan's Proportionate Share of Aggregate Employer Contributions	\$1,757,817	\$2,148,293	\$2,219,565

CITY OF PITTSBURG, A COST-SHARING DEFINED PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
As of fiscal year ending June 30, 2017
Last 10 Years*

Fiscal Year Ended June 30	Safety Plan		
	2015	2016	2017
Actuarially determined contribution	\$ 2,924,602	\$ 2,449,689	\$ 2,573,034
Contributions in relation to the actuarially determined contributions	(2,924,602)	(2,449,689)	(2,573,034)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$13,134,628	\$14,209,375	\$ 10,647,118
Contributions as a percentage of covered payroll	22.27%	17.24%	24.17%
Notes to Schedule			
Valuation date:	June 30, 2013	June 30, 2014	June 30, 2015
Methods and assumptions used to determine contribution rates:			
Actuarial cost method	Entry age		
Amortization method	Level percentage of payroll, closed		
Remaining amortization period	30 years		
Asset valuation method	5-year smoothed market		
Inflation	2.75%		
Salary increases	Varies by Entry Age and Service		
Investment rate of return	7.5% for 2015 and 7.65% for 2016 & 2017, net of pension plan investment and administrative expenses, including inflation		
Retirement age	55 yrs. Tier I, 55 yrs. Tier II, 62 yrs. Tier III		
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2014 CalPERS Experience Study. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB.		

* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

**CITY OF PITTSBURG
OTHER POST-EMPLOYMENT BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS
As of fiscal year ending June 30, 2017
Last Three Actuarial Valuations**

Actuarial Valuation Date	Actuarial Asset Value (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
1/1/2011	\$ -	\$ 49,439,000	\$ 49,439,000	0%	\$ 17,911,000	276.0%
6/30/2013	-	46,094,000	46,094,000	0%	17,985,000	256.3%
6/30/2015	2,162,000	49,903,000	47,741,000	4%	16,869,000	283.0%



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

SUPPLEMENTARY INFORMATION



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

Small Cities Grants Fund - This fund was established to account for direct grants received for housing and rental rehabilitation programs, which are program income and used to supplement housing rehabilitation costs.

Gas Tax Fund - This fund represents the Highway Users Tax apportionments from the State of California for street and road purposes under the provisions of Streets and Highways Code Maintenance.

Measure J Tax Fund - This fund receives 18% of the collected half-cent sales tax, which is based on the population and road mileage, to fund regional transportation and transit related projects.

Lighting & Landscape Fund - Receipts of the assessments from residential and commercial properties are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks within the City.

Lighting & Landscape Oak Hills Fund - Receipts of the special assessments from residential and commercial properties, in the Oak Hill area, are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks.

Miscellaneous Grants Fund - This fund receives various small grants to administer the police, recreation, and public services.

Assets Seizure Fund - This fund was established to administer the seized assets from criminal activities.

Marina Vista Field Replacement Fund - This fund accounts for the collection of rents (maximum of \$60,000 annually) from the Athletic Fields rentals of the Marina Vista School fields as set forth in the Construction and Use Agreement for the contingent turf replacement of the fields.

Local Law Enforcement Block Grant Fund - This fund accounts for the funds provided by Department of Justice to supplement local crime prevention and public safety efforts.

Southwest Pittsburg GHAD II Fund - Southwest Pittsburg Geological Hazard Abatement fund was created to account for the maintenance district of which responsibilities are restricted to mitigation/abatement of geologic landslide and erosion hazards. The fund receives revenues from assessments levied on the properties located on the hillside areas for its operation costs.

Storm Water Utility (NPDES) Fund - This fund accounts for property assessments collected by the County of Contra Costa on behalf of the City to provide funding for National Pollutant Discharge Elimination System (NPDES) and general drainage maintenance activities within the Pittsburg Storm Water Utility Area to reduce pollutants.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

SPECIAL REVENUE FUNDS, Continued:

HUD Community Development Block Grant Fund - Receives annual entitlement from Department of HUD to finance public services, housing activities, economic development projects, public facility projects, program planning and administration.

NSP Neighborhood Stabilization Program Fund - This fund accounts for the funding by the California Department of Housing and Community Development for purchases and redevelopment of foreclosed homes, the purchase and rehabilitation of abandoned or foreclosed homes, the demolition of blighted structures, and the redevelopment of demolished or vacant property within the City.

CalHome Program Fund - This fund was established to account for the funding from the California Department of Housing and Community Development for mortgage assistance and owner-occupied housing rehabilitation loans.

California Energy Conservation Program - This fund is funded by the Energy Efficiency and Conservation Block Grant to enable the City to pursue the City's LED streetlight retrofit, to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions within the City.

San Marco CFD 2004-01 Fund - The receipts of this fund provide funding for the increased demand of police services in the San Marco subdivision of the Community Facilities District.

Solid Waste Fund - This fund has been established to finance City activities associated with AB 939 compliance such as the annual reporting of recycling programs, hazardous waste collection and the coordination of public education programs. In addition this fund finances the City's solid waste facility Local Enforcement Program (LEA) for permitting, inspection and enforcement of State regulations governing operational, closed and illegal landfills and refuse processing facilities. These revenues will also provide for litter abatement and other similar services to mitigate the impact on the City of Pittsburg associated with hosting the Material Recovery and Transfer Station (MRTS) which services the entire region. The Solid Waste Fund revenues are generated by a \$1.50 surcharge on each ton of solid waste received at the Material Recovery and Transfer Station.

Vista Del Mar CFD 2005-2 Fund - The receipts of the fund provided funding for financing increasing demands for police services in and for the Vista Del Mar CFD 2005-2.

Public Safety Services CFD 2005-1 Fund - The receipts of this fund provide funding for financing increasing demands for public safety services within this Community Facilities District.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

SPECIAL REVENUE FUNDS, Continued:

Park Maintenance CFD 2007-1 Fund - The receipts of this fund provide funding for financing increasing demands for park maintenance services within this Community Facilities District.

Cops Hiring Recovery Fund - This fund was established to account for Grants received from law enforcement agencies to create and preserve jobs and to increase their community policing capacity and crime-prevention efforts.

Pittsburg Arts & Community Foundation - This fund was created for an independent non-profit corporation set up to increase, support and encourage art, literacy, education, economic development, affordable housing, and other community resources and programs to benefit the City of Pittsburg and its residents.

Hillview Jr. High Athletic Field - This fund was established to account for Grants received from Measure WW for financing, construction and joint use of an athletic field at Hillview Junior High School with Pittsburg Unified School District.

Public, Education and Government Fees (PEG) - The City is given authority from California Public Utilities Code to levy State Franchise Holder. The revenue of this fund supports Public Education and Government (PEG) channel facilities.

Railroad Avenue Specific Area Plan - This fund was created to account for the funding and financing of facilities according to the Railroad Avenue Specific Plan.

Project Amenities Management Fund - This fund was created to account for continuous maintenance and management of various project amenities for Greystone Place such as stormwater treatment facilities, sanitary sewer lift stations, emergency vehicle access and gates.

Golf Course Fund - This fund was established to account for revenues and expenditures associated with providing golfing facilities and services to our community.

Fire District CFD 2017-01 Fund - The funds will be used solely for supplemental services and facilities of the Fire District that benefited City of Pittsburg.

DEBT SERVICE FUND:

Pension Obligations Fund accounts for the accumulation of resources for payment of principal, interest and related costs of the Pension Obligation Bonds long-term debt and for payments to the Contra Costa County Employees' Retirement Association for unfunded accrued pension obligations.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

CAPITAL PROJECTS FUNDS:

Inclusionary Housing Fund - This fund was established to account for fees paid by developers in the form of "in-lieu" fees that would be used for the construction of affordable housing.

Traffic Impact Fair Share Fund - This fund was established to account for developer fees as a condition of development to mitigate future traffic impacts.

Kirker Creek Drainage Fees Fund - This fund was established to account for the drainage fees collected from developers to finance drainage improvement projects.

Traffic Mitigation Fund - Fees collected from developers are used by this fund to finance the capital improvement projects that mitigate the traffic impact.

Capital Improvement Fund - This fund accounts for most capital improvement projects in the City that have various funding sources. Revenues received from various sources are used for related project costs.

Park Dedication Fund - This fund was established to account for the fees collected from developers and used for design, development, construction of new park projects and the rehabilitation of existing parks.

Regional Traffic Mitigation Fund - This fund was established to account for the fees collected from new development in the City to support the regional transportation improvement projects through the Pittsburgh Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program.

Infrastructure Repair & Replacement - This fund was established to fund repair and capital improvement projects related to the City's infrastructure including streets, roads, parking lots and storm drains.

Community Capital Improvement - This fund was established to administer the Cooperative and Repayment Agreement between the Redevelopment Agency of the City of Pittsburgh and the City of Pittsburgh. The goal of this agreement is to utilize the City personnel and facilities more effectively to control the Agency's planning and administrative costs for redevelopment activities in the established redevelopment project areas.

Bailey Road Maintenance - This fund was created to account for surcharges collected from Keller Canyon Landfill Company to fund repair and maintenance of Bailey Road from Highway 4 to the Landfill entrance.



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

City of Pittsburgh
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2017

	Special Revenue			
	Small Cities Grants	Gas Tax	Measure J Tax Fund	Lighting & Landscape
ASSETS				
Cash and investments	\$ 3,178	\$ 598,534	\$ -	\$ 95,298
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	123,667	882,106	844
Loans/notes	1,275,177	-	-	-
Inventory	-	-	-	43,411
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Total Assets	\$ 1,278,355	\$ 722,201	\$ 882,106	\$ 139,553
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 2,171	\$ 255,477	\$ 42,654
Refundable deposits	-	-	-	-
Loans payable - current	15,000	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	6,400	-
Advance from other funds	-	-	-	-
Total Liabilities	15,000	2,171	261,877	42,654
Deferred inflows of resources:				
Unearned revenue	1,260,177	-	-	-
Total Deferred Inflows of Resources	1,260,177	-	-	-
Fund Balances:				
Nonspendable	-	-	-	43,411
Restricted	3,178	720,030	620,229	53,488
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficit)	3,178	720,030	620,229	96,899
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,278,355	\$ 722,201	\$ 882,106	\$ 139,553

Special Revenue						
Lighting & Landscape Oak Hills	Miscellaneous Grants	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Storm Water Utility (NPDES)
\$ 16,132	\$ 126,917	\$ 55,113	\$ 254,401	\$ 19,396	\$ 3,267,879	\$ -
-	-	-	-	-	-	-
-	10,559	-	724	47,287	89,124	415,214
-	-	-	-	-	-	-
-	69,709	15,874	-	31,848	-	1,829
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 16,132</u>	<u>\$ 207,185</u>	<u>\$ 70,987</u>	<u>\$ 255,125</u>	<u>\$ 98,531</u>	<u>\$ 3,357,003</u>	<u>\$ 417,043</u>
\$ 100	\$ 1,607	\$ 2,477	\$ -	\$ 9,895	\$ 16,000	\$ 5,167
-	-	23,287	-	-	1,130	-
-	-	-	-	-	-	-
-	12,281	-	-	-	-	-
-	-	-	-	25,628	-	40,134
-	-	-	-	-	-	-
<u>100</u>	<u>13,888</u>	<u>25,764</u>	<u>-</u>	<u>35,523</u>	<u>17,130</u>	<u>45,301</u>
-	123,588	-	-	31,160	-	-
-	123,588	-	-	31,160	-	-
-	69,709	15,874	-	31,848	-	1,829
16,032	-	-	-	-	3,339,873	369,913
-	-	-	255,125	-	-	-
-	-	29,349	-	-	-	-
-	-	-	-	-	-	-
<u>16,032</u>	<u>69,709</u>	<u>45,223</u>	<u>255,125</u>	<u>31,848</u>	<u>3,339,873</u>	<u>371,742</u>
<u>\$ 16,132</u>	<u>\$ 207,185</u>	<u>\$ 70,987</u>	<u>\$ 255,125</u>	<u>\$ 98,531</u>	<u>\$ 3,357,003</u>	<u>\$ 417,043</u>

(Continued)

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2017

	Special Revenue			
	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program	CalHome Program	California Energy Conservation Program
ASSETS				
Cash and investments	\$ 6,519	\$ 44,174	\$ 119,669	\$ 4
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	136,607	-	-	-
Loans/notes	263,844	1,800,250	484,626	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Total Assets	\$ 406,970	\$ 1,844,424	\$ 604,295	\$ 4
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 36,712	\$ -	\$ -	\$ -
Refundable deposits	-	-	-	-
Loans payable - current	116,813	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Total liabilities	153,525	-	-	-
Deferred inflows of resources:				
Unearned revenue	147,031	1,800,250	484,626	-
Total Deferred Inflows of Resources	147,031	1,800,250	484,626	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	106,414	44,174	119,669	4
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	106,414	44,174	119,669	4
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 406,970	\$ 1,844,424	\$ 604,295	\$ 4

Special Revenue						
San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Cops Hiring Recovery	Pittsburg Arts & Community Foundation
\$ 6,835	\$ 138,266	\$ 70,086	\$ 107,573	\$ 27,025	\$ -	\$ 282,944
-	-	-	-	-	-	-
448	142,541	126	26	36,779	-	12,012
-	-	-	-	-	-	778,219
-	1,448	-	-	-	-	104,138
-	-	-	-	-	-	1,726
-	-	-	-	-	-	-
<u>\$ 7,283</u>	<u>\$ 282,255</u>	<u>\$ 70,212</u>	<u>\$ 107,599</u>	<u>\$ 63,804</u>	<u>\$ -</u>	<u>\$ 1,179,039</u>
\$ -	\$ 49,867	\$ -	\$ -	\$ 33	\$ -	\$ 40,302
-	-	-	-	-	-	25,724
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	125,792	-	-
-	49,867	-	-	125,825	-	66,026
-	-	-	-	-	-	784,061
-	-	-	-	-	-	784,061
-	1,448	-	-	-	-	105,864
7,283	230,940	70,212	107,599	-	-	223,088
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(62,021)	-	-
<u>7,283</u>	<u>232,388</u>	<u>70,212</u>	<u>107,599</u>	<u>(62,021)</u>	<u>-</u>	<u>328,952</u>
<u>\$ 7,283</u>	<u>\$ 282,255</u>	<u>\$ 70,212</u>	<u>\$ 107,599</u>	<u>\$ 63,804</u>	<u>\$ -</u>	<u>\$ 1,179,039</u>

(Continued)

City of Pittsburgh
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2017

	Special Revenue			
	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan	Project Amenities Management
ASSETS				
Cash and investments	\$ 232,736	\$ 504,062	\$ 32,940	\$ 16,359
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	1,756	39,953	-	-
Loans/notes	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
Total Assets	\$ 234,492	\$ 544,015	\$ 32,940	\$ 16,359
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 14,702	\$ -	\$ -
Refundable deposits	-	-	-	11,015
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	3,342,808	-
Total Liabilities	-	14,702	3,342,808	11,015
Deferred inflows of resources:				
Unearned revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	-	-	5,344
Committed	234,492	529,313	-	-
Assigned	-	-	-	-
Unassigned	-	-	(3,309,868)	-
Total Fund Balances (deficit)	234,492	529,313	(3,309,868)	5,344
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 234,492	\$ 544,015	\$ 32,940	\$ 16,359

Special Revenue		Debt Service		Capital Projects			
Fire District CFD 2017-01	Golf Course	Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Kirker Creek Drainage Fees	Traffic Mitigation	
\$ -	\$ 11,116	\$ 1,339	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,493,759	
-	-	2,817,501	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
\$ -	\$ 11,116	\$ 2,818,840	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,493,759	
\$ 88	\$ 248	\$ -	\$ -	\$ -	\$ -	\$ 2,793	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
8,108	-	-	-	-	-	-	
-	375,000	-	-	-	-	-	
8,196	375,248	-	-	-	-	2,793	
-	915	-	-	-	-	-	
-	915	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	2,818,840	389,133	487,174	408,774	2,490,966	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
(8,196)	(365,047)	-	-	-	-	-	
(8,196)	(365,047)	2,818,840	389,133	487,174	408,774	2,490,966	
\$ -	\$ 11,116	\$ 2,818,840	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,493,759	

(Continued)

City of Pittsburgh
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2017

	Capital Projects			
	Capital Improvement	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement
ASSETS				
Cash and investments	\$ 242,494	\$ 826,877	\$ 1,683,187	\$ 906,392
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	4,145	973,220	-	-
Loans/notes	-	-	-	-
Inventory	-	886	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	3,342,808	-
Total assets	\$ 246,639	\$ 1,800,983	\$ 5,025,995	\$ 906,392
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 14,634	\$ 410,481	\$ 9,716	\$ -
Refundable deposits	48,209	-	-	-
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Total Liabilities	62,843	410,481	9,716	-
Deferred inflows of resources:				
Unearned revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable	-	886	-	-
Restricted	-	1,389,616	5,016,279	-
Committed	183,796	-	-	906,392
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficit)	183,796	1,390,502	5,016,279	906,392
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 246,639	\$ 1,800,983	\$ 5,025,995	\$ 906,392

Capital Projects		
Community Capital Improvement	Bailey Road Maintenance	Non-Major Governmental Funds
\$ 638,467	\$ 975,720	\$ 15,090,472
-	-	2,817,501
38,893	-	2,956,031
-	-	4,602,116
-	-	269,143
-	-	1,726
-	-	3,342,808
<u>\$ 677,360</u>	<u>\$ 975,720</u>	<u>\$ 29,079,797</u>

\$ -	\$ -	\$ 915,124
-	-	109,365
-	-	131,813
-	-	12,281
-	-	80,270
-	-	3,843,600
-	-	5,092,453
30,000	-	4,661,808
30,000	-	4,661,808
-	-	270,869
-	975,720	20,013,972
647,360	-	2,756,478
-	-	29,349
-	-	(3,745,132)
<u>647,360</u>	<u>975,720</u>	<u>19,325,536</u>
<u>\$ 677,360</u>	<u>\$ 975,720</u>	<u>\$ 29,079,797</u>

City of Pittsburgh

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the year ended June 30, 2017

	Special Revenue			
	Small Cities Grants	Gas Tax	Measure J Tax Fund	Lighting & Landscape
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	1,319,101	787,106	-
Intergovernmental revenues	-	-	67,505	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	2,836,116
Service fees	-	-	-	3,731
Use of money and property	(104)	2,166	37	143
Other revenues	65,913	304	-	20,262
Total Revenues	65,809	1,321,571	854,648	2,860,252
EXPENDITURES:				
Current:				
General government	-	-	-	44,110
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	380,041	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	337,003	-	3,929,298
Capital outlay and improvements	-	-	387,422	30,000
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	337,003	767,463	4,003,408
REVENUES OVER (UNDER) EXPENDITURES	65,809	984,568	87,185	(1,143,156)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	111,198	880,999	1,105,002
Transfers out	(65,913)	(1,095,083)	(701,530)	(66,969)
Total other financing sources (uses)	(65,913)	(983,885)	179,469	1,038,033
Net change in fund balances	(104)	683	266,654	(105,123)
FUND BALANCES (DEFICITS):				
Beginning of Year	3,282	719,347	353,575	202,022
End of Year	\$ 3,178	\$ 720,030	\$ 620,229	\$ 96,899

Special Revenue						
Lighting & Landscape Oak Hills	Miscellaneous Grants	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Storm Water Utility (NPDES)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	786,343	1,046,485
-	257,685	-	-	67,213	-	-
-	-	-	-	-	-	-
-	-	15,679	-	-	-	-
33,959	-	-	-	-	-	-
-	-	-	31,717	-	-	-
61	518	191	1,064	40	12,904	720
-	15,000	-	-	-	84,472	1,837
34,020	273,203	15,870	32,781	67,253	883,719	1,049,042
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	10,000	-	-	-	-	-
-	-	-	-	-	-	-
-	9,692	-	-	28,804	681,536	-
-	253,511	875	-	38,449	-	-
-	-	-	-	-	-	543,921
32,130	-	-	-	-	-	413,106
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	6,972
32,130	273,203	875	-	67,253	681,536	963,999
1,890	-	14,995	32,781	-	202,183	85,043
-	-	-	-	-	-	100,000
-	-	-	-	-	(3,256)	(60,409)
-	-	-	-	-	(3,256)	39,591
1,890	-	14,995	32,781	-	198,927	124,634
14,142	69,709	30,228	222,344	31,848	3,140,946	247,108
\$ 16,032	\$ 69,709	\$ 45,223	\$ 255,125	\$ 31,848	\$ 3,339,873	\$ 371,742

(Continued)

City of Pittsburgh

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the year ended June 30, 2017

	Special Revenue			
	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program	CalHome Program	California Energy Conservation Program
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	615,015	-	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	392	186	12,109	-
Other revenues	429	-	73,560	-
Total Revenues	615,836	186	85,669	-
EXPENDITURES:				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	526,596	-	-	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	62,775
Interest and fiscal charges	(236)	-	-	11,722
Total Expenditures	526,360	-	-	74,497
REVENUES OVER (UNDER)				
EXPENDITURES	89,476	186	85,669	(74,497)
OTHER FINANCING SOURCES (USES):				
Transfers in	65,913	-	-	36,093
Transfers out	(154,332)	-	-	-
Total other financing sources (uses)	(88,419)	-	-	36,093
Net change in fund balances	1,057	186	85,669	(38,404)
FUND BALANCES (DEFICITS):				
Beginning of Year	105,357	43,988	34,000	38,408
End of Year	\$ 106,414	\$ 44,174	\$ 119,669	\$ 4

Special Revenue						
San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Cops Hiring Recovery	Pittsburg Arts & Community Foundation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	285,993	373,257	-	-	-
-	-	-	-	36,779	129,626	22,425
-	529,484	-	-	-	-	-
-	-	-	-	-	-	455
692,804	-	-	-	62,894	-	-
-	805	-	-	-	-	103,946
(55)	727	22	386	104	-	21,146
-	1,234	-	-	-	-	594,895
692,749	532,250	286,015	373,643	99,777	129,626	742,867
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	296,242	-	-	-	-	818,547
687,896	122,350	283,251	273,106	-	-	-
-	-	-	-	-	-	-
-	-	-	-	63,469	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13,812	-	-	3,936	7,642	-	-
701,708	418,592	283,251	277,042	71,111	-	818,547
(8,959)	113,658	2,764	96,601	28,666	129,626	(75,680)
-	-	-	-	-	-	-
(7,982)	(101,917)	(2,232)	(2,914)	(761)	(129,626)	-
(7,982)	(101,917)	(2,232)	(2,914)	(761)	(129,626)	-
(16,941)	11,741	532	93,687	27,905	-	(75,680)
24,224	220,647	69,680	13,912	(89,926)	-	404,632
\$ 7,283	\$ 232,388	\$ 70,212	\$ 107,599	\$ (62,021)	\$ -	\$ 328,952

(Continued)

City of Pittsburgh

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the year ended June 30, 2017

	Special Revenue			
	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan	Project Amenities Management
REVENUES:				
Franchise tax	\$ -	\$ 161,435	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	-	-	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	32,919	-
Service fees	58,329	-	-	8,616
Use of money and property	1,025	2,209	-	-
Other revenues	-	-	-	25,000
Total Revenues	59,354	163,644	32,919	33,616
EXPENDITURES:				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	43,559	-	29,024
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	-	-	3,476,846	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	24,788	-
Total Expenditures	-	43,559	3,501,634	29,024
REVENUES OVER (UNDER) EXPENDITURES	59,354	120,085	(3,468,715)	4,592
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	59,354	120,085	(3,468,715)	4,592
FUND BALANCES (DEFICITS):				
Beginning of Year	175,138	409,228	158,847	752
End of Year	\$ 234,492	\$ 529,313	\$ (3,309,868)	\$ 5,344

Special Revenue		Debt Service		Capital Projects		
Fire District CFD 2017-01	Golf Course	Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Kirker Creek Drainage Fees	Traffic Mitigation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	198,531
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	4,854,654	-	-	-	-
-	128	1,373	1,641	2,067	1,716	9,549
-	-	-	-	-	-	-
-	128	4,856,027	1,641	2,067	1,716	208,080
-	-	-	-	-	-	-
-	-	22,675	-	-	-	-
-	-	39,681	-	-	-	-
-	-	119,043	-	-	-	-
8,196	12,989	187,069	-	-	-	-
-	-	124,713	-	-	-	-
-	-	73,694	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,330	92,713
-	-	2,020,000	-	-	-	-
-	-	2,206,252	-	-	-	-
8,196	12,989	4,793,127	-	-	1,330	92,713
(8,196)	(12,861)	62,900	1,641	2,067	386	115,367
-	13,052	-	-	-	1,473	-
-	-	-	-	(27,048)	(17,301)	(392,864)
-	13,052	-	-	(27,048)	(15,828)	(392,864)
(8,196)	191	62,900	1,641	(24,981)	(15,442)	(277,497)
-	(365,238)	2,755,940	387,492	512,155	424,216	2,768,463
\$ (8,196)	\$ (365,047)	\$ 2,818,840	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,490,966

(Continued)

City of Pittsburgh

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the year ended June 30, 2017

	Capital Projects			
	Capital Improvement	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	60,946	973,220	-	-
Licenses, permits, and fees	-	1,590,900	17,176	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	22,000	-	-
Use of money and property	881	3,755	34,349	4,369
Other revenues	100,000	100,000	-	-
Total Revenues	161,827	2,689,875	51,525	4,369
EXPENDITURES:				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	-	113,307
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	258,144	2,200,157	154,014	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	6,539	-	-
Total Expenditures	258,144	2,206,696	154,014	113,307
REVENUES OVER (UNDER)				
EXPENDITURES	(96,317)	483,179	(102,489)	(108,938)
OTHER FINANCING SOURCES (USES):				
Transfers in	127,912	-	-	-
Transfers out	-	-	(580,999)	(57,310)
Total other financing sources (uses)	127,912	-	(580,999)	(57,310)
Net change in fund balances	31,595	483,179	(683,488)	(166,248)
FUND BALANCES (DEFICITS):				
Beginning of Year	152,201	907,323	5,699,767	1,072,640
End of Year	\$ 183,796	\$ 1,390,502	\$ 5,016,279	\$ 906,392

Capital Projects			Total Non-Major Governmental Funds
Community Capital Improvement	Bailey Road Maintenance		
\$ -	\$ -	\$	161,435
-	-		4,598,285
10,228	-		2,240,642
-	139,411		2,475,502
-	-		16,134
-	-		3,658,692
-	-		5,083,798
2,787	4,309		122,915
-	-		1,082,906
13,015	143,720		19,440,309
-	-		44,110
-	-		22,675
-	-		49,681
-	-		119,043
190,468	-		3,326,070
-	-		1,784,151
-	-		617,615
-	-		4,775,006
-	-		6,600,626
-	-		2,082,775
-	-		2,281,427
190,468	-		21,703,179
(177,453)	143,720		(2,262,870)
-	-		2,441,642
(20,861)	-		(3,489,307)
(20,861)	-		(1,047,665)
(198,314)	143,720		(3,310,535)
845,674	832,000		22,636,071
\$ 647,360	\$ 975,720	\$	19,325,536

City of Pittsburgh

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	SMALL CITIES GRANTS			GAS TAX		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	1,352,500	1,319,101	(33,399)
Intergovernmental revenues	-	-	-	647,920	-	(647,920)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	72	(104)	(176)	10,200	2,166	(8,034)
Other revenues	-	65,913	65,913	-	304	304
Total revenues	72	65,809	65,737	2,010,620	1,321,571	(689,049)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	1,903,130	337,003	1,566,127
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	1,903,130	337,003	1,566,127
REVENUES OVER (UNDER)	72	65,809	65,737	107,490	984,568	877,078
EXPENDITURES	72	65,809	65,737	107,490	984,568	877,078
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	218,889	111,198	(107,691)
Transfers out	-	(65,913)	(65,913)	(1,095,083)	(1,095,083)	-
Total other financing sources (uses)	-	(65,913)	(65,913)	(876,194)	(983,885)	(107,691)
Net change in fund balances	\$ 72	(104)	\$ (176)	\$ (768,704)	683	\$ 769,387
FUND BALANCES (DEFICITS):						
Beginning of year		3,282			719,347	
End of year		<u>\$ 3,178</u>			<u>\$ 720,030</u>	

SPECIAL REVENUE								
MEASURE J TAX			LIGHTING AND LANDSCAPE			LIGHTING AND LANDSCAPING OAK HILL		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
725,000	787,106	62,106	-	-	-	-	-	-
1,500,005	67,505	(1,432,500)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	2,875,000	2,836,116	(38,884)	33,959	33,959	-
-	-	-	163	3,731	3,568	-	-	-
1,610	37	(1,573)	520	143	(377)	-	61	61
-	-	-	19,762	20,262	500	-	-	-
2,226,615	854,648	(1,371,967)	2,895,445	2,860,252	(35,193)	33,959	34,020	61
-	-	-	-	44,110	(44,110)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
549,171	380,041	169,130	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	4,157,756	3,929,298	228,458	32,406	32,130	276
3,619,996	387,422	3,232,574	30,000	30,000	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,169,167	767,463	3,401,704	4,187,756	4,003,408	184,348	32,406	32,130	276
(1,942,552)	87,185	2,029,737	(1,292,311)	(1,143,156)	149,155	1,553	1,890	337
2,260,000	880,999	(1,379,001)	1,117,095	1,105,002	(12,093)	-	-	-
(701,530)	(701,530)	-	(75,376)	(66,969)	8,407	-	-	-
1,558,470	179,469	(1,379,001)	1,041,719	1,038,033	(3,686)	-	-	-
\$ (384,082)	266,654	\$ 650,736	\$ (250,592)	(105,123)	\$ 145,469	\$ 1,553	1,890	\$ 337
353,575			202,022			14,142		
\$ 620,229			\$ 96,899			\$ 16,032		

(Continued)

City of Pittsburg

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	MISCELLANEOUS GRANTS			ASSETS SEIZURE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	638,090	257,685	(380,405)	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	15,679	15,679
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	518	518	-	191	191
Other revenues	5,000	15,000	10,000	-	-	-
Total revenues	643,090	273,203	(369,887)	-	15,870	15,870
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	5,000	10,000	(5,000)	-	-	-
Finance	-	-	-	-	-	-
Community services	18,097	9,692	8,405	-	-	-
Public safety	635,730	253,511	382,219	-	875	(875)
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	658,827	273,203	385,624	-	875	(875)
REVENUES OVER (UNDER)						
EXPENDITURES	(15,737)	-	15,737	-	14,995	14,995
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	(72,000)	-	72,000	-	-	-
Total other financing sources (uses)	(72,000)	-	72,000	-	-	-
Net change in fund balances	\$ (87,737)	-	\$ 87,737	\$ -	14,995	\$ 14,995
FUND BALANCES (DEFICITS):						
Beginning of year		69,709			30,228	
End of year		<u>\$ 69,709</u>			<u>\$ 45,223</u>	

SPECIAL REVENUE								
MARINA VISTA FIELD REPLACEMENT			LOCAL LAW ENFORCEMENT BLOCK GRANT			SOUTHWEST PITTSBURG GHAD II		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	763,504	786,343	22,839
-	-	-	85,300	67,213	(18,087)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
30,000	31,717	1,717	-	-	-	-	-	-
830	1,064	234	-	40	40	11,400	12,904	1,504
-	-	-	-	-	-	20,000	84,472	64,472
30,830	32,781	1,951	85,300	67,253	(18,047)	794,904	883,719	88,815
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	55,607	28,804	26,803	723,424	681,536	41,888
-	-	-	52,197	38,449	13,748	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	107,804	67,253	40,551	723,424	681,536	41,888
30,830	32,781	1,951	(22,504)	-	22,504	71,480	202,183	130,703
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(3,256)	(3,256)	-
-	-	-	-	-	-	(3,256)	(3,256)	-
\$ 30,830	32,781	\$ 1,951	\$ (22,504)	-	\$ 22,504	\$ 68,224	198,927	\$ 130,703
222,344			31,848			3,140,946		
\$ 255,125			\$ 31,848			\$ 3,339,873		

(Continued)

City of Pittsburgh

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	STORM WATER UTILITY NPDES			HUD COMMUNITY DEVELOPMENT BLOCK GRANT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	905,176	1,046,485	141,309	-	-	-
Intergovernmental revenues	-	-	-	708,789	615,015	(93,774)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	1,010	720	(290)	101	392	291
Other revenues	-	1,837	1,837	-	429	429
Total revenues	906,186	1,049,042	142,856	708,890	615,836	(93,054)
EXPENDITURES:						
Current:						
General government	15,143	15,379	(236)	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	561,341	526,596	34,745
Public safety	-	-	-	-	-	-
Public works - administration	540,894	528,542	12,352	-	-	-
Public works - streets	468,100	413,106	54,994	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	16,943	6,972	9,971	3,741	(236)	3,977
Total expenditures	1,041,080	963,999	77,081	565,082	526,360	38,722
REVENUES OVER (UNDER) EXPENDITURES	(134,894)	85,043	219,937	143,808	89,476	(54,332)
OTHER FINANCING SOURCES (USES):						
Transfers in	100,000	100,000	-	-	65,913	65,913
Transfers out	(60,409)	(60,409)	-	(154,332)	(154,332)	-
Total other financing sources (uses)	39,591	39,591	-	(154,332)	(88,419)	65,913
Net change in fund balances	\$ (95,303)	124,634	\$ 219,937	\$ (10,524)	1,057	\$ 11,581
FUND BALANCES (DEFICITS):						
Beginning of year		247,108			105,357	
End of year		<u>\$ 371,742</u>			<u>\$ 106,414</u>	

City of Pittsburg

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	SAN MARCO CFD 2004-1			SOLID WASTE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	460,000	529,484	69,484
Fines and forfeitures	-	-	-	-	-	-
Special assessments	697,183	692,804	(4,379)	-	-	-
Service fees	-	-	-	200	805	605
Use of money and property	260	(55)	(315)	1,075	727	(348)
Other revenues	-	-	-	-	1,234	1,234
Total revenues	697,443	692,749	(4,694)	461,275	532,250	70,975
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	310,671	296,242	14,429
Public safety	708,036	687,896	20,140	181,440	122,350	59,090
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	23,279	13,812	9,467	-	-	-
Total expenditures	731,315	701,708	29,607	492,111	418,592	73,519
REVENUES OVER (UNDER)						
EXPENDITURES	(33,872)	(8,959)	24,913	(30,836)	113,658	144,494
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	(7,982)	(7,982)	-	(101,917)	(101,917)	-
Total other financing sources (uses)	(7,982)	(7,982)	-	(101,917)	(101,917)	-
Net change in fund balances	\$ (41,854)	(16,941)	\$ 24,913	\$ (132,753)	11,741	\$ 144,494
FUND BALANCES (DEFICITS):						
Beginning of year		24,224			220,647	
End of year		<u>\$ 7,283</u>			<u>\$ 232,388</u>	

SPECIAL REVENUE

VISTA DEL MAR CFD 2005-2			PUBLIC SAFETY CFD 2005-1			PARK MAINTENANCE CFD 2007-1		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
302,241	285,993	(16,248)	294,199	373,257	79,058	-	-	-
-	-	-	-	-	-	28,000	36,779	8,779
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	53,112	62,894	9,782
-	-	-	-	-	-	-	-	-
-	22	22	-	386	386	210	104	(106)
-	-	-	-	-	-	-	-	-
302,241	286,015	(16,226)	294,199	373,643	79,444	81,322	99,777	18,455
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
368,750	283,251	85,499	298,207	273,106	25,101	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	74,868	63,469	11,399
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	5,700	3,936	1,764	5,500	7,642	(2,142)
368,750	283,251	85,499	303,907	277,042	26,865	80,368	71,111	9,257
(66,509)	2,764	69,273	(9,708)	96,601	106,309	954	28,666	27,712
-	-	-	-	-	-	-	-	-
(2,232)	(2,232)	-	(2,914)	(2,914)	-	(761)	(761)	-
(2,232)	(2,232)	-	(2,914)	(2,914)	-	(761)	(761)	-
\$ (68,741)	532	\$ 69,273	\$ (12,622)	93,687	\$ 106,309	\$ 193	27,905	\$ 27,712
69,680			13,912			(89,926)		
\$ 70,212			\$ 107,599			\$ (62,021)		

(Continued)

City of Pittsburgh
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Non-Major Governmental Funds
For the year ended June 30, 2017

	SPECIAL REVENUE					
	COPS HIRING RECOVERY			PITTSBURG ARTS & COMMUNITY FOUNDATION		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	125,000	129,626	4,626	21,000	22,425	1,425
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	455	455
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	46,000	103,946	57,946
Use of money and property	-	-	-	22,000	21,146	(854)
Other revenues	-	-	-	483,171	594,895	111,724
Total revenues	125,000	129,626	4,626	572,171	742,867	170,696
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	678,422	818,547	(140,125)
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	-	-	678,422	818,547	(140,125)
REVENUES OVER (UNDER)	125,000	129,626	4,626	(106,251)	(75,680)	30,571
EXPENDITURES	125,000	129,626	4,626	(106,251)	(75,680)	30,571
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	(125,000)	(129,626)	(4,626)	-	-	-
Total other financing sources (uses)	(125,000)	(129,626)	(4,626)	-	-	-
Net change in fund balances	\$ -	-	\$ -	\$ (106,251)	(75,680)	\$ 30,571
FUND BALANCES (DEFICITS):						
Beginning of year		-			404,632	
End of year	\$ -	-			\$ 328,952	

SPECIAL REVENUE								
HILLVIEW JR. HIGH ATHLETIC FIELD			PUBLIC, EDUCATION, AND GOVERNMENT FEES (PEG)			RAILROAD AVENUE SPECIFIC AREA PLAN		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 157,000	\$ 161,435	\$ 4,435	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	32,919	32,919
14,000	58,329	44,329	-	-	-	-	-	-
620	1,025	405	2,060	2,209	149	-	-	-
-	-	-	-	-	-	-	-	-
14,620	59,354	44,734	159,060	163,644	4,584	-	32,919	32,919
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	195,000	43,559	151,441	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,476,846	3,476,846	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	24,788	(24,788)
-	-	-	195,000	43,559	151,441	3,476,846	3,501,634	(24,788)
14,620	59,354	44,734	(35,940)	120,085	156,025	(3,476,846)	(3,468,715)	8,131
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ 14,620	59,354	\$ 44,734	\$ (35,940)	120,085	\$ 156,025	\$ (3,476,846)	(3,468,715)	\$ 8,131
175,138			409,228			158,847		
\$ 234,492			\$ 529,313			\$ (3,309,868)		

(Continued)

City of Pittsburgh

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	PROJECT AMENITIES MANAGEMENT			GOLF COURSE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	8,616	8,616	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	-	-	-	128	128
Other revenues	-	25,000	25,000	-	-	-
Total revenues	-	33,616	33,616	-	128	128
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	29,024	(29,024)	61,528	12,989	48,539
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	-	29,024	(29,024)	61,528	12,989	48,539
REVENUES OVER (UNDER)						
EXPENDITURES	-	4,592	4,592	(61,528)	(12,861)	48,667
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	62,928	13,052	(49,876)
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	62,928	13,052	(49,876)
Net change in fund balances	\$ -	4,592	\$ 4,592	\$ 1,400	191	\$ (1,209)
FUND BALANCES (DEFICITS):						
Beginning of year		752			(365,238)	
End of year	\$	5,344		\$	(365,047)	

DEBT SERVICE FUND			CAPITAL PROJECTS					
PENSION OBLIGATION			INCLUSIONARY HOUSING			TRAFFIC IMPACT FAIR SHARE		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,854,654	4,854,654	-	-	-	-	-	-	-
310	1,373	1,063	-	1,641	1,641	-	2,067	2,067
-	-	-	-	-	-	-	-	-
4,854,964	4,856,027	1,063	-	1,641	1,641	-	2,067	2,067
-	-	-	-	-	-	-	-	-
4,854,654	22,675	4,831,979	-	-	-	-	-	-
-	119,043	(119,043)	-	-	-	-	-	-
-	39,681	(39,681)	-	-	-	-	-	-
-	187,069	(187,069)	-	-	-	-	-	-
-	124,713	(124,713)	-	-	-	-	-	-
-	73,694	(73,694)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	2,020,000	(2,020,000)	-	-	-	-	-	-
-	2,206,252	(2,206,252)	-	-	-	-	-	-
4,854,654	4,793,127	61,527	-	-	-	-	-	-
310	62,900	62,590	-	1,641	1,641	-	2,067	2,067
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(27,048)	(27,048)	-
-	-	-	-	-	-	(27,048)	(27,048)	-
\$ 310	62,900	\$ 62,590	\$ -	1,641	\$ 1,641	\$ (27,048)	(24,981)	\$ 2,067
2,755,940			387,492			512,155		
\$ 2,818,840			\$ 389,133			\$ 487,174		

(Continued)

City of Pittsburgh

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	CAPITAL PROJECTS					
	KIRKER CREEK DRAINAGE FEES			TRAFFIC MITIGATION		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	198,531	198,531
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	1,716	1,716	-	9,549	9,549
Other revenues	-	-	-	99,015	-	(99,015)
Total revenues	-	1,716	1,716	99,015	208,080	109,065
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	26,393	1,330	25,063	448,492	92,713	355,779
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	26,393	1,330	25,063	448,492	92,713	355,779
REVENUES OVER (UNDER)						
EXPENDITURES	(26,393)	386	26,779	(349,477)	115,367	464,844
OTHER FINANCING SOURCES (USES):						
Transfers in	16,393	1,473	(14,920)	-	-	-
Transfers out	(17,301)	(17,301)	-	(476,014)	(392,864)	83,150
Total other financing sources (uses)	(908)	(15,828)	(14,920)	(476,014)	(392,864)	83,150
Net change in fund balances	\$ (27,301)	(15,442)	\$ 11,859	\$ (825,491)	(277,497)	\$ 547,994
FUND BALANCES (DEFICITS):						
Beginning of year		424,216			2,768,463	
End of year		\$ 408,774			\$ 2,490,966	

CAPITAL PROJECTS								
CAPITAL IMPROVEMENT			PARK DEDICATION			REGIONAL TRAFFIC MITIGATION		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
796,529	60,946	(735,583)	1,127,177	973,220	(153,957)	-	-	-
-	-	-	-	1,590,900	1,590,900	-	17,176	17,176
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	22,000	22,000	-	-	-	-
-	881	881	-	3,755	3,755	-	34,349	34,349
-	100,000	100,000	100,000	100,000	-	-	-	-
796,529	161,827	(634,702)	1,249,177	2,689,875	1,440,698	-	51,525	51,525
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,039,028	258,144	780,884	2,440,094	2,200,157	239,937	773,959	154,014	619,945
-	-	-	-	-	-	-	-	-
-	-	-	-	6,539	(6,539)	-	-	-
1,039,028	258,144	780,884	2,440,094	2,206,696	233,398	773,959	154,014	619,945
(242,499)	(96,317)	146,182	(1,190,917)	483,179	1,674,096	(773,959)	(102,489)	671,470
226,656	127,912	(98,744)	-	-	-	-	-	-
-	-	-	-	-	-	(580,000)	(580,999)	(999)
226,656	127,912	(98,744)	-	-	-	(580,000)	(580,999)	(999)
\$ (15,843)	31,595	\$ 47,438	\$ (1,190,917)	483,179	\$ 1,674,096	\$ (1,353,959)	(683,488)	\$ 670,471
152,201			907,323			5,699,767		
\$ 183,796			\$ 1,390,502			\$ 5,016,279		

(Continued)

City of Pittsburgh

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual

Non-Major Governmental Funds

For the year ended June 30, 2017

	CAPITAL PROJECTS					
	INFRASTRUCTURE REPAIR & REPLACEMENT			COMMUNITY CAPITAL IMPROVEMENT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
REVENUES:						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	649,243	10,228	(639,015)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	4,369	4,369	2,100	2,787	687
Other revenues	-	-	-	-	-	-
Total revenues	-	4,369	4,369	651,343	13,015	(638,328)
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	528,536	113,307	415,229	1,392,251	190,468	1,201,783
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	528,536	113,307	415,229	1,392,251	190,468	1,201,783
REVENUES OVER (UNDER)						
EXPENDITURES	(528,536)	(108,938)	419,598	(740,908)	(177,453)	563,455
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	(544,376)	(57,310)	487,066	(40,000)	(20,861)	19,139
Total other financing sources (uses)	(544,376)	(57,310)	487,066	(40,000)	(20,861)	19,139
Net change in fund balances	\$ (1,072,912)	(166,248)	\$ 906,664	\$ (780,908)	(198,314)	\$ 582,594
FUND BALANCES (DEFICITS):						
Beginning of year		1,072,640			845,674	
End of year		\$ 906,392			\$ 647,360	

CAPITAL PROJECTS

Final Budget	Actual	Variance Positive (Negative)
-----------------	--------	------------------------------------

\$	-	\$	-	\$	-
	-		-		-
	-		-		-
150,000		139,411		(10,589)	
	-		-		-
	-		-		-
	-		-		-
	-	4,309		4,309	
	-		-		-
150,000		143,720		(6,280)	

[illegible]

-	-	-
-	-	-
-	-	-
\$ 150,000	143,720	\$ (6,280)

	832,000
\$	975,720



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a reimbursement basis. There are five funds as follows:

Fleet Maintenance Fund - Used to account for the costs of operating, maintaining, and replacing automotive equipment used by other departments. Rental rates charged to the using departments include operating costs and equipment depreciation.

Building Maintenance Fund - Used to account for the cost of maintaining all City governmental buildings.

Insurance Fund - Used to account for revenues from charges to operating departments sufficient to provide adequate reserve for future claims.

Information/Communication Services Fund - Used to account for the cost of operating, maintaining and replacing a data processing system. Rental rates charged to the using departments include operating cost and equipment depreciation.

Fringe Benefits Fund - Used to allocate fringe costs to various departments.

Other Post-Employment Benefits (OPEB) Fund - Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses.

City of Pittsburg
Combining Statement of Net Position
Internal Service Funds
June 30, 2017

	Fleet Maintenance	Building Maintenance	Insurance
ASSETS			
Current assets:			
Cash and investments	\$ 872,299	\$ 1,200,528	\$ 513,960
Receivables:			
Accounts	6,507	123,177	6,207
Inventory	38,558	15,725	-
Prepaid items	-	-	-
Total current assets	917,364	1,339,430	520,167
Noncurrent assets:			
Capital assets:			
Depreciable assets, net	1,474,575	475,711	-
Total noncurrent assets	1,474,575	475,711	-
Total Assets	2,391,939	1,815,141	520,167
LIABILITIES			
Current liabilities:			
Accounts payable	47,947	205,982	15,907
Salaries payable	-	-	-
Claims and judgments payable - due within one year	-	-	257,254
Compensated absences - due within one year	18,436	26,680	-
Long-term-debt - due within one year	44,357	-	-
Advance from other funds	-	229,336	-
Total current liabilities	110,740	461,998	273,161
Noncurrent liabilities:			
Compensated absences - due in more than one year	6,145	8,893	-
Long-term-debt - due in more than one year	116,339	-	-
Total noncurrent liabilities	122,484	8,893	-
Total Liabilities	233,224	470,891	273,161
NET POSITION			
Net investment in capital assets	1,313,879	475,711	-
Unrestricted	844,836	868,539	247,006
Total Net Position	\$ 2,158,715	\$ 1,344,250	\$ 247,006

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 1,233,752	\$ 665,673	\$ 327,862	\$ 4,814,074
462	-	387	136,740
419,592	-	-	473,875
-	22,400	-	22,400
1,653,806	688,073	328,249	5,447,089
103,029	-	-	2,053,315
103,029	-	-	2,053,315
1,756,835	688,073	328,249	7,500,404
5,841	41,624	19,130	336,431
-	(63)	(381)	(444)
-	-	-	257,254
-	-	-	45,116
-	-	-	44,357
-	-	-	229,336
5,841	41,561	18,749	912,050
-	-	-	15,038
-	-	-	116,339
-	-	-	131,377
5,841	41,561	18,749	1,043,427
103,029	-	-	1,892,619
1,647,965	646,512	309,500	4,564,358
\$ 1,750,994	\$ 646,512	\$ 309,500	\$ 6,456,977

City of Pittsburgh
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended June 30, 2017

	Fleet Maintenance	Building Maintenance	Insurance
OPERATING REVENUES:			
Charges for services	\$ 1,730,140	\$ 1,506,958	\$ 1,067,651
Other operating revenues	34,356	189,866	150,498
Total operating revenues	1,764,496	1,696,824	1,218,149
OPERATING EXPENSES:			
Salaries and wages	294,830	314,565	-
Department supplies	626,812	69,230	-
Rentals	43,486	419	-
Utilities	9,374	358,563	-
Maintenance and operations	100,076	331,213	-
Depreciation and amortization	400,621	36,401	-
Insurance premiums	21,175	155,866	1,045,423
Insurance deductible	10,331	11,036	399,353
Fringe benefits	236,120	267,656	-
Other operating expenses	(31,782)	10,622	-
Total operating expenses	1,711,043	1,555,571	1,444,776
OPERATING INCOME (LOSS)	53,453	141,253	(226,627)
NONOPERATING REVENUES (EXPENSES):			
Gain (loss) on sale of assets	34,554	-	-
Investment income	(53,859)	17,488	-
Total nonoperating revenues	(19,305)	17,488	-
INCOME (LOSS) BEFORE TRANSFERS	34,148	158,741	(226,627)
TRANSFERS:			
Transfers in	-	272,960	-
Transfers out	(9,189)	(10,893)	-
Transfers in (out)	(9,189)	262,067	-
Change in net position	24,959	420,808	(226,627)
NET POSITION:			
Beginning of year	2,133,756	923,442	473,633
End of year	<u>\$ 2,158,715</u>	<u>\$ 1,344,250</u>	<u>\$ 247,006</u>

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 1,346,762	\$ 2,054,273	\$ 1,631,189	\$ 9,336,973
24,333	322	-	399,375
1,371,095	2,054,595	1,631,189	9,736,348
68,840	-	-	678,235
4,602	-	-	700,644
-	-	-	43,905
-	-	-	367,937
890,825	15,605	-	1,337,719
62,395	-	-	499,417
-	-	-	1,222,464
2,224	-	-	422,944
49,141	2,005,477	1,970,293	4,528,687
4,282	-	-	(16,878)
1,082,309	2,021,082	1,970,293	9,785,074
288,786	33,513	(339,104)	(48,726)
-	-	-	34,554
(742)	-	308	(36,805)
(742)	-	308	(2,251)
288,044	33,513	(338,796)	(50,977)
-	-	481,221	754,181
(1,575)	(39,905)	-	(61,562)
(1,575)	(39,905)	481,221	692,619
286,469	(6,392)	142,425	641,642
1,464,525	652,904	167,075	5,815,335
\$ 1,750,994	\$ 646,512	\$ 309,500	\$ 6,456,977

City of Pittsburgh
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2017

	Fleet Maintenance	Building Maintenance	Insurance
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers/other funds	\$ 1,723,633	\$ 1,387,827	\$ 1,061,444
Cash payments to suppliers for goods and services	(804,054)	(827,691)	(1,327,499)
Cash payments to employees for services	(533,819)	(585,548)	-
Other operating revenues	34,356	189,866	150,498
Net cash provided (used) by operating activities	420,116	164,454	(115,557)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interfund payments	(8,309)	222,664	-
Transfers in	-	272,960	-
Transfers (out)	(9,189)	(10,893)	-
Net cash provided (used) by noncapital financing activities	(17,498)	484,731	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Payments made on capital lease	(43,161)	-	-
Proceeds from sale of capital assets	34,554	-	-
Net changes in capital assets	(690,228)	(370,099)	-
Net cash provided (used) by capital financing activities	(698,835)	(370,099)	-
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest revenue	(53,859)	17,488	-
Net cash provided (used) by investing activities	(53,859)	17,488	-
Net increase (decrease) in cash and cash equivalents	(350,076)	296,574	(115,557)
CASH AND CASH EQUIVALENTS:			
Beginning of year	1,222,375	903,954	629,517
End of year	\$ 872,299	\$ 1,200,528	\$ 513,960
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 53,453	\$ 141,253	\$ (226,627)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	400,621	36,401	-
Changes in operating assets and liabilities:			
Accounts receivable	(6,507)	(119,131)	(6,207)
Accounts payable	(24,582)	109,258	10,520
Salaries and wages payable	-	-	-
Compensated absences	(2,869)	(3,327)	-
Insurance claims payable	-	-	106,757
Net cash provided (used) by operating activities	\$ 420,116	\$ 164,454	\$ (115,557)

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 1,346,300	\$ 2,054,677	\$ 1,632,896	\$ 9,206,777
(998,130)	(29,694)	22,326	(3,964,742)
(124,665)	(2,005,540)	(1,970,674)	(5,220,246)
24,333	322	-	399,375
247,838	19,765	(315,452)	421,164
(4,010)	-	-	210,345
-	-	481,221	754,181
(1,575)	(39,905)	-	(61,562)
(5,585)	(39,905)	481,221	902,964
(36,257)	-	-	(79,418)
-	-	-	34,554
1	-	-	(1,060,326)
(36,256)	-	-	(1,105,190)
(742)	-	308	(36,805)
(742)	-	308	(36,805)
205,255	(20,140)	166,077	182,133
1,028,497	685,813	161,785	4,631,941
\$ 1,233,752	\$ 665,673	\$ 327,862	\$ 4,814,074
\$ 288,786	\$ 33,513	\$ (339,104)	\$ (48,726)
62,395	-	-	499,417
(462)	404	1,707	(130,196)
(96,197)	(14,089)	22,326	7,236
-	(63)	(381)	(444)
(6,684)	-	-	(12,880)
-	-	-	106,757
\$ 247,838	\$ 19,765	\$ (315,452)	\$ 421,164



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

FIDUCIARY FUND FINANCIAL STATEMENTS

Agency Funds:

Assessment Districts Agency Fund accounts for the collection of property taxes and the payments to bondholders.

Environmental Impact Agency Fund accounts for the collection of builders' fees to be used for related environmental improvement projects.

Other Impact Fees Agency Fund accounts for the collection of developer fees on behalf of the Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

Vista Del Mar & San Marco CFD's accounts for funds used to construct and acquire certain public improvements, consisting of roadway, water and other infrastructure improvements necessary for the development of property within the district, as well as park improvements.

City of Pittsburgh
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2017

	Beginning Balance July 1, 2016	Additions	Deletions	Ending Balance June 30, 2017
<u>Assessment Districts Fund</u>				
Assets:				
Cash and investments	\$ 3,057,864	\$ 2,085,981	\$ 2,029,064	\$ 3,114,781
Cash and investments held by fiscal agent	2,053,601	1,982,441	1,993,003	2,043,039
Assessment receivable	2,068,566	26,764	-	2,095,330
Total assets	\$ 7,180,031	\$ 4,095,186	\$ 4,022,067	\$ 7,253,150
Liabilities:				
Accounts payable	\$ 27,872	\$ 38,265	\$ 40,148	\$ 25,989
Deferred assessment	2,068,566		26,767	2,041,799
Due to bondholders	5,083,593	3,449,862	3,348,093	5,185,362
Total liabilities	\$ 7,180,031	\$ 3,488,127	\$ 3,415,008	\$ 7,253,150
<u>Environmental Impact Fund</u>				
Assets:				
Cash and investments	\$ 1,073	\$ 9	\$ 1,082	\$ -
Total assets	\$ 1,073	\$ 9	\$ 1,082	\$ -
Liabilities:				
Due to bondholders	\$ 1,073	\$ -	\$ 1,073	\$ -
Total liabilities	\$ 1,073	\$ -	\$ 1,073	\$ -
<u>Other Impact Fees Fund</u>				
Assets:				
Cash and investments	\$ 315,799	\$ 2,930,097	\$ 2,805,585	\$ 440,311
Total assets	\$ 315,799	\$ 2,930,097	\$ 2,805,585	\$ 440,311
Liabilities:				
Accounts payable	\$ 270,457	\$ 2,927,602	\$ 2,804,571	\$ 393,488
Due to other parties	39,738	2,928,170	2,927,623	40,285
Due to bondholders	5,604	934	-	6,538
Total liabilities	\$ 315,799	\$ 5,856,706	\$ 5,732,194	\$ 440,311
<u>Vista Del Mar & San Marco CFD's</u>				
Assets:				
Cash and investments	\$ 1,357,599	\$ 1,623,009	\$ 673,404	\$ 2,307,204
Cash and investments held by fiscal agent	739,999	660,509	674,642	725,866
Total assets	\$ 2,097,598	\$ 2,283,518	\$ 1,348,046	\$ 3,033,070
Liabilities:				
Accounts payable	\$ -	\$ 20,745	\$ 20,745	\$ -
Due to bondholders	2,097,598	2,014,039	1,078,567	3,033,070
Total liabilities	\$ 2,097,598	\$ 2,034,784	\$ 1,099,312	\$ 3,033,070

City of Pittsburgh
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2017

	Beginning Balance July 01, 2016	Additions	Deletions	Ending Balance June 30, 2017
<u>Total Agency Funds</u>				
Assets:				
Cash and investments	\$ 4,732,335	\$ 6,639,096	\$ 5,509,135	\$ 5,862,296
Cash and investments held by fiscal agent	2,793,600	2,642,950	2,667,645	2,768,905
Assessment receivable	2,068,566	26,764	-	2,095,330
Total assets	<u>\$ 9,594,501</u>	<u>\$ 9,308,810</u>	<u>\$ 8,176,780</u>	<u>\$ 10,726,531</u>
Liabilities:				
Accounts payable	\$ 298,329	\$ 2,986,612	\$ 2,865,464	\$ 419,477
Deferred assessment	2,068,566	-	26,767	2,041,799
Due to other parties	39,738	2,928,170	2,927,623	40,285
Due to bondholders	7,187,868	5,464,835	4,427,733	8,224,970
Total liabilities	<u>\$ 9,594,501</u>	<u>\$ 11,379,617</u>	<u>\$ 10,247,587</u>	<u>\$ 10,726,531</u>



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

STATISTICAL SECTION

This part of the City of Pittsburg's comprehensive annual financial report presents detailed information in a statistical format as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information is conveying about the City of Pittsburg's overall financial status.

The major points of emphasis are:

Financial Trends

These schedules contain trend information to help the CAFR reader understand how the City of Pittsburg's financial performance and economic status have changed over time.

Revenue Capacity

These schedules contain information to help the CAFR reader evaluate factors affecting the City of Pittsburg's ability to generate its property and sales taxes and other major revenues.

Debt Capacity

These schedules present information to help the CAFR reader assess the affordability of the City of Pittsburg's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indications to help the CAFR reader understand the environment within which the City of Pittsburg's financial activities occur.

Operating Information

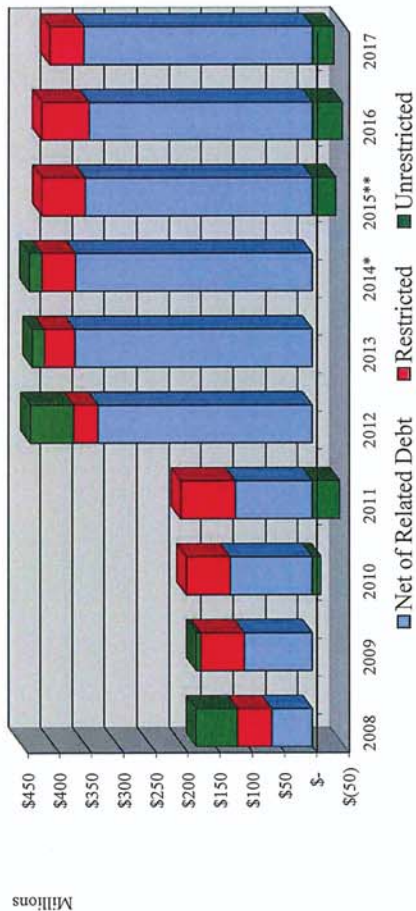
These schedules contain information about the City of Pittsburg's operations and resources to help the CAFR reader understand how the City's financial information relates to the services the City provides and the activities it performs.

*Due to the State of California's adoption of ABx1 26 on June 28, 2011, and amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolves redevelopment agencies as of January 31, 2012, there will be large variances between the fiscal years 2010-2011 and fiscal year 2011-2012 for some of the statistical references. The City of Pittsburg has assumed the responsibilities as the Successor Agency to administer all post activities for the former Pittsburg Redevelopment Agency.



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017

CITY OF PITTSBURG
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)



Fiscal Year Ended June 30,

Governmental activities

	2008	2009	2010	2011	2012	2013	2014*	2015**	2016	2017
Net Investment in Capital Assets	\$ 18,733,410	\$ 32,357,570	\$ 59,908,182	\$ 46,442,103	\$ 252,487,708	\$ 281,680,787	\$ 275,604,919	\$ 268,580,073	\$ 255,982,568	\$ 253,993,565
Restricted	28,890,295	46,826,571	51,627,971	63,967,311	14,746,589	25,904,321	31,094,899	27,662,593	27,990,550	24,280,860
Unrestricted	50,069,992	(5,009,852)	(38,861,513)	(62,825,341)	58,656,185	6,994,639	8,632,467	(37,752,882)	(39,107,180)	(33,347,842)
Total governmental activities net position	\$97,693,697	\$74,174,289	\$72,674,640	\$47,584,073	\$325,890,482	\$314,579,747	\$315,332,285	\$258,489,784	\$244,865,938	\$244,926,583

Business-type activities

	2008	2009	2010	2011	2012	2013	2014*	2015**	2016	2017
Net Investment in Capital Assets	\$ 44,780,703	\$ 73,704,658	\$ 67,603,197	\$ 73,188,754	\$ 79,796,698	\$ 87,252,264	\$ 92,058,482	\$ 84,084,664	\$ 90,569,824	\$ 101,088,405
Restricted	24,190,306	20,189,744	16,057,202	20,709,344	23,822,298	21,659,904	21,038,895	39,342,518	45,659,407	28,553,531
Unrestricted	12,931,446	11,345,116	25,075,506	20,765,153	8,802,052	11,726,531	11,513,401	1,768,289	(6,475,018)	659,892
Total business-type activities net position	\$81,902,455	\$105,239,518	\$108,735,905	\$114,663,251	\$112,421,048	\$120,638,699	\$124,610,778	\$125,195,471	\$129,754,213	\$130,301,828

Primary government

	2008	2009	2010	2011	2012	2013	2014*	2015**	2016	2017
Net Investment in Capital Assets	\$ 63,514,113	\$ 106,062,228	\$ 127,511,379	\$ 119,630,857	\$ 332,284,406	\$ 368,933,051	\$ 367,663,401	\$ 352,664,737	\$ 346,552,392	\$ 355,081,970
Restricted	53,080,601	67,016,315	67,685,173	84,676,655	38,568,887	47,564,225	52,133,794	67,005,111	73,649,957	52,834,391
Unrestricted	63,001,438	6,335,264	(13,786,007)	(42,060,188)	67,458,237	18,721,170	20,145,868	(35,984,593)	(45,582,198)	(32,687,950)
Total primary government net position	\$179,596,152	\$179,413,807	\$181,410,545	\$162,247,324	\$438,311,530	\$435,218,446	\$439,943,063	\$383,685,255	\$374,620,151	\$375,228,411

* FY 2013-2014 Fund balances had been restated as a result of reclass of Golf Course Fund from Enterprise Fund to Special Revenue Fund. See FY 2014-15 Note 9E for details.

** FY 2014-15, THE City adopted GASB 68 and 71. See FY 2014-15 Note 11 for details.

CITY OF PITTSBURG
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
General Government	\$ 21,504,808	\$ 11,842,142	\$ 18,568,935	\$ 14,788,317	\$ 7,933,936	\$ 6,684,607	\$ 7,027,878	\$ 10,232,271	\$ 8,089,040	\$ 6,933,634
Public Safety	19,147,330	37,075,329	20,844,081	20,111,317	22,929,002	20,955,624	22,683,125	24,833,843	26,746,601	25,990,472
Public Works	16,356,492	15,020,101	13,685,011	19,975,441	16,741,235	19,679,890	16,305,801	18,213,277	19,237,901	15,776,982
Community Development	31,332,797	37,032,108	22,565,100	25,958,714	26,418,644	23,214,430	18,705,444	21,998,387	23,752,847	23,263,875
Culture and Recreation	1,854,555	1,741,484	733,417	476,739	595,285	699,730	806,965	862,068	1,012,670	1,019,460
Interest on Long Term Debt	23,435,995	35,950,401	19,671,322	23,519,241	13,717,168	1,026,639	1,574,056	4,074,415	4,476,644	4,378,265
Total Governmental Activities Expenses	113,631,977	138,661,565	96,067,866	104,829,769	88,335,270	72,260,920	67,103,269	80,214,261	83,315,703	77,362,688
Business-Type Activities:										
Water	14,316,223	14,013,116	13,614,034	14,449,902	14,884,762	15,518,027	16,513,159	17,477,524	18,552,726	25,929,659
Wastewater	1,972,310	2,218,519	2,407,534	2,317,726	2,442,521	2,212,309	2,490,191	2,264,022	2,583,101	3,176,015
Marina	2,112,615	2,320,709	2,139,241	2,168,789	2,405,288	2,448,483	2,230,133	2,352,274	2,424,083	2,471,440
Pittsburg Power*	-	-	-	-	-	-	5,659,707	6,670,282	6,597,065	6,569,528
Other-Non-Major Enterprise Funds	7,430,302	7,607,155	7,563,600	5,552,384	5,147,173	4,984,797	821,344	750,765	972,469	1,512,250
Total Business-Type Activities Expenses	25,831,450	26,159,499	25,724,409	24,488,801	24,879,744	25,163,616	27,714,534	29,514,867	31,129,444	39,658,892
Total Primary Government Expenses	\$139,463,427	\$164,821,064	\$121,792,275	\$129,318,570	\$113,215,014	\$97,424,536	\$94,817,803	\$109,729,128	\$114,445,147	\$117,021,580

Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 114,718	\$ 2,165,995	\$ 6,451,351	\$ 5,614,500	\$ 6,852,057	\$ 5,190,861	\$ 4,736,292	\$ 7,595,331	\$ 7,331,129	\$ 7,079,265
Public Safety	750,286	1,054,367	1,287,433	987,348	1,044,743	842,598	1,072,098	1,206,225	1,472,062	1,793,282
Public Works	2,930,076	1,186,331	5,733,983	2,755,943	3,596,128	4,356,858	905,135	524,555	772,724	668,273
Community Development	4,318,365	8,392,107	5,914,983	6,498,599	19,229,249	8,189,144	7,054,779	4,685,299	7,203,571	5,989,087
Culture and Recreation	419,320	198,873	212,184	257,627	420,047	685,418	762,357	733,235	834,970	911,855
Operating Grants and Contributions	18,175,592	15,252,456	14,022,072	16,926,790	12,661,954	12,104,023	13,133,883	12,699,542	13,641,846	18,154,961
Capital Grants and Contributions	5,243,189	2,193,823	1,119,989	929,465	3,997,403	314,203	979,706	48,709	545,127	3,705,925
Total Government Activities Program Revenues	31,951,546	30,443,952	34,741,995	33,970,272	47,801,581	31,683,105	28,644,250	27,492,896	31,801,429	38,302,648

Continued

CITY OF PITTSBURG
Changes in Net Position
 (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Business-Type Activities:											
Charges for Services:											
Water	15,780,234	15,121,036	16,695,089	16,880,039	17,276,044	19,605,199	19,640,140	18,979,002	19,559,288	20,352,786	
Wastewater	3,305,065	3,846,151	4,471,813	4,373,309	4,566,645	5,049,987	4,918,873	5,123,475	5,264,897	5,241,131	
Marina	1,732,960	1,829,397	1,681,500	1,850,375	1,942,681	1,914,502	2,020,396	2,071,214	1,931,707	2,011,270	
Pittsburg Power Co.*	-	-	-	-	-	-	5,913,071	6,919,807	7,162,170	7,269,448	
WaterFront Operations**	-	-	-	-	-	-	-	863,297	1,408,172	1,458,623	
Other-Non-Major Enterprise Funds***	7,369,613	7,965,358	6,915,483	10,513,007	5,966,340	6,204,779	519,498	-	-	-	
Operating Grants and Contributions	-	-	-	-	-	-	40,000	-	270,931	200,127	
Capital Grants and Contributions	331,649	18,110,472	591,456	309,021	205,675	2,019,849	748,904	2,145,271	1,780,581	6,026,102	
Total Business-Type Activities Program Revenue	28,519,521	46,872,414	30,355,341	33,925,751	29,957,385	34,794,316	33,800,882	36,102,066	37,377,746	42,559,487	
Total Primary Government Program Revenues	\$60,471,067	\$77,316,366	\$65,097,336	\$67,896,023	\$77,758,966	\$66,477,421	\$62,445,132	\$63,594,962	\$69,179,175	\$80,862,135	

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Net (Expense)/Revenue

Governmental Activities	(\$81,680,431)	(\$108,217,613)	(\$61,325,871)	(\$70,859,497)	(\$40,533,689)	(\$40,577,815)	(\$38,459,019)	(\$52,721,365)	(\$51,514,274)	(\$39,060,040)	
Business-Type Activities	2,688,071	20,712,915	4,630,932	9,436,950	5,077,641	9,630,700	6,086,348	6,587,199	6,248,302	2,900,595	
Total Primary Government Net Expense	(\$78,992,360)	(\$87,504,698)	(\$56,694,939)	(\$61,422,547)	(\$35,456,048)	(\$30,947,115)	(\$32,372,671)	(\$46,134,166)	(\$45,265,972)	(\$36,159,445)	

*Pittsburg Power Co. was reported as Non-Major Enterprise Funds prior to FY 2014.

**Waterfront Operation was reported as Non-Major Enterprise Funds prior to FY 2015.

***Golf Course was reported as Non-Major Enterprise Funds prior to FY 2014 and had been reclassified to Special Revenue Fund in FY 2015.

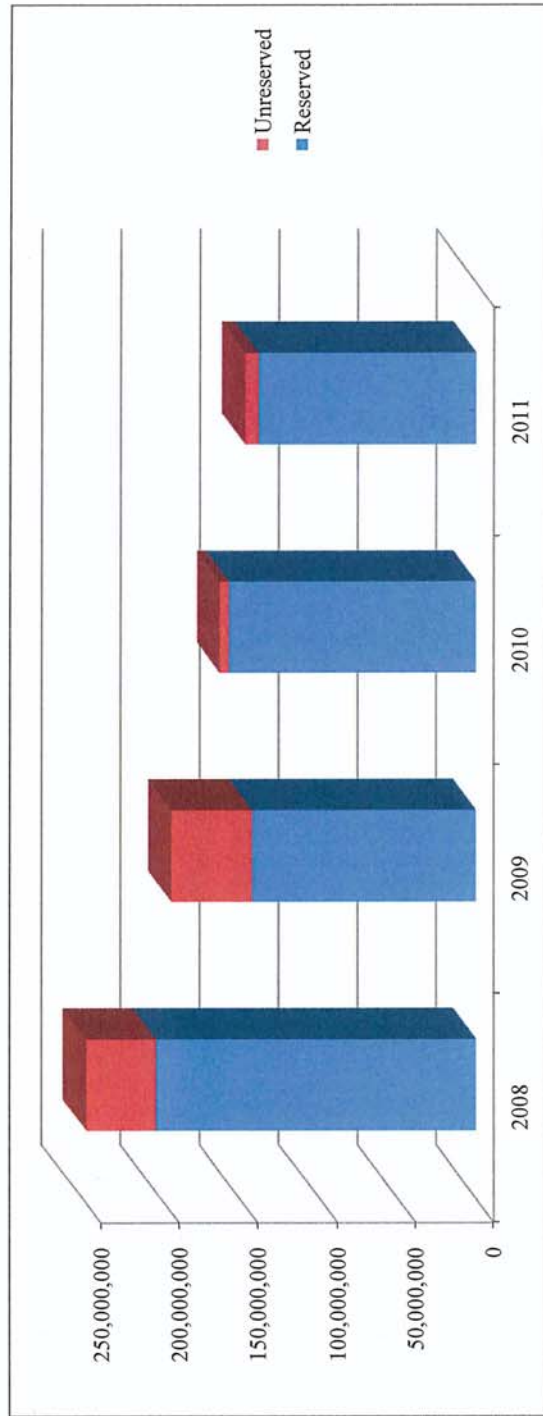
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CITY OF PITTSBURG
Changes in Net Position
 (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property Taxes	\$51,782,902	\$49,448,715	\$39,995,052	\$40,456,473	\$23,507,704	\$2,176,998	\$2,613,321	\$3,204,965	\$3,300,776	\$3,573,822
Sales Taxes	7,295,549	7,167,394	5,998,652	5,438,354	6,168,690	11,232,622	12,563,378	11,745,524	13,112,880	13,372,246
Motor Vehicle In-Lieu	4,871,681	4,714,411	4,019,459	3,936,649	4,470,104	3,727,494	3,795,560	4,169,031	4,422,099	4,544,316
Transient Occupancy Tax	172,734	185,120	256,226	279,852	361,238	447,537	503,265	645,115	710,501	758,814
Nonregulatory Franchise and Business	3,544,661	3,025,968	2,378,602	2,660,883	3,103,823	3,890,567	4,063,561	4,327,160	4,638,074	4,706,887
Interest Earnings	11,718,198	10,602,828	2,414,528	2,314,878	1,583,156	74,095	600,555	539,473	743,082	329,042
Other	940,352	1,166,245	3,309,593	7,375,344	6,822,671	8,252,592	13,172,704	8,556,333	8,608,044	9,095,222
Transfers	10,773,070	6,242,560	1,454,110	3,957,110	273,042,911	1,681,364	2,342,747	2,677,386	2,354,972	2,774,890
Gain (loss) on sale of assets	-	-	-	(18,539,878)	-	-	-	-	-	(34,554)
Total Government Activities	91,099,147	82,553,241	59,826,222	47,879,665	319,060,297	31,483,269	39,655,091	35,864,987	37,890,428	39,120,685
Business-Type Activities:										
Interest Earnings	1,961,224	1,093,600	321,967	447,506	400,199	268,315	129,786	440,462	665,412	325,437
Transfers	(8,688,861)	(6,242,560)	(1,454,110)	(3,957,110)	(7,720,043)	(1,681,364)	(2,342,747)	(2,677,386)	(2,354,972)	(2,774,890)
Gain (loss) on sale of assets	-	-	-	-	-	-	98,692	63,754	-	96,473
Total Business-Type Activities	(6,727,637)	(5,148,960)	(1,132,143)	(3,509,604)	(7,319,844)	(1,413,049)	(2,114,269)	(2,173,170)	(1,689,560)	(2,352,980)
Total Primary Government	\$84,371,510	\$77,404,281	\$58,694,079	\$44,370,061	\$311,740,453	\$30,070,220	\$37,540,822	\$33,691,817	\$36,200,868	\$36,767,705
Change in Net Position										
Governmental Activities	\$9,418,716	(\$25,664,372)	(\$1,499,649)	(\$22,979,832)	\$278,126,409	(\$9,094,546)	\$1,196,072	(\$16,856,378)	(\$13,623,846)	\$60,645
Business-Type Activities	(4,039,566)	15,563,955	3,498,789	5,927,346	(2,242,203)	8,217,651	3,972,079	4,414,029	4,558,742	547,615
Total Primary Government	5,379,150	(10,100,417)	1,999,140	(17,052,486)	275,884,206	(876,895)	5,168,151	(12,442,349)	(9,065,104)	608,260
Prior Period Adjustment (See Note 9F)	-	-	-	-	-	-	-	(44,258,992)	-	-
Total Primary Government after adjustment	\$5,379,150	(\$10,100,417)	\$1,999,140	(\$17,052,486)	\$275,884,206	(\$876,895)	\$5,168,151	(\$56,701,341)	(\$9,065,104)	\$608,260

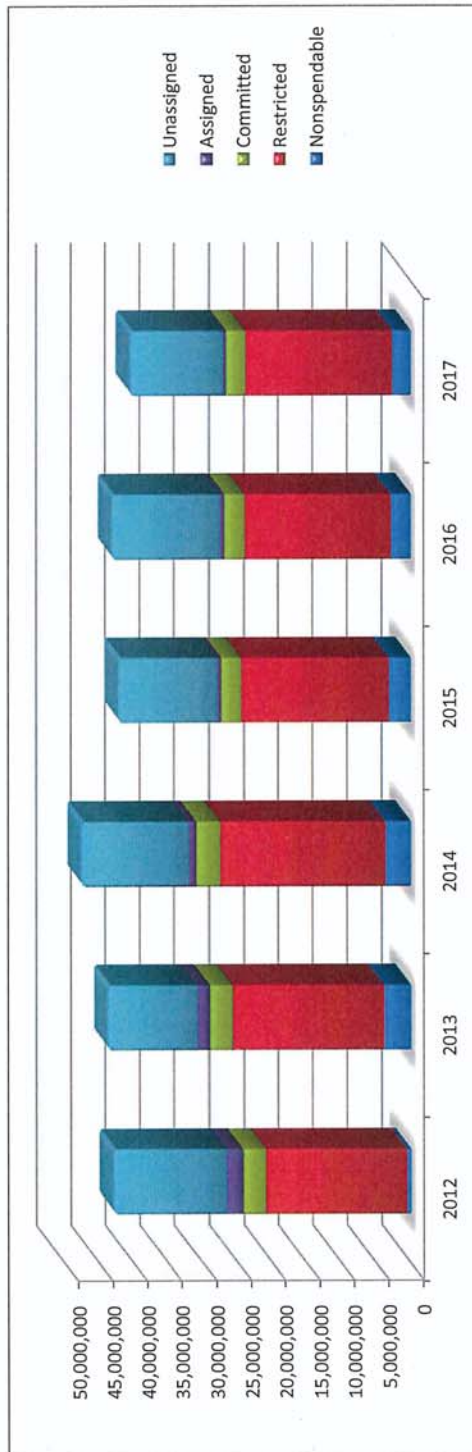
Due to the dissolution of Redevelopment Agency in Jan. 2012, trend information might be shrewd due to this one time event.
 In FY 2014-15, implementation of GASB 68 & 71 resulted in prior period adjustments.

CITY OF PITTSBURG
Fund Balances of Governmental Funds
First Four Fiscal Years
(Modified Accrual Basis of Accounting)
(Pre GASB 54 Implementation)



	2008	2009	2010	2011
General Fund				
Reserved	\$ 208,767	\$ 202,586	\$ 215,249	\$ 2,339,015
Unreserved	10,793,012	6,428,850	6,798,062	16,456,660
Total General Fund	11,001,779	6,631,436	7,013,311	18,795,675
All Other Governmental Funds				
Reserved	203,272,346	142,074,124	156,737,984	136,320,414
Unreserved, designated	33,855,453	45,107,266	(777,130)	(8,180,337)
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Total all other governmental funds	237,127,799	187,181,390	155,960,854	128,140,077
Total Government Funds				
Reserved	203,481,113	142,276,710	156,953,233	138,659,429
Unreserved	44,648,465	51,536,116	6,020,932	8,276,323
Total Government Funds	\$ 248,129,578	\$ 193,812,826	\$ 162,974,165	\$ 146,935,752

CITY OF PITTSBURG
Fund Balances of Governmental Funds
Last Six Fiscal Years
(Post GASB 54 FY2011 Implementation)



	Fiscal Year Ended June 30,					
	2012	2013	2014	2015	2016	2017
General Fund						
Nonspendable	\$ 305,497	\$ 3,054,208	\$ 3,370,929	\$ 2,904,078	\$ 2,642,564	\$ 2,410,696
Assigned	2,254,797	1,574,732	1,057,673	538,194	666,486	434,778
Unassigned	16,513,473	13,544,751	16,185,068	14,613,983	15,957,212	17,037,283
Total General Fund	19,073,767	18,173,691	20,613,670	18,056,255	19,266,262	19,882,757
All Other Governmental Funds						
Nonspendable	288,763	823,003	294,491	291,360	272,138	272,243
Restricted	20,415,122	21,970,943	23,930,077	21,381,490	21,194,534	21,316,430
Committed	3,317,275	3,228,348	3,399,608	2,875,776	2,877,225	2,756,478
Assigned	86,405	220,995	56,642	47,972	14,354	29,349
Unassigned	(271,836)	(677,255)	(706,698)	(486,548)	(455,164)	(3,745,132)
Total all other governmental funds	23,835,729	25,566,034	26,974,120	24,110,050	23,903,087	20,629,368
Total Government Funds						
Nonspendable	594,260	3,877,211	3,665,420	3,195,438	2,914,702	2,682,939
Restricted	20,415,122	21,970,943	23,930,077	21,381,490	21,194,534	21,316,430
Committed	3,317,275	3,228,348	3,399,608	2,875,776	2,877,225	2,756,478
Assigned	2,341,202	1,795,727	1,114,315	586,166	680,840	464,127
Unassigned	16,241,637	12,867,496	15,478,370	14,127,435	15,502,048	13,292,151
Total Fund Balances	\$ 42,909,496	\$ 43,739,725	\$ 47,587,790	\$ 42,166,305	\$ 43,169,349	\$ 40,512,125

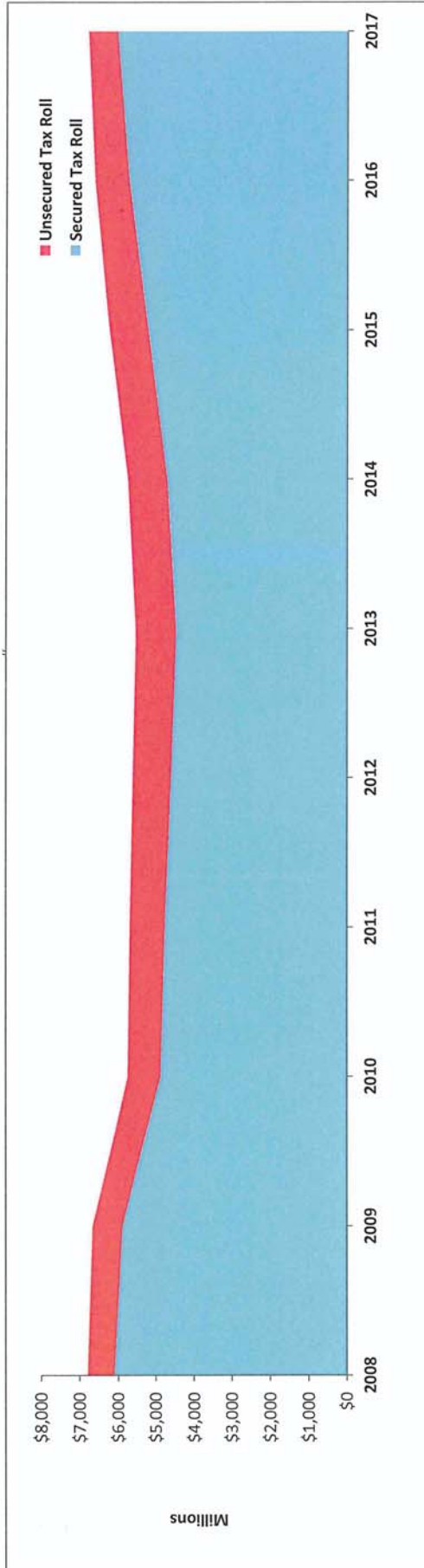
* See Note on Statistics Introduction Tab which explains the Jan 2012 RDA Dissolution by State of California
For additional Detail on Fund Classifications, see Note 9 of Notes to Basic Financial Statements

CITY OF PITTSBURG
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
 {in thousands}

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$ 65,453	\$ 62,819	\$ 54,174	\$ 56,023	\$ 40,582	\$ 29,727	\$ 31,968	\$ 32,648	\$ 34,792	\$ 31,624
Licenses, permits and fees	2,091	599	1,145	2,120	2,794	3,633	1,888	1,635	2,566	3,532
Fines and forfeitures	880	670	185	175	187	168	187	172	325	308
Use of money and property	11,444	10,602	2,780	2,764	1,689	61	615	542	743	329
Intergovernmental revenues	25,119	23,692	21,089	23,118	27,584	17,627	16,060	14,135	15,455	24,098
Charges for services	4,810	5,705	4,879	6,205	4,071	7,333	7,400	9,984	10,126	9,894
Other	2,360	2,641	7,470	3,738	7,557	3,484	3,432	3,027	4,019	3,957
Total Revenues	112,157	106,728	91,722	94,143	84,464	62,033	61,550	62,143	68,026	73,742
Expenditures										
Current:										
General government	20,127	18,473	16,766	13,528	12,496	3,869	5,454	8,217	6,740	7,321
Public safety	18,141	18,819	19,334	19,253	19,536	19,580	20,842	23,149	24,797	25,895
Public works	8,889	8,295	8,394	11,947	6,609	5,849	7,371	8,469	7,107	7,859
Community development	37,243	33,465	23,809	38,541	29,535	27,909	22,388	22,286	22,393	25,440
Culture and recreation	1,855	1,741	733	476	595	1,855	733	700	862	1,019
Capital outlay	49,763	29,245	24,467	10,262	4,901	1,446	813	3,474	2,738	6,600
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal repayment	7,550	9,311	8,269	9,667	11,485	375	450	589	2,016	2,083
Interest and fiscal charges	25,261	32,089	23,205	23,121	13,598	1,609	1,588	2,890	2,315	2,264
Total Expenditures	168,829	151,438	124,977	126,795	98,755	62,492	59,639	69,774	68,968	78,481
Excess (deficiency) of revenues over (under) expenditures	(56,672)	(44,710)	(33,255)	(32,652)	(14,291)	(459)	1,911	(7,631)	(942)	(4,739)
Other Financing Sources (Uses)										
Transfers in	94,537	87,911	111,605	68,170	45,327	7,235	5,084	6,547	6,814	6,875
Transfers (out)	(83,373)	(82,193)	(110,316)	(63,633)	(37,343)	(5,950)	(3,169)	(4,499)	(4,869)	(4,793)
Capital Contributions	(15)	-	-	-	-	-	-	-	-	-
Refunding tax allocation bonds	-	(79,665)	-	-	-	-	-	-	-	-
Payment to escrow Account	-	-	-	-	-	-	-	-	-	-
Tax allocation bonds issued	-	61,661	-	-	-	-	-	-	-	-
Bond Issuance Costs	(13)	-	-	-	-	-	-	-	-	-
Sale of capital assets	2,315	2,680	1,127	(18,553)	2,211	4	22	-	0	0
Total other financing sources (uses)	13,451	(9,606)	2,416	(14,016)	10,195	1,289	1,937	2,052	1,945	2,082
Net Change in fund balances before Extraordinary Items (Note 4)	\$ (43,221)	\$ (54,316)	\$ (30,839)	\$ (46,668)	\$ (4,096)	\$ 830	\$ 3,848	\$ (5,579)	\$ 1,003	\$ (2,657)
Assets Transferred to Housing Successor					\$ (2,002)					
Liabilities Assumed by Successor Agency					(97,928)					
NET Change in Fund Balances					\$ (104,026)					
Debt service as a percentage of noncapital expenditures	26.6%	29.2%	32.7%	31.9%	25.9%	3.3%	3.5%	5.2%	6.5%	6.0%

* Intergovernmental Revenues Re-classified to Program Income & Other Taxes
 RDA no longer classified as Government fund due to dissolution in FY 2011-2012.

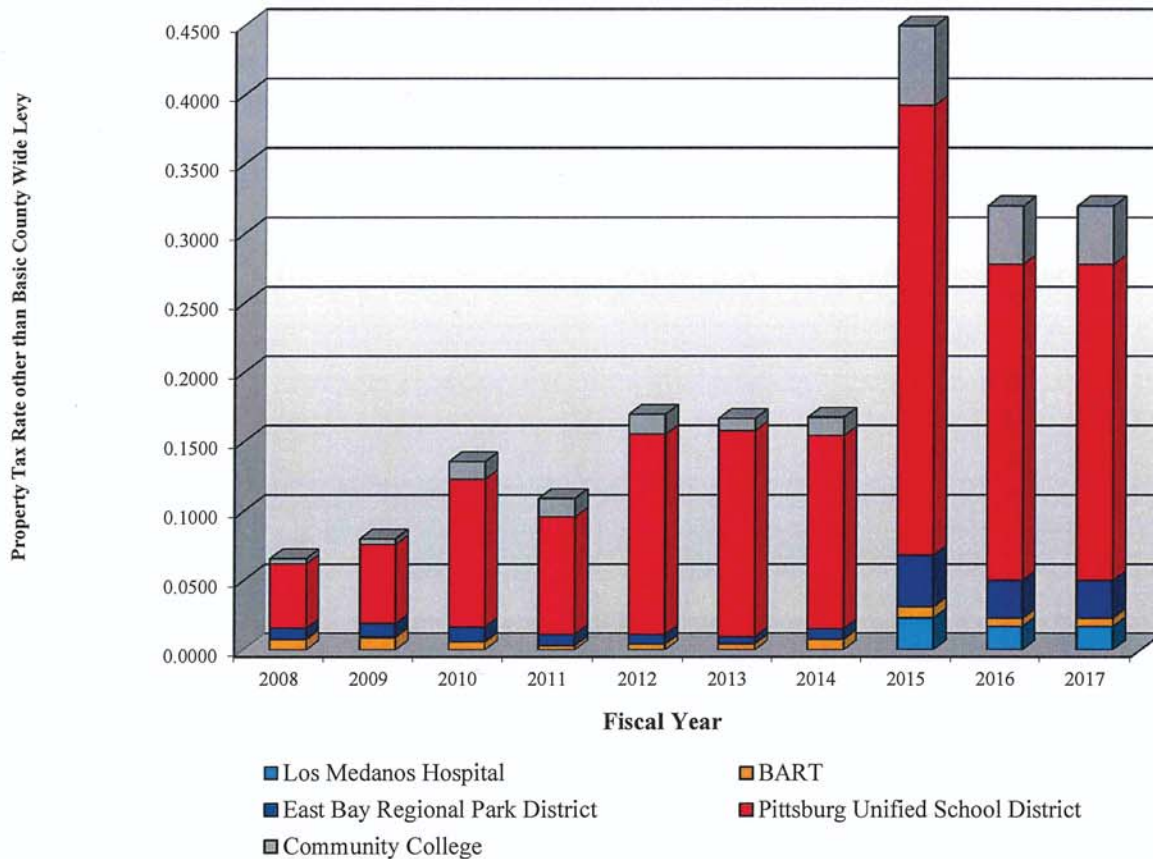
CITY OF PITTSBURG
Assessed and Estimated Actual
Value of Taxable Property
Last Ten Fiscal Years



Fiscal Year	Secured Tax Roll			Unsecured Tax Roll	GROSS Tax Roll	LESS: Exemptions		NET Assessed Valuation (a)	Total Direct Tax Rate (b)
	Land	Improvements	Personal Property			HOPTR (1)	Others		
2008	\$ 2,079,929	\$ 185	\$ 27,034,992	\$ 692,059,619	\$ 6,797,842,175	\$ 66,662,966	\$ 129,436,694	\$ 6,601,742,515	0.74171
2009	1,886,619	969	29,871,943	782,213,672	6,676,052,129	66,141,210	138,181,611	6,471,729,308	0.74057
2010	1,355,858	246	35,030,993	868,770,588	5,748,169,101	65,495,515	148,448,271	5,534,225,315	0.73534
2011	1,271,652	002	32,556,725	921,168,099	5,693,451,828	64,704,851	174,568,314	5,454,178,663	0.73265
2012	1,199,342	285	29,398,082	1,000,793,072	5,609,861,307	62,930,462	163,259,839	5,383,671,006	0.73307
2013	1,154,280	061	29,454,784	1,058,290,739	5,526,344,426	61,050,228	167,858,949	5,297,435,249	0.72809
2014	1,244,373	590	29,431,527	1,030,705,786	5,731,310,977	58,985,158	184,163,403	5,488,162,416	0.17411
2015	1,431,988	767	29,751,906	1,033,971,545	6,240,488,569	57,725,918	187,268,875	5,995,493,776	0.14854
2016	1,596,856	457	28,100,163	905,755,131	6,618,864,737	57,212,685	195,920,004	6,365,732,048	0.15020
2017	1,734,578	352	31,382,377	763,128,074	6,800,107,655	56,350,900	203,066,563	6,540,690,192	0.15142

- (1) Homeowners' Property Tax Relief
- (2) Direct Tax Rate for FY 14-15 has been updated to reflect the AB8 adjustment for the first time on 2014-15 tax roll after CAFR was issued.
- (a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.
- (b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. Beginning in 2013/14 the total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.
- Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

CITY OF PITTSBURG
Property Tax Rates
All Overlapping Governments
Last Ten Fiscal Years



Fiscal Year	Basic County Wide Levy	Pittsburg Direct Rate*	Los Medanos Hospital	Bay Area Rapid Transit	East Bay Regional Park District	Pittsburg Unified School District	Community College	Total
2008	1.0000	0.74171	0.0000	0.0076	0.0080	0.0465	0.0038	1.8000
2009	1.0000	0.74057	0.0000	0.0090	0.0100	0.0571	0.0040	1.8117
2010	1.0000	0.73534	0.0000	0.0057	0.0108	0.1066	0.0126	1.8653
2011	1.0000	0.73265	0.0000	0.0031	0.0080	0.0848	0.0133	1.8388
2012	1.0000	0.73307	0.0000	0.0041	0.0071	0.1443	0.0144	1.8989
2013	1.0000	0.72809	0.0000	0.0043	0.0051	0.1487	0.0087	1.8906
2014	1.0000	0.17411	0.0000	0.0075	0.0078	0.1391	0.0133	1.3343
2015	1.0000	0.14854	0.0231	0.0079	0.0373	0.3241	0.0572	1.5902
2016	1.0000	0.15020	0.0170	0.0058	0.0273	0.2280	0.0419	1.4644
2017	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656

* Pittsburg Direct Rate = the weighted average of City's Share of 1% levy & Redevelopment Rate

1. Direct Tax Rate for FY 14-15 has been updated to reflect the AB8 adjustment for the first time on 2014-15 tax roll after CAFR was issued.

Source: Contra Costa County Assessors Office & Hdl Coren & Cone

CITY OF PITTSBURG
Principal Property Tax Payers
Current Year and Nine Years Ago

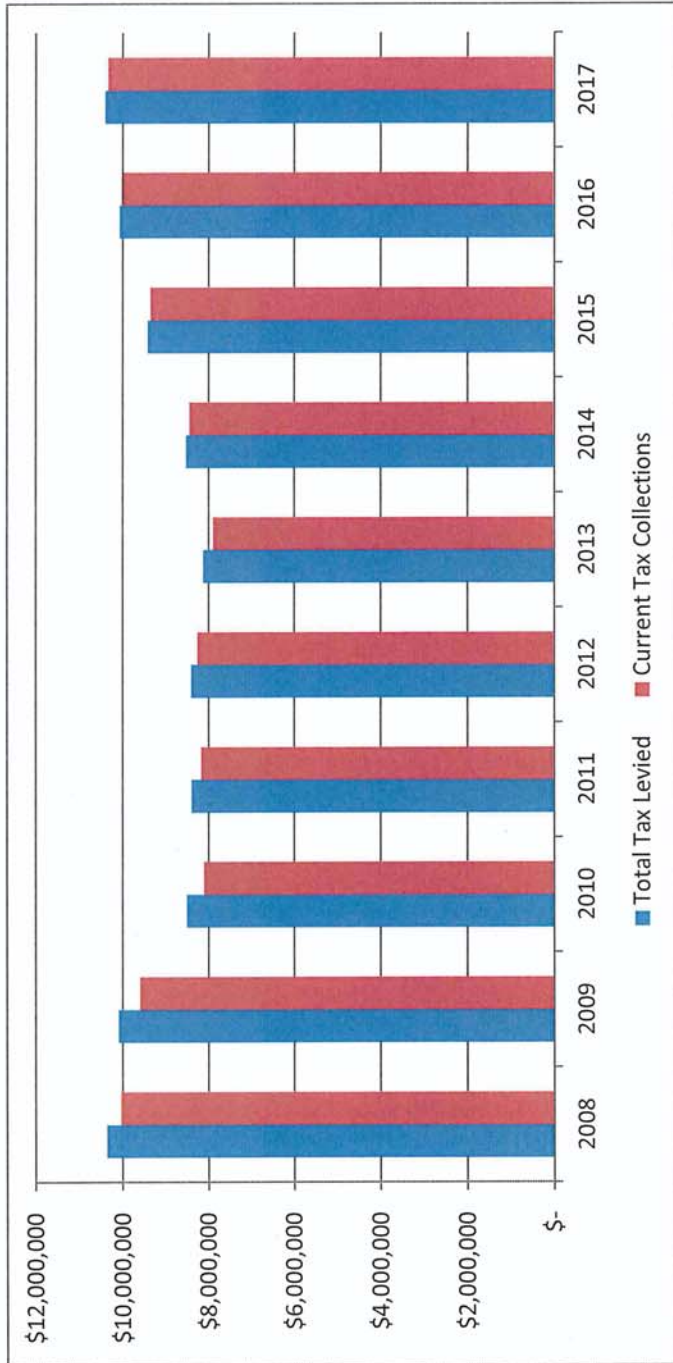
Taxpayer	2016-17			2007-08		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
USS - Posco Industries	\$ 249,394,692	1	3.78%	\$ 291,217,340	3	4.37%
Delta Energy Center	241,534,000	2	3.66%	405,100,000	1	6.07%
Calpine Corporation	231,000,000	3	3.50%	381,750,000	2	5.72%
Dow Agrosiences LLC	181,211,141	4	2.75%	219,089,341	4	3.29%
K2 Pure Solution	135,666,346	5	2.06%			
Dow Chemical Company	121,545,946	6	1.84%			
Sierra Pacific Properties	112,443,277	7	1.70%	94,024,792	5	1.41%
KW Kirker Creek LLC	99,878,586	8	1.51%	76,080,329	6	1.14%
Century Plaza Corporation	68,597,551	9	1.04%	56,134,235	8	0.84%
San Marco Properties LLC	64,738,924	10	0.98%			
Seecon Financial				65,042,049	7	0.98%
Ora Vineyard 162 LLC				37,467,500	9	0.56%
Ora Victory 125 LLC				32,038,900	10	0.48%
Subtotal	<u>\$ 1,506,010,463</u>		<u>22.83%</u>	<u>\$ 1,657,944,486</u>		<u>24.86%</u>

Total Net Assessed Valuation:

Fiscal Year 2016-17	\$6,597,041,092
Fiscal Year 2007-08	\$6,668,451,676

Source: Hdl Coren & Cone

CITY OF PITTSBURG
Property Tax Levies and Collections June 30
Last Ten Fiscal Years

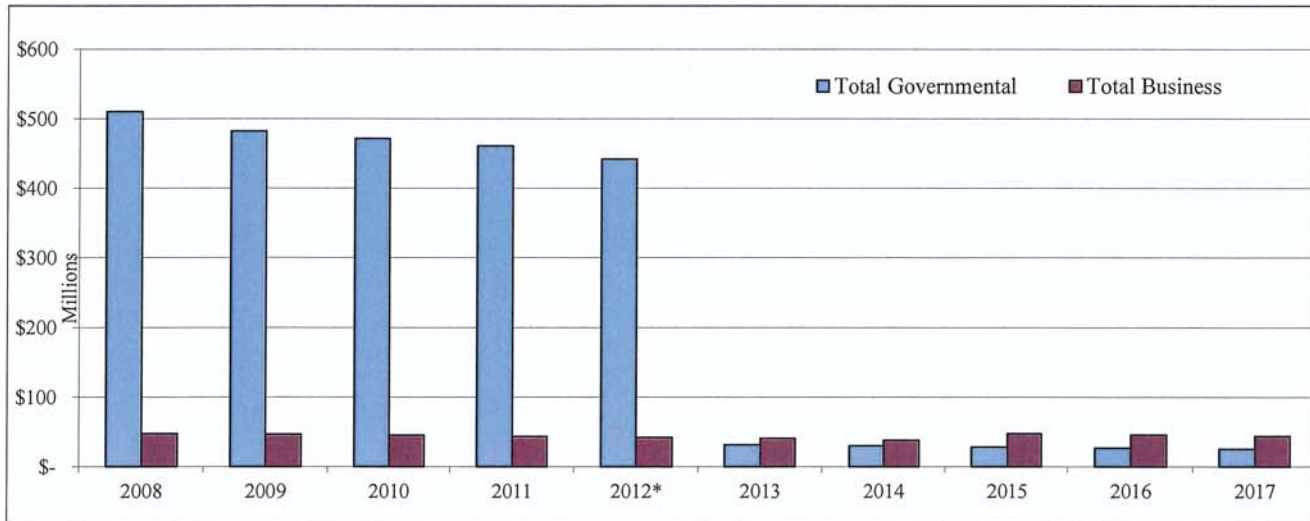


Fiscal Year	Total Tax Levied	Current Tax Collections	Percent of County Collected ¹	Delinquent Tax Collections ¹	Total Tax Collections	Percent of Total Tax Collections	
						To Tax Levy	Delinquent
2008	\$ 10,360,164	\$ 10,027,449	96.79%	-	\$ 10,027,449	96.79%	3.21%
2009	10,091,171	9,594,691	95.08%	-	9,594,691	95.08%	4.92%
2010	8,502,712	8,099,570	95.26%	-	8,099,570	95.26%	4.74%
2011	8,398,671	8,171,082	97.29%	-	8,171,082	97.29%	2.71%
2012	8,399,298	8,255,063	98.28%	-	8,255,063	98.28%	1.72%
2013	8,119,308	7,891,110	97.19%	-	7,891,110	97.19%	2.81%
2014	8,520,700	8,441,966	99.08%	-	8,441,966	99.08%	0.92%
2015	9,425,580	9,353,530	99.24%	-	9,353,530	99.24%	0.76%
2016	10,060,215	9,991,126	99.31%	-	9,991,126	99.31%	0.72%
2017	10,398,911	10,327,316	99.31%	-	10,327,316	99.31%	0.69%

¹ The County provides the City 100% of its tax levy under the "Teeter Plan", an agreement which allows the County to keep all interest and delinquency charges collected.

Source: CCC Auditor-Controller (Procedure 10-147)

CITY OF PITTSBURG
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years



Fiscal Year	Governmental Activities			
	Tax Allocation Bonds	Pass Through Obligations	Special Assessment Debt	Special Assessment Debt
2008	\$ 465,191,354	\$ 8,186,499	\$ 36,655,000	\$ 510,032,853
2009	438,152,213	8,050,000	35,675,000	481,877,213
2010	430,167,213	6,488,051	34,650,000	471,305,264
2011	420,857,213	6,342,224	33,580,000	460,779,437
2012*	409,672,213	-	32,490,000	442,162,213
2013	-	-	31,175,000	31,175,000
2014	-	-	29,815,000	29,815,000
2015	-	-	27,975,000	27,975,000
2016	-	-	26,805,000	26,805,000
2017	-	-	25,310,000	25,310,000

Fiscal Year	Business-Type Activities				Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	Water Revenue Bonds	Sewer Revenue Bonds	I-Bank Loan	Total			
2008	\$ 37,945,000	\$ 9,740,000	\$ -	\$ 47,685,000	\$ 557,717,853	0.00%	\$ 8,762
2009	37,260,000	9,185,000	-	46,445,000	528,322,213	0.00%	8,178
2010	36,425,000	8,615,000	-	45,040,000	516,345,264	0.00%	7,948
2011	35,515,000	8,025,000	-	43,540,000	504,319,437	0.00%	8,021
2012	34,580,000	7,420,000	-	42,000,000	484,162,213	0.00%	7,488
2013	33,620,000	6,800,000	-	40,420,000	71,595,000	0.00%	1,090
2014	32,610,000	5,342,000	-	37,952,000	67,767,000	0.00%	1,016
2015	31,575,000	4,601,000	11,387,398	47,563,398	75,538,398	0.00%	1,109
2016	30,485,000	3,864,000	11,167,171	45,516,171	72,321,171	0.00%	1,042
2017	29,605,000	3,111,000	10,939,216	43,655,216	68,965,216	0.00%	976

Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.

*With the dissolution of RDA in January 2012, the debts related to Former RDA moved to Successor Agency

Sewer Revenue Bond was fully defeased as of June 30, 2014. It has been replaced with a private placement debt.

Please refer to Note 7 for further information.

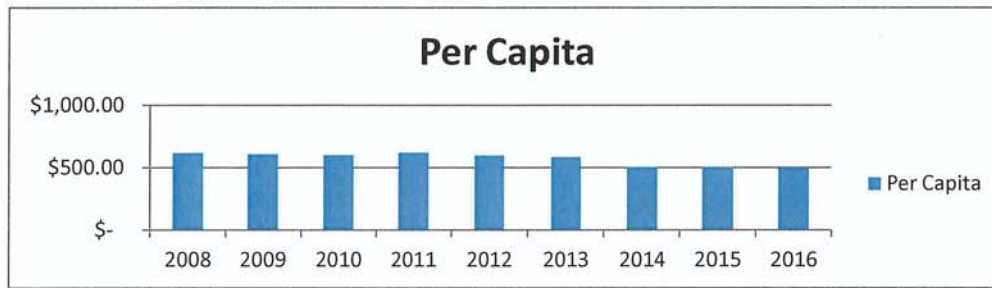
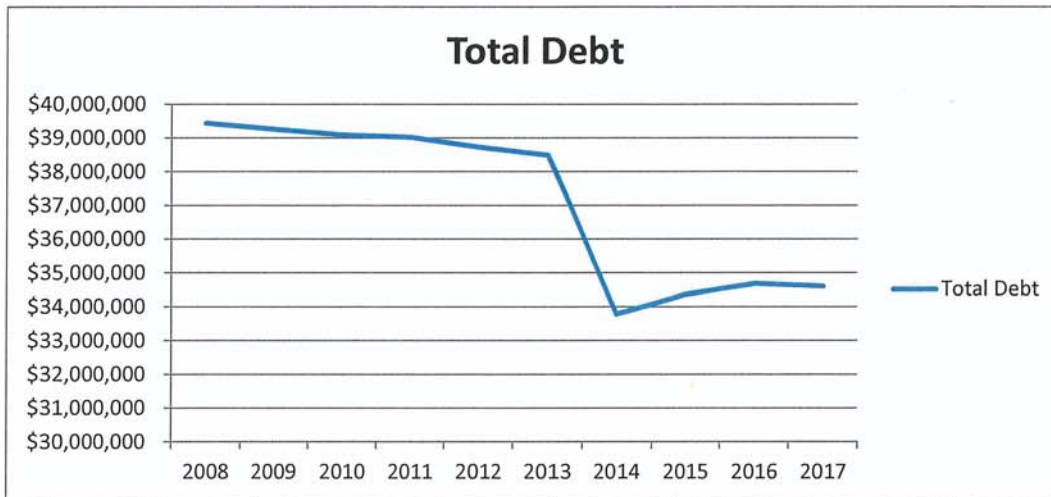
Sources: City of Pittsburgh

State of California, Department of Finance (population)

U.S. Department of commerce, Bureau of the Census (income)

(a) See Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF PITTSBURG
Ratio of Pension Obligation Debt Outstanding
Last Ten Fiscal Years*



General Government Debt Outstanding					Percentage of		
Fiscal Year	POB Bonds	Capital Lease	CEC Energy	Total Debt	Total Gross Revenue	Per Capita	Debt Per Assessed Value
2008	\$ 39,441,056	\$ -	\$ -	\$ 39,441,056	35.17%	\$ 619.64	0.60%
2009	39,266,056	-	-	39,266,056	36.79%	607.83	0.61%
2010	39,091,056	-	-	39,091,056	42.62%	601.71	0.71%
2011	39,026,056	-	-	39,026,056	41.45%	620.67	0.72%
2012	38,726,056	-	-	38,726,056	45.85%	598.92	0.72%
2013	38,351,056	139,171	-	38,490,227	62.05%	586.17	0.73%
2014	33,157,051	105,815	526,313	33,789,179	54.90%	506.62	0.62%
2015	33,826,975	71,520	467,166	34,365,661	55.30%	504.34	0.57%
2016	34,036,850	240,114	406,268	34,683,232	50.99%	499.59	0.54%
2017	34,104,558	160,696	343,493	34,608,747	50.88%	489.66	0.53%

Pension Obligation Bonds (POB) issued June 2006.

The POB Bonds service schedule includes the accreted amount of Capital Appreciation Bonds.

CITY OF PITTSBURG
Computation of Direct and Overlapping Debt
June 30, 2017

2016-17 Assessed Valuation (2)

\$2,271,410,220

	Total Debt Outstanding 6/30/2016	Percentage Applicable To City of Pittsburg (1)	Amount Applicable To City of Pittsburg
<u>Direct Debt</u>			
2006 Pension Obligation Bonds	\$ 32,016,850	100.000%	\$ 32,016,850
Capital Lease - Street Sweeper / VOIP	160,696	100.000%	160,696
SUB-TOTAL Direct Debt			<u>32,177,546</u>
<u>Overlapping Debt</u>			
Contra Costa County Pension Debt	185,830,000	3.610%	6,708,421
CCC PFA 1998A Lease Revenue Bonds	11,555,000	3.610%	417,133
CCC PFS 1999A Lease Revenue Bonds	9,050,000	3.610%	326,703
CCC PFS 2002A Lease Revenue Bonds	6,185,000	3.610%	223,277
CCC PFS 2002B Lease Revenue Bonds	2,825,000	3.610%	101,982
CCC PFS 2003A Lease Revenue Bonds	5,065,000	3.610%	182,845
CCC PFS 2007A Lease Revenue Bonds	121,185,000	3.610%	4,374,751
CCC PFS 2007B Lease Revenue Bonds	3,655,000	3.610%	131,945
CCC PFS 2009A Lease Revenue Bonds	13,738,985	3.610%	495,974
CCC PFS 2010A-1 Lease Revenue Bonds	3,120,000	3.610%	112,631
CCC PFS 2010A-2 Lease Revenue Bonds	13,130,000	3.610%	473,990
CCC PFS 2010A-3 Lease Revenue Bonds	20,700,000	3.610%	747,265
CCC PFS 2010B Lease Revenue Bonds	11,170,000	3.610%	403,234
CCC PFS 2012 Lease Revenue Bonds	9,839,621	3.610%	355,208
CCC PFS 2015A&B Lease Revenue Bonds	63,090,000	3.610%	2,277,535
CCC PFS 2017A Lease Revenue Bonds	99,810,000	3.610%	3,603,118
CCC PFS 2017B Lease Revenue Bonds	100,285,000	3.610%	3,620,266
Contra Costa Fire	75,540,000	7.862%	5,938,917
BART	250,836,245	3.610%	9,055,131
East Bay Regional Park Bond	53,895,650	3.610%	1,945,621
Antioch USD SFID 1	62,533,791	3.381%	2,114,574
Antioch USD SFID 1 2012	53,565,000	3.381%	1,811,295
Mt. Diablo 2002 Bond	310,025,000	3.693%	11,450,256
Mt. Diablo 2010 Bond	318,515,433	3.693%	11,763,836
Pittsburg Unified 2004	79,415,000	97.885%	77,735,222
Pittsburg Unified 2006	154,810,000	97.885%	151,534,474
Pittsburg Unified 2010	97,763,211	97.885%	95,695,333
Pittsburg Unified 2014	46,970,000	97.885%	45,976,495
Contra Costa Community College 2002 Bond	174,490,000	3.623%	6,322,457
Contra Costa Community College 2006 Bond	291,710,000	3.623%	10,569,798
Contra Costa Community College 2014 Bond	84,440,000	3.623%	3,059,592
Sub-Total Overlapping Debt			<u>459,529,279</u>
Total Direct and Overlapping Debt			<u>\$ 491,706,825</u>

DEBT TO ASSESSED VALUATION RATIOS

Direct Debt	1.42%
Overlapping Debt	20.23%
Total Debt	21.65%

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

(2) Net of \$4,325,630,872 Redevelopment Incremental Valuation

Source: HDL Coren & Cone, Contra Costa County Assessor and Auditor combined 2016/17 Lien Date Tax Rolls

CITY OF PITTSBURG
Computation of Legal Bonded Debt Margin
June 30, 2017

ASSESSED VALUATION:

All property assessed value, net of exempt real property	\$ 2,271,410,220 (1)
---	----------------------

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)	<u>\$ 85,177,883</u>
---	----------------------

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$ -
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	-
Amount of debt subject to limit	-

LEGAL BONDED DEBT MARGIN	<u><u>\$ 85,177,883</u></u>
--------------------------	-----------------------------

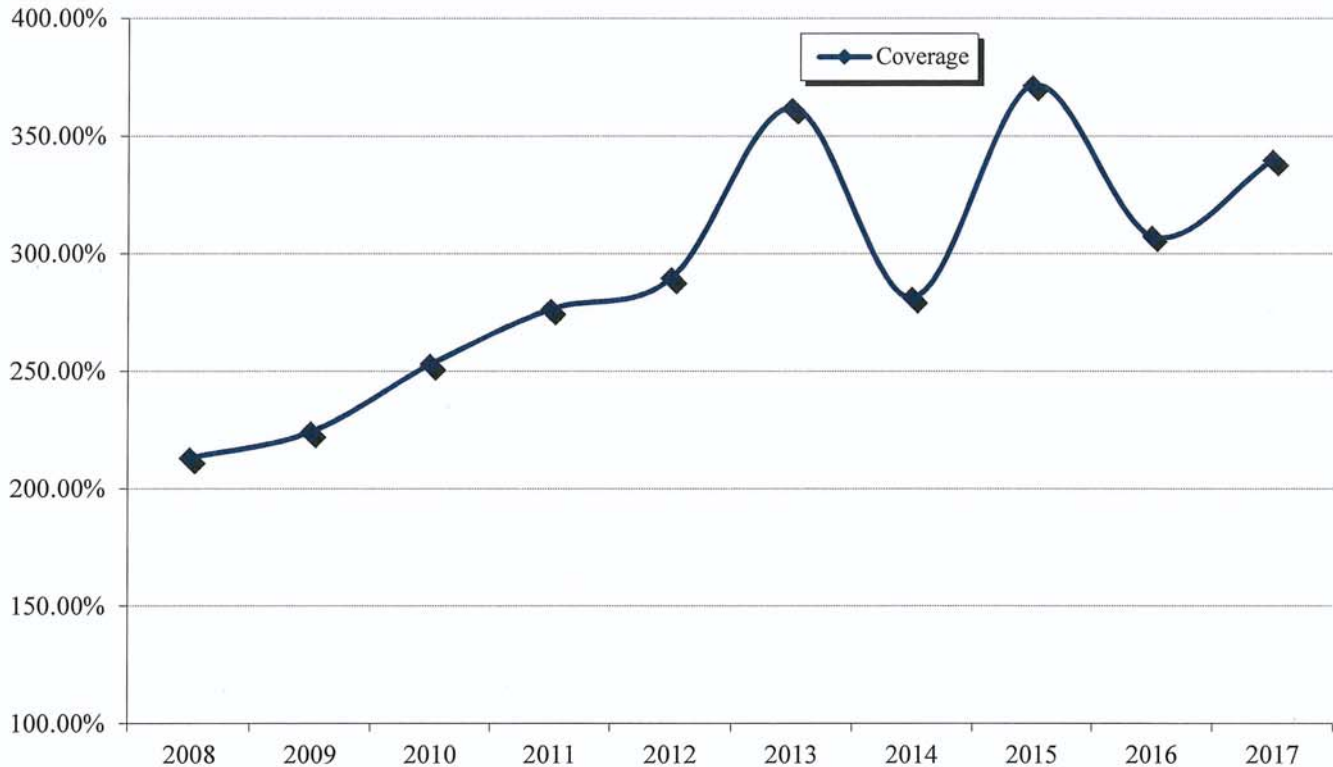
Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2008	\$ 80,491,813	\$ -	\$ 80,491,813	0.00%
2009	79,517,400	-	79,517,400	0.00%
2010	69,553,156	-	69,553,156	0.00%
2011	68,710,034	-	68,710,034	0.00%
2012	67,444,590	-	67,444,590	0.00%
2013	66,188,501	-	66,188,501	0.00%
2014	72,867,133	-	72,867,133	0.00%
2015	80,190,642	-	80,190,642	0.00%
2016	83,934,464	-	83,934,464	0.00%
2017	85,177,883	-	85,177,883	0.00%

NOTE:

(1) Net of \$4,325,630,872 Redevelopment Incremental Valuation

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

CITY OF PITTSBURG
Revenue Bond Coverage
Wastewater Revenue Bonds

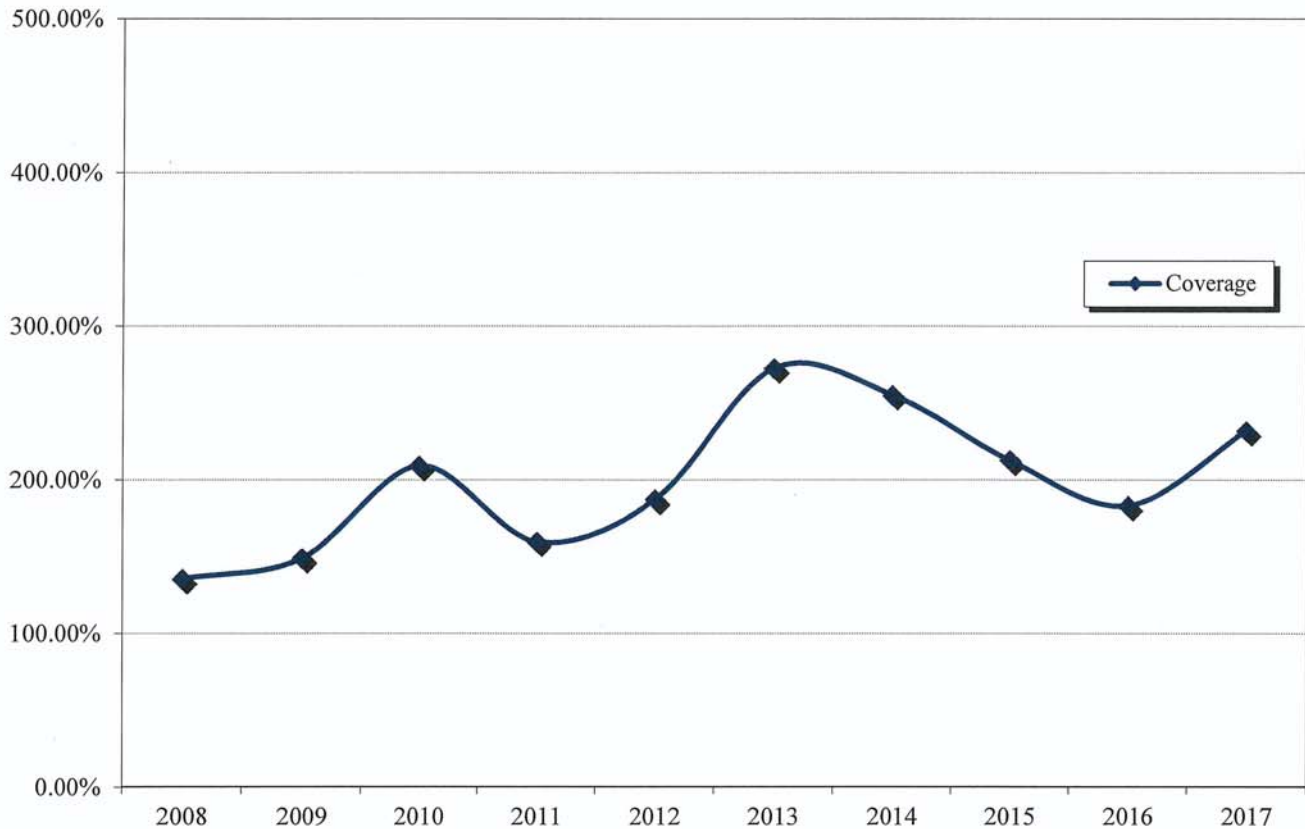


Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$ 3,534,174	\$1,571,582	\$ 1,962,592	\$ 545,000	\$ 376,049	\$ 921,049	2.13
2009	3,951,296	1,887,607	2,063,689	555,000	365,802	920,802	2.24
2010	4,431,558	2,032,469	2,399,089	570,000	378,784	948,784	2.53
2011	4,407,092	1,846,762	2,560,330	590,000	336,436	926,436	2.76
2012	4,651,016	1,971,734	2,679,282	605,000	320,198	925,198	2.90
2013	5,111,678	1,799,354	3,312,324	620,000	295,207	915,207	3.62
2014	4,917,728	1,992,182	2,925,546	640,000	399,786	1,039,786	2.81
2015	5,022,745	1,965,165	3,057,580	741,000	81,986	822,986	3.72
2016	5,024,185	2,547,410	2,476,775	737,000	68,464	805,464	3.07
2017	5,107,869	2,355,218	2,752,651	753,000	56,986	809,986	3.40

Notes: Interest is lowered due to the refunding of the 2004 Wastewater Bond (per Resolution 14-0270 dated 6/6/14. The City executed a private Installment Sale Agreement with Bank of the West for a lower interest rate of 1.55% per annum.

Source: City of Pittsburgh Annual Financial Statements as analyzed by Finance Division Revenue Manager

CITY OF PITTSBURG
Revenue Bond Coverage
2016 (Refunded 1997, 2005, and 2008) Water Revenue Bonds

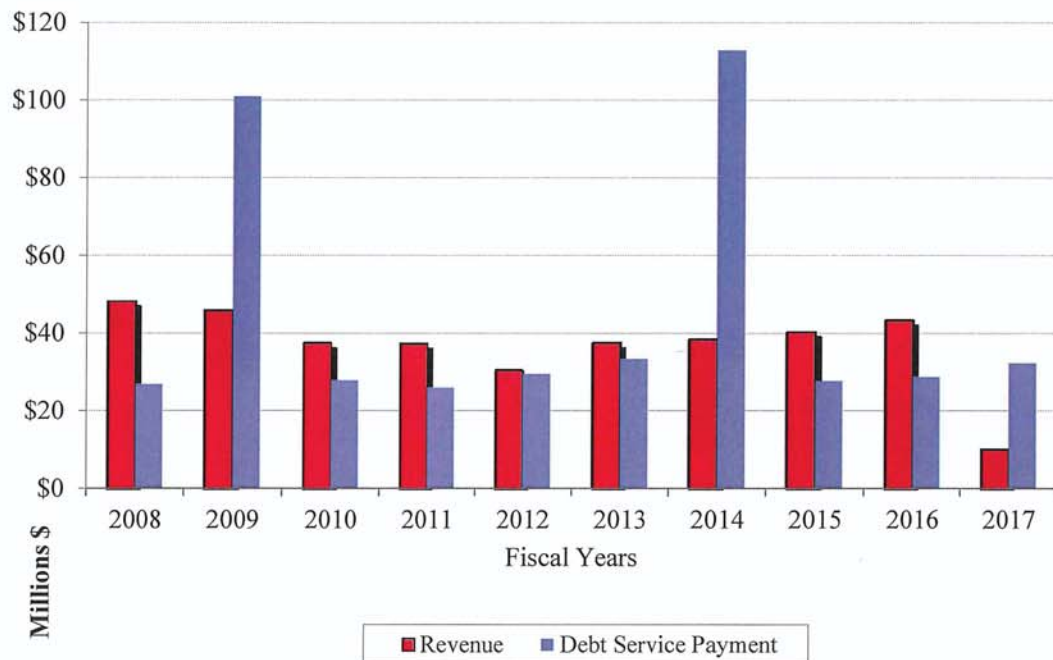


Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$15,416,932	\$11,777,521	\$ 3,639,411	\$ 450,000	\$ 2,231,718	\$ 2,681,718	1.36
2009	15,261,927	11,776,223	3,485,704	450,000	1,887,100	2,337,100	1.49
2010	16,489,040	11,380,669	5,108,371	685,000	1,756,422	2,441,422	2.09
2011	16,622,010	11,087,014	5,534,996	835,000	2,626,509	3,461,509	1.60
2012	17,149,663	12,120,679	5,028,984	910,000	1,773,709	2,683,709	1.87
2013	19,205,915	12,279,325	6,926,590	960,000	1,580,278	2,540,278	2.73
2014	18,991,247	12,777,146	6,214,101	1,010,000	1,421,992	2,431,992	2.56
2015	18,272,979	12,379,283	5,893,696	1,035,000	1,734,374	2,769,374	2.13
2016	18,592,332	13,088,660	5,503,672	1,310,226	1,691,311	3,001,537	1.83
2017	19,331,187	12,933,557	6,397,630	1,472,956	1,283,708	2,756,664	2.32

Notes: This Schedule has been modified to reconcile to the Revenue Manager's Analysis for annual Bond Disclosures

Source: City of Pittsburgh Annual Financial Statements as Analyzed by the Finance Division Revenue Manager

CITY OF PITTSBURG
Successor Agency Bonded Debt Pledged Revenue Coverage
Tax Allocation Bonds
Last Ten Fiscal Years



Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest ³	Total	
2008	\$ 48,211,302	\$ 7,550,000	\$ 19,390,241	\$ 26,940,241	1.79
2009	45,913,508	84,335,000 ¹	16,727,258	101,062,259	0.45
2010	37,493,101	7,985,000	19,873,150	27,858,150	1.35
2011	37,342,837	9,310,000	16,683,580	25,993,580	1.44
2012	30,497,707	11,185,000	18,391,950	29,576,950	1.03
2013	37,580,423	15,595,000	17,812,924	33,407,924	1.12
2014	38,486,428	93,635,000 ²	19,250,447	112,885,447	0.34
2015	40,387,530	13,355,000 ³	14,415,839	27,770,839	1.45
2016	43,371,250	16,655,000	12,113,046	28,768,046	1.51
2017	10,218,501	20,250,000	12,125,192	32,375,192	0.32

¹ The 2006 Series A Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

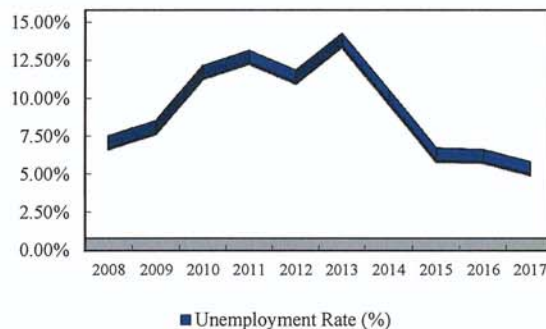
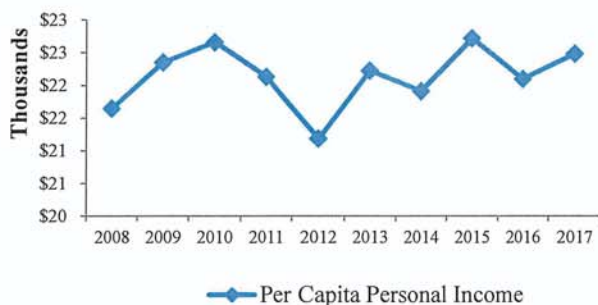
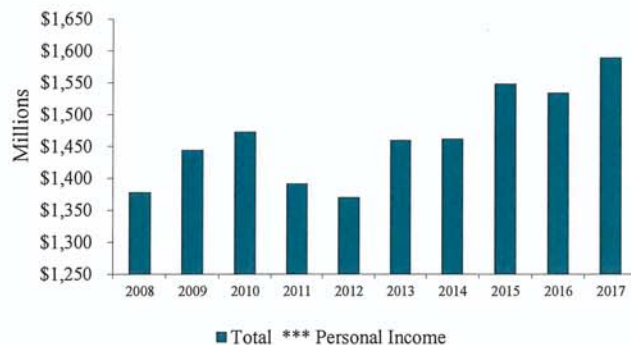
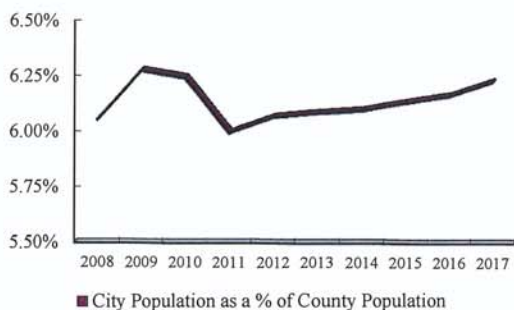
² The 2014 Tax Allocation Refunding Bond was issued to refunded in full 2003A Bonds and partly refunded the 1999 CIP portion. Refer to Note 14 for additional information on refunding.

The 2016 Refunding Bond was excluded for trending purpose

³ The interest amount excludes the Letter of Credit fees and costs associated with 2016 bond refunding

Source: City of Pittsburgh Annual Financial Statements

CITY OF PITTSBURG **Demographic and Economic Statistics** **Last Ten Fiscal Years**



Fiscal Year	City * Population	Total *** Personal Income	Per Capita Personal Income	Unemployment*** Rate (%)	Contra Costa * County Population	Pittsburg Population % of County
2008	63,652	\$ 1,378,043,000	21,650	6.7%	\$ 1,051,674	6.05%
2009	64,600	1,444,296,000	22,358	7.7%	1,029,703	6.27%
2010	64,967	1,472,579,000	22,667	11.3%	1,041,274	6.24%
2011	62,877	1,391,528,000	22,131	12.3%	1,049,025	5.99%
2012	64,660	1,370,214,000	21,191	11.0%	1,066,096	6.07%
2013	65,664	1,459,608,000	22,228	13.4%	1,079,597	6.08%
2014	66,695	1,461,822,000	21,918	9.7%	1,094,000	6.10%
2015	68,140	1,548,229,000	22,721	5.9%	1,111,339	6.13%
2016	69,424	1,534,225,000	22,099	5.8%	1,126,745	6.16%
2017	70,679	1,589,374,000	22,487	5.0%	1,135,127	6.23%

Source: Quickfacts.census.gov

* from americanfactfinder.com

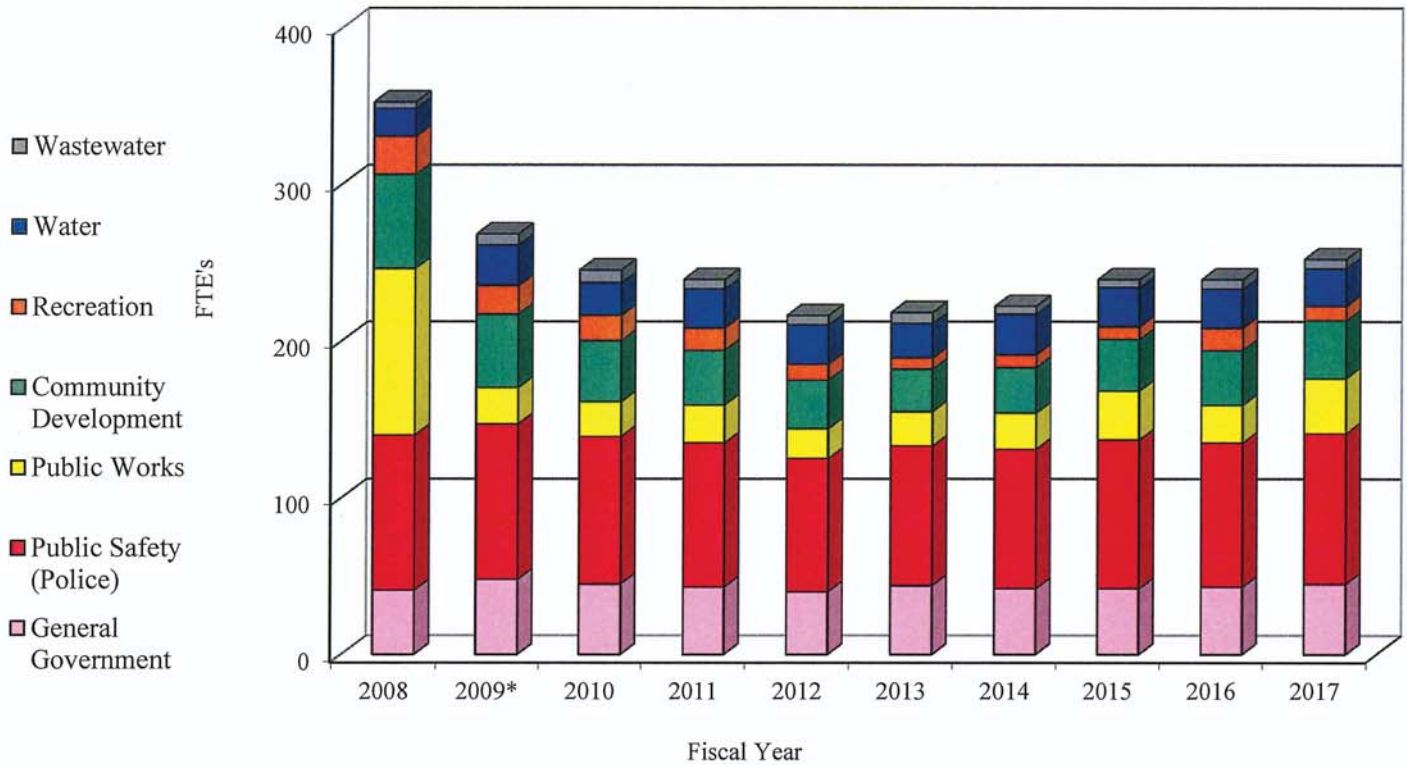
** from HDL Coren Report

CITY OF PITTSBURG
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2016-17</u>			<u>2007-08</u>	
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>
Pittsburg Unified School District	1,175	1	3.3%	720	2
Los Medanos Community College	592	2	1.7%	480	3
USS - Posco Industries	621	3	1.7%	1,000	1
Dow Chemical Company	350	4	1.0%	400	4
City of Pittsburg	387	5	1.1%		
Walmart	300	6	0.8%	220	5
Ramar Foods	173	7	0.5%	220	5
Angelica Corporation (Laundry)	222	8	0.6%	220	5
Target	100	9	0.3%	160	8
WinCo Foods	151	10	0.4%	200	6
Home Depot				180	7
Safeway				150	9
Redwood Painting				120	10
Subtotal	<u>4,071</u>		<u>11.4%</u>	<u>4,070</u>	
Total Employees working in the City	<u>35,701</u>				

Source: Telephone Survey by Finance Staff
2007-08 data from CAFR (Chamber of Commerce)

CITY OF PITTSBURG
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years



Function	Actual for Fiscal Year Ended June 30,									
	2008	2009*	2010	2011	2012	2013	2014	2015	2016	2017
General Government	41	48	45	43	40	44	42	42	45	45
Public Safety (Police)	99	99	94	92	85	89	89	95	98	96
Public Works	106	23	22	24	19	22	23	31	33	35
Community Development	60	47	39	35	31	27	29	33	37	37
Recreation	24	18	16	14	10	7	8	8	8	9
Water	18	26	21	25	25	22	26	25	25	24
Wastewater	4	7	8	6	6	7	5	5	7	6
Total	352	268	245	239	216	218	222	239	253	252

*2009 was a realignment of staff time and also elimination of many part-time PW staff

Source: City of Pittsburgh

CITY OF PITTSBURG
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2008	2009	2010	2011
Public safety:				
Police:				
Police calls for Service	70,707	74,487	69,078	70,623
Law violations:				
Part I and Part II crimes	8,117	8,545	7,568	8,084
Physical arrests (adult and juvenile)	3,955	4,406	3,512	4,708
Traffic violations (VC14601 & VC12500)	1,163	1,613	1,502	1,986
(Fire Protection is Contra Costa County)				
Public works				
Street Re-surfacing (Miles)				
Streets Repaired (square feet)	133,103	86,553	71,809	84,420
Leisure Services:				
Community Services:				
Swim Participants	9,134	*	*	*
Softball Participants	465	*	*	*
Small World Park Gate Attendance	17,376	*	15,833	*
Senior Center Nutrition/Exercise Class Participants	15,735	*	16,777	18,186
Water				
Number of Meters Served	16,579	16,718	17,097	17,254
Water Main Breaks	76	65	74	45
Average Daily Consumption (millions of gallons)	10.4	8.9	8.5	7.9
Wastewater				
Miles of Sewer Line (Excluding line operated by Delta Diablo District 7-A)	159	159	171	172
Solid Waste				
Refuse Landfilled (tons per year)	85,700	77,817	49,978	45,106
Recyclables Processed (tons per year)	43,425	25,750	33,948	35,868

*Leisure Services Data not Available due to City Reorganization and Early Retirement.

** FY 2013 & FY 2014 Number corrected. Prior CAFR reported number of classes, updated to reflect number of Participants.

*** FY 2016 Numbers corrected.

Source: City of Pittsburg Divisions & Prior Year CAFR's

Fiscal Year					
2012	2013	2014	2015	2016	2017
67,779	64,573	73,915	77,947	72,918	75,603
8,044	7,412	7,477	8,168	7,575 ***	7,333
4,558	3,401	3,227	3,204	2,825 ***	2,935
1,950	1,007	935	735	932 ***	873
84,001	14.26 82,314	13.41 24,404	1.55 46,905	0.80 52,503	0 44,795
264	1,980	2,320	3,100	1,600 ***	2,379
2,300	580	850	731	590	650
19,783	24,732	25,780	28,420	27,666	25,050
13,786	14,980 **	19,339 **	22,423	20,014	11,305
17,444	17,664	17,880	18,094	18,359	18,574
60	50	59	71	80	46
8.5	9.1	8.2	7.8	7.3	8.6
172	175	177	171	176	178
46,892	52,722	53,753	51,564	63,500	59,559
37,784	42,213	44,213	39,313	48,500	48,500

CITY OF PITTSBURG
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2008	2009	2010	2011	2012
Function/Program					
Public safety:					
Police stations	1	1	1	1	1
Police patrol units (Includes Unmarked)	52	52	52	52	52
Public works					
Miles of streets (Center Line)	156.80	156.80	157.00	157.00	165.35
Street lights (Total)	4,008	4,107	4,194	4,278	2,041
Traffic Signals	60	60	61	61	61
Culture and recreation:					
Community services:					
City Parks	21	21	21	21	23 *
City parks acreage	145	145	145	145	145
Roadway landscaping acreage	15	17	19	19	19
Regional park acreage	56	56	56	56	56
Regional park facilities:					
Golf courses (18 holes)	1	1	1	1	1
Marina Fuel Station	1	1	1	1	1
Community Civic Center	1	1	1	1	1
Senior centers	1	1	1	1	1
Swimming pools	1	1	1	1	1
Tennis courts	1	1	3	3	3
Water					
Storage capacity (millions of gallons)	16.9	16.3	19.3	19.3	19.3
Miles of Water Mains	219	221	222	222	224
Wastewater					
Miles of Storm Drains	89	91	92	93	94

Note: n/a denotes information is not available.

*FY 2012 # OF City Parks Corrected. 2-School Soccer Fields not included in City parks number.

** In 2016, the City remeasured all water lines using the new GIS System

Source: City of Pittsburgh Staff & Prior Year CAFR's

Fiscal Year

2013	2014	2015	2016	2017
1 55	1 63	1 64	1 67	1 69
165.35 2,122 60	165.35 4,331 61	163.79 4,358 61	164.63 4,287 63	169.90 4,287 63
23 145	23 145	24 147	24 147	24 147
19 56	20 56	22 56	22 56	22 56
1	1	1	1	1
1	1	1	1	1
1 1	1 1	1 1	1 1	1 1
1 3	1 3	1 3	1 3	1 3
19.3 225	19.3 227	19.3 229	19.3 224	19.3 227
95	95	101	101	103

**



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2017



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

DATE: 12/5/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Authorize City Manager to Negotiate and Execute an Agreement with Zagster, Inc., to Implement a Bike Share Pilot Program Within the City of Pittsburg

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

This is a City-initiated proposal to consider implementation of an 18-month pilot program to establish bike share within the City as an alternate mode a transportation to move people to and from the new Pittsburg Center BART Station. To initiate the program, the first step would require execution a conditional bike sharing agreement in which Zagster agrees to work with City staff to obtain funding for the program, and once all funding is secured, a master services agreement would be executed to implement the program for 18 months, with an option to extend.

FISCAL IMPACT

This program would be cost neutral. No funding is needed by the City to implement the program; however, City staff time would be utilized to assist in securing sponsorships (for funding) and to assist in initial implementation of the program. In addition, Zagster would collect a nominal amount of revenues from riders and return 93% of those revenues to the City. This money would be placed in the Parks and Recreation fund and could be reinvested into the program, at the future discretion of the City Council.

RECOMMENDATION

City Council move by minute order to authorize the City Manager to negotiate and execute an agreement with Zagster, Inc., to implement an 18-month bike share pilot program within the City.

BACKGROUND

With the impending opening of the new Pittsburg Center BART station, staff has been reviewing options to help further encourage alternate modes of transportation to connect people to the new station. One component of this approach is to establish a bike share in the community, where there currently is none.

Several months ago, the City started preliminary conversations with a bikeshare company called Zagster. This organization offers a full service bikeshare program, and will assist the City to find and work with sponsors to fund the program. This will bring bike sharing to the City with no capital or ongoing maintenance/operation costs for the City in connection with the program. Staff has been unable to find any other local bikeshare companies that offer the same full service as Zagster, while also working directly with City staff to secure local sponsors to fully fund the program.

Attached is a proposal received from Zagster which outlines program offerings, including the types of bikes and other hardware provided, the software used, marketing options for sponsors, staffing and operations provided, as well as a suggested membership and cost structure for users.

SUBCOMMITTEE FINDINGS

On November 7, 2017, the Land Use Subcommittee met and specifically discussed the proposed bike share program. Among the subcommittee members, there was general support for the program moving forward. It was suggested that a one-and-a-half-year term for the pilot program would be appropriate and that the public and applicable stakeholders should be involved in choosing the initial station locations. Subcommittee members also suggested reaching out to local major employers, such as DOW Chemical and USS Posco, as potential sponsors for bikeshare stations.

STAFF ANALYSIS

Zagster has primarily been utilized within cities and universities on the U.S. east coast; however, they are expanding to the Bay area. Currently, the cities of Healdsburg and Arcadia have executed agreements with Zagster, and the company is in early negotiations with the cities of Martinez, Vallejo, and Turlock.

Under the terms of the program, the City would have no actual costs but agrees to help identify potential sponsors for the bicycle stations.

Each station would be sponsored by a local business or organization (at a rate of approximately \$9,000 per year.) The bicycles would be provided by Zagster, which will also maintain and replace bikes as needed. Zagster is also responsible for the software, on-line app, customer service and processing of customer payments.

If the City Council is supportive of moving forward with a pilot program to establish a bike share in conjunction with Zagster, then the next steps would be as follows:

- Execution of a Conditional Bike Share Agreement ("CBSA," see attached for proposed agreement) to formalize the partnership between the City and Zagster.
- Zagster to begin working with City staff to find and secure local sponsors to fund the pilot program for the first year of service.

- Work with stakeholders to identify 4-5 station locations for roll-out of the program. Stations are anticipated to have approximately 5 bikes associated with each station; however, additional bike parking spots would be made available at stations that are anticipated to get the most use. Station locations would be chosen to meet the goals of increasing connections to/from the new Pittsburgh Center BART Station and encouraging alternate modes of transportation near the station; providing additional inexpensive and cost-effective ways for people to move around the City; and promoting overall physical fitness/wellness within the community. Currently staff is envisioning initial station locations at the new Pittsburgh Center BART Station, downtown, the Los Medanos Community Healthcare Center, and Los Medanos Community College. Locations could be adjusted or expanded dependent upon initial stakeholder meetings.
- Once funds/sponsors are secured, the City would execute the Master Services Agreement (“MSA”) for the funded stations.
- Program implementation (including installation of stations, placement of bikes and necessary software setup) would occur approximately 45 days after signing the MSA.
- Ongoing communication would occur between Zagster and a designated City staff person during the pilot program to ensure the program is meeting the City’s needs. It is anticipated that Zagster would provide the City with quarterly data reports to monitor how the program is operating and make adjustments as needed to ensure it is successful for users.

ATTACHMENTS: 1. Zagster Proposal for the City of Pittsburgh, dated 11/2/17

2. Conditional Bike Share Agreement, dated 12/20/17

Report Prepared By: Kristin Pollot, AICP, Planning Manager



CITY OF PITTSBURG BIKE SHARE PROPOSAL

PROPOSAL CONTACT:
Zander Bonorris
zander@zagster.com

PROPOSAL DATE:
11/2/2017

BIKE SHARE FOR THE CITY OF PITTSBURG



Today the most progressive and forward thinking communities include bike sharing as a critical part of their multimodal transportation strategy and as a visible representation of their commitment to sustainability, efficiency, health and innovation.

Zagster is the leader in bike sharing innovation for cities, academic communities, and corporate campuses across the United States. Working with universities, SGAs, mayors, city councils, metropolitan councils of governments and community improvement districts. We have a track record of delivering scalable, cost effective and connected bike sharing programs for communities such as Fort Collins Colorado, College Park - Maryland, Duke, Purdue, Yale, Salesforce and Workday to name a few.

In total, Zagster operates more than 200 bike share programs across 35 states.

The company uniquely delivers a full service: bike sharing hardware, technology, operations and analytics which work together seamlessly through mobile applications and connected cloud services. The sharing technology and biking hardware is continuously improved by the

company and delivered to every program at no additional cost.

Also, because of our unique "bike share as a service" model, Zagster is able to deliver scalable, successful programs to cities like Pittsburgh with transparent operations, predictable costs and a guaranteed level of service. It takes serious resources to manage, maintain and market a municipal bike share program. Zagster's principal product strategy is to ensure that all members of the community have access to the most time-efficient, fun, sustainable and healthy way to get around.

The City of Pittsburgh needs a comprehensive bike share solution for its community to offset parking congestion, supplement current transit options, to mobilize its population seeking alternative methods of transport. This proposal outlines our service and how we plan to meet your goals as a partner

We are excited to help strengthen the community of Pittsburgh and we welcome any questions or feedback you have regarding the details included in this proposal.

ZANDER BONORRIS
SOUTHWEST SALES CONSULTANT, ZAGSTER

zander@zagster.com | (617) 714-9932

Leading the way

OUR CITY PARTNERS INCLUDE:



WHY BIKE SHARE?

Bike sharing has emerged as one of the most successful public transportation movements in North American Cities.

Many cities implement bike sharing programs in order to reduce driving trips, improve access to transit, enable healthy lifestyles, stimulate local economic activity and promote sustainability.

With distributed bike sharing programs, bikes are made available throughout the city for on-demand, local trips.

Zagster's comfortable cruiser bicycles are designed for transportation—to get to and from work, run errands, for leisure and exploring the city.



SERVICE OVERVIEW

Zagster's service includes everything needed to run a bike share program. Pittsburgh simply provides space for the docking stations and a designated contact for communicating with Zagster's dedicated customer success team regarding the program's rollout and administration.

Because Zagster is continuously upgrading its bikes and technology, certain features may change over time. However, in general, Zagster's offering spans four categories: hardware, software, marketing and operations.

Hardware	Software	Marketing	Operations
Bikes	iOS and Android Apps	Custom Website	Dedicated launch and success teams
Locking Technology	Text reservation support	Printed & Digital Assets	Complete Maintenance
Docks	Real-time cloud data	Press Relations	Repairs & Replacements
Custom Signage	Administrative reporting	Local Promotion	24x7 Rider Support
			\$4M Liability Coverage

KEY HARDWARE INFORMATION

ZAGSTER BREEZER UPTOWN - CRUISER BIKE



THE SHARED BIKE RIDERS LOVE

- Unanimously voted the most comfortable bike share bike by The Ohio State University
- 30% lighter than competitive bike share bikes
- Custom built with heavy-duty, easily sourced components

LOCKING TECHNOLOGY (BLUETOOTH RING LOCK)



Riders can unlock, ride and return any bike with any data or text message capable mobile phone. Because all the locking technology is automated and installed on the bike, there's no need for expensive kiosks.

- Bluetooth™ low energy (BLE) smart lock
- Locks/Unlocks at the touch of a button within the app, or by typing a code on the on-bike keypad
- Solid-state design prevents tampering or removal
- Securely mounted to the bike
- Made exclusively for Zagster by AXA

ON-BIKE KEYPAD

- Controls the ring lock
- Allows access for riders using feature phones or smartphones without BLE compatibility
- Robust and weatherproof
- Enables one-touch locking



FLEXIBLE, SECURE DOCKING STATIONS

- Individual docks allow for flexible applications and multiple siting options
- Can be anchored or freestanding
- Signage includes instructions and space for sponsorship
- Security cable attached to each dock keeps bikes anchored between trips



EQUITY THROUGH ACCESSIBILITY

Accessible bikes are on the ground at Ohio State University and in Corvallis, OR; Rome, NY; Westminster, CO; Fort Collins, CO; Carmel, IN; College Park, MD.

Accessible bikes enable access for riders who would otherwise be unable to use bike-share systems.



TRICYCLE



RECUMBENT TRICYCLE



SIDE BY SIDE TANDEM



CARGO



HEAVY DUTY



HANDCYCLE

BRANDING OPPORTUNITIES

PHYSICAL

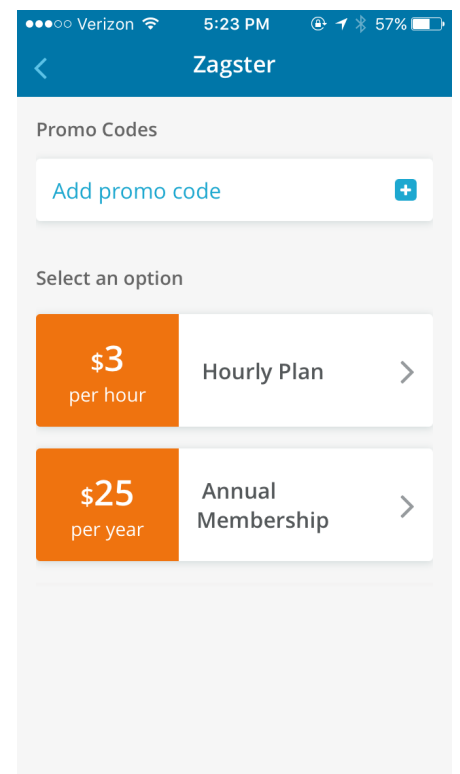
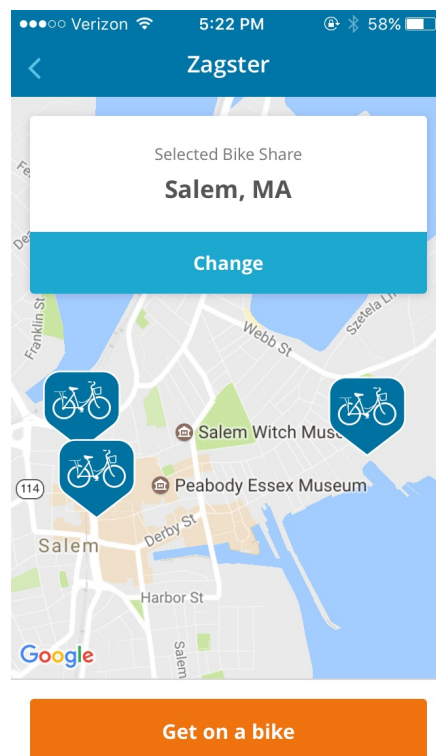
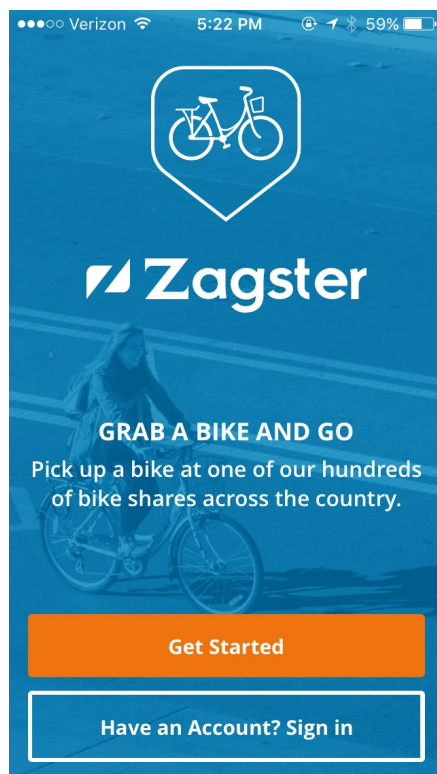
- Bike basket signage
- Station signage
- Full-bike customization*

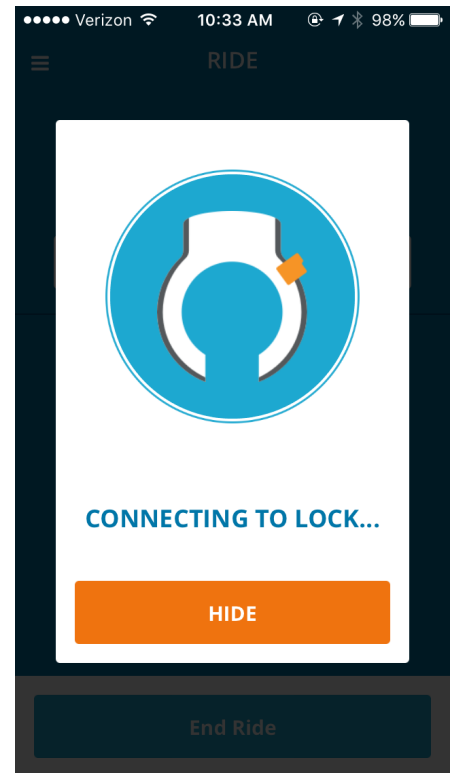
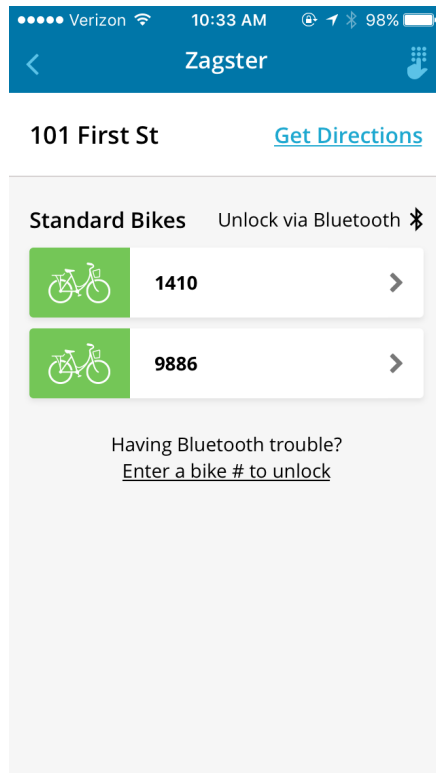
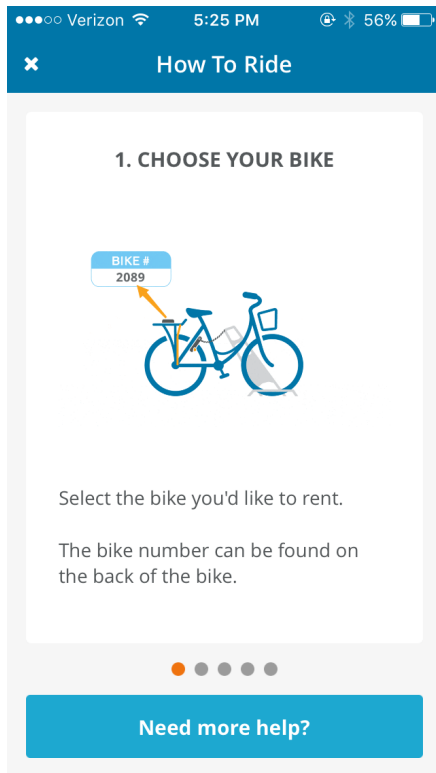


ZAGSTER MOBILE APP

SIGNUP FLOW & RIDE FLOW

- Intuitive interface makes signup quick and easy
- Location Service optimized
- Map shows bike station locations





HOW IT WORKS

1. BORROW

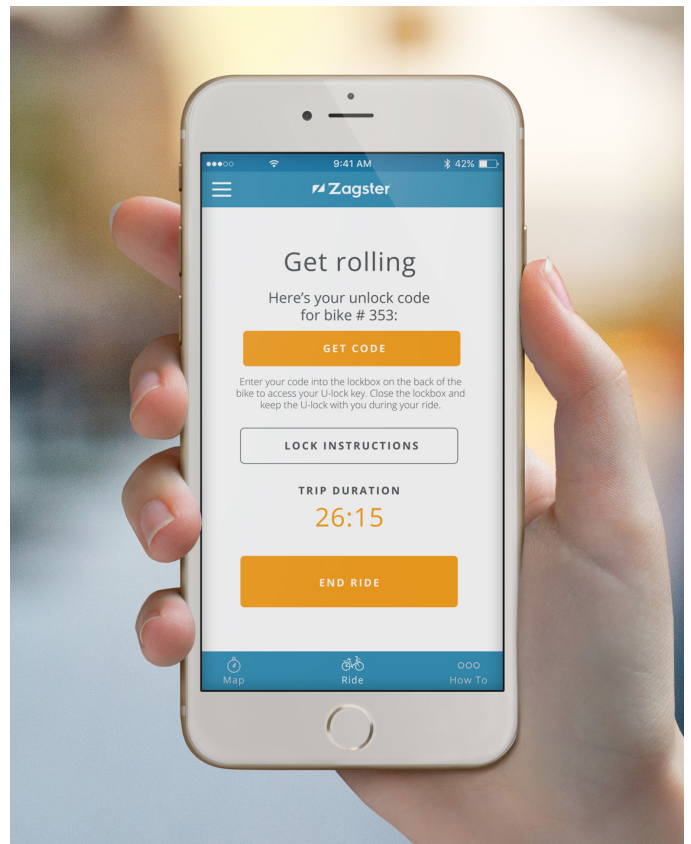
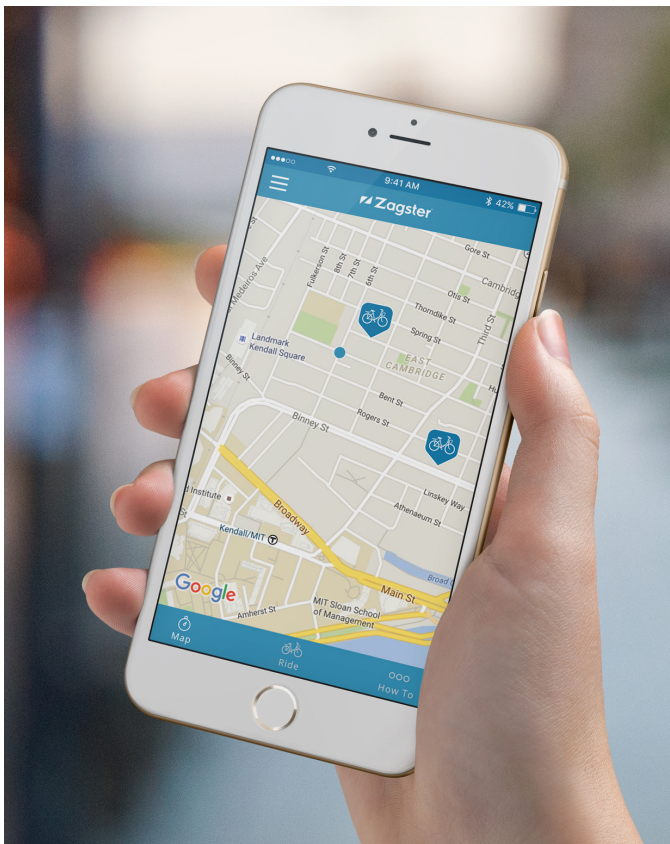
Enter the bike's number into the app and tap START RIDE. You'll get a unique code to open and close the lockbox.

2. UNLOCK

Use the key from inside the lockbox to operate the U-lock that attaches the bike to its station. Be sure to shut the lockbox before you ride.

3. RIDE

Have fun! Use the U-lock to keep the bike secure if you make stops along the way. When you're done, lock the bike back to any Zagster station and close the lockbox. Then go to the app and tap END RIDE.



STAFFING AND OPERATIONS

GENERAL LIABILITY COVERAGE

Zagster holds industry-standard insurance coverage that includes:

- \$2,000,000 General Aggregate
- \$2,000,000 Umbrella Coverage
- \$2,000,000 Product Liability
- \$1,000,000 Each Occurrence
- \$1,000,000 Personal/Advertising Injury Limit
- \$1,000,000 Employer's liability coverage

A Certificate of Insurance is available to customers upon request.

COMPLETE MAINTENANCE

All operations and maintenance related to the bike share program is included in the cost of the Zagster service. Zagster services all bikes on a routine basis to make sure that the program is operating effectively and safely.

CORE MAINTENANCE SERVICES

- Local mechanic dedicated to servicing your bike share system
- Proactive, comprehensive 30-point maintenance checks for every bike, every two weeks
- Bike and station cleaning during maintenance checks
- Immediate remote disablement of bikes flagged for maintenance
- Free replacement parts (including labor)
- Replacement bikes every three years

LOCAL, ZAGSTER CERTIFIED MECHANICS

The Zagster Certified Mechanic (ZCM) program hires local bike maintenance professionals. Applicants are required to have at least two years of professional bike maintenance experience to be considered.

Zagster holds multiple interviews and conducts knowledge tests and background checks on qualified applicants. Zagster provides selected ZCMs with training on its leading internal mobile app maintenance technology.



REPAIRS AND REPLACEMENTS

Zagster performs all repairs and replacements on bikes to keep them in perfect working order as needed.

REBALANCING

On an ongoing basis, Zagster's mechanics use location data generated by our ride tracking technology to reset stations to their optimal bike counts in order to make the bikes available to as many potential riders as possible.

If a more efficient way to position stations is determined over time, Zagster's Customer Success team may make strategic recommendations for moving, reallocating or adding bike parking.

24/7 RIDER SUPPORT

Zagster provides 24x7 rider phone and email support to every rider on every system. This comprehensive customer service program includes:

- 24x7 phone and email support
- Empowered, multilingual staff who are trained to handle 95% of calls without escalation
- A partnership with a third-party translation service
- Automated tools that provide support staff with instant data about the member, including identify and contact information, bike share membership information and trip history
- Elasticity to support unlimited system members

DEDICATED ACCOUNT MANAGEMENT

Zagster provides every bike sharing partner with a dedicated customer success manager. Zagster's customer success team has extensive experience, training and resources to help meet your needs and ensure that your program is successful.

SPONSORSHIPS

Zagster will strategize with the City of Pittsburg to identify potential sponsors and to customize a sponsorship package that meets the growth needs of the program and fully subsidizes the ongoing operations of the program.

FORT COLLINS, CO & LAKE LAND, FL COLLABORATIVE SPONSORSHIP MODEL



EVANSVILLE, IN (ZAGSTER.COM/EVANSVILLE) 70 BIKES ACROSS 7 STATIONS (\$0 CITY INVESTMENT)

Sponsored by



CARMEL, IN (ZAGSTER.COM/CARMEL) 90 BIKES ACROSS 10 STATIONS (22-BIKE INITIAL CITY INVESTMENT)

Sponsored by



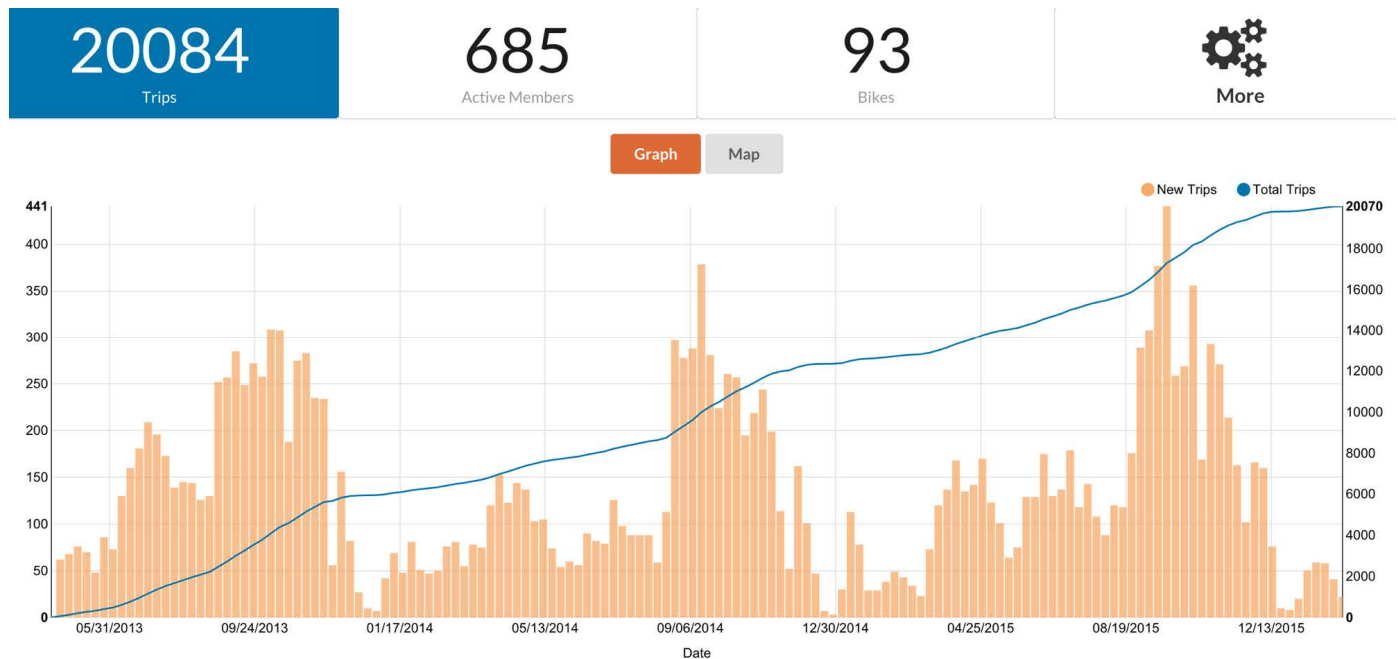
ADMINISTRATIVE DASHBOARDS

Zagster shares its data with customers for usage, planning and safety purposes via a web-based dashboard portal. This data is updated in real time and allows for critical insight into the performance of the bike share. Zagster uses two main sources of data to track bike share activity: trip data collected when members start and end trips, and the location of bikes during trips. Any time a member starts or ends a trip, Zagster records the trip information, such as the member name, membership plan, bike number and start and end time.

Then, Zagster tracks the site of bikes in real time using its mobile app and geofence technology. Based on decades of experience in the transportation sharing economy, Zagster has built dashboards that clearly display the important data needed to evaluate the success of the program.

Reports include member reporting (new and total memberships by plan), trip reporting (number of trips, trip length, and distance), location reporting (trip type, heat mapping, and direction requests), issue reporting (call center inquiries or incidents), and financial reporting (membership and usage revenue).

Below is an example of an administrative dashboard that Pittsburgh will be able to view at any time.



QUARTERLY REPORTS

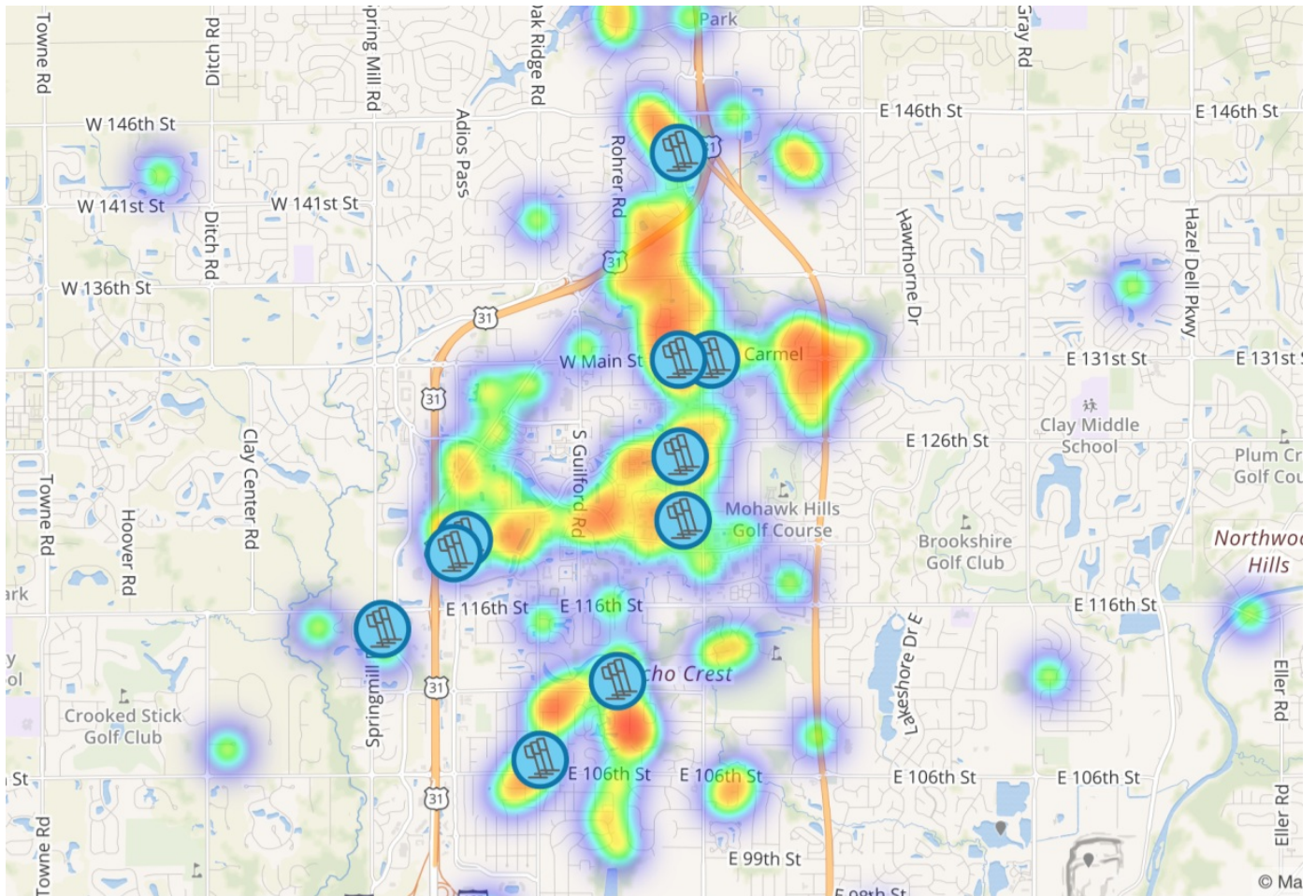
Additional reporting will be prepared by the dedicated CSM (Customer Success Manager) working with Pittsburgh and shared on a quarterly basis. The CSM will compile the system data in an easily digestible format and review the reporting details with the customer during each quarterly review call.

The goal of the quarterly review is to use the data provided to highlight system strengths, identify system opportunities, and present recommendations to further improve upon the success of the system

MEMBERSHIP	• Reach: Membership as a % of total targeted segment • Total number of Users during reporting period • Number of new Users enrolled during reporting period by membership type
UTILIZATION	• Rentals per station, rentals per bike • Rentals by time period (time of day, week/weekend, month, quarter, etc) • Duration of rides
ADOPTION	• Conversion: First Rides as a % of total members • Adoption: Repeat ridership
RIDER SUPPORT	• % of tickets per rental • Ticket volume by issue category and by ticket channel • Ticket satisfaction rating • Rider NPS Scores • Voice of the Rider feedback
FLEET & FINANCIAL	• Maintenance frequency • Repairs / replacement within quarter • Rider Revenue

HEATMAPPING DASHBOARD

Zagster shares its data with customers for usage, planning and safety purposes via a web-based dashboard portal. This data is updated in real time and allows for critical insight into the performance of your program.



SUGGESTED MEMBERSHIP & COST STRUCTURE

MEMBERSHIP TYPES AND COSTS

Based on our experience operating bike share programs at Zagster, we suggest the following membership structure:

Membership Type	Membership Cost
24-Hour Pass	\$6
Monthly Membership	\$10
Annual Membership	\$40
Sponsor Membership	Free

RIDE STRUCTURE AND LIMITS

Regardless of which plan a member chooses, Zagster recommends the following rider structure for all bike usage:

Time	Cost
First 60 minutes of usage	Free
Each additional 60 minutes of usage	\$3
Per Trip / Day Maximum	\$30

These program structures are recommendations and Zagster will work with Pittsburgh to determine the optimal rider pricing structure for the bike share.

RIDER REVENUE RECOVERY

As a service, Zagster collects revenue from all riders and returns these revenues less a 7% processing charge to the sponsor. This means that with good ridership and a properly priced membership plan, many Zagster partners see financial return that helps to offset the cost of their bike share program on an ongoing basis.

ZANDER BONORRIS
SOUTHWEST SALES CONSULTANT - ZAGSTER

zander@zagster.com | [617.714.9932](tel:617.714.9932)

Conditional Bike Sharing Agreement

This Conditional Bike Sharing Agreement (“Agreement”) is effective as of December 20th, 2017 (the “Effective Date”) by and between Pittsburg, California (“Municipality”) with a principal address 65 Civic Avenue, Pittsburg, CA 94565 and Zagster, Inc. (“Zagster”) with a principal address of 25 First Street, Suite 104, Cambridge, MA 02141.

WHEREAS, Zagster provides a bike sharing service to over 150 communities and regularly obtains funding from funding sources including grants, user fees, and sponsors who are interested in local, regional and national bike sharing sponsorships with Zagster municipalities (collectively, “Funding Sources”);

WHEREAS, Municipality desires that Zagster provide its bike sharing service to Municipality if Zagster obtains the Necessary Funding, as defined below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Responsibilities.

(a) Acquisition of Funding Sources. Members of Zagster’s sales and marketing teams will seek out Funding Sources for the launch of at least 20 bikes within the Municipality (the “Necessary Funding”). Zagster will put forth a good faith effort to obtain the Necessary Funding and will provide quarterly updates to Municipality on its efforts, however, Zagster shall have no liability for any failure to obtain the Necessary Funding. Further, Zagster may elect to participate as a sponsor, but is under no obligation to do so.

(b) Definitive Agreement. If Zagster obtains the Necessary Funding, this Agreement allows Zagster to launch a bike sharing system within the Municipality, subject to additional terms negotiated by the parties in good faith in a definitive agreement (the “Definitive Agreement”). The parties agree that the Definitive Agreement will include (i) the right for Zagster to determine the fee schedule for any user fees and membership fees applicable to use of the Zagster bike sharing system by riders; (ii) the right for Zagster to collect and retain such fees in full and (iii) a license grant from the Municipality to Zagster for use of bike sharing station infrastructure, public bike racks and other infrastructure in the public right of way relating to the provision of the bike sharing service.

(c) Exclusivity. Municipality agrees that during the Term of this Agreement and the term of the Definitive Agreement, Zagster shall be the only bike sharing and/or bike rental service promoted and used by the Municipality, Municipality will not allow other bike sharing or bike rental companies to operate bike sharing services in the Municipality’s public rights of way, and Municipality will not enter into any agreement, understanding, arrangement or engagement with any other provider of bike sharing and/or bike rental services.

2. Confidentiality; No Public Announcements. Except as may otherwise be required by law, including any public records laws, each party agrees not to disclose the other party’s Confidential Information without prior written consent. “Confidential Information” includes (a) all intellectual property; (b) financial information (including pricing) and business information; and (c) any other information designated in writing as “Confidential” or that, given the nature of the information would reasonably be deemed to be confidential. Neither Municipality nor Zagster shall make public announcements concerning this Agreement or these discussions without prior written approval of a duly authorized representative of the other party.

3. Term. This Agreement shall commence on the Effective Date and shall continue until the earlier of (i) a termination date agreed to the parties, (ii) 24 months and (iii) the date on which the parties execute the Definitive Agreement (the “Term”).

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the Effective Date.

ZAGSTER, INC.

By: _____
Name: _____
Title: _____
Date: _____

MUNICIPALITY:

By: _____
Name: _____
Title: _____
Date: _____



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

DATE: 12/5/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: ADOPTION OF A CITY COUNCIL RESOLUTION AUTHORIZING THE
ACCEPTANCE AND APPROPRIATION OF STATE OF CALIFORNIA
OFFICE OF TRAFFIC SAFETY GRANT FUNDS FOR SELECTIVE
TRAFFIC ENFORCEMENT

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The Pittsburg Police Department is seeking City Council authorization to accept and appropriate grant funds from the State of California Office of Traffic Safety (OTS).

FISCAL IMPACT

There will be no fiscal impact as the funds from the grant will reimburse the City for overtime costs associated with the program. The Pittsburg Police Department will receive a total reimbursement of \$100,000.00 to cover overtime costs for supervisors, uniformed officers and civilian staff to conduct (4) DUI Checkpoint operations, (12) DUI roving patrols, (5) distracted driving operations, (8) specialized traffic enforcement details, (2) night-time seatbelt enforcement details, (2) Pedestrian/Bicycle safety operations, (1) Motorcycle safety operation, (2) court sting operations and (1) traffic safety education presentations. Federal funds allocated under this agreement shall not exceed \$100,000.00.

RECOMMENDATION

Staff recommends that the City Council approve the request of the Chief of Police to accept and appropriate funds from the Office of Traffic Safety.

BACKGROUND

The goal of the Selective Traffic Enforcement Program is to reduce the number of victims killed and injured in all automobile crashes. This includes alcohol related and all other primary collision factor incidents. The Pittsburg Police Department will conduct selective traffic enforcement operations, DUI roving patrols, and a motorcycle safety operation as well

as provide additional training related to DUI enforcement during a twelve month grant period to meet this goal.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The goal of the “Selective Traffic Enforcement Program” is prevention. The key to deterring impaired driving is highly visible enforcement in the form of roving patrols, traffic enforcement and sobriety checkpoints. These operations are very effective forms of enforcement; it increases the perception of the risk of arrest if they are adequately publicized and highly visible to the public.

ATTACHMENTS: Resolution

Report Prepared By: Brian Addington, Chief of Police

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Authorizing Acceptance and Appropriation)
of California Office of Traffic Safety)
Grant Funds for Selective Traffic)
Enforcement)

RESOLUTION NO. 17-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the Pittsburg Police Department has been awarded grant funds not to exceed \$100,000.00 for the Selective Traffic Enforcement Program allocated from the State of California Office of Traffic Safety; and,

WHEREAS, the grant funds are intended to pay the City's overtime costs for supervisors, uniformed officers and civilian staff to conduct selective traffic enforcement operations, DUI checkpoints, warrant sweeps, DUI roving patrols, court stings, and DUI enforcement training during the one year grant period; and,

WHEREAS, staff recommends that the City accept these funds and authorize their use for local law enforcement actions as proposed in the grant application and in this resolution.

NOW, THEREFORE, the City Council finds and determines as follows:

Section 1. The City Council finds and determines that the above recitals are true and correct and are incorporated herein.

Section 2. The Pittsburg Police Department is authorized to accept and utilize the State of California Office of Traffic Safety Funds to pay overtime costs associated with conducting specialized enforcement, including DUI and traffic enforcement actions in an effort to reduce the number of victims killed and injured in automobile crashes.

Section 3. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Marilyn Craft, Mayor

ATTEST:

Alice E. Evenson, City Clerk



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

DATE: 12/6/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Awarding a Professional Services Agreement to Vision Internet for Website Design and Services

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The City Manager has requested improvement, updating and reconstruction of the City's website. Pursuant to their current contract for website services, the City wishes to enter into a contract with Vision Internet for these services.

FISCAL IMPACT

The contract for the design and development of a new City website is \$44,520. Funding for this project was approved in the 2017-18 Fiscal Year budget, as adopted.

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution approving the Professional Services Agreement for Vision Internet.

BACKGROUND

In order to improve and reconstruct the City's website in a timely manner, staff felt it was important to have a comprehensive and integrated approach to this work effort. As our current website provider, Vision Internet is well qualified to do this work and is the most responsive to the City's needs.

The City Clerk, along with the IT department, studied each department's requirements and the need for updating the website.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

As technology becomes an even more integral part of our daily lives, the demand for an up-to-date website that incorporates mobile applications, social media connections, and current web features is great. The City hopes to ensure its citizens have this technology available with a user-friendly site.

Approval of this agreement will assure fulfillment of the City's immediate and ongoing need for a reliable website. The website will help the City to realize the full benefit of its investment in information technology and deliver quality information and City services to the public through our City website. Under this proposal, Vision Internet will redesign our website and will train city staff from all departments to manage the flow of information and timelines. After reconstruction of the website, the IT group will continue to oversee the management of the new website.

ATTACHMENTS: Resolution
Contract

Report Prepared By: Alice E. Evenson, City Clerk

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Awarding a Professional)
Services Contract for Website Design)
And Services)

RESOLUTION NO. 17-

The Pittsburgh City Council DOES RESOLVE as follows:

WHEREAS, the City Manager has requested improvement, updating and reconstruction of the City's website; and

WHEREAS, pursuant to their current contract for website services, the City wishes to enter into a contract with Vision Internet for these services; and

WHEREAS, funding for this project was approved in the 2017-18 Fiscal Year adopted City Budget.

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

Section 1. Findings

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City set forth below.

Section 2. Authorization and Direction

Adopt the staff recommendation and adopt the attached resolution approving the Professional Services Agreement for Vision Internet.

Section 3. Effective Date

This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburgh at a regular meeting on the 18th day of December, 2017, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk



master services agreement

for Pittsburg, CA

This Master Services Agreement ("**Agreement**") is made and entered into effective as of the date of the last signature below (the "**Effective Date**") by and between Vision Technology Solutions, LLC dba VISION ("**Contractor**"), and the customer which is a signatory hereto ("**Client**"). Client and Contractor are sometimes individually referred to as a "**Party**" and collectively as the "**Parties**."

1. Services. This Agreement (which includes and incorporates the Addendum(s) attached hereto and Contractor's acceptable use policy ("**AUP**") posted at www.visioninternet.com/about/legal) sets forth the entire terms and conditions by which Contractor will deliver and Client will receive any and all of the services provided by Contractor, including one or more of the following: website development, visionLive™ subscription services, and/or other extra work and services (collectively, the "**Services**"). This Agreement is intended to cover any and all Services ordered by Client and provided by Contractor. Contractor will provide Services to Client as requested by Client and as set forth in the applicable Addendum(s) in exchange for payment of related fees specified in such Addendum(s), and compliance with the terms and conditions of this Agreement, and compliance with Contractor's AUP as such policy may change from time to time.

1.1. Website Development Services. Contractor agrees to provide website development services, as more particularly described in Addendum A, in exchange for payment of fees and compliance with the terms and conditions of this Agreement.

1.1.1. Client understands and agrees that Contractor will develop website frontend to be compatible with Internet Explorer 11, Microsoft Edge, and the latest released versions of Chrome, Firefox, and Safari at the time of Completion. Website backend will be compatible with Internet Explorer 11, Microsoft Edge and the latest released version of Chrome and Firefox at the time of Completion. Website may not be compatible with previous or future versions. Website backend will be optimized for 1024 x 768 pixels resolution or above. Client understands and agrees that the website will be developed with Hypertext Markup Language ("**HTML**"), CSS, JavaScript, and Microsoft ASP.NET ("**MS-ASP**") interfaced with a database created in Microsoft SQL Server ("**MS-SQL**"). Client understands and agrees that the website is developed to run on a Microsoft Windows Server 2012 ("**MS-Server**"), or later. Responsive Website Design with visionMobile Designer™ mobile browsers will be compatible with the latest released version at the time of Completion of iOS Safari, Android Browser, Google Chrome, and Internet Explorer, but may not be compatible with previous or future versions. Client is responsible for the costs of all software licensing. All of the web browsers listed in this section, and any others added by Contractor at its discretion are herein referred to collectively as the "**Supported Web Browsers**".

1.1.2. Contractor will design the website frontend navigation and graphic design to be generally compliant with WCAG 2.0 A. Client further understands and agrees that content, website backend, and third-party tools may not be compliant with Section 508 or WCAG 2.0.

1.2. visionLive™ Subscription Services. Contractor agrees to provide VCMS Licensing Services, Support Services, and Hosting Services (collectively "**Subscription Services**") to the Client in exchange for payment of fees and compliance with the terms and conditions of this Agreement. As used throughout this Agreement, "**VCMS**" shall mean Vision Content Management System™, also known as the Vision Internet Content Management System, VCMT, VCMS and the Vision Content Management Tool.

1.2.1. Subscription. Contractor will provide Client a subscription to access and use the VCMS.

VCMS Licensing Services include:

- (a) Functional enhancements to VCMS components.



- (b) New VCMS Interactive Components that may be released from time to time by Contractor.
- (c) Bug fixes to the VCMS code.
- (d) Updates to provide compatibility to future versions of Supported Web Browsers within three months of their release. Compatibility with previous versions of Supported Web Browsers is not guaranteed.

VCMS Licensing Services do not include:

- (a) Optional Interactive Components.
- (b) Modules, Programs, or Software Applications.
- (c) Conversion to new platforms.
- (d) Modification of third-party products.
- (e) Compatibility with Client's third-party products.
- (f) Website design services.
- (g) New Products. Contractor may from time to time release new software with capabilities substantially different from or greater than the VCMS and which therefore do not constitute System Updates or New VCMS Interactive Components. (h) All other services not expressly provided for in this Agreement and its applicable Addendum(s).

1.2.2. Support Services. Support Services is defined as technical support, account management, and education and training for the VCMS; provided, however, Client does not (1)(a) modify the VCMS or (1)(b) use the VCMS in combination with any third-party system not authorized by Contractor, and (2) maintains a visionLive™ Subscription in accordance with this Agreement. Contractor will provide Support Services to a designated Client account manager, system administrator or webmaster. Technical support is generally available by email and telephone from 6:00 AM to 6:00 PM Pacific Time, Monday through Friday excluding holidays ("**Business Hours**"), with emergency support available 24 hours a day, 7 days a week. An emergency is defined as Client's website being down for more than ten (10) minutes. Support Services also include:

- (a) Shared Account Manager
- (b) Account Management^{1*} ◦ Account reviews (Health Checks)²
 - Site analytics report²
 - Graphics site audit³
 - Site improvement credits
- (c) Education and Training
 - Training and best practices webinars
 - Access to On-Demand Training Library
 - On-going new feature training (via remote meeting service)
 - Monthly office hours (via remote meeting service)

Site improvement credits⁴ will be available beginning the second year of the Agreement and

¹ Health Checks, Site Analytics Report and Graphics Site Audit will not be performed until the second year of the Agreement.

² Included with each Advanced Subsite as applicable.

² Included with each Advanced Subsite as applicable.

³ Included with each Advanced Subsite as applicable.

⁴ visionLive Standard subscribers have 10 site improvement credits, and visionLive Plus subscribers have 20 site improvement credits.



every year thereafter within the Initial Term. Any unused hours in a given year may be carried over to the following year within the Initial Term. Site improvement credits expire at the end of the Initial Term and will not carry over beyond the Initial Term.

1.2.3. Hosting Services. Contractor will provide shared website hosting on a Microsoft Windows Server and shared database hosting on a Microsoft SQL Server for one (1) unique VCMS website. The shared server hosting service includes:

- (a) SOC-certified datacenter
- (b) Full hardware redundancy
- (c) Redundant generator backup
- (d) Daily data backups
- (e) Intrusion protection
- (f) 24/7 monitoring
- (g) 99.9% uptime
- (h) DDoS mitigation service
- (i) Website content storage⁵
- (j) Standard disaster recovery service with 90-minute failover

1.2.4. Unless Client has retained other Services from Contractor under the applicable Addendum, Client is solely and exclusively responsible for all services not expressly provided for in this Agreement. Any changes, alterations or modification requested by the Client to its website and/or intranet may be subject to a fee to be quoted by a Contractor representative at the time of the request. Client may, at any time, upgrade from its current edition to either a Standard or Plus Edition, as applicable. Client may not, during the Initial Term (defined below) or any renewal term, downgrade from its current edition to either a Standard or Basic Edition, as applicable. Client acknowledges that the Subscription Services may be modified or improved because of the dynamic nature of technology. Contractor may, from time to time, make minor modifications to the Subscription Services, as a whole or any part thereof. Such minor modifications may be implemented at any time and without notice to Client. Continued use of the Subscription Services following any modification shall constitute binding acceptance of the modification.

2. Subsequent Extra Work/Other Services. Additional services not initially covered in this Agreement (including the Addendum referenced above) and extra hours will be presented to Client for approval prior to commencement of work ("**Extra Work**"). Extra Work will be set forth in an amendment to this Agreement signed by the Parties and designated as Addendum C-1, C-2, etc., as applicable, and such Addendum shall become part of this Agreement when executed by both parties. Such addendum will be billed at Contractor's then prevailing hourly rates, which are currently as follows: Content Migration, \$85/hr; Graphic Production, \$95/hr; Quality Assurance, Testing, Debugging, Technical Support, Webmaster Services, HTML Programming, \$105/hr; Consulting, Project Management, Database Design, Dynamic Programming, \$135/hr; Graphic Design, Training, \$125/hr; Straight flatbed scanning will be billed at \$10 per scan. Touch up work to images will be billed at the Graphic Design hourly rate. Client shall be responsible for any or all additional fees including, without limitation: photography, stock images, illustration, fonts, scanning, software, applications, online promotion, marketing, copy writing, redesign, change orders, mailings, and fees to any third-party vendors if applicable. Calls outside of Business Hours for support services unrelated to the website being down for more than ten (10) minutes will be subject to a minimum fee of \$135.

⁵ For the main website, visionLive Standard subscribers have up to 50GB of storage, and visionLive Plus subscribers have up to 250GB of storage. Each Advanced subsite has up to 10GB of storage, regardless of visionLive edition. Each Basic subsite has up to 5GB of storage, regardless of visionLive edition.



3. Ownership; Limited Licensing of Intellectual Property.

3.1. Designs. Upon payment in full of the website development fees provided under Addendum A, Contractor grants a non-exclusive, non-transferrable, and perpetual license for Client to reproduce, modify or create derivative works for its own use, public display, and use any and all of Contractor's copyrights in the homepage layout wireframe, sitemap, draft homepage design concept(s) interior page layouts (collectively, the "**Contractor Designs**") embodied in Client's website, which are prepared or caused to be prepared by Contractor under this Agreement. The Contractor Designs provided under this Agreement is licensed and not sold. Client understands and agrees that the Contractor Designs as a whole is an original work of authorship by Contractor and that Contractor shall retain all rights, title, and interests therein. Contractor retains its right to use any web pages developed for the Client in any of its own promotional materials as examples of its work.

3.2. Vision Content Management System™. Contractor also grants Client a limited, non-exclusive, and non-transferrable subscription to access and use one instance of the VCMS and Dynamic and Interactive Components of the VCMS to the extent necessary for the Client's use and operation of its website; provided, Client does not (1)(a) modify the VCMS or (1)(b) use the VCMS in combination with any third-party system not authorized by Contractor, and (2) maintains a visionLive™ Subscription in accordance with this Agreement. The VCMS provided under this Agreement is not for sale, and Client understands and agrees that Contractor shall retain all rights, title, and interests in the VCMS, Dynamic and Interactive Components, and any other Contractor intellectual property not provided for in this Section.

3.3. Rights Regarding Content. Each Party warrants that it holds all rights and/or licenses necessary to display all of the images, data, information or other items supplied by such Party and being displayed on the Client's web pages during the effective period of this Agreement. Contractor agrees that Client will retain ownership of all information and content (including Client provided logos and images) owned exclusively by Client and provided by Client for use on its website. Client shall supply all necessary information to Contractor in a timely manner in digital format including without limitation copy, text, audio files, video files, pdf files, photographs, artwork, and preexisting graphics. Contractor is not responsible for content migrated by Client or any third party. Client expressly authorizes Contractor to display and/or modify any Client supplied images, data, information and other items in connection with the services provided herein.

4. Limited Warranty. Contractor warrants that website development and/or custom programming deliverables will be conveyed to Client upon transfer of the website to the production server with a public Internet Protocol address ("**Completion**"). All VCMS programming code developed by Contractor is warranted to be free of any material errors or bugs that prevent the code from performing as originally intended ("**Warranted Problem**"); provided, however, Client does not (1)(a) modify the VCMS or (1)(b) use the VCMS in combination with any third-party system not authorized by Contractor, and (2) maintains a visionLive™ Subscription in accordance with this Agreement. In the event of breach of the limited warranty in this Section, Client's sole remedy and Contractor's entire liability shall be limited to Contractor's correction of the Warranted Problem. Except as expressly set forth above, CONTRACTOR MAKES NO GUARANTEE OR WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING OF MERCHANTABILITY OR FITNESS OF THE SERVICES FOR A PARTICULAR PURPOSE WHATSOEVER, AND USE OF THE SERVICES OR ANY INFORMATION THAT MAY BE OBTAINED THERE FROM IS AT CLIENT'S OWN RISK AS THE SERVICES ARE PROVIDED TO CLIENT ON AN "AS IS" BASIS. In no event, at any time, shall the aggregate liability of Contractor under this Agreement or otherwise exceed the amount of fees paid by Client to Contractor in the most recent twelve months, and Contractor shall not be responsible for any lost profits or other damages, including direct, indirect, incidental, special, consequential or any other damages, however caused. Contractor does not warrant any connection to, transmission over, nor results of use of, any network connection or facilities provided, nor any third-party applications and software obtained by, for, or on behalf of Client. Contractor assumes no responsibility for any damages suffered by the Client, including, but not limited to, server down time, loss of data, loss of business, misdeliveries, delays, non-deliveries, access speed, or service interruptions of any kind. Client acknowledges that the information available through the interconnecting networks may not be accurate. Contractor has no ability or authority over the material. In addition, Contractor has no liability for the quality, accuracy, or validity of the data/information gathered from the Internet. Use of information gathered through the use of Contractor services is at the risk of the Client.



5. Invoices. Contractor will submit itemized invoices to Client for the payments required by the applicable Service(s), and all invoices will be due and payable within 30 days. Payments not received by Contractor 30 days after the date of the invoice will be considered delinquent. Returned checks are subject to a charge of \$25.00. Client agrees to be liable for all costs of collection of any delinquent invoices including, but not limited to, collection agency fees, reasonable attorneys' fees, and court costs.

5.1. Website Development

5.1.1. Price. Client agrees to pay and Contractor agrees to perform Website Development services for \$44,520.00.

5.1.2. Payment. Contractor will submit itemized invoices to Client for the payments required by this Section, and all invoices will be due and payable within 30 days:

- (a) An initial payment equal to 40% of the total cost;
- (b) A payment equal to 20% of the total cost upon Contractor's delivery of the draft homepage design concept(s) to the Client;
- (c) A payment equal to 20% of the total cost upon implementation of the main website into the VCMS on a Contractor-hosted development server; and
- (d) A payment equal to 20% of the total cost upon Completion; provided, however that Client has completed training. If Client has not completed training, then Contractor shall invoice Client at the earlier of: (i) completion of training, or (ii) 21 days after Completion.

5.2. Non-Contractor Hosting. If Contractor is not providing hosting services then, at Client's request, Contractor will assist Client with setting up the website on Client's server. A flat rate of \$475 for up to four hours of Technical Support will be charged for assistance in setting up the website according to Contractor's Standard Hosting Procedure. Any additional work will be billed at the Technical Support hourly rate.

5.3. Subscription Fees. All Subscription Services provided for the Client during the first year of the Agreement shall be at no cost to Client. Contractor shall invoice Client \$10,900.00 per year beginning the second year of this Agreement, which rate shall be increased by five percent (5%) per year, for each year of the Agreement Term, and any and all renewal terms. Contractor shall invoice Client annually every year thereafter, including any renewal term. All invoices are due and payable by Client within 30 days. Websites and/or Contractor-hosted intranets exceeding their storage allowance shall be subject to an additional monthly fee of \$50 per 5GB increment. Each Advanced Subsite exceeding 10 GB of storage shall be subject to an additional monthly fee of \$50 per 5GB increment. Each Basic Subsite exceeding 5 GB of storage shall be subject to an additional monthly fee of \$50 per 5GB increment.

6. Contractor's Mark. Client agrees that Contractor may place in the website footer an unobtrusive text link reading "Created by Vision" or the equivalent. Contractor's footer text credit shall always be linked to a Contractor web page.

7. Indemnity.

7.1. Indemnification of Contractor. Client will defend, hold harmless, and indemnify Contractor, its officers, directors, shareholders, employees, and agents from and against all Costs resulting from any claim of injury to person, damages to property, or monetary damages arising out of Client's negligence or intentional misconduct or failure to perform obligations under this Agreement.

7.2. Intellectual Property Indemnity. Contractor will defend, hold harmless and indemnify Client



against any third-party action, suit, or proceeding ("**Claims**") for infringement or alleged infringement of any United States' letters patent, trademark, or copyright ("**Intellectual Property**") contained in Contractor's VCMS provided under this Agreement. Notwithstanding the foregoing, Contractor shall have no defense or indemnity obligations for Intellectual Property modified by a party other than Contractor, for Intellectual Property modified in accordance with Client's specifications or instructions, or Claims of infringement based on Client's other products or other third-party products.

8. Timing. Estimated times are included for convenience. Actual times will vary depending on Client interaction and participation. However, the Parties agree to reasonably cooperate with one another in all respects including, if applicable, in the construction and design of the website in a timely manner.

9. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the United States of America, and the State of California, excluding choice of law provisions thereof. Any cause of action of Client with respect to the services provided hereunder must be instituted within one year after the claim or cause of action has arisen or be forever barred. The Uniform Computer Information Transactions Act or any version thereof, adopted by any state in any form ("**UCITA**"), shall not apply to this Agreement and, to the extent that UCITA is applicable, the parties agree to optout of its applicability pursuant to its provisions. In the event a judicial proceeding is necessary, except for permitted equitable relief, the sole forum for resolving disputes arising under or relating to this Agreement are the State and/or federal district courts located in the State of California, and all related appellate courts, and the parties hereby consent to the jurisdiction of such courts, and that venue shall be in the State of California. Each party hereto waives any right to challenge or move the foregoing designated jurisdictions and venue on grounds of inconvenient forum. Service of process may be made in any manner provided for by applicable law.

10. Modification and Waiver.

10.1. Modification. Any modification of this Agreement is valid only if the modification is in writing and signed by both Parties.

10.2. Waiver. The waiver by one Party of any term or condition of this Agreement, or any breach thereof, shall be in writing and shall not be construed to be a general waiver by said Party or as a waiver of any other term or breach.

10.3. Conduct. Neither the course of conduct between the Parties nor any trade practice shall act to modify the provisions of this Agreement, except as expressly stated herein.

11. Confidentiality. To the extent permitted by law, Contractor's Confidential Information shall be treated as confidential and shall not be disclosed to parties other than representatives of Contractor and the authorized representatives of Client, and shall be used only in furtherance of the Services provided under this Agreement. As used in this Agreement, the term "**Confidential Information**" means (a) proprietary information of Contractor, (b) information marked or designated by Contractor as confidential, (c) information, whether or not in written form and whether or not designated as confidential, that is known to the Client as being treated by Contractor as confidential, or (d) information provided to Contractor by third parties that Contractor is obligated to keep confidential. Confidential Information includes, but is not limited to, all files, writings and documents, recordings, including without limitation all information contained therein, all extractions, notes, compilations and summaries prepared or derived therefrom, copyrights, trademarks, service marks, patents, trade secrets, programs, source code, object code, demos, demonstrations (whether in written, oral, graphic, encoded, encrypted, tangible, or intangible forms, in any media whatsoever) including without limitation demonstrations, know-how, techniques, designs, specifications, drawings, compilations, diagrams, models, samples, flow charts, computer programs, and codes.

12. Merger and Integration. This Agreement supersedes all other written or oral agreements, proposals or understandings with regard to the Services provided for herein.

13. Interpretation. It is understood and agreed that if any interpretation is to be made of this Agreement, the same shall not be construed for or against any of the Parties. In the event of conflict between an attachment and the terms and conditions of this Agreement, then the following hierarchy of interpretation shall govern:



- 13.1. Terms and conditions of this Agreement;
- 13.2. Final cost and scope of work under Addendum A;
- 13.3. Contractor's response to Client's request for RFP, RFQ or RFI;
- 13.4. Client's RFP, RFQ, or RFI.

14. Counsel. The Parties have each been advised to seek independent legal counsel in entering into this Agreement and the transactions described herein. In the event a Party chooses not to seek independent legal counsel, that Party does so freely and knowingly and waives any such rights to counsel. As a result, the Parties do not believe that any presumption relating to the interpretation of contracts against the drafter of any particular clause should be applied in this case and therefore the Parties knowingly and freely waive its effects. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.

15. Prevailing Party. Should a dispute, including but not limited to any litigation or arbitration be commenced (including any proceedings in a bankruptcy court) between the Parties hereto or their representatives concerning any provision of this Agreement, or the rights and duties of any person or entity hereunder, the Party prevailing shall be entitled to reasonable attorney's fees and court and expert costs incurred by reason of such action.

16. Independent Contractor Relationship. The relationship of Contractor, including, without limitation, its employees and subcontractors) with Client is that of an independent contractor and nothing in this Agreement and/or any Addendum shall be construed to create a partnership, joint venture, or employer-employee relationship. Contractor acknowledges and agrees that neither it, nor any of its employees or subcontractors, is or shall be an agent of Client and none of the foregoing is or shall be authorized to make any representation, contract, or commitment on behalf of Client.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which together shall constitute one and the same Agreement. This Agreement becomes effective upon Contractor's receipt of an executed copy of this Agreement.

18. Force Majeure. Any delay in the performance by either Party hereto of its obligations hereunder shall be excused when such delay in performance is due to any cause or event of any nature whatsoever beyond the reasonable control of such Party, including, without limitation, any act of God; any fire, flood, or weather condition; any computer virus, worm, denial of service attack; any earthquake; any act of a public enemy, war, insurrection, riot, explosion or strike; provided, that written notice thereof must be given by such Party to the other Party within twenty (20) days after occurrence of such cause or event.

19. Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

20. Headings. The titles and headings of the paragraphs of this Agreement have been inserted for convenience of reference only and are not intended to summarize or otherwise describe the subject matter of such paragraphs and shall not be given any consideration in the construction of this Agreement.

21. Survival. The terms and conditions of Sections 4 (Limited Warranty), 9 (Governing Law & Venue), 11 (Confidentiality), 15 (Prevailing Party), 21 (Survival), 24 (No Hire), and 26.3 (Obligations upon Termination) shall survive any termination or expiration of this Agreement.

22. Cooperative Programs. Contractor shall agree to offer the prices and terms and conditions offered herein to other state, local, county, education, and municipal government agencies in the United States who wish to participate in a cooperative purchase program with Contractor.

23. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person or entity other than the Parties and their respective successors and permitted assigns.



24. **No Hire.** During the period Contractor provides any Services to Client and for one (1) year thereafter, Client shall not, directly or indirectly, solicit or offer to hire, hire, or retain as an employee or contractor persons employed or retained then or within the preceding six (6) months by Contractor (or any of its affiliates), without Contractor's prior written consent in each instance; provided, nothing contained herein shall prevent employment of any person who responds to a general media advertisement or non-directed search inquiry, or who makes an unsolicited contact for employment.

25. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of the other Party hereto, except that Contractor may assign this Agreement without Client's consent to an "**Affiliate**" of Contractor or in connection with an acquisition of Contractor, merger (whether Contractor is the surviving or disappearing entity) or consolidation of Contractor with another entity, or in connection with the sale, assignment, or majority transfer of any stock, membership or other ownership interest in Contractor. "**Affiliate**" shall mean (a) a domestic entity formed, existing and governed pursuant to the laws of one of the fifty (50) states of the United States of America (or the District of Columbia) controlling, controlled by, or under common control with Contractor.

26. **Term.** This Agreement will remain in effect for 5 years from the Effective Date ("**Initial Term**"). Thereafter, it will renew for successive 1-year periods, unless either Party refuses such renewal by written notice 30 or more days before the end of the current term.

26.1. **Termination for Cause.** This Agreement may also be terminated by the non-breaching party for cause in the event of a material breach of this Agreement or failure to substantially perform obligations; provided, however, that the non-breaching party has given notice to the defaulting party, which fails to cure the default within 30 days after such notice.

26.2. **Non-Appropriation of Funds.** In the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal year for payments due under this Agreement, then Client, upon written notice to Contractor of such occurrence, shall have the unqualified right to terminate this Agreement without any penalty or expense to the Client, except the Client shall pay to the Contractor a sum of money equal to the work completed.

26.3. **Obligations upon Termination.** Client shall permanently delete all copies of the VCMS upon termination of this Agreement. Client shall have thirty (30) days after termination of this Agreement to export Client content to its server or systems. At Client's request, Contractor will assist Client with exporting Client content to Client's server or system, which shall be treated as Extra Work.

27. **Notices.** All notices under this Agreement shall be in writing and effective on the date of delivery if delivered by personal service, Federal Express, or facsimile; or effective three (3) days after deposit in first class U.S. mail, postage prepaid, to each Party as follows:

Client

Name: _____
Address: _____
Phone: _____
Email: _____
Fax: _____

Contractor

Name: Contracts Manager
Address: 222 N. Sepulveda Blvd., Suite 1500, El Segundo, CA 90245
Phone: (310) 656-3100
Email: contracts@visioninternet.com
Fax: (310) 656-3103



28. Insurance. Contractor shall maintain the following insurance policies during the Term of this Agreement:

28.1. Commercial General Liability Insurance. Contractor shall maintain in force for the duration of the contracted period Commercial General Liability Insurance with a limit of not less than \$1,000,000 per occurrence/aggregate.

28.2. Professional Liability Insurance. Contractor shall maintain in force for the duration of the contracted period Professional Liability (Errors & Omissions) Insurance with a limit of not less than \$1,500,000 per occurrence.

28.3. Cyber Liability Insurance. Contractor shall maintain in force for the duration of the contracted period Cyber Liability Insurance with a limit of not less than \$1,500,000 per occurrence.

28.4. Business Automobile Liability Insurance. Contractor shall maintain in force for the duration of the contracted period Business Automobile Liability Insurance with a limit not less than \$1,000,000 each accident for all non-owned and hired automobiles.

28.5. Workers Compensation. Contractor shall maintain in force for the duration of the contracted period Workers Compensation Insurance at Client's statutory limits.

29. Authority. With the intent to be legally bound, each of the undersigned hereby covenants and acknowledges that he or she (a) has read each of the terms set forth herein, (b) has the authority to execute this Agreement and each initialed Addendum for such person or entity, and (c) expressly consents and agrees that the entity upon behalf of which the undersigned is acting shall be bound by all terms and conditions contained herein.

IN WITNESS WHEREOF, the Parties have caused this Master Services Agreement to be signed by their duly authorized representatives and given effect as of the "**Effective Date**" below.

"Client"

PITTSBURG

Signature: _____

Name: _____

Title: _____

Date: _____

"Contractor"

VISION TECHNOLOGY SOLUTIONS, LLC, DBA VISION
INTERNET PROVIDERS

Signature: _____

Name: David M. Nachman

Title: Chief Executive Officer

Date: _____



Addendums:

- A Final Scope of Work and Cost
- B List of Tools



ADDENDUM A
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FINAL SCOPE OF WORK & COST

<u>Website Development</u>		
<u>SERVICE</u>	<u>QTY</u>	<u>COST</u>
WEBSITE DEVELOPMENT PACKAGE The website development package includes: • Project Management • Consultation • Programming/CMS Implementation • Mobile / Responsive Web Design Implementation • Content Strategy Package – Basic • Extranet • Google Translate • Online Payment Integration • SMS Component • Streaming Video Center • Vision Search • Yahoo Weather	1	\$31,530.00

<u>Graphic Design</u>		
<u>SERVICE</u>	<u>QTY</u>	<u>COST</u>
MOBILE HOMEPAGE ENHANCEMENT The Mobile Homepage Enhancement includes a customized mobile view for your website: • Our design team will create a new background for the mobile homepage. • The mobile homepage will consist of an upper and lower section. • The upper section will include iOS-like icons in a 4x4 layout, providing one-click access to key content. These links can be modified later and	1	\$4,500.00

users will have the ability to modify, add, and remove any buttons as well as manage the URLs of each individual icon.

- The lower section will consist of six rectangular buttons that will be selected based on consultation with your staff.

DEPT BRANDING: BASIC SUBSITE	2	\$10,000.00
Includes the creation of a Basic Subsite that will utilize the main website's wireframe with unique top-level navigation and graphic design.		
Features include:		
• Design Elements: Includes department logo in site header, unique color scheme, unique background, separate font style, logo can link to departmental homepage • Page Layout: Same wireframe as the main website, 5 new widgets included • Mobile: Unique color scheme, department logo in header, logo can link to departmental homepage • Own Domain: Domain name separate from main website • Main Navigation: Separate page tree from the main site • Header and Footer: Independent configurations (logo, top navigation, social icons, quick links, footer navigation) • Search: Standalone search • Google Analytics: Implement a separate instance • Background: Can change background image if enabled in the main site • Additional storage: 5 GB		

Development & Training

<u>SERVICE</u>	<u>QTY</u>	<u>COST</u>
ONSITE CMS USER TRAINING - TWO DAYS	1	\$4,540.00
Includes two days of onsite training for your CMS users. These days are divided into sessions to provide basic and advanced training for your users, covering:		
• Creating, adding and editing pages • Overview with basic users of key components, such as Document Central, Image Library, News and Calendar (as time permits) • Overview with advanced users on Forms, Services Requests or other components of your choosing (as time permits)		



ADDENDUM A

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• User administration • Site settings and configurations • Class optimal for 8-10 participants		
ONSITE CMS USER TRAINING - ADDITIONAL DAY • Includes an additional day of onsite training (held consecutively to initial onsite training day)	1	\$1,250.00

<u>Software</u>		
<u>vLive Edition</u>	<u>QTY</u>	<u>COST</u>
vLIVE STANDARD EDITION	1	See 5 Year Total Cost Summary for details
vLIVE FOR BASIC SUBSITE	1	See 5 Year Total Cost Summary for details
vLIVE FOR BASIC SUBSITE	1	See 5 Year Total Cost Summary for details

<u>Selected vLive Components</u>		
	<u>QTY</u>	<u>COST</u>
ACTIVE DIRECTORY INTEGRATION • Includes integrating Active Directory (ADFS) with the visionLive Content Management System to authenticate and authorize members. (Please note that SSL is the required protocol for data communication; Vision is not responsible for buying and maintaining the SSL certificate.)	1	\$4,000.00
APPROVAL CYCLE Contractor will implement Approval Cycle for Client's website, where content updates and changes do not go live on the website until one or more persons have approved them.	1	\$0.00



ADDENDUM A

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Approval Cycle allows you to segment the management of content by groups of users (such as departments), in addition to types of content as determined by the interactive components. You may define as many workflows as you require with as many steps in the approval as you deem necessary.

Additional Services

<u>SERVICE</u>	<u>QTY</u>	<u>COST</u>
CONTENT STRATEGY AND ACCESSIBILITY TRAINING The Content Strategy and Website Accessibility Training is a one-day class that will enable your staff to write content for the web that is appropriate and accessible for your site visitors. It includes: • Customized website accessibility and compliance training • Customized onsite "Writing for the Web" training • Customized onsite plain language exercise • Website persona exercise materials • Communicating with your audience exercise materials • Task process evaluation exercise materials • Content development and migration best practices guide • Website content best practices guide • Writing for the Web textbook (1 copy)	1	\$10,000.00
DISCOUNT For Content Strategy and Accessibility Training	1	(\$5,000.00)
DISCOUNT For Mobile Homepage Enhancement	1	(\$4,500.00)
DISCOUNT For preferred customer	1	(\$11,800.00)
<u>Total Project Fees</u>		\$44,520.00



ADDENDUM A

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5 Year Total Cost Summary	
Year 1 Included Professional Services and FREE 1 st Year of: vLive Standard Edition vLive for Basic Subsite vLive for Basic Subsite	\$44,520.00
Year 2 2 nd Year of: vLive Standard Edition vLive for Basic Subsite vLive for Basic Subsite	\$10,900.00
Year 3 3 rd Year of: vLive Standard Edition vLive for Basic Subsite vLive for Basic Subsite	\$11,445.00
Year 4 4 th Year of: vLive Standard Edition vLive for Basic Subsite vLive for Basic Subsite	\$12,017.00
Year 5 5 th Year of: vLive Standard Edition vLive for Basic Subsite vLive for Basic Subsite	\$12,618.00
5 Year Total	\$91,500.00

Flexibility and Control

Power users benefit from Vision Experience Manager's vast toolkit to monitor and fine-tune the elements that most positively impact customer experience. All of the following features and functionality were built specifically, with local government in mind.

Highly Configurable Design & Layout

Design Editing

Edit your homepage design on the fly and without technical support. This is a great way to adapt to the changing needs of your community – you can do things like update a primary call-to-action, promote content such as a major construction project, or modify dynamic content settings like the news widget.

Additionally, the button designer allows users to create a customer journey and clear call-to-action with visible buttons.

challenges, visionMobile Designer provides full control over the display and order of content.

Hide bulky content like PDF documents or move important contact information like phone numbers higher on any given page to provide a superior customer experience.

Navigation Management

Add, edit or update site navigation with the drag and drop menu tree structure. Choose from three different available menu types.

Leverage Mega Menus to provide advanced navigation on your site.

Page Layout Management

Drag and drop content to create customized interior page layouts that can be re-used throughout the website, if permissions allow.

Ensure a standard experience for all customers visiting your website by leveraging interior page templates built with highly configurable widgets.

Mobile Experience Management

Customer expectations and journeys often vary from one device to the next. To meet these

Centralized Control

User Management

A Vision admin can set, create, and edit user roles and assign them to users. This allows an admin to control the areas of your website the user can edit. For a decentralized content contribution model,

ADA Compliance

Federal, state, and local government laws, such as the WCAG 2.0 and Section 508 Compliance, frequently evolve as new Acts are introduced. This requires organizations to re-prioritize or shift plans. The Vision staff stays up-to-date on all the latest developments and keeps our CMS current with new updates monthly at no additional cost.

Even the smallest updates, like help text, so content editors stay accessibility aware, give you peace of mind knowing your solution will grow with you as laws change.

The Information Technology (IT) department coordinates and wrangles many solutions in your organization. Vision Experience Manager takes pressure of his or her plate by accommodating existing auxiliary website portals in one single location. For example, if you have document management software, such as Laserfiche, or agenda management software, such as Granicus, Vision Experience Management can consolidate the management of content, as an option.

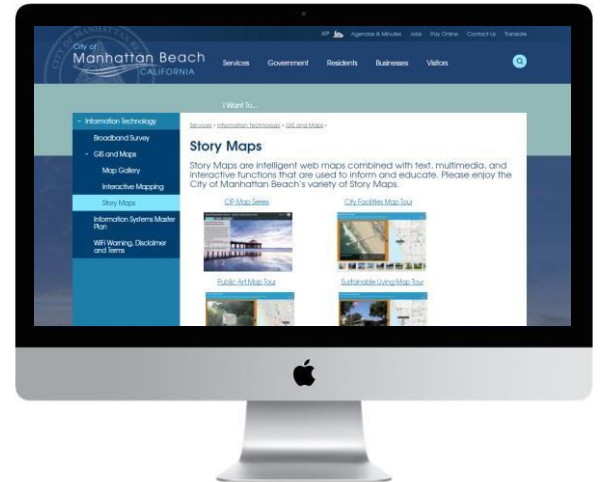
This provides more consistent content, consolidated user permissions and most importantly, an overall cost savings. admins can apply very granular security settings and content permissions. During implementation, your Vision project manager will help you identify user roles and set up permissions.

System admins also have the ability to define single or multi-step workflows with an approval process to review all content before publication and ensure a common voice.

Engaging Resident Tools

Audio and Video

Use native HTML5 embed code or other iFrames to add both audio and video to pages.



Consolidated Site Management

<http://www.citymb.info/city-services/information-technology/gis-program/story-maps>

Share streaming video directly on your site using our 3rd party integration with solutions like Swagit.

Maps

Add detailed and interactive maps to pages such as ESRI, Google, Leaflet, or HTML code.

Flexible Search & Social Media Management

Flexible Search

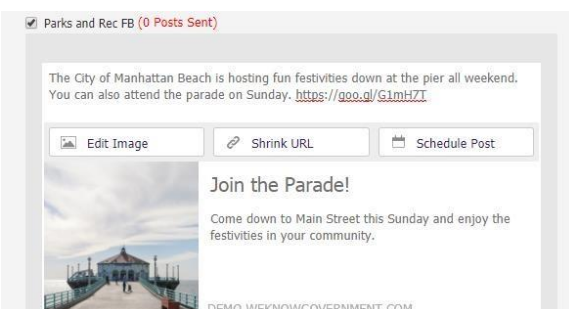
Governments generate a ton of content, making it increasingly challenging for your customers to find the most relevant content quickly and easily. Our enterprise search solution, visionSearch, promotes pages, creates search synonyms, provides faceted browsing and more.

In addition, if you have document management software, such as Laserfiche, or agenda management software, such as Granicus, Vision can work with you to scope a search integration to improve the overall findability of your content. This will require additional cost.

Social Media Management

To streamline the process of amplifying your website content across multiple channels, visionSocial integrates with many of the most common social media platforms in the market. With visionSocial you can:

Customize and schedule social media posts via Twitter and Facebook to increase engagement of your website content. visionSocial is the only government CMS that allows users with the correct permissions to create and schedule complete campaigns with full control over timeline, content, and imagery, while gaining a preview of how it will look well in advance of final publication.



Link to your social media pages or community pages on platforms such as Nextdoor, Twitter, Facebook, LinkedIn, and Pinterest to drive up your social following and promote your community.

Leverage “Share This” links to allow site visitors to easily share your content and drive engagement and visibility within your community.

Display social media feeds on your website from Facebook, Instagram, Twitter and YouTube to increase visibility of your social media efforts.



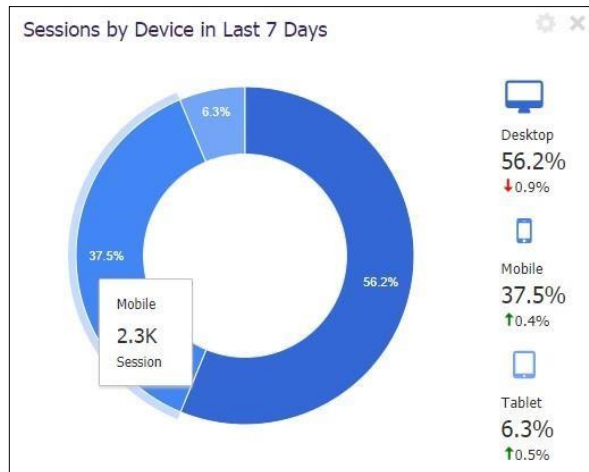
Actionable Insights

Reports and Analytics

Content goes stale over time, staff members come and go, and the overall site experience degrades over time if you do not monitor it or train employees on a regular basis. Vision Experience Manager™ addresses these concerns by identifying areas of opportunity within the CMS so you can remediate issues at no additional cost.

Global Site Analytics – Google analytics visual data is embedded directly into your dashboard so you gain easy access to key website performance metrics including:

- Total Sessions
- Bounce Rate
- Session Duration
- Sessions by Device
- Most Popular Pages
- Active Users
- Users by Time of Day
- Channel Traffic
- Sessions by Country



Administrative Analytics – Understand which content groups are contributing too much content to fix problems.

Asset Inventory Report – Know exactly how image files, documents, and content records are managed in the CMS.

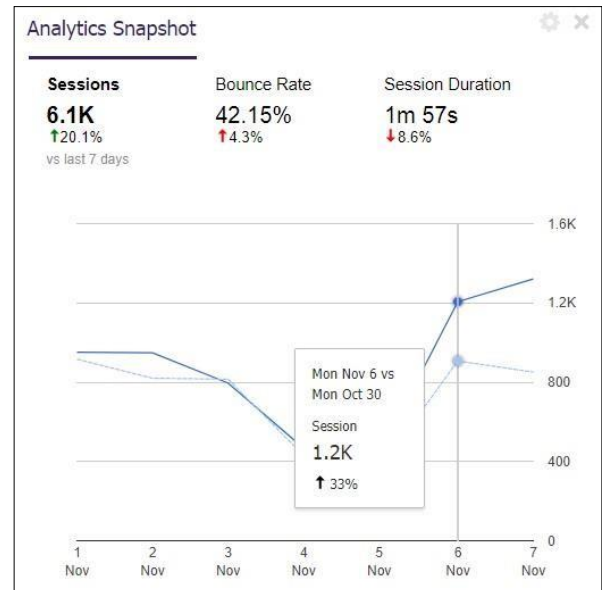
Broken Link Report – Review and correct broken links identified and submitted by site users.

Edited Content Report – Watch which content is updated and by whom to ensure site governance and compliance.

Expiring and Expired Content Report -- Offer a streamlined customer experience by reducing clutter and expiring content.

Page Performance Analytics

Identify areas of opportunity related to specific pages and improve the overall user experience.



Turnkey Modules

Business / Resource Directory – Showcase businesses and other informational resources in your community.

Calendar – Engage residents with color-coded, interactive event calendars in a wide array of views. (Includes integrated social media publishing.)

Calendar Event Registrations – Enable waitlists and accept payments for events and activities from a single location.

Calendar (by Department or Category) – Restrict calendar settings to instantly display similar content across many different pages.

Document Central – Upload documents to a central repository and access files across the CMS to eliminate duplicate effort and ensure consistency.

eNotification – Offer email and SMS messages in addition to bundling options such as daily, weekly, or monthly digests to your residents.

Facilities & Reservations – Display any location based point of interest such as art walks or construction zones. Activate online reservations to encourage use of public facilities for events.

Forms and Surveys – Create custom forms and surveys to move more of your services online. Manage responses through the CMS and export for additional reporting.

Frequently Asked Questions (FAQs) – Answer common questions from residents in advance or integrate with Service Request Management (govTrack Citizen Requests) to reduce total calls and increase ROI.

Image Library – Upload and edit images in a central repository and access files across the CMS to eliminate duplicate effort and ensure consistency.

Job Posts – Post job descriptions all in one place.

Meetings Manager – Plan meeting agendas and summarize minutes all from within the CMS at no additional cost.

News / Press Releases – Share content seamlessly to multiple webpages, eNotifications and social media channels.

ePayment / eCommerce Integration – Make online payments through forms, facility reservations or event registrations.

Online Polls – Interact with residents with simple polls and questionnaires to increase engagement.

Photo Gallery (Albums) – Advertise the community with large, rotating images from various activities and events.

Request for Proposal (RFP) Posts – Publish RFPs online. Allow vendors to sign up to receive email notifications of new opportunities.

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Resident Dashboard – Allow visitors to create an account and manage eNotification subscriptions, service requests, job applications and other things on your site.

RSS Feeds – Publish often updated content via a Real Simple Syndication (RSS) feed to keep people informed.

Service Directory – Summarize the key services and contact information for your organization. The directory can be grouped by category or department.

Service Request Management (govTrack Citizen Requests) – Report issues and receive on-going status updates by assigning requests to specific staff, setting rules for resolution timeframe and creating reports to track staff response time and performance.

Staff Directory – Organize relevant contact information for both your staff members and department offices.



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

DATE: 12/7/2017

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Submit Grant Proposal for Funding and Participation in the California Violence Prevention and Intervention (CALVIP) Grant

MEETING DATE: 12/18/2017

EXECUTIVE SUMMARY

The City of Pittsburg desires to participate in the California Violence Prevention and Intervention (CALVIP) Grant administered by the Board of State and Community Corrections (hereinafter referred to as BSCC).

FISCAL IMPACT

No impact to the City General Fund. Upon award of grant funds, the Police Department is requesting appropriation of the funds to be used for the addition of a Crime Analyst assigned to the FBI/Safe Streets task force for the period of two years.

RECOMMENDATION

Staff recommends City Council approval of the attached resolution authorizing City of Pittsburg's participation and submittal for funding in the California Violence Prevention and Intervention (CALVIP) Grant.

BACKGROUND

The California Violence Intervention and Prevention grant (CalVIP) is administered by the BSCC, and available to cities disproportionately impacted by violent crime. As a qualifying city, Pittsburg may apply for grant funds up to \$500,000 awarded over two years with 50% of grant awards to be shared with a Community Based Organization(s) to augment or enhance programs which reduce and prevent violence.

The Pittsburg Police Department is a member of the county-wide District Attorney/FBI Safe Streets Task Force which targets violent gang-related crime. The Task Force is engaged in identifying a violent subset of criminal offenders.

Recognizing and identifying “social networks” of violent criminals through common arrests and locations provides law enforcement with a source of information similar to that which was traditionally provided to them by citizens in the community. The value of this social network information has become self-evident in the investigations conducted by the Task Force. Social network information could provide the links between gang members and retaliatory shootings, allowing prosecution of groups of violent offenders to stop the cycle of violence.

Crime analysts play a crucial role in focused crime deterrence by tracking arrests, locations, co-responsibles, ballistics and information gained through social media, producing the overview of these social networks. A crime analyst employed by the Pittsburg Police Department, funded through CalVIP and assigned to the Task Force, would provide this essential component to enhance the effectiveness of the violence reduction and prevention by the Task Force and the Pittsburg Police Department.

Another essential component of lasting violence reduction comes from education. Currently, Lincoln Child Center is providing social services in the Parent and Teen Truancy Courts. Parent Truancy Court and Teen Truancy Courts have been created in the Juvenile Division of our courts to address the alarming level of truancy in our schools. There is significant research that supports the concept that children who go to school have a dramatically reduced risk of delinquency and much of teen crime is committed while kids are truant from school. Lincoln has been funded through a million dollar grant that was received from the Long Family Foundation and that money is nearly exhausted (over 100 families are in Parent Truancy court currently). Lincoln will function as the community based organization in the grant application to continue to bring the social services essential to the long-term success of the Parent and Teen Truancy Courts and truancy reduction in the schools.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

On behalf of the City of Pittsburg, the Pittsburg Police Department requests authorization for participation in the California Violence Prevention and Intervention Program and authorization to submit the Grant application for funding in the amount of \$500,000.

ATTACHMENTS: Resolution
California Violence Intervention and Prevention (CALVIP) Grant Request for Proposal

Report Prepared By: Brian Addington, Chief of Police

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution to Submit Grant Proposal)
For Funding and Participation in the)
California Violence Prevention and)
Intervention (CALVIP) Grant)

RESOLUTION NO. 17-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the City of Pittsburg desires to participate in the California Violence Prevention and Intervention (CALVIP) Grant administered by the Board of State and Community Corrections (hereafter referred to as BSCC).

NOW, THEREFORE, BE IT RESOLVED that the City Manager be authorized on behalf of the City of Pittsburg to submit the grant proposal for this funding and sign the Grant Agreement with BSCC, including any amendments thereof. The City Council finds and determines as follows:

- Section 1. The recitals set forth above are true and correct statements and are hereby incorporated.
- Section 2. That grant funds received hereunder shall not be used to supplant expenditures controlled by this body.
- Section 3. That the City of Pittsburg agrees to abide by the terms and conditions of the Grant Agreement as set forth by the BSCC.
- Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting on the 18th day of December, 2017, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

Dwaine "Pete" Longmire, Mayor

ATTEST:

Alice E. Evenson, City Clerk