CITY OF PITTSBURG
AGENDA

June 18, 2018

CITY HALL COUNCIL CHAMBER
65 CIVIC AVENUE, PITTSBURG, CA

CLOSED SESSION
5:30 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:
VACANT, 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.

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.

CONVENE IN CLOSED SESSION

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

   Property: 444-446 Railroad Avenue Master Lease; Successor Agency (tenant) Negotiators: Joe Sbranti, Garrett Evans, and Maria Aliotti; Negotiating Parties: Jason and Lisa Greigo (landlord); Under negotiation: both price and terms of payment

   Property: 444-446 Railroad Avenue SubLease; Successor Agency (landlord) Negotiators: Joe Sbranti, Garrett Evans, and Maria Aliotti; Negotiating Parties: Johny Khalilieh (La Veranda Ristorante - tenant); Under negotiation: both price and terms of payment

   Property: 385 East 3rd Street (APN – 073-010-005), 389 East 3rd Street (APN – 073-010-004), East 3rd Street (APN – 073-010-003), and 495 East 3rd Street (APN – 073-010-002); Negotiators: Joe Sbranti, Garrett Evans, and Maria Aliotti; Negotiating Parties: MWF Holdings, LLC, a Delaware limited liability company; Under negotiation: both price and terms of payment

   Property: Center Drive (APNs 086-100-040 and 086-100-041); Negotiators: Joe Sbranti, Garrett Evans; Negotiating Parties: Garaventa Enterprises; Under negotiation: both price and terms of payment

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

   One (1) case

3. CONFERENCE WITH LEGAL COUNSEL - INITIATION OF 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 EMPLOYMENT APPOINTMENT (Pursuant to Section 54957):

City Attorney

5. CONFERENCE WITH LABOR NEGOTIATORS (Pursuant to Section 54957.6):

Agency designated representatives: Joe Sbranti, Garrett Evans, Stacy Shell; Employee organization: AFSCME Miscellaneous A; AFSCME Management/Professional/Confidential; Teamsters Local 856

7:00 P.M.

CONVENE IN OPEN SESSION FOR REGULAR MEETING

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PRESENTATIONS

MCE Update

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

6. Minutes

Minutes of May 21, 2018

7. Disbursement Lists

Disbursement List of May 31, 2018

8. Adoption of a Housing Authority Resolution for Approval of the Operating Budget Plan for Fiscal Year 2018-19 for the City of Pittsburg Housing Authority and Appropriation of Funds for Fiscal Year 2018-19

On April 30, 2018, a budget workshop meeting was held to review and receive public input regarding the Preliminary Operating Budget for Fiscal Year 2018-19. The budget must be appropriated for Fiscal Year 2018-19 by July 1, 2018 to provide on-going financing for the City of Pittsburg Housing Authority (COPHA) activities during the next fiscal year.

ADJOURNMENT OF THE HOUSING AUTHORITY to July 16, 2018

PITTSBURG POWER COMPANY

PUBLIC HEARING

9. Adoption of a Pittsburg Power Company Resolution to Approve Fiscal Year 2018-2019 Island Energy Electric and Natural Gas Rate Schedules for Electric and Natural Gas Retail Services on Mare Island

Island Energy, a municipal utility providing utility services on Mare Island, presented its Fiscal Year 2018-2019 Rate Case to the Island Energy Advisory Committee (Committee) on May 29, 2018. The Committee accepted the proposed Electric and Natural Gas Rate Schedules for providing utility services on Mare Island, effective July 1, 2018 through June 30, 2019 or until changed.

CITY COUNCIL MEETING

PUBLIC HEARING

10. Adoption of a City Council Resolution Amending the Community Development Block Grant 2018-2019 Annual Action Plan Previously Approved by the City Council

The US Department of Housing and Urban Development (HUD) provides funding to jurisdictions to help meet their housing and community needs. As recipients of these federal funds, HUD requires that the City Council review and approve the Community Development Block Grant (CDBG) 2018-2019 Annual Action Plan (2018-2019 Annual Action Plan). The 2018-2019 Annual Action Plan states the funding recommendations for that fiscal year (FY) and includes the list of subrecipients and their funding allocations. The City received its CDBG allocation which was greater than 10% of the previously approved amount of $592,712. Therefore, staff is proposing to amend the 2018-2019 Annual Action Plan.

11. Adoption of a City Council Resolution Amending the Health and Safety Element of the General Plan to Incorporate the 2017 Hazard Mitigation Plan, AP-18-1332 (GP)

This is a public hearing to consider adoption of a resolution approving a General Plan amendment to add a new policy to the Health and Safety Element to incorporate the recently adopted 2017 Hazard Mitigation Plan (“HMP”) by reference. This amendment would apply citywide. On April 24, 2018, the Planning Commission adopted Resolution No. 10097, recommending City Council approval of the proposed General Plan amendment.

12. Introduction and Waive First Reading of an Ordinance Amending the City's Regulations for Massage Establishments, AP-18-1335 (RZ)

This is a public hearing on a City-initiated proposal to consider amendments to Chapter 5.64, "Certified Massage Practitioners and Therapeutic Massage Businesses" and Title 18, "Zoning" of the Pittsburg Municipal Code to modify the current land use definitions, application process, permit requirements, and enforcement provisions for massage establishments citywide. On May 22, 2018, the Planning Commission adopted Resolution No. 10100, recommending City Council approval of the proposed amendments to Title 18.

CONSIDERATION

13. Adoption of a City Council Resolution Supporting Changes to the Governing Structure of Eastern Contra Costa Transit Authority Board of Directors

The Eastern Contra Costa Transit Authority (ECCTA) is seeking approval to change the governing structure of ECCTA's Board of Directors. As a member of this JPA, the City of Pittsburg is requested to support this change.

14. By Minute Order, Select Commission Appointments to Vacancies on the Planning Commission and Community Advisory Commission

Three (3) openings exist on each of the above-stated Commissions. Terms will expire on June 30, 2020. The City has advertised for the openings and received a total of 12 applications. All applicants were invited to interview with the City Council on June 4 and ten applicants total were interviewed at that time.

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 CONSENT CALENDAR

15. Minutes

Minutes of June 4, 2018

16. Adoption of a GHAD II Resolution for Approval of the Budget for Fiscal Year 2018-19 for the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) and Appropriation of Funds for Fiscal Year 2018-19

On April 30, 2018 a budget workshop meeting was held to review the Preliminary FY 2018-19 Operating Budget including the GHAD II budget. The FY 2018-19 budget must be appropriated before July 1, 2018 to provide on-going funding for the Southwest GHAD II activities during the next fiscal year.

17. Adoption of a Pittsburg Arts and Community Foundation Resolution to approve the Budget for Fiscal Year 2018-19 Appropriation of Funds for Fiscal Year 2018-19 and accept the 5-Year Financial Plan

FY 2018-19 Budget for the Pittsburg Arts and Community Foundation, Inc. ("Foundation") must be appropriated before July 1, 2018 to provide ongoing funding for the Foundation's activities during the next fiscal year. The 5-Year Financial Plan provides a framework for the Foundation to manage its financial resources and programs.

18. Adoption of a Pittsburg Power Company Resolution to Approve the 2017 Annual Power Source Disclosure Report to the California Energy Commission

State Law (Public Utilities Code Section 398.1(b)) requires all retail suppliers of electricity products to file an annual report to the California Energy Commission (CEC) to disclose resources or fuel types of power procured and sold to end use customers. The Pittsburg Power Company (PPC), doing business as Island Energy, is required by law to disclose the electricity sources for its energy procurement and sales to its end use customers. The CEC requests the PPC Board of Directors to approve the 2017 Annual Power Source Disclosure Report.

19. Adoption of a Pittsburg Power Company Resolution Approving a Consultant Agreement with Dunbar and Associates

Pittsburg Power Company (PPC) is proposing to enter into a consultant agreement (Agreement) with Dunbar and Associates (Consultant) for the period June 1, 2018 through June 30, 2019 for the administration of the Future Build Program (Future Build) and for guidance in the areas of Human Resources, Economic Development, solar energy and project management services as necessary.

20. Adoption of a Pittsburg Power Company Resolution for Approval of the Budget for Fiscal Year 2018-19 for the Pittsburg Power Company and Appropriation of Funds for Fiscal Year 2018-19

On April 30, 2018 a budget workshop meeting was held to review the Preliminary Operating Budget for Fiscal Year 2018-19 including the proposed Pittsburg Power Company Budget. The budget must be appropriated for Fiscal Year 2018-19 before July 1, 2018 to provide on-going funding for the Pittsburg Power Company activities during the next fiscal year.

21. Approving a City Council Resolution and Pittsburg Power Resolution Authorizing the City of Pittsburg to Enter into an Agreement with Craft Community Care Center, Inc. Doing Business as Success Through Self Academy

The City of Pittsburg and Craft Community Care Center, Inc. doing business as Success Through Self Academy (STS) propose to enter into an agreement (Agreement) for youth based programs (Program) for fiscal year 2018-2019 (the "Term"). The Agreement includes the use of the community rooms on a portion of 60 Civic Avenue (the "Premises").

22. Adoption of a City Council Resolution Authorizing the City Manager or his Designee to Execute Agreements for the Provision of Supplemental Law enforcement Services for Certain Special Events and Occurrences

The City Council of the City of Pittsburg may contract on behalf of the Pittsburg Police Department to provide supplemental law enforcement services to private individuals or private entities to preserve the peace at special events or occurrences that happen on an occasional basis.

23. Adoption of a City Council Resolution Establishing the Appropriations Limit for the 2018-19 Fiscal Year in Accordance with Proposition III and Article XIII (B)

In November 1979, the voters of California approved Proposition 4, commonly known as the Gann Initiative. This proposition created Article XIII (B) of the State Constitution placing limits on the amount of revenue which can be appropriated by all government entities in any fiscal year. The legislation mandates all governing bodies including the City of Pittsburg to annually establish the Appropriations Limit.

24. Adoption of a City Council Resolution to Establish and Impose a City of Pittsburg Marijuana Business Tax of Ten Percent (10%) On Marijuana Businesses' Gross Receipts

According to Pittsburg Municipal Code (PMC), Title 3, Chapter 3.10.30, marijuana business tax shall not be imposed on marijuana businesses unless the city council, by resolution, takes action to set a tax rate not to exceed ten (10%) percent of gross receipts. The proposed resolution would allow the City of Pittsburg to establish the rate and implement collection of the marijuana business tax. The tax rate, unless otherwise modified by subsequent City Council resolution, shall be ten percent (10%) of gross receipts.

25. Adoption of a City Council Resolution to Award Contract for Investment Advisory Services to Chandler Asset Management

The City issued a Request for Proposals ("RFP") for investment advisory services. Based upon the results of this process staff recommends the City Council award a contract to Chandler Asset Management for a period of three (3) years with two (2) one-year options to extend the contract.

26. Adoption of an Ordinance Approving a Zoning Map Amendment and Development Agreement for the Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)

On June 4, 2018, the City Council held a public hearing on a request for approval of a 57-unit, single-family development on a 4.98-acre site located at 350 Central Avenue in the CS (Service Commercial) and RS-5 (Single-Family Residential) districts. Assessor's Parcel Nos. 086-160-009, -011, -012, and 086-151-001. After closing the public hearing, the Council adopted Resolution No. 18-1450 approving a General Plan map amendment, vesting tentative map, design review, and tree removal permit for the project. The Council also introduced and waived further reading of an ordinance approving a zoning map amendment and development agreement for the project. The ordinance is now ready for City Council adoption.

27. Adoption of a City Council Resolution Authorizing Separate Consultant Service Agreements with JML Planning and LSA Associates, Inc. for the Making Waves Academy Project

The Making Waves Foundation has submitted a planning application requesting design review approval of plans to construct a new charter school campus on a 20-acre site located at 420 E. 3rd street (former Johns Manville Plant). JML Planning and LSA Associates, Inc. have submitted separate proposals to provide the City with project management and environmental review services for amounts not to exceed $50,000 and $197,855, respectively. Staff is requesting adoption of a resolution authorizing a consultant service agreement with each firm.

28. Adoption of a City Council Resolution for Approval of the City of Pittsburg's Operating Budget for Fiscal Year 2018-19 and Appropriation of Funds for Fiscal Year 2018-19

On April 30, 2018, a budget workshop meeting was held to review and receive public input and discussion regarding the Draft Operating Budget for Fiscal Year 2018-19. The Fiscal Year 2018-19 budget must be appropriated by July 1, 2018 to provide on-going funding for the City of Pittsburg activities during the next fiscal year.

29. Adoption of an Ordinance Amending Chapter 8.04 Rubbish Removal and Disposal

The City Council will consider the adoption of an Ordinance, amending Chapter 8.04 Rubbish Removal and Disposal, to clarify the proper storage of collection containers for garbage, recycling, and green waste on properties on non-collection days.

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 July 16, 2018

NOTICE TO PUBLIC

GENERAL INFORMATION

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 City holidays). The full packets are also located on the City's website at www.ci.pittsburg.ca.us. If any reports or documents, which are public records, are distributed to the City Council less than 72 hours before the meeting, those reports or documents will 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.

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 take 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 - 2018

Updated June 4, 2018

OUTSIDE AGENCY BOARDS	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
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	2nd Monday	J. Sbranti
Delta Diablo**	Pete Longmire / Juan Banales Alternate	Standing	2nd Wednesday	F. McKinley
East Co.Co.County Habitat Conservancy	Sal Evola / Juan Banales Alternate	Standing	Monthly	K. Pollot
East County Water Management	Merl Craft / Pete Longmire Alternate	Standing	Annual	F. McKinley
MCE Clean Energy Board	Juan Banales / Pete Longmire Alternate	Standing	4 Per Year	G. Evans
TRANSPLAN / ECCRFFA	Sal Evola / Juan Banales Alternate	Standing	2nd Thursday	J. Hecht
Tri-Delta Transit (2 reps)***	Pete Longmire& Merl Craft / Jelani Killings Alt.	Standing	Last Wednesday	J. Hecht

LIAISON TO	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
East Bay League of Calif. Cities	Sal Evola / Merl Craft Alternate	Standing	3rd Thursday	*Rotational
Mayor's Conference	Pete Longmire / Sal Evola Alternate	Standing	1st Thursday	J. Sbranti/G. Evans
School Districts Committee	Merl Craft &Jelani Killings / Juan Banales Alt.	Standing	4th Thursday even months	J. Sbranti

SUBCOMMITTEES	COUNCIL MEMBER(S)	TYPE	MEETS	STAFF
CAC/CDBG	Juan Banales & Jelani Killings / Pete Longmire Alt.	Standing	As needed	M. Aliotti
CIP	Juan Banales & Jelani Killings	Ad Hoc	As needed	F. McKinley/J.Hecht
Concord Hills Working Group	Sal Evola & Juan Banales / Merl Craft Alt.	Ad Hoc	As needed	J. Sbranti
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	K. Pollot
Local Contracting & Preference Policy	Merl Craft & Sal Evola	Ad Hoc	As needed	J. Sbranti
Pittsburg Arts & Community Foundation	Merl Craft& Jelani Killings / Pete Longmire Alt.	Standing	As needed	J. Sbranti
Pittsburg Police Activities League (PAL)	Juan Banales & Pete Longmire / Killings Alt.	Standing	Monthly	B. Addington
Power Company Advisory	Pete Longmire & Juan Banales / Merl Craft Alt.	Standing	As needed	G. Evans
Public Outreach	Juan Banales & Jelani Killings	Ad Hoc	As needed	K. Simonton
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	M. Aliotti

*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	2nd and 4th Tuesdays
Community Advisory Commission	1st 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 monthin 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: May 21, 2018

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

CITY COUNCIL/AGENCY MEMBERS
Dwaine "Pete" Longmire, Mayor/Chair Member
Sal Evola, Vice-Mayor/Chair
Member Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
Marilyn Craft, Council/Agency Member
Michelle Bond, 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 Longmire called the meeting of the Housing Authority to order at 7:47 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, California.

ROLL CALL

Members Bond, Craft and Evola were absent and excused.

CONSENT CALENDAR

On motion by Member Killings, seconded by Member Banales to adopt and carried by the following vote:

AYES: Banales, Herring, Killings, Longmire
ABSENT: Bond, Craft, Evola,

6. Minutes of April 16, 2018

7. Disbursement List of April 30, 2018

ADJOURNMENT

The Housing Authority was adjourned at 7:49 P.M. to June 18, 2018.

Respectfully submitted,

Alice E. Evenson, Secretary

CITY OF PITTSBURG
HOUSING AUTHORITY MEETING MINUTES

DATE: May 21, 2018

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

CITY COUNCIL/AGENCY MEMBERS
Dwaine "Pete" Longmire, Mayor/Chair Member
Sal Evola, Vice-Mayor/Chair
Member Juan Antonio Banales, Council/Agency Member
Jelani Killings, Council/Agency Member
Marilyn Craft, Council/Agency Member
Michelle Bond, 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 Longmire called the meeting of the Housing Authority to order at 7:47 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, California.

ROLL CALL

Members Bond, Craft and Evola were absent and excused.

CONSENT CALENDAR

On motion by Member Killings, seconded by Member Banales to adopt and carried by the following vote:

AYES: Banales, Herring, Killings, Longmire
ABSENT: Bond, Craft, Evola,

6. Minutes of April 16, 2018

7. Disbursement List of April 30, 2018

ADJOURNMENT

The Housing Authority was adjourned at 7:49 P.M. to June 18, 2018.

Respectfully submitted,

Alice E. Evenson, Secretary

PITTSBURG HOUSING AUTHORITY

Disbursement List Summary

For the month of May 2018

	Ck#	Amount	HAP[1]	VASH[2]	UR[3]	Portability	Admin. Fee	TOTAL
VOUCHERS	147413 -147532 50118001- 50118493	1,373,932.70	1,130,056.70	137,272.00	8,816.00	92,884.44	4,903.56	1,373,932.70 - -
	147533 - 147534 51518001 - 51518014	26,051.70	14,775.54	6,266.10	274.00	4,182.00	554.06	26,051.70 - -
	TOTAL	1,399,984.40	1,144,832.24	143,538.10	9,090.00	97,066.44	5,457.62	$ 1,399,984.40

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

		Amount	Description	TOTAL
ADMINISTRATIVE EXPENSES	Paid to City of Pittsburg (5/18 Operating Expenses)	$ 36,080.60	Full Time salaries	$ 36,080.60
		$ -	Stipend	-
		-	Part Time salaries	-
		-	Overtime salaries	-
		2,692.78	Retirement	2,692.78
		8,219.67	Retirement-Pension bonds	8,219.67
		8,792.68	Health Insurance	8,792.68
		-	CalPERS Unfunded Liability - Non Sworn	-
		117.24	Life Insurance	117.24
		922.16	Dental Insurance	922.16
		2,238.38	Workers Comp	2,238.38
		240.36	Unemployment Insurance	240.36
		141.49	Disability Ins.	141.49
		2,727.90	FICA	2,727.90
		665.00	Deferred Compensation	665.00
		842.08	Allocated Retiree/Med/Vac Buy-Bk/Empl Term	842.08
		3,543.67	Retiree OPEB Costs	3,543.67
		231.85	Office Supplies	231.85
		-	Computer Software	-
		-	Textbooks	-
		1,146.48	Postage	1,146.48
		-	Misc Equip & Furniture < $5,000	-
		96.32	Other Special Departmental Supplies	96.32
		931.05	Utilities (Gas, Electric & Water)	931.05
		563.28	Telephone - Regular	563.28
		54.23	Telephone - Other	54.23
		-	Membership Dues & Subscriptions	-
		1,048.01	Travel, Training, & Conference	1,048.01
		1,652.75	Insurance - Alloc Chgs	1,652.75
		-	Legal Fees	-
		2,000.00	Auditing Expense	2,000.00
		-	Settlement Hearing	-
		44.00	Other Contractual & Professional Service	44.00
		-	Advertising & Promotion	-
		3,872.58	Maintenance Agreements	3,872.58
		-	Maintenance & Repairs	-
		155.90	Equipment Rental	155.90
		2,375.00	Building Rental	2,375.00
		545.50	Fleet Maintenance Alloc Chgs	545.50
		1,289.17	Building Maintenance Alloc Chgs	1,289.17
		2,201.58	Information Systems Alloc Chgs	2,201.58
		-	Bad Debt Expense	-
		4,551.75	Admin overhead paid to city	4,551.75
		-	Legal - Non Retainer/Non Reimbursable	-
		-	Capital Equipment & Furniture	-
			Other Special Departmental Supplies - Rental	-
		-	Utilities (Gas, Electric, & Water) - Rental	-
		-	Advertising & Promotion - Rental	-
		-	Other Contractual & Professional Service - Rental	-
		145.00	Maintenance & Repairs - Rental	145.00
		-	Property Tax payment - Rental	-
		205.66	Other fees - Rental	205.66
			Lighting & Landscape Assessment - Rental	-
		-	CCCERA Interfund Loan Payback	-
		1,410.67	Transfer-Out to OPEB (Unfunded Liabilities)	1,410.67
	TOTAL	91,744.79		91,744.79

	Ck#	Amount	Reason	TOTAL
VOIDED CHECKS & ADJUSTMENTS				- - - - - - -
	TOTAL	-		$ -

NET of Issued and Voided $ 1,491,729.19

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

Laura Hendr 6/15/18 6/15/18

Check Summary

May 1, 2018

Check Number	Check Date	Payee Tax ID	Payee	Amount
Housing Choice Voucher				
* 147413	5/1/18	*****2494	Amana K Cornish	59.00
147415	5/1/18	*****6117	Athena A Ruiz	105.00
147416	5/1/18	*****0898	Burhan Nawabi	59.00
147417	5/1/18	*****9306	Candice L Williams	5.00
147418	5/1/18	*****6193	Chanel J Brown	96.00
147419	5/1/18	*****2605	Charles C Robinson	1,120.00
147420	5/1/18	*****3976	Darren M Thompson	19.00
147421	5/1/18	*****2940	Donnette L Terrell	36.00
147422	5/1/18	*****0037	Eboni R Booth	61.00
147423	5/1/18	*****5254	Ernisha Henry	179.00
147424	5/1/18		Franchise Tax Board	208.75
147425	5/1/18	*****7375	Johnnie B Hayes	9.00
147426	5/1/18	*****3384	Jonaye Bridges	38.00
147427	5/1/18	*****3180	Kamika C Thigpen	19.00
147428	5/1/18	*****6519	Krystal M Williams	82.00
147429	5/1/18	*****7253	Laneava S Blanks	57.00
147430	5/1/18	*****5201	Laquita Dillon	122.00
147431	5/1/18	*****6488	Luz S Edington	150.00
147432	5/1/18	*****6385	Marcia Price	129.00
147433	5/1/18	*****5133	Mary P Grigsby	20.00
147434	5/1/18	*****8275	Mildred G Botello	228.00
147435	5/1/18	*****9905	Nakisha Fountain	49.00
147436	5/1/18	*****3829	Nicole N Hodge	68.00
147437	5/1/18	*****8665	Nieza M Burrus	145.00
147438	5/1/18	*****4119	Pashenia D Sanders	165.00
147440	5/1/18	*****7218	Rayna Madison	143.00
147441	5/1/18	*****7128	Rolinna M Williams	9.00
147442	5/1/18	*****6935	Samaiyah A Warren	138.00
147443	5/1/18	*****1512	Shawn A Prince	9.00
147444	5/1/18	*****3058	Sherlina R Reed	75.00
147445	5/1/18	*****3542	Starr C Bronson	14.00
147447	5/1/18	*****5793	Veronica C Chavez	38.00
147448	5/1/18	*****8651	Zaoxin Rong	2,167.00
147450	5/1/18	*****2890	Raquel E Miller	36.00

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147451	5/1/18	*****0864	Rochelle Scurlock	**88.00**
147452	5/1/18	*****8623	Kimberly A Limas	**132.00**
147453	5/1/18	*****7724	Carla R Fortenberry	**5.00**
147454	5/1/18	*****4208	Ono c Rothschild	**264.00**
147455	5/1/18	*****8819	Norma J George	**2.00**
147456	5/1/18	*****2184	Evelyn Smith	**14.00**
147457	5/1/18	*****8612	Regina D Tucker	**77.00**
147458	5/1/18	*****8889	Rosemarie Fagundes	**36.00**
147459	5/1/18	*****5753	Kevin j Hernandez	**228.00**
147460	5/1/18	*****6015	Sherron A Camp	**158.00**
147461	5/1/18	*****9122	Nancy M Parrish	**157.00**
147462	5/1/18	*****2405	Christina M Torres-Turner	**179.00**
147463	5/1/18	*****0841	Mona Lisa Jones	**92.00**
147464	5/1/18	*****3263	Shamonica C Gordon	**17.00**
147465	5/1/18	*****3256	Melanie M Brooks	**19.00**
147466	5/1/18	*****5492	Michelle m Williams	**58.00**
147467	5/1/18	*****0046	Letta D Christian	**27.00**
147468	5/1/18	*****7135	Michele N Nichols	**55.00**
147469	5/1/18	*****2879	Tieshia S Jones	**165.00**
147470	5/1/18	*****5626	Lashawn P Fields	**74.00**
147471	5/1/18	*****3113	Mannah S Parrott	**215.00**
147472	5/1/18	*****4702	Tracey S Russell	**19.00**
147473	5/1/18	*****4559	Julie A Young	**51.00**
147474	5/1/18	*****0248	Abdul A Wardak	**62.00**
147475	5/1/18	*****3181	Shirley J Strausbaugh	**1.00**
147476	5/1/18	*****1715	Chantal L Bolden	**0.00**
147477	5/1/18	*****1015	Jessica D Parker	**172.00**
147478	5/1/18	*****2695	Monique Thompson	**32.00**
147479	5/1/18	*****1686	Jasmine J Jackson	**46.00**
147480	5/1/18	*****5298	Gloria F Nelson	**19.00**
147481	5/1/18	*****0903	Virgie r Gray	**69.00**
147482	5/1/18	*****6507	Melissa R Griffin	**19.00**
147483	5/1/18	*****3869	Charlene M Best	**95.00**
147484	5/1/18	*****1062	Lateefah S Camacho	**215.00**
147485	5/1/18	*****4721	Ebony N Manning	**69.00**
147486	5/1/18	*****2217	Camille A Lascano	**177.00**
147487	5/1/18	*****9229	Sonia M Guevara	**146.00**
147488	5/1/18	*****8078	Lisa E Gordon	**17.00**
147489	5/1/18	*****2808	Ramona P Jimenez	**150.00**
147490	5/1/18	*****2489	Jessica M Raygoza	**74.00**
147491	5/1/18	*****5288	Nicole m Magnus	**19.00**

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147492	5/1/18	*****5083	Crystal j Houston		195.00
147493	5/1/18	*****1696	Angela M Lenzi		29.00
147494	5/1/18	*****3183	Sonja I Campos		40.00
147495	5/1/18	*****5072	Chawnette D Sneed		46.00
147496	5/1/18	*****8818	Lisa n Macpheators		134.00
147497	5/1/18	*****3882	JohnElla Mayo		38.00
147498	5/1/18	*****3349	Iris S Randall		46.00
147499	5/1/18	*****0840	Dalisha L Bernstine		101.00
147500	5/1/18	*****6953	Nathan Banks JR		26.00
147501	5/1/18	*****8619	Linshelle j Gay		41.00
147502	5/1/18	*****1238	Ramonda A Carlos		76.00
147503	5/1/18	*****6995	Graciela Arroyo		63.00
147504	5/1/18	*****0195	Shanoria s Sasser		87.00
147505	5/1/18	*****7390	Masuda Nawabi		36.00
147506	5/1/18	*****1951	Vinisha D Thornton		224.00
147507	5/1/18	*****0849	Briana I Edwards		6.00
147508	5/1/18	*****7822	Daudi K Edmond		41.00
147509	5/1/18	*****5758	Monique c Chaves		96.00
147510	5/1/18	*****1164	Michelle M Balestrieri		155.00
147511	5/1/18	*****6095	Leilani S Gomez		135.00
147512	5/1/18	*****8167	ABJ Enterprises, Inc. dba Blue Line Property Management		2,000.00
147513	5/1/18	*****9524	Ahmed H Abushgarah		18.00
147514	5/1/18	*****9326	Western Addition Apartments, LLC		1,506.00
147515	5/1/18	*****8574	Alamo Square Apartments LLC		2,161.00
147516	5/1/18	*****9810	Housing Authority of the County of Alameda		1,208.80
147517	5/1/18	*****0339	Shanda Arnold		1,803.00
147520	5/1/18	*****0348	Hartz Property Management		1,384.00
147521	5/1/18	*****1057	Diamond Hillside Apartments		1,093.00
147522	5/1/18	*****0978	King County Housing Authority		1,415.80
147523	5/1/18	*****3848	Leticia Carasi Malasig		453.00
147524	5/1/18	*****3124	Dante McDonald		1,012.00
147525	5/1/18	*****2593	Ba Nguyen Thu Thi Ngo		2,566.00
147526	5/1/18	*****9182	Lorene Paysinger		1,793.00
* 147530	5/1/18	*****7243	Linda Phon		932.00
147531	5/1/18	*****1385	Ramona Apartment Investors LLC		1,000.00
147532	5/1/18	*****4614	Vincenzo Signorino		1,353.00
* 50118001	5/1/18	*****7855	Mariya Briggs	DD - ES	1,959.00
50118002	5/1/18	*****2626	9th Street Associates, LP	DD - ES	1,619.00
50118003	5/1/18	*****0229	Meerwais Abdiani	DD - ES	867.00

50118004	5/1/18	*****6825	A Classey Corp. DBA: ACL Property Management	DD - ES	**1,853.00**
50118005	5/1/18	*****6232	Rosario Aguilar	DD - ES	**828.00**
50118006	5/1/18	*****5759	Rosa Aguirre	DD - ES	**2,300.00**
50118007	5/1/18	*****9530	Demetrius Alexander	DD - ES	**1,610.00**
50118008	5/1/18	*****2539	Ida Alfaro	DD - ES	**572.00**
50118009	5/1/18	*****3510	Altisource Residential Corporation	DD - ES	**986.00**
50118010	5/1/18	*****9681	Dale Alvarez	DD - ES	**1,675.00**
50118012	5/1/18	*****0104	Cecilia Anderson	DD - ES	**2,279.00**
50118013	5/1/18	*****0387	James or Brenda Anderson	DD - ES	**3,175.00**
50118014	5/1/18	*****5255	Linda S Anderson	DD - ES	**2,689.00**
50118015	5/1/18	*****9111	Shawn Anderson	DD - ES	**1,294.00**
50118016	5/1/18	*****8701	Mariteresa Arenson c/o Select 1 Realty	DD - ES	**1,747.00**
50118017	5/1/18	*****0707	Sergeant or Sima Austin	DD - ES	**1,950.00**
50118018	5/1/18	*****3967	Ajay Banga	DD - ES	**2,198.00**
50118019	5/1/18	*****2764	Mel L. Banagan	DD - ES	**1,338.00**
50118020	5/1/18	*****4138	Carlos G. Barraza	DD - ES	**831.00**
50118021	5/1/18	*****3909	Ken Bartlett	DD - ES	**3,369.00**
50118022	5/1/18	*****7446	Bay Burg Property, LLC	DD - ES	**1,031.00**
50118023	5/1/18	*****5979	John Bedford	DD - ES	**572.00**
50118024	5/1/18	*****9093	Holly Beech	DD - ES	**3,911.00**
50118026	5/1/18	*****8614	Charles Bell and Camino Johnson-Bell	DD - ES	**1,666.00**
50118027	5/1/18	*****2521	Belmont Apartments	DD - ES	**17,504.00**
50118028	5/1/18	*****2521	Belmont Apartments	DD - ES	**20,447.00**
50118029	5/1/18	*****2521	Belmont Apartments	DD - ES	**19,807.00**
50118030	5/1/18	*****2521	Belmont Apartments	DD - ES	**19,103.00**
50118031	5/1/18	*****2521	Belmont Apartments	DD - ES	**5,849.00**
50118032	5/1/18	*****5996	Alex Benjamen	DD - ES	**1,490.00**
50118033	5/1/18	*****7889	Tennyson Berry	DD - ES	**2,950.00**
50118034	5/1/18	*****8634	Bethel Global Development LLC	DD - ES	**1,590.00**
50118035	5/1/18	*****7075	Som N Bhatia	DD - ES	**1,561.00**
50118036	5/1/18	*****0602	Pinakin Bhatt	DD - ES	**2,103.00**
50118037	5/1/18	*****8470	Joseph B. Bachir	DD - ES	**777.00**
50118038	5/1/18	*****3895	Anthony L. Blackburn	DD - ES	**1,425.00**
50118039	5/1/18	*****3502	Black Diamond Management	DD - ES	**1,192.00**
50118040	5/1/18	*****7357	Shanxia Yang Bolton	DD - ES	**554.00**
50118041	5/1/18	*****5924	Steven Booras	DD - ES	**2,265.00**
50118042	5/1/18	*****3037	Kelly Ann Bradford	DD - ES	**1,449.00**
50118043	5/1/18	*****5829	Brian Carter	DD - ES	**1,199.00**

50118044	5/1/18	*****6215	Janet Brown	DD - ES	**1,343.00**
50118045	5/1/18	*****7469	Jessica G. or Sean Brophy	DD - ES	**1,188.00**
50118046	5/1/18	*****9783	Lauren H Brown	DD - ES	**1,082.00**
50118047	5/1/18	*****9954	Blue Sapphire Homes, Inc.	DD - ES	**2,171.00**
50118048	5/1/18	*****2142	Huong T. Bui	DD - ES	**3,071.00**
50118049	5/1/18	*****3080	Vu Manh Bui	DD - ES	**1,422.00**
50118050	5/1/18	*****3187	Burga Family California Trust	DD - ES	**1,952.00**
50118053	5/1/18	*****3026	Jerome Busby	DD - ES	**1,868.00**
50118054	5/1/18	*****7349	Xuelong Cao	DD - ES	**497.00**
50118056	5/1/18	*****4042	Donnell I. Carson	DD - ES	**1,810.00**
50118057	5/1/18	*****5079	Castle Creek Company, Inc.	DD - ES	**1,377.00**
			Trust Account		
50118058	5/1/18	*****6869	Cora Ann Chambers	DD - ES	**1,527.00**
50118059	5/1/18	*****6228	Gayle Chamberlain	DD - ES	**862.00**
50118060	5/1/18	*****0398	Kan Chuen Chan	DD - ES	**2,020.00**
50118061	5/1/18	*****5571	P. M. Chaobal	DD - ES	**2,600.00**
50118062	5/1/18	*****1853	Hong Chen	DD - ES	**4,603.00**
50118063	5/1/18	*****8946	Jienlin Chen	DD - ES	**2,256.00**
50118064	5/1/18	*****6735	Li Ying Chen	DD - ES	**1,900.00**
50118065	5/1/18	*****0128	Ping Chen	DD - ES	**1,940.00**
50118066	5/1/18	*****2680	Sherry Chen	DD - ES	**861.00**
50118067	5/1/18	*****4714	Wenhua Chen	DD - ES	**2,382.00**
50118068	5/1/18	*****5473	Hwa-Yoong Chiu	DD - ES	**1,713.00**
50118069	5/1/18	*****3211	Ada Choi	DD - ES	**1,998.00**
50118070	5/1/18	*****2454	Chun Ok Choi	DD - ES	**1,171.00**
50118071	5/1/18	*****0310	City of Pittsburg Housing Authority	DD - ES	**4,325.00**
50118072	5/1/18	*****3591	Juan F. Clara	DD - ES	**1,257.00**
50118073	5/1/18	*****7054	Ping Cao	DD - ES	**1,217.00**
50118074	5/1/18	*****1362	College Park Housing Authority	DD - ES	**326.24**
50118075	5/1/18	*****9873	Angel Contreras	DD - ES	**2,735.00**
50118076	5/1/18	*****8060	Betty Conner	DD - ES	**1,141.00**
50118077	5/1/18	*****3394	Kim Cortesi	DD - ES	**1,875.00**
50118084	5/1/18	*****7194	Maria G. Costa	DD - ES	**663.00**
50118085	5/1/18	*****1944	Melonie C. Miles - Trustee Phillip Cotton and Freddie Cotton 2005 Trust	DD - ES	**1,806.00**
50118086	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**21,169.00**
50118087	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**23,214.00**
50118088	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**22,602.00**

50118089	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**5,917.00**
50118090	5/1/18	*****6569	Jeannette D. Crespo	DD - ES	**2,351.00**
50118091	5/1/18	*****4259	Junie Varela Crosby	DD - ES	**956.00**
50118092	5/1/18	*****7900	Patricia Crosby	DD - ES	**1,422.00**
50118093	5/1/18	*****3327	Jorge Robert Dagys Delevan Catty Leticia Pajoluk	DD - ES	**1,502.00**
50118094	5/1/18	*****6248	Justin Dailey	DD - ES	**1,448.00**
50118095	5/1/18	*****1622	Dam Quang To	DD - ES	**714.00**
50118096	5/1/18	*****8853	Antoinette Davis	DD - ES	**1,233.00**
50118097	5/1/18	*****2963	Audrey Davis	DD - ES	**956.00**
50118098	5/1/18	*****0396	Kesha E. Davis	DD - ES	**1,277.00**
50118099	5/1/18	*****8929	Kevin Davidson	DD - ES	**1,017.00**
50118100	5/1/18	*****4961	Paulette Davis	DD - ES	**1,421.00**
50118101	5/1/18	*****6115	Roshan M. Davis	DD - ES	**1,415.00**
50118102	5/1/18	*****9068	Jagdeep or Shashi Dayal	DD - ES	**3,706.00**
50118103	5/1/18	*****8370	Charles Dellamore	DD - ES	**1,644.00**
50118104	5/1/18	*****5882	David De La Torre	DD - ES	**1,234.00**
50118106	5/1/18	*****1004	Brigitte P. Doan	DD - ES	**7,035.00**
50118107	5/1/18	*****3531	Anna Phuongnam Thi Do	DD - ES	**2,050.00**
50118108	5/1/18	*****9716	JoAnn or Larry Domina	DD - ES	**1,141.00**
50118109	5/1/18	*****5043	Alex Dongallo	DD - ES	**2,115.00**
50118110	5/1/18	*****6538	Linda Duong	DD - ES	**607.00**
50118111	5/1/18	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	**6,689.00**
50118112	5/1/18	*****0372	Doris Engle Family Ltd Partnership c/o Select 1 Realty	DD - ES	**1,336.00**
50118113	5/1/18	*****3757	Alma B Espiritu	DD - ES	**1,711.00**
50118114	5/1/18	*****6095	Rosario Espejo	DD - ES	**1,380.00**
50118115	5/1/18	*****6027	Jianxin Fang Jia Liu	DD - ES	**4,060.00**
50118116	5/1/18	*****3835	Michael Mao C/O Jing Feng	DD - ES	**2,543.00**
50118117	5/1/18	*****8236	Anthony Ferrell	DD - ES	**1,709.00**
50118118	5/1/18	*****2790	Barbara J. Fierner	DD - ES	**1,490.00**
50118119	5/1/18	*****9447	Joseph Field	DD - ES	**1,096.00**
50118120	5/1/18	*****7691	Hernan Roberto Figueroa	DD - ES	**1,146.00**
50118121	5/1/18	*****0962	Tochia D. Brewster Fleeton	DD - ES	**939.00**
50118122	5/1/18	*****5773	Alexander Flowers	DD - ES	**1,484.00**
50118123	5/1/18	*****1547	HomeForward (Housing Authority of Portland)	DD - ES	**1,240.94**
50118124	5/1/18	*****4032	Fox Creek Apartments	DD - ES	**20,820.00**
50118125	5/1/18	*****4032	Fox Creek Apartments	DD - ES	**9,832.00**

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50118126	5/1/18	*****0284	Monica Fraga	DD - ES	1,688.00
50118127	5/1/18	*****6894	Rejois O. Frazier or Leroy Myers	DD - ES	1,782.00
50118128	5/1/18	*****6265	Mr. Darren Fuller	DD - ES	1,388.00
50118129	5/1/18	*****8997	Fan Fuller	DD - ES	1,004.00
50118130	5/1/18	*****9634	Gialene Gaines	DD - ES	1,450.00
50118131	5/1/18	*****8306	Bao Wen Gao	DD - ES	2,431.00
50118132	5/1/18	*****6981	Adraine Gardner	DD - ES	2,253.00
50118133	5/1/18	*****4278	Antoinette L Garcia	DD - ES	1,345.00
50118134	5/1/18	*****7036	David Gardner	DD - ES	3,079.00
50118135	5/1/18	*****0785	Rupesh Garg Samantha Garg	DD - ES	2,224.00
50118136	5/1/18	*****3578	Valerie Gardner	DD - ES	1,623.00
50118137	5/1/18	*****2931	William H. Gardiner	DD - ES	2,115.00
50118138	5/1/18	*****5111	Gateway Apartments	DD - ES	5,920.00
50118139	5/1/18	*****5298	Parvindokht Ghaboulidashti	DD - ES	617.00
50118140	5/1/18	*****2770	Eva Gholson	DD - ES	2,946.00
50118141	5/1/18	*****1145	Vernon or Eva Gholson	DD - ES	2,510.00
50118142	5/1/18	*****5958	Jacqueline Gill	DD - ES	2,373.00
50118143	5/1/18	*****8187	Sukpran Gill	DD - ES	1,615.00
50118144	5/1/18	*****3032	Jesse Gonzaga	DD - ES	887.00
50118145	5/1/18	*****2367	Ting Gong	DD - ES	2,094.00
50118146	5/1/18	*****6940	Frances Greene	DD - ES	2,800.00
50118147	5/1/18	*****4872	Rodney Green	DD - ES	1,205.00
50118148	5/1/18	*****3361	Rupinder Grewal	DD - ES	1,015.00
50118149	5/1/18	*****7325	Patricia Gridley	DD - ES	626.25
50118150	5/1/18	*****6305	Italo Grossi	DD - ES	1,572.00
50118151	5/1/18	*****6721	Amparo Guardado Cesar Q. Guardado	DD - ES	1,287.00
50118152	5/1/18	*****0940	Krystle Guan	DD - ES	5,490.00
50118153	5/1/18	*****1575	Bob Gunson Real Estate C/O Julie Hang	DD - ES	1,321.00
50118154	5/1/18	*****5267	Abhilash Gupta	DD - ES	4,449.00
50118155	5/1/18	*****7930	Donald R. Watson, Sr.	DD - ES	461.00
50118156	5/1/18	*****2314	Nicole Hackett	DD - ES	1,401.00
50118157	5/1/18	*****6176	Asharfun Nisha Hafiz	DD - ES	396.00
50118158	5/1/18	*****0457	Jeffrey Paul Hagler	DD - ES	1,116.00
50118159	5/1/18	*****9827	Delores Jane Hall	DD - ES	1,519.00
50118160	5/1/18	*****1769	Lawrence Harrold	DD - ES	4,638.00
50118161	5/1/18	*****7423	Delta Hawaii Garden Apartments LLC	DD - ES	3,305.00
50118162	5/1/18	*****5859	Chuanhu He	DD - ES	1,663.00
50118163	5/1/18	*****6728	David T. Hennigan	DD - ES	6,718.00
50118164	5/1/18	*****3097	Silvester C. Henderson	DD - ES	3,061.00

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50118165	5/1/18	*****5221	Anna Hernandez	DD - ES	1,886.00
50118166	5/1/18	*****2157	Elias Herrera	DD - ES	1,779.00
50118167	5/1/18	*****7408	Serene Herrmann	DD - ES	923.00
50118168	5/1/18	*****3423	Sally Lea Hickman	DD - ES	1,458.00
50118169	5/1/18	*****1603	Marva Hill	DD - ES	560.00
50118170	5/1/18	*****6255	Carl E. Hoard II	DD - ES	1,651.00
50118171	5/1/18	*****7386	Hanh Huu Hoang	DD - ES	2,193.00
50118172	5/1/18	*****5654	Havy S Hoag	DD - ES	2,562.00
50118173	5/1/18	*****4106	Albert Ho	DD - ES	1,797.00
50118174	5/1/18	*****2084	Annie Ho The Annie Ho Living Trust	DD - ES	1,350.00
50118175	5/1/18	*****0051	Dan Ho	DD - ES	2,255.00
50118176	5/1/18	*****8576	Joyce Ann Hoffman	DD - ES	1,326.00
50118177	5/1/18	*****7451	Gloria H. Holbrook	DD - ES	1,950.00
50118178	5/1/18	*****4543	Ronald G. Holmes	DD - ES	1,267.00
50118179	5/1/18	*****5700	Tony Ho	DD - ES	1,322.00
50118180	5/1/18	*****3787	Howard County Housing Commission	DD - ES	1,183.80
50118181	5/1/18	*****9956	Cheng Huang	DD - ES	3,506.00
50118182	5/1/18	*****1535	Fanny Kao Huang	DD - ES	2,301.00
50118183	5/1/18	*****8816	Ming Zin Huang	DD - ES	2,484.00
50118184	5/1/18	*****7984	Tao Huang	DD - ES	8,551.00
50118185	5/1/18	*****7179	Ya Jing Huang	DD - ES	2,047.00
50118186	5/1/18	*****9084	Nancy Xiu Zhen Hu	DD - ES	1,986.00
50118187	5/1/18	*****6229	Thinh Trieu Huynh	DD - ES	1,720.00
50118188	5/1/18	*****0778	IGreen House Inc.	DD - ES	1,069.00
50118189	5/1/18	*****8007	2015-1 IH2 Borrower LP	DD - ES	1,908.00
50118190	5/1/18	*****4320	IH2 Property West, L.P.	DD - ES	1,430.00
50118191	5/1/18	*****7951	IH5 Property West LP	DD - ES	2,640.00
50118192	5/1/18	*****7013	Eugene G. Imperato	DD - ES	1,480.00
50118193	5/1/18	*****2726	IH4 Property West LP	DD - ES	2,050.00
50118194	5/1/18	*****8323	Keyee Investment LLC	DD - ES	268.00
50118195	5/1/18	*****1017	LaShon D Irving	DD - ES	2,172.00
50118196	5/1/18	*****0911	Mario Isidro	DD - ES	1,735.00
50118197	5/1/18	*****6821	Michael or Kay Isola	DD - ES	813.00
50118198	5/1/18	*****4913	Jabbarr Love	DD - ES	1,025.00
50118199	5/1/18	*****2036	Brandi Jackson C/O Perry Realty Team	DD - ES	2,054.00
50118200	5/1/18	*****4910	Sameer Jain	DD - ES	2,059.00
50118201	5/1/18	*****3307	Vishal S. Jain	DD - ES	1,503.00
50118202	5/1/18	*****1349	Jason Le	DD - ES	2,285.00
50118203	5/1/18	*****6917	Jian Xing Zhang	DD - ES	1,464.00

HAP 1,115.00+
AP 68.80+
1,183.80*+

50118204	5/1/18	*****0833	Alonzo D. Johnson	DD - ES	**947.00**
50118205	5/1/18	*****5506	Jason K. Johnson	DD - ES	**3,010.00**
50118206	5/1/18	*****8569	Ronita Johnson	DD - ES	**1,195.00**
50118207	5/1/18	*****8867	James Jones	DD - ES	**1,941.00**
50118208	5/1/18	*****2434	Sharon Jones	DD - ES	**1,588.00**
50118209	5/1/18	*****9670	Cheryl D Joseph	DD - ES	**1,885.00**
50118210	5/1/18	*****4905	Mostaeen B Jouya	DD - ES	**2,134.00**
50118211	5/1/18	*****3526	JPH Investment Trust	DD - ES	**2,459.00**
50118212	5/1/18	*****5704	Jaynee Walton Separate Property Trust	DD - ES	**1,479.00**
50118213	5/1/18	*****5647	Om Parkash Kalra	DD - ES	**3,316.00**
50118214	5/1/18	*****8425	Wei Kang	DD - ES	**4,369.00**
50118215	5/1/18	*****1731	Deepinder Kaur	DD - ES	**2,384.00**
50118216	5/1/18	*****7429	Navkirandeep Kaur	DD - ES	**1,190.00**
50118217	5/1/18	*****6180	K. E. M. Group LLC	DD - ES	**1,936.00**
50118218	5/1/18	*****9411	Anthony Keslinke	DD - ES	**1,493.00**
50118219	5/1/18	*****2578	Faraz Ali Khan	DD - ES	**1,677.00**
50118220	5/1/18	*****0839	Alan T. Kilpatrick	DD - ES	**532.00**
50118221	5/1/18	*****0888	KW Kirker Creek, LLC	DD - ES	**2,898.00**
50118222	5/1/18	*****7475	Qi Yun Kuang	DD - ES	**4,036.00**
50118223	5/1/18	*****8506	Simon Kailiang Kuang	DD - ES	**1,707.00**
50118224	5/1/18	*****9316	Zdzislaw Kujawa	DD - ES	**1,607.00**
50118225	5/1/18	*****2585	Daniel Kwan	DD - ES	**1,400.00**
50118226	5/1/18	*****6229	Simon Chuen-Sang Kwong	DD - ES	**1,470.00**
50118227	5/1/18	*****8326	Thomas LaFleur	DD - ES	**1,946.00**
50118228	5/1/18	*****7845	Chow Kang Lam	DD - ES	**2,023.00**
50118229	5/1/18	*****6520	Shirley Manly-Lampkin	DD - ES	**1,036.00**
50118230	5/1/18	*****6102	Maria Lara	DD - ES	**1,608.00**
50118231	5/1/18	*****7975	Peter C. Larsen	DD - ES	**937.00**
50118232	5/1/18	*****2401	Kevin Lassair	DD - ES	**1,611.00**
50118233	5/1/18	*****4732	Latif, LLC	DD - ES	**2,725.00**
50118234	5/1/18	*****0938	Ingrid Lau	DD - ES	**1,653.00**
50118235	5/1/18	*****8224	Kai Man Lau	DD - ES	**817.00**
50118236	5/1/18	*****9373	Delphia M. or Clarence Lawson	DD - ES	**1,093.00**
50118237	5/1/18	*****6826	Living Trust of Geroge Van & Fannie Mae Laswon C/O Nicole C. Nicholson - Trustee	DD - ES	**1,304.00**
50118238	5/1/18	*****2293	LCSTAR, LLC	DD - ES	**4,358.00**
50118239	5/1/18	*****0984	Dao Tran Le	DD - ES	**970.00**
50118240	5/1/18	*****8548	Jack Wai Lee	DD - ES	**1,862.00**
50118241	5/1/18	*****1755	Siu Wan Windytiti Lee	DD - ES	**1,548.00**
50118242	5/1/18	*****2527	Steven Lee	DD - ES	**1,120.00**
50118243	5/1/18	*****5289	Yuhjen Juang Lee	DD - ES	**1,717.00**

50118244	5/1/18	*****1860	Lena Le	DD - ES	**1,038.00**
50118245	5/1/18	*****9382	Luigi Leoncio, LLC	DD - ES	**1,798.00**
50118246	5/1/18	*****3782	Joseph C. Lerma	DD - ES	**1,226.00**
50118247	5/1/18	*****3555	Yiping I. and Frederic Leroudier	DD - ES	**3,030.00**
50118248	5/1/18	*****3410	John M. Leung	DD - ES	**5,282.00**
50118249	5/1/18	*****3743	May Leung or Rodney Chen	DD - ES	**3,241.00**
50118250	5/1/18	*****2110	Peter Leung	DD - ES	**2,153.00**
50118251	5/1/18	*****5185	Fortunee Lichaa	DD - ES	**1,505.00**
50118252	5/1/18	*****3386	James J. Busby and Irvin Deutcher a Partnership DBA Crestview Apartments	DD - ES	**635.00**
50118253	5/1/18	*****0416	Faqiang Li	DD - ES	**1,260.00**
50118254	5/1/18	*****8871	Jie Li	DD - ES	**1,297.00**
50118255	5/1/18	*****7827	Jinhuan Li	DD - ES	**1,496.00**
50118256	5/1/18	*****5495	Jian S Lin	DD - ES	**1,474.00**
50118257	5/1/18	*****2649	Tim Lindstrom c/o AAA Property Management	DD - ES	**993.00**
50118258	5/1/18	*****3881	Vivian Y Li	DD - ES	**1,647.00**
50118259	5/1/18	*****1547	Paul Livson	DD - ES	**1,517.00**
50118260	5/1/18	*****0050	Wei Min Li	DD - ES	**1,484.00**
50118261	5/1/18	*****9003	Ying Hong Li	DD - ES	**1,665.00**
50118262	5/1/18	*****0198	Belkis Zhong Li	DD - ES	**2,224.00**
50118263	5/1/18	*****1646	Paul Long	DD - ES	**2,466.00**
50118264	5/1/18	*****1474	Los Medanos Village Apartments	DD - ES	**22,532.00**
50118265	5/1/18	*****7531	Tony or Yvonne Louie	DD - ES	**1,400.00**
50118266	5/1/18	*****5602	Marshall & Sonya Lowe	DD - ES	**1,105.00**
50118267	5/1/18	*****0153	Ariston Laurito Loyola	DD - ES	**824.00**
50118268	5/1/18	*****7720	Jose Loza	DD - ES	**709.00**
50118269	5/1/18	*****2354	Andrew Kin Lui	DD - ES	**3,398.00**
50118270	5/1/18	*****4658	Wei Liu Guangxin Frank Liu	DD - ES	**1,544.00**
50118271	5/1/18	*****1821	Curtis H. Lundberg	DD - ES	**550.00**
50118272	5/1/18	*****1596	Kenneth Luong	DD - ES	**1,595.00**
50118273	5/1/18	*****1494	Xiangwen Lu	DD - ES	**1,486.00**
50118274	5/1/18	*****5430	Kiet A. Ly	DD - ES	**1,767.00**
50118275	5/1/18	*****4009	Yolanda McDonald	DD - ES	**1,498.00**
50118276	5/1/18	*****6525	Madelyn Ann Massey Trustee of the 2017 Massey Family Trust	DD - ES	**1,613.00**
50118277	5/1/18	*****5865	Rakesh Madra	DD - ES	**4,186.00**
50118278	5/1/18	*****5605	Robert Madson Lisa Swafford	DD - ES	**1,957.00**
50118279	5/1/18	*****2191	Radha Mahesram	DD - ES	**2,033.00**
50118280	5/1/18	*****7358	Mahnoor Tariq	DD - ES	**2,588.00**

50118281	5/1/18	*****4372	Jennifer Leung Ma	DD - ES	**5,625.00**
50118282	5/1/18	*****1989	Jeff Mann	DD - ES	**4,521.00**
50118283	5/1/18	*****5378	Glenn Marshall	DD - ES	**1,455.00**
50118284	5/1/18	*****2875	Marla Y Harrison	DD - ES	**337.00**
50118285	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**16,028.00**
50118286	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**15,550.00**
50118287	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**14,664.00**
50118288	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**5,329.00**
50118289	5/1/18	*****5287	Louie W. Maruri El Dorado Apartments	DD - ES	**878.00**
50118290	5/1/18	*****3065	Tanya Martha	DD - ES	**1,877.00**
50118291	5/1/18	*****9206	Demetria d Mason	DD - ES	**2,411.00**
50118292	5/1/18	*****6768	Matrixone Realty	DD - ES	**1,033.00**
50118293	5/1/18	*****3048	Rita J. McCrystle	DD - ES	**1,210.00**
50118294	5/1/18	*****7174	Samuel McCree	DD - ES	**801.00**
50118295	5/1/18	*****6494	Dorothy McDonald	DD - ES	**1,614.00**
50118296	5/1/18	*****1925	Veronica R. McElroy	DD - ES	**1,982.00**
50118297	5/1/18	*****1152	Janice K McLean	DD - ES	**1,022.00**
50118298	5/1/18	*****4675	Meadow Glen Apartments	DD - ES	**3,207.00**
50118299	5/1/18	*****9866	Tatung Mei	DD - ES	**3,314.00**
50118300	5/1/18	*****4316	Joel Mejia	DD - ES	**414.00**
50118301	5/1/18	*****5245	Jinyu Meng	DD - ES	**2,148.00**
50118302	5/1/18	*****4885	Sabine Menzel	DD - ES	**4,324.00**
50118303	5/1/18	*****0133	Mercedes P. Johnson	DD - ES	**886.00**
50118304	5/1/18	*****7793	Dennis Meyer Kinetic Real Estate/ Marelise Navaroo	DD - ES	**1,946.00**
50118305	5/1/18	*****8272	Hector Meza	DD - ES	**1,212.00**
50118306	5/1/18	*****9885	Andrew S Miloslavich	DD - ES	**1,697.00**
50118307	5/1/18	*****7437	Perchak Properties for Carol Miller	DD - ES	**1,864.00**
50118308	5/1/18	*****9782	Maryann Miller	DD - ES	**1,198.00**
50118309	5/1/18	*****2618	Carlos J Miranda	DD - ES	**701.00**
50118310	5/1/18	*****0772	Hassan Mirabedi	DD - ES	**7,576.00**
50118311	5/1/18	*****6741	Gwendolyn Mitchell	DD - ES	**1,380.00**
50118312	5/1/18	*****7083	Ronnie Eric Moffett Estate	DD - ES	**1,971.00**
50118313	5/1/18	*****6340	Moe Mojaddidi	DD - ES	**4,714.00**
50118314	5/1/18	*****0985	Rodney Montgomery or Sharon Montgomery	DD - ES	**1,066.00**
50118315	5/1/18	*****4676	Erik L Morris	DD - ES	**1,640.00**
50118316	5/1/18	*****6975	Joseph Nelson Morin	DD - ES	**1,710.00**
50118317	5/1/18	*****7725	Ricardo Moran Gonzalez	DD - ES	**1,214.00**
50118318	5/1/18	*****3642	Eva Munn	DD - ES	**489.00**

50118319	5/1/18	*****8820	Brien Brothers, LLC C/O Mynd Management, IC.	DD - ES	**1,535.00**
50118320	5/1/18	*****0105	Ehsan Nabkel	DD - ES	**3,094.00**
50118321	5/1/18	*****9276	Fariba Naji	DD - ES	**1,900.00**
50118322	5/1/18	*****6234	Shinder Paul Narabut	DD - ES	**7,177.00**
50118323	5/1/18	*****9518	Farida Nawabi	DD - ES	**2,555.00**
50118324	5/1/18	*****0054	NC Associates, Inc.	DD - ES	**10,467.00**
50118325	5/1/18	*****6959	Joy Neal	DD - ES	**1,764.00**
50118326	5/1/18	*****5257	Guy Nesbeth	DD - ES	**3,056.00**
50118327	5/1/18	*****4114	James or Margaret Nevis	DD - ES	**1,169.00**
50118328	5/1/18	*****1072	Dominic Y Ng	DD - ES	**2,582.00**
50118329	5/1/18	*****3604	Knowland Ging Ng	DD - ES	**304.00**
50118330	5/1/18	*****8594	Patrick Ng Mike Perry, Property Manager	DD - ES	**2,022.00**
50118331	5/1/18	*****9319	Sunny S Ng	DD - ES	**1,477.00**
50118332	5/1/18	*****0738	Hieu Nguyen	DD - ES	**1,449.00**
50118333	5/1/18	*****7154	Huy Quang Nguyen	DD - ES	**2,218.00**
50118334	5/1/18	*****4366	Quyen Nguyen	DD - ES	**1,710.00**
50118335	5/1/18	*****8241	Tieu Nguyen	DD - ES	**812.00**
50118336	5/1/18	*****7265	Ernest Nichols III	DD - ES	**3,470.00**
50118337	5/1/18	*****9886	Northstar Financial Group, LLC	DD - ES	**276.00**
50118338	5/1/18	*****8129	Kevin Nord Nord Investment Real Estate	DD - ES	**1,350.00**
50118339	5/1/18	*****2286	North State Financial, Inc.	DD - ES	**1,558.00**
50118340	5/1/18	*****7171	New Way Management Services, Inc.	DD - ES	**10,895.00**
50118341	5/1/18	*****1194	Jennifer Odei	DD - ES	**1,454.00**
50118342	5/1/18	*****5572	Dwight J Owens	DD - ES	**433.00**
50118343	5/1/18	*****7606	Juanita Olayo	DD - ES	**1,556.00**
50118344	5/1/18	*****4543	Esosa A. Omokaro	DD - ES	**1,707.00**
50118345	5/1/18	*****0588	Orange County Housing Authority	DD - ES	**2,239.80**
50118346	5/1/18	*****3741	Sandra L Ortiz	DD - ES	**1,793.00**
50118347	5/1/18	*****2915	Tony Jose Ortiz	DD - ES	**783.00**
50118348	5/1/18	*****1081	Chinenye Osuagwu	DD - ES	**2,208.00**
50118349	5/1/18	*****9139	Olubukola Amoke Oyebade	DD - ES	**2,414.00**
50118350	5/1/18	*****3324	Mutlu Ozer	DD - ES	**1,678.00**
50118351	5/1/18	*****4083	Pacific Living, LLC	DD - ES	**2,218.00**
50118352	5/1/18	*****7811	Hemangini & Vijendra Patel	DD - ES	**2,144.00**
50118353	5/1/18	*****0885	Kokila Patel	DD - ES	**1,302.00**
50118354	5/1/18	*****8684	Virendra M. Patel	DD - ES	**1,750.00**
50118355	5/1/18	*****8047	Jason Pauline	DD - ES	**2,096.70**
50118356	5/1/18	*****3189	Loycell Peacock	DD - ES	**1,015.00**

13,320.00+
10,467.00-
2,853.00*+
1,106.00+
1,747.00+
2,853.00*+

50118357	5/1/18	*****5165	Scott Pease	DD - ES	**1,261.00**
50118358	5/1/18	*****3278	Maria Del Carmen Perez	DD - ES	**365.00**
50118359	5/1/18	*****6784	Lowde Y. Perkins	DD - ES	**901.00**
50118360	5/1/18	*****8225	Shiv Pertab	DD - ES	**1,800.00**
50118361	5/1/18	*****0958	Pittsburg Park Apartments	DD - ES	**4,841.00**
50118362	5/1/18	*****7605	Portofino Apartments	DD - ES	**9,056.00**
50118363	5/1/18	*****8826	Prime Metropolis Properties, Inc.	DD - ES	**4,223.00**
50118364	5/1/18	*****2849	IH5 Property West, LP	DD - ES	**2,041.00**
50118365	5/1/18	*****3398	Marples Property Management	DD - ES	**3,179.00**
50118366	5/1/18	*****4650	A. Meadows Property Management	DD - ES	**1,212.00**
50118367	5/1/18	*****7789	Stokley Properties LLC Harbor	DD - ES	**2,280.00**
50118368	5/1/18	*****8055	Property Upsurge, Inc.	DD - ES	**10,526.00**
50118369	5/1/18	*****0782	Amjad Qaqish	DD - ES	**1,183.00**
50118370	5/1/18	*****9542	Sam or Sonia Quinones	DD - ES	**1,800.00**
50118371	5/1/18	*****4029	Amos Radford	DD - ES	**1,451.00**
50118372	5/1/18	*****1034	Kuljit P Raju	DD - ES	**1,437.00**
50118373	5/1/18	*****2261	Paramjit K. Raju	DD - ES	**2,650.00**
50118374	5/1/18	*****3452	Christopher Ramirez	DD - ES	**1,928.00**
50118375	5/1/18	*****8489	Enrique or Stacy Ramirez	DD - ES	**562.00**
50118376	5/1/18	*****2162	Erika Ramirez	DD - ES	**1,918.00**
50118377	5/1/18	*****2283	Rohini Ram	DD - ES	**1,818.00**
50118378	5/1/18	*****6068	David Raughton	DD - ES	**2,804.00**
50118380	5/1/18	*****8337	RayCaro Inc.	DD - ES	**3,024.00**
50118381	5/1/18	*****8227	Croskey Real Estate, Inc.	DD - ES	**378.00**
50118382	5/1/18	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**1,463.00**
50118383	5/1/18	*****7083	Reliant - Woods Grove, LP	DD - ES	**7,141.00**
50118384	5/1/18	*****7349	Eric Franklin Remson	DD - ES	**1,057.00**
50118385	5/1/18	*****1078	Cora Lee Rice Anderson Rice	DD - ES	**902.00**
50118387	5/1/18	*****9321	Roger Riley	DD - ES	**1,901.00**
50118388	5/1/18	*****6917	Ronald D. Shelly or Julie Crowder	DD - ES	**1,087.00**
50118389	5/1/18	*****0694	Jason Ruffin	DD - ES	**2,279.00**
50118390	5/1/18	*****4579	Elvira Ruiz	DD - ES	**1,136.00**
50118391	5/1/18	*****5248	Constance Russell	DD - ES	**1,168.00**
50118392	5/1/18	*****3871	Maridel P Santos	DD - ES	**1,294.00**
50118393	5/1/18	*****3011	Alicia Saucedo	DD - ES	**1,387.00**
50118394	5/1/18	*****7615	Gregory Paul Schulz	DD - ES	**1,405.00**
50118395	5/1/18	*****9954	Richard M. Sciortino	DD - ES	**926.00**
50118396	5/1/18	*****7031	Jacqueline Selinger	DD - ES	**1,658.00**
50118397	5/1/18	*****5346	Young Sook Seroy	DD - ES	**1,596.00**

50118398	5/1/18	*****1446	Mohinder Sharma	DD - ES	**1,004.00**
50118399	5/1/18	*****7239	Shailesh & Bela Patel	DD - ES	**3,108.00**
50118400	5/1/18	*****4900	Paul Shatswell	DD - ES	**1,521.00**
50118401	5/1/18	*****1370	James Shipe, c/o Richard Grijalva, East Cty Brokers	DD - ES	**2,613.00**
50118402	5/1/18	*****5981	Yihui Shi	DD - ES	**1,515.00**
50118403	5/1/18	*****7789	Siena Court Apartments	DD - ES	**8,702.00**
50118404	5/1/18	*****7396	Sierra Pacific Properties Peppertree Apartments	DD - ES	**3,935.00**
50118405	5/1/18	*****7396	Sierra Pacific Properties Woodland Hills Apartments	DD - ES	**12,537.00**
50118406	5/1/18	*****6650	Frank M. Siino	DD - ES	**610.00**
50118407	5/1/18	*****8035	Joseph Michael Siino	DD - ES	**1,275.00**
50118408	5/1/18	*****5399	Gloria Silva	DD - ES	**866.00**
50118409	5/1/18	*****7250	2012-C Property Holdings LLC	DD - ES	**3,235.00**
50118410	5/1/18	*****8407	Marc J. Simpson	DD - ES	**1,437.00**
50118411	5/1/18	*****3639	Raman Singh	DD - ES	**1,759.00**
50118412	5/1/18	*****6058	Son Singh	DD - ES	**1,525.00**
50118413	5/1/18	*****4970	Molly Smith	DD - ES	**1,674.00**
50118414	5/1/18	*****9092	Sherritta M Smith	DD - ES	**952.00**
50118415	5/1/18	*****0670	Southern Nevada Regional Housing Authority	DD - ES	**1,561.50**
50118416	5/1/18	*****2032	Cinthia Sosa	DD - ES	**1,683.00**
50118417	5/1/18	*****2985	Gloria Spahn	DD - ES	**1,010.00**
50118418	5/1/18	*****6977	Angela E. Robinson-Spencer	DD - ES	**1,300.00**
50118419	5/1/18	*****3465	Ramzi D Srouji	DD - ES	**1,743.00**
50118420	5/1/18	*****5343	Deborah Steppe	DD - ES	**1,350.00**
50118421	5/1/18	*****1601	George W. Stephens	DD - ES	**1,674.00**
50118422	5/1/18	*****5308	R R Rentals	DD - ES	**1,527.00**
50118424	5/1/18	*****6314	Amad Sultan	DD - ES	**2,823.00**
50118425	5/1/18	*****6318	Mr. Shahzad Sultan	DD - ES	**2,475.00**
50118426	5/1/18	*****8534	Suma Aryaei	DD - ES	**2,212.00**
50118427	5/1/18	*****1235	Summit Venture Group, LLC	DD - ES	**2,008.00**
50118428	5/1/18	*****6168	Kamaljeet Surila	DD - ES	**1,457.00**
50118429	5/1/18	*****0399	Joyce Hui Sy	DD - ES	**6,488.00**
50118430	5/1/18	*****1242	Hamed Tafaghodi Alexis Tafaghodi	DD - ES	**1,163.00**
50118431	5/1/18	*****9558	Edward C Tan	DD - ES	**532.00**
50118432	5/1/18	*****5832	Mohammad Tapus	DD - ES	**2,743.00**
50118433	5/1/18	*****6283	Yun Teng Weijie Zhang	DD - ES	**1,813.00**
50118434	5/1/18	*****2164	Quyen Minh Thai	DD - ES	**468.00**
50118435	5/1/18	*****4049	ChingJen Tong	DD - ES	**3,707.00**

50118436	5/1/18	*****1405	Lourdes or Raymond Tovar	DD - ES	**826.00**
50118437	5/1/18	*****2094	Raphael Minhtuyen Tran	DD - ES	**4,962.00**
50118438	5/1/18	*****6035	Tam Van Tran	DD - ES	**1,918.00**
50118439	5/1/18	*****1327	Thuy Tran	DD - ES	**1,237.00**
50118440	5/1/18	*****6165	Thanh Van Trinh	DD - ES	**1,363.00**
50118441	5/1/18	*****3572	Nhan Chi Truong	DD - ES	**961.00**
50118442	5/1/18	*****5313	Sean Thuyet Truong	DD - ES	**1,233.00**
50118443	5/1/18	*****9321	Van Truong	DD - ES	**1,748.00**
50118444	5/1/18	*****8392	Xavier Van Truong	DD - ES	**7,944.00**
50118445	5/1/18	*****5553	David Tseng	DD - ES	**2,422.00**
50118448	5/1/18	*****4582	Lidia Valladares	DD - ES	**1,062.00**
50118449	5/1/18	*****0250	Victor D Valenzuela	DD - ES	**1,356.00**
50118450	5/1/18	*****5853	Tu Van	DD - ES	**1,722.00**
50118451	5/1/18	*****3371	Gary D. Vasconcellos	DD - ES	**1,032.00**
50118452	5/1/18	*****8457	Sareena Lata Velu	DD - ES	**1,612.00**
50118453	5/1/18	*****9682	Nuno G Vieira	DD - ES	**1,942.00**
50118454	5/1/18	*****2720	Stephen Cordell Wafer	DD - ES	**1,077.00**
50118455	5/1/18	*****2768	Huan Rong Wang	DD - ES	**1,950.00**
50118456	5/1/18	*****6924	Lining Wan	DD - ES	**1,780.00**
50118457	5/1/18	*****6945	Wei Wang	DD - ES	**2,000.00**
50118458	5/1/18	*****1634	Yu Ruo Wang	DD - ES	**1,878.00**
50118459	5/1/18	*****5502	Mildred Lucille Washington	DD - ES	**1,996.00**
50118461	5/1/18	*****4384	Wenying Chang	DD - ES	**1,773.00**
50118462	5/1/18	*****0126	Marina West 10 LLC	DD - ES	**1,450.00**
50118463	5/1/18	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**3,719.00**
50118465	5/1/18	*****2737	Jessica R Wiebe	DD - ES	**2,221.00**
50118466	5/1/18	*****7867	Ms Adrienne Wilson C/O Gabe Essoe	DD - ES	**1,689.00**
50118467	5/1/18	*****0846	Glenda J. Wilkes	DD - ES	**946.00**
50118468	5/1/18	*****5057	Kathleen and John Wilson	DD - ES	**1,278.00**
50118469	5/1/18	*****8702	Kathy D. Williams	DD - ES	**1,953.00**
50118470	5/1/18	*****5480	Tasia La Vonda Williams	DD - ES	**1,867.00**
50118471	5/1/18	*****5026	Windeler Development Group, Inc.	DD - ES	**1,322.00**
50118472	5/1/18	*****1157	Har Pan Wong	DD - ES	**4,454.00**
50118473	5/1/18	*****6356	Joanne Wong	DD - ES	**1,459.00**
50118474	5/1/18	*****1060	Kinney Ming Wong	DD - ES	**1,315.00**
50118475	5/1/18	*****5451	Mei-Yuk Yu Wong Vincent Wong	DD - ES	**2,158.00**
50118476	5/1/18	*****5565	Yuk Lin Woo	DD - ES	**766.00**
50118477	5/1/18	*****1853	WR Properties, Inc.	DD - ES	**5,578.00**

50118478	5/1/18	*****3962	Hong Wu	DD - ES	**4,330.00**
50118479	5/1/18	*****3698	Zhang Jin Wu	DD - ES	**3,066.00**
50118480	5/1/18	*****5388	Jian Ai Xuan	DD - ES	**1,946.00**
50118481	5/1/18	*****3880	Ping Ping Xu Keming Wang	DD - ES	**4,213.00**
50118482	5/1/18	*****2366	Karl Yick C/O Teresita D. Pereira	DD - ES	**1,056.00**
50118483	5/1/18	*****6779	Sally Yip	DD - ES	**1,736.00**
50118484	5/1/18	*****6210	Yong Qiang Lu	DD - ES	**1,817.00**
50118485	5/1/18	*****6178	Chris Kui You	DD - ES	**2,235.00**
50118486	5/1/18	*****7622	Yee Yue Cheung	DD - ES	**759.00**
50118487	5/1/18	*****8664	Mohammad Zalmaiyar	DD - ES	**2,664.00**
50118488	5/1/18	*****2940	Wei Bin Zhang or Gao Wei	DD - ES	**1,704.00**
50118489	5/1/18	*****3259	Xirong Zhao	DD - ES	**1,607.00**
50118490	5/1/18	*****4367	Xiang Yang Zheng	DD - ES	**2,154.00**
50118491	5/1/18	*****3830	Joy Yi Zhou	DD - ES	**2,290.00**
50118492	5/1/18	*****7805	Shengguo Zhu	DD - ES	**5,030.00**
50118493	5/1/18	*****6132	Ying Zhu	DD - ES	**4,643.00**

Housing Choice Voucher

HAP	1,221,203.14
UR	8,629.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	517.44
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,230,349.58**

Check Summary

May 1, 2018

Check Number	Check Date	Payee Tax ID	Payee	Amount
VASH				
147414	5/1/18	*****6041	Anthony L Johnson	**29.00**
147439	5/1/18	*****7726	Quamie Golliday	**23.00**
147446	5/1/18	*****2982	Timothy P Harrington	**2.00**
147449	5/1/18	*****3447	David S Loesch	**36.00**
147516	5/1/18	*****9810	Housing Authority of the County of Alameda	**3,735.60**
147518	5/1/18	*****0331	Fairfield Housing Authority	**1,165.60**

147519	5/1/18	*****8096	Robert Fitzstephens Rob Fitzstephens		**2,291.00**
50118011	5/1/18	*****4636	Felipe Amarante	DD - ES	**1,441.00**
50118021	5/1/18	*****3909	Ken Bartlett	DD - ES	**1,075.00**
50118025	5/1/18	*****7492	Adrienne Kelly Belton	DD - ES	**1,160.00**
50118027	5/1/18	*****2521	Belmont Apartments	DD - ES	**1,169.00**
50118051	5/1/18	*****8860	Joe Burns	DD - ES	**1,200.00**
50118052	5/1/18	*****8764	William Joseph Burgoyne	DD - ES	**1,324.00**
50118055	5/1/18	*****2513	Clara Beatriz Cardenas	DD - ES	**1,550.00**
50118078	5/1/18	*****0746	Contra Costa County Housing Authority	DD - ES	**12,930.20**
50118079	5/1/18	*****0746	Contra Costa County Housing Authority	DD - ES	**12,551.80**
50118080	5/1/18	*****0746	Contra Costa County Housing Authority	DD - ES	**10,475.20**
50118081	5/1/18	*****0746	Contra Costa County Housing Authority	DD - ES	**11,672.78**
50118082	5/1/18	*****0746	Contra Costa County Housing Authority	DD - ES	**11,128.24**
50118083	5/1/18	*****0746	Contra Costa County Housing Authority	DD - ES	**3,762.54**
50118086	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**6,851.00**
50118087	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**5,768.00**
50118088	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**5,350.00**
50118089	5/1/18	*****3772	Creekside Apartment Investors LLC DBA Creekside Village	DD - ES	**2,591.00**
50118105	5/1/18	*****9507	Olga M. Disney	DD - ES	**1,149.00**
50118111	5/1/18	*****3406	Mercy Housing California XXXVIII East Leland Court Apartments	DD - ES	**607.00**
50118125	5/1/18	*****4032	Fox Creek Apartments	DD - ES	**396.00**
50118138	5/1/18	*****5111	Gateway Apartments	DD - ES	**3,332.00**
50118154	5/1/18	*****5267	Abhilash Gupta	DD - ES	**1,730.00**
50118163	5/1/18	*****6728	David T. Hennigan	DD - ES	**1,603.00**
50118259	5/1/18	*****1547	Paul Livson	DD - ES	**809.00**
50118285	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**657.00**
50118286	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**951.00**
50118287	5/1/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**2,274.00**
50118337	5/1/18	*****9886	Northstar Financial Group, LLC	DD - ES	**4,692.00**
50118366	5/1/18	*****4650	A. Meadows Property Management	DD - ES	**445.00**
50118379	5/1/18	*****2414	Tanya Nicole Ray	DD - ES	**1,868.00**
50118381	5/1/18	*****8227	Croskey Real Estate, Inc.	DD - ES	**1,789.00**
50118382	5/1/18	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**4,970.00**
50118386	5/1/18	*****2935	RICHMOND HOUSING AUTHORITY	DD - ES	**1,672.16**
50118403	5/1/18	*****7789	Siena Court Apartments	DD - ES	**776.00**
50118423	5/1/18	*****0437	Suisun City Housing Authority	DD - ES	**778.80**
50118446	5/1/18	*****0447	Solano County Housing Authority	DD - ES	**3,174.20**

50118447	5/1/18	*****0447	Vacaville Housing Authority	DD - ES	**1,161.80**
50118460	5/1/18	*****4563	Isidoro Weitzman	DD - ES	**1,937.00**
50118463	5/1/18	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**2,177.00**
50118464	5/1/18	*****9380	Tracy J. Whitehead	DD - ES	**1,990.00**
50118477	5/1/18	*****1853	WR Properties, Inc.	DD - ES	**1,693.00**

VASH

1,358,475.14+
1,106.00+
1 1,747.00+
1,115.00-
1,360,213.14*+

HAP	137,272.00
UR	187.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	4,454.92
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$141,913.92**

Grand Total

HAP (Regular)	$ 1,130,056.70
HAP (VASH)	137,272.00
HAP (Port-In)	85,340.00
HAP (Port-Out)	7,544.44
Utility Reimbursement	8,816.00
Admin Fee	4,903.56
Total	$ 1,373,932.70

U*

4,972.36+
S. Brown 68.80-
2 4,903.56*+

HAP	1,358,475.14 1
UR	8,816.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	4,972.36 2
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,372,263.50 3**

1 1,360,213.14+
8,816.00+
2 4,903.56+
3 1,373,932.70*+

before 1,372,263.50+
1,669.20+
After 1,373,932.70*+

U*

DD- 1,332,295.95+
CKS- 39,967.55+
1,372,263.50*+

4/26/18

PWO 4/26/18

50118381	5/1/18	*****6703	Amerasia Real Estate Fund LLC	DD - ES	**4,970.00**
50118385	5/1/18	*****2935	RICHMOND HOUSING AUTHORITY	DD - ES	**1,672.16**
50118402	5/1/18	*****7789	Siena Court Apartments	DD - ES	**776.00**
50118422	5/1/18	*****0437	Suisun City Housing Authority	DD - ES	**778.80**
50118445	5/1/18	*****0447	Solano County Housing Authority	DD - ES	**3,174.20**
50118446	5/1/18	*****0447	Vacaville Housing Authority	DD - ES	**1,161.80**
50118459	5/1/18	*****4563	Isidoro Weitzman	DD - ES	**1,937.00**
50118462	5/1/18	*****4908	Lewis White & Ruth White Elma Ruth White	DD - ES	**2,177.00**
50118463	5/1/18	*****9380	Tracy J. Whitehead	DD - ES	**1,990.00**
50118476	5/1/18	*****1853	WR Properties, Inc.	DD - ES	**1,693.00**

VASH

HAP	130,355.00
UR	97.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	4,179.72
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$134,631.72**

Grand Total

5/1/18 Check Summary (DD Only)

HAP	1,329,377.39
UR	97.00
Damage Claim	0.00
Vacancy Claim	0.00
Administrative Fee	4,490.76
FSS Escrow Account	0.00
Shelter Plus Security Deposit	0.00
Other	0.00
All Payments	**$1,333,965.15** ← DD Only

4/26/18

PWO 4/26/18

DD → 1,353,965.15+
CKS → 39,967.55+
5/1/18 → 1,373,932.70*+
HAP CK Run
1,373,932.70+
before 1,372,263.50−
✓ 1,669.20*+

Tashama { 1,106.00+ / 1,747.00+
Brown { 1,115.00− / 68.80−
✓ 1,669.20*+

Additional tasks after ck run

Total	**$1,333,965.15**
Average	**$1,257.27**
Unit Count	**928**
Average Weighted by Unit Count	**$1,344.77**
Hard to House Count	**4**

DD Only

after 1,333,965.15+
before 1,332,295.95-
1,669.20*+

Check Summary

May 15, 2018

Check Number	Check Date	Payee Tax ID	Payee		Amount
Housing Choice Voucher					
* 147533	5/15/18	*****7921	Shontise n Luckett		**274.00**
147534	5/15/18	*****9810	Housing Authority of the County of Alameda		**4,392.06**
* 51518001	5/15/18	*****7075	Som N Bhatia	DD - ES	**786.00**
51518002	5/15/18	*****4714	Wenhua Chen	DD - ES	**216.00**
51518004	5/15/18	*****4032	Fox Creek Apartments	DD - ES	**252.00**
51518005	5/15/18	*****0940	Krystle Guan	DD - ES	**539.00**
51518006	5/15/18	*****3410	John M. Leung	DD - ES	**59.00**
51518007	5/15/18	*****1474	Los Medanos Village Apartments	DD - ES	**507.00**
51518008	5/15/18	*****2354	Andrew Kin Lui	DD - ES	**901.00**
51518009	5/15/18	*****1494	Xiangwen Lu	DD - ES	**5,848.00**
51518010	5/15/18	*****3389	Steadfast Marina Heights, L.P.	DD - ES	**39.54**
51518011	5/15/18	*****8227	Croskey Real Estate, Inc.	DD - ES	**1,619.00**
51518012	5/15/18	*****1078	Cora Lee Rice Anderson Rice	DD - ES	**902.00**
51518013	5/15/18	*****6945	Wei Wang	DD - ES	**400.00**
51518014	5/15/18	*****1157	Har Pan Wong	DD - ES	**2,707.00**

Housing Choice Voucher		
	HAP	18,957.54
	UR	274.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	210.06
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$19,441.60**

Check Summary

May 15, 2018

Check Number	Check Date	Payee Tax ID	Payee		Amount
VASH					
51518003	5/15/18	*****0746	Contra Costa County Housing Authority	DD - ES	**6,610.10**

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VASH	HAP	6,266.10
	UR	0.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	344.00
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$6,610.10**

Grand Total	HAP	25,223.64
	UR	274.00
	Damage Claim	0.00
	Vacancy Claim	0.00
	Administrative Fee	554.06
	FSS Escrow Account	0.00
	Shelter Plus Security Deposit	0.00
	Other	0.00
	All Payments	**$26,051.70**

5/15/18 Check Summary

HAP (Regular)	$	14,775.54
HAP (VASH)		6,266.10
HAP (Port-In)		-
HAP (Port-Out)		4,182.00
Utility Reimbursement		274.00
Admin Fee		554.06
Total	$	26,051.70

DD 21,385.64+
CKS 4,666.06+
26,051.70**

0.*

pwo 5/10/18

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

DATE: 5/30/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a Housing Authority Resolution for Approval of the Operating Budget Plan for Fiscal Year 2018-19 for the City of Pittsburg Housing Authority and Appropriation of Funds for Fiscal Year 2018-19

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

On April 30, 2018, a budget workshop meeting was held to review and receive public input regarding the Preliminary Operating Budget for Fiscal Year 2018-19. The budget must be appropriated for Fiscal Year 2018-19 by July 1, 2018 to provide on-going financing for the City of Pittsburg Housing Authority (COPHA) activities during the next fiscal year.

FISCAL IMPACT

The Pittsburg Housing Authority budget for Fiscal Year 2018-19 estimates revenues of $17,292,859 and expenditures of $17,417,761, resulting in a deficit of $124,902 which will come from the Section 8 Housing Fund Balance. Projected ending fund balance will be $140,075 at the end of fiscal year 2018-19.

RECOMMENDATION

Housing Authority approves the Operating Budget for Fiscal Year 2018-19 and adopt the budget for the City of Pittsburg Housing Authority, for the Fiscal Year 2018-19.

BACKGROUND

A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2018-19 will be placed on the City's website before the June 18, 2018 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2018-19 Proposed Budget. A hard copy of the same document will also be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget for the Fiscal Year 2018-19 was presented to the Finance Committee on May 17, 2018. The Finance Committee did not have any comments or questions related to the Housing Authority budget.

STAFF ANALYSIS

In January 2012, the Department of Housing and Urban Development (HUD) implemented a new cash management policy aimed at reducing the amount of excess Net Restricted Assets ("NRA") or fund balance retained by individual public housing authorities since 2005. As a result of this policy, The City of Pittsburg's Housing Authority's ("COPHA") fund balance decreased dramatically over the past couple of years to less than one month of operating expenses. Currently, COPHA has not received the HUD's Calendar Year 2018 Renewal Funding annual increment. In April 2017, COPHA received notification from HUD that it is in a shortfall position and continues the status through fiscal year 2017-18. The shortfall status means COPHA might not have enough funding to support the current leasing level through December 2018. COPHA has been working closely with HUD to ensure that measures have been in place for cost control and have stopped additional leasing activities. After HUD's review and approval, COPHA will be eligible to apply for set aside funding from HUD to offset the shortfall.

The FY 2018-19 budgeted revenue projections are based on estimates derived from the number of units leased. Additional provisions have been made to include the potential set aside funding and utilization of the existing HUD reserve. The administrative funding is based on HUD's funding letter, which was prorated to 76% of eligibility to the FY 2017-18 funding. As a result, we estimate utilizing $124,902 in reserves to balance the Housing Authority's FY 2018-19 budget.

COPHA continues to be challenged to maintain the level of service with significant increases in costs from the raising rental market coupled with lower earned administrative fees. COPHA's plan is to closely balance units leased with a healthy dose of administrative revenue and attempt to cover all the costs. However, the City of Pittsburg Housing Authority may still anticipate a net loss in program revenue if HUD's funding level fails to keep up with the increased rental market costs, implementing future reductions to the current administrative fee proration.

The City of Pittsburg Finance Department has established a 7-year forecast to help manage the City of Pittsburg Housing Authority's budget. COPHA anticipates using existing reserves to supplement its' shortfall through FY 2018-19. However, by FY 2019-20, COPHA will completely deplete its reserve if funding from HUD does not keep up with increasing costs.

Staff will update this forecast periodically according to the latest revenue and expenditure information.

ATTACHMENTS: Resolution

Report Prepared By: Laura Mendez, Finance Division Manager - Reporting

BEFORE THE CITY OF PITTSBURGHOUSING AUTHORITY

In the Matter of:

Approval of the Budget for Fiscal Year 2018-19 for the City of Pittsburg Housing Authorityand Appropriation Of Funds forFiscal Year 2018-19	))))	RESOLUTIONNO. 18-

The City of Pittsburg Housing AuthorityDOES RESOLVE as follows:

WHEREAS, the City Manager has prepared, transmitted and presented the one year Preliminary Operating Budget Plan for Fiscal Year 2018-19 to the City Council for its consideration; and

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

WHEREAS,on April 30, 2018 the City Council held a budget workshopfor the purpose of reviewing and discussing the Pittsburg Housing Authority budget for the Fiscal Year 2018-19 and recommendestimatedrevenues of $17,292,859 and expenditures of $17,417,761.

NOW, THEREFORE, the City of Pittsburg Housing Authorityfinds and determines as follows:

Section 1. Findings

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

B. That the Budget for Fiscal Year 2018-19 is hereby approved as set forth in a copy of said budget summary on file with the City of Pittsburg and which by this reference is incorporated herein and authorizes the preparation of the final Budget Review document for Fiscal Year 2018-19.

C. Those funds are hereby and shall be appropriated in the estimated revenueof $17,292,859and expenditures of $17,417,761.

D. That the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the City of Pittsburg Housing Authorityin accordance with the City's approved budget, programs and policies.

E. That the City of Pittsburg Housing Authority authorizes changes to be made to the annual budget as follows:

Items Requiring Council/Agency Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the City Manager/Executive Director:

- Items in excess of $5,000.00.
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to Department Heads:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the City Manager/Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by The City of Pittsburg Housing Authorityat a regular meeting held on the 18th day of June, 2018, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine "Pete" Longmire, Chair

ATTEST:

_____
Alice E. Evenson, Agency Secretary

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

DATE: 6/5/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, City Manager/Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution to Approve Fiscal Year 2018-2019 Island Energy Electric and Natural Gas Rate Schedules for Electric and Natural Gas Retail Services on Mare Island

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

Island Energy, a municipal utility providing utility services on Mare Island, presented its Fiscal Year 2018-2019 Rate Case to the Island Energy Advisory Committee (Committee) on May 29, 2018. The Committee accepted the proposed Electric and Natural Gas Rate Schedules for providing utility services on Mare Island, effective July 1, 2018 through June 30, 2019 or until changed.

FISCAL IMPACT

Island Energy's FY 2018-2019 Rate Case projects operating revenue from electricity and natural gas sales to be $5,904,861 and the total operating expense to be $5,798,472. Excluding the non-cash depreciation expense of $497,510 from the operating expense, Island Energy projects its FY 18-19 net operating income to be $603,899, which will contribute to Island Energy's reserve to fund future Capital Improvement Projects.

RECOMMENDATION

Pittsburg Power Company Board open the Public Hearing, take testimony, close the Public Hearing, consider the testimony, and adopt the attached Pittsburg Power Company (PPC) Resolution authorizing the adoption of the Electric Rates Schedules and authorizing the Executive Director to take such further actions as may be necessary to continuously deliver reliable services to customers on Mare Island.

BACKGROUND

Island Energy is a municipal utility formed under and pursuant to Article 11, Section 9 of the California Constitution with the right to acquire assets, set rates and providing utility service

on Mare Island in the City of Vallejo. Consistent with PPC Resolution No. 96-001, an Advisory Committee to Island Energy was formed to meet on issues relevant to Island Energy's delivery of utility services on Mare Island and to allow public comment on matters affecting customers on Mare Island.

Each year, PPC staff prepares an annual Rate Case pursuant to Island Energy's responsibilities to set rates for providing retail electric and natural gas services on Mare Island. Staff presented the FY 2018-2019 Rate Case to the Advisory Committee on May 29, 2018. The Committee accepted Island Energy's Electric and Natural Gas rate schedules for utility services from July 1, 2018 through June 30, 2019.

SUBCOMMITTEE FINDINGS

The PPC Subcommittee met and reviewed Island Energy's FY 2018-2019 Rate Case on May 22, 2018 and the Subcommittee supported staff's recommendations regarding Island Energy's FY 2018-2019 Rate Case.

STAFF ANALYSIS

Based on the historical load patterns and business development forecasts on Mare Island, Island Energy projects an overall 5.8% increase in electric load demand and 12% increase in natural gas load demand. The increase in load demand mainly comes from new business opportunities and new homes on Mare Island.

Island Energy's FY 2018-2019 Rate Case proposes commercial electric rates to be 2.5%-3% below PG&E's commercial electric rate of respective classes, as of April 1, 2018; Residential electric rate is proposed to be 10% below PG&E's averaged residential electric rate under PG&E's Time-of-Use and tiered rate structure. With PG&E shifting peak hours to 5:00-10:00 pm and allocating the highest costs to that time-frame, residents on Mare Island will realize a generous discount under Island Energy's flat rate structure.

For Island Energy's natural gas operation, the commodity charge for natural gas remains a pass-through charge with no change to the current natural gas delivery rate.

Under Island Energy's Net Energy Metering and Exported Renewable Energy programs, solar customers who export excess solar energy are compensated at the energy wholesale rate, which is determined by Island Energy's avoided energy generation cost. The FY 2018-2019 avoided energy generation cost is projected to be $0.0620/kWh.

Island Energy's new rate schedules for FY 2018-2019 are attached to this staff report.

ATTACHMENTS: Resolution 18-
Electric Rate Schedule CES-1, CES-2, CES-3, CES-4, RES-1, LS. NEM and ERE

Report Prepared By: Report Prepared By: Vanessa Xie, Senior Financial Analyst

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption ofa Pittsburg Power Company Resolution	)	
To Approve Fiscal Year 2018-2019 Island Energy	)	
Electric and Natural Gas Rate Schedules for Electric	)	RESOLUTION NO. 18-
And Natural Gas Retail Services on Mare Island	)	

The Pittsburg Power Company DOES RESOLVE as follows:

WHEREAS,Island Energyis a municipal utility formed under and pursuant to Article 11, Section 9 of the California Constitution with the right to acquire assets, provide electric and natural gas service within or outside the City of Pittsburg, more specifically, to provide retail electric and natural gas service on Mare Island under agreement with the U.S. Government and the City of Vallejo; and

WHEREAS, consistent with Pittsburg Power Company (PPC) Resolution No. 96-001, an Advisory Committee (Committee) to Island Energy was formed to meet on issues relevant to Island Energy's delivery of utility services on Mare Island; and

WHEREAS, staff prepares its annual Rate Case pursuant to PPC's obligation to set rates for providing retail electric and natural gas services on Mare Island; and

WHEREAS, based on the historical load patterns and commercial and residential development forecasts on Mare Island, Island Energy projects an overall 5.8% increase in electric load demand and 12% increase innatural gas load demand; and

WHEREAS, the FY 2018-2019 Rate Case proposes the regular residential rate to be 10% below PG&E's averaged residential rate under its Time-of-Use and Tiered rate structure as of April 1, 2018; and

WHEREAS, with PG&E shifting peak hours to 5:00-10:00 pm and allocating the highest costs to that time-frame, residents on Mare Island will realize a generous discount under Island Energy's flat rate structure; and

WHEREAS, the FY 2018-2018 Rate Case proposes commercial rates to be 2.5-3% below PG&E's commercial electric rates of respective classes, as of April 1, 2018; and

WHEREAS,for natural gas, while the commodity price remains a pass-through, staff proposes no changes to the delivery rate as Island Energy's natural gas rate has been comparable with PG&E's; and

WHEREAS, Island Energy's FY 2018-2019 Rate Case projects operating revenue from electricity and natural gas sales to be $5,904,861 and the total operating expense to be $5,798,472; and

WHEREAS,excludingthe non-cash depreciation expense of $497,510 from the operating expense, Island Energy projects its FY2018-2019 net operating income to be $603,899, which will contribute to Island Energy's reserve to fund future Capital Improvement Projects (CIPs); and

WHEREAS**,** the PPC Subcommittee (Subcommittee) reviewed Island Energy's FY 2018-2019Rate Case for providing electric and natural gas serviceson Mare Island on May 22, 2018 and the Subcommittee supported the Rate Case; and

WHEREAS, Island Energy's Rate Case was presented to the Committee on May 29, 2018 and the Committee to acceptthe Rate Case for retail electric and natural gas services on Mare Island from July 1, 2018 to June 30, 2019.

NOW, THEREFORE, the Pittsburg Power Company 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 proposed electric and gas rates meet the revenue requirement for the upcoming fiscal year and allow PPC to continue supplying reliable and responsive service to customers on Mare Island.

Section 3.
The Board approves the attachedIsland Energy Rate Schedule CES-1, CES-2, CES-3, CES-4, RES-1 and LS, NEM and ERE. The electric and gas rates will be effective from July 1, 2018 until June 30, 2019 or until changed.

Section 4.
The Executive Director of the Board is hereby authorized to enact the Rate Schedule changes and take such further actions as may be necessary or appropriate to carry out the Board's obligations pursuant to the delivery of services on Mare Island as detailed in the Rate Case and this Resolution.

Section 5.
The Executive Secretary shall certify to the adoption of this Resolution.

Section 6.
This Resolution shall take effect immediately upon adoption.

PASSEDAND ADOPTED by the Pittsburg Power Company Board of Directors at a regular meeting on the 18thday of June2018, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine “Pete” Longmire, Chair

ATTEST:

_____
Alice E. Evenson, Secretary

Rate Schedule RES-1

METERED RESIDENTIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to all residential Customers with monthly usage below 4,500 kWh. A residential Customer is defined as using a single-phase domestic service for lighting, heating, cooking, water heating, and power, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and to single-phase service used in common for residential purposes by tenants in multi-family dwellings.

TERRITORY

Mare Island of Vallejo, California, United States

RATES

Basic Service Fee, per meter per day $0.3220

Monthly Electricity Usage <=4,500kWh

Energy Usage Charge, all kWh, $/kWh……$0.20605
The minimum charge on this rate schedule shall equal the Basic Service Fee times the number of days in a billing cycle.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Voltage: Service under this Rate Schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
5. FERC Adjustments: As FERC could potentially legally change the terms and conditions in PG&E's electricity purchase contracts, any resulting incremental rate increase of electricity to Island Energy will be added to the Energy Charge above as a pass-through rate.

Rate Schedule CES-1

METERED SMALL COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to small industrial/commercial Customers whose single meter monthly electricity consumption is no greater than 86,400 kWh.

TERRITORY

Mare Island Vallejo, California

RATES

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day $0.3220

Energy Charge, per kWh $0.23072

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day $0.3220

Energy Charge, per kWh $0.2189

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
3. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
4. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.

Island Energy
energy solutions for Mare Island

SHEET NO. 18-19-CES2
CANCELING SHEET NO. 17-18-CES2

Rate Schedule CES-2

METERED INDUSTRIAL/COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to industrial/commercial Customers whose single meter indicates its monthly electricity usage is between 86,400 and 360,000 kWh in any particular month. Customers whose monthly consumption falls in this range will be billed at this rate class for that particular month.

TERRITORY

Mare Island Vallejo, California

RATES

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day $4.50760

Energy Charge, per kWh $0.20738

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day $4.50760

Energy Charge, per kWh $0.19671

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Voltage: Service under this schedule normally will be supplied at a standard available voltage in accordance with Section 2 of the tariff.
3. Eligibility for Primary Voltage Service. The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.

Rate Schedule CES-3

METERED LARGE INDUSTRIAL/COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to large industrial/commercial Customers whose single meter indicates its monthly electricity usage is between 360,000 and 720,000 kWh in any particular month. Customers whose monthly consumption falls in this range will be billed at this rate class for that particular month.

TERRITORY

Mare Island of Vallejo, California, United States

RATES

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic ServiceFee, per meter per day $19.3183

Energy Charge, per kWh……..$0.18045

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day $32.1971

Energy Charge, per kWh……..$0.16457

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Voltage: Service under this schedule will be supplied at the voltages listed above
3. Eligibility for Primary Voltage Service. The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.

Rate Schedule CES-4

METERED VERY LARGE INDUSTRIAL/COMMERCIAL ELECTRICAL SERVICE

APPLICABILITY

This schedule is applicable to very large industrial/commercial Customers whose single meter indicates its monthly electricity usage exceeds 720,000 kWh in any particular month. Customers whose monthly consumption exceeds this threshold will be billed at this rate class for that particular month.

TERRITORY

Mare Island of Vallejo, California, Unite States

RATES

Service Type

Secondary Voltage (120, 120/208, 120/240, 240, 480, 277/480)

Basic Service Fee, per meter per day $38.6365

Energy Charge, per kWh……..$0.15990

Primary Voltage (12,000 volts)

Basic Service Fee, per meter per day…….$48.2962

Energy Charge, per kWh……$0.15080

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.
2. Voltage: Service under this schedule will be supplied at the voltages listed above
3. Eligibility for Primary Voltage Service. The Utility at its sole discretion will determine whether a Customer may receive Primary Voltage Service.
4. Voltage Regulators: Voltage Regulators, if required by the Customer, shall be furnished, installed, owned, and maintained by the Customer.
5. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.

Rate Schedule ERE

EXPORTED RENEWABLE ENERGY PROGRAM

APPLICABILITY

This schedule is applicable to Customer-Generators, operating a renewable energy generation facility located on the customer's owned, leased, or rented premises with a capacity of no more than one megawatt that is intended primarily to offset part or all of the customer's own electrical requirements and which is interconnected and operates in parallel with Utility's power system pursuant to an interconnection and metering agreement with Utility.

This Rate Schedule is available to customer-generators who do not qualify for the Net Energy Metering Program (Rate Schedule NEM) because the total rated generating capacity by Eligible Customers-exceeds 5 percent of Utility's aggregate customer peak demand established when the Solar Incentive Program began.

TERRITORY

Mare Island Vallejo California

RATES

All rates charged for delivered energy will be in accordance with the Customer-Generator's otherwise applicable rate schedule. Customer-Generator's will receive a credit for electricity exported to the power system at a rate based on the Utility's avoided cost as stated below except that the credits for exported energy in any given billing period shall not exceed the charges for delivered energy in that month. ACustomer-Generator served under this schedule is responsible for all charges in its otherwise applicable rate schedule, including the Basic Service Fee, when applicable, regardless of the Customer's monthly or annual net generation.

Customer-Generators under this Rate Schedule are subject to any new or additional charges pursuant to the Customer's otherwise applicable rate schedule.

SPECIAL CONDITIONS

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.

2. Agreement: In order for this schedule to apply, Customer must complete and sign the Island Energy Electric Interconnection Agreement for Exported Renewable Energy ("ERE Agreement"). This agreement contains additional terms and conditions, including without limitation, requirements relating to indemnification, insurance, and access to Customer's premises.

(CONTINUED)

3. Meter Requirements:

   a. Utility shall own, operate, and maintain a single meter on Customer's premises capable of registering the flow of electricity in two directions.
   b. If the existing meter on Customer's premises is not capable of measuring the flow of electricity in two directions or supplying time-of-use information, Customer shall be responsible for the expenses involved in the purchase and installation of the meter.
   c. Utility, at its expense, may install additional meters. However, if such meters are installed, the measurement of delivered and exported energy shall yield an identical result to that of a single meter.

4. Billing:

   a. There will be no charge for energy generated by customer's generating facility and consumed on by the customer at time of generation.

   b. Customer will be billed for all energy delivered according to the otherwise applicable rate schedule.

   c. Customer will receive a credit for exported energy below Customer's billing period maximum at a rate based on the Utility's avoided cost as stated below.

   d. If a solar customer's bill credit exceeds his/hers monthly electric charge, any excess credits will be carried over to the next month. Utility will issue cash payment for any excess bill credits at the 12th month billing cycle or when the customer moves out.

   e. Customer is responsible for all taxes, fees and other charges for all delivered electricity

5. Exported Renewable Energy
   a. Utility shall retain all Exported Energy generated by Customer, including any associated environmental attributes or renewable energy credits ("REC").

6. Exported Electricity Compensation Rate:

   a. Utility's Exported Energy Compensation Rate is based on Utility's avoided cost for energy. Utility's Exported Energy Compensation Rate is set at the value provided in the table below. The General Manager shall review the Utility's Exported Energy Compensation Rate on an annual basis. If a Exported Energy Compensation Rate is not adopted for any individual year, the most recently adopted Exported Energy Compensation Rate shall apply.

Year	$/kWh
July 1, 2018-June 30, 2019	0.0620

SHEET NO. 18-19-NEM
CANCELING SHEET NO. 17-18-NEM

Rate Schedule NEM

NET ENERGY METERING PROGRAM

APPLICABILITY

This schedule is applicable to Eligible Customer-Generators, as defined in Section 2827 of the California Public Utilities Code, operating a renewable electrical generation facility, as therein defined, located on the customer's owned, leased, or rented premises with a capacity of no more than one megawatt that is intended primarily to offset part or all of the customer's own electrical requirements and which is interconnected and operates in parallel with Utility's power system pursuant to an interconnection and metering agreement with Utility.

This Rate Schedule is available on a first-come, first-served basis until the total rated generating capacity used by Eligible Customer-Generators exceeds 5 percent of Utility's aggregate customer peak demand established when the Solar Incentive program began. Once the total rated generating capacity reaches 5 percent of Utility's aggregate customer peak demand, the Utility may at its sole discretion close this rate schedule to new customers.Customers who have been approved for this program will remain eligible for the program while they occupy the premises at which the approved system has been installed. Customers who move into premises with a system previously approved for the Net Energy Metering program are also eligible for the program providing they sign the Interconnection and Net Energy Metering agreement. Increases in the generating capacity of an approved system are not permitted.

TERRITORY

Mare Island of Vallejo, California United States

RATES

All rates charged will be in accordance with the Eligible Customer-Generator's otherwise applicable rate schedule on a Net Energy Metering basis. An Eligible Customer-Generator served under this schedule is responsible for all charges in its otherwise applicable rate schedule, including the Basic Service Fee, when applicable, regardless of the Customer's monthly or annual net generation.

Eligible Customer-Generators under this Rate Schedule are subject to any new or additional charges pursuant to the Customer's otherwise applicable rate schedule.

SPECIAL CONDITIONS

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 1 of the tariff.

2. Agreement: In order for this schedule to apply, Customer must complete and sign the Island Energy Electric Interconnection Agreement for Electric Net Metering Service ("NEM Agreement").

This agreement contains additional terms and conditions, including without limitation, requirements relating to indemnification, insurance, and access to Customer's premises.

(CONTINUED)

3. Meter Requirements:

   a. Utility shall own, operate, and maintain a single meter on Customer's premises capable of registering the flow of electricity in two directions.
   b. If the existing meter on Customer's premises is not capable of measuring the flow of electricity in two directions or supplying time-of-use information, Customer shall be responsible for the expenses involved in the purchase and installation of the meter.
   c. Utility, at its expense, may install additional meters. However, if such meters are installed, the Net Energy Metering calculation shall yield an identical result to that of a single meter.

4. Billing:

   a. Customer's Net Energy Metering calculation shall be calculated over each normal monthly billing period within a 12-month period. 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.

   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 any 12-month period, 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.

(CONTINUED)

5. Net Surplus Compensation:

   a. If at the end of the applicable 12-month period, 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.

6. Net Surplus Energy Compensation Rate:

   a. Utility's Net Surplus Energy Compensation Rate is based on Utility's avoided cost for energy. Utility's Net Surplus Energy Compensation Rate is set at the value provided in the table below. The General Manager shall review the Utility's Net Surplus Energy Compensation Rate on an annual basis. If a Net Surplus Energy Compensation Rate is not adopted for any individual year, the most recently adopted Net Surplus Energy Compensation Rate shall apply.

Year	$/kWh
July 1, 2018-June 30, 2019	0.0620

Office of the City Manager
65 Civic Avenue
Pittsburg, California 94565

MEMO: June 18, 2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

RE: Adoption of a City Council Resolution Amending the Community Development Block Grant 2018-2019 Annual Action Plan Previously Approved by the City Council

EXECUTIVE SUMMARY

The US Department of Housing and Urban Development (HUD) provides funding to jurisdictions to help meet their housing and community needs. As recipients of these federal funds, HUD requires that the City Council review and approve the Community Development Block Grant (CDBG) 2018-2019 Annual Action Plan (2018-2019 Annual Action Plan). The 2018-2019 Annual Action Plan states the funding recommendations for that fiscal year (FY) and includes the list of subrecipients and their funding allocations. The City received its CDBG allocation which was greater than 10% of the previously approved amount of $592,712. Therefore, staff is proposing to amend the 2018-2019 Annual Action Plan.

FISCAL IMPACT

For FY 2018-2019, the City is receiving an entitlement grant amount of $662,895 from HUD. During FY 2017-2018, $51,895 in program income has been received to date. Unallocated funds from prior years in the amount of $284,684 will be allocated towards the FY 2018-2019 budget.

The breakdown of the total CDBG funding for FY 2018-2019 is as follows:

Estimated Entitlement Funds from HUD:	$662,895
Prior Year 2017-18 Program Income:	$ 51,895
Unallocated Funds from Prior Years:	$284,684
Total Funding for FY 2018-2019:	**$999,474**

The CDBG fund account number is 233-41411. The breakdown of how the $999,474 is allocated is shown in Exhibit A of this Staff Report.

RECOMMENDATION

City Council open the public hearing, receive testimony, close the public hearing, consider any public comments, and adopt the Resolution amending the 2018-2019 Annual Action Plan previously approved by the City Council.

BACKGROUND

The City receives CDBG funds from HUD to carry out a wide range of community development activities directed toward revitalizing neighborhoods and developing viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities for low- and moderate-income households.

For jurisdictions to receive annual CDBG fund allocations, the City must prepare and submit to HUD a five-year Consolidated Plan, annual Action Plans that are subsidiary documents to the Consolidated Plan, and a Consolidated Annual Performance Evaluation Report that details accomplishments in relation to the Annual Action Plan.

The entitlement jurisdictions of Antioch, Concord, Pittsburg, Walnut Creek and the Urban County (all other cities and the unincorporated areas) constitute the Contra Costa Consortium (Consortium). Together, the Consortium prepared a joint 2015-2020 Contra Costa Consortium Five-Year Consolidated Plan (2015-2020 Consolidated Plan). The priority needs for the City and the strategy and objectives to address those needs are detailed in the 2015-2020 Consolidated Plan. The City Council approved the 2015-2020 Consolidated Plan with the adoption of Resolution 15-13028 on April 20, 2015.

The Consolidated Plan is a detailed planning document that provides a needs assessment, describes the jurisdiction's non-housing community development needs, its housing needs and market conditions, sets out a five-year strategy identifying priorities and available resources and establishes the Annual Action Plan which outlines intended uses of the resources. The Consolidated Plan incorporates the requirements of HUD's CDBG Program. HUD must approve both the Consolidated Plan and the City's Annual Action Plan. The Consortium divided the Consolidated Plan into two (2) funding cycles:

- 2015-2017 - 2 year funding cycle
- 2017-2020 - 3 year funding cycle

With the designated funding cycles, FY 2018-2019 is a renewal year for CDBG grants. Therefore, subrecipients that were awarded funds on April 17, 2017 with the City Council's approval of the FY 2017-2018 Annual Action Plan through Resolution 17-13309 are eligible for funding in the subsequent year, provided they meet their performance goals.

The City's CDBG funds may only be used for projects and programs that benefit residents of Pittsburg. HUD'S 70% rule requires grantees to ensure that at least 70% of

its expenditures over a particular time period must be used for activities that benefit low- and moderate-income persons. The City has determined that its use of CDBG entitlement funds shall commence on July 1, 2018 and expire June 30, 2019 and shall be used to benefit low- and moderate-income persons. The 2018-2019 Annual Action Plan has been prepared in compliance with the 2015-2020 Consolidated Plan.

On April 16, 2018, through Resolution 18-13461, City Council approved the draft 2018-2019 Annual Action Plan which stated an estimated entitlement grant amount of $592,712 to be receive from HUD. However, since the entitlement allocations were not yet published at that time, an approval of a 10% plus or minus range of the estimated entitlement grant amount was recommended.

SUBCOMMITTEE FINDINGS

On March 5, 2018, the CDBG Subcommittee met to make funding recommendations for the FY 2018-2019 subrecipients for City Council consideration and approval for the April 16, 2018 meeting.

Since the City's allocation was more than anticipated, the CDBG Subcommittee allocated the additional funds to the subrecipients.

STAFF ANALYSIS

HUD published the entitlement allocations on May 1, 2018. The City's allocation was greater than 10% of the anticipated allocation previously approved on April 16, 2018. Therefore, the City is required to hold another public hearing to make the residents aware of the actual CDBG budget for FY 2018-2019.

The amount of CDBG funds obligated for Public Services activities must not exceed 15 percent of the sum of the entitlement grant provided for that program year plus program income received during the prior year. The allocation of staff-time costs and overhead charges to general program Administration must not exceed 20 percent of the sum of the entitlement grant provided for that program year plus the estimated revenue from program income to be received by the City during that same program year. Payments received for the CDBG Housing Rehabilitation Program is defined as program income. The remaining 65 percent of the funds available for allocation may be obligated towards Economic Development, Housing, Code Enforcement and Infrastructure activities. Pursuant to City guidelines, the minimum amount that can be awarded to a subrecipient is $10,000.

The 2018-2019 Annual Action Plan is attached as Exhibit "B" to this Staff Report. The recommended activities are as follows:

- Public Services (health, youth and elderly services)
- Economic Development (employment training, small business development)
- Code Enforcement
- Housing Rehabilitation
- Infrastructure/Public Facilities (Installation of ADA curb ramps and sidewalks)

FY 2018-19 CDBG Program Budget

Estimated Entitlement Funds from HUD:	$662,895
Prior Year 2017-18 Program Income:	$ 51,895
Unallocated Funds from Prior Years:	$284,684
Total Funding for FY 2018-19:	**$999,474**

Budget Breakdown

PS (15% of grant amount + PI from prior year 2017-18):	$107,219
Admin (20% of grant amount + $0 estimated PI for FY 2018-2019):	$132,579
Funds Available For Other Activities:	$759,676
Total Funding for FY 2018-19:	**$999,474**

The proposed activities are consistent with the goals of the Consortium's 2015-2020 Consolidated Plan as well as HUD regulations. The 2018-2019 Annual Action Plan reflects the City Council's efforts on focusing on activities that provide measurable direct benefits to lower income residents and address a wide range of community needs.

As required, there was a public comment period that commenced on May 7, 2018 and ended on June 7, 2018.

Attachments: Resolution
Exhibit A – Funding Allocation Table
Exhibit B – 2018-2019 Annual Action Plan

_____
Joe Sbranti, City Manager

Report Prepared by: _____
Melaine Venenciano, Senior Administrative Analyst

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a City CouncilResolutionAmending the Community Development Block Grant 2018-2019 Annual Action PlanPreviously Approved by the City Council	))))	RESOLUTION NO. 18-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the City receives Community Development Block Grant (CDBG) funds from the US Department of Housing and Urban Development (HUD) to carry out a wide range of community development activities directed toward revitalizing neighborhoods and developing viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities for low- and moderate-income households; and

WHEREAS, the entitlement jurisdictions of Antioch, Concord, Pittsburg, Walnut Creek and the Urban County (all other cities and the unincorporated areas) constitute the Contra Costa Consortium (Consortium). Together, the Consortium prepared a joint 2015-2020 Consolidated Plan (Consolidated Plan) which was adopted by Resolution 15-13028 on April 20, 2015, to assess the needs of each jurisdiction and to guide the use of CDBG funds within each individual member community; and

WHEREAS, the Consortium divides the Consolidated Plan into two (2) funding cycles: 1) 2015-2017 - 2 year funding cycle and 2) 2017-2020 - 3 year funding cycle. Fiscal Year (FY) 2018-2019 is a renewal year for CDBG grants; and

WHEREAS, the Consolidated Plan is a detailed planning document that provides a needs assessment, describes the jurisdiction's non-housing community development needs, its housing needs and market conditions, sets out a five-year strategy identifying priorities and available resources, and establishes the 2018-2019Annual Action Planwhich outlines intended uses of the resources. The Consolidated Planincorporates the requirements of HUD's CDBG Program; and

WHEREAS, the City's CDBG funds can only be used for projects and programs that benefit residents of Pittsburg. HUD'S 70% rule requires grantees to ensure that at least 70% of its expenditures over a particular time period must be used for activities that benefit low- and moderate-income persons.The City has determined that its use of CDBG entitlement funds shall commenceon July 1, 2018 and expire June 30, 2019 and shall be used to benefit low- and moderate-income persons; and

WHEREAS, the CDBG Subcommittee made recommendations for the FY 2018-2019 subrecipients for City Council consideration and approval; and

WHEREAS, the City solicited comments from May 7, 2018 through June 7, 2018, conducted a public hearing on June 18, 2018 to receive testimony, and closed the comment period.

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

Section 1.
All the recitals above are true and correct and incorporated herein.

Section 2.
The City Council hereby amendsthe 2018-2019Annual Action Plan, including the CDBG application form SF-424 and the required certifications.

Section 3.
The public comment period on the 2018-2019Annual Action Planis hereby closed.

Section 4.
The City Manager or his/her designee will submit to HUD the 2018-2019Annual Action Plan and allunderstandings and assurances contained therein and in connection with thesubmissionwill provide additional information as may be required.

Section 5.
The City Manager or his/her designee is hereby authorized to execute the necessary documents and take such further actions as may be necessary or appropriate to carry out the City's obligations under this Resolution.

Section 6.
The City Clerk shall certify to the adoption of this Resolution.

Section 7.
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 June, 2018 by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

EXHIBIT A
2018-2019 FUNDING RECOMMENDATIONS

No.	APPLICANT	AWARD AMOUNT
	PS – PUBLIC SERVICES	
1	Court Appointed Special Advocates (CASA) – Children at Risk	$10,000
2	Contra Costa County Health Services – CORE Program	$15,479
3	Contra Costa Senior Legal Services	$10,000
4	Interfaith Council of Contra Costa County – Winter Nights Emergency Shelter	$16,261
5	Loaves and Fishes – Nourishing Lives	$10,000
6	Opportunity Junction – Technology Center	$10,000
7	People Who Care (PWC) – After School Program	$10,000
8	Stand! For Families Free of Violence	$10,000
9	St. Vincent De Paul – RotaCare Medical Clinic	$15,479
	TOTAL AWARD AMOUNT FOR PS(15%):	**$107,219**
	CE – CODE ENFORCEMENT	
1	City of Pittsburg – Police Department	$176,368
	ED – ECONOMIC DEVELOPMENT	
1	Contra Costa Child Care Council – Road to Success	$15,000
2	Open Opportunities, Inc. – Future Build Program	$25,000
3	Opportunity Junction – Job Training and Placement Program	$25,000
4	Workforce Development Board of Contra Costa County – SBDC	$10,000
	I/PF – INFRASTRUCTURE/PUBLIC FACILITIES	
1	City of Pittsburg – ADA Ramps/Sidewalk Replacement	$226,368
	HSG – HOUSING	
1	City of Pittsburg – Housing Rehabilitation Program	$180,399
2	Domus Development – Land Acquistion for Veterans Square	$101,541
	PROGRAM ADMINISTRATION:	**$132,579**
	2018-2019 PROGRAM BUDGET:	**$999,474**

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

DATE: 6/5/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Amending the Health and Safety Element of the General Plan to Incorporate the 2017 Hazard Mitigation Plan, AP-18-1332 (GP)

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

This is a public hearing to consider adoption of a resolution approving a General Plan amendment to add a new policy to the Health and Safety Element to incorporate the recently adopted 2017 Hazard Mitigation Plan ("HMP") by reference. This amendment would apply citywide. On April 24, 2018, the Planning Commission adopted Resolution No. 10097, recommending City Council approval of the proposed General Plan amendment.

FISCAL IMPACT

Pursuant to Assembly Bill (AB) 2140, in order to be eligible for the maximum amount of hazard mitigation funding/reimbursements, a City must also incorporate the HMP into the Safety Element of their General Plan. California Government Code Section 8685.9 states, "...the state share shall not exceed 75 percent of total state eligible costs unless the local agency…has adopted a local hazard mitigation plan in accordance with the Federal Disaster Act of 2000 as part of the safety element of its general plan."

RECOMMENDATION

City Council open the public hearing, take public comment, close the public hearing, and adopt the attached resolution approving the proposed General Plan amendment for the 2017 Hazard Mitigation Plan.

BACKGROUND

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended by the Disaster Mitigation and Cost Reduction Act of 2000 (DMA 2000), requires local governments to reduce risks from natural hazards and other disasters through mitigation

planning. The National Flood Insurance Act of 1968 ("Act") reinforced the need and requirement for mitigation plans. The Federal Emergency Management Agency (FEMA) has various hazard mitigation planning provisions throughout its regulations. The HMP is a requirement of eligibility to apply for and receive pre- and post-disaster assistance and other FEMA assistance.

As part of the DMA 2000, FEMA is responsible for coordinating the implementation of the Act requiring local government, state, and special jurisdictions to develop hazard mitigation plans. To qualify for any future hazard mitigation grant awards, particularly FEMA funds to support hazard mitigation projects, each jurisdiction must prepare, and have approved by FEMA, a local hazard mitigation plan.

In 2017, the City prepared its own HMP through a collaborative process that involved input from a variety of stakeholders including representatives from City departments, the Pittsburg Unified School District, County of Contra Costa Office of Emergency Services, and the general public. The plan was reviewed by the California State Office of Emergency Services and FEMA Region IX, and both agencies have found the plan to meet the requirements of DMA 2000.

On November 6, 2017, the City Council adopted Resolution No. 17-13388, approving the 2017 Hazard Mitigation Plan which identifies and assesses potential natural hazards to meet the requirements of the DMA 2000 as it relates to lessening the impact of future disasters. On April 24, 2018, the Planning Commission adopted Resolution No. 10097, recommending City Council approval of the proposed General Plan amendment.

As previously mentioned, in order to be eligible for the maximum amount of hazard mitigation funding/reimbursements, a City must also incorporate the HMP into the Safety Element of their General Plan. AB 2140 otherwise limits the amount of additional state funding for certain disaster recovery projects funded by the California Disaster Assistance Act (CDAA). Though compliance with AB 2140 is optional, non-compliance limits the City in obtaining additional funding for certain disaster recovery projects.

The City's adopted HMP assumes that it would be incorporated into the General Plan Health and Safety Element and as such would meet the requirements of State Assembly Bill 2140, as stated in California Code Section 8685.9.

Environmental: Amendments to the General Plan are subject to the California Environmental Quality Act (CEQA). On November 6, 2017, the City Council determined that adoption of the 2017 HMP was exempt from the requirements of CEQA per CEQA Guidelines Sections 15262 (Feasibility and Planning Studies), as the adopted HMP identifies, analyzes and addresses hazards that could occur in Pittsburg and identifies goals and actions to reduce the effects of identified hazards, prepare for and respond to these hazards over a five-year period. Some of the mitigation actions include studies and/or collaboration with other agencies (where Pittsburg may not be the Lead Agency as defined by CEQA), and other mitigation actions would require their own CEQA review as part of their implementation, once a full project scope is prepared and funding is sought.

Accordingly, staff has made a determination that adoption of a General Plan amendment to incorporate the HMP into the General Plan would also be exempt from the requirements of CEQA 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 amendment proposed is procedural in nature and

would not result in any direct impacts to the environment. As mentioned above, future subsequent studies and/or collaboration with other agencies in accordance with the HMP would be subject to their own project specific CEQA review at the time of implementation.

Public Notice: On or before June 8, 2018, in accordance with PMC section 18.14.010, a "Notice of Public Hearing" for the June 18, 2018, public hearing on this item was published as a 1/8-page legal advertisement in the East County Times; was delivered for posting at the Pittsburg Library; was posted at City Hall and on the "Public Notices" section of the City's website; and was mailed via first class or electronic mail to individuals and organizations who previously filed written request for such notice, or otherwise expressed interest in the project in accordance with Government Code section 65090.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

Project: The proposed project consists of a General Plan amendment to update Chapter 10 (Health and Safety Element) of the City of Pittsburg General Plan in order to add a new policy to incorporate the 2017 HMP by reference. The new policy proposed would read as follows:

10-P-40: Ensure continued compliance with the adopted Pittsburg Hazard Mitigation Plan, as required by the Federal Emergency Management Agency and the Disaster Mitigation and Cost Reduction Act of 2000.

Required Findings: Under Government Code section 65358, the legislative body (City Council) of a local government may amend its General Plan, in whole or in part, if it finds that the amendment would be in the public interest. No more than four General Plan amendments to each element may be adopted within one calendar year. During this calendar year, the City Council has not yet adopted any amendments to the General Plan.

Analysis: Staff believes that the City Council can make the findings to approve the proposed General Plan amendment. The amendment would be in the public interest as it would further compliance with the HMP, which is intended to reduce the negative impacts of future disasters in order to save lives and reduce injuries, minimize damage to buildings and infrastructure, and minimize economic losses, and ensure the City is eligible for the maximum amount of hazard mitigation funding/reimbursements from CDAA. The Pittsburg HMP outlines mitigation actions, which may be short-term strategies or long-term strategies, to protect citizens, critical facilities, infrastructure, private property and the environment from natural hazards. The Pittsburg Hazard Mitigation Plan is an educational and planning document, not a regulatory document, and as such, it is hoped that the HMP increases public awareness in identifying resources for risk assessment, risk reduction and loss reduction, and identifying specific activities to help make Pittsburg more disaster resistant and disaster resilient.

ATTACHMENTS: 1. Proposed Resolution
2. Adopted Planning Commission Resolution No. 10097
3. Adopted City Council Resolution No. 17-13388
4. Adopted 2017 Hazard Mitigation Plan
5. Public Hearing Notice

Report Prepared By: Jordan Davis, AICP, Senior Planner

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Approving an Amendment to the Health and Safety Element of the General Plan to Incorporate the 2017 Hazard Mitigation Plan	)	RESOLUTION NO. 18-_____

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended by the Disaster Mitigation and Cost Reduction Act of 2000 (DMA 2000), requires local governments to reduce risks from natural hazards and other disasters through mitigation planning. The National Flood Insurance Act of 1968 ("Act") reinforced the need and requirement for mitigation plans. The Federal Emergency Management Agency (FEMA) has various hazard mitigation planning provisions throughout its regulations. The HMP is a requirement of eligibility to apply for and receive pre- and post-disaster assistance and other FEMA assistance; and

WHEREAS, as part of the DMA 2000, FEMA is responsible for coordinating the implementation of the Act requiring local government, state, and special jurisdictions to develop hazard mitigation plans. To qualify for any future hazard mitigation grant awards, particularly FEMA funds to support hazard mitigation projects, each jurisdiction must prepare, and have approved by the FEMA a local hazard mitigation plan; and

WHEREAS, in 2017, the City prepared its own Hazard Mitigation Plan (HMP) through a collaborative process that involved input from a variety of stakeholders including representatives from City departments, the Pittsburg Unified School District, County of Contra Costa Office of Emergency Services, and the general public. The plan was reviewed by the California State Office of Emergency Services and FEMA Region IX, and both agencies have found the plan to meet the requirements of DMA 2000; and

WHEREAS, on November 6, 2017, the City Council adopted Resolution No. 17-13388, approving the 2017 Hazard Mitigation Plan which identifies and assesses potential natural hazards to meet the requirements of the DMA 2000 as it relates to lessening the impact of future disasters; and

WHEREAS, pursuant to Assembly Bill (AB) 2140, in order to be eligible for the maximum amount of hazard mitigation funding/reimbursements, a City must also incorporate their HMP into the Safety Element of their General Plan. Assembly Bill (AB) 2140 otherwise limits the amount of additional state funding for certain disaster recovery projects funded by the California Disaster Assistance Act (CDAA) Specifically, California Government Code Section 8685.9 states, " ...the state share shall not exceed 75 percent of total state eligible costs unless the local agency is located within a city, county, or city and county that has adopted a local hazard mitigation plan in accordance with the Federal Disaster Act of 2000 as part of the safety element of its general plan.' Though compliance with AB2140 is optional, non-compliance limits the City in obtaining additional funding for certain disaster recovery projects; and

WHEREAS, the City's adopted HMP assumes that it would be incorporated into the General Plan Health and Safety Element and as such would meet the requirements of State Assembly Bill 2140, as stated in California Code Section 8685.9; and

WHEREAS, amendments to the General Plan are subject to the California Environmental Quality Act (CEQA). On November 6, 2017, the City Council determined that adoption of the 2017 HMP was exempt from the requirements of CEQA per CEQA Guidelines Sections 15262 (Feasibility and Planning Studies), as the adopted HMP identifies, analyzes and addresses hazards that could occur in Pittsburg and identifies goals and actions to reduce the effects of identified hazards, prepare for and respond to these hazards over a five-year period. Some of the mitigation actions include studies and/or collaboration with other agencies (where Pittsburg may not be the Lead Agency as defined by CEQA), and other mitigation actions would require their own CEQA review as part of their implementation, once a full project scope is prepared and funding is sought; and

WHEREAS, accordingly, staff has made a determination that adoption of a General Plan amendment to incorporate the HMP into the General Plan would also be exempt from the requirements of CEQA 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 amendment proposed is procedural in nature and would not result in any direct impacts to the environment, and future subsequent studies and/or collaboration with other agencies in accordance with the HMP would be subject to their own project specific CEQA review at the time of implementation; and

WHEREAS, under Government Code section 65358, the legislative body (City Council) of a local government agency may amend its general plan, in whole or in part, if it finds that the amendment would be in the public interest. No more than four General Plan amendments to each element may be adopted within one calendar year. During this calendar year, the City Council has not yet adopted any amendments to the General Plan; and

WHEREAS, California Government Code and the Pittsburg Municipal Code identify the Planning Commission as the advisory body to the City Council on amendments to the general plan. Government Code section 65353(a) and PMC section 18.48.030, require that the Commission conduct at least one public hearing prior to making its recommendation on a general plan amendment; and

WHEREAS, on April 24, 2018, the Planning Commission adopted Resolution No. 10097, recommending City Council approval of the proposed General Plan amendment; and

WHEREAS, on or before June 8, 2018, in accordance with PMC section 18.14.010, a "Notice of Public Hearing" for the June 18, 2018, public hearing on this item was published as a 1/8-page legal advertisement in the East County Times; was delivered for posting at the Pittsburg Library; was posted at City Hall and on the "Public Notices" section of the City's website; and was mailed via first class or electronic mail to individuals and

organizations who previously filed written request for such notice, or otherwise expressed interest in the project in accordance with Government Code section 65090; and

WHEREAS, on June 18, 2018, the City Council of the City of Pittsburg held a public hearing on this project, at which time oral and/or written testimony was considered.

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

Section 1. Findings

Based on the City Council Staff Report entitled, "Adoption of a City Council Resolution Amending the Health and Safety Element of the General Plan to Incorporate the 2017 Hazard Mitigation Plan, AP-18-1332 (GP)," dated June 18, 2018, 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 public hearing, the City Council finds that:

1. All recitals above are true and correct and are incorporated herein by reference.

2. This project is exempt from the requirements of CEQA 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 amendment proposed is procedural in nature and would not result in any direct impacts to the environment, and future subsequent studies and/or collaboration with other agencies in accordance with the HMP would be subject to their own project specific CEQA review at the time of implementation.

3. Amending the General Plan to incorporate the previously adopted 2017 Pittsburg Hazard Mitigation Plan into the Health & Safety Element is in the public interest in that it would further compliance with the HMP, which is intended to reduce the negative impacts of future disasters in order to save lives and reduce injuries, minimize damage to buildings and infrastructure, and minimize economic losses, and ensure the City is eligible for the maximum amount of hazard mitigation funding/reimbursements from CDAA. The Pittsburg HMP outlines mitigation actions, which may be short-term strategies or long-term strategies, to protect citizens, critical facilities, infrastructure, private property and the environment from natural hazards. The Pittsburg Hazard Mitigation Plan is an educational and planning document, not a regulatory document, and as such, it is hoped that the HMP increases public awareness in identifying resources for risk assessment, risk reduction and loss reduction, and identifying specific activities to help make Pittsburg more disaster resistant and disaster resilient.

Section 2. Decision

Based on the findings set forth above, the City Council hereby amends the Health & Safety Element of the General Plan to add a new policy to read as follows:

"10-P-40 Ensure continued compliance with the adopted Pittsburg Hazard Mitigation Plan, as required by the Federal Emergency Management Agency and the Disaster Mitigation and Cost Reduction Act of 2000."

Section 3. Effective Date

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 June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

BEFORE THE PLANNING COMMISSION OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Recommending that the City Council Amend the Health and Safety Element of the General Plan to Incorporate the Pittsburg Hazard Mitigation Plan.	)))))	Resolution No. 10097

The Planning Commission DOES Resolve as follows:

Section 1. Background

A. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended by the Disaster Mitigation and Cost Reduction Act of 2000 (DMA 2000), requires local governments to reduce risks from natural hazards and other disasters through mitigation planning. The National Flood Insurance Act of 1968 ("Act") reinforced the need and requirement for mitigation plans. The Federal Emergency Management Agency (FEMA) has various hazard mitigation planning provisions throughout its regulations. The HMP is a requirement of eligibility to apply for and receive pre- and post-disaster assistance and other FEMA assistance.

B. As part of the DMA 2000, FEMA is responsible for coordinating the implementation of the Act requiring local government, state, and special jurisdictions to develop hazard mitigation plans. To qualify for any future hazard mitigation grant awards, particularly FEMA funds to support hazard mitigation projects, each jurisdiction must prepare, and have approved by the FEMA a local hazard mitigation plan.

C. In 2017, the City prepared its own Hazard Mitigation Plan (HMP) through a collaborative process that involved input from a variety of stakeholders including representatives from City departments, the Pittsburg Unified School District, County of Contra Costa Office of Emergency Services, and the general public. The plan was reviewed by the California State Office of Emergency Services and FEMA Region IX, and both agencies have found the plan to meet the requirements of DMA 2000.

D. On November 6, 2017, the City Council adopted Resolution No. 17-13388, approving the 2017 Hazard Mitigation Plan which identifies and assesses potential natural hazards to meet the requirements of the DMA 2000 as it relates to lessening the impact of future disasters.

E. Pursuant to Assembly Bill (AB) 2140, in order to be eligible for the maximum amount of hazard mitigation funding/reimbursements, a City must also

incorporate their HMP into the Safety Element of their General Plan. Assembly Bill (AB) 2140 otherwise limits the amount of additional state funding for certain disaster recovery projects funded by the California Disaster Assistance Act (CDAA) Specifically, California Government Code Section 8685.9 states, " ...the state share shall not exceed 75 percent of total state eligible costs unless the local agency is located within a city, county, or city and county that has adopted a local hazard mitigation plan in accordance with the Federal Disaster Act of 2000 as part of the safety element of its general plan.' Though compliance with AB2140 is optional, non-compliance limits the City in obtaining additional funding for certain disaster recovery projects.

F. The City's adopted HMP assumes that it would be incorporated into the General Plan Health and Safety Element and as such would meet the requirements of State Assembly Bill 2140, as stated in California Code Section 8685.9.

G. Amendments to the General Plan are subject to the California Environmental Quality Act (CEQA). On November 6, 2017, the City Council determined that adoption of the 2017 HMP was exempt from the requirements of CEQA per CEQA Guidelines Sections 15262 (Feasibility and Planning Studies), as the adopted HMP identifies, analyzes and addresses hazards that could occur in Pittsburg and identifies goals and actions to reduce the effects of identified hazards, prepare for and respond to these hazards over a five-year period. Some of the mitigation actions include studies and/or collaboration with other agencies (where Pittsburg may not be the Lead Agency as defined by CEQA), and other mitigation actions would require their own CEQA review as part of their implementation, once a full project scope is prepared and funding is sought.

H. Accordingly, staff has made a determination that adoption of a General Plan amendment to incorporate the HMP into the General Plan would also be exempt from the requirements of CEQA 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 amendment proposed is procedural in nature and would not result in any direct impacts to the environment. As mentioned above, future subsequent studies and/or collaboration with other agencies in accordance with the HMP would be subject to their own project specific CEQA review at the time of implementation.

I. Under Government Code section 65358, the legislative body (City Council) of a local government agency may amend its general plan, in whole or in part, if it finds that the amendment would be in the public interest. No more than four General Plan amendments to each element may be adopted within one calendar year. During this calendar year, the City Council has not yet adopted any amendments to the General Plan.

J. California Government Code and the Pittsburg Municipal Code identify the Planning Commission as the advisory body to the City Council on amendments to the general plan. Government Code section 65353(a) and PMC section 18.48.030, require that the Commission conduct at least one public hearing prior to making its recommendation on a general plan amendment.

K. On or before April 14, 2018, in accordance with PMC section 18.14.010, a "Notice of Public Hearing" for the April 24, 2018, public hearing on this item was published as a 1/8-page legal advertisement in the East County Times; was delivered for posting at the Pittsburg Library; was posted at City Hall and on the "Public Notices" section of the City's website; and was mailed via first class or electronic mail to individuals and organizations who previously filed written request for such notice, or otherwise expressed interest in the project in accordance with Government Code section 65090.

L. On April 24, 2018, the Planning Commission held a public hearing on this project, at which time oral and/or written testimony was considered.

Section 2. Findings

A. Based on the Planning Commission Staff Report entitled, "Hazard Mitigation Plan General Plan Amendment, AP-18-1332 (GPA)," dated April 24, 2018, and based on all the information contained in the Planning Division files on the project, adopted and 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 incorporated herein by reference.

2. Amending the General Plan to incorporate the previously adopted 2017 Pittsburg Hazard Mitigation Plan into the Health & Safety Element is in the public interest in that it would further compliance with the HMP, which is intended to reduce the negative impacts of future disasters in order to save lives and reduce injuries, minimize damage to buildings and infrastructure, and minimize economic losses, and ensure the City is eligible for the maximum amount of hazard mitigation funding/reimbursements from CDAA. The Pittsburg HMP outlines mitigation actions, which may be short-term strategies or long-term strategies, to protect citizens, critical facilities, infrastructure, private property and the environment from natural hazards. The Pittsburg Hazard Mitigation Plan is an educational and planning document, not a regulatory document, and as such, it is hoped that the HMP increases public awareness in identifying resources for risk assessment, risk reduction and loss reduction, and identifying specific activities to help make Pittsburg more disaster resistant and disaster resilient.

Section 3. Recommendation

A. Based on the findings set forth above, the Commission hereby recommends that the City Council amend the Health & Safety Element of the General Plan to add a new policy to read as follows:

"10-P-40 Ensure continued compliance with the adopted Pittsburg Hazard Mitigation Plan, as required by the Federal Emergency Management Agency and the Disaster Mitigation and Cost Reduction Act of 2000."

Section 4. Effective Date

This resolution shall take effect immediately upon its adoption.

On motion by Commissioner Ward, seconded by Commissioner Foster, the foregoing resolution was passed and adopted the 24th day of April, 2018, by the Planning Commission of the City of Pittsburg, California by the following vote:

AYES: Foster, Gargalikis, Linde, Ward

NAYES: Croskey

ABSTAIN:

ABSENT: Coniglio, Robinson

I hereby certify that the above Resolution No. 10097 was adopted by the Planning Commission of the City of Pittsburg on April 24, 2018.

JORDAN DAVIS, AICP, ACTING SECRETARY
PITTSBURG PLANNING COMMISSION

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a City Council Resolution) Authorizing the City of Pittsburg Hazard) Mitigation Plan 2017)	RESOLUTION NO. 17-13388

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the Disaster Mitigation and Cost Reduction Act of 2000 (DMA 2000) was adopted by the Federal government and, among other things, requires authorities to prepare a local Natural Hazards Mitigation Plan which will be utilized to protect citizens, critical facilities, infrastructure, private property and the environment from natural hazards through varying means, including increasing public awareness and identifying resources available for risk reduction and loss prevention; and

WHEREAS, the Federal Emergency Management Agency (FEMA) requires all State and local governments to prepare local hazard mitigation plan (LHMP) as a condition to pre- and post-disaster assistance; and

WHEREAS, the City is concerned about mitigating damage to buildings and infrastructure, and minimizing economic losses from natural disasters before they occur, and

WHEREAS, Federal law and the State of California's requirements for hazard mitigation plans require coverage of only natural hazards, however the Planning Team included technological and human-caused hazards as identified in the City's Emergency Operations Plan; and

WHEREAS, this LHMP was prepared through a process which included a Planning Team consisting of representatives from City departments, the Pittsburg Unified School District and County of Contra Costa Office of Emergency Services as well as public participation review and comments; and

WHEREAS, the California State Office of Emergency Services and FEMA Region IX have reviewed the plan and found it meets the requirements of DMA 2000; and

WHEREAS, formal adoption of the LHMP by the City Council is required before final approval of the plan can be obtained from the Federal Emergency Management Agency; and

WHEREAS, formal adoption of the LHMP by the City and final approval of the LHMP is needed for the City's grant application to FEMA for pre-mitigation funding.

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

Section 1. Findings and Determinations

A. 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

A. The City Council of the City of Pittsburg hereby approves and adopts the City of Pittsburg Hazard Mitigation Plan 2017 that identifies and assesses potential natural hazards to meet the requirements of the Disaster Mitigation and Cost Reduction Act of 2000 and as it relates to lessening the impact of future disasters.

B. The City of Pittsburg will utilize the City of Pittsburg Hazard Mitigation Plan 2017 to implement goals and strategies outlined to avert and mitigate damage to property and infrastructure, and engage in assistance from California State Office of Emergency Services and Federal Emergency Management Agency.

C. The City Council authorizes the City Manager or his designee to oversee plan implementation, updates, and make minor, non-substance modifications to the plan.

Section 3. California Environmental Quality Act

The City Council hereby finds that adoption of this Resolution of the City of Pittsburg Hazard Mitigation Plan 2017 is exempt from the requirements of the California Environmental Quality Act (CEQA) per CEQA Guidelines Sections 15262 (Feasibility and Planning Studies). The HMP identifies, analyzes and addresses hazards that could occur in Pittsburg and identifies goals and actions to reduce the effects of identified hazards, prepare for and respond to these hazards over a five-year period. Some of the mitigation actions include studies and/or collaboration with other agencies (where Pittsburg may not be the Lead Agency as defined by CEQA), and other mitigation actions would require their own CEQA review as part of their implementation, once a full project scope is prepared and funding is sought.

Section 4. Effective Date

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 sixth day of November 2017, by the following vote:

AYES:	Banales, Evola, Killings, Longmire, Craft
NOES:	None
ABSTAINED:	None
ABSENT:	None

Marilyn Craft, Mayor

ATTEST:

Alice E. Evenson, City Clerk

HAZARD MITIGATION PLAN

CITY OF PITTSBURG

February 2017

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SECTION 1: INTRODUCTION

The City of Pittsburg has prepared the 2017 Hazard Mitigation Plan (HMP) in order to assess the natural, technological, and human-caused risks to Pittsburg so as to reduce the potential impact of the hazards by creating mitigation strategies. The 2017 HMP represents the City of Pittsburg's commitment to create a safer, more resilient, community by taking actions to reduce risk and by committing resources to lessen the effects of hazards on the people and property of Pittsburg.

This plan complies with the Federal Disaster Mitigation Act (2000), Federal Register 44 CFR Parts 201 and 206, which modified the Robert T. Stafford Disaster Relief and Emergency Assistance Act by adding a new section, 322 - Mitigation Planning. This law, as of November 1, 2004, requires local governments to develop and submit hazard mitigation plans as a condition of receiving Hazard Mitigation Grant Program (HMGP) and other mitigation project grants. The Pittsburg City Manager's Office and Police Department has coordinated preparation of the HMP in cooperation with other Pittsburg departments, community stakeholders, partner agencies, and members of the public.

This introduction to the HMP provides a brief description of hazard mitigation planning, local mitigation plan requirements, and an outline of the 2017 HMP. There is also an overview of Federal Emergency Management Agency (FEMA) programs and grants related to hazard mitigation.

1.1 Hazard Mitigation Planning

Hazard mitigation is any sustained action taken to reduce or eliminate the long-term risk to human life and property from hazards. In general, hazard mitigation is work done to minimize the impact of a hazard event before it occurs, with the goal of reducing losses from future disasters. 44 CFR § 201.1(b) describes the purpose of mitigation planning is for local governments to identify the hazards that impact them, to identify actions and activities to reduce losses from those hazards, and to establish a coordinated process to implement the plan, taking advantage of a wide range of resources.

For the City of Pittsburg, hazard mitigation planning is a process in which the City will:

- Identify and profile hazards that affect the local area;
- Analyze the population and facilities at risk from those hazards;
- Develop a mitigation strategy and actions to lessen or reduce the impact of the profiled hazards.
- Implement the strategy and actions that may involve planning, policy changes, programs, projects, and other activities.

The City's implementation of mitigation actions, which may be short-term or long-term strategies, is the primary objective of the planning process. This type of planning will supplement the City's comprehensive emergency management program.

1.2 Local Mitigation Planning Requirements

Hazard mitigation planning is governed by the Stafford Act, as amended by the Disaster Mitigation Act of 2000 (DMA 2000), and by federal regulations implementing the Stafford Act. DMA 2000 revised the Stafford Act to require state, local, and tribal governments to develop and submit to FEMA a mitigation plan that outlines processes for identifying the natural hazards, risks, and vulnerabilities of the jurisdiction. Plan approval by FEMA is a prerequisite to receiving federal hazard mitigation grant funds. (See 42 USC § 5165(a).)

To implement the mitigation planning requirements of the Stafford Act, FEMA promulgated 44 CFR Part 201, the federal regulations governing the planning process, plan content, and the process for obtaining approval of the plan from FEMA. The planning requirements set forth in the CFR are identified throughout this plan mirroring the order of the FEMA Regulation Checklist in the Local Mitigation Plan Review Tool.

Federal law and the State of California's requirements for hazard mitigation plans require coverage of only natural hazards; however, Pittsburg's 2014 Emergency Operations Plan included technological and human-caused hazards as well as natural hazards. The planning team decided to cover natural, technological, and human-caused hazards for the HMP, including a description and analysis of each hazard.

FEMA has produced a *Local Mitigation Plan Review Tool,* an appendix to the *Local Mitigation Planning Handbook (2013),* to demonstrate how the mitigation plan meets the regulation in 44 CFR § 201.6, and offers State and FEMA Mitigation Planners an opportunity to provide feedback to the jurisdiction. The Plan Review Tool has a regulation checklist that provides a summary of FEMA's evaluation of whether the plan has addressed all requirements. Local planners can also use the checklist prior to submitting the plan for approval to ensure they have addressed all the requirements. The Local Mitigation Plan Review Tool Regulation Checklist is provided in Appendix A of this document.

1.3 Hazard Mitigation Plan Description

The 2017 HMP consists of the sections and appendices described below:

Table 1-1: Plan Sections, Appendices, and Descriptions

Section 1: Plan Introduction	Section 1 includes an introduction to hazard mitigation planning, lists the HMP planning requirements, provides a description of the plan, and discusses grants related to hazard mitigation.
Section 2: Planning Process	Section 2 describes the planning process for the 2017 HMP, including an overview of how the HMP was prepared, identification of the HMP planning team, involvement of outside agencies and communities, the inclusion of related plans, reports and information, and stakeholder and public outreach activities.
Section 3: Hazard Identification and Risk Assessment	Section 3 provides a list of the hazards identified in the 2017 HMP, a profile of each hazard and hazard summary, and a risk assessment of the planning area.
Section 4: Capability Assessment and Mitigation Strategy	Section 4 identifies and evaluates the resources available for hazard mitigation within Pittsburg, the current, ongoing, and completed mitigation projects and programs in Pittsburg, and lists mitigation strategies for reducing potential losses.
Section 5: Plan Adoption by Local Government	Section 5 includes documentation of adoption of the HMP by the Pittsburg City Council.
Section 6: Acronyms and Abbreviations	Section 6 lists acronyms and abbreviations used in the 2017 HMP.
Section 7: References	Section 7 lists reference materials used to prepare the 2017 HMP.
Appendix A	Appendix A contains the FEMA *Local Mitigation Plan Review Tool*, which documents Pittsburg's compliance with the local hazard mitigation plan requirements of 44 CFR Part 201.
Appendix B	Appendix B contains documentation of the planning process for the planning team, including meetings, presentations, emails, etc.
Appendix C	Appendix C contains documentation of the planning process including meetings, presentations held for the stakeholders and public, and other stakeholder/public outreach efforts.
Appendix D	Appendix D contains the local hazard mitigation plan for the Pittsburg Unified School District

1.4 Assembly Bill 2140

The California Disaster Assistance Act limits the state share for any eligible project to no more than 75% of total state eligible costs, except that the state share shall be up to 100% of total state eligible costs connected with certain events. AB 2140 prohibits the state share for any eligible project from exceeding 75% of total state eligible costs unless the local agency is located within a city, county, or city and county that has adopted a local hazard mitigation plan in accordance

with the federal DMA 2000 as part of the safety element of its general plan, in which case the Legislature may provide for a state share of local costs that exceeds 75% of total state eligible costs.

The California Government Code, Sections 8685.9 and 65302.6, allow for the State Legislature to provide for a state share of local costs that exceeds 75 percent of total state eligible costs where the local agency is located within a city, county, or city and county that has adopted a local hazard mitigation plan in accordance with the federal Disaster Mitigation Act of 2000 (P.L.106-390) as part of the safety element of its general plan adopted pursuant to subdivision (g) of Section 65302.

1.5 Grant Programs With Mitigation Plan Requirements

Currently, five FEMA grant programs provide funding to local entities that have a FEMA- approved local mitigation plan meeting federal hazard mitigation plan requirements. Two of the grant programs are authorized under the Stafford Act. The remaining three programs are authorized under the National Flood Insurance Act and the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act.

1.5.1 Stafford Act Grant Programs

Funding is provided to state, local, and tribal governments that have an approved Hazard Mitigation Plan through the following programs.

Hazard Mitigation Grant Program (HMGP)

The HMGP provides grants to implement long-term hazard mitigation measures after declaration of a major disaster. The purpose of the HMGP is to reduce the loss of life and property due to natural disasters, and to enable mitigation measures to be implemented during the immediate recovery from a disaster. To qualify for HMGP funding, projects must provide a long-term solution to a problem, and the project's potential savings must exceed the cost of implementing the project.

HMGP Funds may be used to protect either public or private property, or to purchase property that has been subjected to, or is in danger of, repetitive damage. The amount of funding available for the HMGP under a particular disaster declaration is limited. Under the program, the federal government may provide a state or tribe with up to 20 percent of the total disaster grants awarded by FEMA, and may provide up to 75 percent of the cost of projects approved under the program.

The Pre-Disaster Mitigation (PDM) Program

The PDM provides funds to state, local, and tribal entities for hazard mitigation planning and mitigation projects before a disaster event. PDM grants are awarded on a nationally competitive basis. The cost benefit of a PDM project must be more than the cost of implementing the project. Funds may be used to protect either public or private property or to purchase property that has been subjected to repetitive damage. In April of 2014, FEMA announced $112 million in funding available through two Hazard Mitigation Assistance (HMA) grant programs: Flood Mitigation Assistance (FMA) and Pre-Disaster Mitigation (PDM). Congress originally appropriated $23 million for PDM grants, but increased the allotment to $63 million. The Federal government provides up to 75 percent of the cost of projects approved under the program.

1.5.2 National Flood Insurance Act Grant Programs

Flood Mitigation Assistance Grant Program

The goal of the Flood Mitigation Assistance (FMA) Grant Program is to reduce or eliminate flood insurance claims under the National Flood Insurance Program (NFIP). This program places emphasis on mitigating repetitive loss (RL) properties. The primary source of funding for the FMA program is the National Flood Insurance Fund. Grant funding is available for planning, project, and technical assistance. Project grants are awarded to local entities to apply mitigation measures to reduce flood losses to properties insured under the NFIP. In FY 2014, FMA funding totaled $89 million. The cost-share for this grant is 75 percent federal and 25 percent nonfederal. However, a cost- share of 90 percent federal and 10 percent nonfederal is available in certain situations to mitigate severe repetitive loss (SRL) properties.

Repetitive Flood Claims Program

The Repetitive Flood Claims (RFC) Program provides funding to reduce or eliminate the long- term risk of flood damage to residential and non-residential structures insured under the NFIP. Structures considered for mitigation must have had one or more claim payments for flood damages. All RFC grants are eligible for up to 100 percent federal assistance.

Severe Repetitive Loss Program

The Severe Repetitive Loss (SRL) Program provides funding to reduce or eliminate the long-term risk of flood damage to residential structures insured under the NFIP. Structures considered for mitigation must have had at least four NFIP claim payments over $5,000 each, with a cumulative amount of such claims payments exceeds $20,000; or for which at least two separate claims payments have been made with the cumulative amount of the building portion of such claims exceeding the market value of the building, and at least two of the referenced claims must have occurred within any ten-year period, and must be greater than 10 days apart. The cost-share for this grant is 75 percent federal, 25 percent nonfederal. There is a cost-share of 90 percent federal,

10 percent nonfederal, available to mitigate SRL properties when the state or tribal plan addresses ways to mitigate SRL properties.

1.6 Planning Area Description

The following description of the planning area includes its location, geography, history, government, economy, and demographics.

The planning area for the HMP includes the City of Pittsburg, which is an industrial city in eastern Contra Costa County, California in the East Bay region of the San Francisco Bay Area. Pittsburg was incorporated on June 25, 1903 as a general law city. The City of Pittsburg encompasses approximately 19.25 square miles (United States Census Bureau) and lies at Latitude: 38.03° Nord Longitude: 121.88° West. The elevation ranges from 30 feet Mean Sea Level (MSL) in the northern portion of the City along the Sacramento River, then increases in elevation to 1,900 feet MSL at the City's southernmost ridge in the hills of the Diablo Range. The City, operating as Island Energy, owns, manages, and runs the utility on Mare Island in Vallejo but this entity shall not be covered by this HMP.

1.6.1 Location

San Francisco is approximately 40 miles west of the City, while Sacramento is approximately 44 miles northeast of Pittsburg. The surrounding jurisdictions include the unincorporated area known as Bay Point and the cities of Antioch, Oakley, Brentwood, Martinez, Pleasant Hill, Concord and Walnut Creek. Pittsburg is located at the confluence of the Sacramento and San Joaquin rivers just east of where the rivers enter Suisun Bay. The region is known as the Sacramento-San Joaquin Delta. Freshwater from the two rivers mingles with saltwater from the Pacific Ocean, creating the West Coast's largest estuary. Browns Island and Winter Island are just off the shoreline of Pittsburg, along with the New York Slough and Broad Slough.

Figure 1-1: Aerial View, City of Pittsburg

1.6.2 GEOLOGY

The Health and Safety Element of the Pittsburg General Plan describes two general topographic zones within the City: the lowland zone and the hillside zone.

Lowland Zone

The Estuarine (coastal) areas are underlain by Bay Mud, which consists of unconsolidated silt and clay with abundant organic material, local peat, sand, and gravel lenses or discontinuous beds (USGS, 1973). There is artificial fill occur along the edges of the Suisun Bay, particularly around the power plant and in filled channels. Old fill (pre-1950's) typically consists of mixed material including weak compressible soils with a risk of liquefaction. The Flatland areas of Pittsburg are

underlain by alluvial deposits, unconsolidated flood-plain deposits, sand, silt, gravel, and clay, layered irregularly.

Hillside Zone

The Hillside areas of the City consist primarily of tilted marine sedimentary and volcanic rocks that range in age from Paleocene to Pliocene. Hillside areas in the western and southern portions of the planning area contain steep slopes, weak bedrock, and local landslide deposits. The hillside zone is vulnerable to landslides, soil creep, debris flow, and other hazards due to historic coal mining.

1.6.3 Climate

The climate of the larger East Contra Costa County region is characterized as Mediterranean with warm, dry summers and mild, wet winters. The region's rainy season extends from November 1st to March 31st, with relatively dry conditions for the remainder of the year. Average annual rainfall in the vicinity of the planning area is 14 inches. Temperatures are generally moderate with a comparatively small range of temperatures between the winter low and summer high. Average low temperatures in January are 38 degrees Fahrenheit with highs averaging 53 degrees. In July the average lows are 58 degrees with highs averaging 91 degrees Fahrenheit. (http://www.intellicast.com/Local/History).

1.6.4 History of Pittsburg

Pittsburg began along the Suisun Bay/Delta shoreline as a 10,000-acre land grant from the government of Mexico in 1839, and grew into a settlement along the banks of the Sacramento River. The land grant was awarded to Jose Antone Mesa and Miguel Jose Garcia. Shortly thereafter the little town was named New York of the Pacific, possibly because the man who laid out the town, Colonel J.D. Stevenson, was a native of New York. This area soon became known as New York Landing and thrived on fishing and canning industries. Following the discovery of coal in the hills three miles south of town, the town was renamed Black Diamond in 1868. In 1906 Columbia Geneva Steel opened for business, and by popular vote on February 11, 1911, the name was changed to Pittsburg, after the eastern birthplace of the steel industry (the "h" was removed to simplify the spelling).

In 1942 Camp Stoneman was built. This had a tremendous impact on the City and its growth. Forty-five thousand servicemen were stationed at Camp Stoneman during the Asiatic-Pacific operations in World War II. In 1954, the Camp was closed and the property was added to the City of Pittsburg for commercial and residential development.

1.6.5 Government

The City of Pittsburg is a general law city with a Council/Manager form of government. City government is divided into 23 functional areas and operates with 11 City Departments plus five

specialized services. City Departments include the City Manager's Office; City Clerk's Office; Human Resources Department; Finance Department; Economic Development Department; Planning Department; Public Works Department; Engineering Department; Recreation Department; Police Department; and Community Access Department. Specialized Services include the City Attorney, the Successor Agency, the Environmental Affairs Division, the Pittsburg Power Company, the City Golf Course, and the City Marina.

1.6.6 ECONOMY

Pittsburg has grown from its days as primarily an industrial center for steel and commercial fishing into a community with a blend of commercial, retail, and office businesses. There are still large industrial employers such as USS-POSCO and Dow Chemical Company, a variety of smaller commercial employers, such as Ramar Foods International and Walmart, and educational employers such as Pittsburg Unified School District and Los Medanos College to name a few.

The California Delta Highway, State Highway 4, runs primarily east-west through the City. Other major transportation corridors include the Burlington Northern, Union Pacific, Santa Fe (BNSF) railroad, and the Pittsburg/Bay Point Bay Area Rapid Transit (BART) station is in Pittsburg. The East Contra Costa BART extension project is currently in progress and will add a station near Hillcrest Avenue in Antioch and a station at Railroad Avenue in Pittsburg. Tri-Delta Transit is a bus operator serving the communities in the eastern section of the county. East Bay Para-Transit is a bus service for persons with disabilities and others with access and functional needs throughout the county.

The following table shows the principal employers in the City of Pittsburg (source: City of Pittsburg Comprehensive Annual Financial Report, FY June 2014).

Table 1-2: 2014 Principal Employers in Pittsburg

	Employer	# of Employees
1.	Pittsburg Unified School District	1,172
2.	USS - Posco Industries	700
3.	Los Medanos Community College	472
4.	Dow Chemical Company	350
5.	Walmart	250
6.	City of Pittsburg	222
7.	Angelica Corporation (Laundry)	185
8.	Mi Pueblo Foods	137
9.	WinCo Foods	134
10.	Ramar Foods International	132

1.6.7 DEMOGRAPHICS

According to the State of California Department of Finance E-1 Population Estimates for 2014-2016, Pittsburg's estimated population in 2016 was 67,628. According to the Census Bureau, Pittsburg is the 131st most populated city in the state of California out of 482 incorporated cities.

According to the 2010 Census, 8.0 percent of Pittsburg's population was under five years of age; 25.4 percent between 6 and 19 years of age; 58.3 percent was between 20 and 64 years of age; and 8.3 percent were 65 years old or older.

The 2010 Census also indicates that Pittsburg's racial composition is as follows: 43.5 percent White, 12.6 percent Asian, 23.1 percent Hispanic or Latino, 18.9 percent Black or African American, 0.7 percent American Indian and Alaska Native, 0.9 percent Native Hawaiian and other Pacific Islander, and 1.64 other races.

In addition, the Census estimates in 2013 that 32,849 Pittsburg residents, 16 years and older, were part of the labor force. Of that number, an estimated 28,766 were employed and 4,022 were unemployed, for an approximate unemployment rate of 5.9 percent. The median household income in Pittsburg in 2013 was estimated at $58,866; the 2013 per capita income was estimated at $23,972. An estimated 78.7 percent of the residents in Pittsburg graduated with a high school diploma and 17.4 percent graduated with a bachelor's degree or higher.

The total estimated number of people living in Pittsburg with a disability in a non-institutional setting is 13.6 percent, or 8,782 people. Of those 8,782 people, 4.2 percent or 701 persons are under the age of 18; 13 percent or 5,426 persons are aged 18-64, and 45.6 percent or 2,655 are 65 years and older.

SECTION 2: PLANNING PROCESS

The requirements for documentation of the HMP planning process are described below. This section summarizes the planning area's hazard mitigation planning efforts in 2016. In addition, the section describes public and stakeholder outreach efforts as part of the HMP planning process. The section also summarizes the review and incorporation of existing plans, studies, and reports used to develop the HMP. Documentation of the 2017 HMP planning process for the Hazard Mitigation Planning Team is provided in Appendix B, and documentation of the planning process for the Public and Stakeholders is found in Appendix C. These appendices document the planning meetings and outreach and include meeting agendas, presentation, materials and other documentation to conduct the planning process.

FEMA REGULATION CHECKLIST: PLANNING PROCESS

Documentation of the Planning Process

44 CFR § 201.6(c)(1): The plan shall include documentation of the planning process used to develop the plan, including how it was prepared, who was involved in the process, and how the public was involved.

Elements

A1. Does the Plan document the planning process, including how it was prepared and who was involved in the process for each jurisdiction? 44 CFR § 201.6(c)(1).

A2. Does the Plan document an opportunity for neighboring communities, local and regional agencies involved in hazard mitigation activities, agencies that have the authority to regulate development as well as other interests to be involved in the planning process? 44 CFR 201.6(b)(2)

A3. Does the Plan document how the public was involved in the planning process during the drafting stage?
44 CFR 201.6(b)(1) and 201.6(c)(1)

A4. Does the Plan document the review and incorporation of existing plans, studies, reports, and technical information? 44 CFR 201.6(b)(3)

A5. Is there discussion on how the community will continue public participation in the plan maintenance process? 44 CFR 201.6(c)(4)(iii)

A6. Is there a description of the method and schedule for keeping the plan current (monitoring, evaluating and updating the mitigation plan within a 5-year cycle)? 44 CFR 201.6(c)(4)(i)

Source: FEMA, *Local Mitigation Planning Handbook Review Tool,* March 2013.

2.1 PLANNING PROCESS

In April 2015, the planning process for the 2017 HMP began. Select staff from various City departments were invited to the hazard mitigation planning team for the purpose of developing

the 2017 HMP. Solicitation was also sent to neighboring cities and other interested agencies through an email sent by Contra Costa County to the roster of Operational Area member agencies. Members of the HMP planning team are listed in Table 2-1, below.

Table 2-1: HMP Planning Team

Department or Agency	Member Name	Key Role
City Manager's Office; Environmental Affairs	Laura Wright	*Co-chair of Planning Team, Primary Point of Contact, Provide Input and guidance from the City Manager's Office*
Police Department	Steve Albanese	*Co-Chair of Planning Team, Primary Point of Contact, Provide input for the Police Department*
Successor Agency - Redevelopment Agency	Melaine Venenciano	*Pittsburg capabilities, facilities, and mitigation strategy and projects*
Finance	Susan Winkelbauer	*Pittsburg capabilities, facilities, and mitigation strategy and projects*
City Engineer	Fritz McKinley	*Pittsburg building inventory, land use, regulate development, planning capabilities, strategy and mitigation projects, Pittsburg assets*
Engineering	Richard Abono	*Pittsburg building inventory, land use, regulate development, planning capabilities, strategy and mitigation projects, Pittsburg assets*
Building Official	Curtis Smith	*Pittsburg assets and planning projects, land use and regulate development*
Planning	Kristin Pollot	*Pittsburg building inventory, regulate development, planning capabilities and mitigation strategy and projects, Pittsburg assets*
Planning	Hector Rojas	*Pittsburg building inventory, regulate development, planning capabilities and mitigation strategy and projects, Pittsburg assets*
Public Works	Robert Joaquin	*Pittsburg capabilities, facilities, mitigation strategy and projects and regulate development*
Public Works	Hilario Mata	*ES capabilities, facilities, mitigation strategy and projects and regulate development*
Parks and Recreation	Don Buchanan	*Pittsburg capabilities, assets, facilities, and mitigation strategy*

Contra Costa County Office of Emergency Services	Marcelle Indelicato	*County Hazard Mitigation Plan, County capabilities, assets, mitigation strategy, risk assessment and hazards*
Pittsburg Unified School District	Steve Ahonen	*PUSD capabilities, facilities, assets, risks, mitigation strategy*

Four meetings were held with the planning team: May 18, 2015, August 17, 2015, February 8, and April 28, 2016. Representatives from the City Manager's Office and the Police Department shared the responsibility of chairing the planning team. The City Manager's Office also copied documents for review and sent out meeting notices. At the project kick-off meeting, held May 18, 2015, a description of the planning process was provided through a presentation. Information from other Pittsburg plans, the 2013 Emergency Operations Plan (EOP), and the Pittsburg 2020 Health and Safety Element was presented. The planning team also reviewed the local mitigation plan requirements under the Stafford Act regulations and the October 2011 Local Mitigation Plan Review Guide in an effort to assist the planning team in understanding the scope of the planning process. A presentation was developed to facilitate the meeting.

The initial planning team meeting included an overview of what is required to be in a hazard mitigation plan and what would be required of them while serving on the plan team. At this meeting the hazards that were identified in the Health and Safety Element and the 2014 Emergency Operations Plan (EOP) along with other hazards were presented for the team's consideration. The planning team provided their recommendations for the hazards that should be profiled in the HMP. The process established was for the City Manager's Office to compile the recommendations and send them back out to the planning team for a final review prior to incorporating them into the 2017 plan.

The planning team members agreed upon the compiled list of hazards and the critical facilities to be included in the plan. The planning team also reviewed and made recommendations on the public-stakeholder outreach plan and efforts.

The consultant developed portions of the plan and sent or presented draft items to the planning team for review, recommendations, and approval was established and worked very well. Once the drafts were complete and presented to the planning team, all comments and edits were incorporated into the plan.

A second planning team meeting was held on August 17, 2015. At this meeting, planning team members were given an update of the public outreach survey, an introduction of the risk assessment, a description of critical facilities, and an overview of a mitigation strategy, goals, and actions. Lists of potential critical facilities were presented and the planning team came to a consensus of what facilities should be listed in the HMP. Planning Team members also rated the

hazards according to the Calculated Priority Risk Index tool. The mitigation strategy was explained and then discussed, along with goals, objectives, and actions to be included in the plan. Example goals, objectives, and actions were provided to the planning team. Staff was also briefed on the requirement to list City assets such as personnel, fiscal resources, authorities and policies, legal and regulatory resources for the capabilities assessment.

Drafts of Sections three and four of the plan were developed according to the input given by the Planning Team and survey results. The draft plan was sent to the Chair of the Planning Team and distributed to team members for review. Again, recommendations were incorporated into the plan.

Departmental budget reports from 2009 through 2015 were reviewed to provide material for the completed mitigation actions and new actions for the mitigation strategy. Departments that had current and ongoing projects provided project information, such as a timeline, project funding, and project administration to include in the action plan.

A third meeting was held on February 8, 2016 with Laura Wright, (Environmental Affairs Manager), Steve Albanese (Pittsburg Police Department), Steve Ahonen (PUSD), Lee Rosenberg (NPA), Mike Hooper (WHS). The group discussed including the Pittsburg Unified School District in the Plan, building out the hazard profiles and risk assessments, as well as creating appendices to highlight planning team meetings and public outreach efforts.

The fourth team meeting was held on April 28, 2016. At this meeting, the entire planning team reviewed the initial draft HMP. They discussed:

- The HMP's mitigation actions.
- How the HMP hazard mitigation actions may support plans for developing funding priorities to aid implementation by departments.
- Previous public outreach efforts (survey) and future outreach effort(s). Future outreach efforts will include putting the HMP on the City of Pittsburg website, providing a copy of the HMP to the library and potentially having a public meeting.

Documentation of the planning process for the planning team is shown in Appendix C: Planning Process Documentation.

The following efforts were made to receive comments and recommendations about the final draft 2017 HMP:

- A draft version of the HMP was made available on the City website for a 15-day public comment review period on March 2, 2017. Information advertising the availability of the draft HMP for review.
- The draft HMP was distributed to members of the Red Cross and the Emergency Management Group for a 2-week review period.

On April 17, 2017, the City Manager's Office sent the public comment draft of the 2017 HMP to Cal OES and FEMA for preliminary review.

On November 6, 2017, the 2017 HMP was presented to City Council for adoption at a regularly scheduled City Council meeting. The City Council Meeting Agenda was posted at City Hall and the City Council Meeting agenda packet was posted on the City's website. The local community access cable television channels carried the City Council meeting announcement. At the council meeting, City Council voted unanimously to adopt the 2017 Hazard Mitigation Plan.

2.2 Stakeholder and Public Outreach

A requirement is that the HMP must document an opportunity for neighboring communities, local and regional agencies involved in hazard mitigation activities, agencies that have the authority to regulate development as well as other interests to be involved in the planning process (44 CFR § 201.6(b)(2)). The plan must also document how the public was involved in the planning process during the drafting stage (44 CFR § 201.6(b)(3)).

At the May 18, 2015 kick-off meeting, the planning team provided recommendations for the public and stakeholder outreach process. The discussion included a two-pronged strategy for reaching out to the public, focused on efforts during the drafting phase and prior to plan adoption. The recommendations were to utilize existing groups in the City such as civic organizations, City commissions, the business community, school district, and social media to conduct outreach for public input.

Public Outreach Strategy

To reach out to the general public about the 2017 HMP, a survey was created which provided information on the hazards in the City, on preparedness of the public, on the value of community wide projects, actions and activities, and on issues related to hazard mitigation through policies and the effectiveness of receiving information regarding emergencies and disasters from the City. In June of 2015, a survey was placed on the City's web site located at www.ci.pittsburg.ca.us and was advertised on the City e-news to subscribers, Health Services email subscriber announcement, the Living Green Facebook page, and on the City website. To invite stakeholders from other jurisdictions, Contra Costa County Office of Emergency Services

sent out an email to the emergency management coordinators in the cities in the county inviting them to participate in the HMP development process.

During this process, the City Manager's Office received 70 public comments about the 2017 HMP. Information on how members of the public like to receive information about hazards in Pittsburg, and on how they would use that information to better prepare for disasters was also received. The favored method of receiving information from the City was via the Internet (71.64%). Some participants asked specific questions about what to do when certain issues arise, such as having no water or electricity after an earthquake. Screenshots of the survey invitation, survey, and results can be found in Appendix B of the HMP.

Prior to the approval and adoption of the 2017 HMP, a copy of the plan will be placed on the City's website. The Planning Team will review any comments and consider changes to the HMP for those suggestions that would benefit the plan. The City website page will provide an e-mail address and phone number to which people can direct further comments or concerns.

For documentation of the above HMP public outreach efforts, see Appendix B, Stakeholder and Public Outreach

2.2.1 Stakeholder Outreach

To facilitate stakeholder involvement for the development of the HMP, the City provided an overview of the HMP, gave presentations of information, provided a survey for input, and answered questions regarding the planning process. The meeting facilitation materials and attendance sheets are included in Appendix B.

The Planning Team conducted the following stakeholder outreach activities:

- A health services announcement about the hazard mitigation plan and request to complete the survey was emailed by Contra Costa County Health Services Division to 36 affiliated community organizations, public health stakeholders and their clients, and hospital districts, such as The Food Bank, Pittsburg Unified School District, and the Center for Human Development.
- Emergency management/disaster coordinators of the surrounding cities were sent the draft 2017 HMP for review to provide input.
- The Contra Costa County Office of Emergency Management was sent the draft HMP for review to provide comments and recommendations.
- The Contra Costa County Health Services Division Hazardous Materials Division was sent the draft HMP for review to provide comments and recommendations
- The American Red Cross Bay Area Chapter was sent the 2017 HMP for review and comment.

2.2.2 Public Outreach

The following activities were undertaken as part of outreach to members of the community regarding the 2017 HMP:

- In June of 2015, a notice was placed on the City website about the 2017 HMP requesting residents and employees of businesses in Pittsburg to complete the hazard mitigation plan development survey. The results of the survey are contained in Appendix B. They were used to provide input to the analysis of hazards and in developing the mitigation goals and activities.
- An advertisement about the hazard mitigation plan and the request to participate in the survey was placed on the Living Green Facebook page.
- An advertisement requesting community members to participate in the hazard mitigation survey was distributed to subscribers via the City's e-news blast.
- The complete draft version of the 2017 HMP was posted on the City website on and on the Living Green Facebook page from March 2, 2017 through March 17, 2017 with a request for public comments.

2.3 Incorporation of Existing Plans and Other Technical Information

The requirements for review and incorporation of existing plans, studies, reports, and technical information (44 CFR §201.6(b)(3)), as described in the federal regulations are described below.

During the planning process, members of the planning team reviewed and incorporated information into the 2017 HMP information from several existing plans, studies, and reports. These reports are listed below:

- The 2014 Pittsburg Emergency Operations Plan. The hazard section of the EOP provided a basis for the hazards identified in the HMP.
- Pittsburg General Plan, Health and Safety Element. The hazards identified in the Health and Safety Element provided natural hazard information for the seismic hazard profile, including ground shaking and ground failure, and for flooding and fires.
- Pittsburg General Plan. The land use and development trends identified in the General Plan provided guidance for development trends identified in the HMP vulnerability analysis.
- Adopted Annual Budget, Fiscal Year 2015-16
- Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2014
- Pittsburg Sewer System Management Plan, February 2014
- Climate Central Sea Level Rise and Coastal Flood Risk: Summary for Pittsburg, CA
- Contra Costa Hazard Mitigation Plan, May 2011

- California Climate Adaptation Planning Guide (APG): The 2012 APG provides information on the effects of climate change on California, and provided adaptation planning guidance used in the development of the climate change hazard profile.
- 2013 State of California Multi-Hazard Mitigation Plan. The State HMP was reviewed to ensure the alignment of the Pittsburg HMP with the state's current hazard profiles and mitigation strategy.

Additionally, a resolution to the City Council will be forwarded upon approval of the HMP adopting the HMP as a part of the General Plan Health and Safety Element. This incorporates the mitigation actions contained in the HMP into the General Plan and provides commonality between the plans. This action meets the requirements of State Assembly Bill 2140 as stated in California Code Section 8685.9.

2.4 Continued Public Participation in Plan Maintenance

The overall success of the HMP is through implementation of the plan's hazard mitigation strategy and activities to reduce the effects of hazards, protect people and property, and improve the City's efforts to respond to and recover from disasters. Members of the public in Pittsburg and the City will ultimately benefit from the implementation of the HMP and must be given the opportunity to provide input to the continuous cycle of HMP planning.

Pittsburg will strive to keep the public aware of hazard mitigation projects that take place as a result of the HMP. Public information will be released through press releases, City website announcements, public hearings, council and commission meetings, and the City e-news blast to subscribers.

Projects that mitigate hazards are included in the City's annual budget planning process. City workshops are held and meetings are convened, and the public is made aware of the planning through council meetings, open workshop sessions, and press releases during this time. The budget planning process will serve as an annual opportunity to conduct outreach to the public on updates to the hazard mitigation planning process. A survey can be developed to gather input on how the community feels about the progress being made on HMP activities. The City will also provide press releases and information about hazard mitigation projects to the public on a regular basis, but at a minimum, the public will be engaged to learn about current HMP activities, and given the opportunity to provide comments and information on an annual basis to update and maintain the HMP. The City Manager's Office will be responsible to ensure the public is included and involved in the annual public plan update and outreach.

When the time comes to begin revising the 2017 HMP, the plan update process will be implemented, which will include continued public involvement and input through attendance at

designated public meetings, web postings, through press releases to local media, community fairs and events, and surveys. As part of this effort, a series of public meetings will be held and public comments will be solicited on the revisions to the HMP according to the five-year cycle.

2.5 Plan Maintenance Method and Schedule

Implementation and maintenance of the plan is critical to the overall success of hazard mitigation planning. This section details the process that Pittsburg will use to monitor, update, and evaluate the plan within the five-year cycle of the plan's revision to ensure the HMP remains an active and relevant document. The format of the plan aligns with the regulation checklist and is divided into sections of information. When it is time to maintain or revise the HMP, data can be easily located and incorporated, resulting in an easy method to keep the plan current and relevant.

2.5.1 Plan Implementation

The hazard mitigation plan includes a range of action items to reduce losses from hazard events. Together, the action items provide a framework for activities that the City can choose to implement over the next five years. The effectiveness of the plan depends on the incorporation of the action items into existing City plans, policies, and programs. Although the City Manager's Office will have primary department responsibility for the HMP's continual review, coordination, and promotion, plan implementation and evaluation will be a shared responsibility among all departments and agencies that contributed to the mitigation action plan. The Pittsburg City Manager and Department Directors will be jointly responsible for the plan's implementation and maintenance through existing City programs. Division Managers will be responsible for implementing mitigation strategies and actions specific to their department operations. The Environmental Affairs Manager in the City Manager's Office will assume the lead responsibility for facilitating plan maintenance and coordinating the planning team.

2.5.2 Hazard Mitigation Planning Team

The planning team represents City staff from each department and other stakeholders that contributed to the development of the 2017 plan. The planning team oversaw the development of the plan, and made recommendations on key elements of the plan, including the maintenance strategy.

It was important to the City that each department be represented in the planning team and given the opportunity to provide input during the plan development. This philosophy will be continued for future plan revisions through evaluations, maintenance, and updates of data, processes, and programs. The planning team will convene annually to perform annual reviews of the HMP and its implementation. The planning team will include representation from residents, citizen groups, and stakeholders within the planning area.

If planning team members can no longer serve on the planning team, the Department Director will assign another staff person to be on the planning team so that every City department is represented.

2.5.3 Annual Progress Report

Each April, the planning team will begin the process of reviewing the HMP and the implementation of mitigation actions to develop an annual progress report. This process can also assist the budget review process by providing information on mitigation projects and activities that have been completed or implemented. The annual progress report process will serve to align annual reviews of the hazard mitigation plan to incorporate information. As updates to the HMP are completed, the public will be made aware of the changes to the HMP and make recommendations or comments.

The planning team will monitor the hazard mitigation strategies during the year and at a meeting held in January of each year, team members will provide information for the evaluation of the progress of the 2017 HMP. This evaluation will include:

- A summary of any hazard events that occurred during the prior year and their impact on the planning area
- A review of successful mitigation initiatives identified in the 2017 plan
- A brief discussion about the targeted strategies that were not completed
- A re-evaluation of the action plan to determine if the timeline for identified projects needs to be amended, and the reason for the amendment, e.g., funding issues
- Any recommendations for new projects
- Any changes in or potential for new funding options (grant opportunities)
- Any impacts of other planning programs or initiatives in the City that involve hazard mitigation

The planning team will write a progress report that will be provided to the City's budget planning team for review and incorporation in the budget process as mitigation projects are completed or implemented. The hazard mitigation plan progress report will also be posted on the City website on the page dedicated to the hazard mitigation plan, provided to the local media through a press release, and presented in the form of a report to the Pittsburg City Council. The planning team will strive to complete the progress report process by March of each year.

2.5.4 Future Plan Revisions

Section 201.6.d.3 of 44CFR requires that local hazard mitigation plans be reviewed, revised as appropriate, and resubmitted for approval in order to remain eligible for benefits awarded under the Disaster Mitigation Act. The City of Pittsburg intends to update its hazard mitigation plan on a 5-year cycle.

Based on needs identified by the planning team the update will, at a minimum, include the following elements:

- The hazard risk assessment will be reviewed and updated using the most recent information and technologies.
- The action plan will be reviewed and revised to account for any initiatives completed, dropped, or changed and to account for changes in the risk assessment.
- Any new City policies identified under other planning mechanisms, as appropriate.
- The draft HMP update will be sent to appropriate agencies and organizations for comment.
- The public will be given an opportunity to comment on the updated version prior to adoption.
- The Pittsburg City Council will adopt the updated plan.

At a minimum of six months prior to the expiration date of the 2017 HMP, the planning team will implement a plan revision schedule to formally update the 2017 plan. The plan will be revised using the latest FEMA hazard mitigation guidance documents, such as the Mitigation Planning Tool and Regulation Checklist to ensure compliance with current hazard mitigation planning regulations.

SECTION 3: HAZARD IDENTIFICATION AND RISK ASSESSMENT

This section of the HMP includes requirements for hazard profiles and a risk assessment, as provided in the Code of Federal Regulations.

FEMA REGULATION CHECKLIST: RISK ASSESSMENT

Hazard Identification

44 CFR § 201.6(c)(2)(i): The risk assessment shall include a description of the type of all natural hazards that can affect the jurisdiction.

Elements

B1. Does the Plan include a description of the type, location, and extent of all natural hazards that can affect the jurisdiction? Requirement § 201.6(c)(2)(i).

B2. Does the Plan include information on previous occurrences of hazard events and on the probability of future hazard events for the jurisdiction? See 44 CFR § 201.6(c)(2)(i).

B3. Is there a description of each identified hazard's impact on the community as well as an overall summary of the community's vulnerability for each jurisdiction? Requirement § 201.6(c)(2)(ii).

B4. Does the Plan address NFIP insured structures within the jurisdiction that have been repetitively damaged by floods? Requirement § 201.6(c)(2)(ii).

Source: FEMA, *Local Mitigation Planning Handbook Review Tool,* March 2013.

3.1 HAZARD IDENTIFICATION

The goal of mitigation is to reduce the future impacts of hazards, including loss of life, property damage, disruption to the local economy, and the expenditure of public and private funds for recovery.

Hazard Identification

A list of all hazards that had the potential to occur in Pittsburg was presented to stakeholders in a meeting and to the general public through a survey. The list of hazards was derived from the General Plan - Pittsburg 2020 A Vision for the 21st Century, the 2014 Emergency Operations Plan, the 2011 Contra Costa Multi-Hazard Mitigation Plan, and the California State Hazard Mitigation Plan. Considering the results of the public survey and recommendations from the stakeholders, the planning team decided to include technological and human-caused hazards to the Plan to thoroughly represent the total threat in Pittsburg. The following table lists the hazards described in the HMP:

Table 3-1: Hazard Identification Table

2017 HMP Hazards
1. Flooding – Localized Storms, Seiches
2. Hazardous Materials – Chemical Storage
3. Earthquake – Seismic Hazards
4. Drought
5. Transportation – Air, Rail, Highway, and Water
6. Civil Unrest
7. Public Health – Epidemic, Pandemic
8. Severe Weather – Wind, Tornados, Heat
9. Wildland and Urban Fires
10. Terrorism – Nuclear, Cybersecurity
11. Pipeline – Oil Spills
12. Climate Change – Air Pollution, Rising Tides

The 2017 HMP lists 12 hazards that affect the planning area based on historical information, the presence of the hazard, and the likelihood of future occurrences of the hazard. The hazard profiles serve as the basis of the hazard assessment.

3.1.1 Pittsburg Disaster Proclamation History

The planning team reviewed historical information and more recent past events to identify hazards where an emergency or disaster was proclaimed within the City. The following table shows the emergency or disaster proclamation history for the City of Pittsburg:

Table 3-2: Pittsburg Emergency or Disaster Proclamations

Year	Resolution Number	Emergency/Disaster Type
1998	98-8573	Local Emergency based on Winter Storm Activity commencing on February 3, 1998
1997	97-8415	Local Emergency based on Winter Storm Activity commencing on January 22, 1997

3.1.2 Disaster Proclamation Process

When there is a condition of extreme peril or potential peril to the safety of persons and property, and the condition is beyond the capability of the local jurisdiction to control effectively, the local governing body (city council, board of supervisors or a person authorized by ordinance) may proclaim that a local emergency exists. The local government may request the California Office of Emergency Services (Cal OES) Director to concur in their proclamation of a local emergency and to provide assistance under the California Disaster Assistance Act (CDAA). A copy of the resolution must be provided to Contra Costa Operational Area as soon as possible for

transmission of the resolution to Cal OES. When a county proclaims a local emergency pursuant to Section 8630 of the Government Code, based upon conditions which include both incorporated and unincorporated territory of the county, it is not necessary for the cities to also proclaim the existence of a local emergency independently. If sufficient conditions occur, the State may proclaim a state of emergency to fully commit state and mutual aid assistance and provide resources to assist local government. Following the proclamation of a state of emergency, the California OES Director may recommend that the Governor request a Presidential declaration of a major disaster under the authority of Public Law 93-288. The Governor's request to the president is submitted through the Federal Emergency Management Agency (FEMA).

The table below lists the State and Federal disaster declarations affecting Contra Costa County, which encompass the cities within the County. Disaster proclamations for hazards that are not present in Pittsburg (dam failure, landslides, fruit fly infestations, etc.) were excluded from the table:

Table 3-3: Contra Costa County Disaster Proclamation History

Year	Disaster #	Hazard	Declaration
04/28/2009		H1N1 Swine flu	State
2/27/2009		Drought	State
11/9/2007		Oil spill – Cosco Busan	State
05/10/2006	DR 1646	Winter storms	State
12/15/2005	DR1628	Winter storms/flooding	Federal/State
02/02/1998	DR 1203	Severe flooding/landslides	Federal/State
01/10/1995	DR1046	Severe winter storms	Federal/State
01/13/1995	DR1044	Severe winter storms	Federal/State
01/15/1993	DR979	Winter storms (snow, rain, high winds)	Federal/State
11/17/1989	DR845	Earthquake (Loma Prieta)	Federal/State
02/18/1986	DR758	Winter storms (rain, wind, flooding, landslides)	Federal/State
02/09/1983	DR677	Winter storms	Federal/State
01/07/1982	DR651	Winter storms	Federal/State
01/23/1980	0378-EM-CA	Delta levee break	State
1/26/1969	DR253	Winter storms	Federal/State
10/24/1962	DR138	Flood/rainstorms	Federal/State
04/04/1958	DR82	Winter storm/ flood damage	Federal/State
12/23/1955	DR47	Floods	Federal/State

This disaster history (combined federal and state) suggests that Contra Costa County, including the City of Pittsburg, could experience a major incident worthy of a disaster declaration every 3.3 years, and 13 out of the 18 disaster declarations were the result of severe weather. Similarly, most disaster-related injuries to people and damage to property resulted from severe weather.

3.2 Hazard Profiles

The hazards that exist in Pittsburg are profiled below. Each hazard profile includes a description of the type, location, extent, previous occurrences, and probability of future events within the description. Maps and graphs are used in this plan to display hazard identification data. Except for the future earthquake probability, which was taken from the third Uniform California Earthquake Rupture Forecast (UCERF3), the probability of future hazard events was calculated based on existing data. Probability was determined by dividing the number of events observed by the number of years on record and multiplying by 100. This gives the percent chance of an event happening in any given year (e.g., three tornados over a 30-year period equates to a 10 percent chance of a tornado in any given year). The likelihood of future occurrences is categorized into one of the following classifications:

- Highly Likely—Near 100 percent chance of occurrence in the next year, or happens every year.
- Likely—Between 10 and 100 percent chance of occurrence in the next year, or has a recurrence interval of 10 years or less.
- Occasional—Between 1 and 10 percent chance of occurrence in the next year, or has a recurrence interval of 11 to 100 years.
- Unlikely—Less than 1 percent chance of occurrence in the next 100 years, or has a recurrence interval of greater than every 100 years.

3.2.1 Flooding – Localized Storms and Seiches

Type

Rain that falls in the Central Valley of California and in most of the Sierra Nevada Mountains ultimately flows to the Pacific Ocean through the San Joaquin-Sacramento River Delta along the water's edge of Pittsburg and the shoreline of Contra Costa County. The shoreline of Pittsburg is within the 100-year flood zone which may cause localized flooding in and around watershed areas. This threat has been mitigated in some degree by improvements in the water runoff infrastructure within the City. Pittsburg is not in the line of any flooding from dam or reservoir inundation.

Location

In Pittsburg, low lying areas are subject to flood conditions. Urban development in flood plain areas are often subject to seasonal inundation. The flood plain is a natural extension of any waterway, although infrequently used. Storm water runoff, when exceeding the capabilities of the physical channel characteristics of a stream, results in the natural flooding of a localized area, inundating vehicles and causing considerable damage to residential and industrial properties located near stream and drainage channels.

The Federal Emergency Management Agency (FEMA) is performing detailed coastal engineering analyses and mapping of the San Francisco Bay shoreline within the nine San Francisco Bay Area counties. The analysis and mapping will revise and update the flood and wave data for the Contra Costa County Flood Insurance Study report and Flood Insurance Rate Map panels along the San Francisco Bay shoreline.

Extent

The potential for flooding in Pittsburg is generally in response to a series of heavy winter rainstorms, typically occurring in early November through late March delta rising. If drainage basins became flooded due to several storms within a short period of time, the floodplain management and response capability could be overwhelmed and major roads could be blocked, preventing access for many residents and critical response functions.

Previous Occurrences

Flooding associated with severe storms has been among the most common disaster in the Bay Area during the period from 1950 to 2015, occurring on average 1.3 times a year over the past 60 years. Often heavy rainfall brings many areas of localized flooding, especially in low-lying areas of the region. Many other locally significant floods have occurred during this time period.

Extensive flooding occurred in 1950, 1957, 1958, 1959, 1962, 1963, 1964, 1965, 1966, 1969, 1970, 1973, 1980, 1982, 1983, 1992, 1995, 1996, 1997, 1998, 2005, 2006, and 2008, 2009, 2012 and 2014.

The City of Pittsburg has had two resolutions declaring a local disaster. On January 22, 1997, a severe winter storm front impacted the City of Pittsburg causing widespread flooding which impacted both public and private structures and facilities. During the storm, substantial localized flooding was experienced in many areas of the City.

On February 3, 1998, a winter storm impacted the City of Pittsburg and led to significant and catastrophic public and private losses due to storm-related flooding.

Although there have been several severe storms, there have been no Stafford Act declarations in Contra Costa County for flooding since 2006.

Table 3-4 Contra Costa County Flood Events

Date	Declaration #	Type of event	Estimated Damage[a]
1/1/2006	DR 1628	Flooding	22,000,000 property/8,710,359 crop
2/14/2000	N/A	Flash flood	$100,000 property
2/9/1998	DR 1203	Severe winter storms and flooding	—
1/1997	DR 1155	Severe storms/flooding	—
3/12/1995	DR 1046	Flooding	$11.2 million
1/10/1995	DR 1044	Severe winter storms, flooding, landslides, mud flows	
1/13/1993	DR 979	Flooding (flash flood)	$5.5 million property/crop
12/11/1992	N/A	Flooding/severe weather	$131,579 property
2/14/1992	N/A	Flooding- severe weather	$20,718 property
5/28/1990	N/A	Flooding (flash flood)	$500,000 property
2/17/1986	DR 758	Flooding (flash flood)	$5,000,000 property
12/9/1983	N/A	Levee failure, high winds, high tides, floods, storm, wind driven water	public-7,240,785; private- 2,669 million; agriculture 1 million
2/9/1983	DR 677	Flood- severe weather	$384,165 property
3/3/1982	N/A	Flooding	$166,667 property
1/3/1982	DR 651	Flood- severe weather	7,142,857 property
1/23/1980	N/A	Delta levee break Holland & Webb levee breaks	Public-11,158,700; private-1,479,500; agriculture-3,887,195; total-17,388,013
1/16/1973	N/A	Flood- severe storm/thunder	$86,206 property
1/18/1969	DR 253	Flood- severe storm/thunder	$862,068 property
1/1978	N/A		—
12/1955	N/A	Severe winter storms, flooding	$22 million

a. Data obtained from Spatial Hazard Events and Losses Database for the United States (SHELDUS)
N/A = Information is not available

Although no emergency declarations for flooding have been proclaimed since 2006, the event described below occurred on January 19, 2010.

Storm Event Data Base: Event Details

Event	Flood
-- Flood Cause	Heavy Rain
State	CALIFORNIA
County/Area	CONTRA COSTA
WFO	MTR
Report Source	Newspaper
NCEI Data Source	CSV
Begin Date	2010-01-19 06:00:00.0 PST-8
Begin Location	0N PITTSBURG
Begin Lat/Lon	38.0271/-121.8812
End Date	2010-01-19 08:00:00.0 PST-8
End Location	0N PITTSBURG
End Lat/Lon	38.0268/-121.8812
Deaths Direct/Indirect	0/0 (fatality details below, when available...)
Injuries Direct/Indirect	0/0
Property Damage	0.00K
Crop Damage	0.00K
Episode Narrative	The second in a series of significant storms brought strong winds and heavy rain to the San Francisco and Monterey Bay area. This storm developed over the Pacific Ocean with a strong parent low pressure based in the Gulf of Alaska. Around 137,000 customers lost power across the San Francisco Bay area. Numerous power lines and trees were knocked down when strong wind combined with saturated soil.
Event Narrative	Heavy rain led to flooding at and the closure of the Solari Street underpass of Tenth Street. Also, flooding was reported at Beacon Street between Eighth and Tenth Streets.

Source: NOAA, National Centers for Environmental Information

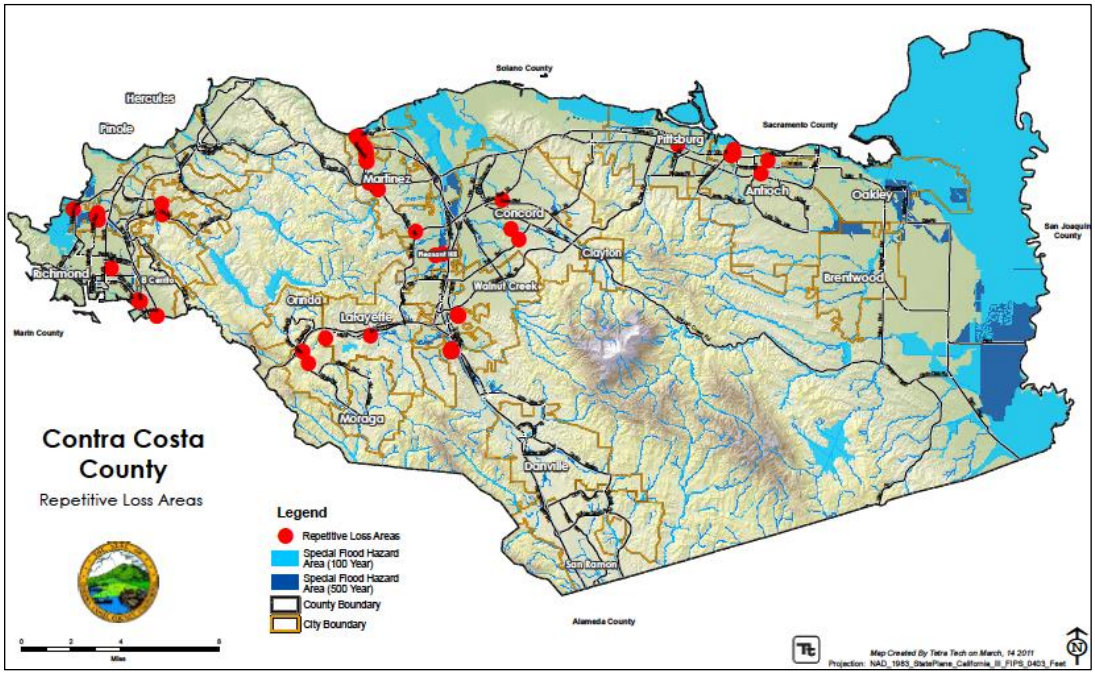
Repetitive Loss

A repetitive loss property is defined by FEMA as an NFIP-insured property that has experienced any of the following since 1978, regardless of any changes in ownership:

- Four or more paid losses in excess of $1,000
- Two paid losses in excess of $1,000 within any rolling 10-year period
- Three or more paid losses that equal or exceed the current value of the insured property.

Repetitive loss properties make up only 1 to 2 percent of flood insurance policies in force nationally, yet they account for 40 percent of the nation's flood insurance claim payments. In 1998, FEMA reported that the NFIP's 75,000 repetitive loss structures have already cost $2.8 billion in flood insurance payments and that numerous other flood-prone structures remain in the floodplain at high risk. The government has instituted programs encouraging communities to identify and mitigate the causes of repetitive losses. A recent report on repetitive losses by the National Wildlife Federation found that 20 percent of these properties are outside any mapped 100-year floodplain. The key identifiers for repetitive loss properties are the existence of flood insurance policies and claims paid by the policies. FEMA-sponsored programs, such as the Community Rating System (CRS), require participating communities to identify repetitive loss areas. A repetitive loss area is the portion of a floodplain holding structures that FEMA has identified as meeting the definition of repetitive loss. Identifying repetitive loss areas helps to identify structures that are at risk but are not on FEMA's list of repetitive loss structures because no flood insurance policy was in force at the time of loss. The following map shows the repetitive loss areas in Contra Costa County. There was one case of repetitve loss in Pittsburg. Figure 3-1 displays repetitive loss areas for Contra Costa County.

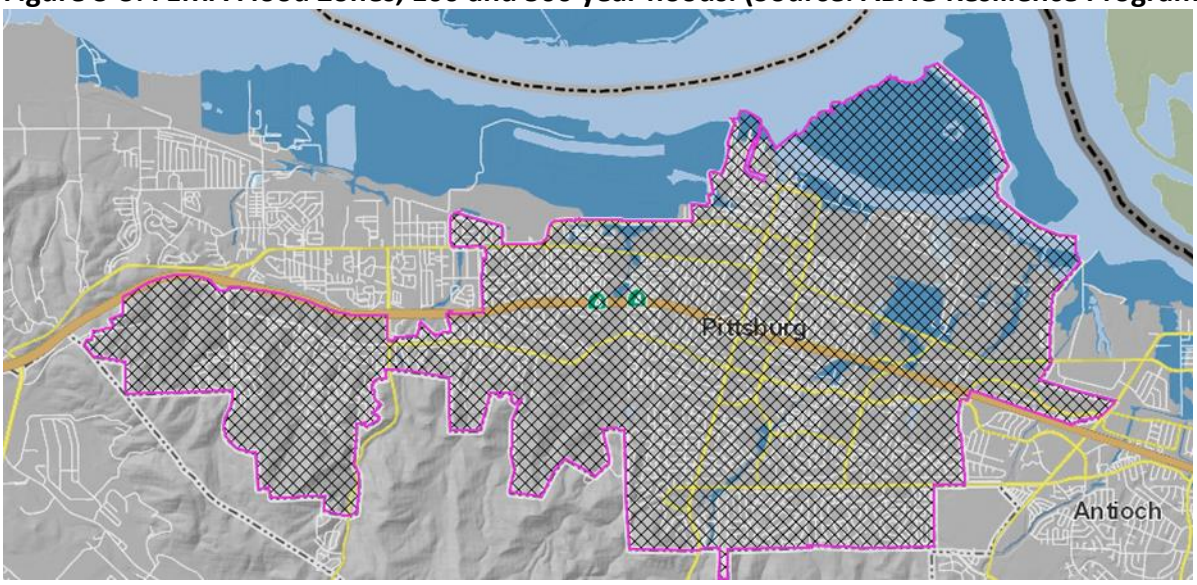
Figure 3-2: Repetitive Loss Areas in Contra Costa County



Probability of Future Events

The primary water courses in Contra Costa County have the potential to flood at irregular intervals, generally in response to a succession of intense winter rainstorms. Storm patterns of warm, moist air usually occur between early November and late March. A series of such weather events can cause severe flooding in the planning area. The worst-case scenario is a series of storms that flood numerous drainage basins in a short time. This could overwhelm the response and floodplain management capability within the planning area. Major roads could be blocked, preventing critical access for many residents and critical functions. High in-channel flows could cause water courses to scour, possibly washing out roads and creating more isolation problems. In the case of multi-basin flooding, the County would not be able to make repairs quickly enough to restore critical facilities and infrastructure. Figure 3-2 depicts the FEMA 100 and 500-year flood zones with respect to the City boundaries.

Figure 3-3: FEMA Flood Zones, 100 and 500 year floods. (Source: ABAG Resilience Program)



3.2.2 Hazardous Materials Incident – Refineries and Chemical Plants

Type

The northern section of Contra Costa County is home to a large number of industrial sites including refineries and other chemical processing plants. Major operators of the industrial sites include:

- Air Products and Chemicals, Inc.
- Chevron Refinery
- Criterion Catalyst Company L.P.
- Dow Chemical
- NRG Energy
- Pacific Gas and Electric
- Phillips 66
- Praxair, Inc.
- Shell Martinez Catalyst Plant
- Shell Oil Products, U.S.
- Tesoro Petroleum Company
- USS POSCO Industries
- Valero Refining Co

Location
Industrial facilities are located throughout northern Contra Costa County with a concentration in the cities of Richmond and Martinez. USS POSCO Industries' steel production plant is located in Pittsburg as is Dow's chemical plant. This plant is the largest integrated chemical manufacturing complex of its kind on the west coast. The plant has the capacity to produce several million pounds of the highly toxic pesticide, sulfuryl fluoride.

Extent
All the facilities have the potential to produce hazardous releases. The details of the type and extent of the potential releases are maintained by the plant operators and the State Department of Toxic Substances Control (DTSC). The facilities are required to notify the County Hazardous Materials Incident Response Team when there is an incident. The County's Board of Supervisors have approved the Hazardous Materials Incident Notification Policy (PDF) detailing when and how this should be done

Previous Occurrences
Table 3-5: Major Accidents at Chemical/Refineries in Contra Costa County

Company Date Accident Occurred	Accident Description	Offsite Impact
K2 Pure Solutions Dec 4, 2013	K2 Pure Solutions stopped production After an equipment malfunction caused two small releases of chlorine gas and a brief public health advisory from the County Officials reported the releases were contained to the plant's property and no injuries were reported.	Public health advisory.
Chevron August 6, 2012	# 4 Crude Unit Fire. An 8" line from the atmospheric distillation column with hot diesel like material leaked and caught fire.	More than 15,000 people sought medical attention.

Phillips 66 June 15, 2012	A sour water tank (T-294) was over pressured resulting in a split in the top seam of the fixed roof tank. Vapors left the tank through the opening until it could be sealed. Chemicals involved included H2S, other sulfur compounds, natural gas, light hydrocarbons	Strong sulfur odors were detected by Hazmat IR personnel on Friday in areas from I-80 and the surrounding communities. The highest readings were approximately 1 ppm (as H2S) on I-80, which is a few hundred feet from the storage tank. Readings from 5-20 pp
Tesoro Golden Eagle Refinery December 9, 2010	Partial Power outage due to damage at substation led to excess flaring and some unit shut down. CWS 2 activated at 10:31. CCHMP monitored the surrounding area and no hazardous substance was detected. Incident downgraded to CWS 0 at 13:18.	Significant flaring due to loss of power to multiple units.
Tesoro Golden Eagle Refinery November 10, 2010	Power outage from 3rd party power and steam supplier led to excess flaring and refinery-wide shutdown, very dark smoky plume. At 16:14, CWS 2 and at 16:45 upgraded to CWS 3. CCHMP monitored the surrounding area and took air samples. No hazardous substance was detected.	Visible smoke and reports of burnt grass smell in N. Concord.
Conoco Phillips October 22, 2010	Third party (Air Liquide) hydrogen plant tripped resulting in elevated pressure in the Refinery's fuel gas system, and decreases in available hydrogen and steam to the Refinery. One turbine at the Refinery power plant immediately tripped further reducing a	The BAAQMD received a number of complaints of visible smoke and odor in the area. No contaminants were found in community air samples taken by Refinery personnel. No activity was seen on the Refinery's fence line monitor.
Tesoro Golden Eagle Refinery October 10, 2010	At 12:20, fire on Tank 650 (foul water), contractor was replacing seal. Tank has a 3' diesel to layer for odor control. One Contractor treated for smoke inhalation, released same day. No odor reported. All clear at 16:10.	Visible smoke plume, but air monitoring by Tesoro industrial hygiene yielded non-detect levels.

Reactions Products May 5, 2008	A brass valve was removed from a bottom of a storage tank partially filled with toluene. The removal looked to be a theft of the valve over a weekend when no one was at the facility. Over 3,000 gallons of toluene was released. The spill went offsite into a ditch that run through the wetlands between Parchester Village and the Bay. The release was found on Monday morning and the US Coast Guard responded and requested that a shelter-in-place be called. The Parchester siren was sounded and information went out over the media to notify the residents of the shelter-in-place. When Health Services Hazardous Materials Response Team arrived onsite and took measurements of the amount of toluene in the air, the shelter-in-place was lifted. Health Hazardous Materials Programs is classifying this incident as a Community Warning System Level II and a Major Chemical Accident or Release Severity Level II, because if the toluene ignited the damage and consequences of the incident would be major.	Toluene went offsite into the wetlands. The toluene was in a ditch that runs along the border of Parchester Village. Toluene odors were noticeable in the Parchester Village. Siren was sounded and the residents of Parchester Village were requested to shelter-in-place.
Calpine Los Medanos Energy Center May 24, 2007	While overseeing the unloading of a bulk delivery of corrosion inhibitor, approximately 300 gallons of Nalco Trasar 3DT177 (phosphoric acid) was inadvertently unloaded into a storage tank containing about 378 gallons of 12.5% Sodium Hypochlorite solution. The chemical reaction of the two products resulted in a chlorine gas release in which the Field Operator and two other plant	Shelter-in-place was declared for the area north of the Los Medanos Energy Center for about an hour. No offsite complaints were received. CCHS Hazardous Materials Response Team conducted air monitoring outside of the affected building with the highest level of chlorine at 0.15 ppm. Air sampling conducted at various locations of the plant perimeter indicated non-detect.

	employees were exposed to. The three employees were transported via ambulance to the Mt. Diablo Medical Center for observation. Time of injury was reported to be 8:30 a.m.	
ConocoPhillips March 18, 2007	Sulphur plant shutdown due to electrical failure. XS sulfur to flare.	No complaints were received from the community.
Chevron Richmond Refinery January 15, 2007	"At 5:33 Chevron upgrades incident to Level 3 and sent message that there was a fire at the #4 Crude unit. Initial notification was 5:23 for a Level 2. Operators were in the process of shutting down the plant in preparation for scheduled maintenance. - Information About the Chevron January 15 Fire	Sirens were sounded and TENS Zone 3 & 4 was activated. Unknown amount of hydrocarbons was combusted, resulting in a release of sulfur dioxide. Air monitoring did not indicate adverse air quality impacts.
General Chemical - Richmond June 23, 2006	The main turbine tripped and the shutdown interlock on the combustion air blower did not work correctly, so the blower pressured up the upstream side of the system which is normally under a vacuum.	Four Chevron employees were exposed. No other public appears to be affected. Wind at the time of the release was blowing towards Chevron.

Probability of Future Events

While safety programs aim to prevent hazardous material releases, accidents occur due to equipment failures or human error. Additionally, a large earthquake could rupture piping and other containment systems and derange controls, causing releases, fires and public health incidents. There is a high probability of future hazardous releases from refineries and chemical plants that could affect Pittsburg.

3.2.3 Earthquake and Seismic Hazard Profile

Type

The City of Pittsburg is located in a high seismic risk zone. This region is one of the most seismically active in the world, marked by the number of large, damaging earthquakes that have occurred in

the past. Major earthquakes have occurred on the San Andreas and Hayward faults in 1836, 1838, 1868, and 1906 (California Geological Survey).

The following geologic hazards are associated with earthquakes and may be caused by seismic activity, increasing the resulting damage.

Ground Shaking: Ground shaking caused by a strong earthquake is probably the most important seismic hazard that can be expected anywhere in the Pittsburg and larger San Francisco Bay Area. The amount of earthquake shaking at a site is associated with the earthquake magnitude; the type of earthquake fault; the distance from the site and the earthquake source; the geology of the site; and how the earthquake waves decrease or increase as they travel from their source to the site in question. Shaking from the earthquake intensifies with a greater magnitude and closer distance to the epicenter. Softer soils and topographic ridges can also amplify seismic ground motions.

The shaking of the ground is caused by the sudden breaking and movement of tectonic plates (large sections) of the earth's rocky outermost crust. Movements within the Earth's crust cause stress to build up at points of weakness, and can cause deformation of rocks in the earth's crust. Stored energy builds up and when the stress finally exceeds the strength of the rock, the rock fractures along a fault, often at a zone of existing weakness within the rock. The stored energy is suddenly released as an earthquake. Intense vibrations, or seismic waves, radiate outward from the initial point of rupture, or focus, where the earthquake begins. These seismic waves are what makes the ground shake and can travel large distances in all directions. Near the focus, the waves can be very large, making them extremely destructive. The epicenter is the point on the Earth's surface located directly above the focus of an earthquake.

Liquefaction: Soil liquefaction is a phenomenon in which the strength and stiffness of a soil is reduced by earthquake shaking or other rapid loading. Liquefaction and related phenomena have been responsible for tremendous amounts of damage in historical earthquakes around the world. Liquefaction can result in the settling and compacting of unconsolidated sediment in the event of a major earthquake. Liquefaction may increase as the ground acceleration and duration of shaking increase.

The vast majority of liquefaction hazards are associated with sandy soils and soils of low plasticity, such as silt. The composition of the soil must be saturated or nearly saturated to be susceptible to liquefaction. When an earthquake occurs, the soil particles can no longer support the water weight, and the groundwater pressure begins to rise. The soil particles become entrained in the water and begin to flow. Liquefied soil will force open ground cracks in order to escape to the surface. The ejected material often results in flooding and may leave cavities in the soil.

Liquefaction has resulted in substantial loss of life, injury, and damage to property. In addition, liquefaction increases the hazards of fires because of explosions induced when underground gas lines break, and because the breakage of water mains substantially reduces fire suppression capability. Liquefaction hazard in Pittsburg ranges from very low to high. ABAG has identified most of the lowland areas adjacent to Suisun Bay as being highly susceptible to liquefaction hazards. Alluvial fan and terrace deposits that underlie most of Pittsburg have low liquefaction potential, and upland areas that are underlain by bedrock have very low liquefaction potential

Surface Fault Rupture: Surface rupture is an offset of the ground surface when fault rupture extends to the Earth's surface. Fault rupture almost always follows preexisting faults, which are zones of weakness. Any structure built across the fault is at risk of being torn apart as the two sides of the fault slip past each other. Normal and reverse surface fault ruptures have vertical motion while strike-slip surface fault ruptures produce lateral offsets. Many earthquake surface ruptures are combinations of both. Structures that span a surface fault are likely to suffer great damage. The San Andreas, Hayward, Calaveras, and Greenville faults have all experienced surface rupture associated with large, damaging earthquakes during historical time.

Subsidence: Land subsidence is defined as the lowering of the land surface. Many different factors can cause the land surface to subside, such as a sinkhole or underground mine collapse, or during a major earthquake. Land subsidence can also occur when large amounts of groundwater have been excessively withdrawn from an aquifer. The clay layers within the aquifer compact and settle, resulting in lowering the ground surface in the area from which the groundwater is being pumped. Over time, as more water is removed from the area, the ground drops and creates a cone. Once the water has been removed from the sediment, it cannot be replaced.

Land subsidence can occur in various ways during an earthquake. Movement that occurs along faults can be horizontal or vertical or have a component of both. As a result, a large area of land can subside drastically during an earthquake. Land subsidence can also be caused during liquefaction. Liquefaction can result in the settling and compacting of unconsolidated sediment in an event of a major earthquake. This can result in the lowering of the land surface.

Expansive Soils: Expansive soils contain mixed-layer clay minerals that increase and decrease in volume upon wetting and drying, respectively. Expansive soils are common throughout California and can cause damage to foundations and slabs unless properly treated during construction. Most fine-grained deposits along the margins of San Francisco Bay contain clay layers and exhibit expansive or potentially expansive behavior. However, the hazard for expansive behavior is considered a low risk for coastal locations in and around the Bay Area because these areas are permanently saturated.

Landslides: Some soil materials, such as clay minerals, have the capacity to absorb water, resulting in a reduction of shear strength. The force of gravity can cause landslides when the shear strength of saturated clay is reduced below its minimum stability threshold. Earthquake induced landslides of steep slopes can occur in either bedrock or soils. Firm bedrock can usually stand in steeper, more stable slopes than soils. Rock type, grain size, degree of consolidation and angle of the beds all contribute to the strength or weakness of a bedrock hillside. Shale and deeply weathered rocks are very susceptible to slope failures. The presence of excessive amounts of water, or the lack of shear strength in the soil or at the soil-rock interface can also contribute to unstable soil conditions. Landslides can occur in the slope areas within the City. Areas at risk from landslides typically have steep slopes (15% or greater), unstable rock or soil characteristics, or other geologic evidence of instability. The mountainous areas of Pittsburg have slopes greater than 30%.

Earthquake Measurement: There are two scales that are used to measure the severity and intensity of an earthquake. The Modified Mercalli Intensity (MMI) Scale measures the ground shaking intensity in terms of acceleration, velocity, and displacement. The Moment Magnitude (Mw) Scale measures the severity of the earthquake by the amount of energy released at the source of the earthquake. The Mw scale, based on the concept of seismic moment, is uniformly applicable to all sizes of earthquakes. The extent of damage from an earthquake is determined by the magnitude of the earthquake, distance from the epicenter, and characteristics of surface geology. Table 3-5 shows an approximate correlation between the Moment Magnitude (Mw) and the Modified Mercalli Intensity (MMI) Scale and its effects.

Table 3-6: Severity (Mw) and Intensity (MMI) Comparison

Magnitude (Mw)	MMI Scale: Intensity	Abbreviated MMI Scale: Effects	
1.0-3.0	**I**	**I.** Not felt except by a very few under especially favorable conditions.	
3.0 - 3.9	**II – III**	**II.** Felt only by a few persons at rest, especially on upper floors of buildings.	**III.** Felt quite noticeably by persons indoors, especially on upper floors of buildings. Many people do not recognize it as an earthquake. Standing motor cars may rock slightly. Vibrations similar to the passing of a truck. Duration estimated.

Magnitude (Mw)	MMI Scale: Intensity	Abbreviated MMI Scale: Effects	
4.0 - 4.9	**IV – V**	**IV.** Felt indoors by many, outdoors by few during the day. At night, some awakened. Dishes, windows, doors disturbed; walls make cracking sound. Sensation like heavy truck striking building. Standing motor cars rocked	**V.** Felt by nearly everyone; many awakened. Some dishes, windows broken. Unstable objects overturned. Pendulum clocks may stop.
5.0 - 5.9	**VI – VII**	**VI.** Felt by all, many frightened. Some heavy furniture moved; a few instances of fallen plaster. Damage slight.	**VII**. Damage negligible in buildings of good design and construction; slight to moderate in well-built ordinary structures; considerable damage in poorly built or badly designed structures; some chimneys broken.
6.0 - 6.9	**VIII – IX**	VIII. Damage slight in specially designed structures; considerable damage in ordinary substantial buildings with partial collapse. Damage great in poorly built structures. Fall of chimneys, factory stacks, columns, monuments, walls. Heavy furniture overturned.	**IX**. Damage considerable in specially designed structures; well-designed frame structures thrown out of plumb. Damage great in substantial buildings, with partial collapse. Buildings shifted off foundations.
7.0 and higher	**X - XI**	**X**. Some well-built wooden structures destroyed; most masonry and frame structures destroyed with foundations. Rails bent.	**XI**. Few, if any (masonry) structures remain standing. Bridges destroyed. Rails bent greatly.
	XII	**XII**. Damage total. Lines of sight and level are distorted. Objects thrown into the air.	

Source: US Geological Survey (USGS): http://earthquake.usgs.gov/learn/topics/mag_vs_int.php

Location

The faults in the proximity of Pittsburg are as follows:

San Andreas Fault: West of Pittsburg, the San Andreas Fault (the largest fault in California) is the major tectonic boundary between the Pacific and North American plates. The Pacific plate is moving northwest relative to North America while the North American plate is moving southward. The San Andreas Fault has a Maximum Earthquake Potential (M_W) of 7.1.

Hayward Fault: The Hayward Fault runs along the western portion of Contra Costa County and is divided into southern and northern segments. This Hayward Fault is considered to be the most likely source of the next major earthquake in the San Francisco Bay Area. The Hayward Fault was assigned a M_W 6.9 for both the northern and southern segments.

Rodgers Creek Fault: The Rodgers Creek Fault lies in the northern central portion of Contra Costa County and is a right-lateral strike-slip fault. The Rodgers Creek Fault has a predicted earthquake recurrence interval of 230 years with a M_W 7.0.

Calaveras Fault: The Calaveras Fault represents a significant seismic source in the southern and eastern San Francisco Bay region. It runs east of San Jose, and along the Pleasanton-Dublin-San Ramon urban corridor, including Highway 680. Seismologic evidence suggests that the southern and central sections of this fault may produce earthquakes as large as M_W 6.2, while the northern section of the fault may produce earthquakes as large as M_W 7.0.

Concord-Green Valley Fault Zone: The Concord-Green Valley Fault is a right-lateral strike-slip fault zone that extends from the Walnut Creek area across Suisun Bay and continues to the north. The Concord fault extends approximately 12 miles, from the northern slopes of Mt. Diablo to Suisun Bay. North of Suisun Bay, the Green Valley fault continues to the north about 28 miles. It is estimated that the recurrence interval for these faults is approximately 180 years and a rupture of both faults would produce a maximum earthquake of about M_W 6.9.

Greenville-Marsh Creek Fault: The Greenville-Marsh Creek Fault is a strike-slip fault of the San Andreas system extending from Bear Valley to the east side of Mount Diablo. It is estimated this fault has a maximum earthquake of M_W 6.9 to the Greenville portion of the fault with a recurrence interval of about 550 years.

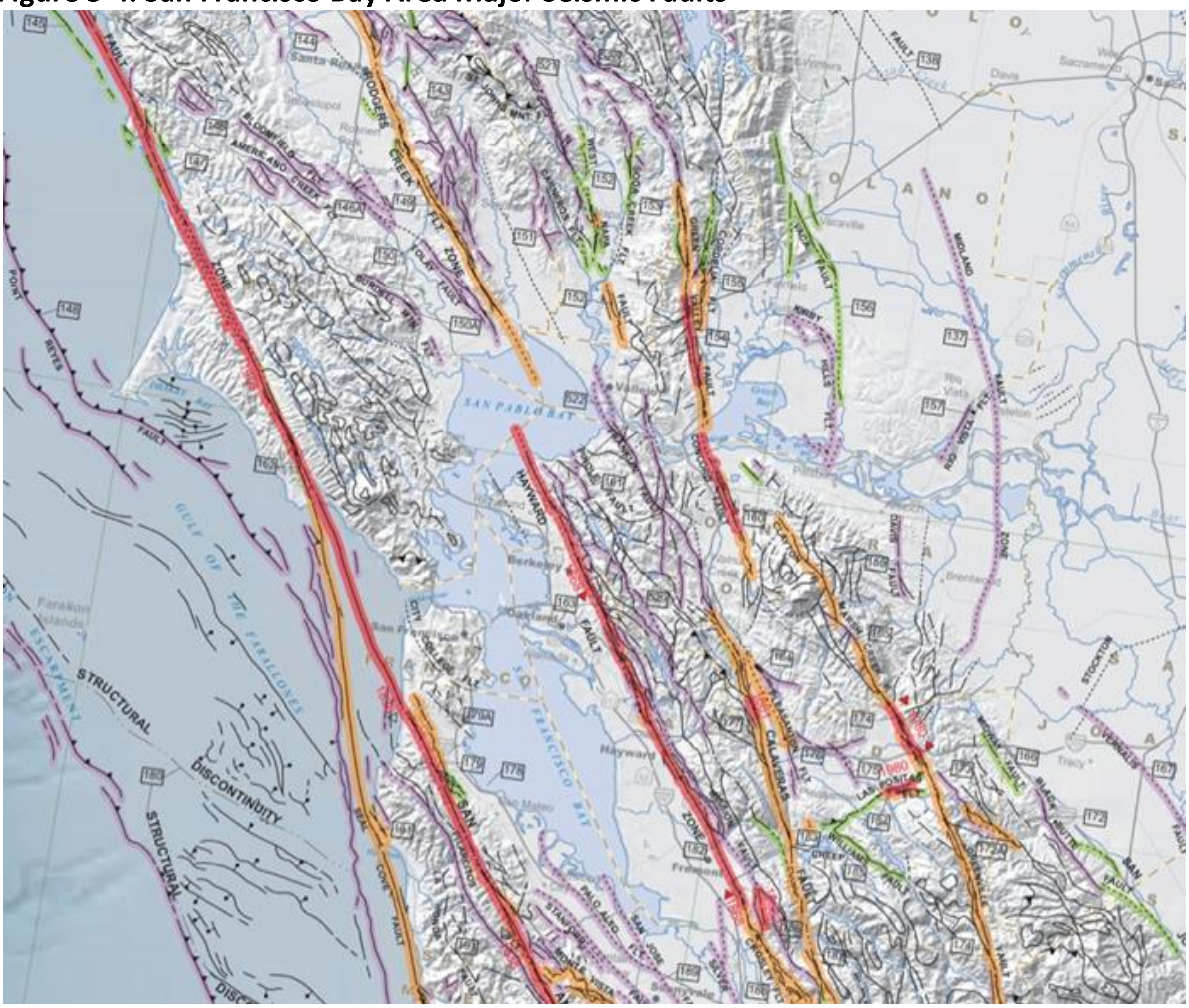
Pittsburg-Kirby Hills Fault: The Pittsburg-Kirby Hills fault extends some distance from the Kirby Hills north of the Sacramento River, to the eastern side of Mount Diablo, south of Pittsburg. The fault is believed to be a right-lateral strike-slip capable of generating a M_W 6.75. In the vicinity of Pittsburg, the fault is defined as the Pittsburg-Kirby Hills Fault Zone and is located approximately 1.1 miles to the west of the Standard Oil site. A study (Terrasearch, 2005) however, found no evidence that the fault is active.

Mount Diablo Thrust Fault: The Mount Diablo thrust fault is a northeast-dipping structure located beneath the Mount Diablo anticline. This blind thrust fault is considered capable of generating a maximum earthquake of M_W 6.25.

Extent

Pittsburg has no known earthquake faults within its boundaries, but due to the close proximity of several faults, the entire City is equally subject to the earthquake hazard as shown on the Figure 3-3 San Francisco Bay Area Major Seismic Faults.

Figure 3-4: San Francisco Bay Area Major Seismic Faults



Source: CA Department of Conservation, 2010 Fault Activity Map, http://www.quake.ca.gov/gmaps/FAM/faultactivitymap.html

The City of Pittsburg could be affected in varying degrees by several earthquake faults that are close to the City. Structural damage, as well as damage to infrastructure systems such as water, power, gas, communication, and transportation, is largely dependent upon the location of the earthquake's epicenter, the time of day, and season of the year.

Previous Occurrences

Northern California is one of the most seismically active areas in the U.S. The region has experienced at least 43 earthquakes since 1836.

Table 3-7: Historical Earthquakes Recorded in the Bay Area Region

Date	Magnitude	Fault Name
6-10-1836	6.5	South San Francisco Bay Region
6-1838	6.8	San Francisco area
10-8-1865	6.5	Santa Cruz Mountains
10-21-1868	6.8	Hayward -30 Fatalities
4-19-1892	6.4	Vacaville - 1 Fatality
6-10-1897	6.3	Calaveras Fault
3-31-1898	6.3	Mare Island
4-18-1906	7.8	San Francisco - 3000 Fatalities
7-1-1911	6.5	Calaveras Fault
10-24-1955	5.4	Concord -1 Fatality
3-22-1957	5.3	Daly City -1 Fatality
10-2-1969	5.7	Santa Rosa - 1 Fatality
8-1-1975	5.8	Oroville
8-6-1979	5.7	Coyote Lake
1-24-1980	5.8	Livermore Valley
11-1-1980	7.2	Humboldt County
4-24-1984	6.2	Morgan Hill
8-8-1989	5.4	Santa Cruz County - 1 Fatality
10-18-1989	6.9	San Francisco (Loma Prieta) - 63 Fatalities
9-3-2000	5.0	Napa
6-15-2005	7.2	Off the Coast of Northern California
6-17-2005	6.6	Off the Coast of Northern California
1-10-2010	6.5	Offshore Northern California
8-27-2014	6.0	Napa

Source: United States Geological Survey; http://earthquake.usgs.gov/earthquakes/states/historical_state.php#california

Probability of Future Events

Earthquake probabilities are calculated by projecting earthquake rates based on earthquake history and fault slip rates (not simply the number of occurrences within a span of years). The result is expressed as the probability that an earthquake of a specified magnitude will occur on a fault or within an area.

There is a strong likelihood that Pittsburg will experience a significant earthquake from one of the known major faults in the next 30 years. In 2015, the Working Group on California Earthquake

Probabilities (WGCEP) issued its third Uniform California Earthquake Rupture Forecast (UCERF3) which determined the likelihood for magnitude 6.7 and larger earthquakes somewhere in the region remains near certainty (greater than 99 percent).

3.2.4 DROUGHT

Type

Drought is an extended period of years when a region is deficient in its water supply, or consistently receives below average precipitation. Drought patterns in the West are related to large-scale climate patterns in the Pacific and Atlantic oceans, such as the El Niño–Southern Oscillation in the Pacific, and the Atlantic Multidecadal Oscillation in the Atlantic. As these large-scale ocean climate patterns vary in relation to each other, drought conditions in the U.S. shift from region to region. Drought produces a variety of impacts that span many sectors of the economy such as reduced crops, rangeland, and forest productivity; increased fire hazard; reduced water levels; increased livestock and wildlife mortality; and rationing are a few examples of direct impacts. These problems can result in reduced income for farmers and agribusiness, increased prices for food and lumber, unemployment, reduced tax revenues, increased crime, and foreclosures on bank loans to farmers and businesses, and migration.

Drought is a lack of adequate water, whether atmospheric, surface or ground water. Drought occurs over a prolonged period of time – typically more than one year, or lasting several years. Drought impacts most the populations that rely on or are affected by a lack of water or annual rainfall. A drought negatively impacts forests and wildland fires, the economy of the agricultural industry, growth of feed and sufficient grazing for livestock, and rural residents that use wells or small water systems for their water source. The California Department of Water Resources (DWR) tracks water supply conditions across the state. Indicators include the annual snowpack, precipitation, runoff, and reservoir storage. There are ten major hydrologic regions in the state. By tracking the indicators in the hydrologic regions, the DWR can continually monitor drought conditions and forecast potential drought or dry years in the 58 counties across the state.

In Pittsburg, drought impacts are more related to social, economic, and environmental uses. The City of Pittsburg is primarily a suburban city; water usage is typically related to municipal, tourism, commerce, and recreation, all of which require a constant steady supply of water.

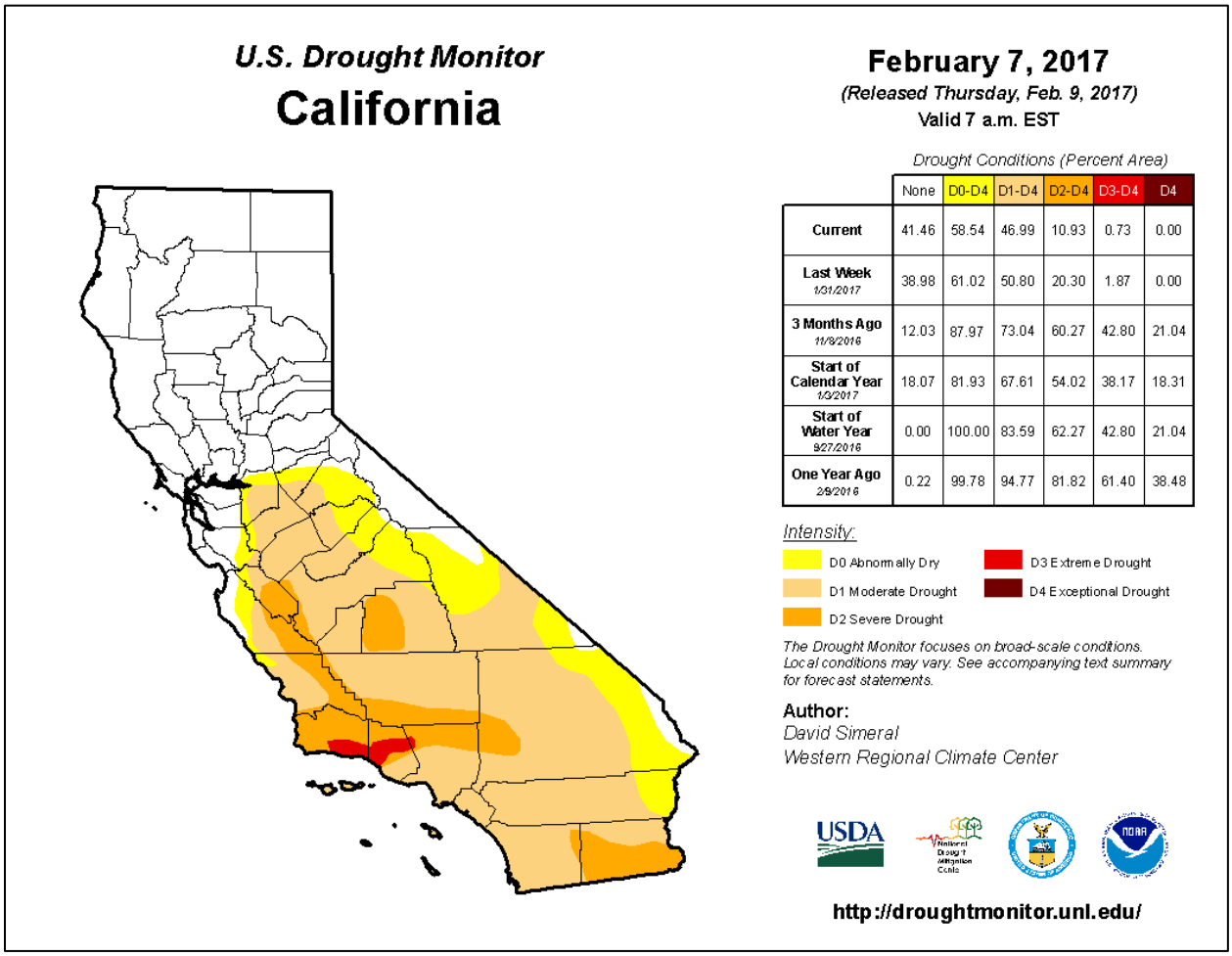
Location

When a drought is in effect, the entire City is affected by the drought.

Extent The State of California recently experienced an unprecedented drought beginning in 2012. This is the longest drought in over a century. The drought currently encompasses over 98% of the state of California. More than 44% of California is in “exceptional” drought — the worst level of

drought. On January 17, 2014 Governor Edmund G. Brown Jr. declared a drought state of emergency. Reservoirs, groundwater basins and ecosystems are at half-capacity or less, and are stressed. The wildfire risk is extremely high. 2014 is the state's third driest in 119 years of record, based on statewide precipitation. In late July 2015, the U.S. Drought Monitor classified 58 percent of California in “exceptional” drought, the most severe on the U.S. Drought Monitor’s five-point scale, and that percentage remained unchanged through September. More than 80 percent was in "extreme" drought (CA Department of Water Resources). Figure 3-4 display draught conditions as of February 2017,. On July 15, 2014, the California State Water Resources Control Board approved an emergency regulation to ensure agencies and state residents increase water conservation allowing local agencies to ask courts to fine water users up to $500 per day for failure to implement conservation requirements.

Figure 3-5: U.S. Drought Monitor California February 2017



	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	41.46	58.54	46.99	10.93	0.73	0.00
Last Week 1/31/2017	38.98	61.02	50.80	20.30	1.87	0.00
3 Months Ago 11/8/2016	12.03	87.97	73.04	60.27	42.80	21.04
Start of Calendar Year 1/3/2017	18.07	81.93	67.61	54.02	38.17	18.31
Start of Water Year 9/27/2016	0.00	100.00	83.59	62.27	42.80	21.04
One Year Ago 2/9/2016	0.22	99.78	94.77	81.82	61.40	38.48

The City has a Water Treatment Plant with staff that is responsible for the maintenance and 24-hour/day operation of the City's 32 million gallon-per-day water treatment plant, 7 pump stations and 8 drinking water storage reservoirs. The Water Treatment Plant ensures that the water distributed by the City is of the highest quality possible and meets or exceeds all State and Federal health standards. Each year a report is published on the quality of water delivered by Contra Costa Water District to the cities of Antioch, Pittsburg, Martinez and Diablo Water District in Oakley per the direction of the Department of Public Health and the U.S. Environmental Protection Agency.

The Pittsburg Water Department is responsible for the repair and maintenance of the water distribution system needed to provide reliable service to the City of Pittsburg and meet all State of California Department of Public Health's water distribution system regulations and the following tasks:

- Maintain and perform scheduled and emergency repairs to maintain system reliability. Distribution system includes 215 miles of water mains, 3,600 distribution system valves, 17,500 customer service lines and meters, and 1,300 fire hydrants to maintain system reliability.
- Manage Hydrant Flushing/Valve Exercising Program, Backflow Prevention Program (State Mandated): Provide record keeping, enforcement, repairs, testing and installations of 1,259 backflow prevention devices.
- Provide monthly water meter reading for customer billing, meter replacement and repairs, service turn-on/shut-off, and respond to customer service complaints and service emergencies.

The City of Pittsburg maintains the collection system that transports the sewage to the treatment plant at Delta Diablo Sanitation District. The monthly sewer charge for a single family is a flat fee. The non-single family fee is based on the type of facility.

Previous Occurrence

Historical drought data for the Contra Costa County region indicate there have been four significant droughts in the last 79 years. This equates to a drought every 19.8 years on average, or a 5.1 percent chance of a drought in any given year. In the past, Pittsburg has experienced a drought. The State of California declared a proclamation of emergency in February 2014 and again in April 2014 for a drought that began in 2011. An el Nino weather pattern for the winter of 2015 – 2016 partially alleviated the drought. However, the drought remains in place.

Probability

An extreme multiyear drought more intense than the 1977 drought could impact the region with little warning. Combinations of low precipitation and unusually high temperatures could occur

over several consecutive years. Intensified by such conditions, extreme wildfires could break out throughout Contra Costa County, increasing the need for water. Surrounding communities, also in drought conditions, could increase their demand for water supplies relied upon by the planning partnership, causing social and political conflicts. If such conditions persisted for several years, the economy of Contra Costa County could experience setbacks, especially in water dependent industries.

Climate change is likely to increase the number and severity of future droughts. The cumulative impact of climate change impacts will result in drier conditions, and will alter the timing and efficiency of the Bay Area water supply. An increase in temperature and a reduction in snow pack are the two most direct effects of climate change that will result in a drier state with fewer natural water resources than historically have been available.

In the Bay Area temperatures are projected to increase between 3 degrees (low emission scenario) and 6 degrees Fahrenheit (high emission scenario).[1] In the eastern regions of the state the increase is 4 to 9 degrees. The reduction in snowpack does not have direct impacts in the Bay Area as the region does not accumulate meaningful levels of snow. The Bay Area is adversely impacted by the severe reduction in snow pack in the Sierras, the source of two-thirds of the regions water. By the end of the century the spring snow pack in the Sierra could be reduced by as much as 70 to 90 percent the historic average.[2]

3.2.5 Transportation Incidents – Air, Rail, Highway, and Water

Type

The City of Pittsburg is vulnerable to transportation incidents involving airplanes, rail (freight and passenger), vehicles, or seafaring vessels on the Delta.

Location

The Burlington Northern Santa Fe Railroad runs through the City. These trains may carry both cargo and/or passengers. The most recent train derailments that occurred in Pittsburg include a train vs. truck accident on July 14, 2009, an 11-car derailment that occurred on November 10, 2009, and a locomotive derailment that occurred on January 29, 2010. Many of these trains carry hazardous materials that if spilled could cause mass evacuation of surrounding neighborhoods, or order to shelter in place, depending on the chemical involved. There are schools and homes near the train tracks that would need to be evacuated if a hazardous materials spill occurred as a result of a train derailment.

[1] Cayan, D., et al. (2009)

[2] Scripps Institute of Oceanography (2012)

The Bay Area Rapid Transit (BART) rail runs through Pittsburg. The heavy rail for current BART service runs to the Pittsburg-Bay Point station (and a bit beyond) west of Bailey Road. The eastern Contra Costa County BART extension scheduled for completion by 2017 will continue the service line through Pittsburg approximately parallel to Highway 4 to Hillcrest Avenue in Antioch. A derailment of a BART train could be devastating for passengers and shut down commuter rail traffic for considerable periods of time. Alternate transportation would have to be provided while the train was cleared and tracks repaired.

The airports closest to the City of Pittsburg are Buchanan Field Airport, Byron Airport, Oakland International Airport, Rio Vista Municipal Airport, Livermore Municipal Airport, Napa County Airport, Nut Tree Airport, and San Francisco International Airport. The county lies along the West Coast air corridor and traffic patterns for Bay Area and Sacramento airports traverse the area. Many smaller private aircraft often fly in and out of Contra Costa County. The primary risk facing the City regarding airplane accidents would be the crashing of a light aircraft or helicopter. Although the incident would be traumatic for the immediate impact area, it is not expected that this would have a long term impact on service operations within the City. The crash of a major airliner in the City would be catastrophic. A large area would be affected with plane wreckage, burning fuel, destroyed buildings, and casualties beyond the capability of local fire and emergency medical services personnel. Media attention would be overwhelming. Any air accident will involve coordination among federal, state, and local agencies to provide the necessary resources to manage such an event. Mass casualty transportation accidents typically require these agencies to establish a unified command post; disaster mortuary teams; set up medical aid stations; and develop a plan for moving patients and resources.

Highway 4, which runs through the City, is a designated route for transporting hazardous materials. A trucking incident on a main transportation artery could result in considerable loss of life and property and hamper traffic through the county. The primary highways through Contra Costa County are Interstate 680, State Route 24, and State Route 4, which runs through Pittsburg. These routes are used heavily during most hours of the day and the control of vehicular traffic in and around the affected area of a multi-casualty or hazardous materials incident will be a considerable problem.

Casualty transportation resources will be in great demand; therefore, it is vital that casualties be transported on the basis of medical triage priorities. Patient tracking will begin at the scene using a Patient Tracking Tag which will be attached to the patient during triage operations. This tag will remain with the patient until the final medical treatment facility is reached.

Trucks and buses will be used to transport the evacuated casualties. However, ambulances from unaffected areas will be primarily needed for the transport of casualties from the receiving sites in reception areas to definitive care facilities. Regional Disaster Medical Health Coordinators

(RDMHCs) have the responsibility to support the mutual aid requests of the Medical Health Operational Area Coordinator (MHOAC) for disaster response within the region and provide mutual aid support to other areas of the state in support of the state medical response system. The RDMHC also serves as an information source to the state medical and health response system.

Military aircraft also travel through the air space above the City. Although the occurrence of an aircraft accident is rare, such an incident can result in extensive casualties, both in the aircraft and on the ground.

Extent

Both air and rail hazards encompass many threats, such as hazardous materials incident, fire, explosion, severe damage to rail lines, roadways, adjacent buildings, or vehicles, roadway closures, evacuations, and loss of life if pedestrians or those in either the adjacent buildings or vehicles are affected by the incident.

Any air accident will involve coordination among federal, state and local agencies. The Contra Costa Fire Protection District will coordinate with the Federal Aviation Administration, and agencies from Contra Costa County, and State of California to provide the necessary resources to manage such an event. The nature of an air mass casualty transportation accident will require these agencies to establish a unified command post; disaster mortuary teams; set up medical aid stations; and develop a plan for moving patients and resources.

A rail accident would be less devastating and typically involve vehicles driving on the city streets at a train crossing. A railcar accident would most likely also be a hazardous materials incident. The railroad crosses major streets in the commercial zone of the City. The tankers leaving or enroute to the refinery are typically loaded with crude oil or other refined oil products. When a rail car is involved in an accident or derailment, a combination of products and materials that are extremely hazardous and/or flammable may be released and cause a rupture or burst into flames.

Previous Occurrence

A query of the National Transportation Safety Board Aviation Accident Database indicates there has been one aircraft accident in the City of Pittsburg. See Table 3-7 for the list of air accidents closest to Pittsburg:

Table 3-8: Air, Rail, Highway, and Water Incidents in or near the City of Pittsburg

Year	Event
1992	A CESSNA 150-L crashed in Pittsburg on July 15, 1992. Two passengers were uninjured but the aircraft sustained a total loss.

http://www.ntsb.gov/aviationquery/

3.2.6 PUBLIC HEALTH EMERGENCIES – EPIDEMIC AND PANDEMIC

Type

An influenza pandemic is a worldwide outbreak that occurs when a new influenza virus appears or "emerges" in the human population that may cause serious illness or death and spreads easily from person to person worldwide. Pandemics may be categorized from mild to severe depending upon the number of people who become ill or die from the disease.

Pandemics are different from seasonal outbreaks of influenza that are caused by subtypes of influenza viruses that already circulate among people. Pandemic outbreaks are caused by entirely new subtypes to which the population has no immunity because the subtype has either never circulated among people, or has not circulated for a long time. Seasonal influenza occurs routinely worldwide each year, causing an average of 36,000 deaths annually in the United States.

Location

Currently, the potential exists for an influenza pandemic to cause serious illness and death to a large number of people throughout the world, Contra Costa County and the City of Pittsburg are of no exception.

Extent

Several characteristics of an influenza pandemic differentiate it from other public health emergencies. Foremost, it has the potential to cause illness in a very large number of people, overwhelming the health care system throughout the nation. A pandemic outbreak could also jeopardize essential community services by causing high levels of absenteeism in critical positions in every workforce. Basic services, such as health care, law enforcement, fire, emergency response, communications, transportation, and utilities could be disrupted during a pandemic. Finally, a pandemic, unlike many other emergency events, will last for months rather than days or weeks, disrupting supply chains for essential items such as food, water, and other essential provisions.

Previous Occurrences

Nearly 40 years have passed since the last influenza pandemic. During the last century, there have been three influenza pandemics. The influenza pandemic of 1918 was especially severe, killing a large number of young, otherwise healthy adults. That pandemic caused more than 500,000 deaths in the United States and an estimated 40 million deaths around the world.
Subsequent pandemics in 1957-58 and 1968-69 caused far fewer fatalities in the U.S., 70,000 and 34,000 deaths respectively, but caused significant illness and death around the world.

Contra Costa County was part of a statewide Presidential Disaster Declaration on April 28, 2009 for a Swine Flu outbreak. Highlands Elementary School in the Pittsburg Unified School District reported the first large outbreak in the Nation. On April 28, 2009, a number of students from the same fourth grade classroom were sent home from school suffering from the same symptoms. A total of 13 students over a three-day period of time had been absent or sent home for flu-like illness. Highlands Elementary was closed from April 29 through May 4 at the order of Contra Costa County Public Health Department. Losses from the closure included:

- Loss of daily ADA funds (for approximately 625 students) for four days
- Overtime costs paid to employees that provided services for miscellaneous tasks related to the school closure
- Loss of about 20% of ADA for those students that did not return to school on Tuesday May 5th
- Clean-up crews that were sent in by the County Health Department

Probability of Future Events

The Centers for Disease Control and Prevention (CDC) estimates that a severe influenza pandemic could infect up to 200 million people in the U.S. and cause between 100,000 and 200,000 deaths. Scientists and health officials throughout the world predict that more influenza pandemics will occur in the 21st century.

3.2.7 Severe Weather – Tornados, Wind, and Excessive Heat

Severe weather refers to any dangerous meteorological phenomena with the potential to cause damage, serious social disruption, or loss of human life. It includes thunderstorms, downbursts, tornadoes, waterspouts, snowstorms, ice storms, severe heat and dust storms. Severe weather can be categorized into two groups: those that form over wide geographic areas are classified as general severe weather; those with a more limited geographic area are classified as localized severe weather. Severe weather, technically, is not the same as extreme weather, which refers to unusual weather events which are at the extremes of the historical distribution for a given area.

Several types of severe weather events typically impact Contra Costa County: thunderstorms with damaging winds, tornados, severe heat and flooding. Flooding is discussed in detail in section 3.2.1. Tornados, damaging winds and severe heat occurring in Contra Costa County are described in detail in the following sections.

Tornado

Type

A tornado is a rapidly rotating column of air that is in contact with both the surface of the earth and a cumulonimbus cloud or, in rare cases, the base of a cumulus cloud. They are often referred to as twisters, whirlwinds or cyclones. Tornadoes come in many shapes and sizes, and are often visible in the form of a condensation funnel originating from the base of a cumulonimbus cloud, with a cloud of rotating debris and dust beneath it. Most tornadoes have wind speeds less than 110 miles per hour are about 250 feet across, and travel a few miles before dissipating. The most extreme tornadoes can attain wind speeds of more than 300 miles per hour are more than two miles in diameter, and stay on the ground for dozens of miles.

Location

The entire City is susceptible to tornados.

Extent

The Fujita scale and the Enhanced Fujita Scale rate tornadoes by damage caused. The Enhanced Fujita (EF) Scale was an update to the older Fujita scale, by expert elicitation, using engineered wind estimates and better damage descriptions. The EF Scale was designed so that a tornado rated on the Fujita scale would receive the same numerical rating, and was implemented starting in the United States in 2007. **Table 3.9** provides a description of the Fujita scale and associated damage.

Table 3.9: Fujita Scale and Damage

Damage f scale		Little Damage	Minor Damage	Roof Gone	Walls Collapse	Blown Down	Blown Away
		f0	f1	f2	f3	f4	f5
Windspeed F scale		17 m/s – 32	32 – 50	50 – 70	70 – 92	92 – 116	116 – 142
		F0	F1	F2	F3	F4	F5
		40 mph – 73	73 – 113	113 – 158	158 – 207	207 – 261	261 – 319
	To convert f scale into F scale, add the appropriate number						
Weak Outbuilding	-3	f3	f4	f5	f5	f5	f5
Strong Outbuilding	-2	f2	f3	f4	f5	f5	f5
Weak Framehouse	-1	f1	f2	f3	f4	f5	f5
Strong Framehouse	0	F0	F1	F2	F3	F4	F5
Brick Structure	+1	-	f0	f1	f2	f3	f4
Concrete Building	+2	-	-	f0	f1	f2	f3

Fig. 2.4-1 The Fujita tornado scale (F scale) pegged to damage-causing windspeeds. The extent of damage expressed by the damage scale (f scale) varies with both windspeed and the strength of structures.

Previous Occurrence

There have been two recorded tornado/funnel cloud events with Contra Costa County since 1950. Both were F0-rated events that caused little damage. On January 23, 2010, an F1 tornado occurred in Brentwood. The tornado crossed power lines and destroyed a utility pole. Fifty-five customers lost power. Generally, tornados are not considered a high risk for the County.

Probability of Future Events

The likelihood of a tornado in the City is small with a less than one in fifty probability in any year.

<u>Damaging Winds</u>

Type

The hazard of severe wind encompasses all climatic events that produce damaging winds. For the City, severe winds usually result from either extreme pressure gradients that usually occur in the spring and early summer months, or from thunderstorms. Thunderstorms can occur year-

round and are usually associated with cold fronts in the winter and monsoon activity in the summer.
Three types of damaging wind related features typically accompany a thunderstorm; 1) downbursts, 2) straight line winds, and infrequently. Tornadoes are discussed separately.

- Downbursts are columns of air moving rapidly downward through a thunderstorm. When the air reaches the ground, it spreads out in all directions, creating horizontal wind gusts of 80 mph or higher. Downburst winds have been measured as high as 140 mph. Some of the air curls back upward with the potential to generate a new thunderstorm cell. Downbursts are called macrobursts when the diameter is greater than 2.5 miles, and microbursts when the diameter is 2.5 miles or less. They can be either dry or wet downbursts, where the wet downburst contains precipitation that continues all the way down to the ground, while the precipitation in a dry downburst evaporates on the way to the ground, decreasing the air temperature and increasing the air speed. In a microburst the wind speeds are highest near the location where the downdraft reached the surface, and are reduced as they move outward due to the friction of objects at the surface. Typical damage from downbursts includes uprooted trees, downed power lines, mobile homes knocked off their foundations, block walls and fences blown down, and porches and awnings blown off homes.

- Straight line winds are developed similar to downbursts, but are usually sustained for greater periods as thunderstorms reaches the mature stage, traveling parallel to the ground surface at speeds of 75 mph or higher. These winds are frequently responsible for generating dust storms and sand storms, reducing visibility and creating hazardous driving conditions.

Location

All of the City is vulnerable to the effects of winter storms and high winds. Vegetation, debris, and electrical infrastructure knocked down or blown by severe weather has the potential to cause damage or additional hazards.

Extent

The Beaufort scale is a scale for measuring wind speeds. It is based on observation rather than accurate measurement. It is the most widely used system to measure wind speed today. The scale was developed in 1805 by Francis Beaufort, an officer of the Royal Navy and first officially used by HMS Beagle. There are twelve levels, plus 0 for "no wind".

Table 3.10: Beaufort Scale

Force	Wind (Knots)	WMO Classification	Appearance of Wind Effects
			On Land
0	Less than 1	Calm	Calm, smoke rises vertically
1	1-3	Light Air	Smoke drift indicates wind direction, still wind vanes
2	4-6	Light Breeze	Wind felt on face, leaves rustle, vanes begin to move
3	7-10	Gentle Breeze	Leaves and small twigs constantly moving, light flags extended
4	11-16	Moderate Breeze	Dust, leaves, and loose paper lifted, small tree branches move
5	17-21	Fresh Breeze	Small trees in leaf begin to sway
6	22-27	Strong Breeze	Larger tree branches moving, whistling in wires
7	28-33	Near Gale	Whole trees moving, resistance felt walking against wind
8	34-40	Gale	Twigs breaking off trees, generally impedes progress
9	41-47	Strong Gale	Slight structural damage occurs, slate blows off roofs
10	48-55	Storm	Seldom experienced on land except during hurricane landfall, trees broken or uprooted, "considerable structural damage"
11	56-63	Violent Storm	
12	64+	Hurricane	

Previous Occurrence

Between 2000 and 2017, high winds occurred on 12 days in the San Francisco Bay Area East Bay Interior Valleys. No damage, injuries or deaths were reported. On one occasion winds speeds reached in excess of 75 knots.[3]

Probability of Future Events

Based upon past occurrences, high and potentially damaging winds are likely to occur slightly less than one day a year.

[3] NOAA Storm Events Data Base

Excessive Heat

Type

According to the National Weather Service (NWS), extreme heat occurs when the temperature reaches high levels or when the combination of heat and humidity causes the air to become oppressive and stifling. The NWS will issue advisories or warnings when the heat index is expected to have a significant impact on public safety. The common guidelines for the issuance of excessive heat warnings are when the maximum daytime index is expected to reach 105°F and the nighttime low temperature does not fall below 75°F. [4]

Location

All of the City is susceptible to severe heat conditions.

Extent

Excessive Heat Outlook occurs when the potential exists for an excessive-heat event in the next three to seven days. The NWS will provide an indication of areas where people and animals may need to take precautions. The outlook is based on a combination of temperature and humidity, Heat Index,[5] over a certain number of days. An outlook is used to indicate that a heat event may develop. It is intended to provide information to those who need lead time to prepare for the event, such as public utilities, emergency management personnel, and public health officials. **Table 5-9** provides a description of heat- related public notifications.

[4] NWS http://www.nws.noaa.gov/om/heat/ww.shtml

[5] NWS http://www.nws.noaa.gov/om/heat/heat_index.shtml for a detailed description

Table 3.11: Heat Advisories, Warnings and Watches

Heat Advisories	The Heat Index has to remain at or above 100°F for a minimum of two hours. Heat advisories are issued by zone when any location within that zone is expected to reach criteria. For example: If you expected the heat index to reach 100°F in Visalia, a heat advisory would be issued for that county. A heat advisory means that people can be affected by heat if precautions are not taken. The issuance of a heat advisory is important to raise public awareness that these precautions need to be taken. Heat advisories are also used to trigger other actions and regulations such as no evictions, no turning off of power, changing outdoor work requirements, etc.
Excessive Heat Watches	Issued when Heat Warning criteria is possible (50-79%) 1 to 2 days in advance.
Excessive Heat Warnings	Criteria for an Excessive Heat Warning is a Heat Index of 105°F or greater that will last for two hours or more. Heat Warnings are issued by zone when any location within that zone is expected to reach criteria. For example: If you expected the Heat Index to reach 105°F in Visalia an Excessive Heat Warning would be issued for that zone. A heat warning means that some people can be seriously affected by heat if precautions are not taken. Studies in Canada, Europe, and the U.S. have indicated that mortality begins to increase exponentially as the heat increases or stays above a Heat Index of 104°F. Note: In addition to raising public awareness, the issuance of a heat warning will alert hospitals and officials to take certain actions to prepare and respond to an increase in emergency calls, and activate programs to check on elderly and the home-bound. In some cases, cooling centers can be open or designated and donation programs activated for fans and air conditioners. As in the case of an advisory, certain regulations may change such as turning off people's electricity, evictions, and outside work requirements.

Previous Occurrences

Between 2000 and 2017, excessive heat has occurred on 26 days in California resulting in 10 injuries or deaths. There was a major heat wave in California from mid- to late July 2006, with 10 days of record-breaking temperatures. Across the state, researchers estimate the heat wave resulted in 16,166 more emergency department visits than average[6].

[6] Kim Knowlton et al., "The 2006 California Heat Wave: Impacts on Hospitalizations and Emergency Department Visits," Environmental Health Perspectives 117, no. 1 (January 2009)

Probability of Future Events

Depending on low and high emission scenarios, and the location within the region, in the future the City may experience an average of anywhere from 20 to 80 extreme heat days in a year. Cal-Adapt, California's database of climate data and visualization tools provides five different ways to define the extreme heat hazard: (1) number of extreme heat days by year, (2) number of warm nights by year, (3) number of heat waves by year (heat wave is defined as 5 consecutive extreme heat days), (4) timing of extreme heat days by year (i.e. which months do extreme heat hazards occur), (5) the maximum duration of heat wave by year. These metrics are projecting both the intensity and the temporal nature of extreme heat.

Climate change is expected to generate an increase in ambient average air temperature, particularly in the summer. The outer Bay Area will likely experience greater temperature increases than coastal or bayside jurisdictions, though likely not as great as in the eastern-most inland communities. The frequency, intensity, and duration of extreme heat events and heat waves are also expected as regional climate impacts.[7]

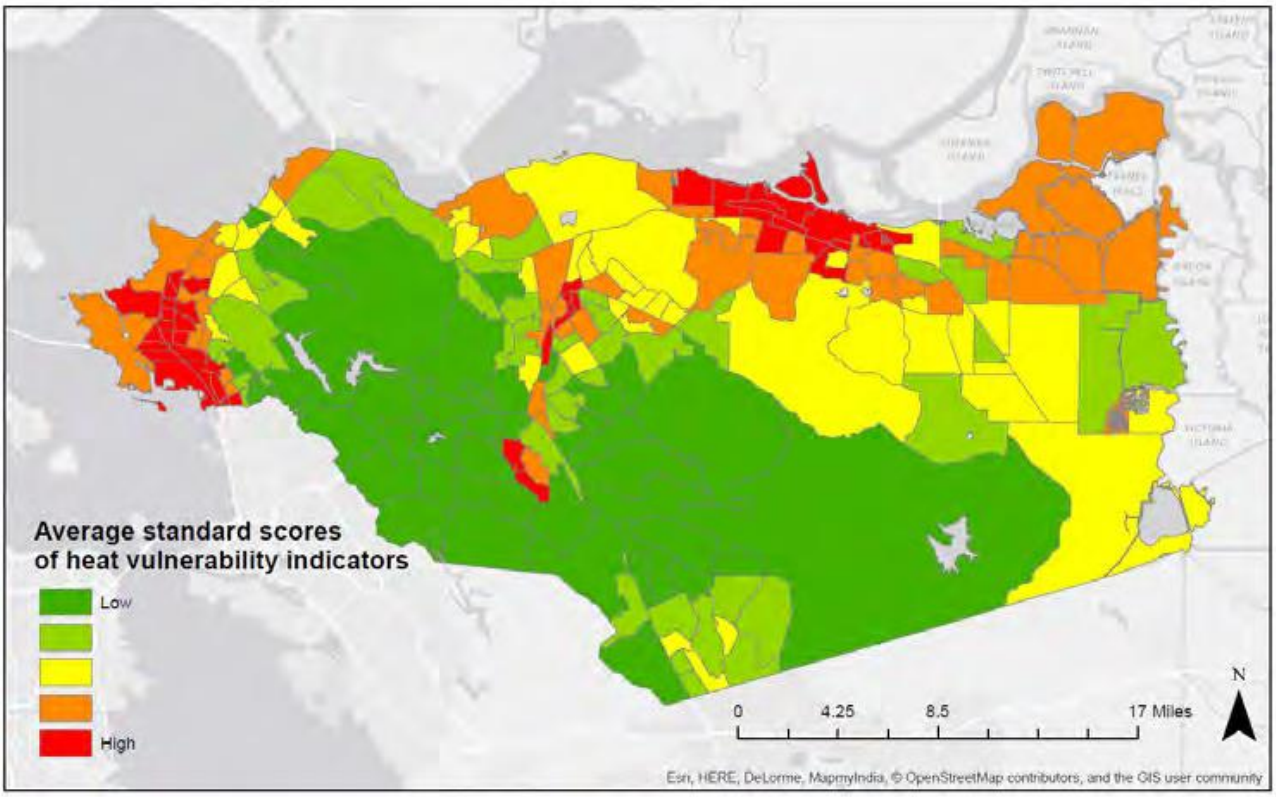
According to California Climate Change Center, by mid-century, extreme heat in urban centers could cause two to three times more heat-related deaths than occur today.[8] Statewide, temperatures could increase anywhere from 3 to 10.5° depending on CO_2 emission levels, leading to more frequent, hotter days throughout the year.

Due to climate change, an increasing the number of days of extreme heat may be expected to occur. Since Pittsburg is in a high heat vulnerability area, future heat events are likely to have a more severe impact. Figure 3.7 depicts the Heat Vulnerability Indicators for Contra Costa County based on demographic and climate conditions.

[7] Drechsler D. M., et al, (2006)

[8] California Climate Change Center (2006)

Figure 3.13: Scores on Heat Vulnerability Indicators



3.2.8 Wildland and Urban Fires

Type

A wildfire is any uncontrolled fire occurring on undeveloped land that requires fire suppression. Wildfires can be ignited by lightning or by human activity such as smoking, campfires, equipment use, and arson. Fire hazards present a considerable risk to vegetation and wildlife habitats throughout Contra Costa County. Short-term loss caused by a wildfire can include the destruction of timber, wildlife habitat, scenic vistas, and watersheds. Long-term effects include smaller timber harvests, reduced access to affected recreational areas, and destruction of cultural and economic resources and community infrastructure. Vulnerability to flooding increases due to the destruction of watersheds. The potential for significant damage to life and property exists in areas designated as "wildland urban interface (WUI) areas," where development is adjacent to densely vegetated areas.

While the primary fire threat in the Bay Area is from wildfire, urban conflagration, or a large disastrous fire in an urban area, as a major hazard that can occur due to many causes such as wildfires, earthquakes, gas leaks, chemical explosions, or arson. The urban fire conflagration that followed the 1906 San Francisco Earthquake did more damage than the earthquake itself. A source of danger to cities throughout human history, urban conflagration has been reduced as a general source of risk to life and property through improvements in community design, construction materials, and fire protection systems.

Although the frequency of urban conflagration fires has been reduced, they remain a risk to human safety. One reason is the current trend toward increased urban density and infill in areas adjacent to the wildland-urban interface. In an effort to keep housing close to urban jobs, areas previously left as open space due to steep slopes and high wildland fire risk may be potentially considered as infill areas for high-density housing.

The Contra Costa County Fire Protection District (CCCFPD) provides fire prevention, suppression, and emergency medical response for advanced and basic life support to nine cities and much of the unincorporated territory in the central and western portions of Contra Costa County, including the City of Pittsburg and the project site. The CCCFPD operates 23 stations throughout its jurisdictional area and has a staff of 262 uniformed personnel (Leach 2013b). Within the Pittsburg Planning Area, there are four CCCFPD fire stations.

Location

In Contra Costa County, 118,509 acres are located in WUI areas and approximately 37,721 acres are in a high, very high or extreme Fire Hazard Severity Zone (FHSZ). The geography, weather patterns and vegetation in the East Bay area provide ideal conditions for recurring wildfires. Especially vulnerable are the East Bay Hills in Lamorinda (which includes Lafayette, Moraga, and Orinda). Parts of Walnut Creek, including the area surrounding Rossmoor, are vulnerable to WUI

fires, as are Clayton, the Danville/San Ramon area, and the San Pablo - El Cerrito, El Sobrante area. Pittsburg is not mentioned in the Contra Costa Hazard Mitigation Plan.

Figure 3.9 Historic Wildfire Perimeter (1950-2014) (Source: ABAG Resilience Program)

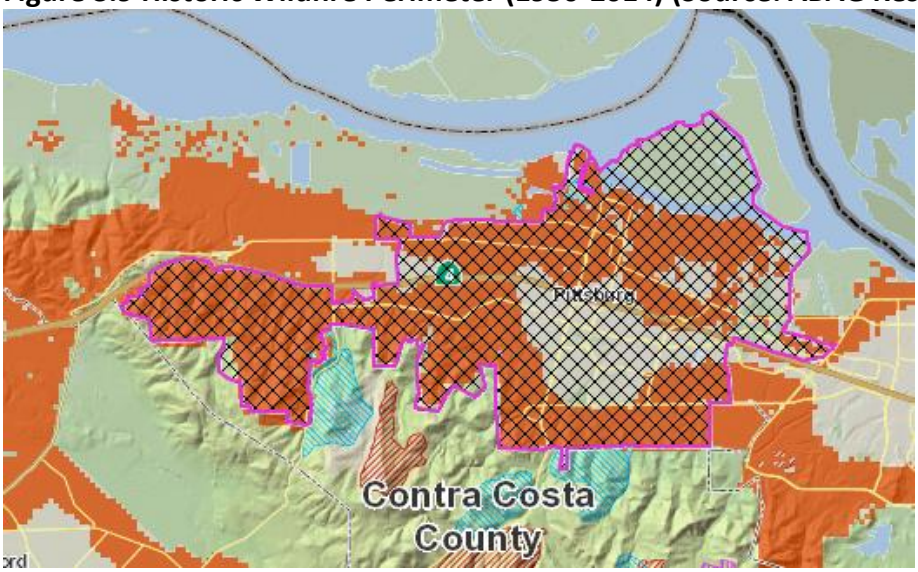


Figure 3.10 Contra Costa County Wildfire History

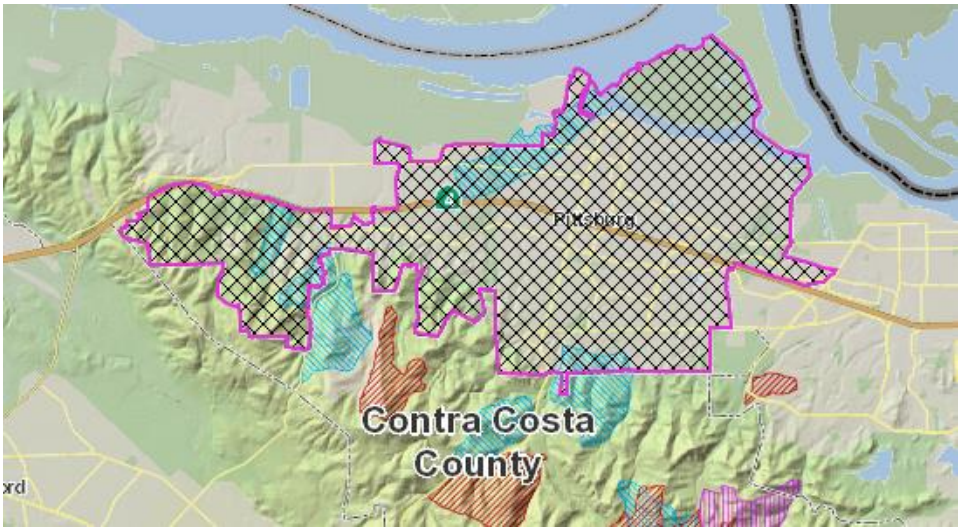


Figure 3.11 Contra Costa County Wildfire Hazard Boundaries

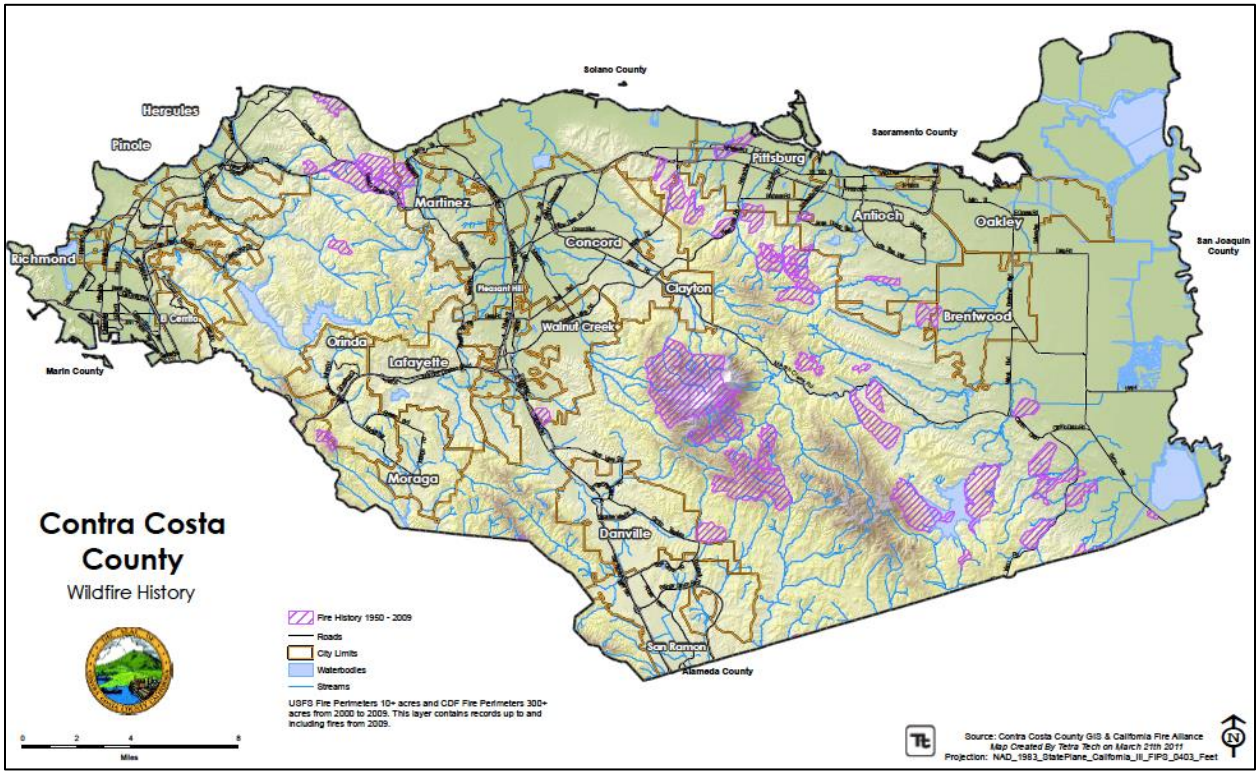
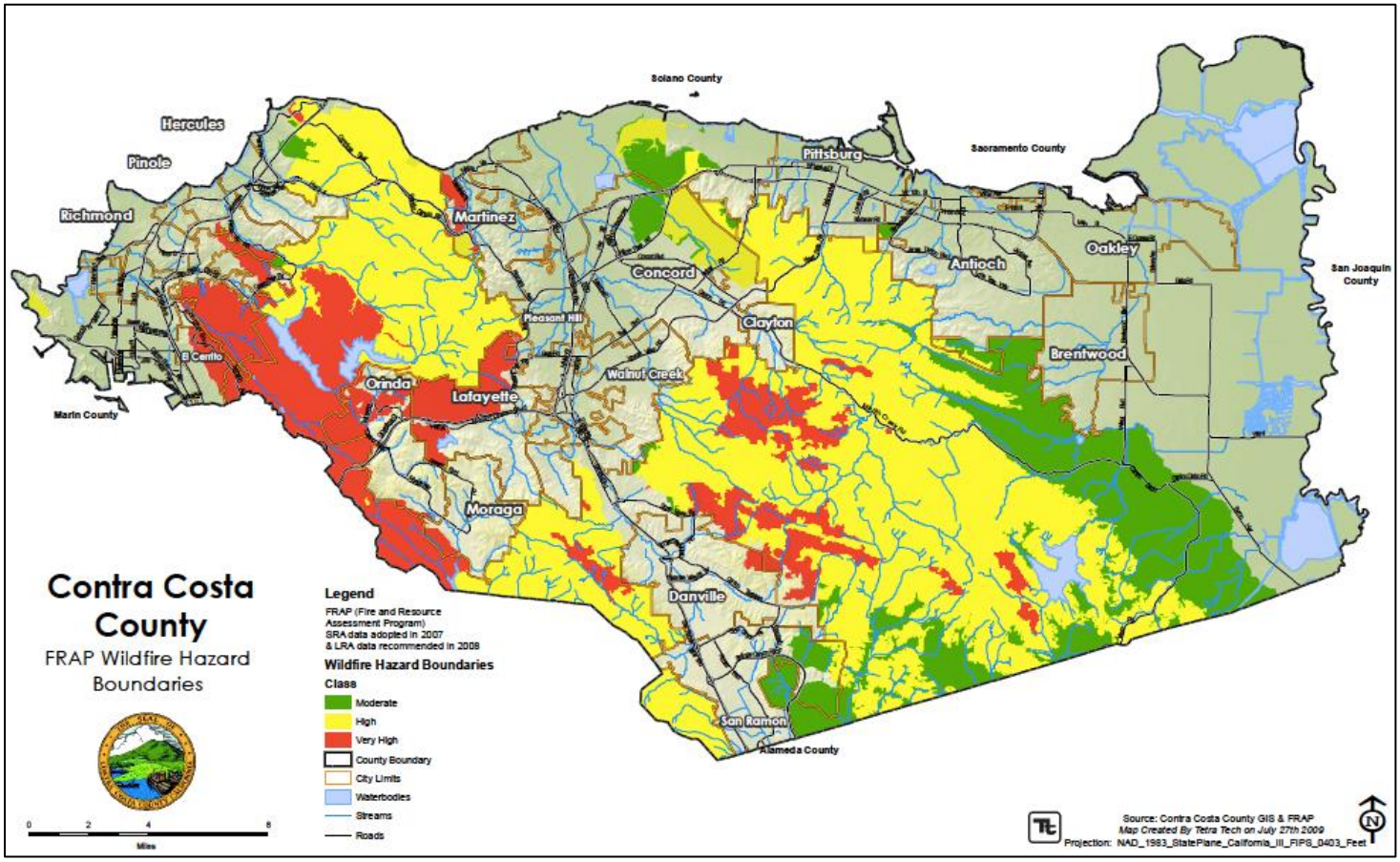


Figure 3.12: FRAP Wildfire Hazard Boundaries



Extent

The impacts of a fire are felt long after the fire is extinguished. In addition to the loss of property in fires, the loss in vegetation and changes in surface soils alters the environment. When all supporting vegetation is burned away, hillsides become destabilized and prone to erosion. The burnt surface soils are harder and absorb less water. When winter rains come, this leads to increased runoff, erosion, and landslides in hilly areas.

Previous Occurrences

Contra Costa County has received no state or federal disaster declarations related to fire between 1950 and 2017. There are no reported wildfire associated injuries or deaths, or property damage during the same period.[9]

[9] NOAA National Center for Environmental Information

Probability of Future Fire – Climate Change

Wildfire risk increases due to climate change because of higher temperatures and longer dry periods over a longer fire seasons. Additionally, wildfire risk will also be influenced by potential changes in vegetation.[10]

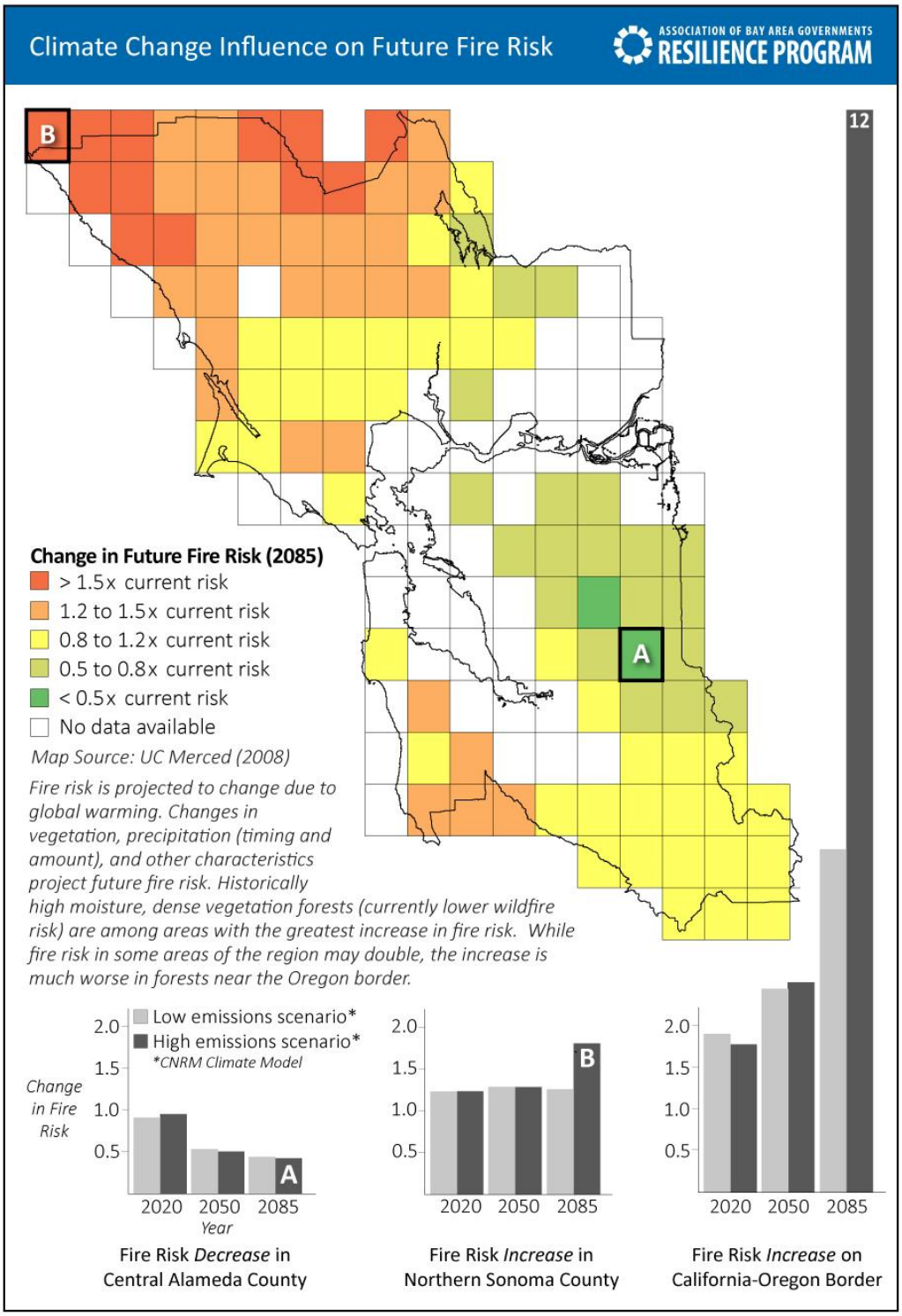
Research produced by UC Merced has projected the future fire risk, impacted by climate change, compared to existing fire risk. In the Bay Area the results are mixed. The research projects some locations in the East Bay and South Bay to exhibit decreased fire risk, while areas on the Peninsula and North Bay exhibit a 150 percent increase in fire risk by 2085. Generally, across the Bay Area there is fairly limited change in fire risk in the year 2050, with the greatest change in occurring between 2050 and 2085, especially in the high emission scenario. The Cal Adapt data suggests that some jurisdictions might have to adapt more aggressively compared to others Figure 1 shows the projected fire risk increase for the Bay Area with the greatest increase and decrease areas highlighted.

The future fire risk model analyzes two primary variables: fuel availability and flammability of fuel. In California, the change in fire risk is a result of either a densely forested ecosystem becoming drier, or a dry climate experiencing large vegetation growth after a year of above average precipitation. In the first scenario the suite of climate impacts (higher temperatures, less snowpack, earlier springs) result in previously wet dense fuel ecosystems becoming dry – increasing the fire risk. In the second ecosystem, dominated by grass and low density shrubs, the risk is often unchanged or decreased because the availability of fuel is the governing variable for fire risk, which remains unchanged or decreases as a result of projected precipitation.[11] These modeling characteristics are reflected in the Bay Area's future fire risk map.

The Bay Area, compared with other portions of California, especially those near the Oregon border, have a much lower projected increase in fire risk due to climate change. Near the Oregon border, many areas are expecting a 500 percent increase in fire risk by 2085, with some areas projected to see their fire risk increase more than 10 times.

[10] California Climate Change Center, (2012)
[11] Westerling, A.L., Bryant, B.P. (2008)

Figure 3.13 Climate Change Influence on Fire Risk



3.2.9 CIVIL UNREST

Type

Civil unrest is defined as civil disorder, a broad term that is typically used by law enforcement to describe disruption of typical social order; it may involve a strike or protest, and it can be peaceful or involve violence. Both riots and rebellions are forms of civil unrest. Incidents of civil unrest often occur after national or local events incite anger in the populace and may be triggered by various causes such as political protests, racial strife or sporting events. Civil disorders and disturbances are human-caused events with potential for endangering life and damaging property.

The Bay Area experienced past episodes of civil unrest. Civil disturbances may be mitigated through planning, Mitigation activities for civil disturbance are not solely a police function but are s a shared responsibility of elected officials, community leaders, business leaders, service organizations and community residents.

While basic constitutional rights guarantee free assembly, civil unrest associated with such events has the potential to result in injuries, loss of life, and destruction of property. Heightened vigilance and strategic organization, and training on the part of law enforcement can mitigate damage and casualties from civil disturbances.

Location

The entire San Francisco Bay Area region is vulnerable to civil unrest. While there are no specific hazard zones that can be identified or predicted for civil unrest, dense population centers located in highly urban areas such as Oakland and San Francisco are more likely to experience this hazard.

Extent

Civil unrest may result from a wide variety of causes, ranging from local to international. All regional assets are susceptible to being at risk from civil disturbances. Local government facilities including San Francisco and Oakland City Halls as well as the San Francisco-Oakland Bay Bridge are considered most at risk since several demonstrations or rallies have originated in these locations in the past. Other police and fire facilities have also been targeted during past events. Previous experience indicates that Critical Response (police stations, fire stations) also are at risk during periods of civil unrest. In addition, Critical Operating Facilities, such as regional ports and ferry landings, etc. are at risk of damage or destruction and may be rendered temporarily inoperative for some period of time. Depending upon the nature of the event, however, any assets owned by local government organizations/agencies may be considered vulnerable to damage or destruction as a result of civil unrest.

Frequency/Probability of Future Occurrences

Previous Occurrences

City police departments in the San Francisco Bay Area region have dealt with civil unrest on many occasions. Recent examples include the October 2014 Major League Baseball San Francisco Giants World Series victory riots, November 2014 unrest in Oakland following the Ferguson verdict, and Black Lives Matter protestors blocking traffic on the San Francisco-Oakland Bay Bridge on Martin Luther King Jr. Day 2016. Today the combination of professional protestors, anarchists, demonstrations, and counter demonstrations at many public gatherings has created the potential for civil unrest. Often events deemed to be celebrations can cause civil disturbances and create loss. When dealing with events that have the potential to become incidents of civil unrest, the police departments' most important goal is safeguarding citizens and property.

Major League Baseball San Francisco Giants World Series Victory Riots 2014: A celebration in San Francisco's streets as a result of the Giants' World Series victory on October 29, 2014 turned violent in some areas with people injured by gunfire, officers hurt by bottles thrown by revelers, and police making arrests. Violence left three people injured, two by gunshots and one in a stabbing.

Ferguson Verdict Civil Unrest 2014: Hundreds of people marched through downtown Oakland, blocked traffic on Interstate-580, broke windows, and set small fires during a night of protests on November 24, 2014 over a grand jury's decision not to indict Ferguson, Missouri police Officer Darren Wilson in the fatal shooting of Michael Brown. More than 40 people were arrested.

Black Lives Matter Protestors Block Bay Bridge 2016: Protesters linked with the Black Lives Matter movement chained themselves together on the busy San Francisco-Oakland Bay Bridge on Monday, January 18th, 2016, blocking rush-hour traffic traveling toward San Francisco. Bridge traffic was stopped for more than 30 minutes before California Highway Patrol officers partially reopened the five westbound lanes later on in afternoon.

Probability of Future Events

While it is not possible to make long term predictions of civil unrest events, it is highly probable that such events will occur in Bay Area jurisdictions from time to time. Because of the extreme unpredictability of civil unrest events, no specific estimates can be made concerning potential losses.

3.2.10 Terrorism and Nuclear Incidents

Type

Pittsburg is home to businesses and government agencies, transportation infrastructure, tourist attractions, historic sites, and cultural facilities that are vulnerable to terrorist attack. Terrorism

is a continuing threat throughout the world and within the United States. A variety of political, social, religious, cultural, and economic factors underlie terrorist activities. Terrorists typically target civilians with a goal of instilling fear to advance their agenda. The media interest generated by terrorist attacks makes this a high visibility threat. Although the City of Pittsburg is not likely to be the target of extreme terrorism, the threat of such an attack will continue to be evaluated by the Pittsburg Police Department in collaboration with state and federal agencies to mitigate this threat to the extent possible.

Incidents generating significant mass casualties make preparedness and the mechanisms for effective response essential. Terrorists typically use one or more of the following types of weapons: chemical biological, incendiary, radiological, or explosive. In addition to large-scale attacks, a full range of assault styles must be considered, including simple bombings, assassinations with small arms, major bombings, and others. Use of explosive devices remains the weapon of choice for terrorist activity. Related activities include bomb threats which disrupt the normal operations of transit systems, government or corporate facilities. Primary locations likely to be targets include airports, mass transit targets, government facilities, and high population density locations, although so-called "soft targets" such as schools, local entertainment facilities, etc. are at risk. The potential for nuclear, biological or chemical terrorism is also a concern. These types of emergencies would necessitate detailed contingency planning and preparation of emergency responders to protect their communities.

The City of Pittsburg Police Department has anti-terrorism programs in place, which include continually gathering intelligence; monitoring events to assess credible threat potential; and issuing warnings to the participating agencies and to the citizenry. The Federal Bureau of Investigation is the lead federal agency for all terrorist activities within the United States, and coordinates this activity with local law enforcement through the Joint Regional Intelligence Center.

Type

The definition of terrorism by the Federal Bureau of Investigation is "the unlawful use of force or violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives."

The formal definition of Weapons of Mass Destruction (Title 18 USC section 2332a) is: (1) Any weapon or device that is intended, or has the capability, to cause death or serious bodily injury to a significant number of people through the release, dissemination, or impact of toxic or poisonous chemicals or their precursors; a disease organism; or radiation or radioactivity; (2)(a) any explosive, incendiary, or poison gas, bomb, grenade, or rocket having a propellant charge of more than four ounces, or a missile having an explosive or incendiary charge of more than one quarter ounce, or mine or device similar to the above; (b) poison gas; (c) any weapon involving a

disease organism; or (d) any weapon that is designed to release radiation or radioactivity at a level dangerous to human life.

Weapons of mass destruction (WMD) typically used by terrorists are categorized by an acronym that lists the types of materials/weapons: CBRNE stands for chemical, biological, radiological, nuclear, and explosives – BNICE stands for biological, nuclear, incendiary, chemical, and explosives. The nature of each category of weapon is described briefly below:

Chemical: chemical weapons include blood and choking agents, nerve agents, blister agents, and toxic industrial chemicals. The advantages of using chemical weapons for a terrorist include they are easy to make, readily available, inexpensive, have an immediate effect, and are easily spread. The disadvantages are they require significant quantities for a mass effect, and the production and deployment are potentially hazardous to the terrorist. Some chemical agents are odorless and tasteless and are difficult to detect, while others have distinct odors. They can have an immediate effect (a few seconds to a few minutes) or a delayed effect (several hours to several days). Routes of exposure for chemical weapons are inhalation, ingestion, absorption, and injection. Unlike many of the biological weapons, first responders can take self-protective measures by wearing personal protective equipment, first aid measures and effective medical interventions are available, and chemical agent exposures can be decontaminated and agents neutralized.

Biological: biological weapons are defined as bacteria, viruses, or toxins used to produce illness or death in people, animals, or plants. The advantages of biological weapons are that they are easy to make, readily available, and relatively inexpensive. The disadvantages include delayed effects and potential deployment hazards to the terrorist. Routes of exposure for biological weapons are inhalation, ingestion, absorption, and injection. Biological agents can be dispersed as airborne particles or aerosols on food items or in water, or through an injection. Terrorists may use biological weapons because the agents odorless, tasteless, and extremely difficult to detect.

Radiological / Nuclear: radioactive or nuclear weapons are typically in the form of a traditional fission device such as an atom bomb, a radiological dispersal device, often called a dirty bomb, or a conventional explosion at a nuclear facility. The advantages of radiological or nuclear weapons are that the materials are available, cause devastating effects and a great psychological impact on the population. The disadvantages include delayed effects, deployment is hazardous to the terrorists, and they are extremely expensive – in the millions of dollars for a nuclear weapon. Radiation cannot be detected by human senses. Consequences may include death, severe health risks to the public, damage to the environment, and extraordinary loss of, or damage to, property. The health effects of radiological or nuclear materials include radiation

burns, fragmentation wounds, acute radiological poisoning, and long term effects, such as cancers and birth defects.

Explosives: explosive weapons are most terrorist's weapon of choice. 86% of domestic terrorist incidents involve the use of explosives. Explosives are readily available and have dramatic results, are low risk, require few skills to build and use, are easy to execute, allow for remote attacks, and don't require many people to execute. There are low explosives and high explosives. The effects include blast pressure, both positive and negative, fragmentation, and thermal. There are pipe bombs or bombs that can be easily concealed into a backpack, box, vehicles, or virtually any type of container, with numerous trigger mechanisms to set off the bomb. Bombings account for up to 50% of worldwide terrorist attack patterns.

Cyber-terrorism: according to the U.S. Federal Bureau of Investigation, cyber terrorism is any "premeditated, politically motivated attack against information, computer systems, computer programs, and data which results in violence against non-combatant targets by sub-national groups or clandestine agents." As nations and critical infrastructure became more dependent on computer networks for their operations, new vulnerabilities are created. A cyber terrorist attack is designed to cause physical violence or extreme financial harm. Possible cyber terrorist targets include the banking industry, military installations, power plants, air traffic control centers, and water systems, but could be against any facility that relies on computers, computer systems and programs for their operations.

Active Shooter: The United States Department of Homeland Security[12] defines the active shooter as "an individual actively engaged in killing or attempting to kill people in a confined and populated area; in most cases, active shooters use firearms and there is no pattern or method to their selection of victims." Active shooters may also use explosive devices during assaults to increase the likelihood of casualties or to commit suicide. Most incidents occur at locations in which the killers find little impediment in pressing their attack. Locations are generally described as soft targets that have limited security measures to protect members of the public. In most instances, shooters commit suicide, are shot by police, or surrender when confrontation with responding law enforcement becomes unavoidable.

Location

There is a wide range of motivations for terrorist attacks. They can be for or against almost any issue, religious belief, political position, or group of people of one national origin or another. Because of the tremendous variety of causes supported by terrorists and the wide variety of potential targets, there is no place that is truly safe from terrorism. Primary locations likely to be targets include airports, mass transit targets, government facilities, and high population density

[12] DHS Active Shooter Threat Handbook

locations, although so-called “soft targets” such as schools, local entertainments facilities, etc. are also at risk. The potential for nuclear, biological or chemical terrorism is also a concern. The entire Bay Area is considered at risk for a nuclear event. These types of emergencies could be devastating to any community and would necessitate detailed contingency planning and preparation of emergency responders prior to such an attack.

Pittsburg is home to power plants, water utilities, refineries, rail stations, colleges, and chemical manufacturers, all of which could be a target for terrorism.

The City of Pittsburg is not within a planned range of a Nuclear Generating Station. There are no known businesses or educational facilities that have a nuclear reactor on their premises within the City.

Extent

As outlined in the 2010 National Security Strategy, there is no greater danger to the Nation than a terrorist attack with a weapon of mass destruction. Terrorist acts may cause casualties, extensive property damage, fires, flooding, and other subsequent hazards. Incidents generating significant mass casualties make preparedness and the mechanisms for effective response essential. In addition to large-scale attacks, a full range of terrorism tactics must be considered, including simple bombings, chemical or biological incidents, explosions and cyber-attacks, bomb threats, and the use of radiological and nuclear materials. Use of explosive devices remains the weapon of choice for terrorist activity. The possibility exists that a terrorist organization might acquire the capability of creating a small nuclear detonation. A single nuclear detonation in the United States would likely produce fallout affecting an area many times greater than that of the blast itself, certainly the entire Bay Area region.

The damage caused by a terror attack is dependent on the method of attack. Large bomb attacks could destroy major infrastructure, kill many people and disrupt regional functioning for a significant time. Cyber-terrorism would cause very different types of damage, possibly severely hampering local government operations and local business with no direct injuries or loss of life. In addition to direct physical damage, terrorist attacks breed fear. Even an unsuccessful attempt to attack the region would seriously impact the comfort level of residents and could affect local business.

Terrorism cannot be forecast with any accuracy. There is, therefore, some potential for most, if not all, types of terrorist acts to occur anywhere and at any time. Terrorism can strike not just large cities, but in any community of any size. While no amount of planning and mitigation can remove 100 - percent of the risk from terrorism, hazard mitigation and preparedness can help reduce the risk. Given the lack of information on observed historical damages, frequency of

occurrence, intensity and damage parameters, no estimate is available for the probability of a future occurrence of a terrorist event.

It is not possible to estimate the probability of a terrorist attack. The approach experts use to prioritize mitigation and preparedness efforts is to identify critical sites and assess the vulnerability of these sites to terrorist attack. Vulnerability of these sites is determined subjectively by considering factors such as visibility (e.g., does the public know this facility exists in this location?), accessibility (e.g., is it easy for the public to access this site?) and occupancy (e.g., is there a potential for mass casualties at this site?).

Buildings and other structures constructed to resist earthquakes and fires usually have qualities that also limit damage from blasts and resist fire spread and spread of noxious fumes. Efforts to retrofit buildings to resist earthquakes often provide cost-effective opportunities to incorporate measures to mitigate against attacks using bombs, chemical and biological agents.

Previous Occurrence

Although the City of Pittsburg has not had a terrorist attack, there have been many incidents within Contra Costa County. The following table shows the terrorism related incidents that have occurred in Contra Costa County:

Table 3-11: Terrorists Incidents within Contra Costa County and Bay Area

Date	Type	Affiliation
April 2013	An unknown person with technical knowledge of utility systems entered an underground utility vault in San Jose and cut fiber optic cables to knock out 911 and cell phone service. Within half an hour, sniper/s opened fire on a nearby electrical substation. Within 20 minutes, 17 large transformers that funnel power to Silicon Valley were destroyed from bullet damage to their cooling units. A minute before a police car arrived, the shooters disappeared into the night. To avoid a blackout, electric-grid officials rerouted power around the site. It took utility workers 27 days to make repairs and restore the substation. No one has been arrested in connection with the attack.	Domestic terrorism

November 1978	Shortly before he was to hold a news conference, Mayor George Moscone was shot to death in his office; moments later, Supervisor Harvey Milk, a leader of San Francisco's homosexual community, was shot and killed down the hall. A former member of the Board of Supervisors, Dan White, surrendered to police and was charged with murder.	Domestic terrorism

Information derived from: Local news sources.

Probability

While terrorism is a serious concern, there is a low probability of a terrorist event in the City of Pittsburg due to its low population density and distance from the larger cities of San Francisco and Oakland.

3.2.11 Pipeline Emergencies

Although pipelines are the safest and most reliable way to transport natural gas, crude oil, liquid petroleum products, and chemical products, there is still an inherent risk due to the nature of the hazardous materials. Crude oil is a complex mixture of thousands of different hydrocarbons and varying amounts of other compounds containing sulfur, nitrogen, and oxygen as well as salts, trace metals, and water. Crude oils can vary from a clear liquid, similar to gasoline, to a thick tar-like material needing to be heated to flow through a pipeline. A petroleum refinery's main job is to split crude oil into its many parts (or fractions) which are then reprocessed into useful products. The type, number, and size of process units required at a particular refinery depends on a variety of factors including the type of crude oil and the products required. The interconnected units making up a refinery are tanks, furnaces, distillation towers (fractionating columns), reactors, heat exchangers, pumps, pipes, fittings, and valves. Products of crude oil refineries include:

- Fuels such as gasoline, diesel fuel, heating oil, kerosene, jet fuel, bunker fuel oil, and liquefied petroleum gas
- Petroleum solvents including benzene, toluene, xylene, hexane, and heptane, which are used in paint thinners, dry-cleaning solvents, degreasers, and pesticide solvents
- Lubricating oils produced for a variety of purposes, and insulating, hydraulic, and medicinal oils
- Petroleum wax
- Greases, which are primarily a mixture of various fillers
- Asphalt

These products can be hazardous not only in their final state but as they are being processed and refined. The principal hazards at refineries are fire and explosion. Refineries process a multitude of products with low flash points. Although systems and operating practices are designed to prevent such catastrophes, they can occur. In a refinery, hazardous chemicals can come from many sources and in many forms. In crude oil, there are not only the components sought for processing, but impurities such as sulfur, vanadium, and arsenic compounds. The oil is split into many component streams that are further altered and refined to produce the final product range. Most, if not all, of these component stream chemicals are inherently hazardous to humans, as are the other chemicals added during processing. Hazards include fire, explosion, toxicity, corrosiveness, and asphyxiation.

Location

Pipelines owned and operated by Shell Oil, Chevron, Kinder Morgan, and PG&E companies run beneath the City's streets. Pipelines are primarily underground, which keeps them away from public contact and accidental damage. Despite safety and efficiency statistics, increases in energy consumption and population growth near pipelines present the potential for a pipeline emergency incident.

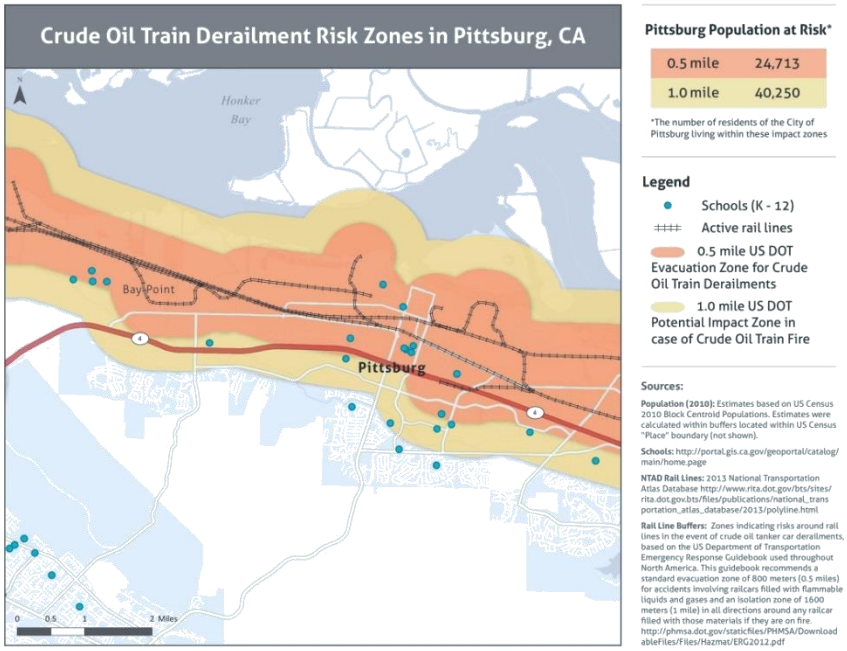
While pipelines are generally the safest method of transporting hazardous chemicals, they are not failsafe. Pipeline product releases, whether in the form of a slow leak or violent rupture, are a risk in any community.

Extent

Most fires, explosions, or pipeline spill incidents occurring at a refinery are isolated on the site. Pipelines running through the City are unlikely to burst or combust; jet fuel pipelines are filled with oxygen-free liquid, and without oxygen, combustion cannot occur. Pipelines are regulated by the Office of the State Fire Marshall Pipeline Safety Division. Pipelines are also monitored by a complex data web called System Control and Data Acquisition (SCADA) measuring the flow rate, temperature and pressure. The network transfers real-time data via satellite from the pipelines to a control center where the valves, pumps and motors are remotely operated. If any tampering with the pipeline occurs, an alarm sounds. The ensuing valve reaction is instantaneous, with the alarm system isolating any rupture and setting off a chain reaction that shuts down pipeline pumps and alerts pipeline operators within seconds.

Most jet fuel pipelines run underground, and in populated areas, must be over three feet below the asphalt. The pipes are at least one-inch-thick steel. If the pipe did rupture, valves would cut off and operators would receive an automatic alarm.

Oil spills are considered to be a significant impact along the railways for BSNF and Union Pacific. Small spills can be mitigated and are classified as less than significant. Large oil spills (greater than 50 barrels) may not be completely contained and, therefore, would be considered significant impacts. Significant adverse impacts on biological resources would occur from a major oil spill.



Previous Occurrence

Although there have been no pipeline failure incidents that have affect communities in Pittsburg, several incidents have occurred in the region. Some of the more significant events include:

- Moraga, California – March 3, 2016, heavy rains resulted in runoff that created a sinkhole at the corner of Rheem Boulevard and Center Street near Moraga Road. The pavement collapsed swallowing a signal light and pavement which punctured a four-inch natural gas pipeline. Rapid reaction by Pacific Gas and Electric Company (PG&E) to shut down the line prevented ignition. Over 2000 Moraga residents were without gas for 24-36 hours.
- San Bruno, California – September 9, 2010, a 30-inch-diameter segment of an intrastate natural gas transmission pipeline known as Line 132, owned and operated by PG&E ruptured in a residential area in San Bruno, California. The rupture occurred at the intersection of Earl Avenue and Glenview Drive. The rupture produced a crater about 72 feet long by 26 feet wide. PG&E estimated that 47.6 million standard cubic feet of natural gas was released. The released natural gas ignited, resulting in a fire that destroyed 38 homes and damaged 70. Eight people were killed, many were injured, and many more were evacuated from the area.
- Walnut Creek, California – November 9, 2004, 9 November 2004, excavation equipment operated by Mountain Cascade, Inc., struck Kinder Morgan's LS-16 pipeline, a 51.4-mile-long intrastate products pipeline that travels from Concord to San Jose. The excavator was working on a large-diameter water supply expansion project in Walnut Creek, CA for the East Bay Municipal Utility District (EBMUD). Several seconds after the line was hit, the gasoline streaming out of the line was ignited by welders employed by Matamoros Pipelines, Inc. who were also working on the new water supply pipeline. The ensuing explosion and fire resulted in the deaths of five workers and significant injury to four others. One nearby two-story structure was burned and other property was damaged.

Probability

While there are numerous flammable fluid pipelines that run underneath the City of Pittsburg, incidents are rare based upon past occurrence. There is a low probability of a severe pipeline emergency.

3.2.12 Climate Change – Air Pollution, Drought, and Rising Tides

Type

The U.S. Environmental Protection Agency (EPA) describes climate change as "any significant change in the measures of climate lasting for an extended period of time. In other words, climate change includes major changes in temperature, precipitation, or wind patterns, among other effects, that occur over several decades or longer." Many people confuse climate change with global warming, the recent and ongoing rise in global average temperatures near Earth's surface, however, global warming represents only one aspect of climate change. The Earth's average temperature has risen by 1.4°F over the past century, and is projected to rise another 2 to 11.5°F over the next hundred years. Rising global temperatures have been accompanied by changes in weather and climate. Many places have seen changes in rainfall, resulting in more floods, droughts, or intense rain, as well as more frequent and severe heat waves. The planet's oceans and glaciers have also experienced changes - oceans are warming and becoming more acidic, ice caps are melting, and sea levels are rising.

Location

Climate change is occurring around the entire world, but the effects of climate change are enhanced in cities along the coast or a waterfront, like Pittsburg. As greenhouse gases trap more energy from the sun, the oceans are absorbing more heat, resulting in an increase in sea surface temperatures and rising sea level. Changes in ocean temperatures and currents brought about by climate change will lead to alterations in climate patterns around the world. For example, warmer waters may promote the development of stronger storms in the tropics, which can cause property damage and loss of life. The impacts associated with sea level rise and stronger storms are especially relevant to coastal and waterfront communities. Climate change will affect the City equally by geography, aside from the aspect of sea level rise, which will affect the businesses directly on the coast. Sea level rise can cause inundation or long-term waterline change, extreme high tides, coastal erosion, and salt water intrusion.

Extent

The EPA works with other organizations to observe, collect and communicate data about climate change. The indicators that are tracked correlate to long-term trends related to the causes and effects of climate change, although some indicators show trends that can be more directly linked to human-induced climate change than others.

Table 3-10: Climate Change Indicators

Climate Change Indicators					
Greenhouse Gases	**Weather and Climate**	**Oceans**	**Snow and Ice**	**Health and Society**	**Ecosystems**
U.S. Greenhouse Gas Emissions	U.S. and Global Temperature	Ocean Heat	Arctic Sea Ice	Heating and Cooling Degree Days	Wildfires
Global Greenhouse Gas Emissions	High and Low Temperatures	Sea Surface Temperature	Glaciers	Heat-Related Deaths	Streamflow
Atmospheric Concentrations of Greenhouse Gases	U.S. and Global Precipitation	Sea Level	Lake Ice	Lyme Disease	Great Lakes Water Levels and Temperatures
Climate Forcing	Heavy Precipitation	Ocean Acidity	Snowfall	Length of Growing Season	Bird Wintering Ranges
	Drought	Ocean Heat	Snow Cover	Ragweed Pollen Season	Leaf and Bloom Dates
	Tropical Cyclone Activity		Snowpack		

The effects of these indicators include:

- **Greenhouse Gases:** human activities have increased the emissions of greenhouse gases. As a result of the increase in emissions, average concentrations of heat-trapping gases in the atmosphere are also increasing.
- **Weather and Climate:** average U.S. and global temperatures are increasing, while attributes of weather and climate, such as precipitation, drought, and tropical cyclone activity, are changing.
- **Oceans:** the oceans are getting warmer, causing thermal expansion. Sea levels are rising around the world, and the oceans are becoming more acidic.
- **Snow and Ice:** glaciers in the United States and around the world are generally shrinking, while snowfall and snow cover in the United States have decreased overall. The extent of Arctic sea ice is declining.
- **Health and Society:** warmer temperatures and later fall frosts allow ragweed plants to produce pollen later into the year, potentially prolonging allergy season. The length of Ragweed pollen season has increased at 10 out of 11 locations studied in the central United States and Canada since 1995. The change becomes more pronounced from south to north.

- **Ecosystems:** many areas are experiencing earlier spring events, such as peak stream runoff and flower blooms. Bird migration patterns are changing, and wildfire size has increased.

The California Adaptation Planning Guide (APG): Planning for Adaptive Communities identifies climate change impacts statewide as:

- Increases in the frequency, intensity, and duration of extreme heat events and heat waves in California, which are likely to increase heat –related illness and the risk of mortality and morbidity for the elderly, individuals with chronic conditions such as heart and lung disease, diabetes, and mental illnesses, infants, the socially or economically disadvantaged, and those who work outdoors.
- A decrease in water supplies to California users due to higher temperatures melting the Sierra snowpack earlier and driving the snowline higher, resulting in less snowpack.
- Intense rainfall events, periodically ones with larger than historical runoff, with more frequent and extensive flooding.
- More frequent and persistent droughts in the 21st century.
- Increased snowmelt producing higher winter runoff from the landward side.

The APG: Understanding Regional Characteristics identifies regional impacts for the North Coast Region to include sea level rise, reduced water supply, and public health issues – both heat and air pollution. Cal-Adapt (www.Cal-Adapt.org) projects the following climate projections for the North Coast Region, which includes Pittsburg:

Effect	Ranges
Temperature 1990 to 2100:	Winter temperature increase: 1°F to 2.5°F by 2050 and 5°F to 6°F Summer temperature increase: 3°F to 4°F by 2050 and 5°F to 10°F
Precipitation:	Low-lying coastal areas will lose up to 2 inches by 2050 and 3 to 5 inches by 2090
Sea Level Rise:	By 2100, sea levels may rise 55 inches resulting in 45 percent more land in Contra Costa County to be more vulnerable to 100-year floods.
Heat Wave:	Along the coast, a heat wave is five days over temperature in the 80s. All areas can expect 3 to 5 more heat waves by 2050 and 12 to 14 by 2100.

According to *Climate Change Vulnerability in Contra Costa County: A Focus on Heat*, changes to the climate also present significant health risks, including heat-related illness and death, respiratory disease, poorer water quality, and vector-borne disease.

- Contra Costa County suffers from some of the worst air pollution in the country, which is worsened by climate change. Hotter temperatures speed up the chemical reactions that

create ground-level ozone, the main component of smog. Ground-level ozone is linked to asthma, bronchitis, heart attack, and premature death.

- Increasing temperatures also lead to heat-related illnesses and death. The human body operates best within a narrow range of core body temperature, around 98.6°F. As core body temperature rises, the body cools itself by sweating and increasing blood circulation close to the skin's surface. When this cooling system is unable to keep up with a prolonged heat wave or a drastic change in temperature, the individual is at greater risk of heat-related illness.
- Water quality is affected by heat-caused evaporation of bodies of water and reduced snowfall, which may lead to more demand for water. When water resources dwindle, the county is affected not only by the lack of water, but also by the quality of water. Pollutants already existing in the water supply become more concentrated in smaller bodies of water, increasing the risk of water-borne illnesses like diarrheal diseases.
- Hotter temperatures can cause vector-borne diseases. Vectors are living things, such as insects or rodents that transmit disease to humans. Vectors like mosquitoes are an increasing concern in the Bay Area region. Mosquitos can carry diseases like Dengue fever and West Nile virus (WNV). In 2013, mosquitoes that carried WNV contributed to 9 deaths and 165 infections in the County.

Previous Occurrence

Climate change was first observed and documented in the late 1800s. It has been an increasingly constant hazard since that time, with more significant effects during the past three decades than any other time in recorded history.

Probability

Since climate change has been constantly occurring since the late 19th century, the probability of occurrence cannot be calculated using the described standard as with the previous hazards. Climate change will continue to occur and gradually increase in severity through the year 2100 and into the next century.

3.3 Risk Assessment

A risk assessment involves evaluating vulnerable assets, describing potential impacts, and estimating losses for each hazard. The intention of a risk assessment is to help the community understand the greatest risks facing the City. The risk assessment defines and quantifies vulnerable populations, buildings, critical facilities, and other assets at risk from hazards, and is based on the best available data and the significance of the hazard. The risk assessment further examines the impact of the identified hazards on the City, determines which areas of the City are most vulnerable to each hazard, and estimates potential losses to City facilities for each hazard.

3.3.1 Hazard Risk Rating

For the 2017 HMP the risk for each hazard was rated using the Calculated Priority Risk Index (CPRI). The CPRI examines four criteria for each hazard (probability, magnitude/severity, warning time, and duration (Table 3-13). For each hazard, an index value is assigned for each CPRI category from 0 to 4 with "0" being the least hazardous and "4" being the most hazardous situation. This value is then assigned a weighting factor and the result is a hazard ranking score (Table 3-14). Table 3-15 is an overall summary of the hazard evaluations for the City.

Table 3-12: Calculated Priority Risk Index

CPRI Category	Degree of Risk Chart			Assigned Weight
	Level ID	Description	Index Value	
Probability	Unlikely	Extremely rare with no documented history of occurrences or events. Annual probability of less than 0.001.	**1**	**45%**
	Possible	Rare occurrences with at least one documented or anecdotal historic event. Annual probability of between 0.01 and 0.001.	**2**	
	Likely	Occasional occurrence with at least two or more documented historic events. Annual probability of between 0.1 and 0.01.	**3**	
	Highly Likely	Frequent events with a well-documented history of occurrence. Annual probability of greater than 0.1.	**4**	
Magnitude-Severity	Negligible	Negligible property damages (less than 5% of critical and non-critical facilities and infrastructure). Injuries or illnesses are treatable with first aid and there are no deaths.	**1**	**30%**

		Negligible quality of life lost. Shut down of critical facilities for less than 24 hours.		
	Limited	Slight property damages (greater than 5% and less than 25% of critical and non-critical facilities and infrastructure). Injuries and illnesses do not result in permanent disability and there are no deaths. Moderate quality of life lost. Shut down of critical facilities for more than 1 day and less than 1 week.	**2**	
	Critical	Moderate property damages (greater than 25% and less than 50% of critical and non-critical facilities and infrastructures). Injuries or illnesses result in permanent disability and at least one death. Shut down of critical facilities for more than 1 week and less than 1 month.	**3**	
	Catastrophic	Severe property damages (greater than 50% of critical and non-critical facilities and infrastructure). Injuries or illnesses result in permanent disability and multiple deaths. Shut down of critical facilities for more than 1 month.	**4**	
Warning Time	< than 6 hours	Population receives less than 6 hours of warning.	**4**	**15%**
	6 to 12 hours	Population receives between 6-12 hours of warning.	**3**	
	12 to 24 hours	Population receives between 12-24 hours of warning.	**2**	
	> than 24 hours	Population receives greater than 24 hours of warning.	**1**	
Duration	< than 6 hours	Disaster event will last less than 6 hours.	**1**	**10%**
	6 to24 hours	Disaster event will last between 6-24 hours.	**2**	
	24 hrs. to 1 week	Disaster event will last between 24 hours and 1 week.	**3**	

	> than 1 week	Disaster event will last more than 1 week.	**4**	

Table 3-13: Calculated Priority Risk Index Summary

Hazard	Probability	Weighted 45%	Magnitude Severity	Weighted 30%	Warning Time	Weighted 15%	Duration	Weighted 10%	CPRI Ranking
Flooding – Localized Storms, Seiches	4	1.80	3	0.90	2	0.30	3	0.30	**3.30**
Hazardous Materials – Chemical Storage	4	1.80	1	0.30	4	0.60	3	0.30	**3.00**
Earthquake – Seismic Hazards	3	1.35	2	0.60	4	0.60	4	0.40	**2.95**
Drought	4	1.80	2	0.60	1	0.15	4	0.40	**2.95**
Transportation Incidents – Air, Rail, Highway, and Water	4	1.80	1	0.30	4	0.60	2	0.20	**2.90**
Public Health – Epidemic, Pandemic	3	1.35	1	0.30	1	0.15	4	0.40	**2.20**
Severe Weather – Wind, Tornados, Heat	3	1.35	1	0.30	2	0.30	2	0.20	**2.15**
Wildland and Urban Fires	2	0.90	1	0.30	4	0.60	2	0.20	**2.00**
Civil Unrest	2	0.90	1	0.30	4	0.60	2	0.20	**2.00**
Terrorism – Nuclear, Cybersecurity	1	0.45	1	0.30	4	0.60	4	0.40	**1.75**
Pipeline – Oil Spills	1	0.45	1	0.30	4	0.60	2	0.20	**1.55**
Climate Change – Air Pollution, Rising Tides	1	0.45	1	0.30	1	0.15	4	0.40	**1.30**

CPRI Hazard Risk Scoring

Risk Level	Severe	High	Moderate	Low
Rank Score	4	3 – 3.9	2 – 2.9	1 – 1.9

Table 3-14: Overall Summary of Hazard Evaluations

Hazard	Probability	Magnitude -Severity	Warning Time	Duration	CPRI Ranking
Flooding – Storms, Seiches	Highly Likely	Critical	12-24 hrs.	24 hrs. – 1 week	**3.30**
Hazardous Materials	Highly Likely	Negligible	< 6 hours	24 hrs. – 1 week	**3.00**
Earthquake	Likely	Limited	< 6 hours	> 1 week	**2.95**
Drought	Highly Likely	Limited	> 24 hrs.	> 1 week	**2.95**
Transportation Incidents	Highly Likely	Negligible	< 6 hours	6-24 hrs.	**2.90**
Public Health	Likely	Negligible	> 24 hrs.	> 1 week	**2.20**
Severe Weather	Likely	Negligible	12-24 hrs.	6-24 hrs.	**2.15**
Wildland, Urban Fires	Possible	Negligible	< 6 hours	6-24 hrs.	**2.00**
Civil Unrest	Possible	Negligible	< 6 hours	6-24 hrs.	**2.00**
Terrorism – Nuclear, Cyber	Unlikely	Negligible	< 6 hours	> 1 week	**1.75**
Pipeline – Oil Spills	Unlikely	Negligible	< 6 hours	6-24 hrs.	**1.55**
Climate Change	Unlikely	Negligible	> 24 hrs.	> 1 week	**1.30**

3.3.2 Populations and Businesses at Risk

Residential population data for Pittsburg was obtained from the State of California Department of Finance E-1 Population Estimates for Cities, Counties, and the State — January 1, 2014/2015. The population is estimated to be 67,628. The 2010 Census Data lists the building inventory in Pittsburg to have 21,126 residential buildings and 3,386 commercial-industrial buildings. The zoning district map below shows the distribution of residential and business districts throughout the city.

3.3.3 Identification of Critical Facilities and Assets

The location and operations of high-risk facilities such as critical infrastructures and key assets in or near the City of Pittsburg are a significant concern with respect to a disaster. The planning team used FEMA's “Public Assistance Guide” (FEMA 322) that defines critical facilities as shelters, hospitals EOCs, data centers, utility plants or high hazardous materials facilities, as well as the

FEMA Hazard Mitigation Handbook that described three categories of facilities for analysis to revise the list: critical facilities such as City operations and public safety; high potential loss facilities such as businesses, churches, schools, and facilities with hazardous materials; and critical infrastructure such as streets and bridges, airports, and oil refineries. Table 3-16 lists the critical facilities for the 2017 HMP.

Table 3-15: Pittsburg Critical Facilities

Facility Name	Category	Site Purpose
Pittsburg Public Library	Critical Infrastructure	Shelter Location
Pittsburg City Hall	Critical Facility	Public Safety/Continuity of Operations
Pittsburg Corporation Yard	Critical Facility	Public Safety
Pittsburg Power Company	Critical Facility	Public Safety
Pittsburg Marina Waterfront	Critical Facility	Public Safety
Pittsburg Senior Community Center	Critical Facility	Shelter Location
City Park Facility	Critical Facility	Evacuation Site
Buchanan Community Center	Critical Facility	Evacuation Site
Buchanan Swim Center	Critical Facility	Evacuation Site
Delta View Golf Course Facilities	Critical Facility	Evacuation/Shelter Site
Pittsburg Water Treatment Plant	Critical Infrastructure	Water Services
Reservoir 1	Critical Infrastructure	Water Services
Reservoir 2	Critical Infrastructure	Water Services
Reservoir 3	Critical Infrastructure	Water Services
Reservoir 4	Critical Infrastructure	Water Services
Reservoir 5	Critical Infrastructure	Water Services
Reservoir 6	Critical Infrastructure	Water Services
Reservoir 7	Critical Infrastructure	Water Services
Pump Station 1	Critical Infrastructure	Water Services
Wastewater Collection System	Critical Infrastructure	Sanitation Services
Non-City Owned Critical Infrastructure and High Potential Loss Facilities		
Contra Costa Fire Protection District: - Station 84 - 1903 Railroad Ave. - Station 85 - 2331 Loveridge Rd. - Station 87 - 800 W Leland Rd.	Critical Infrastructure	Public Safety
Contra Costa County Superior Court	Critical Infrastructure	Continuity of Operations
Los Medanos College	Critical Facility	High Population / Target Site

Contra Costa Community College District	Critical Facility	High Population / Target Site
Pittsburg Unified School District	Critical Facility	Shelter/Evacuation Center
Chamber of Commerce	Critical Facility	Business Coordination
Dow Chemical Corporation	High Potential Loss Facility	High Hazard Site
USS-POSCO Industries	High Potential Loss Facility	High Hazard Site
Pittsburg Power Plant - Marant	High Potential Loss Facility	Power Plant
Delta Diablo Sanitation District	High Potential Loss Facility	Sanitation Utility
Contra Costa Water	High Potential Loss Facility	Water Resource Utility
Kinder Morgan, Concord	High Potential Loss Facility	High Hazard Site
Shell Oil, Martinez	High Potential Loss Facility	High Hazard Site
Chevron, Richmond	High Potential Loss Facility	High Hazard Site
Bay Area Rapid Transit	High Potential Loss Facility	Mass Transportation
Railway – BSNF / Union Pacific	High Potential Loss Facility	High Hazard Site

3.3.4 Existing Land Use

The City of Pittsburg has an ambitious goal to redefine the City's land use approach, with a goal of 52% Parks and Open Spaces by the year 2020. The General Plan Land Use Element describes land use classification system, projects build-out of various land uses through 2020, and provides both City-wide and sub-area specific policies to guide land use decisions.

Table 3-16: Land Use

City of Pittsburg and Southern Hills		
Land Use Category	**Acreage**	**Percent of Total**
Residential	4,257	24%
Mixed-Use	186	1%
Commercial	772	4%
Industrial	1,589	9%
Parks	2,773	13%
Open Space	7,367	39%
Public / Institutional	419	5%
Utility ROW	865	5%
Total Planning Area	**26,960**	**100%**

There is limited availability of vacant land within the City limits. Single-family homes, multi-family units, and mobile homes are the range of housing types.

The average residential density in Pittsburg, in 2000, was 7.2 housing units per net acre or 17,770 housing units on 2,450 net acres. Low density residential housing occupies 2,080 acres, which is approximately 85 percent of the land area devoted to residential uses in the City. Higher density residential sites are scattered throughout the City.

There are only 64 acres in the City currently devoted to business and office uses. The City currently does not have any large-scale office developments.

Industrial uses continue to dominate the waterfront. Large manufacturing operations such as USS-Posco and the Dow Chemical plant are located along the eastern waterfront, while the Mirant (formerly PG&E) power plant, lies on the western waterfront. There are issues related to physical and visual buffering between industrial facilities and residential neighborhoods.
Pittsburg area comprises a total of 26,960 gross acres (42 square miles). Approximately 20,028 acres (33 square miles) of this will be located within the City or southern hills. More than half of this will remain in Open Space and Parks.

3.3.5 Cultural and Natural Resources Inventory

Development and human intervention have altered the landscape in Pittsburg, restricting natural vegetation primarily to undeveloped hillside areas. The southern third of the Planning Area is largely undeveloped open space with large expanses of rolling grassy hills, while the northern edge consists of salt and brackish marshlands at New York Slough.

Several threatened and endangered plant and animal species may find these natural areas suitable for their living, such as the Western pond turtle, California red-legged frog, San Joaquin kit fox, Berkeley kangaroo rat, Tricolored blackbird, White-tailed kite, Mt Diablo manzanita, Alkali milk-vetch, Diamond-petaled poppy, and Mason's lilaeopsis.

Areas of particular biological concern within Pittsburg include Browns Island Regional Shoreline and Black Diamond Mines Regional Preserve and environs. An extensive list (Table 9-1) of Special Status Species Known to Occur or Potentially Occurring within Pittsburg Planning Area is located in Element 9, Resource Conservation, of the Pittsburg General Plan.

3.3.6 Risk Assessment and Potential Loss

A risk assessment determines the vulnerability of assets within the City by evaluating the inventory of City owned existing property and the population exposed to a hazard. A quantitative vulnerability assessment is limited to the exposure of people, buildings, and infrastructures to the identified hazards. This risk assessment includes only those hazards that have the ability to cause damage to buildings and infrastructures, therefore, hazardous materials, drought, public health and climate change are not included in the assessment. More detailed assessments of risk

that would include deaths and injuries, and economic losses, are beyond the scope of this plan. Table 3-16 provides an analysis of Pittsburg's critical infrastructure.

Table 3-17: Impacting Hazards and Total Exposure

Critical Facilities	Impacting Hazards										
	Flooding	Earthquake	Transportation	Severe Weather	Wild-Urban Fires	Civil Unrest	Terrorism	Pipeline-Oil Spills	Facility	Contents	Total Value
Pittsburg City Hall		X		X		X	X		$25,544,919	$1,666,673	$27,211,592
Pittsburg Corporation Yard		X		X			X		$1,916,892	$ 1,518,280	$3,435,172
Pittsburg Power Company		X		X			X	X	$ 7,913,781	$ 71,729	$7,985,510
Pittsburg Marina Waterfront	X	X	X	X			X	X	$50,430,484	$14,661	$50,445,145
Pittsburg Parks & Recreation Department		X		X	X				$3,203,866	$1,243,769	$4,447,635
Pittsburg Community Center (Senior Center)		X		X					$3,998,091	$319,255	$4,206,346
City Park Facility		X		X					$520,167	$290,846	$811,013
Buchanan Community Center & Swimming Pool		X		X					$1,589,883	$81,021	$1,670,904
Delta View Golf Course Facilities		X		X					$2,733,271	$677,405	$3,410,676
Pittsburg Water Treatment Plant		X		X			X		$43,250,814	$5,375,174	$48,625,988
Reservoirs		X			X		X		$13,702,867	$148,955	$13,851,822
Wells		X							$142,835	$41,856	$184,691
Pump Stations	X	X							$2,556,441	$1,871,010	$4,327,451
Wastewater Collection System		X							$164,701	0	$164,701
California Theater		X		X		X	X		$2,777,088	$10,000	$2,787,088
Vincent A. Davi Library		X		X		X	X		$2,054,354	$844,661	$2,899,015
Marina Community Center – Law Enforcement Training Facility		X		X					$2,883,900	$258,629	$3,142,529
Totals:											**$179,453,272**

3.3.7 Analysis of Potential Losses

FEMA requires that an estimation of loss be conducted for the identified hazards to include the number of potential structures impacted by the hazards and the total potential costs. The analysis of potential losses calculated in Table 3-17 used the best data currently available to produce the estimations of loss. These estimates may be used to understand relative risk from hazards and potential losses. There are uncertainties in any loss estimation method, resulting from lack of scientific study and the exact result of hazard effects on the built environment, and from the use of approximations that are necessary for a comprehensive analysis.

In addition, this assessment does not include analysis of non-City owned facilities, even though they are deemed critical. The City does not have replacement or content values or insured values for critical infrastructure, private businesses, schools and churches. A mitigation action was developed to acquire that information so a complete analysis of critical facilities could be completed to show total potential loss in the City.

A quantitative assessment has been prepared for the critical facilities affected by each hazard assessed, and multiplied by a value of percent damage. The percent damage was determined by the geographic area at stake, previous history of damage from the type of hazard, and potential for severity from the hazard profiles.

Table 3-18: Summary of Potential Loss

Hazard Type	# of Critical facilities	Percent Damage	Replacement Value	Content Value	Estimated Replacement Loss	Estimated Content Loss	Total Estimated Loss
Flooding	2	20	$25,544,919	$1,826,673	$5,108,883	$965,335	$6,074218
Earthquake	17	100	$165,384,354	$14,433,924	$165,384,354	$14,433,924	$179,818,278
Transportation	1	100	$50,430,484	$14,661	$50,430,484	$14,661	$50,445,145
Weather	13	50	$148,817,510	$12,372,103	$74,408,755	$6,186,052	$80,594,807
Fires	2	10	$16,906,733	$1,392,724	$1,690,573	$139,172	$1,829,945
Civil Unrest	3	10	$30,376,361	$2,521,334	$3,037,636	$252,133	$3,289,769
Terrorism	8	10	$133,888,332	$13,388,833	$9,650,133	$965,013	$14,353,846
Pipeline-Oil	2	10	$58,344,265	$5,834,427	$86,390	$8,639	$5,843,066

SECTION 4: CAPABILITY ASSESSMENT AND MITIGATION STRATEGY

The federal regulations require local mitigation plans to identify goals for reducing long-term vulnerabilities to the identified hazards in the planning area (Section 201.6(c)(3)(i)).

FEMA REGULATION CHECKLIST: CAPABILITY ASSESSMENT

44 CFR § 201.6(c)(3): – The plan must include mitigation strategies based on the jurisdiction's "existing authorities, policies, programs and resources, and its ability to expand on and improve these existing tools."

Elements

C1. Does the plan document the jurisdiction's existing authorities, policies, programs and resources, and its ability to expand on and improve these existing policies and programs? 44 CFR § 201.6(c)(3).

C2. Does the Plan address the jurisdiction's participation in the NFIP and continued compliance with NFIP requirements, as appropriate? 44 CFR § 201.6(c)(3)(ii).

C3. Does the Plan include goals to reduce or avoid long-term vulnerabilities to identified hazards? 44 CFR § 201.6(c)(3)(i).

C4. Does the Plan identify and analyze a comprehensive range of specific mitigation actions and projects for the jurisdiction being considered to reduce the effects of hazards, with emphasis on new and existing buildings and infrastructure? See 44 CFR § 201.6(c)(3)(ii).

C5. Does the Plan contain an action plan that describes how the actions identified will be prioritized (including cost-benefit review), implemented, and administered by the jurisdiction? 44 CFR § 201.6(c)(3)(iii).

C6. Does the plan describe a process by which local governments will integrate the requirements of the mitigation plan into other planning mechanisms, such as comprehensive or capital improvement plans, when appropriate?

Source: FEMA, *Local Mitigation Planning Handbook Review Tool,* March 2013.

A hazard mitigation plan's primary focus is the mitigation strategy. It represents the efforts selected by the City to reduce or prevent losses resulting from the hazards identified in the risk assessment. The strategy includes mitigation actions and projects to address the risk and vulnerabilities discovered in the risk assessment. The mitigation strategy consists of the following steps:

- Identify and profile hazards and risk within the City of Pittsburg.

- Identify projects and activities that can prevent or mitigate damage and injury to the population and buildings.
- Develop a mitigation strategy to implement the mitigation actions.
- Develop an action plan to prioritize, implement, and administer the mitigation actions.
- Implement the HMP mitigation action plan.

A capability assessment was conducted of City's authorities, policies, programs, and resources. From the assessment, goals and mitigation actions were developed. The planning team also developed a plan to prioritize, implement, and administer the mitigation actions to reduce risk to existing buildings and new development. This section also includes information regarding Pittsburg's implementation of and continued participation in the National Flood Insurance Program (NFIP).

4.1 Existing Authorities, Policies, Programs, and Resources

An assessment of the City's capabilities that contribute to the reduction of long-term vulnerabilities to hazards. The capabilities include authorities and policies, such as legal and regulatory resources, staff, and fiscal resources, e.g., technical personnel such as planners/engineers with knowledge of land development and land management practices, engineers trained in construction practices related to building and infrastructure, planners and engineers with an understanding of natural or human-caused hazards, floodplain managers, surveyors, personnel with GIS skills, and staff with expertise of the hazards in the City. The planning team also considered ways to expand on and improve these existing policies and programs with the goal of integrating hazard mitigation into the day-to-day activities and programs of the City. Tables 4-1, 4-2, and 4-3 summarize the existing authorities, policies, programs, and resources to implement mitigation actions and projects.

Table 4-1: Local Legal and Regulatory Capabilities

Regulatory Tools (ordinances, plans, codes)	Lead City Department	Description
Pittsburg General Plan Element 10: Health and Safety	City Manager's Office, Police Department, Community Development/Planning, Contra Costa County Fire Protection District	Identifies and addresses mitigate risks posed by geologic and seismic conditions, prevent man-made risks stemming from use and transport of hazardous materials, and ensure that local emergency response agencies are prepared for potential disaster relief.
Pittsburg General Plan Element 9:	Community Development /Engineering	Addresses the problems and outlines policies relating to biological resources and habitat, drainage and erosion,

Regulatory Tools (ordinances, plans, codes)	Lead City Department	Description
Resource Conservation		water quality, air quality, and historical resources conservation. Regulations enacted by ordinance will establish specific regulations to protect natural features and ensure compatible project design.
Pittsburg General Plan Element 11: Public Facilities	Public Works, Water Utilities, Delta Diablo Sanitation District	Addresses the provision of public services and facilities, including water supply and distribution, wastewater collection and treatment, solid waste collection and disposal, fire protection, and public utility corridors, and major public facilities within the City.
Uniform Codes	Community Development Planning and Building Division	Adoption of the Uniform Codes (to include the Administrative Codes, Building Codes, Electrical Codes, Energy Codes, Fire Codes, Mechanical Codes, and Plumbing Codes) and incorporated into the Pittsburg Municipal Code as the means of operations for the City, and to provide sufficient and effective protection of life, health, and property.
Building Code	Community Development Planning and Building Division	Per Health and Safety Code 17958.7, adoption of the CA Building Code to regulate the general design requirements applicable to construction of all structures and portion regulated by the code for seismic strengthening and structural integrity.
Fire Code	Contra Costa County Fire Protection District, Community Development	Provides the means to ensure fire protection systems are installed and maintained; fire protection and life safety equipment is installed in new mid-rise buildings/structures; prohibits the use of fireworks; and reduces the available fire flow reduction to 50% to increase site available fire flow.
Pittsburg Water Master Plan	Water Utilities	Establishes water conservation measures to encourage efficient water use and discourage waste to avoid a water emergency related to contamination, drought, or damage to the City's potable water infrastructure.
Pittsburg Stormwater Management Plan	Community Development	Addresses the floodplain management within the City, and the City actions taken to maintain eligibility with the FEMA National Flood Insurance Program.
Pittsburg Sewer System	Water Utilities, Delta Diablo	A plan to meet the requirements established in the State Water Resources Control Board's Order

Regulatory Tools (ordinances, plans, codes)	Lead City Department	Description
Management Plan	Sanitation District	No. 2006-0003-DWQ to prevent sanitary sewer overflows (SSOs) by establishing a statewide monitoring and reporting program.
Pittsburg Collection System Master Plan	Water Utilities, Delta Diablo Sanitation District	A report that provides an assessment of the wastewater system and provides recommendations for upgrades to meet future capacities.
Pittsburg Emergency Operations Plan	City Manager's Office, Police Department,	Explains how the City will respond to a major emergency or disaster and coordinate between the Emergency Operations Center (EOC) and field level Incident Commanders; includes the hazards with a description of each; the concept of operations during a major emergency or disaster; the role of the EOC, and the coordination that occurs between the EOC and City's departments and other local, state, and federal governments in times of disaster.
Contra Costa Hazardous Materials Plan / Hazardous Material Business Plan	Contra County HazMat as the administering agency, Contra Costa County Fire Protection District	Addresses the storage, use and emergency planning for hazardous materials and extremely hazardous substances in the community and at businesses.

Table 4-2: Administrative and Technical Capabilities

Personnel Resources	Department	Relation to Hazard Mitigation
Planners/Engineers/ Building Official	Community Development Building Division	Issue building permits, review plans for new construction and improvements; conduct plan checks; work with architects, engineers, designers and building owners during pre-construction; inspect all phases of residential and commercial/industrial construction for compliance; enforce municipal code violations.
Planners/Engineers/ Analysts/General Staff	Community Development Planning Division	Plan future City land use; develop and implement the General Plan, land use regulations through zoning and subdivision codes, and environmental review of development; administer the Community Development Block Grant Program (CDBG), conduct Code Compliance program with the Building Division;

Personnel Resources	Department	Relation to Hazard Mitigation
		conduct conditional use permits, variances, land subdivision, CEQA review, public hearings, noise permits, and zoning information.
Planners/Engineers/ Analysts/General Staff	Water Utilities	Supply water to the City's customers and perform the operation, maintenance and repair of the City's water distribution system.
Planners/Engineers/ Analysts/General Staff	Community Development Engineering Division	Oversee public and private improvements in the public right-of-way; develop and implement the Capital Improvement Program by providing staff support to the Capital Improvement Program Advisory Committee (CIPAC) relative to City streets, sanitary sewer, storm drains, water system facilities, traffic signals, park and recreational facilities; maintain and upgrade public infrastructure; provide services related to traffic issues; monitors the street lighting system maintained by PG&E; keeps and maintains record drawings of City-owned infrastructure; conducts traffic committee meetings with the Police Department; and provides engineering support to other City Departments and other Divisions within the Public Works Department.
Director of Emergency Services, Administrative Officer, Police Lieutenant	City Manager's Office, Police Department	Provide for the coordinated response and recovery from major emergencies and disasters; develop, administer and coordinate the emergency planning preparedness program in conformity with local, State and Federal requirements; develop emergency management and hazard mitigation plans; provide training to City staff in emergency planning and preparedness; develop, maintain, and coordinate the City Emergency Operations Center; provide businesses and residents with emergency planning and preparedness material to help reduce the loss of life and property resulting from a disaster; coordinate with County, State, and Federal counterparts; prepare emergency management grants; coordinate the efforts of volunteer organizations.
Public Preparedness Education	City Manager's Office, Police Department	Provide free disaster preparedness and Community Emergency Response Team training to residents and businesses in Pittsburg; provide an organizing framework and support to neighborhood Community Emergency Response Team (CERT) teams, which may volunteer in the event of a serious earthquake or other

Personnel Resources	Department	Relation to Hazard Mitigation
		major disaster. General Education for people and businesses.
Code Enforcement Officer	Police Department	Investigates citizen complaints regarding the enforcement of municipal code violations, conducts inspections, notification, communication and the issuance of citations as a means of establishing a proactive response to citizens' concerns.
Fire Marshall	Contra Costa County Fire Protection District	Perform fire inspections for construction, commercial, multi-family occupancies, and high rise buildings; conduct fire prevention, emergency evacuation, and extinguisher training to businesses and the public; conduct enforcement and identify and issue notices for fire code violations; update Fire Prevention Regulations to conform with currently adopted Coeds, Regulations, and Standards; coordinate with industries for fire prevention.
Floodplain Manager	Director of Community Development	As a member of the National Flood Insurance Program (NFIP) the Floodplain Manager is responsible for working with stakeholders to ensure the Floodplain Management Ordinance is followed within the City of Pittsburg.
Public Information Officer	City Manager's Office, Police Department	Provide public and media information regarding Pittsburg's disaster response, mitigation, and recovery efforts. +
Information technology and Geographic Information System	Community Development	Provide the technical resources and support necessary to operate all of the Application Systems relating to the City's information resources; respond to the service needs to all departments based on citywide priorities as established by the City Manager; responsible for the training and effective use of all City technology computer hardware, software, and peripherals; provide internal coordination of technology efforts Citywide including substantial interface with all technology vendors to assure cost-effective, secure and reliable technologies compatible with the long-range needs of the City; provide high-quality spatial data to Pittsburg departments.
Risk Management	Human Resources Department	Provide services to assist City departments in managing their risk of injury to employees, City property, and the public at large; purchase insurance for City

Personnel Resources	Department	Relation to Hazard Mitigation
		departments and act in an advisory capacity with respect to workers' compensation, public liability, City property, and City contracts.

Table 4-3: Financial Resources

Financial Resource	Administrator	Purpose
General Fund	Department Specific	Program operations and specific projects.
Internal Services Funds	Department Specific	Funds that were created to account for the cost and revenues of services provided to other City departments for which those departments are charged.
Special Revenue Funds	Office of City Manager	Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.
Capital Outlay Funds	Department Specific	Monies are transferred from various funds to this fund for City capital improvement projects and equipment approved by the City Council.
Building Maintenance Fund	Public Works	The Building Maintenance Division of the Department of Public Works (DPW) maintains and/or oversees maintenance and service contracts for all City owned buildings. User charges to respective City departments based on square footage provide the revenues to support the building maintenance function.
Sewer Operating Fund	Water Utilities	The City maintains the collection system that transports the sewage to the treatment plant at Delta Diablo Sanitation District. The City charges water customers who use the City's sewer system sewer fees to cover the cost to operate and maintain the system. The non-single family and non-residential fees are based on a flat fee multiplied by their water consumption. The annual operation of the Sewer Fund generates approximately $4.7 million in gross revenue and $2 million in operating expenses.
Water Operating Fund	Water Utilities	The City operates and maintains its own water treatment plant. The City charges water customers fees for water usage to cover the cost to procure water as well as operate and maintain the City's water system. Currently the City provides water service to approximately 18,099 customers of which 94 percent are for residential locations. The annual operation of the

Financial Resource	Administrator	Purpose
		Water Fund generates approximately $19 million in gross revenue and $12.8 million in operating expenses.
Water and Sewer Facility Reserve Charge Funds	Public Utilities	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 of benefit to the person or property being charged. The City has separate FRC's for both the water and sewer utilities.
Kirker Creek Drainage Fund	Community Development	The City collects fees from developers of properties that are within the Kirker Creek Watershed Drainage Area. These fees are deposited into a separate special revenue fund to be expended solely for land acquisition, construction, engineering, administration, repair maintenance and operating of planned drainage facilities within the drainage area, or to reduce the principal or interest of any bonded indebtedness of the drainage area.
National Pollutant Discharge Elimination System (NPDES)	Community Development	NPDES is a joint effort of the Planning, Engineering and Public Works departments through the Contra Costa County Clean Water Program. Since 1993, the City has worked with Contra Costa County, Contra Costa County Flood Control and Water Conservation District and 15 other cities in the county to meet federal mandates for minimizing pollutants in storm water runoff. This revenue is used to fund its pro-rata share of the Clean Water Program's staffing and overhead costs as well as local level activities necessary to comply with provisions of the joint Municipal Regional Permit (MRP).
Solid Waste Fund	Environmental Affairs	Solid Waste Management creates and implements programs and services for schools, City offices, businesses and the community by promoting waste prevention, reuse and recycling to meet the state-mandated, AB 939 (50 percent waste diversion requirements leading to the eventual 'zero-waste' formula).
Fleet Maintenance Fund	Public Works	The Fleet Maintenance Division provides maintenance of the City's 250 vehicle fleet. User charges to respective City departments based on the number of vehicles provide the revenues to support this function.

Financial Resource	Administrator	Purpose
Information and Communication Fund	City Manager's Office (IT within)	Centrally budgeted for the operation, maintenance and replacement of the Citywide network infrastructure, telephone, computer equipment and other hardware and software needs. User charges to other departments provide the revenues to support this function.
Marina Fund	Pittsburg Marina	Pittsburg's Marina with a total of 649 berths is self-sufficient generating all of its revenues through the use of its berthing facilities and the sale of gasoline. The annual operation of the Marina Fund generates approximately $2 million in gross revenue and $2 million in operating expenses.
Pittsburg Power and Island Energy Fund	Pittsburg Power Company	The Pittsburg Power Company (PPC) is a municipal utility formed under the California Constitution. The PPC does business in the City of Pittsburg and as Island Energy on Mare Island located in Vallejo, California as an Enterprise Fund, which distributes natural gas and electricity to the industries, schools, businesses and residents on Mare Island. Island Energy's focus is to build capital asset value and income for the City of Pittsburg as Mare Island is redeveloped over time.
Community Development Block Grants (CDBG)	City Manager's Office, Economic Development	The CDBG program provides funding for eligible senior activities such as in-home care, art classes, counseling and home delivered meals. HUD also provides Disaster Recovery Assistance in the form of flexible grants to help cities, counties, and States recover from Presidentially declared disasters, especially in low-income areas, subject to availability of supplemental appropriations.
Hazard Mitigation Grant Program (HMPG)	FEMA	Provides support for post-disaster mitigation plans and projects.
Pre-Disaster Mitigation grant program (PDM)	FEMA	Provides support for pre-disaster mitigation plans and projects.
Flood Mitigation Assistance grant program (FMA)	FEMA	Mitigates structures and infrastructure that have been repetitively flooded.

4.2 National Flood Insurance Program Participation and Compliance

The City of Pittsburg adopted the Model Floodplain Management Ordinance within the City in order to maintain eligibility within the National Flood Insurance Program.

Since 1968 the National Flood Insurance Program (NFIP) has provided federally funded flood insurance to homeowners, renters, and businesses in communities that adopt and enforce floodplain management ordinances to reduce future flood damage. The adoption of Ordinance 15.AO, passed in 1999, allows residents of the City to remain eligible to purchase flood insurance through the National Flood Insurance Program. The Ordinance meets the minimum standards set forth in Title 44, Section 60.3 of the Code of Federal Regulations. The City of Pittsburg participates in the Community Rating System.

The Floodplain Management Ordinance's effect is limited to requiring that any new construction or substantial improvement to existing structures will have to comply with the standards of construction identified in the Ordinance. The City's continued involvement in NFIP supports this plan. Currently, the City of Pittsburg implements a floodplain management program designed to protect the people and property of the City and implements activities such as public information and outreach activities, mapping and regulatory activities, and flood damage reduction activities as outlined in the Storm Water Management Plan.

There are only two businesses located in the Special Flood Hazard Area (SFHA), Chevron and NRG, Inc. There are also restrooms and a lifeguard tower on the beach. It is unknown if Chevron and/or NRG, Inc. have purchased a NFIP policy, or if they are self-insured for damage to the facilities.

4.3 2017 Hazard Mitigation Plan Goals

Mitigation goals are guidelines that represent what the community wants to accomplish through the mitigation plan. Goals are broad statements that represent a long-term, community-wide vision. The planning team reviewed example goals and objectives and determined which goals best met the City's objectives for mitigation. The goals also align with the hazards in the 2017 plan and input provided by stakeholders and the public. Table 4-5 lists the goals for the 2017 HMP.

Table 4-4 Hazard Mitigation Goals

2017 Goals
Goal 1: Protect life, property, and reduce potential injuries from natural, technological, and human-caused hazards.
Goal 2: Improve public understanding, support and need for hazard mitigation measures.
Goal 3: Promote disaster resistance for Pittsburg's natural, existing, and future built environment.
Goal 4: Strengthen partnerships and collaboration to implement hazard mitigation activities.
Goal 5: Enhance the City's ability to effectively and immediately respond to disasters.

4.4 Mitigation Actions

Mitigation actions are specific activities or projects that serve to meet the goals that the community has identified. Mitigation actions and projects are more specific than goals or objectives, and often include a mechanism, such as an assigned time period, to measure the success and ensure the actions are accomplished. The planning team conducted a review of the mitigation actions and strategies from the 2009 HMP. With information from the risk assessment, capability assessment, and status of the actions implemented since the 2009 HMP, the planning team developed 31 new mitigation actions and projects to reduce the effects of hazards, with emphasis on new and existing buildings and infrastructure.

Table 4-5 lists the potential mitigation actions developed by the planning team. For each mitigation action, the following information is listed: type of mitigation project; hazard(s) addressed; type of development affected by action; and the source of the mitigation project idea.

Table 4-5 2017 Mitigation Action Items and Projects

Goal	Action Item #	Action Description	Mitigation Type	Related Hazards	Implementing Department
Goal 1: Protect life, property, and reduce potential injuries from natural, technological, and human-caused hazards.	1.1	Develop a program to assess the City for soft story buildings requiring seismic retrofitting. Consider implementing a Soft Story Seismic Retrofit Ordinance.	Prevention	Seismic	Community Development
	1.2	Encourage seismic strength evaluations of critical facilities in the City to identify building integrity.	Prevention	Seismic	Public Works
	1.3	Evaluate City and non-City facilities identified as potential shelter sites for structural integrity.	Prevention	All Hazards	Public Works
	1.4	Identify and pursue funding opportunities to develop and implement local mitigation activities.	Emergency Services	All Hazards	Public Works
	1.5	There has been damage to roadway embankment due to flooding at Buchanan Rd & Kirker Creek. Provide engineering and technical services to investigate the underlying cause of the damage and provide a recommendation to repair and prevent future damage/damage.	Property Protection	Flood	City Engineer/ Public Works
	1.6	Flood damage to the Sugartree and Birchwood drainage system resulted from previous flooding which affected nearby housing and roadways. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Property Protection	Flood	City Engineer/ Public Works
	1.7	Recent storms resulted in flooding along Parkside Dr. and caused damage to roadway. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Property Protection	Flood	City Engineer/ Public Works

Goal	Action Item #	Action Description	Mitigation Type	Related Hazards	Implementing Department
	1.8	Recent storms resulted in flooding in Buchanan Park damaging and undermining walkways. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Property Protection	Flood	City Engineer/ Public Works
	1.9	Recent winter storms resulted in damage and erosion to Riverview Breakwater due to wind and rain. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Property Protection	Flood	City Engineer/ Public Works
Goal 2: Improve public understanding, support and need for hazard mitigation measures.	2.1	Develop a public outreach and awareness program about the hazards in Pittsburg and mitigation actions community members can do in their homes.	Public Education	All Hazards	City Manager's Office, Police Department
	2.2	Increase public awareness of the natural, human-caused, and technological hazards to businesses as a means to reduce the potential damage from each hazard through educational and outreach.	Public Education	All Hazards	City Manager's Office, Police Department
	2.3	Provide information on tools; partnership opportunities, and funding resources to assist in implementing mitigation activities.	Emergency Services	All Hazards	Community Development, City Manager's Office
	2.4	Develop inventories of at-risk buildings and infrastructure and prioritize mitigation projects.	Prevention	All Hazards	Community Development
	2.5	Implement activities that assist in protecting lives by making homes, businesses, infrastructure, critical facilities, and other property more resistant	Property Protection	All Hazards	Community Development

Goal	Action Item #	Action Description	Mitigation Type	Related Hazards	Implementing Department
		to losses from natural, man-made, and technological hazards.			
	2.6	Place more stress on the risks associated with natural and manmade hazards at public awareness campaigns conducted by various City departments.	Public Education	All Hazards	All Departments
Goal 3: Promote disaster resistance for Pittsburg's natural, existing, and future built environment.	3.1	Improve hazard assessment information to make recommendations for avoiding new development in high hazard areas and encouraging preventative measures for existing development in areas vulnerable to natural, man-made, and technological hazards.	Property Protection	All Hazards	Community Development
	3.2	Seek to implement codes, standards, and policies that will protect life and property from the impacts of hazards.	Regulatory	All Hazards	Community Development
	3.3	Inventory and develop replacement values for all City-owned assets and non-city assets to help the City better understand the values of assets at risk.	Emergency Services	All Hazards	City Manager's Office
	3.4	Integrate appropriate items from the Hazard Mitigation Plan (HMP) into the Health and Safety Element of the General Plan and other regulatory documents as appropriate.	Regulatory	All Hazards	City Manager's Office, Community Development
	3.5	Establish policy to ensure mitigation projects for critical facilities, services, and infrastructure.	Prevention	All Hazards	All Departments
	3.6	Inspect and repair the City reservoirs.	Structural Project	All Hazards	Water Utilities, Community Development
	4.1	Strengthen communication and coordination with public agencies, residents, non-profit organizations,	Emergency Services	All Hazards	All Departments

Goal	Action Item #	Action Description	Mitigation Type	Related Hazards	Implementing Department
Goal 4: Strengthen partnerships and collaboration to implement hazard mitigation activities.		business and industry to create interest in the implementation of mitigation measures.			
	4.2	Increase effectiveness of City emergency services by implementing mitigation programs and projects that aid emergency responders and public safety departments during emergencies.	Prevention	All Hazards	City Manager's Office, Police Department
	4.3	Encourage leadership within the City and businesses to prioritize and implement local and regional hazard mitigation activities.	Emergency Services	All Hazards	City Manager's Office, Police Department
	4.4	Continue developing and strengthening inter-jurisdictional coordination and cooperation in the area of emergency services.	Emergency Services	All Hazards	Police Department
	4.5	Continue to develop mutual aid agreements and memorandum of understanding with agencies to serve emergency and disaster purposes.	Regulatory	All Hazards	Police Department
Goal 5: Enhance the City's ability to effectively and immediately respond to disasters.	5.1	Create a redundant data center and complete fiber to that location.	Technology	All Hazards	City Manager's Office
	5.2	Coordinate with the utility companies and vendors to strengthen, safeguard, or take other appropriate measures such as providing supplemental services, to protect and secure high-voltage lines, water, sewer, natural gas and petroleum pipelines, and trunk electrical and telephone conduits from hazards.	Prevention	All Hazards	Community Development, City Manager's Office, Police Department
	5.3	Build a cadre of committed, trained, volunteers to augment disaster response and recovery efforts in compliance with the California Disaster Service Worker program guidance, e.g., shelter workers, animal rescue and care, Community Emergency	Emergency Services	All Hazards	City Manager's Office, Police Department

Goal	Action Item #	Action Description	Mitigation Type	Related Hazards	Implementing Department
		Response Team, communications staff, medical and health, and human services, during and after a disaster.			
	5.4	Decentralize key components of the City's core network to allow the network to survive the failure of any one site from a disaster.	Technology	All Hazards	City Manager's Office
	5.5	Coordinate with Contra Costa County in hazard mitigation efforts for Pittsburg to protect two-way radio equipment from hazards by bracing antennas, securing repeaters, etc., from hazards.	Technology	Seismic	Police Department

4.5 Mitigation Action Plan

The mitigation action plan developed by the planning team includes the action items that Pittsburg intends to implement during the next five years, assuming funding availability. The action plan, shown in Table 4-6, includes the implementing department, an estimate of the timeline for implementation, and potential funding sources.

The new mitigation actions include a broad range of approaches to hazard mitigation such as retrofitting, code enforcement, development of new regulations, public education, development of redundant facilities, and others. Measures are included to mitigate risks to existing buildings and infrastructure, as well as new buildings and infrastructure. The mitigation action plan assigns primary responsibility for each of the action items to an implementing department. The implementing department is the controlling department that will assign funding and oversee activity implementation, monitoring, and evaluation.

The planning team does not presume the expertise to prescribe which projects will be implemented. The prioritization of projects in the HMP is a means to provide a basis for implementing the mitigation strategies, but all new mitigation actions and projects will be formally prioritized and selected by the implementing department. This will accommodate the project funding, schedule of the department, staff requirements, and ability to integrate the new project into existing and ongoing projects. Departments will take into account the funding source, the cost effectiveness of the project, alternative projects, the compatibility of the new project with ongoing projects, the extent to which the project addresses the risks assessed in Section 3, and the potential of economic and social damage.

Prioritization

To assist with implementing the mitigation action plan, the planning team used the following ranking process to provide a method to prioritize the projects for the Action Plan. Designations of High, Medium, and Low priorities have been assigned to each action item using the following criteria.

Does the action:	Solve the problem?
	Address vulnerability assessment?
	Reduce the exposure or vulnerability to the highest priority hazard?
	Address multiple hazards?
	Offer benefits that equal or exceed costs?
	Implement a goal, policy, or project identified in the General Plan or Capital Improvement Plan?
Can the action:	Be implemented with existing funds?
	Be implemented by existing state or federal grant programs?

	Be completed within the five-year life cycle of the LHMP?
Will the action:	Be implemented with currently available technologies?
	Be accepted by the community?
	Be supported by community leaders?
	Adversely affect segments of the population or neighborhoods?
	Require a change in local ordinances or zoning laws?
	Result in positive or neutral impact on the environment?
	Comply with all local, state, and federal environmental laws and regulations?
Is there:	Sufficient staffing to undertake the project?
	Existing authority to undertake the project?

Each positive response is equal to one point. Answers to the criteria above determined the priority according to the following scale:

1–6 = Low priority 7–12 = Medium priority 13–18 = High priority

Using the criteria above, the planning team employed the STAPLEE method to rank actions in the mitigation action plan. The results are contained in Appendix E.

Benefit-Cost Analysis

Conducting benefit/cost analysis for a mitigation activity can assist the City in determining whether a project is worth undertaking now, in order to avoid disaster related damages later. Cost-effectiveness analysis evaluates how to best spend a given amount of money to achieve a specific goal. Determining the economic feasibility of mitigating hazards can provide decision makers with an understanding of the potential benefits and costs of an activity, as well as a basis for comparing alternative projects.

Funding

The funds required to implement the mitigation action plan will come from a variety of sources including: Federal Hazard Mitigation Grants, City budget, bonds, fees and assessments, and others. Some projects are (or will be) included in capital improvement budgets, while some, especially ongoing projects, are included in department operating budgets.

Prior to beginning a project or when federal funding is involved, the implementing department will use a FEMA approved benefit/cost analysis approach to identify the actual costs and benefits of implementing these mitigation actions. For non-structural projects, implementing departments will use other appropriate methods to weigh the costs and benefits of each action item, and then develop a prioritized list.

Implementation

Mitigation projects were assigned one of three categories as a tentative schedule for implementation; short-range, mid-range, and long-range. Projects that are currently being

implemented by various departments are assigned to the ongoing category. Implementation of short-range projects will typically begin within the next three years. Mid-range projects will require some planning and likely require funding beyond what is currently allocated to the various departments in the City's general fund. Projects in the mid-range category will generally begin implementation in the next three to five years. Long range projects will require great planning and funding and will generally begin implementation within five years and beyond.

Table 4-6 Mitigation Action Plan

Action Item #	Priority	Action Description	Timeline	Funding Source	Implementing Department
1.1	High	Develop a program to assess the City for soft story buildings requiring seismic retrofitting. Consider implementing a Soft Story Seismic Retrofit Ordinance.	Long-range	General Fund or Other	Community Development
1.2	High	Encourage seismic strength evaluations of critical facilities in the City to identify building integrity.	Mid-range	General Fund	Community Development
1.3	High	Evaluate City and non-City facilities identified as potential shelter sites for structural integrity.	Long-range	General Fund	Community Development
1.4	High	Identify and pursue funding opportunities to develop and implement local mitigation activities.	Short-range	Operating Budget	City Manager's Office, Police Department, Community Development
1.5	High	There has been damage to roadway embankment due to flooding at Buchanan Rd & Kirker Creek. Provide engineering and technical services to investigate the underlying cause of the damage and provide a recommendation to repair and prevent future damage/damage.	Short-range	Grant Funding	Engineering, Public Works
1.6	High	Flood damage to the Sugartree and Birchwood drainage system resulted from previous flooding which affected nearby housing and roadways. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Short-range	Grant Funding	Engineering, Public Works
1.7	High	Recent storms resulted in flooding along Parkside Dr. and caused damage to roadway. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Short-range	Grant Funding	Engineering, Public Works
1.8	High	Recent storms resulted in flooding in Buchanan Park damaging and undermining walkways. Provide engineering and technical services to investigate the underlying cause of the flooding and	Short-range	Grant Funding	Engineering, Public Works

Action Item #	Priority	Action Description	Timeline	Funding Source	Implementing Department
		provide a recommendation to repair and prevent future damage/damage.			
1.9	High	Recent winter storms resulted in damage and erosion to Riverview Breakwater due to wind and rain. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	Short-range	Grant Funding	Engineering, Public Works
2.1	High	Develop a public outreach and awareness program about the hazards in Pittsburg and mitigation actions community members can do in their homes.	Short-range	Operating Budget	City Manager's Office, Police Department
2.2	High	Increase public awareness of the natural, human-caused, and technological hazards to businesses as a means to reduce the potential damage from each hazard through educational and outreach.	Short-range	Operating Budget	City Manager's Office, Police Department
2.3	High	Provide information on tools; partnership opportunities, and funding resources to assist in implementing mitigation activities.	Mid-range	Operating Budget	All Departments
2.4	High	Develop inventories of at-risk buildings and infrastructure and prioritize mitigation projects.	Mid-range	General Fund	Community Development
2.5	High	Implement activities that assist in protecting lives by making homes, businesses, infrastructure, critical facilities, and other property more resistant to losses from natural, man-made, and technological hazards.	Long-range	Operating Budget	Community Development
2.6	High	Place more stress on the risks associated with natural and manmade hazards at public awareness campaigns conducted by various City departments.	Short-range	Operating Budget	All Departments
3.1	High	Improve hazard assessment information to make recommendations for avoiding new development in high hazard areas and encouraging preventative measures for existing development in areas vulnerable to natural, man-made, and technological hazards.	Mid-range	General Fund	Community Development

Action Item #	Priority	Action Description	Timeline	Funding Source	Implementing Department
3.2	High	Seek to implement codes, standards, and policies that will protect life and property from the impacts of hazards.	Mid-range	Operating Budget	Community Development
3.3	High	Inventory and develop replacement values for all City-owned assets and non-City assets to help the City better understand the values of assets at risk.	Mid-range	General Fund	City Manager's Office
3.4	High	Integrate appropriate items from the Hazard Mitigation Plan (HMP) into the Health and Safety Element of the General Plan and other regulatory documents as appropriate.	Short-range	Operating Budget	City Manager's Office, Community Development
3.5	High	Establish policy to ensure mitigation projects for critical facilities, services, and infrastructure.	Mid-range	Operating Budget	All Departments
3.6	High	Inspect and repair the City reservoirs.	Ongoing	Water Utility	Water Utilities
4.1	High	Strengthen communication and coordination with public agencies, residents, non-profit organizations, business and industry to create interest in the implementation of mitigation measures.	Short-range	Operating Budget	All Departments
4.2	High	Increase effectiveness of City emergency services by implementing mitigation programs and projects that aid emergency responders and public safety departments during emergencies.	Mid-range	General Fund	Police Department
4.3	High	Encourage leadership within the City and businesses to prioritize and implement local and regional hazard mitigation activities.	Short-range	Operating Budget	City Manager's Office, Police Department
4.4	High	Continue developing and strengthening inter-jurisdictional coordination and cooperation in the area of emergency services.	Mid-range	Operating Budget	Police Department
4.5	High	Continue to develop mutual aid agreements and memorandum of understanding with agencies to serve emergency and disaster purposes.	Short-range	Operating Budget	Police Department
5.1	High	Create a redundant data center and complete fiber to that location.	Short-range	General Fund	City Manager's Office
5.2	High	Coordinate with the utility companies and vendors to strengthen, safeguard, or take other appropriate measures such as providing	Short-range	Operating Budget	Community Development,

Action Item #	Priority	Action Description	Timeline	Funding Source	Implementing Department
		supplemental services, to protect and secure high-voltage lines, water, sewer, natural gas and petroleum pipelines, and trunk electrical and telephone conduits from hazards.			City Manager's Office
5.3	High	Build a cadre of committed, trained, volunteers to augment disaster response and recovery efforts in compliance with the California Disaster Service Worker program guidance, e.g., shelter workers, animal rescue and care, Community Emergency Response Team, communications staff, medical and health, and human services, during and after a disaster.	Short-range	Operating Budget	City Manager's Office, Police Department
5.4	High	Decentralize key components of the City's core network to allow the network to survive the failure of any one site from a disaster.	Mid-range	General Fund	City Manager's Office
5.5	High	Coordinate with Contra Costa County in hazard mitigation efforts for Pittsburg to protect two-way radio equipment from hazards such as bracing antennas, securing repeaters, etc., from hazards.	Short-range	Unknown	Police Department

4.6 Incorporation of HMP into other Planning Mechanisms

The HMP planning process provided the City with an opportunity to review and expand on policies contained in the general plan. The City views the general plan and the hazard mitigation plan as complementary documents that work together to reduce risk exposure to the residents of Pittsburg. Many of the ongoing recommendations identified in the HMP are programs recommended in the City General Plan Health and Safety Element.

Per California Assembly Bill 2140, the City intends on adopting the hazard mitigation plan in accordance with the federal Disaster Mitigation Act of 2000 as part of the safety element of the general plan, adopted pursuant to Section 65302 (g) of the California Government Code. Additional planning mechanisms and processes that the City will incorporate hazard mitigation hazards and risks, plan recommendations, and mitigation actions into include the following documents:

- City Emergency Operations Plans and Procedures
- Capital Improvement Planning and Programs
- Pittsburg Municipal Code
- Community Design Guidelines
- Drought and Water-efficiency Guidelines
- Stormwater Management Program
- Environmental Work Plan
- General Plan Conservation and Health and Safety Elements

Incorporation of action items and processes from the 2017 HMP into various planning documents will be completed as other plans are updated, and when new plans are developed. These efforts may coincide with the Plan Maintenance Method and Schedule activities. Additional action items may be implemented through the creation of new public educational programs, continued interagency coordination, and public input and participation.

SECTION 5: PLAN ADOPTION

FEMA REGULATION CHECKLIST: PLAN ADOPTION

Adoption by the Local Governing Body

44 CFR § 201.6(c)(5): The local hazard mitigation plan shall include documentation that the plan has been formally adopted by the governing body of the jurisdiction requesting approval of the plan. 44 CFR §201.6(c)(5)

Element

E1. Does the Plan include documentation that the plan has been formally adopted by the governing body of the jurisdiction requesting approval?

Source: FEMA, *Local Mitigation Planning Handbook Review Tool,* March 2013.

Per 44 CFR 201.6(d)(1), the Pittsburg hazard mitigation plan must be submitted to the State Hazard Mitigation Officer (SHMO) for review. The State will then send the plan to the appropriate FEMA Regional Office for formal review and approval. The State will coordinate with Pittsburg and between Pittsburg and FEMA, once the plan is sent to FEMA for the final review and approval. FEMA has the authority to conduct the final review and approve the HMP.

The 2017 Pittsburg Hazard Mitigation Plan meets all requirements on the regulation checklist and was adopted by City Council of the City of Pittsburg on [date added]. A scanned copy of the resolution is included on the following page. Accordingly, the City of Pittsburg meets the requirements of the Stafford Act, as amended, and 44 CFR § 201.6(c)(5).

5.1 Local Plan Adoption Resolution

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a City Council Resolution) Authorizing the City of Pittsburg Hazard) Mitigation Plan 2017)	RESOLUTION NO. 17-13388

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the Disaster Mitigation and Cost Reduction Act of 2000 (DMA 2000) was adopted by the Federal government and, among other things, requires authorities to prepare a local Natural Hazards Mitigation Plan which will be utilized to protect citizens, critical facilities, infrastructure, private property and the environment from natural hazards through varying means, including increasing public awareness and identifying resources available for risk reduction and loss prevention; and

WHEREAS, the Federal Emergency Management Agency (FEMA) requires all State and local governments to prepare local hazard mitigation plan (LHMP) as a condition to pre- and post-disaster assistance; and

WHEREAS, the City is concerned about mitigating damage to buildings and infrastructure, and minimizing economic losses from natural disasters before they occur, and

WHEREAS, Federal law and the State of California's requirements for hazard mitigation plans require coverage of only natural hazards, however the Planning Team included technological and human-caused hazards as identified in the City's Emergency Operations Plan; and

WHEREAS, this LHMP was prepared through a process which included a Planning Team consisting of representatives from City departments, the Pittsburg Unified School District and County of Contra Costa Office of Emergency Services as well as public participation review and comments; and

WHEREAS, the California State Office of Emergency Services and FEMA Region IX have reviewed the plan and found it meets the requirements of DMA 2000; and

WHEREAS, formal adoption of the LHMP by the City Council is required before final approval of the plan can be obtained from the Federal Emergency Management Agency; and

WHEREAS, formal adoption of the LHMP by the City and final approval of the LHMP is needed for the City's grant application to FEMA for pre-mitigation funding.

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

Section 1. Findings and Determinations

A. 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

A. The City Council of the City of Pittsburg hereby approves and adopts the City of Pittsburg Hazard Mitigation Plan 2017 that identifies and assesses potential natural hazards to meet the requirements of the Disaster Mitigation and Cost Reduction Act of 2000 and as it relates to lessening the impact of future disasters.

B. The City of Pittsburg will utilize the City of Pittsburg Hazard Mitigation Plan 2017 to implement goals and strategies outlined to avert and mitigate damage to property and infrastructure, and engage in assistance from California State Office of Emergency Services and Federal Emergency Management Agency.

C. The City Council authorizes the City Manager or his designee to oversee plan implementation, updates, and make minor, non-substance modifications to the plan.

Section 3. California Environmental Quality Act

The City Council hereby finds that adoption of this Resolution of the City of Pittsburg Hazard Mitigation Plan 2017 is exempt from the requirements of the California Environmental Quality Act (CEQA) per CEQA Guidelines Sections 15262 (Feasibility and Planning Studies). The HMP identifies, analyzes and addresses hazards that could occur in Pittsburg and identifies goals and actions to reduce the effects of identified hazards, prepare for and respond to these hazards over a five-year period. Some of the mitigation actions include studies and/or collaboration with other agencies (where Pittsburg may not be the Lead Agency as defined by CEQA), and other mitigation actions would require their own CEQA review as part of their implementation, once a full project scope is prepared and funding is sought.

Section 4. Effective Date

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 sixth day of November 2017, by the following vote:

AYES:	Banales, Evola, Killings, Longmire, Craft
NOES:	None
ABSTAINED:	None
ABSENT:	None

Marilyn Craft, Mayor

ATTEST:

Alice E. Evenson, City Clerk

SECTION 6: ACRONYMS AND ABBREVIATIONS

2017 HMP	2017 City of Pittsburg Hazard Mitigation Plan
Cal OES	California Governor's Office of Emergency Services
CBRNE	Chemical, Biological, Radiological, Nuclear, and Explosive
CERT	Community Emergency Response Team
CFR	Code of Federal Regulations
CIP	Capital Improvement Program
CRS	Community Rating System
DMA 2000	Disaster Mitigation Act of 2000
DPH	Department of Public Health
DPW	Department of Public Works
DWR	California Department of Water Resources
EPA	United States Environmental Protection Agency
EOP	Emergency Operations Plan
FEMA	Federal Emergency Management Agency
FHSZ	Fire Hazard Severity Zone
FMA	Flood Mitigation Assistance (grant program)
FY	Fiscal Year
GIS	Geographic Information System
GP	General Plan
HMGP	Hazard Mitigation Grant Program
HMP	Hazard Mitigation Plan
M	Magnitude
Mw	Moment Magnitude
MMI Scale	Modified Mercalli Intensity scale
NFIP	National Flood Insurance Program
PG&E	Pacific Gas and Electric
PDM	Pre-Disaster Mitigation
RFC	Repetitive flood claims
RL	Repetitive Loss
SFHA	Special Flood Hazard Area
SRL	Severe Repetitive Loss
Stafford Act	Robert T. Stafford Disaster Relief and Emergency Assistance Act
UCERF	Uniform California Earthquake Rupture Forecast
USC	United States Code

USGS	United States Geological Survey
WMD	Weapon of Mass Destruction
WGCEP	Working Group on California Earthquake Probabilities

SECTION 7: REFERENCES

This section lists reference materials used to prepare the 2017 City of Pittsburg LHMP:

1. City of Pittsburg General Plan 2020 http://www.ci.pittsburg.ca.us/index.aspx?page=228
2. ABAG. (2013). ABAG Interactive Liquefaction Susceptibility Map. Retrieved from http://gis.abag.ca.gov/website/Hazards/?hlyr=liqSusceptibility
3. ABAG, (2010). Taming Natural Disasters: Multi-Jurisdictional Local Hazard Mitigation Plan for the San Francisco Bay Area, http://resilience.abag.ca.gov/2011mitigation/
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6. California Adaptation Planning Guide, (2012). Planning for Adaptive Communities http://resources.ca.gov/docs/climate/01APG_Planning_for_Adaptive_Communities.pdf
7. California Climate Change Center (2006). Our Changing Climate: Assessing the Risks to California. A Summary Report from the California Climate Change Center http://meteora.ucsd.edu/cap/pdffiles/CA_climate_Scenarios.pdf
8. California Climate Change Center, (2012). Our Changing Climate 2012: Vulnerability & Adaptation to the Increasing Risks from Climate Change in California. A Summary Report on the Third Assessment from the California Climate Change Center, http://www.energy.ca.gov/2012publications/CEC-500-2012-007/CEC-500-2012-007.pdf
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13. City of Pittsburg Emergency Operations Plan, (2014)

14. Committee on Sea Level Rise in California, Oregon, and Washington, and Board on Earth Sciences and Resources and Ocean Studies Board, Division on Earth and Life Studies, (2012). Sea-Level Rise for the Coasts of California, Oregon, and Washington: Past, Present, and Future, The National Academies Press, http://ssi.ucsd.edu/scc/images/NRC%20SL%20rise%20W%20coast%20USA%2012.pdf
15. County of Solano. (2012). Hazard Mitigation Plan. Solano County: Office of Emergency Services and Resource Management Office
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19. United States Geological Survey. (2016, June). Earthquake Hazards Program. Retrieved from http://earthquake.usgs.gov/regional/nca/wg02/results.php
20. United States Geological Survey. (2016) http://earthquake.usgs.gov/learn/topics/mag_vs_int.php

APPENDIX A: LOCAL MITIGATION PLAN REVIEW TOOL

The *Local Mitigation Plan Review Tool* demonstrates how the Local Mitigation Plan meets the regulation in 44 CFR §201.6 and offers States and FEMA Mitigation Planners an opportunity to provide feedback to the community. This section was completed by the City of Pittsburg to ensure the HMP met the requirements of 44 CFR §201.6.

Jurisdiction: City of Pittsburg, California	**Title of Plan:** City of Pittsburg Hazard Mitigation Plan	**Date of Plan:** April, 2017
Local Point of Contact: Laura Wright	**Address:** 65 Civic Avenue Pittsburg, CA 94565	
Title: Environmental Affairs Manager		
Agency: City Manager		
Phone Number: 925-252-4114	**E-Mail:** lwright@ci.pittsburg.ca.us	

State Reviewer:	**Title:**	**Date:**
Date Received at State Agency		
Plan Not Approved		
Plan Approved/Sent to FEMA		

FEMA Reviewer	**Title:**	**Date:**
Date Received in FEMA Region IX		
Plan Not Approved		
Plan Approvable Pending Adoption		
Plan Approved		

1. REGULATION CHECKLIST Regulation (44 CFR 201.6 Local Mitigation Plans)	Location in Plan (section and/or page number)	Met	Not Met
ELEMENT A. PLANNING PROCESS			
A1. Does the Plan document the planning process, including how it was prepared and who was involved in the process for each jurisdiction? (Requirement §201.6(c)(1))	Section 2.1, Appendix C	X	
A2. Does the Plan document an opportunity for neighboring communities, local and regional agencies involved in hazard mitigation activities, agencies that have the authority to regulate development as well as other interests to be involved in the planning process? (Requirement §201.6(b)(2))	Section 2.1.1 and Table 2-1, Appendix C	X	
A3. Does the Plan document how the public was involved in the planning process during the drafting stage? (Requirement §201.6(b)(1))	Section 2.2 and Appendices B and C	X	
A4. Does the Plan describe the review and incorporation of existing plans, studies, reports, and technical information? (Requirement §201.6(b)(3))	Section 2.3	X	
A5. Is there discussion of how the community(ies) will continue public participation in the plan maintenance process? (Requirement §201.6(c)(4)(iii))	Section 2.4	X	
A6. Is there a description of the method and schedule for keeping the plan current (monitoring, evaluating and updating the mitigation plan within a 5-year cycle)? (Requirement §201.6(c)(4)(i))	Section 2.5	X	
ELEMENT A: REQUIRED REVISIONS			

1. REGULATION CHECKLIST Regulation (44 CFR 201.6 Local Mitigation Plans)	Location in Plan (section and/or page number)	Met	Not Met
ELEMENT B. HAZARD IDENTIFICATION AND RISK ASSESSMENT			
B1. Does the Plan include a description of the type, location, and extent of all natural hazards that can affect each jurisdiction(s)? (Requirement §201.6(c)(2)(i))	Sections 3.1, 3.2, 3.3	X	
B2. Does the Plan include information on previous occurrences of hazard events and on the probability of future hazard events for each jurisdiction? (Requirement §201.6(c)(2)(i))		X	
B3. Is there a description of each identified hazard's impact on the community as well as an overall summary of the community's vulnerability for each jurisdiction? (Requirement §201.6(c)(2)(ii))		X	
B4. Does the Plan address NFIP insured structures within the jurisdiction that have been repetitively damaged by floods? (Requirement §201.6(c)(2)(ii))	Section 4.2 touches on facilities with the NFIP insurance, but it does not fully meet this requirement.	X	
ELEMENT B: REQUIRED REVISIONS			

1. REGULATION CHECKLIST Regulation (44 CFR 201.6 Local Mitigation Plans)	Location in Plan (section and/or page number)	Met	Not Met
ELEMENT C. MITIGATION STRATEGY			
C1. Does the plan document each jurisdiction's existing authorities, policies, programs and resources and its ability to expand on and improve these existing policies and programs? (Requirement §201.6(c)(3))	Section 4.1, Tables 4-1, 4-2, 4-3	X	
C2. Does the Plan address each jurisdiction's participation in the NFIP and continued compliance with NFIP requirements, as appropriate? (Requirement §201.6(c)(3)(ii))	Section 4.2	X	
C3. Does the Plan include goals to reduce/avoid long-term vulnerabilities to the identified hazards? (Requirement §201.6(c)(3)(i))	Sections 4.3 and 4.4	X	
C4. Does the Plan identify and analyze a comprehensive range of specific mitigation actions and projects for each jurisdiction being considered to reduce the effects of hazards, with emphasis on new and existing buildings and infrastructure? (Requirement §201.6(c)(3)(ii))	Sections 4.4 and 4.5	X	
C5. Does the Plan contain an action plan that describes how the actions identified will be prioritized (including cost benefit review), implemented, and administered by each jurisdiction? (Requirement §201.6(c)(3)(iv)); (Requirement §201.6(c)(3)(iii))	Sections 4.4 and 4.5	X	
C6. Does the Plan describe a process by which local governments will integrate the requirements of the mitigation plan into other planning mechanisms, such as comprehensive or capital improvement plans, when appropriate? (Requirement §201.6(c)(4)(ii))	Sections 4.5 and 4.6	X	
ELEMENT C: REQUIRED REVISIONS			

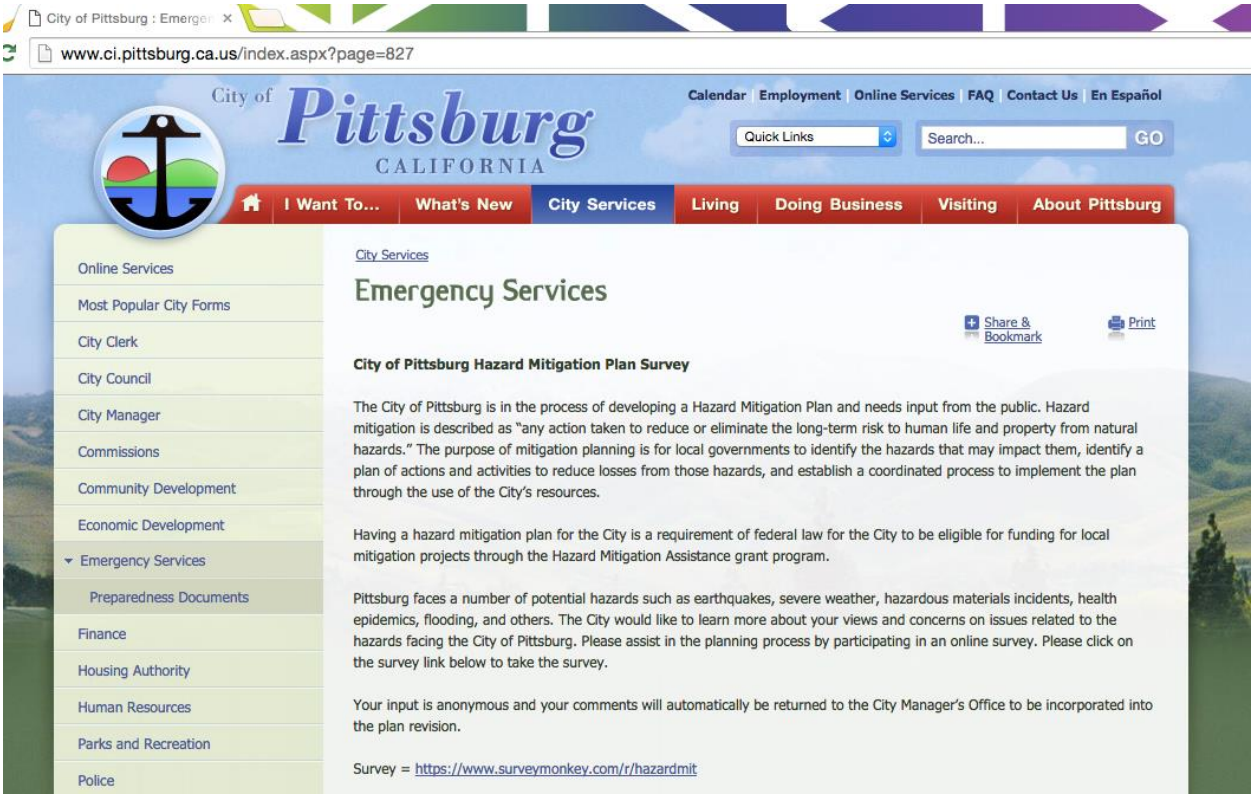
1. REGULATION CHECKLIST Regulation (44 CFR 201.6 Local Mitigation Plans)	Location in Plan (section and/or page number)	Met	Not Met
ELEMENT D. PLAN REVIEW, EVALUATION, AND IMPLEMENTATION (applicable to plan updates only)			
D1. Was the plan revised to reflect changes in development? (Requirement §201.6(d)(3))	N/A		
D2. Was the plan revised to reflect progress in local mitigation efforts? (Requirement §201.6(d)(3))	N/A		
D3. Was the plan revised to reflect changes in priorities? (Requirement §201.6(d)(3))	N/A		
ELEMENT D: REQUIRED REVISIONS This section shall be filled out following subsequent revisions to the Plan.			
ELEMENT E. PLAN ADOPTION			
E1. Does the Plan include documentation that the plan has been formally adopted by the governing body of the jurisdiction requesting approval? (Requirement §201.6(c)(5))	Section 5, (placeholder pending adoption approval/resolution.)		
E2. For multi-jurisdictional plans, has each jurisdiction requesting approval of the plan documented formal plan adoption? (Requirement §201.6(c)(5))			
ELEMENT E: REQUIRED REVISIONS Will be adopted when 'Approvable Pending Adoption' by FEMA			
ELEMENT F. ADDITIONAL STATE REQUIREMENTS (optional for State reviewers only; not to be completed by FEMA)			
F1. Plan must discuss climate change and its potential effect on the jurisdictions' hazards and the potential to create new hazards for the area.	Section 3.2.12		
ELEMENT F: REQUIRED REVISION			

APPENDIX B: STAKEHOLDER & PUBLIC OUTREACH DOCUMENTATION

Appendix B contains documentation of the planning process including meetings, presentations held for the stakeholders and public, and other stakeholder/public outreach efforts.

Meeting Date	Meeting Audience/ Activity	Documentation
5/18/2015 Kickoff Meeting Team Meeting #1	HMP Planning Team/Stakeholders	- Email to stakeholders - Kickoff meeting read-ahead - What is Hazard Mitigation Planning? - HMP content outline - Kickoff meeting slideshow - Meeting notes
June 2015	Social Media Campaign	- Posting on City Website - Posting on Pittsburg LivingGreen Facebook Page
June 2015	Survey on City Website	- Survey and results
8/17/2015 Team Meeting #2	HMP Planning/Stakeholders	- Email to stakeholders - Planning meeting slideshow - Meeting notes
4/28/2016 Team Meeting #3	HMP Planning/Stakeholders	- Email to stakeholders - Planning meeting slideshow - Meeting notes
3/2/2017 - 3/17/2017	HMP posted on City website and sent to the following jurisdictions for review and comment.	- Notification on City Twitter and Facebook accounts - Posting on City Website - Posting on Pittsburg LivingGreen Facebook Page - Email to neighboring jurisdictions and Operational Area - 2 Comments received that did not result in changes to the draft HMP

Sample 1: Screenshot of City of Pittsburg Website Soliciting Public Feedback on HMP – June 2015



Sample 2: Public Notice on the Pittsburg LivingGreen Facebook Page – June 2015

Sample 3: Screenshots of Survey on SurveyMonkey.com – June 2015

City of Pittsburg Hazard Mitigation Plan Survey

1. Residents and businesses in Pittsburg face a number of hazards that potentially could occur. How concerned are you about the following hazards in Pittsburg? (Check one response for each hazard)

	Not Concerned	Somewhat Concerned	Concerned	Very Concerned	Extremely Concerned
Earthquake - Seismic Hazards	○	○	○	○	○
Hazardous Materials	○	○	○	○	○
Terrorism	○	○	○	○	○
Transportation Incidents - Air, Rail, Water	○	○	○	○	○
Pipeline - Oil Spills	○	○	○	○	○
National Security - Nuclear	○	○	○	○	○
Flooding - Localized Storms	○	○	○	○	○
Drought	○	○	○	○	○
Urban and Wildland Fires	○	○	○	○	○

Severe Weather - Wind, Tornados, Heat	○	○	○	○	○
Public Health - Epidemic, Pandemic	○	○	○	○	○
Climate Change - Air Pollution	○	○	○	○	○
Civil Unrest	○	○	○	○	○

Other (please specify)

2. How prepared is your household to cope with a hazard event?

	Not at all Prepared	Somewhat Prepared	Adequately Prepared	Well Prepared	Very Well Prepared	Not Sure
Check one:	○	○	○	○	○	○

3. Which of the following activities have been taken to prepare your household for a hazard event? (Check all that apply)

- ☐ Prepared a disaster kit
- ☐ Stored water (one gallon per person per day)
- ☐ Stored non-perishable food
- ☐ Received First Aid / CPR training
- ☐ Taken a Community Emergency Response Team (CERT) course
- ☐ Stored medical supplies (first aid kit, prescription medicines, over-the-counter- medications)
- ☐ Created a home evacuation plan

- [ ] Designated a family meeting place
- [ ] Identified utility shut-offs / have shut-off tools available
- [ ] Stored a battery-powered radio, flashlights, and extra batteries
- [ ] Installed smoke detectors on each level of the house
- [ ] Installed carbon monoxide detectors on each level of the house
- [ ] Have fire extinguishers in appropriate areas of the house
- [ ] Purchased flood insurance
- [ ] Purchased earthquake insurance
- [ ] None

Other (please specify)

4. Which of the following sources of information have helped you to prepare for a hazard event? (Check all that apply)

- [ ] Emergency preparedness information from a government source (federal, state, or local)
- [ ] Attended meetings that have provided disaster preparedness information
- [ ] Community Emergency Response Team (CERT) training
- [ ] Disaster exhibit at a local fair or community event
- [ ] Church disaster preparedness
- [ ] Civic organization disaster preparedness (American Red Cross, etc.)
- [ ] Personal experience with previous hazard or disaster

- [ ] School or other academic institution distribution of materials
- [ ] Locally provided news or regional media source
- [ ] Phone book or marketing distribution of materials

Other (please specify)

5. Which of the following sources or methods of receiving hazard and disaster preparedness information do you think are most effective? (Check all that apply)

- [ ] Newspaper Articles
- [ ] Telephone Book
- [ ] Information Brochures
- [ ] Radio Advertisement
- [ ] Internet
- [ ] Schools and Academic Institutions
- [ ] City Newsletters
- [ ] Workshops
- [ ] Chamber of Commerce
- [ ] Social Media (Facebook, LinkedIn, Twitter)
- [ ] Fire Department
- [ ] City Website
- [ ] Law Enforcement
- [ ] Public Library

- [ ] American Red Cross
- [ ] Community Safety Events
- [ ] Public Meetings
- [ ] Public Awareness Campaigns
- [ ] Word of Mouth
- [ ] Reverse 9-1-1 Notifications (TENS, Nixle)

Other (please specify)

6. What types of projects do you believe the City should be doing in order to reduce damage and disruption from hazard events within Pittsburg? Please rank each option as low, medium, or high priority.

	Low Priority	Medium Priority	High Priority
Retrofit and strengthen essential facilities such as police, fire, schools, and medical buildings.	○	○	○
Retrofit infrastructure such as roads, bridges, drainage facilities, water supply, wastewater, and power supply facilities.	○	○	○
Strengthen codes and regulations to include higher regulatory standards in hazard areas.	○	○	○
Acquire vulnerable properties and maintain as open space.	○	○	○

Provide better public information about risk and the exposure to hazards within the city.	○	○	○
Implement projects that restore the capacity of the natural environment to absorb the impacts from hazards.	○	○	○
Implement projects that mitigate the potential impacts from climate change.	○	○	○
Educate vulnerable property owners about securing funding for mitigation.	○	○	○

Other (please specify)

7. How important do you find the following community-wide actions or activities that may reduce the risk of hazards in Pittsburg?

	Not Important	Somewhat Important	Very Important	Extremely Important
Prevention activities such as administrative or regulatory actions that influence the way land is developed and buildings are built, such as planning, zoning, and building codes.	○	○	○	○

Property protection actions that involve the modification of existing buildings to protect them from a hazard or removal from the hazard area, such as acquisition, relocation, elevation, and structural retrofits.	○	○	○	○
Structural projects intended to lessen the impact of a hazard by modifying the natural progression of the hazard, such as detention/retention basins, retaining walls, and storm sewers.	○	○	○	○
Emergency services actions that protect people and property during and immediately after a hazard event, such as warning systems, evacuation planning, emergency response training, and protection of critical emergency facilities or systems.	○	○	○	○

Public education and awareness activities to inform community members about hazards and the techniques they can use to protect themselves and their property, such as outreach projects, CERT, school programs, library materials, and safety fair events.	○	○	○	○	

Other (please specify)

8. Please indicate how you feel about the following statement: It is the responsibility of government (local, state and federal) to provide education and programs that promote citizen actions that will reduce exposure to the risks associated with hazards.

	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree
Choose One:	○	○	○	○	○

9. Please indicate how you feel about the following statement: It is my personal responsibility to be educated and take actions that will reduce my exposure to the risks associated with hazards.

	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree
Choose One:	○	○	○	○	○

10. Do you or anyone in your household have disabilities and / or access and functional needs that would require early warning notifications or specialized response to evacuate during disasters?

- ◯ Yes
- ◯ No

Other (please specify)

11. If you answered yes to Question #9: do you have a service dog that would need to be evacuated with you or a household member to a shelter during a disaster?

- ◯ Yes
- ◯ No

Other (please specify)

12. If you answered yes to Question #9: would you participate in a Disaster Assistance Registry for people with disabilities and / or access and functional needs?

- ◯ Yes
- ◯ No

Other (please specify)

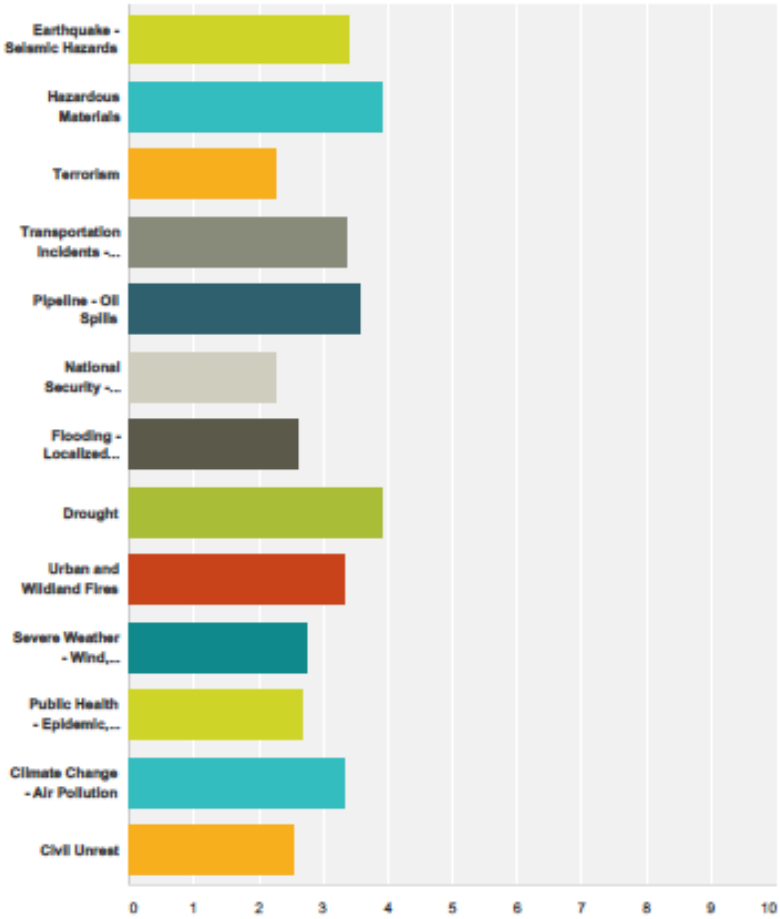
Done

Sample 3: Survey Monkey Results (As of April 2016)

City of Pittsburg Hazard Mitigation Plan Survey SurveyMonkey

Q1 Residents and businesses in Pittsburg face a number of hazards that potentially could occur. How concerned are you about the following hazards in Pittsburg? (Check one response for each hazard)

Answered: 70 Skipped: 0



	Not Concerned	Somewhat Concerned	Concerned	Very Concerned	Extremely Concerned	Total	Weighted Average
Earthquake - Seismic Hazards	10.00% 7	20.00% 14	14.29% 10	31.43% 22	24.29% 17	70	3.40
Hazardous Materials	4.29% 3	5.71% 4	25.71% 18	24.29% 17	40.00% 28	70	3.90

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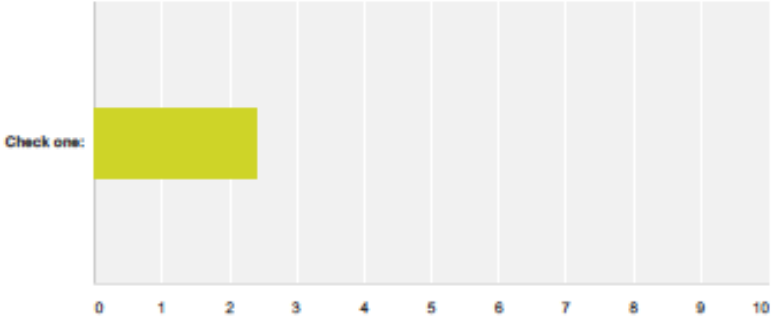
Terrorism	35.71% 25	32.86% 23	12.86% 9	5.71% 4	12.86% 9	70	2.27
Transportation Incidents - Air, Rail, Water	11.59% 8	20.29% 14	21.74% 15	13.04% 9	33.33% 23	69	3.36
Pipeline - Oil Spills	11.43% 8	12.86% 9	21.43% 15	15.71% 11	38.57% 27	70	3.57
National Security - Nuclear	42.03% 29	21.74% 15	18.84% 13	2.90% 2	14.49% 10	69	2.26
Flooding - Localized Storms	24.64% 17	28.99% 20	17.39% 12	18.84% 13	10.14% 7	69	2.61
Drought	5.71% 4	8.57% 6	18.57% 13	24.29% 17	42.86% 30	70	3.90
Urban and Wildland Fires	11.43% 8	20.00% 14	20.00% 14	21.43% 15	27.14% 19	70	3.33
Severe Weather - Wind, Tornados, Heat	25.37% 17	19.40% 13	28.36% 19	10.45% 7	16.42% 11	67	2.73
Public Health - Epidemic, Pandemic	23.53% 16	25.00% 17	25.00% 17	11.76% 8	14.71% 10	68	2.69
Climate Change - Air Pollution	14.29% 10	21.43% 15	11.43% 8	21.43% 15	31.43% 22	70	3.34
Civil Unrest	29.41% 20	30.88% 21	13.24% 9	8.82% 6	17.65% 12	68	2.54

Q2 How prepared is your household to cope with a hazard event?

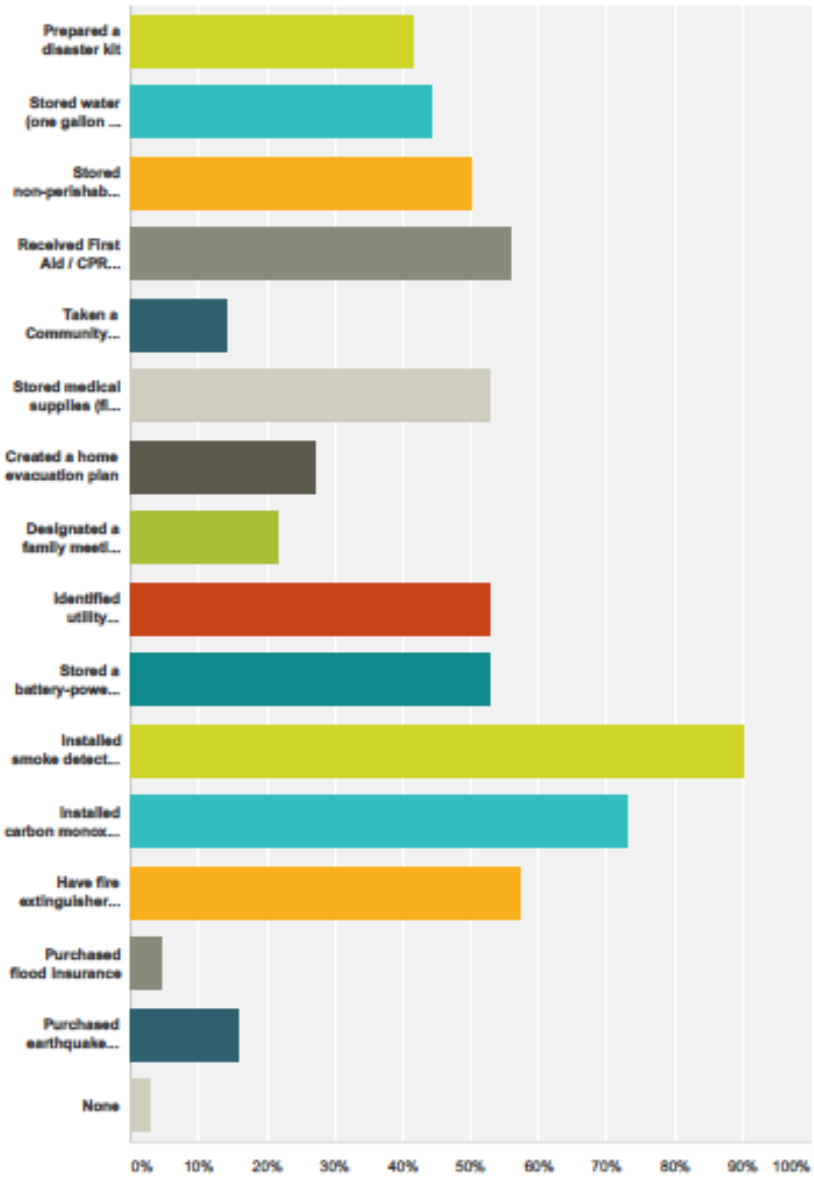
Answered: 69 Skipped: 1



	Not at all Prepared	Somewhat Prepared	Adequately Prepared	Well Prepared	Very Well Prepared	Not Sure	Total	Weighted Average
Check one:	18.84% 13	46.38% 32	20.29% 14	8.70% 6	1.45% 1	4.35% 3	69	2.41

Q3 Which of the following activities have been taken to prepare your household for a hazard event? (Check all that apply)

Answered: 70 Skipped: 0



Answer Choices	Responses

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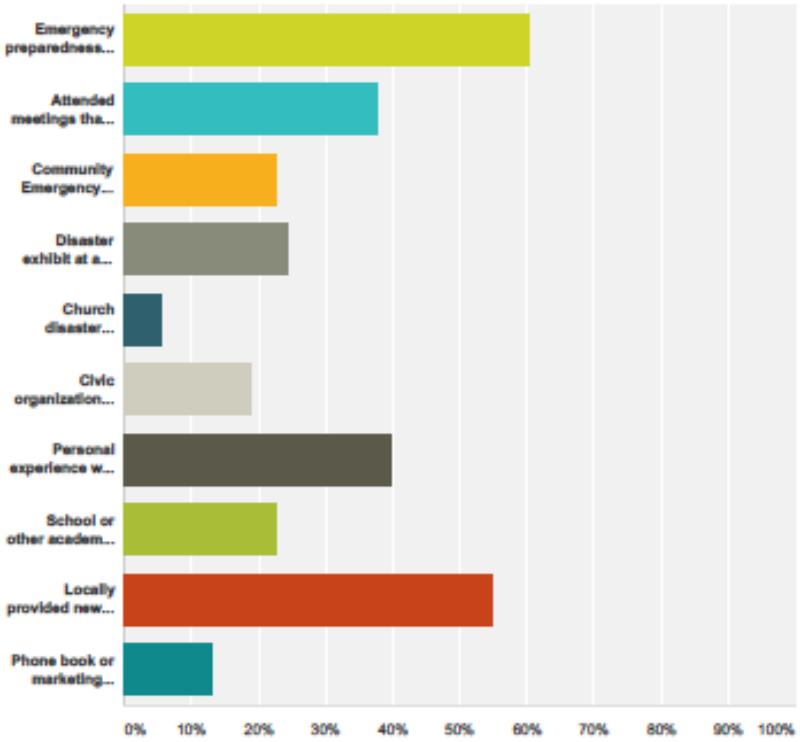
Prepared a disaster kit	41.43%	29
Stored water (one gallon per person per day)	44.29%	31
Stored non-perishable food	50.00%	35
Received First Aid / CPR training	55.71%	39
Taken a Community Emergency Response Team (CERT) course	14.29%	10
Stored medical supplies (first aid kit, prescription medicines, over-the-counter- medications)	52.86%	37
Created a home evacuation plan	27.14%	19
Designated a family meeting place	21.43%	15
Identified utility shut-offs / have shut-off tools available	52.86%	37
Stored a battery-powered radio, flashlights, and extra batteries	52.86%	37
Installed smoke detectors on each level of the house	90.00%	63
Installed carbon monoxide detectors on each level of the house	72.86%	51
Have fire extinguishers in appropriate areas of the house	57.14%	40
Purchased flood insurance	4.29%	3
Purchased earthquake insurance	15.71%	11
None	2.86%	2
Total Respondents: 70		

Q4 Which of the following sources of information have helped you to prepare for a hazard event? (Check all that apply)

Answered: 53 Skipped: 17

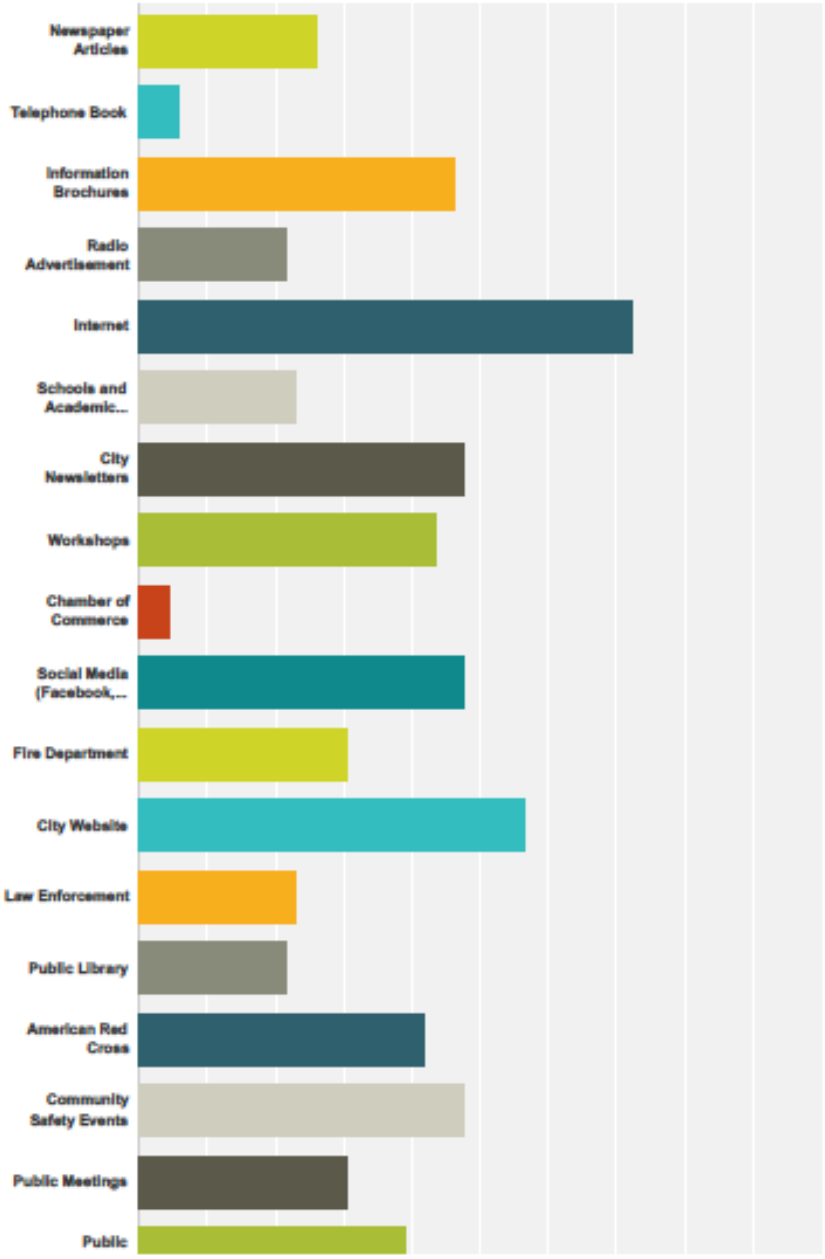


Answer Choices	Responses	
Emergency preparedness information from a government source (federal, state, or local)	60.38%	32
Attended meetings that have provided disaster preparedness information	37.74%	20
Community Emergency Response Team (CERT) training	22.64%	12
Disaster exhibit at a local fair or community event	24.53%	13
Church disaster preparedness	5.66%	3
Civic organization disaster preparedness (American Red Cross, etc.)	18.87%	10
Personal experience with previous hazard or disaster	39.62%	21
School or other academic institution distribution of materials	22.64%	12
Locally provided news or regional media source	54.72%	29
Phone book or marketing distribution of materials	13.21%	7

Total Respondents: 53

Q5 Which of the following sources or methods of receiving hazard and disaster preparedness information do you think are most effective? (Check all that apply)

Answered: 69 Skipped: 1



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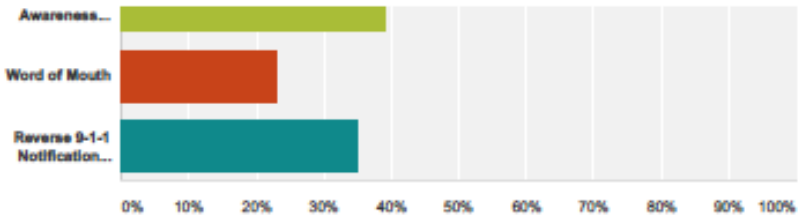
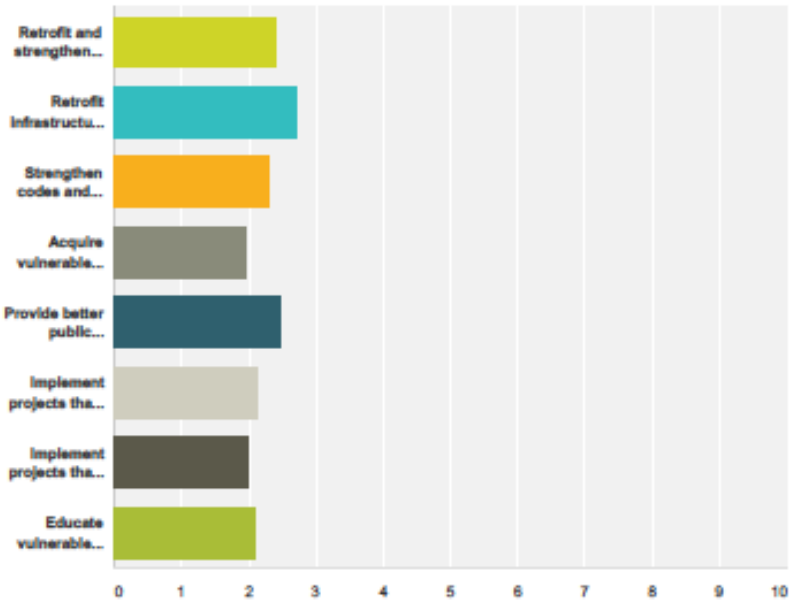


Answer Choices	Responses	
Newspaper Articles	26.09%	18
Telephone Book	5.80%	4
Information Brochures	46.38%	32
Radio Advertisement	21.74%	15
Internet	72.46%	50
Schools and Academic Institutions	23.19%	16
City Newsletters	47.83%	33
Workshops	43.48%	30
Chamber of Commerce	4.35%	3
Social Media (Facebook, LinkedIn, Twitter)	47.83%	33
Fire Department	30.43%	21
City Website	56.52%	39
Law Enforcement	23.19%	16
Public Library	21.74%	15
American Red Cross	42.03%	29
Community Safety Events	47.83%	33
Public Meetings	30.43%	21
Public Awareness Campaigns	39.13%	27
Word of Mouth	23.19%	16
Reverse 9-1-1 Notifications (TENS, Nixle)	34.78%	24
Total Respondents: 69		

Q6 What types of projects do you believe the City should be doing in order to reduce damage and disruption from hazard events within Pittsburg? Please rank each option as low, medium, or high priority.

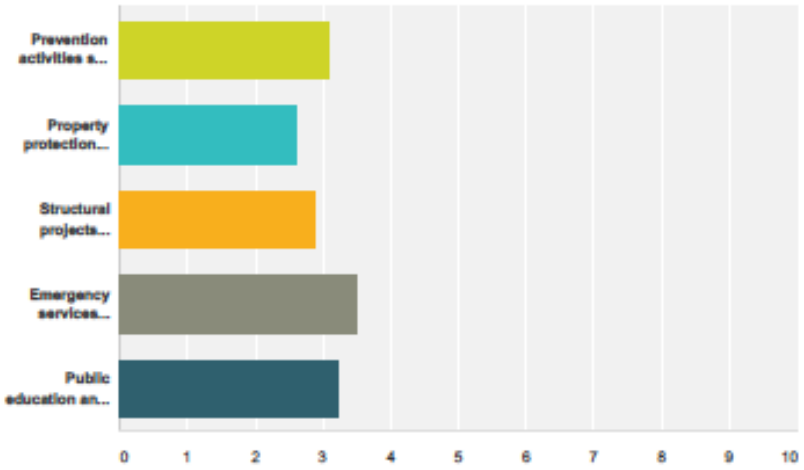
Answered: 69 Skipped: 1



	Low Priority	Medium Priority	High Priority	Total	Weighted Average
Retrofit and strengthen essential facilities such as police, fire, schools, and medical buildings.	13.24% 9	32.35% 22	54.41% 37	68	2.41
Retrofit infrastructure such as roads, bridges, drainage facilities, water supply, wastewater, and power supply facilities.	1.47% 1	25.00% 17	73.53% 50	68	2.72
Strengthen codes and regulations to include higher regulatory standards in hazard areas.	15.94% 11	36.23% 25	47.83% 33	69	2.32
Acquire vulnerable properties and maintain as open space.	37.68% 26	30.43% 21	31.88% 22	69	1.94
Provide better public information about risk and the exposure to hazards within the city.	11.76% 8	29.41% 20	58.82% 40	68	2.47
Implement projects that restore the capacity of the natural environment to absorb the impacts from hazards.	24.64% 17	37.68% 26	37.68% 26	69	2.13
Implement projects that mitigate the potential impacts from climate change.	37.68% 26	26.09% 18	36.23% 25	69	1.99
Educate vulnerable property owners about securing funding for mitigation.	26.09% 18	37.68% 26	36.23% 25	69	2.10

Q7 How important do you find the following community-wide actions or activities that may reduce the risk of hazards in Pittsburg?

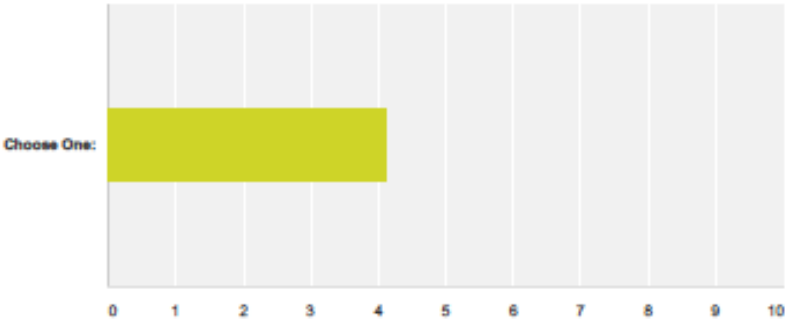
Answered: 69 Skipped: 1



	Not Important	Somewhat Important	Very Important	Extremely Important	Total	Weighted Average
Prevention activities such as administrative or regulatory actions that influence the way land is developed and buildings are built, such as planning, zoning, and building codes.	2.90% 2	28.99% 20	23.19% 16	44.93% 31	69	3.10
Property protection actions that involve the modification of existing buildings to protect them from a hazard or removal from the hazard area, such as acquisition, relocation, elevation, and structural retrofits.	7.35% 5	38.24% 26	41.18% 28	13.24% 9	68	2.60
Structural projects intended to lessen the impact of a hazard by modifying the natural progression of the hazard, such as detention/retention basins, retaining walls, and storm sewers.	7.25% 5	24.64% 17	40.58% 28	27.54% 19	69	2.88
Emergency services actions that protect people and property during and immediately after a hazard event, such as warning systems, evacuation planning, emergency response training, and protection of critical emergency facilities or systems.	2.94% 2	8.82% 6	23.53% 16	64.71% 44	68	3.50
Public education and awareness activities to inform community members about hazards and the techniques they can use to protect themselves and their property, such as outreach projects, CERT, school programs, library materials, and safety fair events.	4.35% 3	14.49% 10	34.78% 24	46.38% 32	69	3.23

Q8 Please indicate how you feel about the following statement: It is the responsibility of government (local, state and federal) to provide education and programs that promote citizen actions that will reduce exposure to the risks associated with hazards.

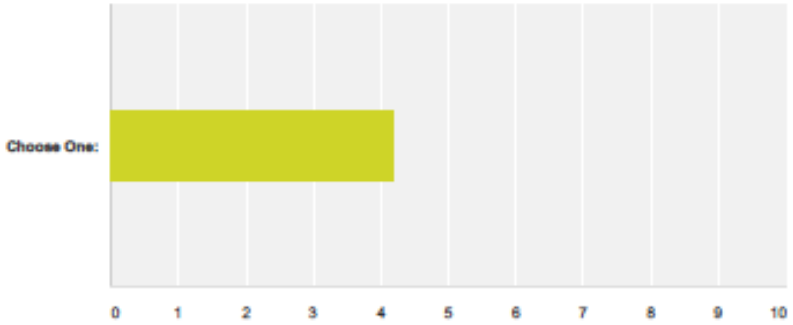
Answered: 69 Skipped: 1



	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree	Total	Weighted Average
Choose One:	2.90% 2	7.25% 5	5.80% 4	43.48% 30	40.58% 28	69	4.12

Q9 Please indicate how you feel about the following statement: It is my personal responsibility to be educated and take actions that will reduce my exposure to the risks associated with hazards.

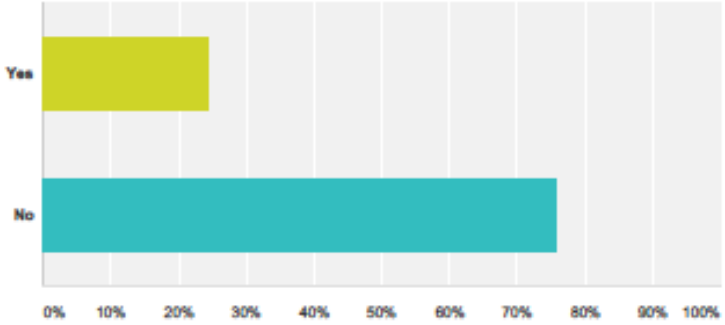
Answered: 70 Skipped: 0



	Strongly Disagree	Somewhat Disagree	Neither Agree or Disagree	Somewhat Agree	Strongly Agree	Total	Weighted Average
Choose One:	7.14% 5	5.71% 4	4.29% 3	27.14% 19	55.71% 39	70	4.19

Q10 Do you or anyone in your household have disabilities and / or access and functional needs that would require early warning notifications or specialized response to evacuate during disasters?

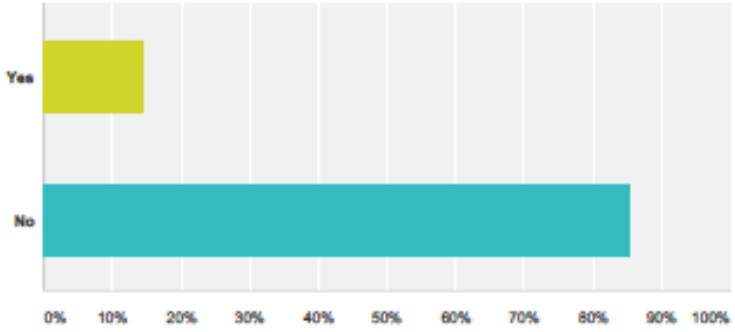
Answered: 70 Skipped: 0



Answer Choices	Responses	
Yes	24.29%	17
No	75.71%	53
Total		70

Q11 If you answered yes to Question #9: do you have a service dog that would need to be evacuated with you or a household member to a shelter during a disaster?

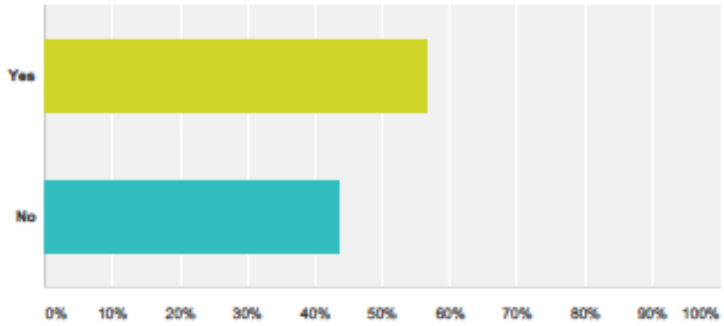
Answered: 34 Skipped: 36



Answer Choices	Responses	
Yes	14.71%	5
No	85.29%	29
Total		34

Q12 If you answered yes to Question #9: would you participate in a Disaster Assistance Registry for people with disabilities and / or access and functional needs?

Answered: 30 Skipped: 40



Answer Choices	Responses	
Yes	56.67%	17
No	43.33%	13
Total		30

Sample 4: Draft HMP Review Public Outreach Emails and Social Media Outreach March 2017

From: Laura Wright
To: lee.rosenberg@navigatingpreparedness.com
Cc: Steve Albanese
Subject: Pittsburg Haz Mit Plan Update
Date: Friday, March 17, 2017 2:23:26 PM

Hi Lee-

Here is what I have…. Below we have on 3 Facebook sites; e-News Blast (sent to you) and on City page. I received one verbal concerned about the NRG (old PG&E plant) and the future releases of asbestos, etc form a blast they had over 20 years ago. I told her that the plant is officially closed as of 12-31-16 so there should be no more blast or running of the plant. It is retired.

And I also received the following from Monkey Survey… Please add, potential disasters that may surface from the rain. Older homes located by St. Peters Catholic school have very old trees and some of the sidewalks concrete are realigned and are dangerous to pedestrians. These City trees should be inspected ASAP to ensure they will not fall on property or people. Some areas received replacement of smaller trees. This is an emergency and an avoidable potential disaster if taken care of as a priority. This should be added to the Hazard Mitigation Plan.

I will push one last time in Facebook for over the weekend…

Thanks!!

Laura Wright
City of Pittsburg

5-Year Capital Improvement Program
Agendas & Minutes
Calendar
Development Project Information
eNews Sign Up
News
Public Notices
Public Reviews
ThinkPittsburg Site Selection

What's New

Share & Bookmark | Print

City of Pittsburg's Draft Hazard Mitigation Plan - Comments

Posted Date: 3/1/2017

City of Pittsburg's Draft Hazard Mitigation Plan - Comments

The City of Pittsburg has a DRAFT Hazard Mitigation Plan available for public review. Hazard mitigation is described as "any action taken to reduce or eliminate the long-term risk to human life and property from natural hazards." The purpose of mitigation planning is for local governments to identify the hazards that may impact them, identify a plan of actions and activities to reduce losses from those hazards, and establish a coordinated process to implement the plan through the use of the City's resources.

Having a Hazard Mitigation Plan for the City is a requirement of federal law for the City to be eligible for funding for local mitigation projects through the Hazard Mitigation Assistance grant program.

Pittsburg faces a number of potential hazards such as earthquakes, severe weather, hazardous materials incidents, health epidemics, flooding, and others. The City has identified the hazards facing the City, analyzed the risks from these hazards, developed mitigation strategies and an implementation strategy. A copy of the draft plan is available now for review and comment. Please go to the City's website and look under Emergency Services under the City Services tab to review the Plan and to provide comment. We would like to have comments back by March 17, 2017.

http://www.ci.pittsburg.ca.us/index.aspx?page=827

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From: City of Pittsburg [mailto:webmaster@ci.pittsburg.ca.us]
Sent: Wednesday, March 1, 2017 9:03 AM
To: CityStaffEnewsList
Subject: City of Pittsburg: City of Pittsburg's Draft Hazard Mitigation Plan - Comments

City of Pittsburg's Draft Hazard Mitigation Plan - Comments

Posted Date: 3/1/2017

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Please add, potential disasters that may surface from the rain. Older homes located by St. Peters Catholic school have very old trees and some of the sidewalks concrete are realigned and are dangerous to pedestrians. These City trees should be inspected ASAP to ensure they will not fall on property or people. Some areas received replacement of smaller trees. This is an emergency and an avoidable potential disaster if taken care of as a priority. This should be added to the Hazard Mitigation Plan.

I will push one last time in Facebook for over the weekend...

Thanks!!

Oh and I have included your proposal in next year's budget. We shall see!

Laura Wright
City of Pittsburg

APPENDIX C: PLANNING PROCESS DOCUMENTATION

Appendix C contains documentation of the planning process for the HMP planning team, including meetings, presentations, emails, etc. [Insert meeting agenda, sign-in sheets, handouts, etc.]

Meeting Date	Meeting Title	Meeting Handouts, Presentation Included in HMP
5/18/2015	HMP Planning Team Kickoff Meeting Team Meeting #1	- Email to stakeholders - Kickoff meeting read-ahead - What is Hazard Mitigation Planning? - HMP content outline - Kickoff meeting slideshow
8/17/2015	HMP Planning Team Meeting #2	- Email to stakeholders - Planning meeting slideshow
2/8/2016	Meeting with Laura Wright, (Administrative Officer), LT Steve Albanese (PD), Steve Ahonen (PUSD), Lee Rosenberg (NPA), Mike Hooper (WHS)	- Meeting agenda - Meeting Notes
4/28/2016	HMP Planning Team Meeting #3	- Email to stakeholders - Planning meeting slideshow

CITY OF PITTSBURG
2015 HAZARD MITIGATION PLAN
PROJECT KICK OFF MEETING

MEETING PURPOSE

In preparation for the Pittsburg Hazard Mitigation Plan Project kick-off meeting, we would like to provide some read ahead material to better prepare you for what we will discuss at the meeting. This will be an informal meeting to meet and brief all of the City planning team on the process, approach, roles and responsibilities of personnel participating in the Pittsburg Hazard Mitigation Plan Project.

During this kick-off meeting, we will accomplish the following objectives:

1. Ensure the planning team members understand the project and agree with the project approach and timeline.
2. Convey to the planning team members the purpose and necessity of having a Hazard Mitigation Plan; what is included in the project scope of work; and the importance of their input for the successful completion of the project.
3. Provide the planning team members with a description of what their roles and responsibilities will be during the planning process.
4. Establish points of contact designated for each department to be included as members of the planning team.
5. Determine a schedule for the planning project and determine the best means of communicating between the project managers and the planning team.
6. Confirm and identify hazards for the Pittsburg Hazard Mitigation Plan.

WHAT IS HAZARD MITIGATION?

Hazard mitigation is "***any action taken to reduce or eliminate the long-term risk to human life and property from natural hazards.***"[1] Although the requirement set by 44 Code of Federal Regulations (CFR), Subpart M Section 206.401 requires a planning area to describe only natural hazards that may affect the jurisdiction, most planning areas include technological and human-caused hazards in the hazard mitigation plan to represent the total risk from hazards to the planning area.

Hazards can result in death and destruction of property and infrastructure. The work done to minimize the impact of hazard events to life and property is called hazard mitigation. Often, these damaging events occur in the same locations over time (i.e. earthquakes along fault lines), and cause repeated damage. Because of this, hazard mitigation is often focused on reducing repetitive loss, thereby breaking the disaster cycle. The essential steps of hazard mitigation are:

- Identify and profile hazards that affect the local area;
- Analyze the people and facilities at risk from those hazards;
- Develop mitigation actions to lessen or reduce the impact of the profiled hazards.

Some of the tasks that will take place during the planning process include:

1. Hazard identification
2. Vulnerability analysis

3. Defining a hazard mitigation strategy through actions and projects
4. Implementing the hazard mitigation actions and projects

WHY THE NEED FOR A HAZARD MITIGATION PLAN?

The Federal Disaster Mitigation Act (2000), Federal Register 44 CFR Parts 201 and 206, as of November 1, 2004, requires local governments to develop and submit hazard mitigation plans as a condition of receiving Hazard Mitigation Grant Program (HMGP) and other Mitigation project grant funding. This includes pre-disaster mitigation funding and post-disaster mitigation funding.

WHAT ARE THE REQUIREMENTS FOR A HAZARD MITIGATION PLAN?

The requirements for a hazard mitigation plan are described in 44 CFR Parts 201 and 206. FEMA has produced a *Local Mitigation Plan Review Tool* to demonstrate how the mitigation plan meets the regulation in 44 CFR § 201.6. The Plan Review Tool has a regulation checklist that provides a summary of FEMA's evaluation of whether the plan has addressed all requirements. Local planners can also use the checklist prior to submitting the plan for approval to ensure they have addressed all the requirements.

CONSULTANT FACILITATED PROJECT

Willdan Homeland Solutions (WHS) was selected as the consultant firm to facilitate the development of the Pittsburg Hazard Mitigation Plan. WHS has successfully conducted similar projects, and understands the importance of developing a hazard mitigation plan. The responsibilities of the Willdan project manager include the following:

A) Remain as the consultant point of contact through the project.
B) Facilitate meetings with the planning team, stakeholders and the public.
C) Develop the plan with project related material, information and associated data received within the project schedule.
D) Provide project deliverables within the developed schedule.
E) Timely response to e-mails and phone calls (typically within a 24 hour period).
F) Inform the City's project manager of any anticipated delays.

PITTSBURG HAZARD MITGATION PLAN PROJECT MANAGER ROLES AND RESPONSIBILITIES:

The Pittsburg project manager will liaison with the Willdan project manager throughout the project. The responsibilities of the Pittsburg project manager include the following:

A) Remain as the point of contact through the project.
B) Coordinate and host meetings with the planning team, stakeholders and the public.
C) Provide project related material, information and associated data within the project schedule.
D) Provide timely review of project deliverables (typically 5 working days).
E) Timely response to e-mails and phone calls (typically within a 24 hour period).
F) Inform Willdan's project manager of any anticipated delays.

CITY OF PITTSBURG
2015 HAZARD MITIGATION PLAN
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Hazards can result in death and destruction of property and infrastructure. The work done to minimize the impact of hazard events to life and property is called hazard mitigation. Often, these damaging events occur in the same locations over time (i.e. earthquakes along fault lines), and cause repeated damage. Because of this, hazard mitigation is often focused on reducing repetitive loss, thereby breaking the disaster cycle. The essential steps of hazard mitigation are:

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- Develop mitigation actions to lessen or reduce the impact of the profiled hazards.

Some of the tasks that will take place during the planning process include:

1. Hazard identification
2. Vulnerability analysis

What is Hazard Mitigation?

Hazard mitigation is "***any action taken to reduce or eliminate the long-term risk to human life and property from natural hazards***"[1.] Most local government in California include the risks from natural, technological, and human-caused hazards in their plans. In general, hazard mitigation is work done to minimize the impact of a hazard event before it occurs. The goal of such mitigation efforts is to reduce losses from future disasters. The purpose of mitigation planning is for local governments to identify the hazards that may impact them, identify a plan of actions and activities to reduce losses from those hazards, and to establish a coordinated process to implement the plan, through the use of the City's resources (44 CFR § 201.1(b)). The City's implementation of mitigation actions, which include long-term strategies that may involve planning, policy changes, programs, projects, and other activities, is the primary objective of the planning process. This type of planning will supplement the City's comprehensive emergency management program.

Hazard events will continue to occur, and at their worst can result in death and destruction of property and infrastructure. The work done to minimize the impact of hazard events to life and property is called hazard mitigation. Often, these damaging events occur in the same locations over time (i.e. flooding along rivers), and cause repeated damage. Because of this, hazard mitigation is often focused on reducing repetitive loss, thereby breaking the disaster cycle.
The essential steps of hazard mitigation are:

1. Hazard identification
2. Vulnerability analysis
3. Define hazard mitigation goals, objectives and strategies
4. Implement hazard mitigation projects and activities

1. Hazard Identification

In developing a hazard mitigation plan, first the City must discover the location, potential extent, and expected severity of hazards. Hazard information is often presented in the form of a map or as digital data that can be used for further analysis. It is important to remember that many hazards are not easily identified, for example, many earthquake faults lie hidden below the earth's surface. A hazard mitigation plan identifies and profiles each potential hazard within the City. The plan provides a description of the type, location and extent of all hazards that can affect the jurisdiction. The plan also includes information on previous occurrences of hazard events and on the probability of future hazard events.

2. Vulnerability Analysis

Once hazards have been identified, the next step is to determine who and what would be at risk if the hazard event occurs. Natural events such as earthquakes, floods, and fires are only called disasters when there is loss of life or destruction of property. Hazard mitigation planning focuses on the potential for losses, and the methods of preventing or lessening the potential damage and loss. For example, the magnitude 2002 Denali, AK 7.9 magnitude earthquake did far less damage than the 1994 Northridge, CA 6.7 magnitude earthquake because there were fewer people and buildings in the areas shaken by the Alaskan quake. The hazard mitigation plan will include the results of a thorough risk assessment for the City.

3. Defining a Hazard Mitigation Strategy

Once the hazards have been identified, and the populations at risk, infrastructure and buildings that could be affected by a disaster, the City will strategize about what to do to prevent a disaster from occurring or to minimize the effects of the disaster if it does occur. This includes developing goals, objectives, and actions to implement within the City. The end result will be a hazard mitigation plan that identifies long-term strategies that may include planning, policy changes, programs, projects and other activities, as well as an action plan to describe how to implement the strategies. Hazard mitigation plans should be prepared at every level of a community including individuals, businesses, state, local, and federal governments.

4. Hazard Mitigation Activities and Projects

Once the hazard mitigation strategies are developed, they must be followed for any change in the disaster cycle to occur. Hazard mitigation activities are meant to be permanent or long-term fixes and include a number of options, for example:

- Land-use planning and regulation of development in hazard zones such as floodplains and wildland-urban interface areas.
- Development and enforcement of building codes - The Seismic Safety Commission has identified stringent building codes and standards as the primary reason why California has suffered relatively low damages during hazard events.
- Retrofitting structures – this can include activities such as seismic retrofits to reduce damage from earthquakes, elevating buildings in flood-prone areas, and reroofing with fire-resistant shingles.
- Removing structures from hazardous areas.

There are many other types of mitigation activities that can be done by individuals, businesses, and government. The City will engage City staff to be part of the solution to break the disaster

cycle by being aware of the hazards that may affect the community and to be active in the community's hazard mitigation planning process.

City of Pittsburg Hazard Mitigation Plan Content

Section 1: Introduction	✓ Planning Area Description – area, square miles, elevation, assets outside city limits ✓ Location and Topography – surrounding area, geologic formation, climate ✓ History of Pittsburg – description of how city was founded, etc. ✓ Government – foundation of city, departments, ✓ Economy – businesses, notable commercial base, principal employers ✓ Demographics – census statistics
Section 2: Planning Process	✓ Planning Team ✓ Meeting Schedule and Topics ✓ Outreach Strategy ✓ Public Outreach ✓ Stakeholder Outreach ✓ Incorporation of Existing Plans and Other Technical Information ✓ Continued Public Participation in Plan Maintenance ✓ Plan Maintenance Method and Schedule ✓ Plan Implementation ✓ Annual Progress Report ✓ Plan Update
Section 3:	✓ Hazard Identification and Risk Assessment ✓ Hazard Identification – identified in recent EOP ✓ Pittsburg Disaster Proclamation History ✓ Disaster Proclamation Process ✓ Hazard Profiles: ✓ Earthquake and Seismic Hazard Profile ✓ Hazardous Materials Incident ✓ Fires; Wildland and Urban ✓ Transportation Incident – Air, Rail, Mass Transportation, Highways ✓ Severe Weather – Wind, Heat and Drought ✓ Flooding – Localized Storms ✓ Public Health Emergencies – Epidemic and Pandemic ✓ Terrorism ✓ Climate Change – Air Pollution
Section 3.3 Risk Assessment	✓ Hazard Risk Rating ✓ Identification of Critical Facilities and Assets ✓ Populations at Risk ✓ Buildings at Risk ✓ Existing Land Use ✓ Cultural and Natural Resources Inventory ✓ Risk Assessment and Potential Loss

City of Pittsburg

Hazard Mitigation Plan

Planning Team Presentation

May 18, 2015

Agenda

- Welcome and Introductions
- Overview of Hazard Mitigation Planning
- Hazard Mitigation Plan (HMP) Requirements
- Planning Team and Planning Process
- Hazards Review
- Responsibilities and Planning Schedule
- Questions
- Next Steps

Overview: What is Hazard Mitigation?

- "any sustained action taken to reduce or eliminate the long-term risk to human life and property from hazards"

  44 Code of Federal Regulations (CFR) § 201.2

Examples:

- Retrofitting a public building to protect it from earthquake damage.
- Elevating a structure to reduce the likelihood of flood damage.
- Providing emergency preparedness materials to the community.

Federal Grants Tied to HMP's:

- **Pre-Disaster Mitigation Grant Program:** funding for hazard mitigation planning and implementing mitigation projects prior to a disaster.
- **Hazard Mitigation Grant Program:** funding to states and local governments to implement long-term hazard mitigation measures after a major disaster declaration.
- **Flood Mitigation Assistance Program:** funding for projects to reduce or eliminate risk of flood damage to buildings that are insured under the National Flood Insurance Program (NFIP).
- **Severe Repetitive Loss Program:** funding to reduce or eliminate the long-term risk of flood damage to severe repetitive loss structures insured under the National Flood Insurance Program.

Overview: Requirement for a Hazard Mitigation Plan

- The Code of Federal Regulations requires local governments to prepare and adopt local hazard mitigation plans (LHMPs) in order to receive federal mitigation grant funding.

44 CFR § 201.3(d)(1)

AB 2140

- AB 2140 prohibits the state share for any eligible project from exceeding 75% of total state eligible costs unless the local agency is located within a city, county, or city and county that *has adopted a local hazard mitigation plan* in accordance with the federal Disaster Mitigation Act of 2000 *as part of the safety element of its general plan*, in which case the Legislature may provide for a state share of local costs that exceeds 75% of total state eligible costs.

Objective of Hazard Mitigation Planning

- Local governments have a responsibility to protect the health, safety, and welfare of their people.
- Proactive mitigation efforts help reduce risk and create safer, more disaster-resilient communities.
- Mitigation is an investment in Pittsburg's future safety and sustainability.
- Compliance with the Code of Federal Regulations plan requirements for future hazard mitigation grant funding.
- Incorporate the hazard section of the HMP into the General Plan Safety Element.

Local Mitigation Plan Review Tool

- The Plan Review Tool was updated in October 2011.
- The FEMA Local Mitigation Planning Handbook was revised in March 2013.

Appendix B

SECTION 5:
REGULATION CHECKLIST

The Planning Team

- You have been selected to be on the Planning Team to help revise the plan because of your knowledge and expertise.
- You have the knowledge and/or authority to implement the mitigation strategies developed in the planning process.

Planning Team Role:

- Work together to develop, review and revise drafts of the 2015 HMP.
- Assist with the risk assessments and vulnerability analysis.
- Review and determine mitigation strategies.
- Assist with opportunities in outreach for stakeholder agencies and the public.
- Review plan prior to submitting for state and FEMA approval and local adoption.
- Implement the plan, monitor its impact, and prepare for future revisions of the HMP.

Planning Process:

- Document how the plan was prepared, and who was involved in the process.
- Provide opportunities for neighboring communities, local and regional agencies involved in hazard mitigation, agencies authorized to regulate development, and other to be involved in the planning process.
- Include how the public was involved during the drafting stage, and will continue to be involved in plan maintenance (whole community concept).
- Incorporate existing plans, studies, reports, and technical information.
- Develop a method and schedule for keeping the plan current.

Hazard Identification and Risk Assessment:

- Describe the type, location, and extent of all natural hazards that can affect Pittsburg.
- Include information on previous hazard events and the probability of future hazard events.
- Describe the potential impact of each hazard identified, and an overall summary of Pittsburg's vulnerability.
- Address NFIP-insured structures repetitively damaged by floods.

Hazard Identification:

Hazard Profiles:

- Earthquake and Seismic Hazard Profile
- Hazardous Materials Incident
- Fires; Wildland and Urban
- Transportation Incident – Air, Rail, Mass Transportation, Highways
- Severe Weather – Wind, Heat and Tornados
- Flooding – Localized Storms
- Public Health Emergencies – Epidemic and Pandemic
- Terrorism
- Climate Change – Drought, Air Pollution

Vulnerability Analysis:

Table 6-1: Calculated Priority Risk Index
(Source: Federal Emergency Management Agency)

CPRI Category	Degree of Risk Chart			Assigned Weight Factor
	Level ID	Description	Index Value	
Probability	Unlikely	• Extremely rare with no documented history of occurrences or events. • Annual probability of less than 0.001.	1	45%
	Possible	• Extremely rare with no documented history of occurrences or events. • Annual probability of between 0.01 and 0.001.	2	
	Likely	• Occasional occurrence with at least two or more documented historic events. • Annual probability of between 0.1 and 0.01.	3	
	Highly Likely	• Frequent events with a well-documented history of occurrence. • Annual probability of greater than 0.1.	4	
Magnitude / Severity	Negligible	• Negligible property damages (less than 5% of critical and non-critical facilities and infrastructure). • Injuries or illnesses are treatable with first aid and there are not deaths. • Negligible quality of life lost. • Shut down of critical facilities for less than 24 hours.	1	30%
	Limited	• Slight property damages (greater than 5% and less than 25% of critical and non-critical facilities and infrastructures). • Injuries and illnesses do not result in permanent disability and there are no deaths. • Moderate quality of life lost. • Shut down of critical facilities for more than 1 day and less than 1 week.	2	
	Critical	• Moderate property damages (greater than 25% and less than 50% of critical and non-critical facilities and infrastructures). • Injuries or illnesses result in permanent disability and at least one death. • Shut down of critical facilities for more than 1 week and less than 1 month.	3	

Vulnerability Assessment:

Table 6-1: Calculated Priority Risk Index
(Source: Federal Emergency Management Agency)

CPRI Category	Degree of Risk Chart			Assigned Weight Factor
	Level ID	Description	Index Value	
	Catastrophic	• Severe property damages (greater than 50% of critical and non-critical facilities and infrastructure). • Injuries or illnesses result in permanent disability and multiple deaths. • Shut down of critical facilities for more than 1 month.	4	
Warning Time	Less than 6 hours	• Population will receive less than 6 hours of warning.	4	15%
	6 to 12 hours	• Population will receive between 6-12 hours of warning.	3	
	12 to 24 hours	• Population will receive between 12-24 hours of warning.	2	
	More than 24 hours	• Population will receive greater than 24 hours of warning.	1	
Duration	Less than 6 hours	• Disaster event will last less than 6 hours.	1	10%
	Less than 24 hours	• Disaster event will last between 6-24 hours.	2	
	Less than one week	• Disaster event will last between 24 hours and 1 week.	3	
	More than one week	• Disaster event will last more than 1 week.	4	

CPRI Rating:

Table 6-2: Calculated Priority Risk Index Ranking

Hazard	Probability	Weighted 45%	Magnitude Severity	Weighted 30%	Warning Time	Weighted 15%	Duration	Weighted 10%	CPRI Ranking
Wildland Fire	4	1.8	3	0.9	4	0.6	4	0.4	3.7
Earthquake- *Newport-Inglewood Fault*	3	1.35	4	1.2	4	0.6	4	0.4	3.55
Earthquake- *Palos Verdes Fault*	3	1.35	4	1.2	4	0.6	4	0.4	3.55
Terrorism	2	0.9	4	1.2	4	0.6	4	0.4	3.1
Windstorm	4	1.8	2	0.6	2	0.3	3	0.3	3
Urban Fire	4	1.8	1	0.3	4	0.6	2	0.2	2.9
Landslides	3	1.35	2	0.6	3	0.45	4	0.4	2.8
Drought	4	1.8	1	0.3	1	0.15	4	0.4	2.65
Flood / Storm	3	1.35	2	0.6	2	0.3	3	0.3	2.55
Public Health Emergencies	3	1.35	2	0.6	1	0.15	4	0.4	2.5
Major Industrial Accident (e.g. major hazardous materials incident)	3	1.35	1	0.3	4	0.6	2	0.2	2.45
Vector Issues - West Nile & Fire Ants	3	1.35	1	0.3	1	0.15	4	0.4	2.2

CPRI Ranking:

Determine Critical Facilities:

- Include City facilities for continuity of operations
- Include key infrastructure
- Include potential shelter or evacuee locations
- Include vital communications facilities
- Include information on high population business and industry
- Include schools and churches and other high occupancy facilities
- Include high hazard facilities

Asset Loss Estimates

- Calculate potential losses for critical facilities by conducting an inventory of facilities in specific geographic locations and their estimated replacement value.
- Using GIS analysis, identify those facilities falling into hazard areas. Obtain total potential losses from asset owners or County roll for those facilities located within the hazard areas.

Develop a Mitigation Strategy:

The mitigation strategy is composed of three components: mitigation goals, mitigation actions, and an action plan for implementation.

- List existing authorities, policies, programs, and resources and the ability to expand and improve these existing policies and programs.
- List participation in and continued compliance with NFIP requirements.
- List goals to reduce and avoid long-term vulnerabilities to the identified hazards.

Develop a Mitigation Strategy:

Mitigation strategy, continued:

- Add comprehensive, specific mitigation actions to reduce the effect of hazards, emphasizing buildings and infrastructure.
- Include an action plan describing how actions identified will be prioritized, implemented, and administered.
- Describe a process for integrating the mitigation plan into other planning mechanisms as appropriate.

Develop a Mitigation Strategy:

Mitigation strategy, continued:

- Add comprehensive, specific mitigation actions to reduce the effect of hazards, emphasizing buildings and infrastructure.
- Include an action plan describing how actions identified will be prioritized, implemented, and administered.
- Describe a process for integrating the mitigation plan into other planning mechanisms as appropriate.

Develop Mitigation Actions:

Examples:

- Land-use planning and regulation of development in hazard zones such as floodplains and wildland-urban interface areas.
- Development and enforcement of building codes - the Seismic Safety Commission has identified stringent building codes and standards as the primary reason why California has suffered relatively low damages during hazard events.
- Retrofitting structures – this can include activities such as seismic retrofits to reduce damage from earthquakes, elevating buildings in flood-prone areas, and reroofing with fire-resistant shingles.
- Removing structures from hazardous areas.

Plan Adoption:

- Document how the plan reflects changes in development, progress in local mitigation efforts, and changes in priorities.
- Document that the plan was formally adopted by the governing body.

Expectations for Planning Team Members:

- Additional 2-3 meetings to be held.
- Provide necessary documentation required for the HMP:
  - Existing authorities, policies, programs and resources to mitigate hazards.
  - Specific actions and projects considered to reduce the effects of hazards, emphasizing new and existing buildings and infrastructure.
  - Integration of strategies into other planning mechanisms, i.e., comprehensive or capital improvement plans.
  - Data for maps, assessments and other vulnerability products.

Example Data Needed:

- Previous damage from hazards
- Soil liquefaction hazard
- Landslide, ground failure hazard
- Storm water hazard
- Urban conflagration hazard
- Heat vulnerability
- Climate change
- Ongoing or completed hazard mitigation projects
- Location maps
- Land use
- Population density
- Building stock
- Areas for future development
- Estimated dollar losses to vulnerable structures
- Exposure analysis
- Financial resources
- Legal and regulatory resources

Planning Process:

- Request specific information from Planning Team throughout the planning process.
- Request individuals to retrieve information or data for the plan.
- Send requested information or review documents to Team members prior to meetings.
- What other methods would be effective to fast track the planning process while alleviating disruption of your schedules?
- Meeting and plan writing schedule - TBD

Questions?

Thank you for attending!

City of Pittsburgh
Local Hazard Mitigation Plan Review
Meeting Notes: February 8, 2016

February 10, 2016

To: **Laura Wright**
From: **Lee Rosenberg**

The City of Pittsburgh hosted a meeting with Navigating Preparedness Associates (NPA) and Wildan Homeland Solutions (WHS) on February 8, 2016 to review the draft Local Hazard Mitigation Plan (LHMP) and discuss steps needed to complete it.

Attendees

Attendee	Organization/Division
Laura Wright	City of Pittsburgh, Administrative Officer
LT Steve Albonese	City of Pittsburgh Police Department
Steve Ahonen	Pittsburgh Unified School District
Lee Rosenberg	NPA
Mike Hooper	WHS

Summary of Discussion

1. The group discussed including the Pittsburgh Unified School District in the Plan. As a Special District, the School District should be included as a small section of the LHMP. The Plan shall separately list District critical infrastructure, specific hazards, and proposed mitigation measures.
2. Plan status: NPA reviewed gaps in the draft plan and additional requirements needed to complete it. They include:
   - The hazard profiles are not complete and will need to be addressed. Some hazards identified are not profiled and other hazards that are profiled are not completely profiled. To be completely profiled, a hazard must address the location, history, extent, and probability of the hazard within the jurisdiction.
   - The LHMP risk assessment needs additional analysis. The Plan needs to address the risks for each critical facility. NPA recommends revising the current table to delete infrastructure the values (not required) and more thoroughly identify the hazards at risk to each facility. The Plan should include simple GIS analysis of the critical facilities location in relation to 100-year FIRM, ShakeMap, and Cal FIRE LRA map to identify

critical facilities at risk. The City could also easily identify % or acres of land use at risk and population % and land use at risk as well.

- Additional information such as the number of flood insurance policies, NFIP information (when the City joined), etc. is required

3. The Plan needs completed appendices mentioned in its body that are not currently included:
   - Documentation of Planning Team Meetings
   - Documentation of Public Outreach Efforts
   - Pertinent Regulations
4. Finally, the Plan needs to go through the Cal OES/FEMA review process and be adopted by the City Council. Once the Plan has the City's approval, then FEMA accepts it.
5. Laura raised the issue of using the LHMP to support the State requirement to address climate change in planning programs. More discussion is required to understand the scope of this effort. NPA will work with the City to include climate change where applicable in the LHMP.
6. The group agreed to complete a final draft of the LHMP by the end of February and provide the draft to the Planning Team for review. The next steps are to post the LHMP on the City website and conduct a public outreach meeting followed by courtesy review by Cal OES and FEMA Region IX. Finally, the LHMP must be presented to the City Council for adaptation and forwarded to FEMA.

Action Items

Action Item	Responsible Party	Due Date	Status
Final draft LHMP	NPA	February 29, 2016	In progress
Post LHMP online	City of Pittsburgh	TBD	
Conduct public outreach	City of Pittsburgh	TBD	
Share with Cal OES / FEMA Region IX for review	City of Pittsburgh	TBD	
Present LHMP to City Council for adaptation	City of Pittsburgh	TBD	
Forward LHMP to FEMA	City of Pittsburgh	TBD	

Points of Contact

For concerns or questions regarding these notes, please contact:
Lee Rosenberg, (925) 381-0583 or lee.rosenberg@navigatingpreparedness.com

Agenda:
Hazard Mitigation Plan
Planning Team Meeting #3
April 28, 2016

- Welcome and Introductions
- Plan Update
- Mitigation Strategy, Goals, and Actions
- Stakeholder Update
- Work Left to Do
- Questions
- Next Steps

May 4, 2016

To: **Laura Wright**
From: **Lee Rosenberg**

Navigating Preparedness Associates (NPA) supported the City of Pittsburg (COP) in conducting a hazard mitigation planning meeting on April 28, 2016. This meeting was held at 65 Civic Avenue from 10:00-11:00AM.

1. Attendees

Attendee	Organization/Division
Dick Abono	COP-Engineering
Diane Agar	COP-Finance
Steve Ahonen	Pittsburg Unified School District (PUSD)
Lt. Steve Albanese	COP Police Department
Don Buchanan	COP Parks and Recreation
Lt. Ryan Huddleston	Los Medanos College District Police Department
Marcelle Indelicato	Contra Costa County-OES
Bobby Joaquin	COP Public Works
Fritz McKinley	COP Engineering Department
Kristin Pollot	COP Planning Division
Hilario Mata	COP Public Works
Heidi Nelkie	Navigating Preparedness Assoc.
Lee Rosenberg	Navigating Preparedness Assoc.
Laura Wright	COP Project Manager

2. Summary of Discussion

The Task Force members discussed the following topics:

1. Review of the draft City of Pittsburg Hazard Mitigation Plan (HMP) – Primary review of the goals, tasks and hazards of concern.
2. Review the HMP's mitigations actions.

3. Used the HMP hazard mitigation actions to discuss action plans including funding and implementing department.

4. Discussion of the previous public outreach effort (survey) and future potential outreach effort(s). Future outreach efforts will include putting the HMP on the City of Pittsburg website, providing a copy of the HMP to the library and potentially having a public meeting.

3. Action Items:

Action Item	Responsible Party	Status
Identify future meetings/outreach events	COP/NPA	Ongoing
Provide past, current, and future seismic upgrade projects and costs.	Public Works and Engineering	Ongoing
Identify hazards, losses and projects including costs for Los Medanos College.	Los Medanos College	
Identify hazards, losses and projects including costs for Pittsburg Unified School District.	PUSD	Ongoing
Provide a project template for Los Medanos and Pittsburg Unified School District	NPA	Complete
Identify costs and potential projects associated with train derailments and airplane crashes.	COP	Ongoing
Identify costs and potential projects associated with a pandemic incident including the swine flu outbreak.	COP, Contra Costa County, and Pittsburg Unified School District	Ongoing
Identify costs and potential projects associated with fires including the two last years.	COP	Ongoing
Identify costs and potential projects associated with hazardous materials including the hydrocarbon plume and EBMUD water lines.	Engineering, Public Works and Pittsburg Unified School District	Ongoing
Contact person handling insurance to identify replacement and content values of critical facilities.	COP	Ongoing
Identify any structures in the flood plain.	COP	Ongoing
Identify replacement and content values for facilities	PUSD/Los Medanos College	Ongoing

4 Points of Contact

For concerns or questions regarding these notes, please contact:

Laura Wright, (925) 252-4850 lwright@ci.pittsburg.ca.us
Lee Rosenberg, (925) 381-0583 lee.rosenberg@navigatingpreparedness.com

APPENDIX D: MITIGATION ACTION PRIORITIZATION (STAPLEE)

The following worksheets were developed to support the planning team evaluate hazard mitigation options using the STAPLEE method. These worksheets follow the FEMA State and Local Mitigation Planning How-To Guide: Developing the Mitigation Plan – Identifying Mitigation Actions and Implementation Strategies published by FEMA in 2003.

STAPLEE Prioritization Tool
(Scoring: "+" = 1 point, "-" = -1 point, "n/a" = 0 point, "n/k" = not known)

	S Social		T Technical			A Administrative			P Political			L Legal			E Economic				E Environmental					
Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
1.1 Develop a program to assess the City for soft story buildings requiring seismic retrofitting. Consider implementing a Soft Story Seismic Retrofit Ordinance.	+	+	+	+	n/k	+	0	0	+	+	+	+	+	0	+	-	+	-	0	0	+	+	+	**13**

1.2 Encourage seismic strength evaluations of critical facilities in the City to identify building integrity.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	-	+	0	0	0	+	+	+	**15**
1.3 Evaluate City and non-City facilities identified as potential shelter sites for structural integrity.	+	+	+	+	+	+	0	0	+	+	+	+	+	-	+	-	+	0	0	0	+	+	+	**14**
1.4 Identify and pursue funding opportunities to develop and implement local mitigation activities.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	-	0	0	+	+	+	**15**
1.5 There has been damage to roadway embankment due to flooding at Buchanan Rd & Kirker Creek. Provide engineering and technical services to investigate the underlying cause of the damage and provide a recommendation to repair and prevent future damage/damage.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	-	+	0	0	0	+	+	+	**15**

1.6 Flood damage to the Sugartree and Birchwood drainage system resulted from previous flooding which affected nearby housing and roadways. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	-	+	0	0	0	+	+	+	**15**
1.7 Recent storms resulted in flooding along Parkside Dr. and caused damage to roadway. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	-	+	0	0	0	+	+	+	**15**

1.8 Recent storms resulted in flooding in Buchanan Park damaging and undermining walkways. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	-	+	0	0	0	+	+	+	**15**
1.9 Recent winter storms resulted in damage and erosion to Riverview Breakwater due to wind and rain. Provide engineering and technical services to investigate the underlying cause of the flooding and provide a recommendation to repair and prevent future damage/damage.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	-	+	0	0	0	+	+	+	**15**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
2.1 Develop a public outreach and awareness program about the hazards in Pittsburg and mitigation actions community members can do in their homes.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	-	+	0	+	+	+	**16**
2.2 Increase public awareness of the natural, human-caused, and technological hazards to businesses as a means to reduce the potential damage from each hazard through educational and outreach.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	-	+	0	+	+	+	**16**
2.3 Provide information on tools; partnership opportunities, and funding resources to assist in implementing mitigation activities.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	-	+	0	+	+	+	**16**

2.4 Develop inventories of at-risk buildings and infrastructure and prioritize mitigation projects.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	-	+	0	+	+	+	**16**
2.5 Implement activities that assist in protecting lives by making homes, businesses, infrastructure, critical facilities, and other property more resistant to losses from natural, man-made, and technological hazards.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	-	+	-	+	0	+	+	+	**16**
2.6 Place more stress on the risks associated with natural and manmade hazards at public awareness campaigns conducted by various City departments.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	0	0	0	0	+	+	+	**15**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
3.1 Improve hazard assessment information to make recommendations for avoiding new development in high hazard areas and encouraging preventative measures for existing development in areas vulnerable to natural, man-made, and technological hazards.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	0	+	+	+	+	+	**18**
3.2 Seek to implement codes, standards, and policies that will protect life and property from the impacts of hazards.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	0	+	0	+	+	+	**17**
3.3 Inventory and develop replacement values for all City-owned assets and non-city assets to help the City better understand the values of assets at risk.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	0	0	0	0	+	+	**15**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
3.4 Integrate appropriate items from the Hazard Mitigation Plan (HMP) into the Health and Safety Element of the General Plan and other regulatory documents as appropriate.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	0	0	0	0	+	+	+	**15**
3.5 Establish policy to ensure mitigation projects for critical facilities, services, and infrastructure.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	0	0	0	+	+	+	**16**
3.6 Inspect and repair the City reservoirs.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	-	+	0	+	0	0	+	+	**16**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
4.1 Strengthen communication and coordination with public agencies, residents, non-profit organizations, business and industry to create interest in the implementation of mitigation measures.	+	+	+	+	+	+	0	0	+	+	+	+	+	0	+	0	+	0	0	0	0	+	+	**16**
4.2 Increase effectiveness of City emergency services by implementing mitigation programs and projects that aid emergency responders and public safety departments during emergencies.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	-	+	0	0	0	0	+	+	**15**
4.3 Encourage leadership within the City and businesses to prioritize and implement local and regional hazard mitigation activities.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	0	0	0	0	+	+	**16**
4.4 Continue developing and strengthening inter-jurisdictional coordination and cooperation in the area of emergency services.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	0	0	0	0	+	+	**16**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
4.5 Continue to develop mutual aid agreements and memorandum of understanding with agencies to serve emergency and disaster purposes.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	0	0	0	+	+	+	**17**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
5.1 Create a redundant data center and complete fiber to that location.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	-	+	0	0	0	0	+	+	**15**
5.2 Coordinate with the utility companies and vendors to strengthen, safeguard, or take other appropriate measures such as providing supplemental services, to protect and secure high-voltage lines, water, sewer, natural gas and petroleum pipelines, and trunk electrical and telephone conduits from hazards.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	-	0	0	+	+	+	**16**

Mitigation Action	Community Acceptance	Effect on Segment of Population	Technical Feasibility	Long-Term Solution	Secondary Impacts	Staffing	Funding Allocated	Maintenance/Operations	Political Support	Local Champion	Public Support	State Authority	Existing Local Authority	Potential Legal Challenge	Benefit of Action	Cost of Action	Contributes to Economic Goals	Outside Funding Required	Effect on Land / Water	Effect on Endangered Species	Effect on HAZMAT/Waste Sites	Consistent with Comm. Environmental Goals	Consistent with Federal Environmental Laws	**Priority Total (net)**
5.3 Build a cadre of committed, trained, volunteers to augment disaster response and recovery efforts in compliance with the California Disaster Service Worker program guidance, e.g., shelter workers, animal rescue and care, Community Emergency Response Team, communications staff, medical and health, and human services, during and after a disaster.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	-	0	0	+	+	+	**16**
5.4 Decentralize key components of the City's core network to allow the network to survive the failure of any one site from a disaster.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	0	0	0	0	+	+	**16**
5.5 Coordinate with Contra Costa County in hazard mitigation efforts for Pittsburg to protect two-way radio equipment from hazards such as bracing antennas, securing repeaters, etc., from hazards.	+	+	+	+	+	+	0	+	+	+	+	+	+	0	+	0	+	-	0	0	0	+	+	**15**

APPENDIX E: PITTSBURG UNIFIED SCHOOL DISTRICT

District Overview

The Pittsburg Unified School District (PUSD) serves over 10,500 students in kindergarten through twelfth grade. The District is comprised of:

- 8 Elementary Schools
- 3 Junior High Schools
- 1 Comprehensive High School
- 1 Alternative Education High School
- Adult Education
- Independent study
- Alternative learning experiences
- Early Childhood Education Services

School District Facilities:

Elementary Schools

School	Address
Foothill	1200 Jensen Drive
Heights	40 Seeno Street
Highlands	4141 Harbor Street
Los Medanos	610 Crowley Avenue
Marina Vista	50 East 8th Street
Parkside	985 W. 17th Street
Stoneman	2929 Loveridge Road
Willow Cove	1880 Hanlon Way

Junior High Schools

School	Address
Hillview	333 Yosemite Drive
Martin Luther King Jr.	2012 Carion Court
Rancho Medanos	2301 Range Road

Senior High Schools

School	Address
Black Diamond	1131 Stoneman Avenue
Pittsburg	1750 Harbor Street

Other Facilities

Facility	Address
Adult Education	1151 Stoneman Avenue
PAEC (Old B & G Club)	1001 Stoneman Avenue
North Campus	351 School Street
District Office	2000 Railroad Avenue
Maintenance, Operations & Transportation	3200 Loveridge Road
Riverside (no longer used)	1025 Black Diamond Street

Values of PUSD facilities

The value of the PUSD facilities is contained in Table D-2 below. Figure D-1 provides the location of each facility.

Table D-2: Value of the PUSD facilities

Critical Facility	Land Cost	Structure Cost	Content Cost	Total Structure and Content
Black Diamond High School	$ 45,858	$ 9,936,162	$ 1,438,532	$ 11,374,694
Boys & Girls Club	$ 33,376	$ 7,850,943	$ 634,544	$ 8,485,487
Central Junior High School	$ 89,131		$ 310,974	$ 310,974
District Office	$ 19,705	$ 4,072,183	$ 640,066	$ 4,712,249
Foothill Elementary School	$ 85,109	$16,296,990	$ 3,229,398	$ 19,526,388
Heights Elementary School	$ 70,997	$17,634,142	$ 1,503,181	$ 19,137,323
Highlands Elementary School	$ 96,073	$24,088,760	$ 3,464,653	$ 27,553,413
Hillview Junior High School	$ 139,763	$32,851,310	$ 4,909,033	$ 37,760,343
Los Medanos Elementary School	$ 69,971	$18,341,849	$ 2,291,326	$ 20,633,175
Maintenance/Transportation	$ 24,470	$ 6,406,879	$ 1,046,556	$ 7,453,435
Marina Vista School	$ 107,938	$32,431,410	$ 2,470,537	$ 34,901,947
Martin Luther King Jr. High School	$ 83,968	$22,241,640	$ 2,575,301	$ 24,816,941
Parkside Elementary School	$ 88,841	$20,153,857	$ 2,535,604	$ 22,689,461
Pittsburg Adult Education Center	$ 44,200	$ 4,578,789	$ 1,231,696	$ 5,810,485
Pittsburg Senior High School / East Campus	$ 474,862	$130,419,422	$ 12,027,095	$142,446,517
Rancho Medanos Middle School	$ 103,483	$22,072,494	$ 2,832,198	$ 24,904,692
Riverside High School	$ 31,458	$ 8,137,926	$ 766,139	$ 8,904,065
Stoneman Elementary	$ 65,005	$12,951,359	$ 1,226,529	$ 14,177,888
Willow Cove Elementary School	$ 56,563	$11,231,864	$ 1,642,522	$ 12,874,386
Totals	$ 1,730,771	$401,697,979	$46,775,884	$ 448,473,863

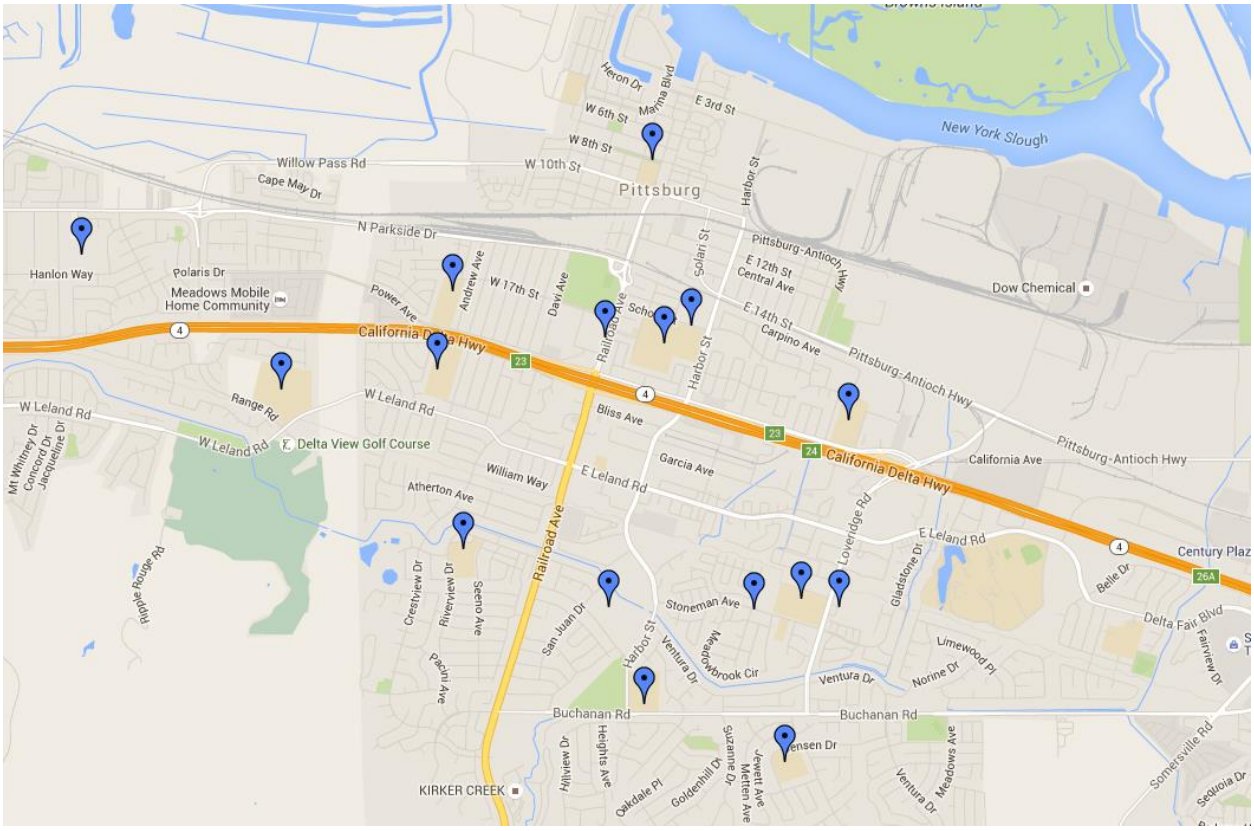

Figure D-1: Pittsburg Unified School District Map

Planning Process and Public Participation

Representatives from the PUSD were involved in the planning and implementation of the 2017 Pittsburg Hazard Mitigation Plan. Evidence of such may be found in Section 2 and Appendix B of this Plan.

The District provided the opportunity for the Public to provide feedback on the Pittsburg Hazard Mitigation Plan by soliciting feedback from District Administration Staff.

PUSD Hazard Identification and Risk Assessment

Hazards profiled in Section 3 of this Pittsburg Hazard Mitigation Plan are representative of the hazards facing the PUSD faculty, staff, students, and facilities.

Capability Assessment and Mitigation Strategy

The PUSD Hazard Mitigation Goals are the same as the Pittsburg Hazard Mitigation Plan goals as found in Section 4 of this Plan. Specific PUSD mitigation activities are:

No.	Agency or Department	Action	Description	Facilities to Be Mitigated	Estimated Cost	Timeframe for Implementation
1	PUSD	Fire and Evacuation Drills	All district school sites and occupied facilities will conduct regular fire and evacuation drills in accordance with state and federal requirements.	All district school sites, MOT, district office	$ 2,000	Monthly- All elementary school sites Quarterly- All secondary school sites, MOT, district office
2	PUSD, Pittsburg PD	Active Shooter Training	All district teachers, District Office staff and MOT employees will participate in an active shooter workshop facilitated by the Pittsburg Police Dept.	All district school sites, MOT, district office	$ 20,000	Every 2 years
3	PUSD CCC Health Services	Pandemic Flu/Illness Awareness	All school site staff will receive information and training in regards to the identification of potential pandemic flu or other illnesses. School site staff will receive information about best practices when responding to actual pandemic events.	All district school sites	$ 1,400	Yearly
4	PUSD- MOT City of Pittsburg	Flood Zone Control	PUSD Maintenance and Operations Department will work in conjunction with the City of Pittsburg to clear debris that may lead to flooding in designated Flood Zones and block flood storage basins.	MLK Jr. JHS, Willow Cove Elementary	$ 500	Yearly

5	PUSD- Building & New Const. Dept.	Seismic Retrofitting and Earthquake Damage Inspection	PUSD building inspectors will conduct regular checks of all district schools and facilities to be sure that they meet or exceed current code requirements.	All district schools and facilities	$ 2,500	Yearly, On-Going as necessary

Plan Acceptance

The PUSD Appendix to the Pittsburg Hazard Mitigation Plan will be presented to the District's Cabinet Team which is comprised of the Superintendent, Deputy Superintendents, and Directors. Once reviewed, the Plan will be presented to the PUSD School Board as an Informational Item for review and discussion.

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: **June 18, 2018**
TIME: **7:00 p.m.**
PLACE: City Council Chamber at City Hall
65 Civic Avenue, Pittsburg, California

Concerning the following matter:

Adoption of a City Council Resolution Amending the Health and Safety Element of the General Plan to Incorporate the 2017 Hazard Mitigation Plan, AP-18-1332 (GP)

This is a public hearing to consider adoption of a resolution approving a General Plan amendment to add a new policy to the Health and Safety Element to incorporate the recently adopted 2017 Hazard Mitigation Plan ("HMP") by reference. This amendment would apply citywide. On April 24, 2018, the Planning Commission adopted Resolution No. 10097, recommending City Council approval of the proposed General Plan amendment.

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

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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
ALICE EVENSON
CITY CLERK

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

DATE: 6/6/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Introduction and Waive First Reading of an Ordinance Amending the City's Regulations for Massage Establishments, AP-18-1335 (RZ)

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

This is a public hearing on a City-initiated proposal to consider amendments to Chapter 5.64, "Certified Massage Practitioners and Therapeutic Massage Businesses" and Title 18, "Zoning" of the Pittsburg Municipal Code to modify the current land use definitions, application process, permit requirements, and enforcement provisions for massage establishments citywide. On May 22, 2018, the Planning Commission adopted Resolution No. 10100, recommending City Council approval of the proposed amendments to Title 18.

FISCAL IMPACT

There are no direct fiscal impacts associated with these amendments.

RECOMMENDATION

City Council open the public hearing; take public comment; close the public hearing; and introduce, waive further reading, and pass to second reading, the attached ordinance amending Chapter 5.64, "Certified Massage Practitioners and Therapeutic Massage Businesses" and Title 18, "Zoning" of the Pittsburg Municipal Code.

BACKGROUND

The City regulates massage therapists and massage establishments through provisions in Chapter 5.64, "Certified Massage Practitioners and Therapeutic Massage Businesses," of the Pittsburg Municipal Code (PMC). The provisions in this chapter are out of date, due to the 2008 adoption of the Massage Therapy Act (Senate Bill 731). The Massage Therapy Act provided consistent regulations for massage practitioners throughout the State of California. The Act also provided for creation of the California Massage Therapy Council, (CAMTC), a statewide, non-profit organization, responsible for regulating and issuing massage

practitioner and therapist certificates. The Act initially removed local jurisdictions' ability to require use permits for massage establishments, to ensure the regulations applicable to these businesses would not be stricter than those affecting other personal service uses. In 2015, Assembly Bill 1147 was adopted which reversed the limitation on use permits.

This item is a City-initiated amendment to repeal the existing massage establishment regulations in Chapter 5.64 and replace the entire chapter with updated regulations consistent with the Massage Therapy Act and current City practices. The amended regulations would require all massage therapists to possess a valid CAMTC certificate and undergo a background check performed by the Pittsburg Police Department. Other changes include expanded definitions, additional submittal requirements, additional operating requirements, and expanded criteria for review of business permit applications. Separate amendments to Title 18, "Zoning" are proposed to ensure consistency throughout the PMC, including changes to the land use definition for a massage establishment and clarification that a use permit would be required for establishments in commercial and mixed-use zoning districts.

On May 22, 2018, the Planning Commission adopted Resolution 10100, recommending approval of the proposed amendments to Title 18, "Zoning". The Planning Commission received a draft of the proposed amendments to Chapter 5.64 for informational purposes; however, only the proposed changes to Title 18 require a recommendation from the Planning Commission.

SUBCOMMITTEE FINDINGS

Not Applicable.

STAFF ANALYSIS

The Massage Therapy Act was adopted to provide consistent regulations for massage practitioners throughout the State. The proposed amendment to PMC Chapter 5.64 will align the City's regulations with the provisions in the Massage Therapy Act. The requirement for certification and licensing from CAMTC will strengthen the City's ability to enforce these regulations. The proposed amendments to Title 18 will ensure internal consistency with PMC Chapter 5.64.

ATTACHMENTS: 1. Proposed Ordinance
1a. Exhibit A – Existing PMC Chapter 5.64
1b. Exhibit B – Proposed PMC Chapter 5.64
1c Exhibit C – Proposed PMC Title 18 Amendments
2. Planning Commission Resolution No. 10100
3. Public Hearing Notice

Report Prepared By: Cathy Munneke, Contract Planner

Attachment 1

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Ordinance Amending Chapter 5.64 and Title 18 of the Pittsburg Municipal Code Relating to Massage Establishments, AP-18-1335 (RZ)."	))))	ORDINANCE NO. 18-___

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

SECTION 1. Recitals.

A. In 2008, the Massage Therapy Act (Senate Bill 731) was adopted providing consistent regulations for massage practitioners throughout the State of California. The Act provided for the creation of the California Massage Therapy Council (CAMTC), a statewide, non-profit organization, to regulate and issue massage practitioner and therapist certificates. The Massage Therapy Act is codified at California Business and Professions Code sections 460, 4600-4621, and Government Code section 51034.

B. The City of Pittsburg's regulations for massage establishments are in the Pittsburg Municipal Code (PMC) Chapter 5.64 "Massage Practitioners and Therapeutic Massage Practitioners" are not up to date with the Massage Therapy Act.

C. The Massage Therapy Act gives the City the authority to require all massage therapists to possess a valid CAMTC certificate and undergo a background check performed by the Pittsburg Police Department.

D. The City has initiated an amendment to update the PMC consistent with the new state regulations. This update would repeal the existing Chapter 5.64, "Massage Practitioners and Therapeutic Massage Practitioners" and replace it with a new Chapter 5.64, "Massage Establishments and Certified Massage Therapists".

E. The amendments to Chapter 5.64, would update the current land use definitions, application process, permit requirements, operating requirements, and enforcement provisions for massage establishments.

F. Additional amendments to the PMC, Title 18, "Zoning," are also proposed to ensure the zoning code is consistent with the amendments to Chapter 5.64.

G. On May 22, 2018, the Planning Commission held a public hearing and adopted Resolution No.10100, recommending that the City Council amend Title 18 of the PMC to incorporate a revised classification for massage establishments and to clarify that a use permit and business permit are required for all massage establishments.

H. Only the proposed amendments to Title 18, Zoning, require review and recommendation from the Planning Commission.

I. Before adopting the recommended zoning amendments, the City Council must find that the zoning amendments are consistent with the policies in the General Plan and the notice and hearing provisions of PMC Title 18, in accordance with PMC section 18.48.050.

J. The proposed amendments are exempt from the requirements of the California Environmental Quality Act (CEQA), under the general rule of the State CEQA Guidelines, section 15061, in that the activity in question consists of text changes that would not result in a physical impact on the environment.

K. On or prior to June 8, 2018, notice of the June 18, 2018, City Council public hearing was published In the East County Times; posted at City Hall and on the "Public Notices" section of the city's website, delivered for posting at the Pittsburg Library; and mailed via first class mail or electronic mail to individuals and organizations who had previously filed written request for such notice, in accordance with PMC section 18.14.020 and Government Code section 65091.

L. On June 18, 2018, the City Council held a public hearing on the proposed amendments to Chapter 5.64 and Title 18 of the PMC, at which time oral and/or written testimony was considered.

SECTION 2. Findings.

A. Based on the Staff Report entitled, "Introduction and Waive First Reading of an Ordinance Amending the City's Regulations for Massage Establishments, AP-18-1335 (RZ)", dated June 18, 2018, and based on all of the evidence presented to the City Council on June 18, 2018, the City Council finds that:

1. All recitals above are true and correct and are incorporated herein by reference.

2. The proposed amendments are consistent with the notice and hearing provisions of PMC Title 18 ("Zoning"), as the Planning Commission and City Council independently considered the amendments at individual, duly-noticed public hearings.

3. The proposed text amendments are consistent with the objectives, policies, general land uses and programs in the General Plan, in that the amendments are administrative in nature and there are no General Plan policies that specifically address the changes.

4. There is a community need for the proposed amendments and they will be in conformity with the public convenience, general welfare, and good zoning practice, in that they will clarify that a use permit is required for massage establishments in commercial and mixed-use zoning districts and that a

separate business permit is required, pursuant to the requirements of PMC Chapter 5.64, as amended.

B. The City Council Staff Report entitled, “Introduction and Waive First Reading of an Ordinance Amending the City’s Regulations for Massage Establishments, AP-18-1335 (RZ),” dated June 18, 2018, is referenced hereto as additional support for findings.

SECTION 3. Decision.

Based on the findings and the authority set forth above, the City Council hereby:

A. Repeals PMC Chapter 5.64, “Massage Practitioners and Therapeutic Massage Practitioners”, as shown in attached Exhibit A, in its entirety;

B. Adopts a new Chapter 5.64, “Massage Establishments and Certified Massage Therapists”; to read substantially as shown in attached Exhibit B; and

C. Amends Title 18, “Zoning” to read substantially as shown in attached Exhibit C.

SECTION 4. Effective Date

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

Attachment 1

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 its adoption.

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on June 18, 2018, and was adopted and ordered published at a meeting of the City Council held on July 16, 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Attachment 1 Exhibit A

Proposed Chapter 5.64
MASSAGE ESTABLISHMENTS AND CERTIFIED MASSAGE THERAPISTS

Sections:

5.64.010 Purpose and intent.
5.64.020 Definitions.
5.64.030 Required licensing, permitting, and certification.
5.64.040 Additional business permit requirements for massage establishments.
6.64.050 Investigation; denial of business permits for massage establishments.
5.64.060 Fees.
5.64.070 Operational requirements.
5.64.080 Prohibited advertising practices.
5.64.090 Violation of chapter.
5.64.100 Effect of revocation of business permit for massage establishment.
5.64.110 Applicability to existing businesses and therapists.
5.64.120 Severability.

5.64.010 Purpose and intent.

The purpose of this chapter is to provide for the orderly regulation of the business of massage and massage therapists in the city, and to protect the public's health and safety by establishing certain standards pertaining to massage therapy business activities within the City of Pittsburg and to recognize massage therapy as a legitimate business occupation and health-related service.

5.64.020 Definitions.

Unless the particular provision or context otherwise clearly requires, the definitions in this section shall govern the construction, meaning, and application of words and phrases used in this chapter.

“Applicant” means any person who applies for a business permit to operate a massage establishment. In the event the applicant is a non-natural person (e.g., a business entity), the term “applicant” shall also include the individual person legally authorized to act on behalf of the applicant and submit an application to the city pursuant to this article.

“Business permit” means a permit issued by the finance director pursuant to Chapter 5.12 PMC.

“California Massage Therapy Council” or “CAMTC” means the nonprofit organization created pursuant to California Business & Profession Code Section 4600, *et seq.*, to regulate and issue massage practitioner and therapist certificates.

Attachment 1 Exhibit A

"CAMTC certificate" or "certificate" means the certificate, or conditional certificate, issued by the California Massage Therapy Council to massage therapists and to massage practitioners that entitles the holder to practice massage.

"Certified massage practitioner," "CMP" or "practitioner" means a person who has a valid, unexpired certificate from, and who is in good standing with, the California Massage Therapy Council.

"Chief of police" means the city's police chief or his/her designee.

"Compensation" means a payment, loan, advance, donation, contribution, deposit, tip, gift of money, or anything of value.

"Employee" means any person, including, but not limited to, an operator or massage therapist, who renders any service, with or without compensation, to a massage establishment business on a full-time, part-time, or contract basis, whether or not the person is denominated an employee, independent contractor, agent, or otherwise.

"Massage" means any method of placing pressure on, or friction against, or manipulating, stroking, kneading, rubbing, tapping, pounding, vibrating, or stimulating of the external parts of the human body below the neck with the hands or other parts of the body, with or without the aid of any mechanical or electrical apparatus or appliances, or with or without supplementary aids such as rubbing alcohol, liniments, antiseptics, oils, powder, creams, lotions, ointments or other similar preparations commonly used in the practice of massage.

"Massage establishment" or "establishment" means a business where any person engages in or carries on massage in exchange for any form of consideration, whether at a fixed place of business or at a location designated by a customer or client for off-premises massage services. The term "massage establishment" includes a sole owner and employee of a massage business operating as a sole proprietorship.

"Massage therapist" means any person who gives or administers a massage to another person, for any form of consideration whatsoever.

"Operator" shall mean any person who supervises, directs, organizes, manages or controls or is any way responsible for or in charge of a massage establishment.

"Owner" means:

1. for a sole proprietorship, the sole owner of the business;
2. for a business association, each owner of 10% or more of the business;
3. for a corporation, each stockholder holding 10% or more of the corporation and each officer and director of the corporation;
4. for a limited liability company, each member of the company; and

5. for a partnership, each partner, excluding limited partners owning less than 10% of the partnership, and where a partner is a corporation, the provisions pertaining to a corporate applicant in division (C) apply.
6. for any other type of entity not described above, every person having an interest, legal or equitable, in 10% or more of the massage establishment.

"Permittee" means a person issued a business permit for purposes of operating a massage establishment pursuant to Chapter 5.12 PMC and this chapter. "Permittee" also includes each person with any ownership interest in the business and each operator of the business.

"Person" means any individual, firm, association, partnership, corporation, joint venture, limited liability company, or any other business organization or combination of individuals of whatever form or character.

"Specified anatomical areas" means, less than completely and opaquely covered: human genitals, pubic regions, buttocks, or female breasts below a point immediately above the top of the areola, and human male genitals in a discernibly turgid state, even if completely and opaquely covered.

5.64.030 Required licensing, permitting and certification.

A. No person shall provide massage services for compensation in the City unless the person has obtained, and maintains in good standing, a valid and unexpired CAMTC certificate.

1. No person shall own, operate or maintain, or permit the operation of a massage establishment unless: the person is over the age of 18;

2. the owner and/or operator of the business have obtained a conditional use permit pursuant to PMC Tile 18;

3. the massage establishment has obtained, and maintains in good standing, a valid and unexpired city business permit under Chapter 5.12 PMC and the additional requirements contained in this chapter;

4. all employees employed by the massage establishment are certified massage practitioners; and

5. unless exempt there from, the owner(s) have applied for and obtained a city business license under Chapter 5.04 PMC.

B. A person may provide massage services as a home occupation provided the person is a certified massage practitioner and either:

1. the services are contracted as an accessory use by a beauty salon, barbershop, or health/fitness club and the services are performed on the business premises, or

2. the services are provided in the home or business of a client.

No certified massage practitioner shall provide massage services for compensation in his or her home.

C. The provisions of this chapter shall not apply to the following:

1. Physicians, surgeons, chiropractors, osteopaths, nurses, physical therapists, or other health care professionals who are duly licensed by the state of California;

2. Those persons who are administering massage in the medical offices of and who are under the direct supervision of a licensed medical professional, as long as the services are within the licensed scope of services of the medical professional; or

3. Massage services provided in conjunction with a lawful, nonrecurring special event (e.g., health fair, medical seminars) that has obtained required permits from the city.

5.64.040 Additional business permit requirements for massage establishments.

A. In addition to the application requirements provided under Chapter 5.12 PMC, no application for a business permit to operate a massage establishment shall be complete until the finance director has received:

1. A list stating the number of massage therapists and other employees the applicant intends to employ at the massage establishment, the full name, date of birth, current address, and telephone number of each employee, the identification number and expiration date of each massage therapists CAMTC certificate, and how many massage therapists the applicant intends to be working on-site performing massages simultaneously. The business shall also provide a copy of each massage therapist's unexpired CAMTC certificate and identification card.

2. A list providing the complete name, address, and telephone number of each owner and operator of the proposed business.

3. Except as specified in subsection (C), an application for a background check filed, under penalty of perjury, by each individual owner and operator of the massage establishment containing the following:

    a. The individual’s full legal name and any other names used by the individual;

b. The individual's height, weight, color of eyes, and hair;

c. The business name, address and telephone number of the proposed massage establishment for which the business permit is sought.

d. The current residential address and telephone number of the individual, and two previous residential addresses and business addresses, if any.

e. A copy of a valid and current driver's license and/or identification issued by a state or federal government agency or other photographic identification bearing a bona fide seal by a foreign government showing, to the satisfaction of the city, that the individual is at least 18 years of age; and

f. The individual's business, occupation or employment history for the five years immediately preceding the date of the application;

g. The name and address of any massage establishment or similar business owned or operated by the person whether inside or outside the city or state;

h. The massage or similar business license history of the individual, including whether such person, in previously operating in this city or another city, county or state under a license or permit, has had such license or permit revoked or suspended, and the reasons and dates for any such revocation or suspension;

i. All criminal convictions, except infractions for traffic violations;

j. Two identical passport photos; and

k. The individual shall be fingerprinted, and such fingerprints shall be submitted to the department of justice for a criminal background check.

4. A statement as to whether the proposed business intends to provide massage services off-site.

5. Information demonstrating that the proposed business is consistent with the applicable land use designation and city zoning code.

6. A floor plan showing the layout of the massage establishment, to the specifications required by the finance department.

7. A statement of the nature and character of the business and of any other business conducted or proposed to be conducted at the same location, if applicable.

8. An acknowledgement signed by the applicant and each owner and operator of the massage establishment that:

    a. all information contained in the application is true and correct;

    b. the applicant and each owner and operator has read this chapter and is familiar with state and local requirements for massage establishments;

    c. the applicant and all owners and operators shall be jointly responsible for all conduct of the business and its employees; and

    d. the failure of the business, applicant, any owner, any operator, or any employee to comply with California Business and Professions Code sections 4600, et seq., and any local, state, or federal law, including CAMTC rules or regulations and the provisions of this chapter, may result in immediate suspension or revocation of the business permit.

9. Such other identification and information as may be required by the city to verify the truth of the matters specified in the business permit application or this section.

B. A business license application is deemed complete and validly filed when the finance director has received all information required by Chapter 5.12 PMC and this chapter, including the results of the department of justice criminal background check for each owner and operator, and has received any fees associated with the application or application processing.

C. If an owner or operator is a CAMTC certificate holder, submission of a copy of the owner's or operator's valid, unexpired CAMTC certificate and CAMTC identification card shall deem that individual exempt from the requirement of submitting an application for a background check under subsection (A)(3) of this section.

D. An application for renewal of a business permit to operate a massage establishment shall contain a declaration under penalty of perjury on a form approved by the finance director confirming that there has been no change in the identity of the owners or operators of the business and indicating any change in the contact information of each owner or operator.

5.64.050 Investigation; denial of business permits for massage establishments.

Upon receipt of a completed application for a business permit, the finance director and other city departments, including the police department, shall investigate the applicant and each owner and operator. In addition to the grounds for denial of an initial or renewal application for a business permit provided under Chapter 5.12 PMC, the finance director shall deny an application to operate a massage establishment if the finance director finds in writing that:

A. The proposed business or activity would not be in compliance with federal, state or local laws and regulations;

B. The applicant or any owner or operator has been convicted, including a plea of nolo contendere, within the past five years, of an offense involving lewd conduct; an offense involving the use of force or violence upon the person of another whether denominated as a misdemeanor or a felony; a violation of Penal Code Sections 220, 261, 288a, 314, 315, 316, 318, 647(a) or 647(b); any violation involving the sale of a controlled substance specified in Health and Safety Code Sections 11054, 11055, 11057, or 11058; or any other crime or unlawful activity, on the basis of which the chief of police reasonably concludes that by reason of the nature of the crime or activity, the applicant's, owner's, or operator's operation of a massage establishment would pose a risk of harm to the public;

C. The applicant or any owner or operator is presently under indictment or is the subject of a criminal complaint for any of the crimes described in subsection (B) of this section;

D That the applicant, any owner, any operator, and/or any proposed or actual employee of the massage business have engaged in unprofessional conduct, including but not limited to, personal conduct or operation of a business resulting in denial of a license, revocation, suspension, restriction, or any other disciplinary action taken against an applicant, owner and/or employee by the city, another city or county, by another state, by CAMTC, or by any governmental agency;

E. Making or causing to be made any false or misleading statement in the application or as to any other information presented as part of the application process; or

F. That, based on specific facts identified by the chief of police, the chief of police reasonably concludes that the operation of the proposed massage establishment would pose a risk to the public, that the applicant would not conduct the business in a law abiding or professional manner, and/or that the operation of the proposed business would subject patrons of the business to a risk of harm or criminal, deceitful or otherwise unethical practices.

5.64.060 Fees.

In addition to any other fees authorized by this code, an application fee in an amount established by city council resolution shall accompany any application for a permit under this chapter. Such fee shall be nonrefundable and shall be retained by the city for the costs of processing applications and administering this chapter. In addition, the applicant shall pay fees for fingerprinting and investigation required by the city for conducting background investigations. If an owner is a CAMTC certificate holder, the chief of police shall waive the background investigation and fee for that owner.

5.64.070 Operational requirements.

A. All massage establishments and massage therapists shall abide by the following operational requirements:

1. Each massage establishment, owner, operator, and employee shall comply with all provisions of this code, federal, state, and local laws, ordinances, and regulations, and CAMTC rules and regulations, as may be amended from time to time.

2. Any and all premises used by any person granted a city business permit for the operation of a massage establishment pursuant to Chapter 5.12 PMC and this chapter shall be subject to inspection by the city at reasonable times to ensure compliance with the provisions of this chapter, this code, state and federal laws, and CAMTC rules and regulations.

3. Adequate rest room facilities shall be available for use by customers.

4. Towels, sheets and linens of all types and items for the personal use of the therapists and clients shall be clean and freshly laundered and shall not be used for more than one person. Heavy white paper may be substituted for sheets provided such paper is used only once and then discarded.

5. The massage establishment may operate between the hours of 8:00 a.m. and 8:00 p.m.

6. Each employee of the massage establishment shall wear garments which cover the entire body, exclusive of the head, neck, arms, legs, hands and feet. Each employee must be fully covered from a point not more than four (4) inches above the center of the kneecap to the base of the neck, excluding the arms. Such garments shall not be transparent and must be maintained in a clean and sanitary condition.

7. Each service offered and the price thereof shall be posted in a conspicuous public location in each massage establishment.

8. All signage shall comply with PMC Title 19, and no signs may be illuminated.

9. The permittee shall report immediately to the finance director any and all changes of ownership of the business or the operator(s) thereof.

10. Before any new massage therapist or other employee performs any service at the massage establishment, the business shall provide to the finance director an updated list stating the number of massage therapists and other employees the business intends to employ at the massage establishment, the full name, date of

birth, current address, and telephone number of each employee, the identification number and expiration date of each massage therapists CAMTC certificate, and how many massage therapists the applicant intends to be working on-site performing massages simultaneously. The business shall also provide a copy of each massage therapist's unexpired CAMTC certificate and identification card.

11. Every massage establishment shall maintain on the premises a current copy of the list provided to the finance director as required in this subsection. The list shall be available for inspection to city personnel at all times during regular business hours.

12. The exterior windows of a massage establishment shall not be blacked out.

13. Massages may not be carried on within any separate cubicle, room, booth or area within a massage establishment, which is fitted with a door capable of being locked. Additionally, except when there is no staff available to assure security for massage therapy patrons and staff who are behind closed doors, all reception and hallway doors must remain unlocked during business hours.

14. The massage establishment shall at all times display each massage therapist’s certificate in an open and conspicuous place on the premises of the establishment.

15. Each massage therapist shall wear his or her CAMTC identification card on his/her outermost garment at all times while working in a massage establishment or at a business for the purpose of performing massage.

16. It is unlawful for any person to sell, give, dispense, provide or keep, or cause to be sold, given, dispensed, provided or kept, any alcoholic beverage, as defined in California Business and Professions Code § 23004, on the premises of any massage establishment or in conjunction with any massage business.

17. It is unlawful for any employee to directly or indirectly offer, administer, touch, or perform massage to a customer's specified anatomical areas.

18. A patron's specified anatomical areas must be fully draped at all times while any employee of the massage establishment or any other person is in the massage therapy cubicle or room.

19. It is unlawful for any massage therapist to perform massage without first draping the client. If at any time the draping falls off or is removed, the massage must stop until the client is redraped.

20. No massage establishment shall employ any person under 18 years of age as a massage therapist or in any other capacity. This subsection shall not prohibit a business, where massage is not the primary purpose of the business, from

employing individuals under 18 years of age. However, massage therapists must still be at least 18 years of age.

B. The city council reserves the right to adopt by resolution additional rules and regulations, consistent with the provisions of this chapter regarding massage services. Such rules shall become effective immediately upon adoption.

5.64.080 Prohibited advertising practices.

It is a violation of this article for any person who does not possess a valid and unexpired CAMTC certificate, and for any massage establishment that employs or retains such a person, to:

A. State or advertise or put out any sign, card, or other device, or to represent to the public through any print or electronic media, that such person is certified, registered or licensed by a governmental agency as a massage therapist; or

B. Hold oneself out of use the title of "certified massage therapist" or "certified massage practitioner" or any other term, such as "licensed," "registered," or "CMT," that implies or suggests that the person is the holder of a certificate issued by CAMTC.

5.64.090 Violation of chapter.

No person shall violate a provision of this chapter or fail to comply with a provision of this chapter. A person who violates a provision of this chapter is guilty of a misdemeanor.

5.64.100 Effect of revocation of business permit for massage establishment.

A. The revocation of a business permit to operate a massage establishment shall terminate the right of the permit to engage in the business of massage anywhere within the city for a period of three (3) years following the effective date of revocation.

B. The revocation of a business permit to operate a massage establishment shall prohibit the operation of a massage establishment in that same location for a period of three (3) years. The revocation of a business permit to operate a massage establishment shall also prohibit a massage establishment, or any other business establishment operating in the same location, from using the same name and/or same phone number as the revoked massage establishment for a period of three (3) years.

C. If a business permit to operate a massage establishment is revoked, neither the spouse, child, brother, sister or parent of a permittee, nor a person possessing any ownership interest in the business for which the permit was revoked, or who was an employee thereof, shall be entitled to issuance of a business permit to operate the business.

D. The provisions of this section shall be in addition to, and not limit, any provisions of Chapter 5.12 PMC.

5.64.110 Applicability to existing businesses and therapists.

The provisions of this chapter shall be applicable to all persons now engaged in the massage business.

Notwithstanding the above, all massage therapists holding a valid, unsuspended and unrevoked massage practitioner's permit issued by the city before the effective date of Ordinance No. ___ shall have one (1) year within which to obtain a CAMTC certificate to perform massage within the city. During the one-year exemption period, the holder shall continue to meet all conditions and qualifications specified in the prior version of this chapter. The one-year exemption shall no longer apply if such permit is suspended, revoked, or not renewed. The chief of police shall process applications for renewal of massage practitioners' permits issued by the city during the one (1) year exemption period, and may deny the renewal of, suspend, or revoke such permits pursuant to the prior version of this chapter.

5.64.120 Severability.

In the event any section or provision of this chapter is held invalid or unenforceable by a court of competent jurisdiction, the remaining sections or provisions shall not be affected.

Attachment 1 Exhibit B

Proposed Chapter 5.64
MASSAGE ESTABLISHMENTS AND CERTIFIED MASSAGE THERAPISTS

Sections:

5.64.010 Purpose and intent.
5.64.020 Definitions.
5.64.030 Required licensing, permitting, and certification.
5.64.040 Additional business permit requirements for massage establishments.
6.64.050 Investigation; denial of business permits for massage establishments.
5.64.060 Fees.
5.64.070 Operational requirements.
5.64.080 Prohibited advertising practices.
5.64.090 Violation of chapter.
5.64.100 Effect of revocation of business permit for massage establishment.
5.64.110 Applicability to existing businesses and therapists.
5.64.120 Severability.

5.64.010 Purpose and intent.

The purpose of this chapter is to provide for the orderly regulation of the business of massage and massage therapists in the city, and to protect the public's health and safety by establishing certain standards pertaining to massage therapy business activities within the City of Pittsburg and to recognize massage therapy as a legitimate business occupation and health-related service.

5.64.020 Definitions.

Unless the particular provision or context otherwise clearly requires, the definitions in this section shall govern the construction, meaning, and application of words and phrases used in this chapter.

“Applicant” means any person who applies for a business permit to operate a massage establishment. In the event the applicant is a non-natural person (e.g., a business entity), the term “applicant” shall also include the individual person legally authorized to act on behalf of the applicant and submit an application to the city pursuant to this article.

“Business permit” means a permit issued by the finance director pursuant to Chapter 5.12 PMC.

“California Massage Therapy Council” or “CAMTC” means the nonprofit organization created pursuant to California Business & Profession Code Section 4600, *et seq.*, to regulate and issue massage practitioner and therapist certificates.

Attachment 1 Exhibit B

“CAMTC certificate” or “certificate” means the certificate, or conditional certificate, issued by the California Massage Therapy Council to massage therapists and to massage practitioners that entitles the holder to practice massage.

“Certified massage practitioner,” “CMP” or “practitioner” means a person who has a valid, unexpired certificate from, and who is in good standing with, the California Massage Therapy Council.

“Chief of police” means the city’s police chief or his/her designee.

“Compensation” means a payment, loan, advance, donation, contribution, deposit, tip, gift of money, or anything of value.

“Employee” means any person, including, but not limited to, an operator or massage therapist, who renders any service, with or without compensation, to a massage establishment business on a full-time, part-time, or contract basis, whether or not the person is denominated an employee, independent contractor, agent, or otherwise.

“Massage” means any method of placing pressure on, or friction against, or manipulating, stroking, kneading, rubbing, tapping, pounding, vibrating, or stimulating of the external parts of the human body below the neck with the hands or other parts of the body, with or without the aid of any mechanical or electrical apparatus or appliances, or with or without supplementary aids such as rubbing alcohol, liniments, antiseptics, oils, powder, creams, lotions, ointments or other similar preparations commonly used in the practice of massage.

“Massage establishment” or “establishment” means a business where any person engages in or carries on massage in exchange for any form of consideration, whether at a fixed place of business or at a location designated by a customer or client for off-premises massage services. The term “massage establishment” includes a sole owner and employee of a massage business operating as a sole proprietorship.

“Massage therapist” means any person who gives or administers a massage to another person, for any form of consideration whatsoever.

“Operator” shall mean any person who supervises, directs, organizes, manages or controls or is any way responsible for or in charge of a massage establishment.

“Owner” means:

1. for a sole proprietorship, the sole owner of the business;
2. for a business association, each owner of 10% or more of the business;
3. for a corporation, each stockholder holding 10% or more of the corporation and each officer and director of the corporation;
4. for a limited liability company, each member of the company; and

5. for a partnership, each partner, excluding limited partners owning less than 10% of the partnership, and where a partner is a corporation, the provisions pertaining to a corporate applicant in division (C) apply.
6. for any other type of entity not described above, every person having an interest, legal or equitable, in 10% or more of the massage establishment.

"Permittee" means a person issued a business permit for purposes of operating a massage establishment pursuant to Chapter 5.12 PMC and this chapter. "Permittee" also includes each person with any ownership interest in the business and each operator of the business.

"Person" means any individual, firm, association, partnership, corporation, joint venture, limited liability company, or any other business organization or combination of individuals of whatever form or character.

"Specified anatomical areas" means, less than completely and opaquely covered: human genitals, pubic regions, buttocks, or female breasts below a point immediately above the top of the areola, and human male genitals in a discernibly turgid state, even if completely and opaquely covered.

5.64.030 Required licensing, permitting and certification.

A. No person shall provide massage services for compensation in the City unless the person has obtained, and maintains in good standing, a valid and unexpired CAMTC certificate.

1. No person shall own, operate or maintain, or permit the operation of a massage establishment unless: the person is over the age of 18;

2. the owner and/or operator of the business have obtained a conditional use permit pursuant to PMC Tile 18;

3. the massage establishment has obtained, and maintains in good standing, a valid and unexpired city business permit under Chapter 5.12 PMC and the additional requirements contained in this chapter;

4. all employees employed by the massage establishment are certified massage practitioners; and

5. unless exempt there from, the owner(s) have applied for and obtained a city business license under Chapter 5.04 PMC.

B. A person may provide massage services as a home occupation provided the person is a certified massage practitioner and either:

1. the services are contracted as an accessory use by a beauty salon, barbershop, or health/fitness club and the services are performed on the business premises, or

2. the services are provided in the home or business of a client.

No certified massage practitioner shall provide massage services for compensation in his or her home.

C. The provisions of this chapter shall not apply to the following:

1. Physicians, surgeons, chiropractors, osteopaths, nurses, physical therapists, or other health care professionals who are duly licensed by the state of California;

2. Those persons who are administering massage in the medical offices of and who are under the direct supervision of a licensed medical professional, as long as the services are within the licensed scope of services of the medical professional; or

3. Massage services provided in conjunction with a lawful, nonrecurring special event (e.g., health fair, medical seminars) that has obtained required permits from the city.

5.64.040 Additional business permit requirements for massage establishments.

A. In addition to the application requirements provided under Chapter 5.12 PMC, no application for a business permit to operate a massage establishment shall be complete until the finance director has received:

1. A list stating the number of massage therapists and other employees the applicant intends to employ at the massage establishment, the full name, date of birth, current address, and telephone number of each employee, the identification number and expiration date of each massage therapists CAMTC certificate, and how many massage therapists the applicant intends to be working on-site performing massages simultaneously. The business shall also provide a copy of each massage therapist's unexpired CAMTC certificate and identification card.

2. A list providing the complete name, address, and telephone number of each owner and operator of the proposed business.

3. Except as specified in subsection (C), an application for a background check filed, under penalty of perjury, by each individual owner and operator of the massage establishment containing the following:

    a. The individual’s full legal name and any other names used by the individual;

b. The individual's height, weight, color of eyes, and hair;

c. The business name, address and telephone number of the proposed massage establishment for which the business permit is sought.

d. The current residential address and telephone number of the individual, and two previous residential addresses and business addresses, if any.

e. A copy of a valid and current driver's license and/or identification issued by a state or federal government agency or other photographic identification bearing a bona fide seal by a foreign government showing, to the satisfaction of the city, that the individual is at least 18 years of age; and

f. The individual's business, occupation or employment history for the five years immediately preceding the date of the application;

g. The name and address of any massage establishment or similar business owned or operated by the person whether inside or outside the city or state;

h. The massage or similar business license history of the individual, including whether such person, in previously operating in this city or another city, county or state under a license or permit, has had such license or permit revoked or suspended, and the reasons and dates for any such revocation or suspension;

i. All criminal convictions, except infractions for traffic violations;

j. Two identical passport photos; and

k. The individual shall be fingerprinted, and such fingerprints shall be submitted to the department of justice for a criminal background check.

4. A statement as to whether the proposed business intends to provide massage services off-site.

5. Information demonstrating that the proposed business is consistent with the applicable land use designation and city zoning code.

6. A floor plan showing the layout of the massage establishment, to the specifications required by the finance department.

7. A statement of the nature and character of the business and of any other business conducted or proposed to be conducted at the same location, if applicable.

8. An acknowledgement signed by the applicant and each owner and operator of the massage establishment that:

    a. all information contained in the application is true and correct;

    b. the applicant and each owner and operator has read this chapter and is familiar with state and local requirements for massage establishments;

    c. the applicant and all owners and operators shall be jointly responsible for all conduct of the business and its employees; and

    d. the failure of the business, applicant, any owner, any operator, or any employee to comply with California Business and Professions Code sections 4600, et seq., and any local, state, or federal law, including CAMTC rules or regulations and the provisions of this chapter, may result in immediate suspension or revocation of the business permit.

9. Such other identification and information as may be required by the city to verify the truth of the matters specified in the business permit application or this section.

B. A business license application is deemed complete and validly filed when the finance director has received all information required by Chapter 5.12 PMC and this chapter, including the results of the department of justice criminal background check for each owner and operator, and has received any fees associated with the application or application processing.

C. If an owner or operator is a CAMTC certificate holder, submission of a copy of the owner's or operator's valid, unexpired CAMTC certificate and CAMTC identification card shall deem that individual exempt from the requirement of submitting an application for a background check under subsection (A)(3) of this section.

D. An application for renewal of a business permit to operate a massage establishment shall contain a declaration under penalty of perjury on a form approved by the finance director confirming that there has been no change in the identity of the owners or operators of the business and indicating any change in the contact information of each owner or operator.

5.64.050 Investigation; denial of business permits for massage establishments.

Upon receipt of a completed application for a business permit, the finance director and other city departments, including the police department, shall investigate the applicant and each owner and operator. In addition to the grounds for denial of an initial or renewal application for a business permit provided under Chapter 5.12 PMC, the finance director shall deny an application to operate a massage establishment if the finance director finds in writing that:

A. The proposed business or activity would not be in compliance with federal, state or local laws and regulations;

B. The applicant or any owner or operator has been convicted, including a plea of nolo contendere, within the past five years, of an offense involving lewd conduct; an offense involving the use of force or violence upon the person of another whether denominated as a misdemeanor or a felony; a violation of Penal Code Sections 220, 261, 288a, 314, 315, 316, 318, 647(a) or 647(b); any violation involving the sale of a controlled substance specified in Health and Safety Code Sections 11054, 11055, 11057, or 11058; or any other crime or unlawful activity, on the basis of which the chief of police reasonably concludes that by reason of the nature of the crime or activity, the applicant's, owner's, or operator's operation of a massage establishment would pose a risk of harm to the public;

C. The applicant or any owner or operator is presently under indictment or is the subject of a criminal complaint for any of the crimes described in subsection (B) of this section;

D That the applicant, any owner, any operator, and/or any proposed or actual employee of the massage business have engaged in unprofessional conduct, including but not limited to, personal conduct or operation of a business resulting in denial of a license, revocation, suspension, restriction, or any other disciplinary action taken against an applicant, owner and/or employee by the city, another city or county, by another state, by CAMTC, or by any governmental agency;

E. Making or causing to be made any false or misleading statement in the application or as to any other information presented as part of the application process; or

F. That, based on specific facts identified by the chief of police, the chief of police reasonably concludes that the operation of the proposed massage establishment would pose a risk to the public, that the applicant would not conduct the business in a law abiding or professional manner, and/or that the operation of the proposed business would subject patrons of the business to a risk of harm or criminal, deceitful or otherwise unethical practices.

5.64.060 Fees.

In addition to any other fees authorized by this code, an application fee in an amount established by city council resolution shall accompany any application for a permit under this chapter. Such fee shall be nonrefundable and shall be retained by the city for the costs of processing applications and administering this chapter. In addition, the applicant shall pay fees for fingerprinting and investigation required by the city for conducting background investigations. If an owner is a CAMTC certificate holder, the chief of police shall waive the background investigation and fee for that owner.

5.64.070 Operational requirements.

A. All massage establishments and massage therapists shall abide by the following operational requirements:

1. Each massage establishment, owner, operator, and employee shall comply with all provisions of this code, federal, state, and local laws, ordinances, and regulations, and CAMTC rules and regulations, as may be amended from time to time.

2. Any and all premises used by any person granted a city business permit for the operation of a massage establishment pursuant to Chapter 5.12 PMC and this chapter shall be subject to inspection by the city at reasonable times to ensure compliance with the provisions of this chapter, this code, state and federal laws, and CAMTC rules and regulations.

3. Adequate rest room facilities shall be available for use by customers.

4. Towels, sheets and linens of all types and items for the personal use of the therapists and clients shall be clean and freshly laundered and shall not be used for more than one person. Heavy white paper may be substituted for sheets provided such paper is used only once and then discarded.

5. The massage establishment may operate between the hours of 8:00 a.m. and 8:00 p.m.

6. Each employee of the massage establishment shall wear garments which cover the entire body, exclusive of the head, neck, arms, legs, hands and feet. Each employee must be fully covered from a point not more than four (4) inches above the center of the kneecap to the base of the neck, excluding the arms. Such garments shall not be transparent and must be maintained in a clean and sanitary condition.

7. Each service offered and the price thereof shall be posted in a conspicuous public location in each massage establishment.

8. All signage shall comply with PMC Title 19, and no signs may be illuminated.

9. The permittee shall report immediately to the finance director any and all changes of ownership of the business or the operator(s) thereof.

10. Before any new massage therapist or other employee performs any service at the massage establishment, the business shall provide to the finance director an updated list stating the number of massage therapists and other employees the business intends to employ at the massage establishment, the full name, date of

birth, current address, and telephone number of each employee, the identification number and expiration date of each massage therapists CAMTC certificate, and how many massage therapists the applicant intends to be working on-site performing massages simultaneously. The business shall also provide a copy of each massage therapist's unexpired CAMTC certificate and identification card.

11. Every massage establishment shall maintain on the premises a current copy of the list provided to the finance director as required in this subsection. The list shall be available for inspection to city personnel at all times during regular business hours.

12. The exterior windows of a massage establishment shall not be blacked out.

13. Massages may not be carried on within any separate cubicle, room, booth or area within a massage establishment, which is fitted with a door capable of being locked. Additionally, except when there is no staff available to assure security for massage therapy patrons and staff who are behind closed doors, all reception and hallway doors must remain unlocked during business hours.

14. The massage establishment shall at all times display each massage therapist’s certificate in an open and conspicuous place on the premises of the establishment.

15. Each massage therapist shall wear his or her CAMTC identification card on his/her outermost garment at all times while working in a massage establishment or at a business for the purpose of performing massage.

16. It is unlawful for any person to sell, give, dispense, provide or keep, or cause to be sold, given, dispensed, provided or kept, any alcoholic beverage, as defined in California Business and Professions Code § 23004, on the premises of any massage establishment or in conjunction with any massage business.

17. It is unlawful for any employee to directly or indirectly offer, administer, touch, or perform massage to a customer's specified anatomical areas.

18. A patron's specified anatomical areas must be fully draped at all times while any employee of the massage establishment or any other person is in the massage therapy cubicle or room.

19. It is unlawful for any massage therapist to perform massage without first draping the client. If at any time the draping falls off or is removed, the massage must stop until the client is redraped.

20. No massage establishment shall employ any person under 18 years of age as a massage therapist or in any other capacity. This subsection shall not prohibit a business, where massage is not the primary purpose of the business, from

employing individuals under 18 years of age. However, massage therapists must still be at least 18 years of age.

B. The city council reserves the right to adopt by resolution additional rules and regulations, consistent with the provisions of this chapter regarding massage services. Such rules shall become effective immediately upon adoption.

5.64.080 Prohibited advertising practices.

It is a violation of this article for any person who does not possess a valid and unexpired CAMTC certificate, and for any massage establishment that employs or retains such a person, to:

A. State or advertise or put out any sign, card, or other device, or to represent to the public through any print or electronic media, that such person is certified, registered or licensed by a governmental agency as a massage therapist; or

B. Hold oneself out of use the title of "certified massage therapist" or "certified massage practitioner" or any other term, such as "licensed," "registered," or "CMT," that implies or suggests that the person is the holder of a certificate issued by CAMTC.

5.64.090 Violation of chapter.

No person shall violate a provision of this chapter or fail to comply with a provision of this chapter. A person who violates a provision of this chapter is guilty of a misdemeanor.

5.64.100 Effect of revocation of business permit for massage establishment.

A. The revocation of a business permit to operate a massage establishment shall terminate the right of the permit to engage in the business of massage anywhere within the city for a period of three (3) years following the effective date of revocation.

B. The revocation of a business permit to operate a massage establishment shall prohibit the operation of a massage establishment in that same location for a period of three (3) years. The revocation of a business permit to operate a massage establishment shall also prohibit a massage establishment, or any other business establishment operating in the same location, from using the same name and/or same phone number as the revoked massage establishment for a period of three (3) years.

C. If a business permit to operate a massage establishment is revoked, neither the spouse, child, brother, sister or parent of a permittee, nor a person possessing any ownership interest in the business for which the permit was revoked, or who was an employee thereof, shall be entitled to issuance of a business permit to operate the business.

D. The provisions of this section shall be in addition to, and not limit, any provisions of Chapter 5.12 PMC.

5.64.110 Applicability to existing businesses and therapists.

The provisions of this chapter shall be applicable to all persons now engaged in the massage business.

Notwithstanding the above, all massage therapists holding a valid, unsuspended and unrevoked massage practitioner's permit issued by the city before the effective date of Ordinance No. ___ shall have one (1) year within which to obtain a CAMTC certificate to perform massage within the city. During the one-year exemption period, the holder shall continue to meet all conditions and qualifications specified in the prior version of this chapter. The one-year exemption shall no longer apply if such permit is suspended, revoked, or not renewed. The chief of police shall process applications for renewal of massage practitioners' permits issued by the city during the one (1) year exemption period, and may deny the renewal of, suspend, or revoke such permits pursuant to the prior version of this chapter.

5.64.120 Severability.

In the event any section or provision of this chapter is held invalid or unenforceable by a court of competent jurisdiction, the remaining sections or provisions shall not be affected.

Attachment 1 Exhibit C

Amend the Pittsburg Municipal Code (PMC) Title 18, in order to read substantially as shown below.

Section 18.08.080(18), "Massage Therapy Services" of the PMC is hereby amended to read as follows (~~strikethrough~~ indicates deletion; <u>underline</u> indicates insertion):

18. ~~Massage Therapy Services. Establishment providing the administration of massage or acupressure, which consists of the method of treating the human body by rubbing, pressing, stroking, kneading, tapping, pounding, vibrating, or stimulating with the hands or any instrument by a massage practitioner licensed by a school approved by the state of California. A certified massage practitioner shall obtain a massage practitioner's permit from the chief of police and be governed by Chapter 5.64 PMC.~~ <u>Massage Establishment. An establishment where any person engages in or carries on massage in exchange for any form of consideration, whether at a fixed place of business or at a location designated by a customer or client for off-premises massage services. The term 'massage establishment' includes a sole owner and employees of a massage business operating as a sole proprietorship. Refer to PMC Chapter 5.64 for additional definitions related to massage establishments.</u>

The schedules in Section 18.52.010, "CO, CN, CC, CS, CSD, CW and CP districts – Land use regulations" of the PMC are hereby amended as follows (~~strikethrough~~ indicates deletion; <u>underline</u> indicates insertion):

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

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

	CO	CN	CC	CS	CSD	CW	CP
Commercial							
~~Massage Therapy Services~~ <u>Massage Establishment</u>	L-131	L-131	L-131	L-131	L-131	L-131	~~U~~ <u>L-131</u>

Attachment 2

BEFORE THE PLANNING COMMISSION OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Recommending City Council Adoption of an Ordinance Amending Title 18 of the Pittsburg Municipal Code Related to Massage Establishments, AP-18-1335 (RZ)	)	Resolution No. 10100

The Planning Commission DOES RESOLVE as follows:

Section 1. Background

A. In 2008, the Massage Therapy Act (Senate Bill 731) was adopted to provide consistent regulations for massage practitioners throughout the State of California. The Act provided for the creation of the California Massage Therapy Council (CAMTC), a statewide, non-profit organization, to regulate and issue massage practitioner and therapist certificates. The Act also removed a local jurisdiction's ability to require use permits for massage establishments, so the regulations would not be stricter than other personal service uses. In 2015, Assembly Bill 1147, was adopted which reversed the limitation on use permits.

B. The City of Pittsburg's current regulations for massage establishments are contained in Pittsburg Municipal Code (PMC) Chapter 5.64. Separate amendments to PMC Title 18 have been prepared to ensure the zoning code is consistent with the amendments to Chapter 5.64. Only the proposed changes to Title 18 require a recommendation from the Planning Commission.

C. PMC section 18.16.020 identifies the Planning Commission as the advisory body to the City Council on proposed zoning text changes, and requires that the Commission determine, prior to making its recommendation, that:

   1. the change proposed is consistent with the objectives, policies, general land uses and programs specified in the General Plan and applicable specific plan;

   2. a community need is demonstrated for the change proposed; and

   3. its adoption will be in conformity with public convenience, general welfare and good zoning practice.

D. The proposed amendments to Title 18 are exempt from the requirements of the California Environmental Quality Act (CEQA) under the general rule of the state CEQA Guidelines, section 15061, in that the activity in question consists of zoning text changes that would not result in a physical impact on the environment.

E. On or prior to May 11, 2018, notice of the May 22, 2018, public hearing was published in the East County Times; was posted at City Hall and on the "Public Notices" section of the city's website; was delivered for posting at the Pittsburg Library; and was mailed via first class or electronic mail to individuals who had previously filed written request for such notice, in accordance with PMC section 18.14.020 and Government Code section 65091.

F. On May 22, 2018, the Planning Commission held a public hearing on the proposed amendments to Title 18, at which time oral and/or written testimony was considered.

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 Massage Establishments, AP-18-1335 (RZ)," dated May 22, 2018, 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 Planning Commission finds that:

   1. All recitals above are true and correct and are incorporated herein by reference.

   2. The proposed amendments to Title 18 are consistent with the objectives, policies, general land uses and programs in the General Plan. The General Plan does not directly address massage establishments. However, General Plan Policy 2-P-7 calls for the City to consider compatibility between land uses. The proposed amendments to Title 18 are consistent with this policy, in that they will help clarify that a use permit is required to determine compatibility between massage establishments and other surrounding uses.

   3. There is a community need for the proposed amendments to Title 18 and they will be in conformity with the public convenience, general welfare, and good zoning practice, in that they will clarify that a use permit is required for massage establishments in commercial and mixed-use zoning districts and that applicants must also obtain a separate business permit pursuant to the requirements of PMC Chapter 5.64, as amended.

B. The staff report entitled, "Recommendation on Zoning Text Amendments to Pittsburg Municipal Code Title 18 Related to Massage Establishments, AP-18-1335 (RZ)," dated May 22, 2018, is referenced hereto as additional support for the findings.

Section 3. Decision

Based on the findings and the authority set forth above, the Planning Commission hereby recommends that the City Council adopt an ordinance amending PMC Title 18, in order to read substantially as shown below.

Section 18.08.080(18), "Massage Therapy Services" of the PMC is hereby amended to read as follows (~~strikethrough~~ indicates deletion; underline indicates insertion):

18. ~~Massage Therapy Services. Establishment providing the administration of massage or acupressure, which consists of the method of treating the human body by rubbing, pressing, stroking, kneading, tapping, pounding, vibrating, or stimulating with the hands or any instrument by a massage practitioner licensed by a school approved by the state of California. A certified massage practitioner shall obtain a massage practitioner's permit from the chief of police and be governed by Chapter 5.64 PMC.~~ Massage Establishment. An establishment where any person engages in or carries on massage in exchange for any form of consideration, whether at a fixed place of business or at a location designated by a customer or client for off-premises massage services. The term 'massage establishment' includes a sole owner and employees of a massage business operating as a sole proprietorship. Refer to PMC Chapter 5.64 for additional definitions related to massage establishments.

The schedules in Section 18.52.010, "CO, CN, CC, CS, CSD, CW and CP districts – Land use regulations" of the PMC are hereby amended as follows (~~strikethrough~~ indicates deletion; underline indicates insertion):

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

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

	CO	CN	CC	CS	CSD	CW	CP
Commercial							
~~Massage Therapy Services~~ Massage Establishment	L-131	L-131	L-131	L-131	L-131	L-131	~~U~~ L-131

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

L-131	~~Permitted only when the person has applied for and obtained a permit pursuant to the requirements of Chapter 5.64 PMC.~~ Use permit required. Applicant must also apply for and obtain a business permit pursuant to the requirements of Chapter 5.64 PMC.

The schedules in Section 18.53.020, "Land use and development regulations" of the PMC are hereby amended as follows (~~strikethrough~~ indicates deletion; underline indicates insertion):

M DISTRICT – LAND USE REGULATIONS

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

	M
Commercial	
~~Massage Therapy Services~~ Massage Establishment	L-131

M DISTRICT – ADDITIONAL USE REGULATIONS

L-131	~~Permitted only when the person has applied for and obtained a permit pursuant to the requirements of Chapter 5.64 PMC.~~ Use permit required. Applicant must also apply for and obtain a business permit pursuant to the requirements of Chapter 5.64 PMC.

Section 4. Effective Date

This resolution shall take effect immediately upon its adoption.

On motion by Commissioner _____, seconded by Commissioner _____, the foregoing resolution was passed and adopted the 22nd day of May, 2018, by the Planning Commission of the City of Pittsburg, California by the following vote:

AYES:

NAYES:

ABSTAIN:

ABSENT:

I hereby certify that the above Resolution No. 10100 was adopted by the Planning Commission of the City of Pittsburg on May 22, 2018.

_____
JORDAN DAVIS, AICP
ACTING SECRETARY
PITTSBURG PLANNING COMMISSION

City of Pittsburg
Community Development Department – Planning Division
65 Civic Avenue, Pittsburg, CA 94565 | Tel: (925) 252-4920 | Fax: (925) 252-4814

Attachment 3

NOTICE OF PUBLIC HEARING

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

DATE: **June 18, 2018**
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 the City's Regulations for Massage Establishments, AP-18-1335 (RZ).
This is a public hearing on a city-initiated proposal to consider amendments to Title 5, "Business Licenses and Regulations", and Title 18, "Zoning", of the Pittsburg Municipal Code (PMC) to modify the current land use definitions, application process, permit requirements, and enforcement provisions for massage establishments. On May 22, 2018, the Planning Commission held a public hearing and subsequently adopted Resolution No. 10100, recommending approval of the amendments to Title 18.

PROJECT PLANNER: Cathy Munneke, (925) 252-4824 or cmunneke@ci.pittsburg.ca.us

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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

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

DATE: 5/30/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Supporting Changes to the Governing Structure of Eastern Contra Costa Transit Authority Board of Directors

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

The Eastern Contra Costa Transit Authority (ECCTA) is seeking approval to change the governing structure of ECCTA's Board of Directors. As a member of this JPA, the City of Pittsburg is requested to support this change.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Council adopt the attached resolution in support of the changes to the governing structure of the ECCTA.

BACKGROUND

The Joint Exercise of Powers Agreement (JPA) establishing Eastern Contra Costa Transit Authority was formed on August 3, 1976. The JPA is comprised of Contra Costa County, Antioch, Brentwood, and Pittsburg.

On April 25, 2018, the Board of Directors of ECCTA voted to forward a proposal to the members of its JPA seeking approval to change the governing structure of ECCTA's Board of Directors.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

Each member of the JPA must approve of this proposed change before the change can be implemented. Should any member of the JPA reject the proposed change, the change will be considered null and void.

Staff is in support of the proposed changes to the ECCTA's structure.

ATTACHMENTS: Resolution
Exhibit A - ECCTA Restated Joint Powers Agreement & Bylaws Redline
Exhibit B - ECCTA Restated Joint Powers Agreement & Bylaws Clean

Report Prepared By: Alice E. Evenson, City Clerk

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a City Council Resolution Supporting Changes to the Governing Structure of Eastern Contra Costa Transit Authority Board of Directors	))))	RESOLUTION NO. 18-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the Joint Exercise of Powers Agreement (JPA) establishing Eastern Contra Costa Transit Authority was formed on August 3, 1976. The JPA is comprised of Contra Costa County, Antioch, Brentwood, and Pittsburg.

WHEREAS, on April 25, 2018, the Board of Directors of ECCTA voted to forward a proposal to the members of its JPA seeking approval to change the governing structure of ECCTA's Board of Directors; and

WHEREAS, as a member of this JPA, the City of Pittsburg is requested to support this change; and

WHEREAS, each member of the JPA must approve of this proposed change before the change can be implemented. Should any member of the JPA reject the proposed change, the change will be considered null and void; and

WHEREAS, Staff is in support of the proposed changes to the ECCTA's structure.

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

Section 1.

All the recitals above are true and correct and incorporated herein.

Section 2.

There is no fiscal impact to the City of Pittsburg in this proposed change.

Section 3.

The Council approves the Eastern Contra Costa Transit Authority's change to the governing structure of ECCTA's Board of Directors.

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 June, 2018, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Exhibit A

ECCTA Restated Joint Powers Agreement

&

Bylaws

Redline

RESTATED JPA & BYLAWS

June 1, 2018

RESTATED JOINT POWERS AGREEMENT
ESTABLISHING
THE EASTERN CONTRA COSTA TRANSIT AUTHORITY

1. **Background**. Effective ~~_____,~~ June 1, 2018, and pursuant to Government Code §§ 6500, et seq. (Act), the County of Contra Costa (County), the Cities of Antioch (Antioch), Brentwood (Brentwood), Oakley (Oakley), and Pittsburg (Pittsburg) ~~(Pittsburg), and the City of Oakley~~ (collectively referred to as "Cities") mutually agree to replace the "Restated Joint Powers Agreement Establishing the Eastern Contra Costa Transit Authority" dated May 21, 1996, and the "First Amendment to the Restated JPA" dated April 5, 2000, with this, "Restated Joint Powers Agreement Establishing Eastern Contra Costa Transit Authority" ("Agreement").

2. **Purpose**. It is in the public interest to develop and implement a public transportation service in Eastern Contra Costa County providing an integrated regional transportation program and public transit services to the citizens of Eastern Contra Costa County, including among others, the transit-dependent. Further, public transportation is an essential component to carrying out the environmental conservation and development policies of the area. Therefore, the purpose of this Agreement is to enable the County and Cities to develop and provide a transportation program and transit services to all citizens within the area.

3. **Creation of ECCTA**. The Eastern Contra Costa Transit Authority (ECCTA) is a separate public entity with the authority to exercise all powers common to the parties to this Agreement which are explicitly granted to ECCTA by this Agreement or which are necessary for or incidental to ECCTA's carrying out the purpose of this Agreement.

4. **Powers and Functions**. ECCTA has the common powers of the parties to provide public transportation services and to own, operate, and maintain a public transit system. Further, ECCTA has such other powers which are necessary for or incidental to carrying out the purposes of the Agreement, including, but not limited to, the following:

a. Employ agents and employees and contract for services, including transit services;

b. Make and enter into contracts;

c. Incur debts, obligations, and liabilities;

d. Apply for and accept contributions, grants, or loans from any source, including public entities, the United States or any of its departments, instrumentalities, or agencies;

e. In furtherance of 4.d, the parties shall perform such acts and provide such assurances as may be necessary to facilitate ECCTA's receipt of such funds;

f. Invest funds not needed for immediate necessities in accordance with § 53601 of the Government Code, as it may amended, and in accordance with policies adopted by the ECCTA Board of Directors;

g. Appoint an employee or an officer to be treasurer or controller or both;

h. Acquire, construct, manage, maintain or operate any building, works or improvements;

i. Take by grant, purchase, devise, or lease, or condemn in proceedings under eminent domain or otherwise acquire, and hold and enjoy, or lease, mortgage, sell or otherwise dispose of any real and personal property of every kind necessary for or incidental to the exercise of its powers;

j. To raise revenue, to levy and collect taxes, fees and charges, and to issue bonds, notes, warrants, and other evidence of indebtedness to finance costs and expenses incidental to the purpose of ECCTA;

~~i.~~k. To insure itself and the parties from loss, liability, and claims arising out of or in any way connected with the performance of this Agreement; and

~~j.~~l. Sue and be sued.

5. **Restriction**. To the extent required under § 6509 of the Government Code, the manner in which ECCTA exercises its powers shall be restricted in the same manner in which County is restricted in its exercise of similar powers.

6. **Governance**. A Board of Directors (Board) shall govern ECCTA. ~~Each~~ The City members shall each appoint one regular representative to the Board of Directors. The two elected members of the County's Board of Supervisors whose districts cover ECCTA's service area shall serve on the ECCTA Board of Directors. Each party shall each appoint an alternate representative for each board member. ~~party shall appoint two (2) Directors to the Board.~~ By majority vote of t~~T~~he Board, it shall select an at-large Director, and, at the Board's option, one alternate. ~~Each appointing entity may appoint one (1) alternate.~~ The term of each Director and alternate shall be two (2) years. Each Director may serve an

unlimited number of terms. The Board shall adopt procedures for the Board's exercise of its powers and to define its responsibilities.

7. **Finances.**

a. Fiscal Year. The fiscal year of ECCTA commences on July 1 and ends on June 30.

b. Annual Budget. The Board shall annually adopt an operating and capital budget pursuant to procedures established in ECCTA's bylaws. No budget shall contain an unfunded deficit.

c. General Fund Contributions. ECCTA cannot require any City or the County to contribute any monies or property to which the City or County currently has title without the approval of the governing body of the affected City or County.

d. Debts and Liabilities. The debts, liabilities and obligations of ECCTA shall not be the debts, liabilities or obligations of any City or the County.

e. Disposition of Money and Property. This subsection applies to a distribution of ECCTA's surplus money or property. This subsection does not affect sales, transfers, or other dispositions of ECCTA's property or money in the ordinary course of its activities.

(1) If by law another public entity has been created or designated to assume responsibility for providing public transportation services or public transit within all or substantially all of the ECCTA service area, ECCTA shall transfer its surplus monies and acquired property to such public entity upon its assumption of all liabilities of ECCTA, and ECCTA shall thereafter dissolve.

(2) Except as provided in this Section 7e.2., withdrawing parties have no right to distribution of acquired property or surplus money of ECCTA.

(3) If the parties terminate this Agreement pursuant to Section 8, ECCTA shall distribute its acquired property and surplus money among the parties in equal shares. To facilitate such distribution, ECCTA may distribute property in kind or in cash. If the parties cannot agree upon the valuation of acquired property or upon their distributive shares, the disagreement shall be referred to a panel of three arbitrators for decision. The party(ies) disputing the valuation or disposition shall appoint one arbitrator. The party(ies) supporting the valuation or distribution shall appoint one arbitrator. These two arbitrators shall appoint the third.

8. **Termination.**

a. This Agreement may be terminated and ECCTA may be dissolved if the governing bodies of a majority of the parties representing a majority of the population of the area encompassed by this Agreement (as determined by the latest United States census) duly adopt resolutions stating their intention to terminate this Agreement. The resolutions effecting the termination of this Agreement and the dissolution of ECCTA must be submitted at least one (1) year prior to the effective date of such termination and dissolution. Further, this Agreement may only be terminated and ECCTA may only dissolved on June 30 of any given year.

b. Any party may rescind its notice of intention to terminate by a duly adopted resolution of its governing body, adopted and submitted to ECCTA no later than six (6) months prior to the effective date of the proposed termination and dissolution. In the event that enough parties rescind their resolutions of termination so that the requirements of Subsection 8.a are no longer met, the remaining parties shall have thirty (30) days from notification of such fact from ECCTA to adopt resolutions rescinding their resolutions of termination or to convert their resolutions of termination to resolutions of withdrawal which will be deemed to have met the requirements of Section 9.

c. During the period between ECCTA's receipt of resolutions and the actual termination and dissolution, ECCTA shall have sole use and control of all funds and assets without any liability or obligation to any of the parties subject only to ECCTA's obligation to distribute surplus funds and assets under Section 7.e.3.

9. **Withdrawal.** A party may withdraw from this Agreement and ECCTA effective on the first day of any fiscal year. The withdrawing party must give one (1) year prior written notice of its withdrawal to ECCTA and to each other party. A party may rescind its notice of withdrawal upon written notice to ECCTA no later than six (6) months before the effective date of withdrawal. All notices must be in the form of a duly adopted resolution of the withdrawing party's governing body. A party which has withdrawn shall have no further rights under this Agreement except as provided in Section 7.e.2.

10. **Additional Parties.** Any City incorporating within ECCTA's service area shall be admitted as a party to this Agreement if within one (1) year following its incorporation the governing body of the City duly adopts a resolution stating its intention to

join ECCTA, approving the execution of this Agreement, approving the bylaws of ECCTA and the terms of any other agreements to which ECCTA is a party.

11. **Amendments**. This Agreement may be amended only by the approval of the governing bodies of all of the parties.

12. **Successors**. This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties.

13. **Severability**. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or of the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining, parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

IN WITNESS THEREOF, the parties hereto have executed this Agreement by their duly authorized officers and representatives as of the day and year first above written.

APPROVED AS TO FORM

_____
City Attorney

CITY OF ANTIOCH

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM

_____
City Attorney

CITY OF BRENTWOOD

By: _____
Mayor

ATTEST:

By: _____
Deputy City Clerk

APPROVED AS TO FORM

City Attorney

CITY OF OAKLEY

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM

_____
City Attorney

CITY OF PITTSBURG

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM

_____
Asst. County Counsel

CONTRA COSTA COUNTY:

By: _____
Chairman
Board of Supervisors

ATTEST:

By: _____

BYLAWS
of the
EASTERN CONTRA COSTA TRANSIT AUTHORITY

1. **NAME, AND PRINCIPAL OFFICES.** Pursuant to the Restated Joint ~~Exercise of~~ Powers Agreement Establishing the Eastern Contra Costa Transit Authority dated ~~May 26~~June 1~~,~~, ~~1996~~ 2018 (JEPA), the City of Antioch, the City of Brentwood, the County of Contra Costa, the City of Oakley and the City of Pittsburg (hereinafter "members"), have formed a joint powers agency, the Eastern Contra Costa Transit Authority (hereinafter "ECCTA"), under the California Joint Exercise of Powers Act, Government Code Sections 6500, et seq. The principal offices of ECCTA shall be located at 801 Wilbur Avenue, Antioch, California, or at such other locations as ECCTA shall from time to time designate.

2. **PURPOSES AND POWERS.** The general purpose of ECCTA shall be to provide, either directly or through contract, public transportation services within certain areas of the members. The purposes and powers of ECCTA are more fully set forth in the ~~Joint Exercise of Powers Agreement~~ Restated Joint Powers Agreement (hereinafter "JEPA").

3. **BOARD OF DIRECTORS.**

3.01 NUMBER. ECCTA shall be governed by a seven member Board of Directors:

The governing body of the City of Antioch, the City of Brentwood, the City of Oakley, and the City of Pittsburg shall appoint one regular representative to the Board of Directors and one alternate representative to act in a regular representative's absence.

The two elected members of Contra Costa County's Board of Supervisors whose districts cover ECCTA's service area shall serve on the ECCTA Board of Directors. Those two members shall each appoint an alternate representative to act in a regular representative's absence. Those alternates must reside in the elected Supervisor's district and may or may not be an elected official.

An at-large Director and, at the Board's option, one alternate shall be appointed by a majority of the Directors representing the members.

In the proceeding of the Board of Directors, each Director shall be entitled to one vote.

~~ECCTA shall be governed by a Board of Directors. The governing body of each member shall appoint two (2) regular representatives to the Board of Directors and one (1) alternate representative to act in a regular representative's absence. An at-large Director and, at the Board's option, one (1) alternate shall be appointed by a majority of the Directors appointed by the members. In the proceedings of the Board of Directors, each Director shall be entitled to one (1) vote.~~

3.02 APPOINTMENT AND TERM OF OFFICE. Each Director and alternate shall be appointed to a two year term of office. An alternate for a County Supervisor may be an elected or other public official or private person. If, during his/her term of office, a Director or alternate resigns, dies, is replaced by the appointing member or in the case of the Director-at-Large, the other Directors, or otherwise ceases to represent the appointing member, the appointing member shall appoint a new Director or alternate to serve the unexpired balance of such term of office.

There shall be no limit of the number of terms a Director may serve. A Director, otherwise qualified, shall continue to serve until reappointed or until his/her successor is appointed. This section shall also apply to alternates.~~Each Director and alternate shall be appointed to a two-year term of office. A Director or alternate may be an elected or other public official or a private person. If, during his/her term of office, a Director or alternate resigns, dies, is replaced by the appointing member or in the case of the Director-at-Large, the other Directors, or otherwise ceases to represent the appointing member, the appointing member shall appoint a new Director or alternate to serve the unexpired balance of such term of office. Directors' and alternates' terms of office shall be staggered so that one-half of the terms expire each year. The terms of Directors and alternates appointed from a member listed under "Odd Year" shall expire on January 1 of odd-numbered years and the terms of Directors appointed from members listed under "Even Years" shall expire on January 1 of even-numbered years:~~

~~Odd Years Even Years~~

~~City of Pittsburg City of Antioch~~

~~County of Contra Costa City, of Brentwood~~

~~Director-At-Large~~

~~There shall be no limit on the number of terms a Director may serve. A Director, otherwise qualified, shall continue to serve until reappointed or until his/her successor is appointed. This section shall also apply to alternates.~~

3.03 MEETINGS.

3.03.01 TIME. The Board of Directors shall regularly meet on the fourth~~.~~ Wednesday of each month at 4:00 PM or at such other dates and times as the Board of Directors shall from time to time designate. If a meeting will fall upon a holiday, or the day before or after a holiday, the Board of Directors shall, if possible, at its preceding regular meeting, reschedule the meeting to a convenient date and time.

3.03.02 PLACE. Board meetings shall take place at the principal offices of ECCTA or such other locations which are convenient to transit dependents and accessible to the elderly and handicapped as the Board of Directors shall from time to time designate.

3.03.03 RALPH M. BROWN ACT. All meetings of the Board of Directors shall comply with the requirements of the Ralph M. Brown Act, Government Code Sections 54950, et sec .

3.03.04 RULES OF ORDER. The conduct and procedure of Board of Directors meetings shall comply with these Bylaws, and, to the extent not inconsistent with these Bylaws, Robert's Rules of Order.

3.03.05 MINUTES. The Board of Directors shall keep or cause to be kept written minutes of its proceedings, except executive sessions.

3.03.06 QUORUM. A quorum of the Board of Directors shall be a majority of the Directors and no action of the~~.~~ Board shall be passed but upon the affirmative vote of at least a majority of a quorum.

3.04 PER DIEM. Directors shall serve without compensation. Directors may receive such per diem and travel expenses as the Board of Directors shall from time to time approve.

4. **OFFICERS.**

4.01 DESIGNATION OF OFFICERS. ECCTA shall have two (2) officers, a Chair and a Vice-Chair.

4.02 DUTIES—CHAIR. The Chair shall preside at all meetings of the Board of Directors and shall decide matters of procedure. The Chair, or the Chair's designee, shall represent the Board in official matters, shall take such actions as designated by Board policy from time to time, and may act in the absence of Board policy in an emergency until an emergency meeting of the Board of Directors can be convened. The Chair shall appoint the members of committees created from time to time by the Board of Directors.

4.03 DUTIES—VICE-CHAIR. The Vice-Chair shall perform the duties of the Chair in the absence of the Chair.

4.04 TERM OF OFFICE. The Chair, and Vice-Chair shall serve one year term of office commencing on July 1 of each year. There shall be no limit on the number of terms that a Director may serve as Chair or Vice-Chair.

4.05 OFFICERS. Officers of the Board of Directors will rotate as follows:

Term	Chair	Vice-Chair
2017-2018~~1996-97~~	Antioch	County
~~1997-98~~2018-2019	County	Brentwood
~~1998-99~~2019-2020	Brentwood	Pittsburg
~~1999-2000~~2020-2021		Pittsburg Director-at-Large
~~2000-2001~~2021-2022		Director-at-Large Antioch
~~2001-2002~~2022-2023		Antioch County
~~2002-2003~~	~~County~~	~~Brentwood~~
~~2003-2004~~	~~Brentwood~~	~~Pittsburg~~
~~2004-2005~~	~~Pittsburg~~	~~Antioch~~
~~2005-2006~~	~~Antioch~~	~~County~~

~~2006-2007~~	~~County~~	~~Brentwood~~
~~2007-2008~~	~~Brentwood~~	~~Pittsburg~~
~~2008-2009~~	~~Pittsburg~~	~~Director-at-Large~~

4.06 VACANCY IN OFFICE. A vacancy in any office will be filled by the other representative from the jurisdiction holding the office immediately prior to the vacancy for the unexpired term except that a vacancy left by the Member-at-Large will be filled by his/her replacement for the unexpired term.

4.07 CHAIR PRO TEM. In the absence of the Chair and Vice-Chair, the Board of Directors shall elect a Chair Pro Tem to fulfill the duties of the Chair.

5. **COMMITTEES.**

5.01 STANDING AND SPECIAL COMMITTEES. The Board of Directors shall establish standing and special committees as necessary.

5.02 MEMBERSHIP, TERM, ETC. The composition, term, and charge of committees shall be determined by the Board of Directors. The Chair shall appoint the members of committees subject to Board approval.

5.03 PROCEDURES. Committees shall be governed by the procedures set forth in Section 3.03 of these Bylaws, except that the quorum for committees comprised of an even number of Directors shall be half of the membership of said committee.

6. **STAFF.**

6.01 ~~GENERAL MANAGER~~CHIEF EXECUTIVE OFFICER. The Board of Directors may appoint a ~~General Manager~~ Chief Executive Officer who shall serve at the pleasure of the Board. The Chief Executive Officer ~~General Manager~~ shall have charge of the affairs of ECCTA and shall implement and carry out the policies of the Board of Directors. The Chief Executive Officer~~General Manager~~, or his/her designee, shall serve as clerk to the Board of Directors and shall be responsible to keep its minutes, resolutions, and official papers.

6.02 STAFF. Subject to budgetary controls by the Board of Directors the Chief

Executive Officer ~~General manager~~ may appoint staff or make such other arrangements as he/she deems advisable to meet ECCTA's administrative requirements.

6.03 LEGAL SERVICES. The Board of Directors may, in its discretion, appoint a Legal Counsel or make other provision for legal services. For the purposes of the Ralph M. Brown Act and the Chief Executive Officer Public Records Act and any other enactment affecting ECCTA which may affect the confidentiality of communications between the ECCTA, the Board of Directors or the ECCTA staff and Legal Counsel, ECCTA's Legal Counsel is hereby deemed to be the equivalent of a City Attorney or County Counsel.

6.04 AUDITOR/TREASURER. Pursuant to Government Code Section 6505.6, the Treasurer of ECCTA shall be the employee of ECCTA as designated by the Board of Directors. The Auditor of ECCTA shall be a certified public accountant or firm of certified public accountants retained by ECCTA for such purpose. The Treasurer and Auditor shall • comply with all legal requirements, including, but not limited to, Government Code Sections 6505, 6505.1 and 6505.5.

7. BUDGETARY PROCESS

7.01 FISCAL YEAR. The fiscal year for ECCTA is July 1 to June 30.

7.02 BUDGET. For each fiscal year, the Board of Directors shall adopt a comprehensive budget for ECCTA which shall be consistent with funding availability, including anticipated revenues from operations, reasonably anticipated financial assistance, and contributions from members.

7.03 FUNDING.

7.03.01 FINANCIAL ASSISTANCE. The JEPA provides that ECCTA may directly claim on behalf of members such local, regional, State, Federal, or other financial assistance as is available to members for public transportation services. Such financial assistance shall be actively sought.

7.03.02 CONTRIBUTIONS FROM MEMBERS. ECCTA may request that members contribute to ECCTA from their general funds, or other funds controlled by a member, as is

necessary to support ECCTA's budget. The amount requested from members shall be equitably pro-rated among them on the basis of:

(a) the costs (direct and indirect) associated with providing service in each jurisdiction;

(b) the special costs, whether capital, operating, direct, or indirect, associated with providing any increased services requested by a member; and,

(c) such other factors as the Board of Directors determines to be relevant.

No member shall be required to contribute from its general fund or other locally-controlled funds to support ECCTA, except upon the approval of such member's governing body. If a member fails to contribute as requested, ECCTA may equitably reduce the public transportation services provided in such jurisdiction as necessary to compensate for the budgetary shortfall occasioned by such failure to contribute; provided that, the reduction shall be made on the basis of the factors set forth above.

8. **AMENDMENT**. These Bylaws may be amended upon the majority vote of the Board of Directors.

9. **SEVERABILITY**. Should any part, term, portion, or provision of these Bylaws be finally decided to be in conflict with any law of the United States or of the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions of these Bylaws shall be deemed severable and shall not be affected thereby.

10. **SUCCESSORS**. These Bylaws shall be binding upon and inure to the benefit of any successors or assigns of the members.

Exhibit B

ECCTA Restated Joint Powers Agreement

&

Bylaws

Clean

RESTATED JPA & BYLAWS

June 1, 2018

RESTATED JOINT POWERS AGREEMENT
ESTABLISHING
THE EASTERN CONTRA COSTA TRANSIT AUTHORITY

1. **Background**. Effective June 1, 2018, and pursuant to Government Code §§ 6500, et seq. (Act), the County of Contra Costa (County), the Cities of Antioch (Antioch), Brentwood (Brentwood), Oakley (Oakley), and Pittsburg (Pittsburg) (collectively referred to as "Cities") mutually agree to replace the "Restated Joint Powers Agreement Establishing the Eastern Contra Costa Transit Authority" dated May 21, 1996, and the "First Amendment to the Restated JPA" dated April 5, 2000, with this, "Restated Joint Powers Agreement Establishing Eastern Contra Costa Transit Authority" ("Agreement").

2. **Purpose**. It is in the public interest to develop and implement a public transportation service in Eastern Contra Costa County providing an integrated regional transportation program and public transit services to the citizens of Eastern Contra Costa County, including among others, the transit-dependent. Further, public transportation is an essential component to carrying out the environmental conservation and development policies of the area. Therefore, the purpose of this Agreement is to enable the County and Cities to develop and provide a transportation program and transit services to all citizens within the area.

3. **Creation of ECCTA**. The Eastern Contra Costa Transit Authority (ECCTA) is a separate public entity with the authority to exercise all powers common to the parties to this Agreement which are explicitly granted to ECCTA by this Agreement or which are necessary for or incidental to ECCTA's carrying out the purpose of this Agreement.

4. **Powers and Functions**. ECCTA has the common powers of the parties to provide public transportation services and to own, operate, and maintain a public transit system. Further, ECCTA has such other powers which are necessary for or incidental to carrying out the purposes of the Agreement, including, but not limited to, the following:

   a. Employ agents and employees and contract for services, including transit services;

   b. Make and enter into contracts;

   c. Incur debts, obligations, and liabilities;

d. Apply for and accept contributions, grants, or loans from any source, including public entities, the United States or any of its departments, instrumentalities, or agencies;

e. In furtherance of 4.d, the parties shall perform such acts and provide such assurances as may be necessary to facilitate ECCTA's receipt of such funds;

f. Invest funds not needed for immediate necessities in accordance with § 53601 of the Government Code, as it may amended, and in accordance with policies adopted by the ECCTA Board of Directors;

g. Appoint an employee or an officer to be treasurer or controller or both;

h. Acquire, construct, manage, maintain or operate any building, works or improvements;

i. Take by grant, purchase, devise, or lease, or condemn in proceedings under eminent domain or otherwise acquire, and hold and enjoy, or lease, mortgage, sell or otherwise dispose of any real and personal property of every kind necessary for or incidental to the exercise of its powers;

j. To raise revenue, to levy and collect taxes, fees and charges, and to issue bonds, notes, warrants, and other evidence of indebtedness to finance costs and expenses incidental to the purpose of ECCTA;

k. To insure itself and the parties from loss, liability, and claims arising out of or in any way connected with the performance of this Agreement; and

l. Sue and be sued.

5. **Restriction**. To the extent required under § 6509 of the Government Code, the manner in which ECCTA exercises its powers shall be restricted in the same manner in which County is restricted in its exercise of similar powers.

6. **Governance**. A Board of Directors (Board) shall govern ECCTA. The City members shall each appoint one regular representative to the Board of Directors. The two elected members of the County's Board of Supervisors whose districts cover ECCTA's service area shall serve on the ECCTA Board of Directors. Each party shall each appoint an alternate representative for each board member. By majority vote of the Board, it shall select an at-large Director, and, at the Board's option, one alternate. The term of each Director and alternate shall be two (2) years. Each Director may serve an unlimited number of terms. The

Board shall adopt procedures for the Board's exercise of its powers and to define its responsibilities.

7. **Finances.**

a. Fiscal Year. The fiscal year of ECCTA commences on July 1 and ends on June 30.

b. Annual Budget. The Board shall annually adopt an operating and capital budget pursuant to procedures established in ECCTA's bylaws. No budget shall contain an unfunded deficit.

c. General Fund Contributions. ECCTA cannot require any City or the County to contribute any monies or property to which the City or County currently has title without the approval of the governing body of the affected City or County.

d. Debts and Liabilities. The debts, liabilities and obligations of ECCTA shall not be the debts, liabilities or obligations of any City or the County.

e. Disposition of Money and Property. This subsection applies to a distribution of ECCTA's surplus money or property. This subsection does not affect sales, transfers, or other dispositions of ECCTA's property or money in the ordinary course of its activities.

(1) If by law another public entity has been created or designated to assume responsibility for providing public transportation services or public transit within all or substantially all of the ECCTA service area, ECCTA shall transfer its surplus monies and acquired property to such public entity upon its assumption of all liabilities of ECCTA, and ECCTA shall thereafter dissolve.

(2) Except as provided in this Section 7e.2., withdrawing parties have no right to distribution of acquired property or surplus money of ECCTA.

(3) If the parties terminate this Agreement pursuant to Section 8, ECCTA shall distribute its acquired property and surplus money among the parties in equal shares. To facilitate such distribution, ECCTA may distribute property in kind or in cash. If the parties cannot agree upon the valuation of acquired property or upon their distributive shares, the disagreement shall be referred to a panel of three arbitrators for decision. The party(ies) disputing the valuation or disposition shall appoint one arbitrator. The party(ies) supporting the valuation or distribution shall appoint one arbitrator. These two arbitrators shall appoint the third.

8. **Termination.**

a. This Agreement may be terminated and ECCTA may be dissolved if the governing bodies of a majority of the parties representing a majority of the population of the area encompassed by this Agreement (as determined by the latest United States census) duly adopt resolutions stating their intention to terminate this Agreement. The resolutions effecting the termination of this Agreement and the dissolution of ECCTA must be submitted at least one (1) year prior to the effective date of such termination and dissolution. Further, this Agreement may only be terminated and ECCTA may only dissolved on June 30 of any given year.

b. Any party may rescind its notice of intention to terminate by a duly adopted resolution of its governing body, adopted and submitted to ECCTA no later than six (6) months prior to the effective date of the proposed termination and dissolution. In the event that enough parties rescind their resolutions of termination so that the requirements of Subsection 8.a are no longer met, the remaining parties shall have thirty (30) days from notification of such fact from ECCTA to adopt resolutions rescinding their resolutions of termination or to convert their resolutions of termination to resolutions of withdrawal which will be deemed to have met the requirements of Section 9.

c. During the period between ECCTA's receipt of resolutions and the actual termination and dissolution, ECCTA shall have sole use and control of all funds and assets without any liability or obligation to any of the parties subject only to ECCTA's obligation to distribute surplus funds and assets under Section 7.e.3.

9. **Withdrawal**. A party may withdraw from this Agreement and ECCTA effective on the first day of any fiscal year. The withdrawing party must give one (1) year prior written notice of its withdrawal to ECCTA and to each other party. A party may rescind its notice of withdrawal upon written notice to ECCTA no later than six (6) months before the effective date of withdrawal. All notices must be in the form of a duly adopted resolution of the withdrawing party's governing body. A party which has withdrawn shall have no further rights under this Agreement except as provided in Section 7.e.2.

10. **Additional Parties**. Any City incorporating within ECCTA's service area shall be admitted as a party to this Agreement if within one (1) year following its incorporation the governing body of the City duly adopts a resolution stating its intention to

join ECCTA, approving the execution of this Agreement, approving the bylaws of ECCTA and the terms of any other agreements to which ECCTA is a party.

11. **Amendments**. This Agreement may be amended only by the approval of the governing bodies of all of the parties.

12. **Successors**. This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties.

13. **Severability**. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or of the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining, parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

IN WITNESS THEREOF, the parties hereto have executed this Agreement by their duly authorized officers and representatives as of the day and year first above written.

APPROVED AS TO FORM

_____
City Attorney

CITY OF ANTIOCH

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM

_____
City Attorney

CITY OF BRENTWOOD

By: _____
Mayor

ATTEST:

By: _____
Deputy City Clerk

APPROVED AS TO FORM

_____
City Attorney

CITY OF OAKLEY

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM

_____
City Attorney

CITY OF PITTSBURG

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM

_____
Asst. County Counsel

CONTRA COSTA COUNTY:

By: _____
Chairman
Board of Supervisors

ATTEST:

By: _____

BYLAWS
of the
EASTERN CONTRA COSTA TRANSIT AUTHORITY

1. **NAME, AND PRINCIPAL OFFICES.** Pursuant to the Restated Joint Powers Agreement Establishing the Eastern Contra Costa Transit Authority dated June 1, 2018 (JEPA), the City of Antioch, the City of Brentwood, the County of Contra Costa, the City of Oakley and the City of Pittsburg (hereinafter "members"), have formed a joint powers agency, the Eastern Contra Costa Transit Authority (hereinafter "ECCTA"), under the California Joint Exercise of Powers Act, Government Code Sections 6500, et seq. The principal offices of ECCTA shall be located at 801 Wilbur Avenue, Antioch, California, or at such other locations as ECCTA shall from time to time designate.

2. **PURPOSES AND POWERS.** The general purpose of ECCTA shall be to provide, either directly or through contract, public transportation services within certain areas of the members. The purposes and powers of ECCTA are more fully set forth in the Restated Joint Powers Agreement (hereinafter "JEPA").

3. **BOARD OF DIRECTORS.**

3.01 NUMBER. ECCTA shall be governed by a seven member Board of Directors:

The governing body of the City of Antioch, the City of Brentwood, the City of Oakley, and the City of Pittsburg shall appoint one regular representative to the Board of Directors and one alternate representative to act in a regular representative's absence.

The two elected members of Contra Costa County's Board of Supervisors whose districts cover ECCTA's service area shall serve on the ECCTA Board of Directors. Those two members shall each appoint an alternate representative to act in a regular representative's absence. Those alternates must reside in the elected Supervisor's district and may or may not be an elected official.

An at-large Director and, at the Board's option, one alternate shall be appointed by a majority of the Directors representing the members.

In the proceeding of the Board of Directors, each Director shall be entitled to one vote.

3.02 APPOINTMENT AND TERM OF OFFICE. Each Director and alternate shall be appointed to a two year term of office. An alternate for a County Supervisor may be an elected or other public official or private person. If, during his/her term of office, a Director or alternate resigns, dies, is replaced by the appointing member or in the case of the Director-at-Large, the other Directors, or otherwise ceases to represent the appointing member, the appointing member shall appoint a new Director or alternate to serve the unexpired balance of such term of office.

There shall be no limit of the number of terms a Director may serve. A Director, otherwise qualified, shall continue to serve until reappointed or until his/her successor is appointed. This section shall also apply to alternates.

3.03 MEETINGS.

3.03.01 TIME. The Board of Directors shall regularly meet on the fourth Wednesday of each month at 4:00 PM or at such other dates and times as the Board of Directors shall from time to time designate. If a meeting will fall upon a holiday, or the day before or after a holiday, the Board of Directors shall, if possible, at its preceding regular meeting, reschedule the meeting to a convenient date and time.

3.03.02 PLACE. Board meetings shall take place at the principal offices of ECCTA or such other locations which are convenient to transit dependents and accessible to the elderly and handicapped as the Board of Directors shall from time to time designate.

3.03.03 RALPH M. BROWN ACT. All meetings of the Board of Directors shall comply with the requirements of the Ralph M. Brown Act, Government Code Sections 54950, et sec .

3.03.04 RULES OF ORDER. The conduct and procedure of Board of Directors meetings shall comply with these Bylaws, and, to the extent not inconsistent with these

Bylaws, Robert's Rules of Order.

3.03.05 MINUTES. The Board of Directors shall keep or cause to be kept written minutes of its proceedings, except executive sessions.

3.03.06 QUORUM. A quorum of the Board of Directors shall be a majority of the Directors and no action of the Board shall be passed but upon the affirmative vote of at least a majority of a quorum.

3.04 PER DIEM. Directors shall serve without compensation. Directors may receive such per diem and travel expenses as the Board of Directors shall from time to time approve.

4. OFFICERS.

4.01 DESIGNATION OF OFFICERS. ECCTA shall have two (2) officers, a Chair and a Vice-Chair.

4.02 DUTIES—CHAIR. The Chair shall preside at all meetings of the Board of Directors and shall decide matters of procedure. The Chair, or the Chair's designee, shall represent the Board in official matters, shall take such actions as designated by Board policy from time to time, and may act in the absence of Board policy in an emergency until an emergency meeting of the Board of Directors can be convened. The Chair shall appoint the members of committees created from time to time by the Board of Directors.

4.03 DUTIES—VICE-CHAIR. The Vice-Chair shall perform the duties of the Chair in the absence of the Chair.

4.04 TERM OF OFFICE. The Chair, and Vice-Chair shall serve one year term of office commencing on July 1 of each year. There shall be no limit on the number of terms that a Director may serve as Chair or Vice-Chair.

4.05 OFFICERS. Officers of the Board of Directors will rotate as follows:

Term	Chair	Vice-Chair
2017-2018	Antioch	County

2018-2019	County	Brentwood
2019-2020	Brentwood	Pittsburg
2020-2021	Pittsburg	Director-at-Large
2021-2022	Director-at-Large	Antioch
2022-2023	Antioch	County

4.06 VACANCY IN OFFICE. A vacancy in any office will be filled by the other representative from the jurisdiction holding the office immediately prior to the vacancy for the unexpired term except that a vacancy left by the Member-at-Large will be filled by his/her replacement for the unexpired term.

4.07 CHAIR PRO TEM. In the absence of the Chair and Vice-Chair, the Board of Directors shall elect a Chair Pro Tem to fulfill the duties of the Chair.

5. COMMITTEES.

5.01 STANDING AND SPECIAL COMMITTEES. The Board of Directors shall establish standing and special committees as necessary.

5.02 MEMBERSHIP, TERM, ETC. The composition, term, and charge of committees shall be determined by the Board of Directors. The Chair shall appoint the members of committees subject to Board approval.

5.03 PROCEDURES. Committees shall be governed by the procedures set forth in Section 3.03 of these Bylaws, except that the quorum for committees comprised of an even number of Directors shall be half of the membership of said committee.

6. STAFF.

6.01 CHIEF EXECUTIVE OFFICER. The Board of Directors may appoint a Chief Executive Officer who shall serve at the pleasure of the Board. The Chief Executive Officer shall have charge of the affairs of ECCTA and shall implement and carry out the policies of the Board of Directors. The Chief Executive Officer, or his/her designee, shall serve as clerk to the Board of Directors and shall be responsible to keep its minutes, resolutions, and official papers.

6.02 STAFF. Subject to budgetary controls by the Board of Directors the Chief

Executive Officer may appoint staff or make such other arrangements as he/she deems advisable to meet ECCTA's administrative requirements.

6.03 LEGAL SERVICES. The Board of Directors may, in its discretion, appoint a Legal Counsel or make other provision for legal services. For the purposes of the Ralph M. Brown Act and the Chief Executive Officer Public Records Act and any other enactment affecting ECCTA which may affect the confidentiality of communications between the ECCTA, the Board of Directors or the ECCTA staff and Legal Counsel, ECCTA's Legal Counsel is hereby deemed to be the equivalent of a City Attorney or County Counsel.

6.04 AUDITOR/TREASURER. Pursuant to Government Code Section 6505.6, the Treasurer of ECCTA shall be the employee of ECCTA as designated by the Board of Directors. The Auditor of ECCTA shall be a certified public accountant or firm of certified public accountants retained by ECCTA for such purpose. The Treasurer and Auditor shall • comply with all legal requirements, including, but not limited to, Government Code Sections 6505, 6505.1 and 6505.5.

7. BUDGETARY PROCESS

7.01 FISCAL YEAR. The fiscal year for ECCTA is July 1 to June 30.

7.02 BUDGET. For each fiscal year, the Board of Directors shall adopt a comprehensive budget for ECCTA which shall be consistent with funding availability, including anticipated revenues from operations, reasonably anticipated financial assistance, and contributions from members.

7.03 FUNDING.

7.03.01 FINANCIAL ASSISTANCE. The JEPA provides that ECCTA may directly claim on behalf of members such local, regional, State, Federal, or other financial assistance as is available to members for public transportation services. Such financial assistance shall be actively sought.

7.03.02 CONTRIBUTIONS FROM MEMBERS. ECCTA may request that members contribute to ECCTA from their general funds, or other funds controlled by a member, as is

necessary to support ECCTA's budget. The amount requested from members shall be equitably pro-rated among them on the basis of:

(a) the costs (direct and indirect) associated with providing service in each jurisdiction;

(b) the special costs, whether capital, operating, direct, or indirect, associated with providing any increased services requested by a member; and,

(c) such other factors as the Board of Directors determines to be relevant.

No member shall be required to contribute from its general fund or other locally-controlled funds to support ECCTA, except upon the approval of such member's governing body. If a member fails to contribute as requested, ECCTA may equitably reduce the public transportation services provided in such jurisdiction as necessary to compensate for the budgetary shortfall occasioned by such failure to contribute; provided that, the reduction shall be made on the basis of the factors set forth above.

8. **AMENDMENT**. These Bylaws may be amended upon the majority vote of the Board of Directors.

9. **SEVERABILITY**. Should any part, term, portion, or provision of these Bylaws be finally decided to be in conflict with any law of the United States or of the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions of these Bylaws shall be deemed severable and shall not be affected thereby.

10. **SUCCESSORS**. These Bylaws shall be binding upon and inure to the benefit of any successors or assigns of the members.

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

DATE: 6/6/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: By Minute Order, Select Commission Appointments to Vacancies on the Planning Commission and Community Advisory Commission

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

Three (3) openings exist on each of the above-stated Commissions. Terms will expire on June 30, 2020. The City has advertised for the openings and received a total of 12 applications. All applicants were invited to interview with the City Council on June 4 and ten applicants total were interviewed at that time.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Staff recommends appointment of eligible candidates to the Commission openings.

BACKGROUND

Staff has advertised for all vacancies and received applications. Eight applications were received for the Planning Commission. Four applications were received for the Community Advisory Commission.

The appointments will fill seats which will expire on June 30, 2020.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

On June 4, 2018 the City Council reviewed eight applications for appointment to the Planning Commission. On that date candidate interviews were held. Seven candidates were in attendance and were interviewed. There are three vacancies. Terms will expire on June 30, 2020.

The candidates are:

James Coniglio – incumbent – initially appointed 2016
Wolfgang Croskey – incumbent – initially appointed 2016
J. Faye Fields
Sarah Foster
Mark Gargalikis – incumbent – initially appointed 2011 – Termed Out
Rey Javier
Ginny May Kwan
Patt Young

On June 4, 2018 the City Council reviewed four applications for appointment to the Community Advisory Commission. On that date candidate interviews were held. Three candidates were in attendance and were interviewed. There are three vacancies. Terms will expire on June 30, 2020.

The candidates are:

Tasharie Amaral
Rey Javier
Greg Logaburn – incumbent
Wilfredo Martinez

ATTACHMENTS: Applications

Report Prepared By: Alice E. Evenson, City Clerk

COMMUNITY ADVISORY COMMISSION

CITY CLERK
MAY 04 2018

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Community Advisory Commission

Name: Tasharie Ameral

Address: [redacted] Pittsburg, CA 94565

Email: [redacted]

Telephone: Residential: [redacted] Business: [redacted]

Professional or Technical Experience: Teacher here in Pittsburg. ☺

Why are you interested in serving on this commission: I live and work here in Pittsburg and would like to ensure the city remains safe, solvent, and substained. I want to ensure it is a community of growth. I want to ensure it is a place kids, teens, and adults can thrive

Other Community Activities or Organizations in which you participate: Pittsburg Educators Assoc. & Vidrio Board Member & PUSD District Advisory Committee.

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ___ → after 6pm

Daytime Meetings → ~~mid-day~~ Yes X No ___
↳ between 3:30-5:30pm

[signature]
SIGNATURE

Tasharie Ameral
PLEASE PRINT NAME

DATE 5-2-18

CITY CLERK
MAY 18 2018

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: COMMUNITY ADVISORY AND/OR PLANNING COMMISSION

Name: REY JAVIER

Address: [redacted] CA 94565

Email: [redacted]

Telephone: Residential: [redacted] Business: [redacted]

Professional or Technical Experience: OVER 10 YEARS OF AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT EXPERIENCE. LICENSED NOTARY PUBLIC AND REAL ESTATE SALESPERSON BY THE STATE OF CALIFORNIA.

Why are you interested in serving on this commission: TO BE OF SERVICE TO THE CITY

Other Community Activities or Organizations in which you participate: CURRENTLY EMPLOYED BY SHELTER, INC., AND WORKS WITH THE COUNTY PROGRAMS, COMMUNITY AND NON-PROFIT ORGANIZATIONS TO ASSIST HOMELESS INDIVIDUALS AND FAMILIES, AS WELL AS THOSE AT RISK OF HOMELESSNESS

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ___
Daytime Meetings Yes X No ___

SIGNATURE

REY JAVIER
PLEASE PRINT NAME

5/10/18
DATE

Rey Javier
Housing Advocate
[illegible]
[illegible]
www.linkedin.com/in/reyjavier

Rey Javier currently serves as a Lead Housing Specialist for SHELTER, Inc., based in Concord, California, which serves homeless individuals families and those at risk of homelessness. SHELTER, Inc., is a non-profit housing agency which works with the United States Department of Housing and Urban Development (HUD); The State of California and Contra Costa County.

Prior to SHELTER, Inc., Rey Javier served as a Program Officer for the City and County of San Francisco's Mayor's Office of Housing from 2008 to 2017. Rey was responsible for managing the operations of the City's below market rate housing, down payment assistance loan program and mortgage loan assistance programs, as well as the implementation of policy and process improvements.

Rey also served as Program Supervisor for the Consumer Credit Counseling Service of San Francisco from 2006 to 2008 where Rey supervised staff responsible for providing education to clients covering affordable housing resources, first-time homebuyer programs, retaining housing and foreclosure prevention.

Rey is a licensed Real Estate Salesperson by the California Bureau of Real Estate since 2005. Rey completed the requirements for Affordable Housing Trainer from NeighborWorks; Housing and Credit Counseling certification from the National Foundation for Credit Counseling (NFCC); Fair Housing and Fair Lending certifications from the National Community Reinvestment Coalition (NCRC) and HUD. Most recently, Rey also completed the Income Tax Course Specialist program course with H&R block. Rey obtained his Business Administration degree from the University of Santo Tomas in Manila.

RECEIVED
MAY 04 2018
CITY MANAGER

CITY CLERK RECEIVED
MAY 04 2018 [redacted]
CITY MANAGER

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Community Advisory Commission

Name: Greg Logaburn

Address: [redacted]

Email: [redacted]

Telephone: Residential: [redacted] Business: Retired

Professional or Technical Experience: 32+ years with PG&E Gas Construction

Why are you interested in serving on this commission: Currently serving on the C.A.C. Have enjoyed doing it, would love to continue.

Other Community Activities or Organizations in which you participate: I am an Elks Member My wife + I support the downtown activities. Involved in our church

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes ✓ No ___
Daytime Meetings Yes ✓ No ___

SIGNATURE

Greg Logaburn
PLEASE PRINT NAME

DATE 5-4-18

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Community Advisory Commision

Name: Wilfredo Martinez

Address: [illegible] 4565

Email: [illegible]

Telephone: Residential: [illegible] Business: [illegible]

Professional or Technical Experience: Real Estate agent for over 15 years in Contra Costa County, California.

Why are you interested in serving on this commission: I have lived in Pittsburg for nearly 30 years, and have raced a family here, it is the right thin to do and being part of an industry that influense our communities and perhaps take a much diferent approah to such potential.

Other Community Activities or Organizations in which you participate: None

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes ✓ No ___
Daytime Meetings Yes ✓ No ___

SIGNATURE

Wilfredo Martinez
PLEASE PRINT NAME

05/14/2018
DATE

PLANNING COMMISSION

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Planning Commission

Name: James Coniglio

Address: [redacted] 565

Email: [redacted]

Telephone: Residential: [redacted] Business: N/A

Professional or Technical Experience: I have served on the Planning Commission since September 2015. I am currently employed by an environmental engineering firm specializing in CEQA analysis. I have 15 years of experience in this field. I also worked for Caltrans which showed me another aspect of urban planning from a public sense.

Why are you interested in serving on this commission: I have been here in Pittsburg my entire life. With recent events that I have witnessed in town, my desire to publicly serve my City is stronger than ever. I feel that based on my background in land use planning, serving on the Planning Commission is my best means of giving back to the community. I also feel that my experience has shown how well suited I am for the Planning Commission thus far.

Other Community Activities or Organizations in which you participate: TRANSPLAN

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:

Evening Meetings	Yes X	No ___
Daytime Meetings	Yes ___	No X

SIGNATURE

James Coniglio
PLEASE PRINT NAME

May 17, 2018
DATE

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Pittsburg Planning Commission

Name: Wolfgang Croskey

Address: [redacted] 94565

Email: [redacted]

Telephone: Residential: (925[redacted] Business: [redacted]

Professional or Technical Experience:

California Real Estate Broker License, California Single Subject Teaching Credential, California Administrative Services Credential,13 years real estate experience including management of over 180 residential units.

Why are you interested in serving on this commission:

While under the direction of City Council my professional experience in real estate can share insight that is of use in almost all items that are brought before the planning commission. I love the city of Pittsburg and feel it an honor to serve ALL those that live in Pittsburg and feel that my expertise on the planning commission will help the Council in fulfilling Council's goals.

Other Community Activities or Organizations in which you participate:

Pittsburg Chamber of Commerce, Pittsburg Rotary, NARPM, NAR, CAR

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ___
Daytime Meetings Yes X No ___

SIGNATURE

Wolfgang Croskey
PLEASE PRINT NAME

DATE 5-16-18

CROSKEY
REAL ESTATE

Wolfgang Croskey

President- BRE# 01708438
wolf@croskeyrealestate.org

May 16, 2018

City Clerk
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

Re: Application for Planning Commission

Madam Clerk,

Included with this letter you will find a completed CITY OF PITTSBURG APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION. I am excited to have my application submitted to the Pittsburg City Council for review. If there are other documents or questions that the Council may need answered, please let me know so that I can provide them in time for the interviews.

Again, Than you for accepting my application and providing it to the Council.

Wolfgang Croskey, BRE# 01708438

CROSKEY

REAL ESTATE

CITY CLERK
MAY 23 2018

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Planning Commission

Name: J. Faye Fields

Address: _____

Email: _____

Telephone: Residential: _____ Business: _____

Professional or Technical Experience: Former Executive Director of Financial Operations - UC Berkeley Controller's Office

Why are you interested in serving on this commission: I've served for the past 4 years on the City's Community Advisory Commission, the CDBG advisory committee, Measure P/M oversight committee and a founding member of the City's Recognition committee. These appointments have afforded me the insight into and the opportunity to contribute to the workings of city government.

Other Community Activities or Organizations in which you participate: Delta Hawaii Recreation Club Vice President - 2017-2018, Board member 2018-2019

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ___
Daytime Meetings Yes X No ___

J. Faye Fields
SIGNATURE

J. Faye Fields
PLEASE PRINT NAME

May 22, 2018
DATE

CITY CLERK

MAY 22 2018

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: PLANNING

Name: SARAH B FOSTER

Address: [redacted] 94565

Telephone: Residential: [redacted] Business:

Email address: [redacted]

Professional or Technical Experience: (see attached resume) 21-year career military veteran recently transplanted from the East Coast (mostly coastal major metro cities). Professional communicator w/ extensive exposure to numerous federal, regional & local government agency counterparts.

Why are you interested in serving on this commission? In addition to bringing an outsider's perspective to counter "insular group-think", I bring strategic communications expertise in multimedia engagement to diverse stakeholder understanding the different communication needs of constituents. Pittsburg currently does not have a Public Information Officer and I can help fill that crucial role.

Other Community Activities or Organizations in which you participate:

- NO OTHER LOCAL ACTIVITES CURRENTLY PARTICIPATING -

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:

Evening Meetings Yes ✓ No ____

Daytime Meetings Yes ✓ No ____

SFoster
SIGNATURE

SARAH B. FOSTER
PLEASE PRINT NAME

5/22/2018
Date

Sarah Foster

Accomplished • Intuitive • Seasoned Communicator

LinkedIn linkedin.com/in/sbfoster

Email: s

Phone • voice: r

PERSONAL BRAND & ATTRIBUTES

Accomplished • Intuitive
Communicating with a purpose nurturing a passion for storytelling and framing "the narrative" to promote collaboration across diverse stakeholders, publics and partners

Seasoned
More than 21 years' experience leveraging the digital media spectrum and building professional relationships for end-to-end campaigns, brand strategies and managing by objectives

Adaptable and resilient in challenging environments

Curious • lifelong leaner seizing opportunities for personal and professional growth fusing strategic communications and digital marketing concepts

CAREER SUMMARY • EXPERIENCE

Public Affairs Specialist
Assistant Public Affairs Officer
Atlantic Area • Pacific Area
U.S. Coast Guard • 21 years

• Progressively advanced from junior petty officer to senior chief petty officer public affairs specialist paygrades mastering public affairs, public relations, issues management, crisis communications and visual communications and social media strategy optimizing best tactics for strategic communication campaigns.

• Program oversight to ALL nine of the Coast Guard's nationwide public affairs district offices

• Broad worldviews and professional partner agency/industry relationships from tour of duty assignments in San Francisco and Alameda, California, Washington, D.C., Seattle, Honolulu, New London, Connecticut and Portsmouth, Virginia

TECHNICAL SKILLS

Organizational skills: campaign planning, scheduling and assignment rosters

Strong portfolio of written • oral • creative deliverables:
- *AP Style, press release, fact sheets and newsletters*
- *Blogs, social media content, interviews, presentations*
- *Policies, communication plans and memos*
- *A-Roll, B-Roll, DSLR stills and video*

Social Media coordination • Digital Marketing tools: Facebook •Twitter • Blogs • Instagram • Google Analytics/Adwords • SEO• SEM • Paid/Earned/Shared/Owned (PESO model) Content Strategy

Enterprise software: Microsoft Office (Mac & PC)

Visual communications soft • hardware: Nikon DSLR, Adobe Photoshop, Final Cut X, iMovie

PERFORMANCE HIGHLIGHTS

PROGRAM MANAGER- COAST GUARD CUTTER EAGLE ANNUAL SUMMER DEPLOYMENT

- Implemented end-to-end social media communications campaign of 12-weeks summer deployment to 14 U.S., Caribbean and European port calls YOY
- Grew Facebook community by approximately 75 percent yielding 575,000 media impressions from 3,500 multimedia postings, 15 press releases and 25 media interviews outputs

CYBER CRISIS TEAM INFORMATION OFFICER

- Collaborated with DoD/DHS partners to execute a 60-day Cyber Domain Awareness campaign in Coast Guard Headquarters, Washington, D.C.
- Developed rich multimedia content to reach 40,000 workforce stakeholders resulting in more than 150,000 media impressions

CRISIS COMMUNICATIONS PUBLIC INFORMATION OFFICER

- Coordinated joint-agency crisis communication response to Northern California Tsunami (2012), Deepwater Horizon oil spill (2011) and Hurricane Katrina (2005) gaining widest hard news exposure in local, regional, national and international media outlets

Public Relations • Membership Chair
Coast Guard Chief Petty Officers Association

Volunteer position to nonprofit military organization accountable to 10 board officers in implementing strategic communications engagement to approximately 10,000 members

- Grew membership by 25 percent optimizing grassroots face-to-face organizing at the Chapter and Branch levels
- Multimedia content developer for Facebook and LinkedIn
- Developed comprehensive SWOT Analysis from focus group feedback of 65 volunteers

PROFESSIONAL MEMBERSHIPS

- **Public Relations Society of America (PRSA)**
San Francisco Chapter
- **International Association of Business Communicators (IABC)**
San Francisco Chapter
- **California Association of Public Information Officers (CAPIO)**

VOLUNTEER ACTIVITIES

NEXTDOOR

FOUNDING MEMBER • MODERATOR • NEIGHBORHOOD LEAD
East Oakland

- Founding member of South Stonehurst Nextdoor neighborhood in 2016, incorporating into neighboring communities distributing social media updates to 2,752 member subscribers
- Encourage positive civic engagement reconciling the inner-city dynamics of neighborhoods in "Deep East Oakland"

MEETUP

- Involved, responsive and helpful to various volunteer solicitations for community events and service projects

EDUCATION and TRAINING

Digital Marketing
General Assembly
San Francisco (2017)

Master of Science in Integrated Marketing Communications
(completing requirements)
Golden Gate University
San Francisco (2017)

Bachelor of Science, cum laude
Eastern Connecticut State University
Willimantic, CT (2006)

Public Affairs Officer and Specialist courses • Multimedia courses
Defense Information School
Fort Meade, MD (1997-2013)

Digital Multimedia Communications
Bay Area Video Coalition
San Francisco (2011-2012

Leadership courses
U.S. Coast Guard Leadership and Development Center
Petaluma, California (2008)
New London, Connecticut (2013)

Emergency Management courses
California Specialized Training Institute
San Luis Obispo, California (2011-2012)
Emergency Management Institute
Emmittsburg, Maryland (2008)

Strategic Public Relations grad-level courses
George Washington University
Washington, D.C. (2010)

Media Law course
University of Washington
Seattle (2005)

• • •

CITY CLERK

MAY 22 2018

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Planning

Name: Mark Gargalikis

Address: [illegible] Pittsburg

Email: [illegible]

Telephone: Residential: [illegible] Business: [illegible]

Professional or Technical Experience: General Contractor

Why are you interested in serving on this commission? Presently serving on the Commission

Other Community Activities or Organizations in which you participate:

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ____
Daytime Meetings Yes X No ____

SIGNATURE

Mark Gargalikis
PLEASE PRINT NAME

5/21/18
Date

CITY CLERK
MAY 18 2018

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: COMMUNITY ADVISORY AND/OR PLANNING COMMISSION

Name: REY JAVIER

Address: [illegible] OAK HILLS CIRCLE, [illegible], PITTSBURG, CA [illegible]

Email: [illegible]

Telephone: Residential: _____ Business: _____

Professional or Technical Experience: OVER 10 YEARS OF AFFORDABLE HOUSING AND COMMUNITY DEVELOPMENT EXPERIENCE. LICENSED NOTARY PUBLIC AND REAL ESTATE SALESPERSON BY THE STATE OF CALIFORNIA.

Why are you interested in serving on this commission: TO BE OF SERVICE TO THE CITY

Other Community Activities or Organizations in which you participate: CURRENTLY EMPLOYED BY SHELTER, INC., AND WORKS WITH THE COUNTY PROGRAMS, COMMUNITY AND NON-PROFIT ORGANIZATIONS TO ASSIST HOMELESS INDIVIDUALS AND FAMILIES, AS WELL AS THOSE AT RISK OF HOMELESSNESS

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ___
Daytime Meetings Yes X No ___

SIGNATURE

REY JAVIER
PLEASE PRINT NAME

5/10/18
DATE

Rey Javier
Housing Advocate

r
www.linkedin.com/in/reyjavier

Rey Javier currently serves as a Lead Housing Specialist for SHELTER, Inc., based in Concord, California, which serves homeless individuals families and those at risk of homelessness. SHELTER, Inc., is a non-profit housing agency which works with the United States Department of Housing and Urban Development (HUD); The State of California and Contra Costa County.

Prior to SHELTER, Inc., Rey Javier served as a Program Officer for the City and County of San Francisco's Mayor's Office of Housing from 2008 to 2017. Rey was responsible for managing the operations of the City's below market rate housing, down payment assistance loan program and mortgage loan assistance programs, as well as the implementation of policy and process improvements.

Rey also served as Program Supervisor for the Consumer Credit Counseling Service of San Francisco from 2006 to 2008 where Rey supervised staff responsible for providing education to clients covering affordable housing resources, first-time homebuyer programs, retaining housing and foreclosure prevention.

Rey is a licensed Real Estate Salesperson by the California Bureau of Real Estate since 2005. Rey completed the requirements for Affordable Housing Trainer from NeighborWorks; Housing and Credit Counseling certification from the National Foundation for Credit Counseling (NFCC); Fair Housing and Fair Lending certifications from the National Community Reinvestment Coalition (NCRC) and HUD. Most recently, Rey also completed the Income Tax Course Specialist program course with H&R block. Rey obtained his Business Administration degree from the University of Santo Tomas in Manila.

RECEIVED

MAY 23

CITY CLERK

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Planning

Name: Ginny May Kwan

Address: [illegible] Pittsburg CA. 94565

Email: [illegible]

Telephone: Residential: [illegible] Business: [illegible]

Professional or Technical Experience: Long time business owner of multiple restaurants.

Why are you interested in serving on this commission: I love this City. I love the Diverse culture of this city and I want to be a part of the Continuous growth and Improvements of Pittsburg.

Other Community Activities or Organizations in which you participate:

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes X No ___
Daytime Meetings Yes X No ___

SIGNATURE

Ginny May Kwan
PLEASE PRINT NAME

DATE 5-22-18

CITY OF PITTSBURG
APPLICATION FOR CITIZEN PARTICIPATION ON COMMISSION

Name of Commission: Planning Commission

Name: Patt Young

Address: [redacted]

Email: [redacted]

Telephone: Residential: [redacted] Business: _____

Professional or Technical Experience: Public Health Program Coordinator identifying social determinants of healt

Develop and implement cmmunity solutions to build social capital. Cognizant city planning is vital for a healthy community

Why are you interested in serving on this commission: My concern about city design and the impact of expansion and infrastructure on the well-being of residents. My awareness of how environment effects physical and economic well-being can broaden awareness necessary for informed planning decisions. I see serving on the Planning Commission as an opprotunity to bring another perspective to city planning.

Other Community Activities or Organizations in which you participate: Los Medanos Community Healthcare District Board Member and Security and Traffic Committees for NY Landing HOA.

RETURN TO:
City Clerk's Office
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

ARE YOU AVAILABLE FOR:
Evening Meetings Yes ✓ No ___
Daytime Meetings Yes ✓ No ___

Patt Young
SIGNATURE

Patt Young
PLEASE PRINT NAME

21 May 2018
DATE

CITY OF PITTSBURG
CITY COUNCIL/AGENCY CONCURRENT MEETING MINUTES

DATE: June 4, 2018

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

CITY COUNCIL/AGENCY MEMBERS
Dwaine "Pete" Longmire, Mayor/Chair
Sal Evola, Vice-Mayor/Chair
Juan Antonio Banales,Council/Agency Member
Jelani Killings, Council/Agency Member
Marilyn Craft, Council/Agency Member
VACANT, 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 Longmirecalled the meeting of the City Council to order at 7:14 P.M. in the City Council Chamber at City Hall, 65 Civic Avenue, Pittsburg, CA after convening at 6:02 P.M. for Commission Candidate Interviews. Closed Session, originally scheduled for 6:30 P.M., was convened after the public meeting.

ROLL CALL

All Members were present.

PLEDGE OF ALLEGIANCE

Officer Peter Cardinale led the Pledge of Allegiance.

PROCLAMATIONS

Elder Abuse Awareness Month

Members of Contra Costa County Adult Protective Services accepted the proclamation for Elder Abuse Awareness Month.

Human Trafficking Prevention and Awareness Week

Members of Soroptimist of Pittsburg accepted the proclamation for Human Trafficking Prevention and Awareness Week.

Relay for Life

Jennifer Navarro and Celina Palmer accepted the proclamation for Relay for Life.

PRESENTATIONS

Police Department Retirements

Officer Peter Cardinale and Detective Ed Sanchez received certificates commending their years of service with the department.

CITY MANAGER'S REMARKS

Assistant City Manager Evans reported on upcoming events throughout the city.

CITIZENS REMARKS

Victor Zelidia, Pittsburg, reported that Ace Hardware had no cameras in store for safety measures.

Gene Traversaro, Pittsburg, said the City is in need of a dog park, aBMX practice track, a skate park, a music hall, and tarps over basketball courts.

Roseanne Lazio, Pittsburg, asked the Council to address homelessness in the park at Columbia near the Central Addition where people are living under the overpass.

Willie Mims, Pittsburg, initially wanted to condemn the police department for racial profiling and unnecessary force. After meeting with the Chief, where he was able to view bodycam footage, he now has a different perspective. He commended the police department on their use of restraint and thanked the Chief for showing him the video. He noted he would like to see ongoing training rather than once a year.

Kim Simmons, Pittsburg noted an increase of crime in the Toscana neighborhood since the opening of the AM/PM mart. She asked for more police patrol in the area.

Steve Simmons, Pittsburg, complimented the amenities at Ambrose Park but was concerned about the state of the areas leading into the park.

Charles Smith, Pittsburg, had filed a claim for pothole damage which was denied. He noted Public Works was fixing the spot today for the third time.

Durie Foster, Pittsburg, asked all to cast votes opposing AB 2923. He also inquired about an ordinance to enhance the penalty for illegal fireworks as neighborhood fireworks were already taking place. He also asked about regulation of food trucks.

Wolfgang Croskey, Pittsburg, noted the Pittsburg Diamonds beat the Sonoma Stompers in the opening weekend of baseball.

CITY COUNCIL MEETING

PUBLIC HEARING

3. Introduction and Waive First Reading of an Ordinance Amending Chapter 8.04 Rubbish Removal and Disposal

Mayor Longmire opened the Public Hearing.

The following spoke in favor of the ordinance:

Willie Mims, Pittsburg, but noted there should be some exceptions allowed.
Durie Foster, Pittsburg
Victoria Adams, Pittsburg
Wolfgang Croskey, Pittsburg, also noting some exceptions should be made.
Madison August, Pittsburg
Chris Moreno, Pittsburg

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

On motion by Member Banales, seconded by Vice Mayor Evola to introduce and waive first readingof the ordinance and carried by the following vote:

AYES:	Banales, Evola, Longmire
NOES:	Craft
ABSTAINED:	Killings

4. Adoption of a Resolution and Introduction and Waive First Reading of an Ordinance Approving the Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)

Mayor Longmire opened the Public Hearing.

Louis Parsons, Discovery Builders, thanked the Council and noted they agreed to all conditions.

Madison August, Pittsburg, stated Pittsburg did not need more housing.

Willie Mims, Pittsburg, asked how the city would mitigate removal of the trees.

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

On motion by Vice MayorEvola, seconded by Member Craft to adopt the resolution and introduce and waive first reading of the ordinance and carried unanimously.

5. Adoption of a City Council Resolution Approving the Establishment of Preferential Residential Permit Parking on Portions of Oakpoint Drive and Oakpoint Court

Mayor Longmire opened the Public Hearing.

Carmen Burns, Pittsburg, asked for the actual area that the permit parking will cover.

Willie Mims, Pittsburg, questioned the survey mentioned in the staff report.

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

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

CONSIDERATION

6. Adoption of a Minute Order to Approve a City Council Recess for Summer Months

Willie Mims, Pittsburg, voiced concerns about the Council taking a full month off.

On motion by Vice Mayor Evola, seconded by Member Banales to recess July 2, 2018 and carried unanimously.

Member Craft stated she would recuse herself from the next item due to her financial interest. She left the dais at this time.

7. Measure M Citizens Oversight Committee Report – Proposed Use of Measures M Funds for FY 2018-19

Lamontay Marshall, Pittsburg, as a member of both the Community Advisory Commission and the Measure M Citizens Oversight Committee gave the committee's report.

Willie Mims, Pittsburg, inquired as to who makes the decision for the allocation of money.

On motion by Vice Mayor Evola, seconded by Member Banales to receive and file the report and carried by the following vote:

AYES: Banales, Evola, Killings, Longmire
ABSENT: Craft [Recused]

Council Member Craft returned to the dais at this time.

8. Adoption of a City Council Resolution Approving an Option Agreement with Energy Delivery Solutions LLC for a Technology Park Development at the former Delta View Golf Course

Durie Foster, Pittsburg, asked that the Council take no action for at least 90 days as the closure of the golf course was highly contested.

Wolfgang Croskey, Pittsburg, stated the Council should wait for more offers to choose the best.

Willie Mims, Pittsburg, asked that everyone be afforded the opportunity to hear the report before speakers are called.

Chris Moreno, Pittsburg, questioned the $1 payment rather what would be more value for the property.

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

9. By Minute Order, Consider and Approve Formation of New Ad Hoc Committees and Appoint Two Committee Members each to those Proposed Committees

The Mayor and Vice-Mayor approved formation of two new ad hoc committees and appointed Member Killings and Member Banales to them both. The committees are: CIP Committee and Public Outreach Committee.

CONFLICT OF INTEREST STATEMENT

There were no conflict of interest statements.

COMBINED CITY COUNCIL, PITTSBURG POWER COMPANY AND SOUTHWEST PITTSBURG GHAD II CONSENT CALENDAR

Member Killings stated the vote he casts would include a “no” vote on Item 18. Vice Mayor/Chair Evola stated he would recuse himself from Item 17 due to his financial interest and his employer who is affected by the item.

On motion by Member Banales, seconded by Member Craft to adopt without Items 18 and 19 and carried unanimously.

10. Minutes of May 21, 2018

11. Adoption of City Council, Pittsburg Power Company and Southwest Pittsburg GHAD II Resolutions Approving a List of Firms for On-Call Material Testing, Environmental, and Geotechnical Services Related to the City’s Capital Improvement Projects and Authorizing the City Manager/Executive Director to Enter into Agreements with Selected Firms

12. Adoption of a City Council Resolution Requesting the Consolidation of the Municipal Election with Other Elections to be Held on Tuesday, November 6, 2018 General Election Date for the Election of Certain Officers as Required by the Provisions of the Laws of the State of California Relating to General Law Cities and Levying a Charge and Establishing Word Limitation for Candidates’ Statements

13. Adoption of a City Council Resolution to Support the San Francisco Bay Area Water Trail

14. Adoption of a City Council Resolution Approving a Purchase and Sale Agreement between the City of Pittsburg and Pacific West Communities, Inc. for the Property Located at South Broadway Avenue (094-025-002)

15. Adoption of a City Council Resolution to Approve the Engineer's Report and Declare the City Council's Intent to Order Improvements in Landscaping and Lighting Assessment District 1988-01, Citywide (Pursuant to the Landscaping and Lighting Act of

1972) for FY 2018-19

16. Adoption of a City Council Resolution to Approve the Engineer's Report and Declare the City Council's Intent to Order Improvements for the Landscaping and Lighting Assessment District 1988-02, Oak Hills (Pursuant to the Landscaping and Lighting Act of 1972) for FY 2018-19

17. Adoption of a City Council Resolution Determining that the Properties with Assessor's Parcel Numbers 086-100-040 and 086-100-041 are Not Needed for Future Public or Institutional Use and that a Hotel is an Office-Supporting Commercial Use Consistent with the Vision of the Railroad Avenue Specific Plan

18. Adoption of an Ordinance Amending Title 18 of the Pittsburg Municipal Code Related to the Cannabis Regulations, AP-18-1308 (RZ)

COUNCIL MEMBER REPORTS/REMARKS

Vice Mayor Evola referenced a previous speaker regarding opposing an Assembly Bill. The City Manager had brought this forward to the Council at the last meeting. He also noted that with July 4th celebrations coming up he also believed that our penalties for illegal fireworks are not strong enough. He asked staff to look into this.

Member Craft thanked the Mayor for adjourning the last meeting in memory of her sister.

German Jimenez, Pleasant Hill, General Manager of Hampton Inns, inquired about a hotel mentioned in Item 17. He noted both a hotel with meeting space and restaurant were needed in the community.

CLOSED SESSION

The Council convened at 10:40 P.M. for Closed Session for the following items:

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

Property: 295 East Tenth Street (085-196-001); Successor Agency Negotiators: Joe Sbranti, Maria Aliotti; Negotiating Parties: Veterans Square Associates, L.P.; Under negotiation: Both price and terms of payment

2. CONFERENCE WITH LABOR NEGOTIATORS (Pursuant to Section 54957.6):

Agency designated representatives: Joe Sbranti, Garrett Evans, Stacy Shell; Employee organization: AFSCME Miscellaneous A; AFSCME Management/Professional/ Confidential; Teamsters Local 856

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

ADJOURNMENT

The City Council meeting was adjourned at 10:58P.M. to June 18, 2018.

Respectfully submitted,

Alice E. Evenson, City Clerk

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

DATE: 6/8/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of a GHAD II Resolution for Approval of the Budget for Fiscal Year 2018-19 for the Southwest Pittsburg Geologic Hazard Abatement District II (GHAD II) and Appropriation of Funds for Fiscal Year 2018-19

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

On April 30, 2018 a budget workshop meeting was held to review the Preliminary FY 2018-19 Operating Budget including the GHAD II budget. The FY 2018-19 budget must be appropriated before July 1, 2018 to provide on-going funding for the Southwest GHAD II activities during the next fiscal year.

FISCAL IMPACT

The Southwest GHAD II budget for Fiscal Year 2018-19 estimates revenues in the amount of $922,700 and a spending plan of $666,675.

RECOMMENDATION

GHAD II approve the Operating Budget for Fiscal Year 2018-19 and adopt the budget for the Southwest GHAD II, for the Fiscal Year 2018-19.

BACKGROUND

The Preliminary Operating Budget Plan for Fiscal Year 2018-19 for the Southwest GHAD II was presented at a budget workshop meeting held on April 30, 2018. A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2018-19 will be placed on the City of Pittsburg's website before the June 18, 2018 City Council/GHAD Board meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2018-19 Proposed Budget. A hard copy of the same document will also be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

The Preliminary Operating Budget Plan for the Fiscal Year 2018-19 was presented to the Finance Subcommittee on May 17, 2018. The Subcommittee members did not express any questions or concerns related to the GHAD II budget.

STAFF ANALYSIS

None

ATTACHMENTS: Resolution

Report Prepared By: Diane Agar, Division Manager – Accounting
Reviewed By: Brad Farmer, Director of Finance

BEFORE THE SOUTHWEST PITTSBURG GEOLOGIC HAZARD ABATEMENT DISTRICT II

In the Matter of:

Approval of the Budget Plan for Fiscal Year 2018-19 for the Southwest Pittsburg GeologicHazard Abatement District II (GHADII)and Appropriation ofFunds forFiscal Year 2018-19	)	RESOLUTIONNO. 18-

The Southwest Pittsburg Geologic Hazard Abatement District II DOES RESOLVE as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the one-year Preliminary Operating Budget for Fiscal Year 2018-19 to the City Council for its consideration; and

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

WHEREAS, the GHAD Board of Directors held a meeting on June 18, 2018for the purpose of reviewing and discussing the Southwest Pittsburg GHAD II budget for the Fiscal Year 2018-19 and recommendestimatedrevenues in the amount of $922,700 and a spending plan of $666,675.

NOW, THEREFORE, Southwest Pittsburg GHAD II finds and determines as follows:

Section 1. Findings

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

B. That the Budget for Fiscal Year 2018-19 is hereby approved as set forth in a copy of said budget summary on file with the City of Pittsburg and which by this reference is incorporated herein and authorizes the preparation of the final Budget Review document for Fiscal Year 2018-19.

C. Those funds are hereby and shall be appropriated in the estimated revenue amountof $922,700and a spending plan of $666,675.

D. That the Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the Southwest Pittsburg GHAD II in accordance with the City's approved budget, programs and policies.

E. That Southwest Pittsburg GHAD II authorizes changes to be made to the annual budget as follows:

Items Requiring GHAD Board of Directors Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the GHAD II Executive Director:

- Items in excess of $5,000.00.
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to the General Manager:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by The Southwest Pittsburg GHAD IIat a regular meeting held on the 18th day of June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Chair

ATTEST:

_____
Alice E. Evenson, Clerk of the Board

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

DATE: 6/4/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of a Pittsburg Arts and Community Foundation Resolution to approve the Budget for Fiscal Year 2018-19 Appropriation of Funds for Fiscal Year 2018-19 and accept the 5-Year Financial Plan

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

FY 2018-19 Budget for the Pittsburg Arts and Community Foundation, Inc. ("Foundation") must be appropriated before July 1, 2018 to provide ongoing funding for the Foundation's activities during the next fiscal year. The 5-Year Financial Plan provides a framework for the Foundation to manage its financial resources and programs.

FISCAL IMPACT

The Foundation's budget for FY 2018-19 estimates revenues of $749,090 and expenditures of $747,205.

RECOMMENDATION

Board approves the resolution adopting the proposed Operating Budget for FY 2018-19 and accept the Foundation's 5-Year Financial Plan.

BACKGROUND

A copy of the Preliminary Operating Budget Summary document for FY 2018-19 and the 5-Year Financial Plan will be posted on the Foundation's website before the June 18, 2018 Board meeting.

SUBCOMMITTEE FINDINGS

The Foundation's Operating Budget for the Fiscal Year 2018-19 was presented to the Foundation's subcommittee on April 23, 2018. The Committee did not have any comments or questions related to the Foundation's budget.

STAFF ANALYSIS

The proposed FY 2018-19 Operating Budget will continue to rely on the Foundation's fund balance as well as revenues from grants and fundraising over the next several years. As reflected in the 5-Year Financial Plan, the Foundation will begin to receive community benefits support starting FY 2018-19 which will enable the Foundation to be less dependent on its fund balance. The existing master leases with the Successor Agency at Vidrio will expire in December 2021 and the Foundation anticipates that the lease will not be renewed. The 5-Year Financial Plan reflects this decrease in lease revenues.

The following are highlights of the FY 2018-2019 fiscal year:

- In addition to the existing fundraising events, the Foundation incorporated the Tequila, Wine & Beer festivals and Tommy T events that were held at the California Theatre during FY 2017-18. These events will continue in FY 2018-19.

- During FY 2017-18, the Foundation signed a new lease agreement with Big Chops, a clothing line and accessories boutique. With the loss of the Kite Bar the Foundation is trying to lease out the space to promote new social events, ie: trivia night and Karaoke.

- In 2018-19 the Foundation will take over managing the California Theatre. The 5-year Financial Plan reflects the associated revenue and expenses.

- Staff will continue to seek additional revenue through leasing vacant space and fundraising, including applications for grants and sponsorships, to support Foundation programs.

The goal of the 5-year Financial Plan is to have a balanced budget. To accomplish this goal while maintaining the current programs and services, the Foundation will need to continue to explore opportunities to increase revenues.

ATTACHMENTS: Resolution
5 Year Financial Plan

Report Prepared By: Laura Mendez, Financial Reporting Manager

Pittsburg Arts & Community Foundation
FY 18-19 Budget
By Department

		Adopted Budget FY 18-19
2017-18 Projected Revenue		
General & Fund Raising	$	295,048
Arts & Literacy		3,000
Bookstore		60,000
Community Events		20,000
Lease Management		371,042
Total Revenues	**$**	**749,090**
2017-18 Project Expenditures		
General & Fund Raising	$	(202,818)
Arts & Literacy		(95,410)
Housing		(56,940)
Bookstore		(215,463)
Community Events		(8,500)
Lease Management		(168,074)
Total Expenditures	**$**	**(747,205)**
Change in Net Assets		
General & Fund Raising	$	92,230
Arts & Literacy		(92,410)
Housing		(56,940)
Bookstore		(155,463)
Community Events		11,500
Lease Management		202,968
Change in Net Assets	**$**	**1,885**
Fund Balance at Beginning of year	**$**	**116,588**
Fund Balance at End of year	**$**	**118,473**

Pittsburg Arts and Community Foundation
5-year Financial Plan

Revenues	Year End Est. FY 17-18	Adopted FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Leases	$ 283,592	$ 327,042	$ 332,116	$ 280,251	$ 264,341	$ 246,152
Fundraisers /Donations	123,000	77,000	79,310	81,689	84,140	86,664
Bookstore Sales	54,987	60,000	61,800	63,654	65,564	67,531
Interest Income/Loan Payoff	44,000	44,000	43,720	43,720	43,720	43,720
Other Revenue/Community Benefit Support	47,905	182,048	135,689	139,760	143,952	148,271
Calif. Theater Bar/Concessions	24,000	36,000	37,080	48,204	49,650	51,140
Fees-Classes	8,000	23,000	23,460	23,929	24,408	24,896
Total Revenues	**$ 585,484**	**$ 749,090**	**$ 713,175**	**$ 681,207**	**$ 675,775**	**$ 668,373**
Expenditures						
Wages and Benefits	$ 209,000	$ 298,995	$ 304,975	$ 311,074	$ 311,074	$ 317,296
Maintenance Agreements & Maint & Repairs	107,621	122,000	124,440	126,929	129,467	132,057
Contractual & Professional Services	154,550	124,550	127,041	129,582	129,582	132,173
Fundraising Events/Donations	55,654	31,600	32,232	32,877	33,534	34,205
Audits, Bank Fees, Legal & IT	18,645	16,976	17,485	18,010	18,550	19,107
Lease Expense	43,722	43,722	43,722	43,722	43,722	43,722
Advertising, Promotion & Community Outreach	8,500	8,500	8,755	9,018	9,288	9,567
Bookstore Purchases	25,000	25,000	25,750	26,523	27,318	28,138
Utilities	21,352	21,352	21,993	22,652	23,332	24,032
Telephone	5,700	5,700	5,871	6,047	6,229	6,415
Supplies/Postage	18,559	17,560	18,087	18,629	19,188	19,764
Insurance	10,500	10,500	10,815	11,139	11,474	11,818
Credit Card/Bank Fees/Other fees	10,250	10,250	10,558	10,874	11,200	11,536
Calif. Theater Concessions	10,000	10,000	18,540	24,102	24,825	25,570
Travel/Training/Conferences	300	300	300	300	300	300
Bad Debt Expense	200	200	200	200	200	200
Total Expenditures	**$ 699,553**	**$ 747,205**	**$ 770,763**	**$ 791,678**	**$ 799,284**	**$ 815,899**
Change in Net Assets	**$ (114,069)**	**$ 1,885**	**$ (57,588)**	**$ (110,472)**	**$ (123,509)**	**$ (147,527)**
Fund Balance at Beginning of year	230,657	116,588	118,473	60,884	(49,587)	(173,096)
Fund Balance at End of year	$ 116,588	$ 118,473	$ 60,884	$ (49,587)	$ (173,096)	$ (320,623)

Assumptions used to Develop PACF's 5-year Financial Plan
FY 19/20 thru 22/23

Revenue Assumptions

Fundraising/Donations:
3% increase annually

Lease Revenues:
Per lease agreement 19/20-22/23

Fees:
2% increase annaully

Bookstore Sales:
3% increase annually

Other Revenue/Community Benefit Support:
2% increase in 19/20
3% increase thereafter

California Theatre Bar & Concessions:

3% increase annually

Expenditure Assumptions

Wages & Benefits:
2% annual increase

Maintenance & Repairs:
2% annual increase

Contractual Services:
2% annual increase

Fundraising Events/Donations:
2% annual increase

Audits, Bank Fees, Insurance, Legal & IT:
3% annual increase

Lease:
City rent went down to $1.00 in FY 18-19

Advertising, Promotion & Community Outreach:
3% annual increase

Bookstore Purchases:
3% annual increase

Utilties:
3% annual increase

Telephone:
3% annual increase

Supplies:
3% annual increase

Insurance
3% annual increase

California Theatre Bar & Concessions:
50% of Revenue 19/20-22/23

BEFORE THE PITTSBURG ARTS AND COMMUNITY FOUNDATION, INC.

In the Matter of:

A Resolution Approving Pittsburg Arts and Community Foundation Budget for Fiscal Year 2018-19, Appropriation Fund for FY 2018-19, and Accept the 5-Year Financial Plan	)	RESOLUTION NO. 18-

The Pittsburg Arts and Community Foundation, Inc. Board DOES RESOLVE as follows:

WHEREAS, the Pittsburg Arts and Community Foundation, Inc. (Foundation) is a nonprofit, 501(c)3 Foundation formed for the purpose of providing assistance to the City of Pittsburg, and all actions, budgets, projects and programs that the Foundation engages in or approves must be reasonably related to, or in furtherance of the Foundation's charitable purposes as stated in the Articles of Incorporation as amended on March 1, 2010; and

WHEREAS,the Foundation prepares and adopts the Pittsburg Arts and Community Foundation, Inc. Budget with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS, the Treasurer has submitted a budget for FY2018-19with estimated revenues of $749,090 and a expenditures of $747,205; and

WHEREAS, the management supported the proposed Operating Budget for FY 2018-19, and the 5-Year Financial Plan.

NOW, THEREFORE, BE IT RESOLVED by Pittsburg Arts and Community Foundation, Inc.Board as follows:

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

Section 2. The proposed FY 2018-19 Budget for the Foundation is reasonably related to and/or in furtherance of the Foundation's charitable purposes as stated in the Articles of Incorporation.

Section3. Those funds are hereby and shall be appropriated in the estimatedrevenue of$749,090 and expenditures of $747,205.

Section4. The proposed 5-year Financial Plan will help the Foundation plan and manage its budget and programs in furtherance of the Foundation's charitable purposes. The 5-year financial plan anticipates using lease management income and increased fund raising and grant revenue to support its future activities.

Section5. That the Executive Director or his/her designee is hereby authorized to approve payment of goods and services received by the Pittsburg Arts and

Community Foundation, Inc. in accordance with the Foundation's approved budget, programs and policies.

PASSED AND ADOPTED by the Pittsburg Arts and Community Foundation Board at a regular meeting on the 18th day of June 2018, by the following vote:

AYES:

NOES:
ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Chair

ATTEST:

_____
Alice E. Evenson, City Clerk

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

DATE: 6/7/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, City Manager/Executive Director

SUBJECT: A Pittsburg Power Company Resolution to Approve the 2017 Annual Power Source Disclosure Report to the California Energy Commission

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

State Law (Public Utilities Code Section 398.1(b)) requires all retail suppliers of electricity products to file an annual report to the California Energy Commission (CEC) to disclose resources or fuel types of power procured and sold to end use customers. The Pittsburg Power Company (PPC), doing business as Island Energy, is required by law to disclose the electricity sources for its energy procurement and sales to its end use customers. The CEC requests the PPC Board of Directors to approve the 2017 Annual Power Source Disclosure Report.

FISCAL IMPACT

There is no fiscal impact to the Island Energy Enterprise Fund or the City's General Fund.

RECOMMENDATION

Pittsburg Power Company Board of Directors approves the 2017 Annual Power Source Disclosure (PSD) Report, attests the information contained in the PSD Report is true and accurate and the energy that Pittsburg Power Company procured has been sold once and only once to end use customers.

BACKGROUND

Enacted in 1997 (Senate Bill 1305, Sher, Statutes of 1997), the law requires that electricity retail suppliers to disclose to consumers which types of resources are used to generate electricity being sold. The purpose of Senate Bill 1305 was to ensure that retail suppliers of electricity products disclose to consumers "accurate, reliable, and simple to understand information of the power being sold to end use customers".

The electricity retail suppliers are required to report this information in the form of a Power Source Disclosure Report developed by the California Energy Commission (CEC). The CEC also requires the PSD Report to be independently audited. A public agency is not required to comply with the audit requirements if the Board of Directors of the public agency approves the PSD report at a public meeting and attests the information contained in the PSD Report is accurate.

SUBCOMMITTEE FINDINGS

The Subcommittee Board of the Pittsburg Power Company was informed about the approval of PPC's 2017 PSD Report via email.

STAFF ANALYSIS

Staff developed the 2017 PSD Report using metered generation data from PPC's wholesale power supplier, the Western Area Power Administration. The generation data was used to represent scheduling, billing and settlement activities of PPC's wholesale power procurements during Calendar Year 2017. The sales and usage data were collected from PPC's metering system and billing software power for the same period. The use of metered generation, self-consumption and sales data in preparing the PSD Report was consistent with the CEC's regulations of regulatory compliance report filing.

The 2017 PSD report shows that for Calendar Year 2017, 74% of PPC's annual electricity sales to end users was purchased from specified sources and 26% was from unspecified sources. Within the 74% from specified sources, 51% was from large hydroelectric generation, 21% from solar generation, and 2% from eligible hydroelectric generation. The energy purchased from solar generation sources are eligible renewable resources under California's Renewable Portfolio Standard (RPS) and was purchase specially to meet PPC's RPS compliance requirements. The percentage of Large Hydroelectric generation was calculated using a formula developed by the CEC to discount large hydroelectric generation as large-hydro is not a CEC eligible renewable energy source under the RPS rules.

The 26% purchase from Unspecific Sources was power purchased from the California energy market and its sources of generation cannot be specified.

The 2017 Power Source Disclosure Report was submitted on June 1, 2018 to meet the reporting deadline. The CEC regulations requests the PPC Board of Directors to approve submission attestation of veracity in lieu of having the 2017 PSD Report independently audited.

ATTACHMENTS: Resolution 18-
2017 Annual Report to California Energy Commission for the Power Sources Disclosure Program

Report Prepared By: Vanessa Xie, Senior Financial Analyst

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Resolution to ApprovePittsburg Power	)	
Company 2017 Annual Power Source	)	RESOLUTION NO. 18-
Disclosure Report	)	

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

WHEREAS, State Law (Public Utilities Code Section 398.1(b)) requires all retail suppliers of electricity products to file an annual report to the California Energy Commission (CEC) to disclose resource types of power procured and sold to end use customers; and

WHEREAS,Pittsburg Power Company, doing business as Island Energy, provides electric and natural gas retail services on Mare Island,is required to file by law to disclose the electricity sources for its energy procurement and sales to its end use customers; and

WHEREAS,the electricity retail suppliers are required to report this information in the form of a Power Source Disclosure (PSD) Report developed by the California Energy Commission. The CEC also requires the PSD Report to be independently audited; and

WHEREAS,a public agency is not required to comply with the audit requirements if the Board of Directors of the public agency approves the PSDReport at a public meeting and attests the information contained in the PSD Report is true and accurate; and

WHEREAS, Staff prepared the 2017 PSD Report using metered generation, use and sales data consistent with CEC's regulatory compliance filing requirements; and

WHEREAS,the 2017 PSD report shows that for Calendar Year 2017, 74% of PPC's annual electricity sales to end users was purchased from specified sources and 26% was from unspecified sources; and

WHEREAS,within the 74% from specified sources, 51% was from large hydroelectric generation, 21% was from solar generationand 2% from eligible hydroelectric generation; and

WHEREAS, the 26% purchase from Unspecific Sources was power purchased from the California energy market and its sources of generation cannot be specified, and

WHEREAS,the 2017 Power Source Disclosure Report was submitted on June 1, 2018 to meet the reporting deadline with the California Energy Commission. The CEC regulation requests the PPC Board of Directors to approve submission attestation of veracity in lieu of having the report independently audited; and

WHEREAS, the percentage of Large Hydroelectric generation was calculated using a formula developed by the CEC to discount large hydroelectric generation as large-hydro is not a CEC eligible renewable energy source under the RPS rules.

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 Executive Director of the Pittsburg Power Company verified that the information contained in the 2017 Power Source Disclosure Report is true and accurate.

Section 3.
The Board approves the 2017 Power Source Disclosure Report and attests to the veracity of the said report.

Section 4.
This Resolution shall take effect immediately upon adoption.

PASSEDAND ADOPTED by the Pittsburg Power Company Board of Directors at a regular meeting on the 18th day of June 2018, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine "Pete" Longmire, Chair

ATTEST:

_____
Joe Sbranti, Executive Secretary

Version: May 2018

ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION:
Power Source Disclosure Program
Schedule 1 and 2, applicable to: Load Serving Entities
For the Year Ending December 31, 2017

Load serving entities are required to use the posted template and are not allowed to make edits to this format. Please fill out the company name and contact information.

GENERAL INSTRUCTIONS

COMPANY NAME

PRODUCT NAME (If Multiple Products Offered)

CONTACT INFORMATION	
Name	Vanessa Xie
Title	Senior Financial Analyst
Mailing Address	65 Civic Avenue
City, State, Zip	Pittsburg CA 94565
Phone	925-252-4097
E-mail	Vxie@ci.pittsburg.ca.us
Website for PCL Posting	www.islandenergy.com

Please fill out the schedules that apply to your company's filing requirements. Provide the annual report and attestation together in PDF format and the annual report in an excel file by email to PSDprogram@energy.ca.gov. Remember to fill in the company name above, submit separate reports and attestations for each additional product if multiple electric service products are offered. Report procurements in MWh (not kWh).

NOTE: Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the California Energy Commissions's website at http://www.energy.ca.gov/commission/chief_counsel/documents/CEC13.pdf

If you have questions, contact PSD staff at PSDprogram@energy.ca.gov or (916) 653-6222.

Version: May 2018

ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source Disclosure Program

For the Year Ending December 31, 2017
SCHEDULE 1: POWER PROCUREMENTS AND RETAIL SALES
Applicable to: Load Serving Entities

INSTRUCTIONS: Enter information about power procurements supporting all electricity products for which your company is filing the Annual Report. If you need additional rows, add them from the INSERT menu. Please list all purchases (Specified and Unspecified purchases) as line items under the Facility Name heading. If a procurement was for unbundled RECs include the term "REC Only" in parentheses after the facility name in the Facility Name column, and categorize the power as the fuel type of the generating facility from which the unbundled REC was derived. If procured power was from a transaction that expressly transferred energy only and not the RECs associated with that energy, identify the power as "Unspecified Power" in the Fuel Type column.

ALL PROCUREMENTS (Specified and Unspecified)

Facility Name	Unit No.	Fuel Type	Location (State or Province)	RPS ID	WREGIS GU ID	EIA ID	FERC QF ID	Gross MWh Procured	MWh Resold or Self-Consumed	Net MWh Procured
Central Valley Project		Large Hydro	CA					16256	20	16236
Lewiston Powerplant-Lewiston		Small Hydro	CA	61044	W1108			11		11
Nimbus Powerplant-Nimbus	2	Small Hydro	CA	61045	W1161			291		291
Stampede Powerplant-Stampede	2	Small Hydro	CA	61046	W1177			32		32
Whitney Point Solar, LLC-Whitney Point Solar		Solar	CA	6186C	W5441			4622		4622
Whitney Point Solar, LLC-Whitney Point Solar		Solar	CA	6186C	W5441				4622	-4622
Unspecified		Unspecificed						8623	11	8612
										0
										0
										0
										0
										0
										0

Total Net Purchases	25,182
Total Retail Sales	21,811

Version: May 2018

ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION:
Power Source Disclosure Program
For the Year Ending December 31, 2017
SCHEDULE 2: ANNUAL POWER CONTENT LABEL CALCULATION
Applicable to: Load Serving Entities

INSTRUCTIONS: Total specific purchases (by fuel type) and enter these numbers in the first column. Null power purchases should be included with Unspecified Power. REC only purchases should be included as part of the fuel type they represent. Total retail sales information from Schedule 1 will autopopulate on this schedule. Any difference between total net purchases and total retail sales will be applied pro-rata to each non-renewable fuel type. Each fuel type total will them be devided by retail sales to calculate fuel mix percentages.

	Net Purchases (MWh)	Percent of Total Retail Sales (MWh)
Specific Purchases		
Renewable	4,956	23%
Biomass & Biowaste		0%
Geothermal		0%
Eligible hydroelectric	334	2%
Solar	4,622	21%
Wind		0%
Coal		0%
Large Hydroelectric	16,256	51%
Natural Gas		0%
Nuclear		0%
Other		0%
Total Specific Purchases	**21,212**	**74%**
Unspecified Power (MWh)	**8,378**	**26%**
Total	**29,590**	**100%**
Total Retail Sales (MWh)	**21,811**	

COMMENTS:

Version: May 2018

ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION:
Power Source Disclosure Program
For the Year Ending December 31, 2017

ATTESTATION FORM

Applicable to: All participants in the Power Source Disclosure Program

I, (print name and title) **Vanessa Xie**, **declare under penalty of perjury, that the statements contained in Schedules 1 & 2 are true and correct and that I, as an authorized agent of** (print name of company) Pittsburg Power Company dba Island Energy, **have authority to submit this report on the company's behalf. I further declare that the megawatt-hours claimed as specific purchases as shown in these Schedules were, to the best of my knowledge, sold once and only once to retail consumers.**

Name: Vanessa Xie

Signed: Vanessa Xie

Dated: 5/24/2018

Executed at: City of Pittsburg, California, United States of America

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

DATE: 6/1/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution Approving a Consultant Agreement with Dunbar and Associates

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

Pittsburg Power Company (PPC) is proposing to enter into a consultant agreement (Agreement) with Dunbar and Associates (Consultant) for the period June 1, 2018 through June 30, 2019 for the administration of the Future Build Program (Future Build) and for guidance in the areas of Human Resources, Economic Development, solar energy and project management services as necessary.

FISCAL IMPACT

The Consultant shall be paid monthly for the actual fees, costs and expenses for all time and materials required and expended, but in no event shall total compensation exceed the total amount of Seventy-Five Thousand Dollars ($75,000) from project account number 5903-2199. The budget for the Consultant will be allocated upon the adoption of PPC's budget for fiscal year 2018-2019.

RECOMMENDATION

PPC Board adopt the Resolution approving an agreement with the Consultant.

BACKGROUND

The Consultant has been providing services to PPC for Future Build since 2011. The Consultant developed the curriculum, budget, governance rules, regulations and agreements in order to continue the fiscal and operational sustainability of Future Build.

Future Build is a partnership of the PPC, Workforce Development Board, Pittsburg Adult Education Center, Contra Costa Building and Construction Trades Council, GRID Alternatives, Northern California Laborers Training, and Open Opportunities, Inc. to provide

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

On July 1, 2014, the Consultant entered into a two-year contract for services which expired on June 30, 2016. The Consultant's services were expanded to include mentoring and advice to the Human Resources Department. This includes advising the City Manager and Assistant City Manager on findings and recommendations.

On June 20, 2016 through PPC Resolution 16-330, the Consultant entered into a two-year contract for services which expires on June 30, 2018.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

PPC seeks to retain the Consultant's services from June 1, 2018 through June 30, 2019 in accordance with the Work Program attached hereto and incorporated herein by this reference as Exhibit "A". The Agreement may be extended, if mutually agreed upon by the City and the Consultant, for one (1) year. The services will include the administration of Future Build, guidance in the areas of Human Resources, Economic Development, solar energy, and project management as necessary.

ATTACHMENTS: Resolution
Contract for Services
Exhibit A

Report Prepared By: Melaine Venenciano, Senior Administrative Analyst

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a Pittsburg Power Company	)	
Resolution Approving a Consultant	)	RESOLUTION NO. 18-
Agreement with Dunbar and Associates	)	

The Pittsburg Power Company DOES RESOLVE as follows:

WHEREAS, the Pittsburg Power Company (PPC) is proposing to enter into a consultant agreement (Agreement) with Dunbar and Associates (Consultant) for the administration of the Future Build Program (Future Build) and for guidance in the areas of Human Resources, Economic Development, solar energy, and project management services as necessary; and

WHEREAS, the Consultant has been providing services to PPC for Future Build since 2011; and

WHEREAS, the Consultant developed the curriculum, budget, governance rules, regulations, and agreements in order to continue the fiscal and operational sustainability of Future Build; and

WHEREAS, Future Build is a partnership of the PPC, Workforce Development Board, Pittsburg Adult Education Center, Contra Costa Building and Construction Trades Council, GRID Alternatives, Northern California Laborers Training, and Open Opportunities, Inc. to provide East County residents with 16+ weeks of pre-apprenticeship training in the building trades and solar theory, construction, and installation; and

WHEREAS, on July 1, 2014, the Consultant entered into a two-year contract for services which expired on June 30, 2016. The Consultant's services were expanded to include mentoring and advice to the Human Resources Department. This includes advising the City Manager and Assistant City Manager on findings and recommendations; and

WHEREAS, on June 20, 2016 through PPC Resolution 16-330, the Consultant entered into a two-year contract for services which expires on June 30, 2018; and

WHEREAS, PPC seeks to retain the Consultant's services in a new contract from June 1, 2018 through June 30, 2019.

NOW, THEREFORE, the Pittsburg Power Company does RESOLVE 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 the PPC set forth below.

Section 2.
The Executive Director is hereby authorized to enter into the Agreement for an amount not to

exceed Seventy-Five Thousand Dollars ($75,000) from project account number 5903-2199. The budget for the Consultant will be allocated upon the adoption of PPC's budget for fiscal year 2018-2019. The Agreement may be extended, if mutually agreed upon by the City and the Consultant, for one (1) year.

Section 3.
Board hereby authorizes the Executive Director or his designee to amend future agreements and budgets.

Section 4.
The Executive Secretary shall certify to the adoption of this Resolution.

Section 5.
The Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the Pittsburg Power Company Board of Directors at a regular meeting on the 18th day of June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Chair

ATTEST:

_____
Joe Sbranti, Executive Secretary

EXHIBIT A
WORK PROGRAM

Consultant's Specified Services Consultant shall performadministrative, planning,and development work as assigned. The objective is to continue the fiscal and operational sustainability of the program known as "Future Build" so that it can provide pre-apprenticeship training to disadvantaged residents currently underserved in the construction trades. This includes, but is not limited to, providing an orientation, classroom instruction and practical work in efficient, sustainable and acceptable construction practices with a focus on cutting edge construction practices that reduce the community's carbon footprint. The scope of the assignment may include, but is not limited to:

1. Meet with the Assistant City Manager to identify the city's objectives and timelines and update if the city desires any changes as timepasses.

2. Conduct interviews with principals in the previous cohort of "Future Build" and inventory the outcomes and lessons learned.

3. Conduct interviews with the participants of previous cohorts and identify any differences between the perceptions of principals with those of participants.

4. Review and process payments for all subcontractor invoices.

5. Review the city's records and those of any contractor's to identify all of the costs incurred.

6. Research and analyze labor force data from the Employment Development Department to identify opportunities for graduates.

7. Research and analyze data from the local trade groups to identify opportunities for graduates.

8. Research and discuss with the Community College District, PUSD, and the Workforce Development Board to identify additional educational and supportive services available to graduates.

9. Administer the budget to ensure program compliance.

10. Develop and refine curriculum that can be used for future cohorts ·that incorporates the requirements of the industry.

11. Develop a management and program continuity structure that can sustain itself through subsequent cohorts.

12. Working with stakeholders to design a supportive service system for graduates of current and future cohorts. At a minimum, this is will include post graduation placement and referral services.

13. Produce a document, or multiple documents, that can be used for gaining commitments from interested parties in partnering in future cohorts.

14. Develop governance documents, e.g. memoranda of understanding between future partners that clearly identifies the roles and responsibilities of those participating.

15. Provide the ACM with written and verbal reports as frequently as requested.

16. Be the point of contact for all inquiries regarding the project and respond to all inquiries no later than 24 hours after receipt of same.

17. When directed by the ACM provide guidance and recommendations in the areas of Human Resources, Economic Development, solar energy and other topics requested by the ACM and agreed to by the Consultant.

18. When directed by the ACM provide project management services.

CONTRACT FOR SERVICES

THIS CONTRACT is made on July 1, 2018 between the Pittsburg Power Company, a Joint Powers Authority ("PPC"), and Dunbar & Associates ("Consultant").

WITNESSETH:

WHEREAS, PPC proposes to utilize the services of the Consultant for the development of curriculum, budget, governance rules, regulations and agreements and any and all memoranda of understanding to achieve the objective of fiscal and operational sustainability of the pre-apprenticeship and "green" construction training program and known as Future Build; and

WHEREAS, the Consultant has presented a proposal for such services as a Work Program to PPC, (attached hereto and incorporated herein as Exhibit "A") and is duly licensed, qualified and experienced to perform those services.

NOW, THEREFORE, the parties hereto mutually agree as follows:

I. SCOPE OF SERVICES:

A. Consultant shall do all work, attend all meetings, produce all reports and carry out all activities necessary to completion of the services described in the Work Program. This Contract and its exhibits shall be known as the "Contract Documents." Terms set forth in any Contract Document shall be deemed to be incorporated in all Contract Documents as if set forth in full therein. In the event of conflict between terms contained in these Contract Documents, the more specific term shall control. If any portion of the contract Documents shall be in conflict with any other portion, provisions contained in the Contract shall govern over conflicting provisions contained in the exhibits to the Contract.

B. Consultant enters into this Contract as an independent contractor and not as an employee of PPC. The Consultant shall have no power or authority by this Contract to bind PPC in any respect. Nothing in this Contract shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Consultant are employees, agents, contractors or subcontractors of the Consultant and not of PPC. PPC shall not be obligated in any way to pay any wage claims or other claims made against Consultant by any such employees, agents, contractors or subcontractors, or any other person resulting from performance of this Contract.

C. The Consultant agrees it has satisfied itself by its own investigation and research regarding the conditions affecting the work to be done and labor and materials needed, and that its decision to execute this Contract is based on such independent investigation and research.

II. TIME OF PERFORMANCE:

The following time schedule shall be followed:

A. The services of Consultant are to commence on July 1, 2018 and shall be undertaken and completed no later than June 30, 2019 (Term). PPC and Consultant may, by mutual written agreement, exercise the option to extend the Term for one (1) additional year.

B. If the option to extend for one (1) additional year is exercised PPC and Consultant shall agree on the compensation.

III. COMPENSATION:

A. The Consultant shall be paid monthly for the actual fees, costs and expenses for all time and materials required and expended, but in no event shall total compensation exceed the total amount of Seventy-Five Thousand Dollars ($75,000) this Contract.

B. Said amount shall be paid upon submittal of a monthly billing showing completion of the tasks that month.

C. If the work is halted at the request of PPC, compensation shall be based upon the proportion that the work performed bears to the total work required by this Contract.

D. If the Contract is extended, compensation shall be mutually agreed upon by PPC and the Consultant .

IV. TERMINATION:

This Contract may be terminated, without cause, at any time by PPC upon seven (7) days' written notice. Upon receipt of such notice, Consultant shall cease all work under this Contract. In the event of any such termination, the Consultant shall be compensated as provided for in this Contract. Upon such termination, PPC shall be entitled to all work, including but not limited to, appraisals, inventories, studies, analyses, drawings and data estimates performed to that date in accordance with Section VII hereof. The obligations of paragraph/section XV of this Contract relating to Consultant's obligations to defend and indemnify PPC shall survive any termination of this Contract.

Notwithstanding any provisions of this Contract, Consultant shall not be relieved of liability to PPC for damages sustained by PPC by virtue of any breach of this Contract by Consultant, and PPC may withhold any payments due to Consultant until such time as the exact amount of damages, if any, due PPC from Consultant is determined.

V. CHANGES:

PPC may, from time to time, request changes in the scope of the services of Consultant to be performed hereunder. Such changes, including any increase or decrease in the amount of Consultant's compensation and/or changes in the schedule must be authorized in advance by PPC in writing. Mutually agreed changes shall be incorporated in written amendments to this Contract, or the attached work program.

VI. EXTENSIONS OF TIME:

Consultant may, for good cause, request extensions of time to perform the services required hereunder. Such extensions shall be authorized in advance by PPC in writing and shall be incorporated in written amendments to this Contract or the attached Work Program.

VII. PROPERTY OF PPC:

It is mutually agreed that all materials prepared by the Consultant under this Contract shall become the property of PPC, and the Consultant shall have no property right therein whatsoever. Immediately upon termination, PPC shall be entitled to, and the Consultant shall deliver to PPC, all data, drawings, specifications, reports, estimates, summaries and other such materials and commission as may have been prepared or accumulated to date by the Consultant in performing this Contract which is not Consultant's privileged information, as defined by law, or Consultant's personnel information.

VIII. COMPLIANCE WITH LOCAL LAW:

Consultant shall comply with all applicable laws, ordinances, and codes of federal, state and local governments, and shall commit no trespass on any public or private property in performing any of the work authorized by this Contract.

IX. WARRANTY:

Consultant agrees and represents that it is qualified to properly provide the services set forth in Exhibit "A" in a manner which is consistent with the generally accepted standards of Consultant's profession. Consultant further represents and agrees that it will perform said services in a legally adequate manner in conformance with applicable federal, state and local laws and guidelines.

X. SUBCONTRACTING:

Except as set forth in Exhibit "A" for work to be performed, no other services covered by this Contract shall be subcontracted without the prior written consent of PPC, which will not be unreasonably withheld. Consultant shall be as fully responsible to PPC for the negligent acts and omissions of its contractors and subcontractors, and of persons either directly or indirectly employed by them, as it is for the negligent acts and omissions of persons directly employed by Consultant.

XI. ASSIGNABILITY:

Consultant shall not assign or transfer any interest in this Contract whether by assignment or novation, without the prior written consent of PPC. However, claims for money due or to become due Consultant from PPC under this Contract may be assigned to a financial institution, or to a trustee in bankruptcy, without such approval. Consultant shall furnish promptly notice of any assignment or transfer, whether voluntary or involuntary, to PPC.

XII. INTEREST IN CONTRACT:

Consultant covenants that neither it, nor any of its employees, agents, contractors, or subcontractors has any interest, nor shall they acquire any interest, direct or indirect, in the subject of the Contract, nor any other interest which would conflict in any manner or degree with the performance of its services hereunder.

Consultant shall make all disclosures required by PPC's conflict of interest code in accordance with the category designated by PPC, unless PPC Manager determines in writing that Consultant's duties are more limited in scope than is warranted by the category designated by PPC code and that a narrower disclosure category should apply. Consultant also agrees to make disclosure in compliance with PPC conflict of interest code if, at any time after the execution of this agreement, PPC determines and notifies Consultant in writing that Consultant's duties under this agreement warrant greater disclosure by Consultant than was originally contemplated. Consultant shall make disclosures in the time, place and manner set forth in the conflict of interest code and as directed by PPC.

XIII. MATERIALS CONFIDENTIAL:

All of the materials prepared or assembled by Consultant pursuant to performance of this Contract are confidential and Consultant agrees that they shall not be made available to any individual or organization without the prior written approval of PPC, except by court order.

XIV. LIABILITY OF CONSULTANT - NEGLIGENCE:

Consultant shall be responsible for performing the work under this Contract in a manner which is consistent with the generally accepted standards of the Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. PPC shall have no right of control over the manner in which the work is to be done but only as to its outcome, and shall not be charged with the responsibility of preventing risk to Consultant or its employees, agents, contractors or subcontractors.

XV. INDEMNITY AND LITIGATION COSTS:

Consultant shall indemnify, defend, and hold harmless PPC, its officers, officials, agents, and employees from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation court costs and reasonable attorneys' fees arising out of or in connection with Consultant's negligent performance of work hereunder or its negligent failure to comply with any of its obligations contained in the Contract Documents, except such loss or damage which was caused by the sole negligence, or willful misconduct of PPC.

XVI. CONSULTANT TO PROVIDE INSURANCE:

A. Consultant shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Contract the policies of insurance specified in this Section. Such insurance must have the approval of PPC as to limit, form, and amount, and shall be placed with insurers with a current A.M. Best's rating of no less than A:VII.

B. Prior to execution of this agreement and prior to commencement of any work, the Consultant shall furnish PPC with original endorsements effecting coverage for all policies required by the Contract. The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The endorsements are to be on forms acceptable to PPC. At PPC's discretion, PPC may require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by this Section. If PPC requests, the Consultant will furnish one copy of

each required policy to PPC, and additional copies if requested in writing, certified by an authorized representative of the insurer. Approval of the insurance by PPC shall not relieve or decrease any liability of Consultant.

C. In the case of the professional liability insurance required by this Section, the Consultant's insurer will provide a complete, certified copy of the policy if so requested by PPC.

D. In addition to any other remedy PPC may have, if Consultant fails to maintain the insurance coverage as required in this Section, PPC may obtain such insurance coverage as is not being maintained, in form and amount substantially the same as is required herein, and PPC may deduct the cost of such insurance from any amounts due or which may become due Consultant under this Contract.

E. Each insurance policy required by this Contract shall be endorsed to state that coverage shall not be suspended, voided, canceled, terminated by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to PPC.

F. Any deductibles must be declared to, and approved by, PPC.

G. The requirement as to types, limits, and PPC's approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Contract.

H. The Consultant and its contractors and subcontractors shall, at their expense, maintain in effect at all times during the performance or work under the Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers and under forms of policy satisfactory to PPC. The maintenance by Consultant and its contractors and subcontractors of the following coverage and limits of insurance is a material element of this Contract. The failure of Consultant or of any of its contractors or subcontractors to maintain or renew coverage or to provide evidence of renewal may be treated by PPC as a material breach of this Contract.

1. <u>Workers' Compensation and Employer's Liability Insurance</u>

   a. <u>Workers' Compensation</u> - Insurance to protect the Consultant, its contractors and subcontractors from all claims under

Worker's Compensation and Employer's Liability Acts, including Longshoremen's and Harbor Worker's Act ("Acts"), if applicable. Such coverage shall be maintained, in type and amount, in strict compliance with all applicable state and federal statutes and regulations. The Consultant shall execute a certificate in compliance with Labor Code Section 1861, on the form provided in the Contract Documents.

b. Claims Against PPC - If an injury occurs to any employee of the Consultant for which the employee or his/her dependents, in the event of his/her death, may be entitled to compensation from PPC under the provisions of said Acts, for which compensation is claimed from PPC, there will be retained out of the sums due the Consultant under this Contract, an amount sufficient to cover such compensation as fixed by said Acts, until such compensation is paid or it is determined that no compensation is due. If PPC is required to pay such compensation, the amount so paid will be deducted and retained from such sums due, or to become due to the Consultant.

2. Comprehensive General and Automobile Liability Insurance

The insurance shall include, but shall not be limited to, protection against claims arising from death, bodily or personal injury, or damage to property resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by the insured. The amount of insurance coverage shall not be less than $1,000,000.00 per occurrence.

The comprehensive general and automobile liability insurance coverage shall also include, or be endorsed to include, the following:

a. Provision or endorsement naming PPC and each of its officers, officials, employees, agents, and volunteers, as additional insureds in regards to: liability arising out of the performance of any work under the Contract; liability arising out of activities performed by or on behalf of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations

on the scope of protection afforded to PPC, its officers, officials, employees, agents, or volunteers.

b. Provision or endorsement stating that for any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects PPC, its officers, officials, employees, agents, and volunteers to the extent PPC is an additional insured. Any insurance or self insurance maintained by PPC, its officers, officials, employees, agents, or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.

c. Provision or endorsement stating that any failure to comply with reporting or other provisions of the policies including breaches of representations shall not affect coverage provided to PPC, its officers, officials, employees, agents, or volunteers.

d. Provision or endorsement stating that the Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Provision or endorsement stating that such insurance, subject to all of its other terms and conditions, applies to the liability assumed by the Consultant under the Contract, including, without limitation, that set forth in Section XV, Indemnity and Litigation Costs.

3. Professional Liability.

The Consultant and its contractors and subcontractors shall secure and maintain in full force, during the term of this Contract professional liability insurance policies appropriate to the respective professions and the work to be performed as specified in this Contract. The limits of such professional liability insurance coverage shall not be less than $1,000,000 per claim.

XVII. MISCELLANEOUS PROVISIONS:

A. The Consultant shall designate a project manager who at all times shall represent the Consultant before PPC on all matters relating to this Contract. The project manager shall continue in such capacity unless and until he or she is removed at the request of PPC, is no longer employed by Consultant,

or replaced with the written approval of PPC, which approval shall not be unreasonably withheld.

B. The Consultant shall keep itself fully informed of, shall observe and comply with, and shall cause any and all persons, firms or corporations employed by it or under its control to observe and comply with, applicable federal, state, county and municipal laws, ordinances, regulations, orders and decrees which in any manner affect those engaged or employed on the work described by this Contract or the materials used or which in any way affect the conduct of the work.

C. Consultant shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, gender, citizenship or sexual orientation.

D. The Consultant shall maintain and make available for inspection by PPC and its auditors accurate records of all of its costs, disbursements and receipts with respect to any work under this Contract. Such inspections may be made during regular office hours at any time until six (6) months after the final payments under this Contract are made to the Consultant.

E. This Contract constitutes the entire agreement between the parties relative to the services specified herein and no modification hereof shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Contract. There are no understandings, agreements, conditions, representations, warranties or promises, with respect to this Contract, except those contained in or referred to in the writing.

F. All notices that are required to be given by one party to the other under this Contract shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses:

PPC: Pittsburg Power Company
65 Civic Avenue
Pittsburg, CA - 94565
ATTN: Garrett Evans, Assistant City Manager

Consultant: Dunbar & Associates
2504 Friesland Court
Santa Cruz, CA 95062 – 5072
ATTN: Gerald L. Dunbar, Principal

G. This Contract shall be interpreted and governed by the laws of the State of California.

H. Any action arising out of this Contract shall be brought in Contra Costa County, California, regardless of where else venue may lie.

I. In any action brought by either party to enforce the terms of this Contract, the prevailing party shall be entitled to recover its reasonable attorney's fees.

Executed the day and year first above written, by the parties as follows.

CONSULTANT:

By: _____

Title: Principal, Dunbar & Associates

PPC:

By: _____

Title: Executive Director

Approved as to form:

_____

Ruthann G. Ziegler
PPC Attorney

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

CONSULTANT

By: _____

Title: Principal, Dunbar & Associates

EXHIBIT A
WORK PROGRAM

Consultant's Specified Services Consultant shall perform administrative, planning, and development work as assigned. The objective is to continue the fiscal and operational sustainability of the program known as "Future Build" so that it can provide pre-apprenticeship training to disadvantaged residents currently underserved in the construction trades. This includes, but is not limited to, providing an orientation, classroom instruction and practical work in efficient, sustainable and acceptable construction practices with a focus on cutting edge construction practices that reduce the community's carbon footprint. The scope of the assignment may include, but is not limited to:

1. Meet with the Assistant City Manager to identify the city's objectives and timelines and update if the city desires any changes as time passes.

2. Conduct interviews with principals in the previous cohort of "Future Build" and inventory the outcomes and lessons learned.

3. Conduct interviews with the participants of previous cohorts and identify any differences between the perceptions of principals with those of participants.

4. Review and process payments for all subcontractor invoices.

5. Review the city's records and those of any contractor's to identify all of the costs incurred.

6. Research and analyze labor force data from the Employment Development Department to identify opportunities for graduates.

7. Research and analyze data from the local trade groups to identify opportunities for graduates.

8. Research and discuss with the Community College District, PUSD, and the Workforce Development Board to identify additional educational and supportive services available to graduates.

9. Administer the budget to ensure program compliance.

10. Develop and refine curriculum that can be used for future cohorts ·that incorporates the requirements of the industry.

11. Develop a management and program continuity structure that can sustain itself through subsequent cohorts.

12. Working with stakeholders to design a supportive service system for graduates of current and future cohorts. At a minimum, this is will include post graduation placement and referral services.

13. Produce a document, or multiple documents, that can be used for gaining commitments from interested parties in partnering in future cohorts.

14. Develop governance documents, e.g. memoranda of understanding between future partners that clearly identifies the roles and responsibilities of those participating.

15. Provide the ACM with written and verbal reports as frequently as requested.

16. Be the point of contact for all inquiries regarding the project and respond to all inquiries no later than 24 hours after receipt of same.

17. When directed by the ACM provide guidance and recommendations in the areas of Human Resources, Economic Development, solar energy and other topics requested by the ACM and agreed to by the Consultant.

18. When directed by the ACM provide project management services.

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

DATE: 6/8/2018

TO: Chair and Agency Members

FROM: Joe Sbranti, Executive Director

SUBJECT: Adoption of a Pittsburg Power Company Resolution for Approval of the Budget for Fiscal Year 2018-19 for the Pittsburg Power Company and Appropriation of Funds for Fiscal Year 2018-19

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

On April 30, 2018 a budget workshop meeting was held to review the Preliminary Operating Budget for Fiscal Year 2018-19 including the proposed Pittsburg Power Company Budget. The budget must be appropriated for Fiscal Year 2018-19 before July 1, 2018 to provide on-going funding for the Pittsburg Power Company activities during the next fiscal year.

FISCAL IMPACT

The Pittsburg Power Company budget for Fiscal Year 2018-19 estimates revenues in the amount of $2,608,174 and a spending plan of $2,237,637 for the Pittsburg Power Fund. In addition, the budget estimates revenues in the amount of $6,199,861 and a spending plan of $6,082,815 for the Island Energy Fund.

RECOMMENDATION

PPC Board approve the Operating Budget Plan for Fiscal Year 2018-19 and adopt the budget for the Pittsburg Power Company for the Fiscal Year 2018-19.

BACKGROUND

The Preliminary Operating Budget for Fiscal Year 2018-19 for the City of Pittsburg, including the Pittsburg Power Company, was presented to the City Council at a budget workshop meeting held on May 17, 2018.

Copies of the proposed budget and supporting documentation were submitted to interested parties prior to the meeting. A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2018-19 will be placed on the City's website before the June 18,

2018 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2018-19 Proposed Budget. A hard copy of the same document will also be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

The City of Pittsburg Preliminary Operating Budget Plan for the Fiscal Year 2018-19 was presented to the Finance Subcommittee on May 17, 2018. The Finance Subcommittee did not have any comments or changes to the Pittsburg Power FY 2018-19 budget.

STAFF ANALYSIS

None

ATTACHMENTS: Resolution

Report Prepared By: Diane Agar, Division Manager – Accounting
Reviewed By: Brad Farmer, Director of Finance

BEFORE THE PITTSBURG POWER COMPANY OF THECITY OF PITTSBURG

In the Matter of:

Approval of the Budget for Fiscal Year 2018-19 for the Pittsburg Power Company and Appropriation of Funds ForFiscal Year 2018-19	))))	RESOLUTION NO. 18-

The Pittsburg Power Company of the City of Pittsburg DOES RESOLVE as follows:

WHEREAS, the Executive Director has prepared, transmitted and presented the one-year Preliminary Operating Budget for Fiscal Year 2018-19 to the City Council for its consideration; and

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

WHEREAS, the City Council held a budget workshop meetingon April30, 2018for the purpose of reviewing and discussing the Preliminary Operating Budget for Fiscal Year 2018-19, and for providing opportunities for public input and discussion on said Preliminary Pittsburg Power Company Budget; and

WHEREAS, the City Council, having fully reviewed the Preliminary Pittsburg Power Company Budget for Fiscal Year 2018-19 and being fully advised, found and determined that the said Preliminary Pittsburg Power Company Budget should be adopted and prepared in final form.

NOW, THEREFORE, the Pittsburg Power Company of the City of Pittsburgfinds and determines as follows:

Section 1. Findings

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

B. That the Budget for Fiscal Year 2018-19 is hereby approved as set forth in a copy of said budget summary on file with the City of Pittsburg and which by this reference is incorporated herein and authorizes the preparation of the final Budget Review document for Fiscal Year 2018-19.

C. Those funds are hereby and shall be appropriated in the estimated revenue amount of $2,608,174and a spending plan of $2,237,637 for the Pittsburg Power Fund. In addition, the budget recommends estimated revenues in the amount of $6,199,861 and a spending plan of $6,082,815 for the Island Energy Fundfor Fiscal Year 2018-19.

D. That the Finance Director or his/her designee is hereby authorized to

approve payment of goods and services received by the Pittsburg Power Company in accordance with the City's approved budgets, programs and policies.

E. That the Pittsburg Power Company of the City of Pittsburg authorizes changes to be made to the annual budget as follows:

Items Requiring Council/Agency Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the City Manager/Executive Director:

- Items in excess of $5,000.00.
- Transfers between departments and divisions so that the total fund budget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to Department Heads:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the City Manager/Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by the Pittsburg Power Company of the City of Pittsburg at a regular meeting held onthe 18th day of June 2018, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine "Pete" Longmire,Chair

ATTEST:

_____
Joe Sbranti, Executive Secretary

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

DATE: 6/4/2018

TO: Mayor/Chair and Council/Agency Members

FROM: Joe Sbranti, City Manager/Executive Director

SUBJECT: Approving a City Council Resolution and Pittsburg Power Resolution Authorizing the City of Pittsburg to Enter into an Agreement with Craft Community Care Center, Inc. Doing Business as Success Through Self Academy

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

The City of Pittsburg and Craft Community Care Center, Inc. doing business as Success Through Self Academy (STS) propose to enter into an agreement (Agreement) for youth based programs (Program) for fiscal year 2018-2019 (the "Term"). The Agreement includes the use of the community rooms on a portion of 60 Civic Avenue (the "Premises").

FISCAL IMPACT

The total cost of the Agreement for fiscal year 2018-2019 is $110,000 ($80,000 for the Program and up to $30,000 for the electricity, gas, and water). The Agreement will be funded by Pittsburg Power Company fund 590-47101-2199, whose budget for fiscal year 2018-2019 will be considered prior to the commencement of the Term.

RECOMMENDATION

City Council and PPC Board of Directors approve the City Council and PPC Resolutions.

BACKGROUND

On May 11, 2009, Resolution 09-11211 authorized the City Manager to execute an agreement (Original Agreement) with STS Academy to provide the Program. The Program consists of after school recreational services for Pittsburg teens who attended schools in the Pittsburg Unified School District, playground programs when school is not in session, and tiny tot program that included flag football, t-ball, soccer, and basketball for children ages 3-6. The term of the Original Agreement commenced June 16, 2009 and expired August 31,

2014. On September 16, 2013, the Original Agreement was amended by Resolution 13-12033 which authorized $80,000 to fund the Program for fiscal year 2013-2014.

On June 16, 2014, City Council Resolution 14-12136, Successor Agency Resolution 14-019 and PPC Resolution 14-296 authorized the execution and funding of the 2014-2015 Agreement with STS to operate and administer the Program. The 2014-2015 Agreement expired on June 30, 2015.

On July 6, 2015, City Council Resolution 15-13069 and PPC Resolution 15-319 authorized the execution and funding of the 2015-2016 Agreement with STS to operate and administer the Program. The 2015-2016 Agreement provided STS with two (2) one-year options to extend the term. The second option to extend expires June 30, 2018.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

STS has been in existence since 2004, providing numerous youth programs. STS provides the following services: before- and after-school care from 6 am to 6 pm for kindergarten through 5th grade students each day classes are in session at Pittsburg schools; transportation to and from school; hot meals; academic assistance; and enrichment and recreation activities.

Enrichment and recreation activities include arts and crafts, gardening, cooking, performance arts, internships, and a variety of games and sports. STS serves over 1,500 students, from kindergarten to 12th grade, at twelve locations.

STS receives its funding from various sources such as low-cost fees charged to participants, donations, sponsorships, fundraisers, and negotiated contracts. The City recognizes the efforts put forth by STS and the benefits the community receives and wishes to continue supporting STS' efforts. The proposed Agreement will commence on July 1, 2018 and will expire on June 30, 2019 and will have one (1) one-year option to extend.

The Agreement authorizes the use of various the Premises during the Term. PPC will pay for PG&E and water used within the Premises, up to $30,000.

Since the City has limited programs offered through its Recreation Department, STS assists with providing various youth programs for the community.

ATTACHMENTS: City Resolution
PPC Resolution
Agreement

Report Prepared By: Melaine Venenciano, Senior Administrative Analyst

BEFORE THE PITTSBURG POWER COMPANY OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a Resolution Allocating $110,000 To Pay For the 2018-2019 Agreement by and Between the City of Pittsburg and Craft Community Care Center, Inc.Doing Business as Success Through Self Academy	)	RESOLUTION NO. 18-

The Pittsburg Power Company DOES RESOLVE as follows:

WHEREAS, on May 11, 2009, by City Council Resolution 09-11211, the City of Pittsburg (City) authorized the City Manager to execute an agreement (Original Agreement) with Craft Community Care Center, Inc. doing business as Success Through Self Academy(STS) to provide youth based programs (Program) and said Original Agreement was later amended by City Resolution 13-12033 on September 16, 2013; and

WHEREAS, the Program consists of before- and after-school care from 6 am to 6 pm for kindergarten through 5th grade students each day classes are in session at Pittsburg schools; transportation to and from school; hot meals; academic assistance; and enrichment and recreation activities; and

WHEREAS, enrichment and recreation activities include arts and crafts, gardening, cooking, performance arts, internships, and a variety of games and sports; and

WHEREAS, STS serves over 1,500 students, from kindergarten to 12th grade, at twelve locations;and

WHEREAS, on June 16, 2014, City Council Resolution 14-12136, Successor Agency Resolution 14-019 and Pittsburg Power Company (PPC) Resolution 14-296 authorized the execution and funding of the2014-2015 Agreement (2014-2015 Agreement) with STS to operate and administer the Program; and

WHEREAS, on July 6, 2015, City Council Resolution 15-13069 and PPC Resolution 15-319 authorized the execution and funding of the 2015-2016 Agreement with STS to operate and administer the Program. The 2015-2016 Agreement provided STS with two (2) one-year options to extend the term. The second option to extend expires June 30, 2018; and

WHEREAS, the City has limited programs offered through its Recreation Department, STS assists with providing various youth programs for the community; and

WHEREAS, the City and STS propose to enter into an agreement for fiscal year 2018-2019 (2018-2019 Agreement), whereby STS will operate and administer the Program for $110,000 ($80,000 for the Program and up to $30,000 for the electricity, gas, and water) and will use the community rooms on a portion of 60 Civic Avenue (the “Premises”); and

WHEREAS, the 2018-2019 Agreement will commence on July 1, 2018 and will expire

on June 30, 2019 (Term).

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

Section 1.
All the recitals above are true and correct and incorporated herein.

Section 2.
PPChereby allocates $110,000 ($80,000 for the Program and up to $30,000 for the electricity, gas, and water) from its fiscal 2018-2019 budget to pay for the Program operated and administered by STS in the 2018-2019 Agreement.

Section 3.
The Executive Director is hereby authorized to take such further actions as may be necessary or appropriate to carry out PPC's obligations pursuant to this Resolution.

Section 4.
The Executive Secretary shall certify to the adoption of this Resolution.

Section 5.
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 June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Chair

ATTEST:

_____
Joe Sbranti, Executive Secretary

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a City Council Resolution Authorizing the City of Pittsburg to Enter into anAgreement withCraft Community Care Center, Inc. Doing Business as Success Through Self Academy	))))	RESOLUTION NO. 18-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, on May 11, 2009, by City Council Resolution 09-11211, the City of Pittsburg authorized the City Manager to execute an agreement (Original Agreement)with Craft Community Care Center, Inc. doing business as Success Through Self Academy(STS) to provide youth based programs (Program) and said Original Agreement was later amended by City Resolution 13-12033 on September 16, 2013; and

WHEREAS, the Program consists of before- and after-school care from 6 am to 6 pm for kindergarten through 5th grade students each day classes are in session at Pittsburg schools; transportation to and from school; hot meals; academic assistance; andenrichment and recreation activities; and

WHEREAS, enrichment and recreation activities include arts and crafts, gardening, cooking, performance arts, internships, and a variety of games and sports; and

WHEREAS, STS serves over 1,500 students, from kindergarten to 12th grade, at twelve locations;and

WHEREAS,on June 16, 2014, City Council Resolution 14-12136, Successor Agency Resolution 14-019 and Pittsburg Power Company Resolution 14-296 authorized the execution and funding of the2014-2015 Agreement with STS to operate and administer the Program; and

WHEREAS, on July 6, 2015, City Council Resolution 15-13069 and PPC Resolution 15-319 authorized the execution and funding of the 2015-2016 Agreement with STS to operate and administer the Program. The 2015-2016 Agreement provided STS with two (2) one-year options to extend the term. The second option to extend expires June 30, 2018; and

WHEREAS, since the City has limited programs offered through its Recreation Department, STS assists with providing various youth programs for the community; and

WHEREAS, the City and STS propose to enter into an agreement for fiscal year 2018-2019 (2018-2019Agreement), whereby STS will operate and administer the Program for $110,000 ($80,000 for the Program and up to $30,000 for the electricity, gas, and water) and will use the community rooms on a portion of 60 Civic Avenue (the “Premises”); and

WHEREAS, the 2018-2019Agreement will commence on July 1, 2018and will expire on June 30, 2019 (Term).

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

Section 1.
All the recitals above are true and correct and incorporated herein.

Section 2.
City Council hereby authorizes the City to enter into the 2018-2019 Agreement with STS.

Section3.
The City Council authorizes the expenditure of $110,000 ($80,000 for the Program and up to $30,000 for the electricity, gas, and water) to operate and administer the Program to the Pittsburg youth.

Section 4.
The City hereby authorizes the use of the Premises.

Section 5.
The City Manager is hereby authorized to take such further actions as may be necessary or appropriate to carry out the City's obligations pursuant to this Resolution.

Section 6.
The City Clerk shall certify to the adoption of this Resolution.

Section 7.
This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the City Council of the City of Pittsburgat a regular meeting on the 18th day of June2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

AGREEMENT FOR YOUTH AND TEEN SERVICES
BETWEEN THE CITY OF PITTSBURG AND
CRAFT COMMUNITY CARE CENTER, INC.
(dba SUCCESS THROUGH SELF ACADEMY)

This Youth and Teen Services Agreement (this "Agreement") is made on July 1, 2018 by and between the City of Pittsburg, a California municipal corporation (City), and Craft Community Care Center, Inc., a 501(c)(3) nonprofit corporation doing business as "Success Through Self Academy" (STS).

RECITALS

WHEREAS, on May 11, 2009, by City Council Resolution 09-11211, authorized the City Manager to execute an agreement (Original Agreement) with STS to provide youth based programs (Program) and said Original Agreement was later amended by City Resolution 13-12033 on September 16, 2013; and

WHEREAS, the Program consists of before- and after-school care from 6 am to 6 pm for kindergarten through 5th grade students each day classes are in session at Pittsburg schools; transportation to and from school; hot meals; academic assistance; and enrichment and recreation activities; and

WHEREAS, enrichment activities include arts and crafts, math, science projects, writing, and a variety of games and sports; and

WHEREAS, STS serves over 1,500 students, from Kindergarten to 12th grade, at twelve locations; and

WHEREAS, since the City has limited programs offered through its Recreation Department, STS assists with providing various youth programs for the community; and

WHEREAS, on June 16, 2014, City Council Resolution 14-12136, Successor Agency Resolution 14-019 and Pittsburg Power Company (PPC) Resolution 14-296 authorized the execution and funding of the 2014-2015 Agreement with STS to operate and administer the Program; and

WHEREAS, on July 6, 2015, City Council Resolution 15-13069 and PPC Resolution 15-319 authorized the execution and funding of the 2015-2016 Agreement with STS to operate and administer the Program. The 2015-2016 Agreement provided STS with two (2) one-year options to extend the term. The second option to extend expires June 30, 2018; and

WHEREAS the City and STS propose to enter into another agreement for 2018-2019 (2018-2019 Agreement), whereby STS will operate and administer the Program for 110,000 ($80,000 for the Program and up to $30,000 for the electricity, gas, and water) and will use the community rooms on a portion of 60 Civic Avenue (the "Premises"); and

WHEREAS, the 2018-2019 Agreement will commence on July 1, 2018 and will expire on June 30, 2018 (Term); and

NOW, THEREFORE, City and STS agree as follows:

1. Scope of Services.

1.1. STS shall do all work and carry out all activities necessary to provide, at minimum, the youth and teen services ("Youth Services") described in the Scope of Work, attached hereto and incorporated herein by this reference as Exhibit A. City intends for the following services to be made available to residents of the City, but realizes that people have friends and visiting acquaintances from other cities whose attendance at youth events listed below with City residents would be normal and natural events in the lives of the City's residents. Therefore, incidental inclusion of non-City residents in the Youth Services is also contemplated by this Agreement. The Youth Services provided by STS under this Agreement shall include, but are not limited to, the following:

(A) Operation of the Teen Center. STS shall provide teen programs for middle school and high school students at the Premises. At a minimum, STS shall provide the Teen Center programs and services identified on the attached Scope of Work. The Teen Center shall be open to City teenagers on the following schedule: Monday through Friday from 2 pm through Friday 6 pm.

(B) After School Programs. STS shall provide after school programs for elementary and junior high school students. These programs shall be open to City elementary school children and teens enrolled in school on days a majority of Pittsburg Unified School District schools offer a full schedule of classes for students (specifically excluding summer school and weekends). At a minimum, STS shall provide the after school programs identified on the attached Scope of Work.

(C) Youth Recreation Programs. STS shall provide, at minimum, playground programs and various sports programs for Pittsburg youth ("Youth Recreation Programs") identified on the attached Scope of Work.

1.2. Within fifteen (15) days of the end of each calendar quarter (March 31, June 30, September 30, December 31), STS shall provide City with a report related to the provision of Youth Services under this Agreement ("Report") that includes: (a) the specific elements of the After School Programs, Youth Recreation Programs and Teen Center programs provided by STS in the prior three calendar months; (b) the total number of students served by each program in the prior calendar month (including attendance records); and (c) STS' plans for community outreach and teen programs in the next calendar quarter. The Report shall be submitted in a form satisfactory to City.

2. Term. This Agreement shall commence on July 1, 2018 ("Effective Date") and shall extend through June 30, 2019. City and STS may, by mutual written agreement, extend the Term for one (1) additional year.

3. Compensation. City shall pay STS for the provision of Youth Services under this Agreement as follows:

3.1. General Payments: City shall make biannual payments to STS on July 1, 2018 and January 1, 2019 (Regular Payments). City agrees to make the following Regular Payments to STS for the provision of Youth Services:

REGULAR PAYMENT SCHEDULE

July 1, 2018:	Forty Thousand Dollars ($40,000)
January 1, 2019:	Forty Thousand Dollars ($40,000)

3.2. The Regular Payments identified above are intended to compensate STS in full for all Youth Services provided under this Agreement, including After School Programs, Youth Recreation Programs and operation of the Teen Center. The parties agree that City's Regular Payments are intended to fund Youth Services in the following proportions: Fifty percent (50%) for operations of the Teen Center and fifty percent (50%) for the operations of the Youth Recreation programs. There is no City financial contribution for After School Programs.

3.3 STS may charge, collect, and retain fees for services form participants of Youth Services.

4. Use of City Facilities. City shall allow STS to utilize certain City facilities for the provision of Youth Services consistent with the requirements of this Agreement. City agrees to: (i) provide access to STS at no cost; and (ii) provide major maintenance at no cost to STS; and (iii) pay for electricity, gas, and water at the Premises; up to $30,000. STS agrees to: (i) pay for the operational costs, including the administration, supervision and security of the facility; (ii) pay for or otherwise provide basic janitorial services at the facility; and (iii) operate each facility in a clean and presentable manner, consistent with the standard of care provided by City at other City facilities. City shall provide STS, for its use in the Youth Programs, one complete set of keys to the Premises. City will distribute additional keys to the Premises to those STS representatives designated by STS. STS will promptly return keys to the City when any representative is no longer designated by STS to possess keys. No duplication by STS or other non-City persons or entities is permitted. City reserves the right to restrict STS use upon thirty (30) days prior written notice to STS, which notice shall state reasonable basis for any restrictions and the terms of the restrictions, if not permanent. STS shall have and maintain the right, during said thirty (30) day notice period, to meet and confer with the City regarding the reasonableness of the restrictions and satisfy City's concerns regarding reasonable restrictions so as to eliminate the restrictions.

4.1. Community Rooms on a Portion of 60 Civic Avenue. STS shall be authorized to use Premises for the continuous operation of the Teen Center. STS is responsible for any costs associated with telephone, television, or Internet services provided to and routine maintenance at the Premises. STS shall ensure that the Teen Center is operational and open to the community Monday through Thursday from 2:00 p.m. until 8:00 p.m. and Fridays from 2:00 p.m. to 6:00 p.m. STS is further authorized to utilize City's inventory of goods and equipment (Inventory) located at the Premises. City makes no representations as to the quality or use of the items in the Inventory. The Inventory shall be used at STS' own risk and for the sole purpose of providing Youth and Teen Services. City retains ownership of the Inventory and STS is responsible for the replacement of any lost, damaged, or stolen Inventory items at their depreciated value and at STS's sole expense.

4.2. Summer Playground Sites and Storage. STS shall be authorized to use certain summer playground sites (Playgrounds) and storage facilities mutually agreed upon by City and STS. City and STS shall coordinate a schedule for STS' use of Playgrounds by May 1 for June to January use and by November 1 for December to July use during the term of this agreement.

5. Discontinued Youth Services. Throughout the term of this Agreement, City may, at its sole option, require STS to discontinue any Youth Services under this Agreement that, in the City's sole discretion, are not providing sufficient benefit to City residents. Specifically, if enrollment in the After School Programs falls below an average of twenty-five (25) Pittsburg resident daily users in any given calendar month, City may elect to discontinue the program. In the event that the use of the Teen Center falls below an average of twenty-five (25) Pittsburg resident daily users in any given calendar month, the City may elect to discontinue the operation of the Teen Center. In the event that Youth Recreation Programs enrollment drops below an average of fifty (50) Pittsburg resident users in any given calendar month, the City may elect to discontinue the Youth Recreation Programs. City shall notify STS thirty (30) days in advance of discontinuing any Youth Service. City's determination as to discontinued services is final.

In the event that any Youth Services are discontinued pursuant to this Section 5, City may reduce any subsequent Regular Payments to STS in accordance with proportions established in Section 3.2 and restrict STS' further use of City facilities, including 60 Civic in accordance with Section 4 of this Agreement.

6. Termination.

6.1. City may terminate this Agreement, with or without cause, at any time by giving one hundred twenty (120) days written notice of termination to STS. STS may terminate this Agreement, with or without cause, at any time by giving one hundred twenty (120) days written notice of termination to City and repayment of last Regular Payment on a pro-rata basis based on the number of days remaining under this Agreement after date of termination.

6.2 If City or STS fail to perform, or otherwise breaches, any material obligation under this Agreement, then, in addition to any other remedies available under law, the aggrieved party may terminate this Agreement by giving ten (10) days written notice to the non-aggrieved party. The written notice shall specify the nature of the non-performance or breach of the material obligation and allow twenty (20) days in which the non-aggrieved party may cure the non-performance or breach.

6.3 Upon termination of this Agreement by City or STS, all property belonging exclusively to City which is in STS possession shall be returned to City and STS shall vacate any City facility used by STS under this Agreement for the provision of Youth Services.

7. Insurance.

7.1. On the Effective Date of this Agreement and throughout the Agreement's term, STS shall obtain and maintain for benefit of the City, and keep in full force and effect the following insurance policies. Such insurance must have the approval of the City as to limit, form and amount, and shall be placed with insurers with a current A.M. Best's rating of no less than A:VII.

(A) Comprehensive general and automobile liability insurance. STS shall obtain comprehensive general and automobile liability insurance in the amount of at least One Million Dollars ($1,000,000.00) or more per occurrence. The insurance shall include, but not be limited to, protection against claims arising from death, bodily or personal injury, or damage to property resulting from the actions, failures to act, or operations of the insured, or by its employees, agents, volunteers, or anyone directly or indirectly employed by the insured.

(B) Fire, property and casualty insurance. STS shall obtain fire, property and casualty insurance in an amount of at least Five Hundred Thousand Dollars ($500,000) or more per occurrence for the replacement cost of facilities utilized by STS under this Agreement (including 60 Civic).

7.2. STS shall obtain and provide to the City endorsements: (i) naming the City, its officers, its officials, its employees and agents as additional insureds; (ii) specifying that the City's insurance and/or risk management coverage is excess and non-contributing; (iii) stating that coverage shall not be suspended, voided, canceled, terminated, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to City; and (iv) stating that the insurance policies shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

8. No Employment Relationship. City and STS acknowledge and agree that STS is being retained by City as an independent contractor, not as an employee, partner or co-venturer, only for the purposes and to the extent set forth in this

Agreement. Neither STS nor any of its employees shall be considered as having any employee or agent status with City.

9. Indemnification.

9.1. STS shall indemnify, defend (with counsel reasonably acceptable to the City), and hold harmless the City, its officers, officials, agents, and employees from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation court costs and reasonable attorneys' fees arising out of or in connection with STS's negligent performance of work arising out of this Agreement or its negligent failure to comply with any of its obligations contained in this Agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of City.

9.2. This Section 9 shall constitute a separate agreement and shall survive the termination of this Agreement.

10. Compliance with Local Laws. STS shall comply with all applicable laws, ordinances, and codes of federal, state and local governments when providing the Youth Services pursuant to this Agreement.

11. Assignment. The parties hereto agree that the experience of STS in providing Youth Services is a material consideration for City's agreement to execute this Agreement. Therefore, the parties agree that STS may not assign or otherwise delegate its rights, duties and obligations under this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld. Any such assignment or delegation without such prior written approval of City shall be void, and shall, at the option of the City, terminate all duties and obligations of STS and City under this Agreement.

12. Employment Discrimination. STS shall not engage in unlawful employment discrimination. Such unlawful employment discrimination includes, but is not limited to, employment discrimination based upon a person's race, religious creed, color, national origin, ancestry, physical handicap, mental condition, marital status, gender, citizenship or sexual orientation.

13. Fundraising. The City's City Manager shall waive any parks or facility rental fees to STS for up to four (4) events per calendar year, provided, STS' use of the park or facility rental is for the purpose of raising funds which support the administration or operation of STS' programs under this Agreement. STS shall comply with the City's reservation and facility use requirements.

14. Governing Law & Forum. This Agreement shall be construed in accordance with the laws and judicial decisions of the State of California and venue for any legal or equitable action shall be in the County of Contra Costa.

15. Successors. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

16. Notices. All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses:

STS:
STS Academy
Jim Craft, Executive Director
PO Box 1355
Pittsburg, CA 94565

CITY:
City of Pittsburg
Attn: City Manager
65 Civic Avenue
Pittsburg, CA 94565

With Copies to:
Ruthann G. Ziegler
City Attorney
555 Capitol Mall
Suite 1200
Sacramento, CA 95814

17. Severability. If any term, condition, or covenant of this Agreement is declared of determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

18. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the subject matters contained herein and supersedes all prior understandings, whether written or oral, with respect thereto.

19. Relationship of Parties. The parties do not intend that this Agreement constitute, and this Agreement shall not be interpreted under any circumstances as, a partnership, joint venture or other business association, nor shall this Agreement be interpreted as creating a landlord-tenant relationship. This Agreement does not, and is not intended to, create any rights for parties who are not signators hereto.

20. Interpretation of Agreement. The headings within this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement. The parties have had an equal opportunity to participate in the drafting of this Agreement; therefore the normal construction as against the drafting party shall not apply to this Agreement.

IN WITNESS HEREOF, the parties hereto have executed this Agreement for Youth and Teen Services on the date first above written.

CITY:

CITY OF PITTSBURG

By: _____
Joe Sbranti, City Manager

Attest:

_____
Alice Evenson, City Clerk

Approved as to form:

_____
Ruthann G. Ziegler, City Attorney

CRAFT COMMUNITY CARE CENTER, INC.
dba “SUCCESS THROUGH SELF ACADEMY”

By: _____

Approved as to form:

_____
Counsel for Craft Community Care Center, Inc.

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

DATE: 6/7/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Authorizing the City Manager or his Designee to Execute Agreements for the Provision of Supplemental Law enforcement Services for Certain Special Events and Occurrences

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

The City Council of the City of Pittsburg may contract on behalf of the Pittsburg Police Department to provide supplemental law enforcement services to private individuals or private entities to preserve the peace at special events or occurrences that happen on an occasional basis.

FISCAL IMPACT

There is no impact to the General Fund.

RECOMMENDATION

Adopt the Resolution approving, and authorizing the City Manager or his designee to execute agreements for the provision of supplemental law enforcement services for certain special events and occurrences, not to exceed $75,000.

BACKGROUND

Periodically throughout the year, the Police Department is asked by local businesses to provide supplemental law enforcement services for special events such as Black Friday and the Seafood Festival. There are several reasons why hiring a supplemental police officer may help with the success of a special event. A police officer provides a visual presence which makes criminals less likely to target an event. When a uniformed police officer and/or patrol car is spotted, criminals may rethink any negative actions they may have in mind.

California Government Code Section 53069.8 provides that the City Council of the City of Pittsburg may contract on behalf of the Pittsburg Police Department to provide supplemental

law enforcement services to private individuals or private entities to preserve the peace at special events or occurrences that happen on an occasional basis. The agreement is recommended because the need for supplemental law enforcement services sometimes becomes apparent a short amount of time before a special event or occurrence.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

Staff recommends the City Council review the attached agreement and authorize the City Manager or his/her designee to contract on behalf of the City to provide supplemental law enforcement services at special events or occurrences where the need for supplemental law enforcement services does not exceed $75,000 using the attached form agreement.

No agreement executed pursuant to this request shall reduce the normal and regular ongoing law enforcement service the Police Department would otherwise provide.

ATTACHMENTS: Resolution
Agreement

Report Prepared By: Brian Addington, Chief of Police

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Authorizing the City Manager to Execute Agreements for the Provision of Supplemental Law Enforcement Services for Certain Special Events and Occurrences	))))	RESOLUTION NO. 18-

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

WHEREAS, California Government Code Section 53069.8 provides that the City Council of the City of Pittsburg may contract on behalf of the Pittsburg Police Department to provide supplemental law enforcement services to private individuals or private entities to preserve the peace at special events or occurrences that happen on an occasional basis; and

WHEREAS, the need for supplemental law enforcement services sometimes becomes apparent a short amount of time before a special event or occurrence; and

WHEREAS, the City Council has reviewed the attached form agreement for the provision of supplemental law enforcement services at special events or occurrences; and

WHEREAS, the City Council desires to authorize the City Manager or his/her designee to contract on behalf of the City to provide supplemental law enforcement services at special events or occurrences where the need for supplemental law enforcement services does not exceed $75,000 using the attached form agreement; and

WHEREAS, no agreement executed pursuant to this Resolution shall reduce the normal and regular ongoing law enforcement service the Pittsburg Police Department would otherwise provide.

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

Section 1. Recitals.

The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. Authorization to Execute Agreements for the Provision of Supplemental Law Enforcement Services at Certain Special Events and Occurrences .

The City Council hereby authorizes the City Manager or his/her designee to execute supplemental law enforcement service agreements where: (a) the services are for an occasional special event or occurrence and (b) the estimated cost for supplemental law enforcement services does not exceed $75,000. Such agreements shall be substantially in the form attached hereto, with such changes as the City Manager determines are not materially detrimental to the City and which are approved as to form by the City Attorney.

Section 3. No Effect on Regular Law Enforcement Services.

No contract entered into pursuant to this Resolution shall reduce the normal and regular ongoing service that the Pittsburg Police Department provides to the residents of Pittsburg.

Section 4. City Council Authority.

Except as specifically authorized in this Resolution, the City Council retains all other authority to contract on behalf of the City with public or private parties for the provision of supplemental law enforcement services.

Section 5. Effective Date.

This Resolution shall take effect immediately upon its adoption.

Section 6. Certification.

The City Clerk shall certify the adoption of this Resolution.

Passed and Adopted by the City Council of the City of Pittsburg at a regular meeting on the 18th day of June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

SPECIAL EVENT SUPPLEMENTAL LAW ENFORCEMENT SERVICES AGREEMENT

This Special Event Supplemental Law Enforcement Services Agreement (this "Agreement") is entered into this _____ day of _____, 20____ ("**Effective Date**") by and between the City of Pittsburg, a California municipal corporation ("**City**"), and _____, a _____ ("**Contractor**"). The parties hereto may be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Contractor has requested that the Pittsburg Police Department ("**Department**") provide supplemental law enforcement services at Contractor's _____ event, which lasts from _____ to _____ ("**Event**"); and

WHEREAS, Government Code Section 53069.8(a) provides that the City Council may contract on behalf of the Department to provide supplemental law enforcement services to private individuals or entities to preserve the peace at special events or occurrences that happen on an occasional basis; and

WHEREAS, the Event qualifies as such an occasional special event or occurrence; and

WHEREAS, on _____, the City Council adopted Resolution 18-____, which authorizes the City Manager to execute this Agreement on behalf of the City; and

WHEREAS, estimated costs for the provision of supplemental law enforcement services at the event do not exceed $_____; and

WHEREAS, the provision of supplemental law enforcement services at the Event will not reduce the normal and regular ongoing service that the Department provides to the residents of the City.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Term.** The term of this Agreement shall begin on the Effective Date and shall expire upon Contractor's completion of payment to the City.

2. **Services.**

2.1 Scope of Services. The City shall provide supplemental law enforcement services in the manner and at the times set forth in this Agreement and the Event Information and Service Schedule, attached hereto and incorporated herein as Exhibit A (the "**Services**").

2.2 Assigned Personnel. Regularly appointed full-time peace officers shall provide the Services, provided that Level I reserve peace officers who are authorized to exercise the powers of a peace officer may provide the Services if there are no regularly appointed full-time peace officers available to provide the Services required in this Agreement.

2.3 Scope of Duties. The Services authorized under this Agreement shall encompass only law enforcement duties and not services authorized by a private patrol operator.

2.4. Prioritization of Law Enforcement. Peace officers assigned to perform the Services shall endeavor to be physically present at all times during the hours specified in Exhibit A, but shall, notwithstanding any other provision of this Agreement, have the flexibility to leave the Event location to book prisoners and handle Emergencies. Contractor understands and expressly agrees to this possibility and hereby waives any claims that may arise in connection with, or as a result of, any alleged City failure to provide Services as set forth in this Agreement. For purposes of this paragraph, an "**Emergency**" is: (a) a serious event that could reasonably result in serious danger to the public if a peace officer does not arrive immediately or an event that could require an officer to employ life-saving efforts, and where the officer assigned to the Event is the closest officer available or is otherwise needed, in the City's sole discretion, to respond; or (b) an unanticipated absence due to illness, injury, personal or family emergency, or similar factors. The City will endeavor to restore Department personnel to provide the Services as soon as reasonably feasible.

2.5 City as Employer of Personnel.

2.5.1 Responsibility for assignment and supervision of personnel, supervision of the Services, the establishment of standards of performance, determining and effecting discipline, determining equipment requirements, and all other matters relating to the performance of the Services and control of personnel under this Agreement shall remain with the City. Contractor agrees that in the event of a dispute between the Parties as to the manner of performance of the Services, the determination by the Chief of Police or his or her on-site representative shall be final and conclusive.

2.5.2 Contractor shall not grant, give, allow, pay, reimburse, compensate, or otherwise provide any wage, fringe benefits, gifts, equipment, personal property, supplies, entitlement, consideration (monetary or otherwise), or any other thing of value, either directly or indirectly, to personnel assigned to perform the Services. Any money paid directly to the City by Contractor to reimburse the City for costs pursuant to this Agreement shall not be deemed consideration paid by the Contractor to Department personnel.

2.5.3 Contractor shall not ask or require any Department personnel to perform any services directly for the Contractor or otherwise be available to perform any other work or assignments for the Contractor or be expected to perform any acts other than governmental law enforcement functions, crime prevention, or police protection, and no City personnel shall be employed in any manner or capacity by Contractor.

3. **Reimbursement for Services.** Contractor agrees to compensate the City for actual personnel costs incurred. The City agrees to bill the Contractor only for the actual time Department personnel is assigned to the Event and any Event-related meetings, briefings, or activities specified in Exhibit A. This may include travel time to and from the Department to the Event or an Event-related related location.

3.1 Personnel Costs. The City's personnel costs are as shown in Exhibit B, attached hereto and incorporated herein. The rates set forth in Exhibit B are established by the City Council in a publicly available fee schedule and may be amended from time to time, which amendment(s), if any, shall supersede the amounts specified in Exhibit B. City's costs include allowable direct and indirect costs estimated to be incurred by the City for provision of the requested services.

3.2 Estimated Costs. The City estimates that, based on the personnel costs identified in Exhibit B, providing the level of service identified in Exhibit A will cost $_____. This estimate is stated for administrative convenience only and is not a limitation on Contractor's obligation to pay the City the actual and final costs of services rendered, even if they exceed this estimate.

3.3 Deposit. Contractor shall pay the City a deposit of $_____. Contractor shall make payment by check or money order to the City no later than seventy-two (72) hours before commencement of the Services.

3.4 Scope of Charges. The City will not charge for: (a) personnel time to book prisoners; (b) time during which assigned personnel are absent due to an Emergency, as defined in Section 2.4; or (c) the use of Department-owned equipment.

3.5 Invoices. The City shall submit an invoice to Contractor after the Event, and Contractor shall pay the City the amount specified in the invoice within thirty (30) days of the Contractor's receipt of the invoice. If Contractor paid a deposit and the total cost of services exceeds the deposit paid to the City, Contractor shall pay the difference between the amount of the deposit and the total cost of services. If Contractor paid a deposit and the total cost of services rendered is less than the deposit paid to the City, the City shall reimburse Contractor for the difference. Invoices shall be sent to:

[Business/organization name]
Attn: [Name/department]
[Address Line 1]
[Address Line 2]

[City, State, ZIP]
[E-mail]

4. **Insurance.** Before City will perform the Services under this Agreement, Contractor shall, at its own cost and expense, procure the types and amounts of insurance listed below and shall maintain the types and amounts of insurance listed below for the period covered by this Agreement.

4.1 Workers' Compensation. If Contractor employs any person, Contractor shall maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor with limits of not less than one million dollars ($1,000,000.00) per accident.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 Contractor shall maintain commercial general liability insurance for the term of this Agreement, including products liability, covering any loss or liability, including the cost of defense of any action, for bodily injury, death, personal injury and broad form property damage which may arise out of the operations of Contractor. The policy shall provide a minimum limit of $1,000,000 per occurrence/$2,000,000 aggregate. Commercial general coverage shall be at least as broad as ISO Commercial General Liability form CG 0001 (current edition) on "an occurrence" basis covering comprehensive General Liability, with a self-insured retention or deductible of no more than $100,000. No endorsement shall be attached limiting the coverage.

4.2.2 Contractor shall maintain automobile liability insurance form CA 0001 (current edition) for the term of this Agreement covering any loss or liability, including the cost of defense of any action, arising from the operation, maintenance or use of any vehicle (symbol 1), whether or not owned by the Contractor, on or off City premises. The policy shall provide a minimum limit of $1,000,000 per each accident, with a self-insured retention or deductible of no more than $100,000. This insurance shall provide contractual liability covering all motor vehicles and mobile equipment to the extent coverage may be excluded from general liability insurance.

4.2.3 The coverage amounts set forth above may be met by a combination of underlying and umbrella policies as long as in combination the limits equal or exceed those stated.

4.3 All Policies Requirements.

4.3.1 Before City will provide the Services under this Agreement, Contractor shall provide City with (1) a Certificate of Insurance that demonstrates compliance with all applicable insurance provisions contained herein and (2) policy endorsements to the policies referenced in Section 4.2, if applicable, adding the City as an additional insured and declaring such insurance primary in regard to work performed pursuant to this Agreement.

4.3.2 Contractor shall provide at least thirty (30) days prior written notice to City of any reduction in scope or amount, cancellation, or modification adverse to City of the policies referenced in Section 4.

4.3.3 If Contractor maintains higher limits than the minimums specified herein, the City shall be entitled to coverage for the higher limits maintained by the Contractor.

4.4 Waiver of Subrogation**.** Contractor agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of City for all work performed by Contractor, its employees, agents and subcontractors.

5. **Indemnification**

5.1 Effect of Insurance. City's acceptance of insurance certificates and endorsements required under this Agreement does not relieve Contractor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Contractor acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

5.2 Scope. Contractor shall indemnify, defend with counsel reasonably acceptable to the City, and hold harmless the City, and its officials, officers, employees, agents and volunteers from and against all losses, liabilities, claims, demands, suits, actions, damages, expenses, penalties, fines, costs (including without limitation costs and fees of litigation), judgments and causes of action of every nature arising out of or in connection with any acts or omissions of Contractor, its officers, officials, agents, and employees, except as caused by the sole or gross negligence of City.

6. **Termination.** Either party may terminate this Agreement by giving seven (7) days written notice to the other party. Notwithstanding, the City may terminate this Agreement at any time if the City concludes that the Department has insufficient available personnel to provide the Services specified in this Agreement without reducing

the normal and regular ongoing service that the Department provides to the residents and businesses of the City. In such an event, the City will endeavor to provide such notice as is practical and feasible under the circumstances.

7. **Options Upon Breach.** If Contractor materially breaches any of the terms of this Agreement, including but not limited to those set forth in Section 4 (Insurance), City's remedies shall include, but not be limited to, the following: (a) immediately terminate this Agreement; (b) retain such portion of Contractor's deposit, if any, covering City's actual costs prior to termination; and (c) seek additional reimbursement necessary to cover all actual City costs prior to termination.

8. **Survival.** All obligations arising prior to the expiration or termination of this Agreement and all provisions of this Agreement allocating liability between City and Contractor (including, but not limited to, Sections 5.2 and 9.3) shall survive the expiration or termination of this Agreement.

9. **Miscellaneous.**

9.1 Authority.All parties to this Agreement represent and warrant that they have the power and authority to enter into this Agreement in the names, titles, and capacities stated in this Agreement and on behalf of any entities, persons, estates, or firms represented and purported to be represented by such entity(ies), person(s), estate(s) or firm(s).

9.2 Amendments.The Parties may amend this Agreement only by a writing signed by all the Parties.

9.3 Attorneys' Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

9.4 Governing Law.The laws of the State of California shall govern this Agreement except with regard to choice of law.

9.5 Venue. In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Contra Costa or in the United States District Court for the Northern District of California.

9.6 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

9.7 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

9.8 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

9.9 Notices. Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Contractor : _____
_____
_____
_____

City: Pittsburg Police Department
Attn: Chief of Police
65 Civic Avenue
Pittsburg, CA 94565

With copy to: Ruthann G. Ziegler
City Attorney
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

9.10 Integration; Incorporation. This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between City and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

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

9.12 Construction of Agreement. Each party hereto has had an equivalent opportunity to participate in the drafting of the Agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

9.13 Controlling Provisions**.** In the case of any conflict between the terms of this Agreement and the Exhibits hereto, the Agreement shall control.

9.14 No Third Party Beneficiaries. This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any non-signatory third parties.

9.15 Assignment. Neither Party shall assign or otherwise transfer any interest in this Agreement or any duty under this Agreement without the written consent of the other Party. No assignment or delegation shall be of any force or effect unless and until the necessary written consent has been provided.

9.16 No Agency, Joint Venture or Partnership. The City and Contractor agree that neither the City nor any officer, agent or employee of the City, by virtue of this Agreement, or otherwise, shall be considered or assured to be an employee, contractor, sub-contractor, partner, joint venture, representative, or agent of Contractor.

The Parties have executed this Agreement as of the date signed by the City.

CITY OF PITTSBURG	**[NAME OF CONTRACTING ENTITY]**
Date_____	Date_____
_____	_____
Joe Sbranti, City Manager	[NAME, TITLE]

Attest:

_____
Alice Evenson, City Clerk

Approved as to Form:

_____
Ruthann G. Ziegler, City Attorney

EXHIBIT A

Event Information and Service Schedule

BASIC EVENT INFORMATION

Event start date(s) and time(s): _____
Event end date(s) and time(s): _____
Other key date(s)/times(s) [pre-event orientation, meeting, etc.]: _____

Location(s): _____
_____

SERVICE(S)

(a) City will provide ____ [number] _____(s) [Police Officers, Sergeants, Lieutenants, etc.] to _____ [patrol the event, attend pre-event meeting, supervise, etc.] on _____ between the hours of _____ and _____.

(b) City will provide ____ [number] _____(s) [Police Officers, Sergeants, Lieutenants, etc.] to _____ [patrol the event, attend pre-event meeting, supervise, etc.] on _____ between the hours of _____ and _____.

(c) City will provide ____ [number] _____(s) [Police Officers, Sergeants, Lieutenants, etc.] to _____ [patrol the event, attend pre-event meeting, supervise, etc.] on _____ between the hours of _____ and _____.

[Add additional service details as necessary.]

EXHIBIT B

Personnel Costs

Personnel costs are based on the City of Pittsburg's Master Fee Schedule effective _____, as may be amended from time to time:

a.	Captain	$ _____ / hour
b.	Lieutenant	$ _____ / hour
c.	Sergeant	$ _____ / hour
d.	Officer	$ _____ / hour
e.	Other	

2942316.1

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

DATE: 5/30/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adopt Resolution Establishing the Appropriations Limit for the 2018-19 Fiscal Year in Accordance with Proposition III and Article XIII (B)

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

In November 1979, the voters of California approved Proposition 4, commonly known as the Gann Initiative. This proposition created Article XIII (B) of the State Constitution placing limits on the amount of revenue which can be appropriated by all government entities in any fiscal year. The legislation mandates all governing bodies including the City of Pittsburg to annually establish the Appropriations Limit.

FISCAL IMPACT

There is no impact to the City of Pittsburg budget. The FY 2018-19 Appropriations Limit is $161,174,749 and will exceed the General Fund estimated spending plan of $44.6 Million.

RECOMMENDATION

Staff recommends that the City Council adopt this Resolution in compliance with the State of California legislative requirement for the City Council to annually establish the Appropriations Limit.

BACKGROUND

In 1979, Proposition 4, known as the Gann Initiative was approved by the California voters. As a result, Article XIII (B) of the State Statute (Government Code Section 7900-10) was enacted and it requires that each year thereafter, the governing body of each local jurisdiction shall by resolution, establish its Appropriations (spending) limit for the following fiscal year. The determination of the appropriations limit is considered to be a legislative act and should be adopted at a regular council meeting.

Proposition III, approved by California voters in 1990, amended Article XIII (B) further, and Council action is necessary to implement the amendments effective for FY 2005-06 and thereafter.

The amendments of Proposition III specify that the annual adjustment factors in calculating the Appropriations Limit will be increased by:

- The change in population growth for City OR County (whichever is higher)
- The change in California Per Capita Personal Income

OR

The growth in the average change in the County Consumer Price Index (whichever is higher).

Pursuant to Proposition III amendments, staff has calculated the FY 2018-19 Appropriations Limit (see attached Gann Calculations) using the City Population change and the change in California per Capita Personal Income factors. The basis for the selection methodology is that the City's Population Change is higher than the County's population growth and the change in the California Per Capita Personal Income factor is higher than the Change in the Contra Costa County Consumer Price Index. The City's Appropriations limit for FY2018-19 is $161,174,749.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

Establishing the Appropriations Limit is a State of California mandate which requires all cities to adopt a respective Resolution at the beginning of each fiscal year.

The Appropriations subject to Limitation for Fiscal Year 2018-19 is $44.6 Million against the calculated limit of $161.2 Million.

Appropriations subject to the limit for fiscal year 2017-18 totaled $40.5 Million against the Adopted Limit of $152.7 Million for that same year.

ATTACHMENTS: Resolution
California Department of Finance Letter dated May, 2018
Gann Calculations

Report Prepared By: Laura Mendez, Finance Reporting Manager

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adopt ResolutionEstablishing the	)	
AppropriationsLimit for the Fiscal Year	)	RESOLUTION NO. 18-
2018-19in Accordance with	)	
Proposition III and Article XIII (B)	)	

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, Article XIII (B) of the California Constitution Proposition 4 establishesexpenditure limits for cities; and

WHEREAS,State-implementing legislation (Government Code Section 7910) requires the City of Pittsburg to annually adopt a resolution establishing its AppropriationsLimit for the following fiscal year; and

WHEREAS,effective FY 1990-91 Proposition III has amended Article XIII (B) to allowa selection of annual adjustment factors (price and population) which must alsobe adopted at a regularly scheduled meeting; and

WHEREAS,the City selected the County's population change and the change in California per Capita Personal Income factors to compute the Appropriations Limit; and

WHEREAS,the Division Manager – Reporting has made the calculations specified in saidLaw and concludes that the appropriations subject to limitation is the sum ofone hundred sixty-onemillion, one hundred seventy-four thousand, seven hundred forty-nine dollars ($161,174,749);and

WHEREAS,pursuant to said law the calculations have been made available to the publicfor two (2) weeks prior to the date of the adoption of this resolution.A copy of the calculation is on file in the City of Pittsburg Finance Department.

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

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

Section 2.
The City Council does hereby authorize and approve that the Fiscal Year2018-19 Appropriations Limit of the City of Pittsburg is established at $161,174,749 using the County's Population Change and the change in the California per Capita Personal Incomefactors; and

Section 3.
That 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 of June, 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine “Pete” Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

City of Pittsburg Fiscal Year 2018-19
Gann Appropriations Limit Calculations

	City Population Change	County Population Change
Population Change as of January 1, 2018	**1.0183** (1)	1.0088 (1)

	Per Capita Change	Consumer Price Index CPI of Contra Costa County
Cost of Living FY 2018-19	**1.0367** (1)	1.034 (2)

FY 18-19 Gann Limit Growth Factor 1 + Larger of County and City Population		1.0183
1 + Larger of Per Capita Change and 12-Month Change in CPI for County	x	1.0367
INCREASE in City's Appropriations Limit for FY 2018-19		**1.055672**
FY 2017-18 Appropriations Limit		$ 152,675,025 (3)
Growth Factor	x	1.055672
FY 2018-19 APPROPRIATIONS LIMIT		**$ 161,174,749**

NOTE:
(1) California Department of Finance Letter Dated May, 2018
(2) Bureau of Labor Statistics CPI, 2017 Avg Change - SF Area (includes Contra Costa County)
(3) FY2017-18 General Fund Appropriations Limit

DEPARTMENT OF FINANCE
OFFICE OF THE DIRECTOR

EDMUND G. BROWN JR. • GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

May 2018

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2018, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2018-19. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2018-19 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2018.**

Please Note: The prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

MICHAEL COHEN
Director
By:

AMY M. COSTA
Chief Deputy Director

Attachment

May 2018

Attachment A

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2018-19 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2018-19	3.67

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2018-19 appropriation limit.

2018-19:

Per Capita Cost of Living Change = 3.67 percent
Population Change = 0.78 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.67 + 100}{100} = 1.0367$

Population converted to a ratio: $\frac{0.78 + 100}{100} = 1.0078$

Calculation of factor for FY 2018-19: $1.0367 \times 1.0078 = 1.0448$

Fiscal Year 2018-19

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2017 to January 1, 2018 and Total Population, January 1, 2018

County City	Percent Change 2017-2018	— Population Minus Exclusions — 1-1-17	 1-1-18	Total Population 1-1-2018
Contra Costa				
Antioch	0.70	112,280	113,061	113,061
Brentwood	2.70	61,383	63,042	63,042
Clayton	0.78	11,342	11,431	11,431
Concord	0.68	128,282	129,159	129,159
Danville	0.79	44,048	44,396	44,396
El Cerrito	1.07	24,674	24,939	24,939
Hercules	0.50	26,185	26,317	26,317
Lafayette	0.94	25,416	25,655	25,655
Martinez	0.70	37,831	38,097	38,097
Moraga	0.74	16,866	16,991	16,991
Oakley	1.52	41,116	41,742	41,742
Orinda	0.98	19,012	19,199	19,199
Pinole	0.71	19,101	19,236	19,236
Pittsburg	1.83	71,342	72,647	72,647
Pleasant Hill	0.35	34,944	35,068	35,068
Richmond	0.77	110,114	110,967	110,967
San Pablo	0.67	31,383	31,593	31,593
San Ramon	1.58	81,354	82,643	82,643
Walnut Creek	0.15	70,558	70,667	70,667
Unincorporated	0.25	171,998	172,429	172,513
County Total	0.88	1,139,229	1,149,279	1,149,363

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2018-19

Attachment C

Annual Percent Change in Population Minus Exclusions*
January 1, 2017 to January 1, 2018

County	Percent Change 2017-18	--- Population Minus Exclusions --- 1-1-17	1-1-18
Alameda			
Incorporated	0.90	1,494,650	1,508,173
County Total	0.84	1,643,199	1,656,996
Alpine			
Incorporated	0.00	0	0
County Total	-0.17	1,156	1,154
Amador			
Incorporated	2.10	12,125	12,380
County Total	-0.84	34,301	34,013
Butte			
Incorporated	0.99	144,477	145,914
County Total	0.54	226,403	227,621
Calaveras			
Incorporated	0.32	4,108	4,121
County Total	-0.04	45,088	45,070
Colusa			
Incorporated	0.72	11,622	11,706
County Total	0.22	22,050	22,098
Contra Costa			
Incorporated	0.99	967,231	976,850
County Total	0.88	1,139,229	1,149,279
Del Norte			
Incorporated	11.43	3,606	4,018
County Total	0.66	24,410	24,571
El Dorado			
Incorporated	2.84	31,636	32,534
County Total	1.17	186,122	188,298

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

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

DATE: 6/4/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Establish and Impose a City of Pittsburg Marijuana Business Tax of Ten Percent (10%) On Marijuana Businesses' Gross Receipts.

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

According to Pittsburg Municipal Code (PMC), Title 3, Chapter 3.10.30, marijuana business tax shall not be imposed on marijuana businesses unless the city council, by resolution, takes action to set a tax rate not to exceed ten (10%) percent of gross receipts. The proposed resolution would allow the City of Pittsburg to establish the rate and implement collection of the marijuana business tax. The tax rate, unless otherwise modified by subsequent City Council resolution, shall be ten percent (10%) of gross receipts.

FISCAL IMPACT

Additional revenue received from the proposed tax will be placed in the City's General Fund and used for the usual current expenses of the City. The amount of revenue is expected to exceed any additional costs incurred to monitor these type of business activities and to provide additional revenues toward General Fund expenditures.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution, establishing and imposing the marijuana business tax rate which shall be ten percent (10%) on marijuana businesses gross receipts, unless otherwise modified by City Council resolution.

BACKGROUND

On November 8, 2016, the voters of the City of Pittsburg approved Measure J, allowing for implementation of a Marijuana Business Tax on all commercial marijuana businesses that may operate within the City. Measure J passed with 13,693 (68.3%) "yes" votes and 6,364

(31.7%) “no” votes. As approved by the voters, the maximum marijuana business tax rate is 10% on all marijuana related transactions.

Therefore, on November 8, 2016, Ordinance 16-1423 amending the Pittsburg Municipal Code (PMC), Title 3 Revenue and Finance, and adding Chapter 3.10 Marijuana Business Tax took effect..

According to Chapter 3.10, Marijuana Business Tax Imposed:

A. Every person engaged in marijuana business in the city shall pay a marijuana business tax at a rate of up to 10 percent of gross receipts.
B. The marijuana business tax under this chapter shall not be imposed on marijuana businesses unless and until the city council, by resolution, takes action to set a tax rate not to exceed 10 percent of gross receipts.
C. At any time, the city council may, by resolution, implement a lower tax rate for all marijuana businesses or may establish differing tax rates for different categories of marijuana businesses, as long as the such tax rate does not exceed the maximum rate of 10 percent of gross receipts.
D. No action by the city council under this subsection shall prevent the city council from increasing any such tax rate from time to time, subject to the maximum tax rate of 10 percent of gross receipts.

SUBCOMMITTEE FINDINGS

N/A

STAFF ANALYSIS

The marijuana business tax is a business license tax solely enacted to raise revenue for municipal purposes and is not a sales or use tax. All of the revenue collected from the marijuana business tax imposed by this resolution shall go to the City’s general fund and used for the usual expenses of the City.

Staff is proposing that the marijuana business tax be initially set at 10% of the marijuana businesses’ gross receipts. However, the City Council, by resolution, may choose to decrease the marijuana business tax based on unique factors specific to the marijuana business and business type. These factors include, but are not limited to, the economic benefit the business provides to the City; the business’s employment of City residents; and/or improvement or development of blighted property.

The City currently allows Type 6 – Manufacturer 1, Type 7 – Manufacturer 2, Type 8 – Testing laboratory, and Type 11 – Distributor commercial cannabis businesses to operate within the City, subject to obtaining a City commercial cannabis permit and a state cannabis license. These types of cannabis businesses may have vastly differing business structures and models, and may also bring unique economic benefits to the City. Therefore, the resolution provides the City Council with the flexibility to consider additional factors, in determining a business’s marijuana business tax.

The City is the designated tax administrator and shall administer tax and collection according to the Pittsburg Municipal Code (PMC) Title 3.

PMC 3.10.040 Payment of Marijuana Business Tax

Each person owing a marijuana business tax under this Chapter shall, on or before the last day of each calendar month, prepare a report of the total gross receipts and the amount of marijuana business tax owed for the preceding calendar month. All tax reports shall be prepared on forms provided by the Tax Administrator. At the time the marijuana business tax report is filed, the full amount of the marijuana business tax owed for the preceding calendar month shall be remitted to the Tax Administrator.

PMC 3.10.050 Delinquent Tax

The taxes required to be paid pursuant to this chapter shall be deemed delinquent if not paid on or before the due date specified in PMC 3.10.040. Any person who fails to remit any marijuana business tax imposed by this chapter within the time required shall pay a penalty of 10 percent of the amount of the marijuana business tax in addition to the amount of the marijuana business tax. The tax administrator shall add an additional penalty of 10 percent of the marijuana business tax due on the last day of each month thereafter that the marijuana business tax and penalties remain unpaid.

PMC 3.10.060 Interest

In addition to any penalties imposed, any person who fails to remit any marijuana business tax imposed by this chapter shall pay interest at the rate of one percent per month or fraction thereof on the amount of the marijuana business tax, exclusive of penalties, from the day such marijuana business tax is due pursuant to PMC 3.10.040 until the date of payment.

Upon adoption of the resolution, the marijuana business tax shall become effective immediately.

ATTACHMENTS: Resolution
Resolution 16-13276
Ordinance 16-1423

Report Prepared By: Margaret Padua, Finance Division Manager

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Adoption of a City Council Resolution to Establish and Impose a City of Pittsburg Marijuana Business Tax of Ten Percent (10%) On Marijuana Businesses' Gross Receipts	)))))	RESOLUTION NO. 18-

The PittsburgCity Council DOES RESOLVE as follows:

WHEREAS, on November 8, 2016, the voters of the City of Pittsburg approved Measure J, allowing for implementation of a Marijuana Business Tax on all commercial marijuana businesses that may operate within the City. Measure J passed with 13,693 (68.3%) "yes" votes and 6,364 (31.7%) "no" votes; and

WHEREAS, on November 8, 2016, Ordinance 16-1423 amending the Pittsburg Municipal Code (PMC), Title 3 Revenue and Finance, and adding Chapter 3.10 Marijuana Business Tax took effect; and

WHEREAS, Pittsburg Municipal Code, Title 3, Chapter 3.10.30, requires the City Council, by resolution, to establish the marijuana business tax rate(s); and

WHEREAS, the marijuana business tax shall not exceed ten (10%) percent of a business's gross receipts; and

WHEREAS,city staff recommends that the City Council adopt the resolution to establish and impose the marijuana business tax rate of ten percent (10%) on gross receipts, except as otherwise subsequently modified or decreased by City Council resolution; and

WHEREAS, the City is the designated tax administrator and shall administer tax and collection according to the Pittsburg Municipal Code, Title 3; and

WHEREAS, the marijuana business tax is a business license tax, solely enacted to raise revenue for municipal purposes and is not a sales or use tax. All of the revenue collected from the marijuana business tax imposed by this resolution shall go to the City's general fund and used for the usual expenses of the City.

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 and establishes the marijuana business tax rate asten percent (10%) of a marijuana businesses' gross receipts.

Section 3. The City Council by resolution, may decrease the marijuana business tax rate based on unique factors of the marijuana business, including, but not limited to, the economic benefit the business provides to the City; the business's employment of City residents; and/or improvement or development of blighted property.

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 ___ day of June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

BEFORE THE PEOPLE OF THE CITY OF PITTSBURG

In the Matter of:

An Ordinance of the City of Pittsburg) ORDINANCE NO. 16-1423
Adopting a Marijuana Business Tax)

Now therefore, the People of the City of Pittsburg, DO ORDAIN as follows:

SECTION 1. RECITALS.

A. California voters enacted the Compassionate Use Act in 1996 to permit the possession and cultivation of marijuana for limited medical treatment purposes.

B. In 2003, the Legislature enacted, the Medical Marijuana Program Act, regarding medical marijuana for qualified patients and primary caregivers, and which allows cities to adopt and enforce rules consistent with the Medical Marijuana Program Act.

C. In 2015, the Legislature enacted the Medical Marijuana Regulation and Safety Act, which creates a state regulatory, permitting, and oversight structure for the commercial medical marijuana industry, but preserves local land use authority and power.

D. In November 2016, California voters will decide whether to adopt Proposition 64, "The Control, Regulate and Tax Adult Use of Marijuana Act", which, if adopted, will legalize the non-medical use and possession of certain quantities of marijuana for individuals 21 years of age or older. If adopted, Proposition 64 will also create a state regulatory, permitting, and oversight structure for the commercial non-medical marijuana industry. Proposition 64 will preserve local land use authority and police power, and local jurisdictions would retain the right to regulate or prohibit commercial medical and non-medical marijuana businesses.

E. The People of the City of Pittsburg desire to enact a tax on all commercial marijuana businesses that may operate within the City of Pittsburg, if future land use regulations and applicable provisions of the Pittsburg Municipal Code allow for such businesses and/or if local control over such businesses is removed by the courts, the Legislature, or statewide initiative in the future.

SECTION 2. Amendment of Pittsburg Municipal Code.

Chapter 3.10, "Marijuana Business Tax," is hereby added to Title 3 of the Pittsburg Municipal Code to read as set forth below.

Marijuana Business Tax

3.10.010 Short title and Purpose
3.10.020 Definitions
3.10.030 Marijuana Business Tax Imposed
3.10.040 Payment of Marijuana Business Tax
3.10.050 Delinquent Tax

3.10.060 Interest
3.10.070 Notice by City Not Required
3.10.080 Failure to Report
3.10.090 Deficiency determinations
3.10.100 Appeal
3.10.110 Records
3.10.120 Refunds
3.10.130 Tax deemed debt to city
3.10.140 Exemptions
3.10.150 Other licenses, permits, taxes, fees or charges
3.46.160 Payment of tax does not authorize unlawful business
3.10.170 Violation deemed Misdemeanor

3.10.010 Short title and Purpose

This Chapter shall be known as the "marijuana business tax" and is enacted solely to raise revenue for municipal purposes and is not intended for regulation. All of the proceeds from the marijuana business tax imposed by this Chapter shall be placed in the city's general fund and used for the usual current expenses of the city.

3.10.020 Definitions

"Business" means professions, trades and occupations and every kind of calling whether or not carried on for profit.

"Gross receipts" means the total of amounts actually received or receivable from sales and the total amounts actually received or receivable for the performance of any act or service for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. Included in gross receipts shall be all receipts, cash, credits and property of any kind without deduction of the cost of the property sold, the cost of the materials used, labor or service costs, interest paid or payable, or losses or other expenses whatsoever. Excluded from "gross receipts" are the following:

1. Cash discounts allowed and taken on sales;

2. Credit allowed on property accepted as part of the purchase price and which property may later be sold;

3. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser;

4. Such part of the sale price of property returned by purchasers upon rescission of the contract of sale as is refunded either in cash or by credit;

5. Amounts collected for others where the business is acting as an agent or trustee to the extent that such amounts are paid to those for whom collected, provided the agent or trustee furnishes the director of finance with the names and address of the others and the amounts paid to them;

6. Receipts of refundable deposits, except that refundable deposits forfeited and taken into income of the business are not excluded.

Gross receipts subject to the marijuana business tax shall be that portion of gross receipts relating to business conducted within the city.

"Marijuana" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, oil, salt, derivative, mixture, or preparation of the plant, its seeds or resin, including food products containing cannabis.

"Marijuana business" means any business or activity including, but not limited to, cultivating, delivering, dispensing, distributing, exchanging, manufacturing, planting, selling or testing either medical or non-medical marijuana, or medical or non-medical marijuana products, except that the cultivation of marijuana for personal use shall not be marijuana business as long as such marijuana is not sold, bartered or exchanged for any consideration.

"Medical marijuana" means marijuana used for medical purposes in accordance with the Compassionate Use Act (California Health and Safety Code Section 11362.5), and the Medical Marijuana Program Act (California Health and Safety Code Section 11362.7 et seq.), as sections may be amended form time to time.

"Marijuana business tax "means the tax due for engaging in marijuana business in the city.

"Non-medical marijuana" means marijuana used in strict compliance with any state and local law pertaining to marijuana that is not medical marijuana.

"Person" means, without limitation, any natural individual, organization, firm, trust, common law trust, estate, partnership of any kind, association, syndicate, club, joint stock company, joint venture, limited liability company, corporation (including foreign, domestic, and nonprofit), cooperative, receiver, trustee, guardian, or other representative appointed by order of any court.

"Operator" shall mean any person conducting, operating, or maintaining in whole or in part as principal, agent, officer, employee or independent contractor any marijuana business as defined in this Chapter, taxable under this Chapter.

"Sale" includes the transfer, in any manner or by any means whatsoever, of title to property for a consideration; the serving, supplying or furnishing for a consideration of any property; and a transaction whereby the possession of property is transferred and the seller retains the title as security, for the payment of the price shall likewise be considered a sale. The foregoing definitions do not exclude any transaction which is or which, in effect, results in a sale within the contemplation of law.

"Tax Administrator" means the tax and license collector of the city.

3.10.030 Marijuana Business Tax Imposed

A. Every person engaged in marijuana business in the city shall pay a marijuana

business tax at a rate of up to 10 percent of gross receipts.

B. The marijuana business tax under this Chapter shall not be imposed on marijuana businesses unless and until the city council, by resolution, takes action to set a tax rate not to exceed 10 percent of gross receipts.

C. At any time, the city council may, by resolution, implement a lower tax rate for all marijuana businesses or may establish differing tax rates for different categories of marijuana businesses, as long as the such tax rate does not exceed the maximum rate of 10 percent of gross receipts.

D. No action by the city council under this subsection shall prevent the city council from increasing any such tax rate from time to time, subject to the maximum tax rate of 10 percent of gross receipts.

3.10.040 Payment of Marijuana Business Tax

Each person owing a marijuana business tax under this Chapter shall, on or before the last day of each calendar month, prepare a report of the total gross receipts and the amount of marijuana business tax owed for the preceding calendar month. All tax reports shall be prepared on forms provided by the Tax Administrator. At the time the marijuana business tax report is filed, the full amount of the marijuana business tax owed for the preceding calendar month shall be remitted to the Tax Administrator.

3.10.050 Delinquent Tax

The taxes required to be paid pursuant to this Chapter shall be deemed delinquent if not paid on or before the due date specified in Section 3.10.40. Any person who fails to remit any marijuana business tax imposed by this Chapter within the time required shall pay a penalty of 10 percent of the amount of the marijuana business tax in addition to the amount of the marijuana business tax. The Tax Administrator shall add an additional penalty of 10 percent of the marijuana business tax due on the last day of each month thereafter that the marijuana business tax and penalties remain unpaid.

3.10.060 Interest

In addition to any penalties imposed, any person who fails to remit any marijuana business tax imposed by this Chapter shall pay interest at the rate of one percent per month or fraction thereof on the amount of the marijuana business tax, exclusive of penalties, from the day such marijuana business tax is due pursuant to Section 3.10.040 until the date of payment.

3.10.070 Notice by City Not Required

The city is not required to send a delinquency or other notice or bill to any person subject to the provisions of this Chapter, and failure to send such notice or bill shall not affect the validity of any marijuana business tax, interest or penalty due under the provisions of this Chapter.

3.10.080 Failure to Report

A. If any operator fails or refuses to collect the marijuana business tax and to make, within the time provided in this Chapter, any report and remittance of the marijuana business tax or any portion thereof required by this Chapter, the Tax Administrator shall proceed in such a manner as he or she may deem appropriate to obtain facts and information on which to base his or her estimate of the marijuana business tax due. As soon as the Tax Administrator procures such facts and information upon which to base the assessment of any marijuana business tax imposed by this Chapter, the Tax Administrator shall proceed to determine and assess against such operator the marijuana business tax, interest and penalties provided for by this Chapter.

B. The Tax Administrator shall give a notice of the amount of marijuana business tax assessed by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to the person so assessed at his or her last known place of address. Such person may, within 15 days after the serving or mailing of such notice, apply to the Tax Administrator in writing for a hearing on the amount assessed. If no such request is made within the time prescribed, the marijuana business tax, interest and penalties, if any, as determined by the Tax Administrator shall become final and conclusive and immediately due and payable. If such request is made, the Tax Administrator shall give not less than five days' written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in the notice why the amount specified therein should not be fixed for such marijuana business tax, interest and penalties. At such hearing, the operator may appear and offer evidence why such specified marijuana business tax, interest and penalties should not be so fixed. After such hearing, the Tax Administrator shall determine the proper marijuana business tax to be remitted and shall thereafter give written notice to the person in the manner prescribed herein of such determination and the amount of such marijuana business tax, interest and penalties. The amount determined to be due shall be payable after 15 days' unless an appeal is taken as provided in this Chapter.

3.10.090 Deficiency determinations

If the Tax Administrator is not satisfied that any report filed pursuant to this Chapter is correct, the Tax Administrator may compute and determine the amount of marijuana business tax to be paid and make a deficiency determination upon the basis of the facts contained in the report or upon the basis of any information in the Tax Administrator's possession or that may come into his or her possession within three years of the date the marijuana business tax was originally due and payable. One or more deficiency determinations of the amount of marijuana business tax due for a period or periods may be made. When a person discontinues engaging in a business, a deficiency determination may be made at any time within three years thereafter as to any liability arising from engaging in such business whether or not a deficiency determination is issued prior to the date the marijuana business tax would otherwise be due. Whenever a deficiency determination is made, a notice shall be given to the person concerned in the same manner as notices of assessment are given under Section 3.10.080.

3.10.100 Appeal

Any person aggrieved by any decision of the Tax Administrator with respect to the amount

of such marijuana business tax or penalties, if any, may appeal to the city council by filing a notice of appeal with the city clerk within 15 days' of the serving or mailing of the determination of marijuana business tax due. The council shall fix a time and place for hearing such appeal and the city clerk shall give notice in writing to such operator at his last known place of address. The findings of the council shall be final and conclusive and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

3.10.110 Records

It shall be the duty of every operator liable for the collection and payment to the city of any marijuana business tax imposed by this Chapter to keep and preserve, for a period of three years, all records that may be necessary to determine the amount of such marijuana business tax. The Tax Administrator shall have the right to inspect such records at all reasonable times.

3.10.120 Refunds

A. Whenever the amount of any marijuana business tax, penalty or interest has been overpaid, paid more than once, or has been erroneously or illegally collected or received by the city under this Chapter, it may be refunded to the operator who paid the marijuana business tax; provided, that a written claim for refund is filed with the Tax Administrator within one year of the date the marijuana business tax was originally due and payable.

B. The Tax Administrator shall have the right to examine and audit all the books and business records of the claimant in order to determine the eligibility of the claimant to the claimed refund. No claim for refund shall be allowed if the claimant refuses to allow such examination of claimant's books and business records after request by the administrator to do so.

C. In the event that the marijuana business tax was erroneously paid and the error is attributable to the city, the entire amount of the marijuana business tax erroneously paid shall be refunded to the operator. If the error is attributable to the operator, the city shall retain an amount from the refund reasonably calculated to cover expenses in verifying the error.

3.10.130 Tax deemed debt to city

The amount of any marijuana business tax, penalties and interest imposed by the provisions of this Chapter shall be deemed a debt to the city, and any person or operator carrying on any business without having paid the marijuana business tax under this Chapter to the city shall be liable to an action in the name of the city in any court of competent jurisdiction for the amount of the marijuana business tax, and penalties and interest imposed on such business.

3.10.140 Exemptions

Except as may be otherwise specifically provided in this Chapter, the terms hereof shall

not be deemed or construed to apply to any person when imposition of the marijuana business tax upon that person would violate the Constitution of the United States or that of the State of California or preemptive federal or state law.

3.10.150 Other licenses, permits, taxes, fees or charges

Nothing contained in this Chapter shall be deemed to repeal, amend, be in lieu of, replace or in any way affect any requirements for any license or permit required by, under or by virtue of any provision of any other title or Chapter of this code or any other ordinance or resolution of the city or state, nor be deemed to repeal, amend, be in lieu of, replace or in any way affect any tax, fee or other charge imposed, assessed or required by, under or by virtue of any other title or Chapter of this code or any other ordinance or resolution of the city or state.

3.46.160 Payment of tax does not authorize unlawful business

A. The payment of a marijuana business tax required by this Chapter, and its acceptance by the city, shall not entitle any person to carry on any marijuana business unless the person has complied with all of the requirements of this code and all other applicable laws, nor to carry on any marijuana business in any building or on any premises in the event that such building or premises are situated in a zone or locality in which the conduct of such marijuana business is in violation of any law.

B. No marijuana business tax paid under the provisions of this Chapter shall be construed as authorizing the conduct or continuance of any illegal or unlawful business, or any business in violation of any ordinance of the city.

3.10.170 Violation deemed Misdemeanor

Any person violating any of the provisions of this Chapter, or any regulation or rule passed in accordance herewith, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punishable by a fine of not more than five hundred dollars or by imprisonment for a period of not more than six months, or by both such fine and imprisonment.

SECTION 3. Severability.

If any section, subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Chapter. The City Council hereby declares that it would have passed the ordinance codified in this Chapter, and each and every section, subsection, sentence, clause or phrase not declared invalid or unconstitutional without regard to whether any portion of this Chapter would be subsequently declared invalid or unconstitutional.

SECTION 4. Effective Date and Publication.

This Ordinance relates to the levying and collecting of the City taxes and shall take effect immediately.

IT IS HEREBY CERTIFIED that the foregoing Ordinance was APPROVED by the following vote of the People of the City of Pittsburg on November 8, 2016:

Yes: 13,693 No: 6,364

IT IS HEREBY FURTHER CERTIFIED that the foregoing Ordinance was adopted by Declaration of the November 8, 2016 election results by the City Council of the City of Pittsburg on December 19, 2016, by the following vote, to wit:

AYES: Banales, Evola, Killings, Longmire, Craft

NOES: None

ABSTAINED: None

ABSENT: None

Marilyn Craft, Mayor

ATTEST:

Alice E. Evenson, City Clerk

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Declaring Results of the General Municipal Election Held on November 8, 2016	)))	RESOLUTION NO. 16-13276

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

WHEREAS, a General Municipal Election was held and conducted in the City of Pittsburg, California, on Tuesday, the 8th day of November, 2016, as required by law; and

WHEREAS, it appears that notice of said election was duly and legally given, that voting precincts were property established, that election officers were appointed and election supplies furnished, and that in all respects said election was held and conducted and the votes were received and canvassed, and the returns thereof made and declared in time, form and manner required by the laws of the State of California governing elections in general law cities; and

WHEREAS, the City Council of said City of Pittsburg met at the Council Chamber, at 65 Civic Avenue, in said City of Pittsburg on Tuesday, the 13th of December, 2016, to adopt the County's certification of election returns and install the newly elected officials.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. That said General Municipal Election was held and conducted in the City of Pittsburg, California, on Tuesday, the 8th of November, 2016, in time, form and manner as required by law;

2. That there were 33 voting precincts established for the purpose of holding said election, consisting of the regular election precincts established for holding general, state and county elections, attached and marked "Exhibit A";

3. That the names of the persons voting for, the office to fill which each person was voted for, the number of votes given in each precinct to each of said persons, together with the whole number of votes each received in the entire City are shown on the attached "Exhibit A";

4. That the titles of the Measures voting for, and the number of votes given in each precinct to each of said Measures, together with the whole number of votes each Measure received in the entire City are shown on the attached "Exhibit B";

5. The total number of votes cast in said City was 22467. There were a total of 30,999 registered voters eligible to vote in said elections and therefore the percentage voting was 72.48%.

IT IS THEREFORE RESOLVED, that the following officers were elected:

MEMBER, CITY COUNCIL for a full term of four (4) years:

Juan Antonio Banales
Jelani Killings

The City Clerk is directed to make and deliver to each of said persons elected a certificate of election; to impose the constitutional oath of office and have then subscribe thereto, whereon they will be inducted into the respective office to which they have been elected.

IT IS THEREFORE FURTHER RESOLVED, that the results of the following Measures were:

MEASURE H – Changing the City Clerk Position from Elected to Appointed:

YES 7,064 NO 12,223

Measure H was not approved by the voters.

MEASURE J - Adopting a Marijuana Business Tax

YES 13,693 NO 6,364

MEASURE J was approved by the voters.

The foregoing resolution was duly passed and adopted at the regular meeting held on the 13th day of December, 2016, by the following vote:

AYES: Casey, Craft, Evola, Longmire, Johnson

NOES: None

ABSTAINED: None

ABSENT: None

BR Johnson, Mayor

ATTEST:

Alice E. Evenson, City Clerk

CERTIFICATE OF COUNTY CLERK AS TO THE RESULTS OF THE CANVASS OF THE

CITY OF PITTSBURG

NOVEMBER 8, 2016 GENERAL ELECTION

State of California)
) ss.
County of Contra Costa)

I, JOSEPH E. CANCIAMILLA, County Clerk in and for the County of Contra Costa, State of California, do hereby certify that, pursuant to the provisions of the Elections Code, I did canvass the returns of the votes cast in the **CITY OF PITTSBURG** in said county at the General Election held on November 8, 2016 for said city candidates and Measures H and J submitted to the vote of the voters. I further certify that the statement of the votes cast, to which this certificate is attached, shows the whole number of votes cast in said City and each respective precinct therein, and that the totals of the respective columns and the totals as shown for each candidate and measure are full, true and correct.

WITNESS my hand and official seal this 6th day of December, 2016.

JOSEPH E. CANCIAMILLA, County Clerk

By: Rosa Mena
Rosa Mena, Deputy Clerk

City of Pittsburg Member, City Council
2 TO BE ELECTED

33 PRECINCTS		REGISTERED VOTERS	BALLOTS CAST	TURNOUT PERCENTAGE	JEALANI KING (NON)	MARK GALLIK (NON)	JANATON ALIS (NON)	BENHON JOSON (NON)	WRITE-IN (NON)
Pittsburg101	A	1908	893	46.80	249	242	323	262	4
Pittsburg101	V	1908	567	29.72	159	109	177	142	6
Pittsburg102	A	857	461	53.79	134	96	202	110	1
Pittsburg102	V	857	180	21.00	37	46	62	50	1
Pittsburg103	A	918	405	44.12	134	98	135	151	3
Pittsburg103	V	918	269	29.30	79	48	98	64	0
Pittsburg104	A	1153	551	47.79	145	126	201	173	2
Pittsburg104	V	1153	295	25.59	82	61	106	79	1
Pittsburg105	A	464	215	46.34	44	64	88	85	0
Pittsburg105	V	464	135	29.09	35	34	43	49	0
Pittsburg106	A	912	388	42.54	100	108	152	130	0
Pittsburg106	V	912	308	33.77	80	56	123	84	3
Pittsburg107	A	1089	460	42.24	130	130	177	131	3
Pittsburg107	V	1089	341	31.31	73	99	129	72	3
Pittsburg108	A	1266	460	36.33	178	92	136	169	1
Pittsburg108	V	1266	358	28.28	144	61	83	65	0
Pittsburg109	A	1010	332	32.87	111	77	119	102	0
Pittsburg109	V	1010	298	29.50	83	47	122	71	0
Pittsburg110	A	944	327	34.64	116	81	117	100	1
Pittsburg110	V	944	346	36.65	130	79	108	74	0
Pittsburg111	A	956	419	43.83	164	127	136	131	2
Pittsburg111	V	956	265	27.72	87	69	83	68	1
Pittsburg112	A	870	351	40.34	93	127	122	119	3
Pittsburg112	V	870	269	30.92	87	65	82	92	0
Pittsburg113	A	913	315	34.50	89	92	122	88	3
Pittsburg113	V	913	272	29.79	75	76	82	83	1
Pittsburg114	A	1046	458	43.79	175	179	144	123	2
Pittsburg114	V	1046	313	29.92	112	90	88	80	2
Pittsburg115	A	1055	500	47.39	119	202	153	210	2
Pittsburg115	V	1055	287	27.20	75	91	79	72	1
Pittsburg116	A	840	371	44.17	111	131	104	135	0
Pittsburg116	V	840	248	29.52	80	64	64	74	1
Pittsburg117	A	1471	722	49.08	219	284	232	257	3
Pittsburg117	V	1471	391	26.58	112	138	121	95	0
Pittsburg118	A	869	406	46.72	138	128	148	153	1
Pittsburg118	V	869	252	29.00	80	73	84	62	1
Pittsburg119	A	1555	717	46.11	220	228	281	207	4
Pittsburg119	V	1555	419	26.95	132	101	141	119	2
Pittsburg120	A	1394	609	43.69	186	224	215	218	1
Pittsburg120	V	1394	461	33.07	162	134	124	114	3
Pittsburg121	A	810	271	33.46	86	57	81	89	0
Pittsburg121	V	810	277	34.20	99	47	78	64	0
Pittsburg122	A	801	279	34.83	83	75	122	88	0
Pittsburg122	V	801	248	30.96	75	48	109	52	1
Pittsburg123	A	643	229	35.61	82	62	78	88	2
Pittsburg123	V	643	152	23.64	54	30	51	35	1

33 PRECINCTS		REGISTERED VOTERS	BALLOTS CAST	TURNOUT PERCENTAGE	City of Pittsburg Member, City Council 2 TO BE ELECTED: JEI LALANI KING (NON)	MARK GALIKIS (NON)	JUNATHAN ANIOS (NON)	BJEON HONSON (NON)	WRITE-IN (NON)
Pittsburg124	A	637	241	37.83	78	69	92	81	0
Pittsburg124	V	637	172	27.00	58	33	57	53	0
Pittsburg125	A	1019	384	37.68	174	79	115	120	2
Pittsburg125	V	1019	334	32.78	152	60	90	66	0
Pittsburg126	A	789	268	33.97	101	44	87	101	1
Pittsburg126	V	789	392	49.68	156	66	106	80	0
Pittsburg127	A	686	272	39.65	123	71	72	103	0
Pittsburg127	V	686	177	25.80	99	25	37	42	0
Pittsburg128	A	1056	430	40.72	132	91	178	152	3
Pittsburg128	V	1056	308	29.17	90	58	82	97	2
Pittsburg129	A	1310	576	43.97	229	161	162	201	3
Pittsburg129	V	1310	588	44.89	272	104	157	141	0
Pittsburg130	A	864	290	33.56	75	82	123	95	6
Pittsburg130	V	864	302	34.95	81	78	110	64	1
Pittsburg131	A	890	406	45.62	144	80	147	133	2
Pittsburg131	V	890	234	26.29	71	45	71	56	2
Pittsburg801	A	3	3	100.00	1	0	1	2	0
Pittsburg801	V	3	0		0	0	0	0	0
Pittsburg802	A	1	0		0	0	0	0	0
Pittsburg802	V	1	0		0	0	0	0	0
COUNTY TOTAL		30999	22467	72.48	7274	5842	7512	6666	88
ABSENTEES		30999	13009	41.97	4163	3707	4565	4307	55
VOTING PRECINCTS		30999	9458	30.51	3111	2135	2947	2359	33
11TH CONGRESSIONAL DST		30999	22467	72.48	7274	5842	7512	6666	88
CONGRESSIONAL TOTAL		30999	22467	72.48	7274	5842	7512	6666	88
7TH SENATORIAL		30999	22467	72.48	7274	5842	7512	6666	88
STATE SENATE TOTAL		30999	22467	72.48	7274	5842	7512	6666	88
11TH ASSEMBLY DST		7159	5204	72.69	1695	1597	1613	1588	19
14TH ASSEMBLY DST		23840	17263	72.41	5579	4245	5899	5078	69
STATE ASSEMBLY TOTAL		30999	22467	72.48	7274	5842	7512	6666	88
Bd Of Equalization		30999	22467	72.48	7274	5842	7512	6666	88
BD OF EQUALIZATION TOT		30999	22467	72.48	7274	5842	7512	6666	88
5TH SUPERVISORIAL		30999	22467	72.48	7274	5842	7512	6666	88
SUPERVISORIAL TOTAL		30999	22467	72.48	7274	5842	7512	6666	88
CITY OF PITTSBURG		30999	22467	72.48	7274	5842	7512	6666	88
CITY TOTAL		30999	22467	72.48	7274	5842	7512	6666	88
MAIL BALLOT PRECINCT		4	3	75.00	1	0	1	2	0

33 PRECINCTS		REGISTERED	VOTERS BALLOTS CAST	TURNOUT PERCENTAGE	Measure H - City of Pittsburg City Clerk Elected to Appointed - Majority		Measure J - City of Pittsburg Business Tax - Majority	
					Yes (NON)	No (NON)	Yes (NON)	No (NON)
Pittsburg101	A	1908	893	46.80	293	520	604	216
Pittsburg101	V	1908	567	29.72	184	305	352	148
Pittsburg102	A	857	461	53.79	140	273	304	116
Pittsburg102	V	857	180	21.00	60	91	113	41
Pittsburg103	A	918	405	44.12	133	234	284	86
Pittsburg103	V	918	269	29.30	92	128	148	75
Pittsburg104	A	1153	551	47.79	184	294	344	143
Pittsburg104	V	1153	295	25.59	87	168	199	56
Pittsburg105	A	464	215	46.34	81	118	138	61
Pittsburg105	V	464	135	29.09	33	89	94	33
Pittsburg106	A	912	388	42.54	125	219	247	103
Pittsburg106	V	912	308	33.77	98	173	189	91
Pittsburg107	A	1089	460	42.24	160	245	273	146
Pittsburg107	V	1089	341	31.31	109	171	201	96
Pittsburg108	A	1266	460	36.33	157	260	273	143
Pittsburg108	V	1266	358	28.28	93	166	171	101
Pittsburg109	A	1010	332	32.87	102	193	212	97
Pittsburg109	V	1010	298	29.50	84	152	162	98
Pittsburg110	A	944	327	34.64	109	189	216	91
Pittsburg110	V	944	346	36.65	101	182	207	98
Pittsburg111	A	956	419	43.83	113	252	274	115
Pittsburg111	V	956	265	27.72	68	135	136	81
Pittsburg112	A	870	351	40.34	81	233	210	119
Pittsburg112	V	870	269	30.92	83	120	140	87
Pittsburg113	A	913	315	34.50	100	172	191	87
Pittsburg113	V	913	272	29.79	94	155	175	93
Pittsburg114	A	1046	458	43.79	134	276	264	151
Pittsburg114	V	1046	313	29.92	81	165	168	103
Pittsburg115	A	1055	500	47.39	160	274	281	152
Pittsburg115	V	1055	287	27.20	92	127	150	93
Pittsburg116	A	840	371	44.17	110	208	218	111
Pittsburg116	V	840	248	29.52	79	143	151	82
Pittsburg117	A	1471	722	49.08	222	407	434	225
Pittsburg117	V	1471	391	26.58	120	212	239	119
Pittsburg118	A	869	406	46.72	121	235	271	100
Pittsburg118	V	869	252	29.00	74	142	154	85
Pittsburg119	A	1555	717	46.11	226	414	467	192
Pittsburg119	V	1555	419	26.95	126	205	236	122
Pittsburg120	A	1394	609	43.69	156	385	380	175
Pittsburg120	V	1394	461	33.07	149	223	257	135
Pittsburg121	A	810	271	33.46	87	150	172	66
Pittsburg121	V	810	277	34.20	92	135	168	81
Pittsburg122	A	801	279	34.83	100	133	170	76
Pittsburg122	V	801	248	30.96	75	126	135	75
Pittsburg123	A	643	229	35.61	80	124	136	79
Pittsburg123	V	643	152	23.64	42	87	95	36
Pittsburg124	A	637	241	37.83	70	136	139	75
Pittsburg124	V	637	172	27.00	44	87	97	45
Pittsburg125	A	1019	384	37.68	139	205	247	109
Pittsburg125	V	1019	334	32.78	99	169	194	95

33 PRECINCTS		REGISTERED VOTERS	BALLOTS CAST	TURNOUT PERCENTAGE	Measure H - City of Pittsburg City Clerk Elected to Appointed - Majority		Measure J - City of Pittsburg Business Tax - Majority	
					Yes (NON)	No (NON)	Yes (NON)	No (NON)
Pittsburg126	A	789	268	33.97	94	148	179	67
Pittsburg126	V	789	392	49.68	131	177	205	119
Pittsburg127	A	686	272	39.65	103	131	166	78
Pittsburg127	V	686	177	25.80	53	90	112	44
Pittsburg128	A	1056	430	40.72	150	241	291	106
Pittsburg128	V	1056	308	29.17	112	140	184	80
Pittsburg129	A	1310	576	43.97	197	319	387	139
Pittsburg129	V	1310	588	44.89	174	303	339	174
Pittsburg130	A	864	290	33.56	103	157	186	81
Pittsburg130	V	864	302	34.95	115	155	194	85
Pittsburg131	A	890	406	45.62	108	248	237	127
Pittsburg131	V	890	234	26.29	81	108	131	61
Pittsburg801	A	3	3	100.00	1	1	2	0
Pittsburg801	V	3	0		0	0	0	0
Pittsburg802	A	1	0		0	0	0	0
Pittsburg802	V	1	0		0	0	0	0
COUNTY TOTAL		30999	22467	72.48	7064	12223	13693	6364
ABSENTEES		30999	13009	41.97	4139	7394	8197	3632
VOTING PRECINCTS		30999	9458	30.51	2925	4829	5496	2732
11TH CONGRESSIONAL DST		30999	22467	72.48	7064	12223	13693	6364
CONGRESSIONAL TOTAL		30999	22467	72.48	7064	12223	13693	6364
7TH SENATORIAL		30999	22467	72.48	7064	12223	13693	6364
STATE SENATE TOTAL		30999	22467	72.48	7064	12223	13693	6364
11TH ASSEMBLY DST		7159	5204	72.69	1564	2847	3018	1560
14TH ASSEMBLY DST		23840	17263	72.41	5500	9376	10675	4804
STATE ASSEMBLY TOTAL		30999	22467	72.48	7064	12223	13693	6364
Bd Of Equalization		30999	22467	72.48	7064	12223	13693	6364
BD OF EQUALIZATION TOT		30999	22467	72.48	7064	12223	13693	6364
5TH SUPERVISORIAL		30999	22467	72.48	7064	12223	13693	6364
SUPERVISORIAL TOTAL		30999	22467	72.48	7064	12223	13693	6364
CITY OF PITTSBURG		30999	22467	72.48	7064	12223	13693	6364
CITY TOTAL		30999	22467	72.48	7064	12223	13693	6364
MAIL BALLOT PRECINCT		4	3	75.00	1	1	2	0

Administration
925.335.7899
925.335.7893 fax

Elections Division
925.335.7800
925.335.7836 fax

Contra Costa County
Clerk-Recorder-Elections Department

555 Escobar Street
Martinez, CA 94553

Joseph E. Canciamilla
County Clerk-Recorder
and Registrar of Voters

Scott O. Konopasek
Assistant County Registrar

December 6, 2016

Alice Evenson, City Clerk
City of Pittsburg
65 Civic Ave
Pittsburg, CA 94565

Dear Alice Evenson:

Enclosed are the following documents pertaining to the November 8, 2016 General Election for the City of Pittsburg:

Certificate of Results
Statement of Votes
Copy-Voter Information Pamphlet

The Statement of the Vote containing precinct-by-precinct results is also available on our website at www.cocovote.us.

If you have any questions, please contact me at (925) 335-7804.

Respectfully,
JOSEPH E. CANCIAMILLA, County Clerk

Olga Hernandez
Elections Services Specialist

Enclosures

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

DATE: 12/6/2016

TO: Mayor and Council Members

FROM: Alice E. Evenson, City Clerk

SUBJECT: Adoption of a City Council Resolution Declaring Results of the General Municipal Election Held on November 8, 2016

MEETING DATE: 12/13/2016

EXECUTIVE SUMMARY

A general Municipal Election was held and conducted in the City of Pittsburg, California, on Tuesday, November 8, 2016, as required by law. The Contra Costa County Elections Department has prepared the Certified Statement of Votes of the consolidated election. Election Code Sections 10262-10265 requires the City Council to adopt a resolution declaring the results of the election prior to installation of the new officers. Because of the timing the certification will not be approved by the Board of Supervisors until their December 12, 2016 meeting.

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Adopt the resolution declaring the results of the general Municipal Election held on November 8, 2016.

BACKGROUND

None.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

None.

ATTACHMENTS: Resolution
Certification

Report Prepared By: Alice E. Evenson, City Clerk

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

DATE: 6/4/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution to Award Contract for Investment Advisory Services to Chandler Asset Management

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

The City issued a Request for Proposals ("RFP") for investment advisory services, based upon the results of this process staff recommends the City Council award a contract to Chandler Asset Management for a period of three (3) years with two (2) one-year options to extend the contract.

FISCAL IMPACT

There will be no change to the current fee structure. The city will incur staffing costs to make the change in investment advisor, but there will be no additional costs beyond normal salary and benefits paid.

RECOMMENDATION

City Council adopt the resolution awarding the contract to Chandler Asset Management for investment advisory services.

BACKGROUND

The City has been using PFM to assist the City to invest funds in accordance with the City's Investment Policy since September 20, 2004. The current contract expired March 31, 2018 and was renewed on a month to month basis while the City reviewed the results of the issued RFP. It is common practice among municipalities to explore changing investment advisory services relationship every few years for the purposes of enhancing services received or reducing costs.

SUBCOMMITTEE FINDINGS

On May 17, 2018, the Finance subcommittee was provided the details of the RPF process and recommendations that are provided in this report. The finance subcommittee supported changing to Chandler Asset Management for investment advisory services starting in FY 2018-19.

STAFF ANALYSIS

On February 1, 2018 City staff mailed out thirty-seven (37) RFP's to investment advisory firms. The deadline to receive proposals was March 2, 2018. Twelve (12) firms responded to the RFP. The submitted responses were reviewed based upon the grading criteria outline in the RFP. Based upon initial grading, the top three (3) were invited to make a presentation to a panel of five (5) interviewer. The panel consisted of the elected City Treasurer, Finance Director and three (3) finance managers using standardized questions.

Based on the panel members combined scores, Chandler Asset Management had the best overall presentation and received the best score of those interviewed. Staff recommends the City Council approve the attached resolution and award the contract to Chandler Asset Management for investment advisory services for a period of three (3) years beginning July 1, 2018 with two (2) one-year options to extend the contract.

ATTACHMENTS: Exhibit I – Agreement for Investment Advisory Services
Exhibit II - Resolution

Report Prepared By: Laura Mendez, Finance Manager of Reporting

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Approving the Contract for	)	
Investment Advisory Services to	)	RESOLUTION NO. 18-
Chandler Asset Management.	)	

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the contract with Public Financial Management, Inc. ("PFM"), the City's investment advisor since September 20, 2004 expired March 31, 2018. The contract was renewed on a month to month basis; and

WHEREAS, on February 1, 2018 City staff issued Request for Proposals (RFP) for investment advisory services with a deadline of March 2, 2018; and

WHEREAS, twelve (12) responsive service providers submitted proposals to the City for consideration; and

WHEREAS, three firms were invited to make presentations to the City; based on the combined scores of five (5) panel members, Chandler Asset Management had the highest score; and

WHEREAS, after careful review of all the proposals, staff recommends the City Council award the contract to Chandler Asset Management for a period of three (3) years with two (2) one-year options to extend the contract.

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 approves the award of the contract to Chandler Asset Management for a period of three (3) years beginning July 1, 2018 with two (2) one-year options to extend the contract and authorizes the City Manager or his designee to execute the necessary documents.

Section. 3. 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 June 2018, by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____

Alice E. Evenson, City Clerk

CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND
CHANDLER ASSET MANAGEMENT

THIS Agreement ("Agreement") for consulting services is made by and between the City of Pittsburg ("City") and Chandler Asset Management ("Consultant") (together referred to as the "Parties") as of July 1, 2018 (the "Effective Date").

Section 1. **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 30, 2021. The contract may be extended by mutual agreement for two (2) one-year (1) periods, unless the term of the Agreement is otherwise terminated or extended.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that the City, in its sole discretion, at any time during the term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City's request, reassign such persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant's obligations hereunder.

1.5 **Additional Services**. As directed in writing by City, additional services may be provided in accordance with mutually agreed upon cost between the CITY and CONSULTANT.

Section 2. **COMPENSATION.** The consultant agrees to provide investment services as outlined in the Request for Proposal and proposal submitted. Total compensation shall be based upon the average balance of assets under direct management (market value including accrued interest), as outlined in Exhibit B

2.1 **Invoices** Consultant shall submit a monthly invoice during the term of this Agreement, based upon the fee schedule in Section 2 and Exhibit B.Fees are charged monthly in arrears.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice. Physical invoices will be mailed to the City attention Accounts Payable.

2.3 **Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.4 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. **FACILITIES AND EQUIPMENT.**Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

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4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than $2,000,000per occurrence and $4,000,000 aggregate for bodily injury, personal injury and property damage combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.

b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.

c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.

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d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.

e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 Professional Liability Insurance.

4.3.1 General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than $5,000,000 per occurrence or claim covering the Consultant's errors and omissions.

4.3.2 Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.

d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

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4.4 All Policies Requirements.

4.4.1 Submittal Requirements. Consultant shall submit the following to City prior to beginning services:

a. Certificate of Liability Insurance in the amounts specified in this Agreement; and

b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Polices.

4.4.2 Acceptability of Insurers. All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.3 Deductibles and Self-Insured Retentions. Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than $100,000.

4.4.4 Wasting Policies. No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 Waiver of Subrogation. Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.4.6 Excess Insurance. If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.5 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any

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payment that becomes due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 General Requirement. To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of City.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damage or claims for damages whether or not such insurance policies shall be determined to apply.

5.2 PERS Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

6.1 Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.

6.2 Consultant Not an Agent. Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no

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authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.

7.3 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.

7.4 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer

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software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 **Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.

8.3 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.

8.4 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.

8.5 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.5.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.5.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

8.5.5 The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or

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delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 **Records Created as Part of Consultant's Performance.** All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.

9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

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10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.7 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.8 **Notices.** All reports and other communications required hereunder to be in writing shall be delivered in person, or sent by first-class mail postage prepaid, by overnight courier, by confirmed facsimile with original to follow or by confirmed electronic mail with proof of receipt to the addresses set forth below. Either party to this Agreement may, by written notice given at any time, designate a different address for the receipt of reports and other communications due hereunder.

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Chandler Asset Management Attn: Nicole Dragoo 6225 Lusk Boulevard San Diego, CA 92121	City of Pittsburg Attn: Finance Director 65 Civic Avenue Pittsburg, CA 94565

10.9 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A, B, C and Drepresents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. To the extent there are any inconsistences between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control. To the extent there are any inconsistences between the Exhibits and the Consultant's Proposal, the Agreement and City's Request for Proposal shall control.

Exhibit A	Scope of Services
Exhibit B	Compensation Schedule
Exhibit C	City's Request for Proposal
Exhibit D	Consultant's Response to Exhibit C

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

10.11 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.12 **No Third-Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

Section 11 ADDITIONAL MANAGEMENT RELATIONSHIP.

11.1 **City Representative.** In its capacity as investment manager, Consultant shall receive all instructions, directions and other communications on City's behalf respecting City's account from Finance Director (Representative). Consultant is hereby authorized to rely and act upon all such instructions, directions and communications from such Representative or any agent of such Representative provided the direction does not conflict with the City's current investment policy.

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11.2 **Investment Policy.** In investing and reinvesting City's assets, Consultant shall comply with City's Investment Policy, which is included in Exhibit Cand as amended and approved by City Council from time to time.

11.3 **Authority of Consultant.** Consultant is hereby granted full discretion to invest and reinvest all assets under its management in any type of security it deems appropriate, subject to the instructions given or guidelines set by Representative provided the direction does not conflict with the City's current investment policy.

11.4 **Electronic Delivery.** From time to time, Consultant may be required to deliver certain documents to City such as account information, notices and required disclosures. City hereby consents to Consultant's use of electronic means, such as email, to make such delivery. This delivery may include notification of the availability of such document(s) on a website, and City agrees that such notification will constitute "delivery". City further agrees to provide Consultant with City's email address(s) and to keep this information current at all times by promptly notifying Consultant of any change in email address(s).

City's email address: **financemanagers@ci.pittsburg.ca.us**

11.5 **Proxy Voting.** Consultant will vote proxies on behalf of City unless otherwise instructed. Consultant has adopted and implemented written policies and procedures and will provide City with a description of the proxy voting procedures upon request. Consultant will provide information regarding how City's proxies were voted upon request. To request proxy policies or other information, please contact us by mail at the address provided, by calling 800-317-4747 or by emailing your request to info@chandlerasset.com.

11.6 **Custody of Securities and Funds**. Consultant shall not have custody or possession of the funds or securities that City has placed under its management. City shall appoint a custodian to take and have possession of its assets. City recognizes the importance of comparing statements received from the appointed custodian to statements received from Consultant. City recognizes that the fees expressed above do not include fees, city will incur for custodial services.

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11.7 **Valuation.** Consultant will value securities held in portfolios managed by Consultant no less than monthly. Securities or investments in the portfolio will be valued in a manner determined in good faith by Consultant to reflect
fair market value.

11.8 **Investment Advice.** City recognizes that the opinions, recommendations and actions of Consultant will be based on information deemed by it to be reliable, but not guaranteed to or by it. Provided that Consultant acts in good faith, City agrees that Consultant will not in any way be liable for any error in judgment or for any act or omission, except as may otherwise be provided for under the Federal Securities laws or other applicable laws.

11.9 **Payment of Commissions**. Consultant may place buy and sell orders with or through such brokers or dealers as it may select. It is the policy and practice of Consultant to strive for the best price and execution and for commission and discounts which are competitive in relation to the value of the transaction and which comply with Section 28(e) of the Securities and Exchange Act. Nevertheless, it is understood that Consultant may pay a commission on transactions in excess of the amount another broker or dealer may charge, and that Consultant makes no warranty or representation regarding commissions paid on transactions hereunder.

11.10 **Other Clients**. It is further understood that Consultant may be acting in a similar capacity for other institutional and individual clients, and that investments and reinvestments for City's portfolio may differ from those made or recommended with respect to other accounts and clients even though the investment objectives may be the same or similar. Accordingly, it is agreed that Consultant will have no obligation to purchase or sell for City's account any securities which it may purchase or sell for other clients.

11.11 **Confidential Relationship**. The terms and conditions of this Agreement, and all information and advice furnished by either party to the other shall be treated as confidential and shall not be disclosed to third parties except (i) as required by law, rule, or regulation, (ii) as requested by a regulatory authority, (iii) for disclosures by either party of information that has

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become public by means other than wrongful conduct by such party or its officers, employees, or other personnel, (iv) for disclosures by either party to its legal counsel, accountants, or other professional advisers, (v) as necessary for Consultant to carry out its responsibilities hereunder, or (vi) as otherwise expressly agreed by the parties.

11.12 **Receipt of Brochure and Privacy Policy.** City hereby acknowledges receipt of the disclosure statement or "brochure" and "brochure supplement" also known as Part 2A and Part 2B of Form ADV, required to be delivered pursuant to Rule 204-3 of the Investment Advisers Act of 1940 (Brochure). City further acknowledges receipt of Consultant's Privacy Policy, as required by Regulation S-P.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG	**CONSULTANT**
_____	_____
Joe Sbranti, City Manager	Nicole Dragoo, Chief Compliance OfficeChandler Asset Management

Attest:

_____

Alice E. Evenson, City Clerk

Approved as to Form:

_____

Ruthann G. Ziegler, City Attorney

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EXHIBIT A

SCOPE OF SERVICES

TheInvestmentAdvisorshallbearegisteredInvestmentAdvisorasdefinedand regulatedbytheSecuritiesandExchangeCommission("SEC")andshallbe registeredintheStateofCalifornia.TheInvestmentAdvisorshallbeeitherindepen dentofanyfinancialinstitutionorsecuritiesbrokeragefirmorshallfullydiscloseany relationshipswithsuchfinancialinstitutionand/orsecuritiesbrokeragefirmreleva nttothefirm'srelationshipwiththeentity.

Specific services, although not all-inclusive, to be performed are as follows:

1. Provide full time, discretionary investment management services.
2. Assist the City with cash flow/maturity analysis.
3. Provide credit analysis of investment instruments in the portfolio.
4. Provide detailed monthly reports of investment portfolio activity performance, holdings by type, maturity, broker, duration, and benchmark comparable.
5. Provide separate quarterly and annual portfolio performance reports based on the City's fiscal year.
6. Attend meetings periodically (in person or via teleconference) with the City's Director of Finance, City Treasurer, Finance Department staff and with the City Council's Finance Committee.
7. Evaluate market risk and develop strategies that minimize the impact on the portfolio.
8. Comply with all Federal and State of California laws as well as ordinances, resolutions and policies of the City related to the investment of public funds.
9. Establish an appropriate performance benchmark.
10. Ensure that the portfolio structure matches the City's objectives.
11. Annually review the City's Investment Policy and make recommendation for changes, as appropriate.

EXHIBIT A - Continued

Investment practices and procedures must comply with Federal, State and local ordinances and the City's Investment Policy. Consultant is expected to perform to the Prudent Expert Standard.

In determining investment placements, the following factors shall be considered in priority order: safety (first), liquidity (second) and yield (third)

The City's primary investment objective is to achieve a reasonable rate of return on public funds while minimizing the potential for capital losses arising from market changes or issuer default. Although the generation of revenues through interest earnings on investments is an appropriate City goal, the primary consideration in the investment of City funds is capital preservation in the overall portfolio. As such, the City's yield objective is to achieve a reasonable rate of return on City investments rather than the maximum generation of income, which could expose the City to unacceptable levels of risk.

The above is a partial requirement of the services to be provided. The detailed requirements are outlined in the City's Request for Proposal for Investment Advisory Services dated February 1, 2018, (Exhibit C) and Consultantsresponse dated March 2, 2018 (Exhibit D).

EXHIBIT B

COMPENSATION SCHEDULE

Assets under Management	Annual Asset Management
First $25 Million	.010 of 1% (10 basis points)
Next $25 Million	.08 of 1% (8 basis points)
Assets over $50 million	.07 of 1% (7 basis points)

Fees are based on the amount of assets under management and are not based on transaction volume. Management fees will accrue on managed assets in the portfolio, even if there is no activity during the period. Fees are calculated on the average balance of assets under Consultants direct management (market value including accrued interest). Fees will be charged in arrears and directly billed to the City.

The proposed fee schedule is all-inclusive for the services that Consultant provides, including full time investment management, technological resources, onboarding and implementation, online access to the Consultant's Client Portal, comprehensive reporting, meetings, personal visits, and educational offerings for your staff, as well as the additional services described herein in Consultant's proposal and in the City's Scope of Work.

Consultant does not charge fees on funds held in vehicles not directly under Consultant's control, such as Local Government Investment Pools (LAIF), the City's operating bank accounts or any other City directly managed funds; however, Consultant will consolidate these funds in the reports provided to the City for quarterly and annual reporting purposes.

EXHIBIT C

CITY OF PITTSBURG
REQUEST FOR PROPOSALS
FOR

INVESTMENT ADVISORY SERVICES

FEBRUARY 1, 2018

CITY OF PITTSBURG
REQUEST FOR PROPOSALS
INVESTMENT ADVISORY SERVICES
FEBRUARY 1, 2018

The City of Pittsburg is soliciting proposals from qualified investment advisory firms for discretionary comprehensive investment advisory and portfolio management services. Investment practices and procedures must comply with state law and the City of Pittsburg's written investment policy.

To be considered, one (1) original and three (3) copies of a proposal in a sealed envelope, clearly marked with "Bid for Investment Advisory Services" must be received to Alice Evenson, City Clerk, **City of Pittsburg, 65 Civic Avenue, Pittsburg, CA 94565, by 5:00 P.M. on March 2, 2018**. Email or postdated responses will not be considered.

During the evaluation process, the City of Pittsburg reserves the right, where it may serve the City's best interest, to request additional information or clarification from Proposers, or to allow corrections of errors or omissions. At the discretion of the City of Pittsburg, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Pittsburg and the firm selected.

It is anticipated the selection of a firm will be completed by March 31, 2018. Following the notification of the selected firm, a recommendation and proposed contract will be prepared for review and approval by the City Council at its April 2, 2018 meeting. The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items. The contract award will not be based solely on price, but on "lowest responsible bidder," a combination of factors as determined to be in the best long-term interest of the City.

Inquiries concerning this Request for Proposal should be received no later than February 23, 2018 addressed via email to: lmendez@ci.pittsburg.ca.us. Responses will be posted on the City's Website at http://www.ci.pittsburg.ca.us/.

Section I -ABOUT THE CITY OF PITTSBURG:

The City serves a population of approximately 70,679. The annual budget is around $201 million, supported by diverse revenues including property and sales taxes, water, sewer, power rate payers, marina slip holders, and Community Facilities Districts ("CFDs").

The City has an elected City Council of five members, elected to staggered four-year terms. The City Council has a Finance Committee comprised of two members of the City Council. There is an independently elected Treasurer that oversees the City's investments. The Finance Committee is responsible to advise and make recommendations to the City Council regarding the City's budget, financial policies, debt issuance, and investment policies.

The City's Investment Policy, reviewed annually by the City Council, is attached to this document as an addendum (Attachment A), also located on the City's website at www.ci.pittsburg.ca.us.

Quarterly Investment Reports are provided to the City Council, the most recent draft copy is attached to this document as an addendum (Attachment B).

The monthly liquidity of the City has historically been very stable and predictable.

The City currently has approximately $104 million in operating and capital funds (non-pension funds). The portfolio is currently managed, leaving an amount sufficient for liquidity in the California Local Agency Investment Fund (LAIF), the City's bank account at Bank of the West, and the Bank of the West Money Market fund.

The operating funds' portfolio consists primarily of government-sponsored enterprise agency bonds, Treasuries, corporate medium-term notes, a CD, and LAIF. The debt service reserve portfolio consists of agency bonds, US Treasury Notes, and CAMP. The composition of the City's pooled portfolio is reflected in the table below and in the attached copy of the December 31, 2017 City Treasurer's Report (Attachment B).

Investment	***Amount***
LAIF City Operating	$ 24,999,416
Operating Cash & Investment Accounts	58,295,053
Total City Investments	**$ 83,294,469**
Fiscal Agents Investments	20,995,416
Total Cash & Investments	**$ 104,289,885**

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ATTACHMENTS

A. Current Investment Policy

B. Draft Investment Report as of December 31, 2017

C. Sample Professional Services Agreement

Section II-SCOPE OF WORK:

The Investment Advisor shall be a registered Investment Advisor as defined and regulated by the Securities and Exchange Commission ("SEC") and shall be registered in the State of California. The Investment Advisor shall be either independent of any financial institution or securities brokerage firm or shall fully disclose any relationships with such financial institution and/or securities brokerage firm relevant to the firm's relationship with the entity.

Specific services, although not all-inclusive, to be performed are as follows:

1. Provide full time, discretionary investment management services.
2. Assist the City with cash flow/maturity analysis.
3. Provide credit analysis of investment instruments in portfolio.
4. Provide detailed monthly reports of investment portfolio activity, performance, holdings by type, maturity, broker, duration, and benchmark comparable.
5. Provide separate quarterly and annual portfolio performance reports based on the City's fiscal year. Similar from our current Investment Performance Report, see (Attachment B)
6. Attend meetings periodically (in person or via teleconference) with the City's Director of Finance, City Treasurer, Finance Department staff, and with the City Council's Finance Committee.
7. Evaluate market risk and develop strategies that minimize the impact on the portfolio.
8. Comply with all federal and state of California laws as well as ordinances, resolutions and policies of the City relating to the investment of public funds.
9. Establish an appropriate performance benchmark.
10. Ensure that the portfolio structure matches the City's objectives.
11. Annually review the City's Investment Policy and make recommendations for changes as appropriate.

Investment practices and procedures must comply with state law and the City's Investment Policy. The investment advisory firm will be expected to perform to the Prudent Expert Standard.

In determining individual investment placements, the following factors shall be considered in priority order: safety first, liquidity second, and yield third.

The City's primary investment objective is to achieve a reasonable rate of return on public funds while minimizing the potential for capital losses arising from market changes or issuer default. Although the generation of revenues through interest earnings on investments is an appropriate City goal, the primary consideration in the investment of City funds is capital preservation in the overall portfolio. As such, the City's yield objective is to achieve a reasonable rate of return on City investments rather than the maximum generation of income, which could expose the City to unacceptable levels of risk.

Section III - GENERAL TERMS AND CONDITIONS:

PROPOSAL REQUIREMENTS

Requirement to Meet All Provisions. Each individual or firm submitting a proposal shall meet all of the terms and conditions of the Request for Proposals (RFP) specifications package. By virtue of its proposal submittal, the proposer acknowledges agreement with and acceptance of all provisions of the RFP specifications.

Proposal Format. Please format your response to this request in the order indicated in the Proposer's Questionnaire to facilitate comparisons between respondents.

Insurance Certificate. Each proposal must include a certificate of insurance showing:

a. The insurance carrier and its A.M. Best rating.
b. Scope of coverage and limits.
c. Deductibles and self-insured retention.

The purpose of this submittal is to generally assess the adequacy of the proposer's insurance coverage during proposal evaluation; as discussed under paragraph 12 below, endorsements are not required until contract award. The City's insurance requirements are detailed in Section V.

Proposal Withdrawal and Opening. A proposer may withdraw its proposal, without prejudice prior to the time specified for the proposal opening, by submitting a written request to the Director of Finance for its withdrawal. No proposal received after the time specified or at any place other than that stated in the "Notice Requesting Proposals" will be considered.

Communications. All timely requests for information submitted in writing will receive a written response from The City and posted to the website. Telephone communications with City staff are not encouraged, but will be permitted. However, any such oral communication shall not be binding on the City.

CONTRACT AWARD AND EXECUTION

Proposal Retention and Award. The City reserves the right to retain all proposals for a period of 60 days for examination and comparison. The City also reserves the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, to reject or delete one part of a proposal and accept the other, except to the extent that proposals are qualified by specific limitations. See the "special terms and conditions" in Section C of these specifications for proposal evaluation and contract award criteria.

Competency and Responsibility of Advisor. The City reserves full discretion to determine the competence and responsibility, professionally and/or financially, of Advisors. Advisors will provide, in a timely manner, all information that the City deems necessary to make such a decision.

Contract Requirement. The proposer to whom award is made (Advisor) shall execute a written contract with the City within ten (10) calendar days after notice of the award has been sent by mail to the address given in its proposal. The contract shall be made in the form adopted by the City.

Business License. The Advisor must have a valid City of Pittsburg business license before execution of the contract.

CRITERIA FOR EVALUATION AND SELECTION

Proposals will be evaluated by an interdepartmental review committee based on the following criteria:

- Understanding of the work required by the City and the overall investment program objectives.
- Responses to proposer questionnaire.
- Proposed approach to managing the portfolio.
- Quality, clarity and responsiveness of the proposal.
- Demonstrated competence and professional qualifications necessary for successfully performing the work required by The City.
- Recent experience in successfully managing portfolios of similar sized California government investment portfolios.
- References.
- Background and related experience of the specific individuals to be assigned to this account.
- Proposed compensation.

As reflected above, contract award will not be based solely on price, but on "lowest responsible bidder," a combination of factors as determined to be in the best long-term interest of the City.

After evaluating the proposals and discussing them further with the finalists or the tentatively selected Advisor, the City reserves the right to further negotiate the proposed work and/or method and amount of compensation.

The City reserves the right to conduct personal interviews of any proposer prior to selection. The City will not be liable for any cost incurred by the proposer in connection with such interview (i.e., travel, accommodations, etc.)

Section IV - SPECIAL TERMS AND CONDITIONS:

1. **Contract Term**. The term of the contract shall be for a period of three years at which time the performance of the firm will be evaluated. Upon mutual agreement at that time, the contract may be extended by the City Manager for another two years on a year by year basis.

2. **Proposal Content.** Your proposal must include the following information:
   A. Submittal Forms
      i. Proposal submittal
      ii. Responses to proposer questionnaire
      iii. Certificate of insurance
      iv. References from at least three firms for whom you have provided similar services
      v. Statement of any past contract disqualifications
      vi. Any additional information about your firm that will assist us in the selection process

   Note: For ease of electronic preparation, proposer may prepare their own proposal submittal forms as long as they contain the same information in a similar format.

   B. Proposal Length and Format
      i. Proposals should not exceed 30 pages, including supplemental materials.

3. **Proposal Review and Award Schedule**. The following is an outline of the anticipated schedule for proposal review and contract award:

Event	Date
RFP Release Date	February 1, 2018
Deadline for submittal of questions	February 23, 2018
Proposal Due Date	March 2, 2018
Interviews with Finalists	March 3 – March 22, 2018
Selected Firm Notified	March 23, 2018
Award of contract by City Council	April 2, 2018

4. **Ownership of Materials**. All original documents and other materials prepared by or in possession of the Advisor as part of the work or services under these specifications shall become the permanent property of the City, and shall be delivered to the City upon demand.

5. **Release of Reports and Information**. Any reports, information, data, or other material given to, prepared by or assembled by the Advisor as part of the work or services under these specifications shall be the property of City and shall not be made available to any individual or organization by the Advisor without the prior written approval of the City.

6. **Copies of Reports and Information**. If the City requests additional copies of reports, drawings, specifications, or any other material in addition to what the Advisor is required to furnish in limited quantities as part of the work or services under these specifications, the Advisor shall provide such additional copies as are requested and City shall compensate the Advisor for the costs of duplicating of such copies at the Advisor's direct expense.

7. **Required Deliverable Products.** The Advisor will be required to provide:
   A. Monthly reports that include the following:
      i. **Summary of Portfolio Holdings.** A listing of all securities held at the end of the month categorized by type of security, maturity and institution.
      ii. **Investment Performance Report.** At a minimum the performance report should show total returns for the period compared to the established benchmark.
      iii. **Maturity/Duration Indicators.** The monthly report should include portfolio duration and average maturity statistics to help monitor interest-rate risk.
      iv. **Transaction Summary.** A summary of completed transactions for the month.
      v. **Mark-to-Market Report.** The monthly report should show the cost and market value for each security in the portfolio.
   B. Quarterly Investment Performance Review reports that include the following, but not limited to, see (Attachment B) for example:
      i. **Market Update.** Includes the following: interest rate updates, yield curves, economic growth, labor market activity, inflation rate trends and any future market impact
      ii. **Portfolio Review.** The report should show: cost, market value, percent within the portfolio, in compliance, average maturity and average yield for each type of security in the portfolio. Show total returns for the quarter as compared to the established benchmark. Portfolio snapshots for each sector in graph format. Portfolio composition for each sector/issuer.
      iii. **Transaction and Account Holdings.** A detailed list of completed transactions for the quarter.

   C. When computers have been used to produce materials submitted to the City as a part of the work scope, the Advisor must provide the corresponding computer files to the City, compatible with the following programs whenever possible unless otherwise directed by the project manager:

i.	Word Processing	Microsoft Word
ii.	Spreadsheets	Microsoft Excel

8. **Attendance at Meetings and Hearings.** As part of the work scope and included in the contract price is attendance by the Advisor as many "working" meetings with staff as necessary in performing work scope tasks. Quarterly meetings are mandatory in order to present the quarterly investment report to the Finance Director and the Finance Reporting Manger.

9. **Alternative Proposals.** The proposer may submit an alternative proposal (or proposals) that it believes will also meet the City's project objectives but in a different way. In this case, the proposer must provide an analysis of the advantages and disadvantages of each of the alternatives, and discuss under what circumstances The City would prefer one alternative to the other(s). If an alternative proposal is submitted, the maximum length of the proposal may be expanded proportionately by the number of alternatives submitted.

10. **Services to Other Clients.** It is understood that the Advisor performs investment management services for other clients. It is understood that the Advisor shall not have any obligations to purchase or sell for the City account any security which the Advisor, its principals, affiliates or employees may purchase or sell for its or their own account or for the account of any other client, if in the Advisor's good faith opinion such transaction or investment appears unsuitable, impractical or undesirable for the City account.

11. **Allocation of Brokerage.** Where the Advisor places orders for the execution of portfolio transactions for the City account, the Advisor may allocate such transactions to such brokers and dealers for execution on such markets, at such prices and at such commission rates as in the good faith judgment of the Advisor will be in the best interest of the City. The Advisor shall receive no soft dollar benefit for any transaction placed on behalf of the City.

12. **Safekeeping.** All securities owned by the City shall be held in safekeeping by a third-party bank trust department (currently Wells Fargo) acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All securities will be received and delivered using standard delivery versus payment (DVP) procedures.

Section V- INSURANCE REQUIREMENTS:

The Advisor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Advisor, its agents, representatives, employees or subcontractors.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions Liability insurance as appropriate to the consultant's profession.

Minimum Limits of Insurance. Advisor shall maintain limits no less than:

1. General Liability: $2,000,000 per occurrence and $4,000,000 aggregate for bodily injury, personal injury and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: $2,000,000 per accident and $4,000,000 aggregate for bodily injury and property damage.
3. Employer's Liability: $1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: $5,000,000 per occurrence.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respect to the City, its officers, officials, employees and volunteers; or the Advisor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Advisor; products and completed operations of the Advisor; premises owned, occupied or used by the Advisor; or automobiles owned, leased, hired or borrowed by the Advisor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, official, employees, agents or volunteers.

2. For any claims related to this project, the Advisor's insurance coverage shall be primary insurance as respect to the City, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Advisor's insurance and shall not contribute with it.
3. The Advisor's insurance shall apply separately to each insured against whom claim is made, or suit is brought, except with respect to the limits of the insurer's liability.
4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Verification of Coverage. Advisor shall furnish the City with a certificate of insurance showing maintenance of the required insurance coverage. Original endorsements effecting general liability and automobile liability coverage required by this clause must also be provided. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

Section VI - PROPOSER QUESTIONNAIRE:

FIRM BACKGROUND AND ORGANIZATION

1. Describe the organization, date founded, and ownership of your firm. If your firm experienced a material change in organizational structure, ownership or management during the past three years, describe the change.

2. Describe any other business affiliations (subsidiaries, join ventures, "soft dollar" arrangements with brokers). Describe your firm's policy on soft dollars.

3. Describe your firm's sources of revenue, categorized by retail and institutional accounts.

4. Is your firm a registered investment Advisor under the Investment Advisor's Act of 1940, as amended?

5. Describe any SEC, NASD, or regulatory censure or litigation involving your firm or its employees within the past three years.

6. Did you, or will you, pay a finder's fee to any third party for business related to this account? Specify the recipients of any fee.

EXPERIENCE

7. Describe your firm's experience in managing fixed income portfolios for governmental entities.

8. What is your firm's experience in developing policies and portfolio management guidelines for government portfolios?

9. Does your firm act as a broker or as a primary dealer in securities or receive any other form of additional compensation (including soft dollars) for the client transactions aside from the direct fee paid by clients?

10. Provide the number and types of accounts, total asset value, and composition of portfolios currently being managed by your firm.

STAFFING

11. Identify and provide background information on the key person or personnel who take the most active role(s) in the administration and management of the firm.

12. Identify the investment professionals (portfolio manager, analysts,and researchers) employed by your firm, by classification, and specify the average number of accounts handled by portfolio managers. Are there any established limits on accounts or assets under management?

13. Provide resumes and biographical information on the investment professionals that will be directly involved in the decision-making process for the portfolio. Include the number of years at your firm, total years of experience,and professional licenses and designation. Include the number of accounts managed and any limits on this.

14. Describe the projected workload of the portfolio manager and their ability to provide timely services.

15. Describe your firm's training and education efforts to keep portfolio managers informed of developments relevant to government investment managers.

16. Has there been any turnover of professional staff in the firm in the last three years assigned to public sector clients?

ASSETS UNDER MANAGEMENT

17. Summarize your institutional investment assets under management by category as shown below for your latest reporting period.

18. Summarize your assets under management (institutional only) over the past five years and average assets per client.

19. Provide relevant performance statistics on a comparable portfolio and compare with industry averages or benchmarks for the last one, three, five, ten year period and/or since inception. Note whether these performance statistics are reported based on GIPS (Global Investment Performance Standards) formerly known as AIRM (Association for Investment Management and Research).

20. How many accounts have you gained in the last 12 months? How many accounts have been lost in the last 12 months and why?

INVESTMENT MANAGEMENT APPROACH AND DISCIPLINE

21. Briefly describe your firm's investment management philosophy, including your approach to managing governmental portfolios.

22. Describe the mechanics of how your firm proposes to execute transactions on behalf of the City.

23. How frequently do you formulate and review fixed income strategy? How is that carried out and who is involved?

24. What are the primary strategies for adding value to portfolios (e.g. Market timing, credit research, trading)?

25. How are portfolios managed (e.g. by team or individual manager)? What is the back-up when the manager is away?

26. What oversight is provided to portfolio managers?

27. Describe your firm's in-house technical and research capabilities. Are outside sources used by the firm on a regular basis? Describe your credit review process. Does your firm assign credit research to specialists?

28. What percentage of your research is conducted in-house? Describe your research capability.

29. What technical analysis do you use?

30. What role does interest-rate forecasting play in your portfolio management strategy?

31. How will you handle fluctuating cash flows and the cash forecasting process?

32. Describe an ongoing daily investment procedure proposed for The City including procedures for trades, security choice, controls, etc., and how you will provide liquidity.

33. How frequently would you suggest your staff meet with The City's staff? Who will attend these meetings?

REPORTING

34. Describe the investment accounting and reporting system used by your firm.

35. Describe the frequency and format of reports that you would provide to The City staff. Send a sample.

36. What performance benchmarks do you propose for this portfolio? Provide recommendations regarding performance benchmarks for a portfolio similar to that of The City's. What experience has the firm had in developing benchmarks for public operating portfolios?

FEES

37. Provide the complete fee schedule that would apply to this account. Are fees charged in arrears?

38. What additional expenses not covered through the fee structure will be expected in order to implement your investment Advisor services?

ADDITIONAL INFORMATION

39. Provide a copy of your firm's most recent ADV Part II as on file with the SEC.

40. Describe your firm's business continuity plan and how often it is updated.

41. Provide any changes in terms and conditions from those set forth in this RFP that your firm requests or requires to be included in an agreement for this service.

42. Briefly describe any additional feature, services, attributes or conditions which The City should consider in selection your firm.

REFERENCES

Please provide the number of years engaged in providing the services included within the scope of the specifications under the present business name.

Describe the last three public sector (municipalities, counties , and/or special districts) contracts performed by your firm and the proposed portfolio manager that demonstrate your ability to provide the services included with the scope of the specifications. The three contracts can be the same for your firm and the portfolio manager or different. So, there can be a maximum of six contracts listed for references.

Please include:

- Customer Name
- Contact Individual
- Telephone & FAX number
- Street Address
- City, State, Zip Code
- Description of services provided including contract amount,when provided and project outcome

The City reserves the right to contact each of the references listed for additional information regarding your firm's and portfolio manager's qualifications.

STATEMENT OF PAST CONTRACT DISQUALIFICATIONS

The Advisor shall state whether it or any of its officers or employees who have a proprietary interest in it, has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality, and if so to explain the circumstances.

The staff of the Advisor who will be responsible for carrying out this Agreement have not, within the last two years, been convicted of any crime or pleaded nolo contendere or agreed to any consent decree with respect to any matter involving breach of trust or fiduciary duty or securities law violations.

ATTACHMENT A

CITY OF PITTSBURG

INVESTMENT POLICY

ATTACHMENT A

CITY OF PITTSBURG INVESTMENT POLICY
(July 2015)

I. Statement of Purpose and Adoption of Policy

It shall be the investment policy of the City of Pittsburg (the "City") that all funds not required for immediate expenditures are invested in compliance with this statement, as well as applicable federal, state and local legislation governing the investment of public funds. Funds shall be invested in a manner that will provide the highest investment return with the appropriate level of security, while meeting the daily cash flow demands of the City.

Safeguards will be set into place to ensure that adequate operating reserves are established and maintained to provide that cash in sufficient amounts will be available to pay for immediate expenditures as authorized by the City's budget. Funds so maintained will be deposited in a manner best serving the City.

The City has a responsibility to monitor the security of its assets and always maintain a level of quality so that the public at large will have the highest confidence that its best interests are being served.

The purpose of this document is to identify various policies and procedures that enhance opportunities for a systemic investment process. The initial step toward a prudent investment policy is to organize and formalize investment related activities. Related activities, which comprise good cash management, include accurate cash projection, the expeditious collection of revenue, the control of disbursements, cost effective banking relations and a short-term borrowing program, which coordinates working capital requirements and investment opportunities.
The City's Investment Policy shall be adopted by resolution of City Council. The policy shall be reviewed at least annually by the City Treasurer, City Manager and the Finance Director, and any modification must be approved by City Council.

II. SCOPE

It is intended that this policy cover all operating funds and investment activities under the direct authority of the City. These funds are described in the City's Comprehensive Annual Financial Report and include its General Fund, Special Revenue Funds, Enterprise Funds, Trust and Agency Funds, Capital Project Funds and Successor Agency Trust Funds.

The Investment Policy applies to all transactions involving the financial assets and related activities of the foregoing funds. Except for cash held in separate restricted funds, the City will pool cash balances from all funds for investments to maximize earnings and efficiencies concerning investment pricing, safekeeping and administration. Investment income will be allocated to the City's funds based upon their respective average monthly balances and in accordance with Generally Accepted Accounting Principles (GAAP).

The employee's retirement and deferred compensation funds are not included. Bond proceeds are not covered under this policy and shall be governed by their applicable bond documents. However, if the bond documents are silent in regards to the investment of bond proceeds and reserves, the terms set forth in this policy shall govern the respective investment of bond proceeds.

III. OBJECTIVES AND PERFORMANCE STANDARDS

The overall program shall be designed and managed with a degree of professionalism worthy of the public trust. The City's primary investment objectives, in priority order, shall be:

1. **Safety:** Safety of principal is the foremost objective the City's investment program, followed by liquidity and yield. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the City's portfolio. To obtain this objective, the City will diversify its investment by investing funds among a variety of securities offering independent returns and financial institutions. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities default or erosion of market value. Investment decisions should not incur unreasonable investment risks in order to obtain current investment income.

2. **Liquidity:** The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated. This need for investment liquidity may be tempered to the extent that the City is able to issue short-term notes to meet its operating requirements. Emphasis will be on marketable securities with low sensitivity to market risk. Maturities of investments for which there is limited opportunity for resale shall be staggered to maximize liquidity.

3. **Yield:** The City maintains an active investment strategy and its investment portfolio shall be designed to attain a rate of return which approximates benchmarks to be selected by the City's investment advisory committee throughout budgetary and economic cycles, taking into account the City's investment risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restricts the investment of funds.

IV. DELEGATION OF AUTHORITY

Pursuant to California Government Code 53607 and the City's Municipal Code, the City Council's management responsibility for the investment program is hereby delegated for a one-year period to the Finance Director who shall be responsible for the investment of idle funds consistent with this investment policy. Subject to review, the City Council may renew the delegation of authority pursuant to this section each year. The Finance Director may delegate these duties to his/her designee upon approval of the City Council. The day-to-day investment decision-making and execution authority may also be delegated to an investment

advisor under the supervision of the Finance Director. The investment advisor shall follow this Policy and such other written instructions as are provided.

V. PRUDENCE AND RISK TOLERANCE

The City recognizes that investment risks of the following can result from issuer defaults, market price changes or various technical complications leading to temporary liquidity:

1. Credit risk is the possibility that deterioration of an issuer's creditworthiness will adversely affect the value of its bonds or that an issuer will not make timely payments of interest or principal on its bonds (default). A decline in a bond issuer's credit rating, or creditworthiness, may cause prices for its outstanding bonds to decline. This shall be mitigated by limiting investments to those allowed under this policy and by diversification.

2. Market or Interest Rate risk, defined as market value fluctuations due to overall changes in market price, shall be mitigated by eliminating the need to sell securities prior to maturity and investing operating funds primarily in short-term securities, money market funds or similar investment pools, thereby limiting the average maturity of the portfolio. Investment shall be made with that degree of judgment and care, under circumstances then prevailing, which persons or prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the safety of their capital as well as the income to be derived.

The standard of prudence to be used by investment officers shall be the "prudent investor standard", and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the City's investment policy and exercising due diligence shall be relieved of personal liability for an individual security credit risk or market price changes, provided that deviations from expectations are reported on a timely fashion, and appropriate action is taken to control adverse developments.

VI. INTERNAL CONTROLS

A system of internal controls will be maintained to assure compliance with Federal and State regulations, City Council direction, and prudent cash management procedures.

The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees and officers of the City. Controls deemed most important include: control of collusion, segregation of duties, separating transaction authority from accounting and recordkeeping, custodial safekeeping, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimizing the number of authorized investment officials, documentation of transactions and strategies, and code of ethical standards. In addition, whenever possible, pre-formatted wire transfers will be used to transfer funds to pre-authorized accounts.

1. The City Treasurer shall audit and examinee all investments made by the City, or its duly authorized personnel, at those times deemed necessary by him/her and shall in his/her discretion report his/her audit and examination to the City Council.

2. Investment Oversight Committee: Quarterly review of procedures and adherence to this Investment Policy is conducted by the Investment Oversight Committee. The Committee, established by the City Council, is comprised of the City Manager, Finance Director, and City Treasurer.

3. Annual Audit: The City's portfolio is included in the annual review of the City's financial management performed by an outside audit firm.

VII. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall not participate in personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions. Such employees and investment officials shall disclose any material financial interests in financial institutions that conduct business with the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio.

VIII. ELIGIBLE INVESTMENTS

California Government Code Sections 53600 et. seq. provides basic investment limits and guidelines for government entities. Within the investments permitted by the Government Code, the City seeks to further restrict eligible investment to the investments listed below. In the event an apparent discrepancy is found between this policy and the Government Code, the more restrictive parameters will take precedence.

Rating requirements and percentage limitations, where indicated, apply *at the time of purchase*. In the event a security held by the City is subject to a rating change that brings it below the minimum specified rating requirement, the Finance Director shall notify the City Council of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security.

Eligible Investments

1. **Securities of the U.S. Government:**

   United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

2. **Securities of U.S. Government Agencies**

Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

3. **California State and Local Agency Obligations**

   Obligations of the State of California or any local agency within the state that are general obligation bonds or essential service bonds secured with revenue from a water, sewer, power or electric system, provided that such obligations are rated in one of the top three rating categories by a NRSRO.

4. **Other State Obligations**

   Registered treasury notes or bonds of any of the other 49 United States in addition to California, including general obligation bonds or essential service bonds secured with revenue from a water, sewer, power or electric system of any of the other 49 United States, in addition to California, provided that such obligations are rated in one of the top three rating categories by a NRSRO.

5. **Bankers Acceptances**

   Time drafts or bills of exchange that are drawn on and accepted by a commercial bank and brokered to investors in the secondary market. Purchasers are limited to issuers whose short-term debt is rated in the highest short-term rating category by a nationally recognized statistical-rating organization. Banker's acceptances cannot exceed a maturity of 180 days. A maximum of 40% of the City's portfolio may be invested in this category.

6. **Commercial paper**

   The City may purchase commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (A) or paragraph (B):

   (A) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars ($500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.

   (B) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

   Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10 percent of the outstanding paper of an issuing corporation. A maximum of 25 percent of the City's portfolio may be invested in this category.

7. **Negotiable Certificates of Deposit (NCDs)**

   Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state or federally licensed branch of a foreign bank. Purchases are limited to institutions rated in one of the two highest rating categories by a nationally recognized statistical-rating organization. A maximum of 30 percent of the City's portfolio may be invested in this category.

8. **Time Deposits**

   The City may invest in non-negotiable time deposits (CDs) that are FDIC insured or fully collateralized in financial institutions located in California, including United States branches of foreign banks licensed to do business in California.

   To be eligible for purchase, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided Government Code Section 53635.2. Purchase are further limited to financial institutions meeting all capital requirements and rated in one of the three highest rating categories by a nationally recognized statistical-rating organization .All time deposits must be collateralized in accordance with California Government Code sections 53650 et. seq. The City, at its discretion, may waive the collateralization requirements for any portion of the deposit that is covered by federal insurance. The maximum maturity of a time certificate of deposit shall not exceed 1 year. A maximum of 30 percent of the City's portfolio may be invested in this category.

9. **Repurchase Agreements**

   The City may enter into repurchase agreements with primary government securities dealers rated in the one of the three highest categories by two nationally recognized rating services. Counterparties should also have (i) a short-term credit rating in the highest category; (ii) minimum assets and capital size of $25 billion in assets and $350 million in capital; (iii) five years of acceptable audited financial results; and (iv) a strong reputation among market participants.

   The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the City's custodian bank delivery versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of the total dollar value of the money invested by the City for the term of the investment. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on a weekly basis according to market conditions. Since the market value of the underlying securities is subject to daily market fluctuations, the investment in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. Market value must also be calculated each time there is a substitution of collateral.

The City or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The City shall have properly executed a master repurchase agreement with each counter party with which it enters into repurchase agreements. Repurchase agreements are to be used solely as short-term investments not to exceed 90 days. A maximum of 15 percent of the City's portfolio may be invested in this category.

10. Medium Term Notes

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Purchases are limited to securities rated in one of the three highest categories by a nationally recognized statistical-rating organization. A maximum of 30 percent of the City's portfolio may be invested in this category.

11. Asset-Backed Securities

A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision must be rated in one of the two highest rating categories by a nationally recognized statistical-rating organization and shall be issued by an institution rated in one of the three highest rating categories by a nationally recognized statistical-rating organization. A maximum of 20 percent of the City's portfolio may be invested in this category.

12. Supranational Securities

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Securities eligible for investment under this subdivision must be rated in one of the two highest rating categories by a nationally recognized statistical-rating organization. A maximum of 30 percent of the City's portfolio may be invested in this category.

13. Money Market Funds

Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). To be eligible for purchase, the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of $500,000,000.

A maximum of 20 percent of the City's portfolio may be invested in this category.

14. State of California's Local Agency Investment Fund (LAIF)

The Local Agency Investment Fund was established by the State to enable local agency treasurers to place funds in a pool for investment (California Government Code Section 16429.1 et seq.). The City uses this investment vehicle for short-term liquidity, investment, and yield when rates are declining. Funds are available on demand and interest is paid quarterly. The City may invest up to the maximum permitted by the LAIF.

15. California Asset Management Program (CAMP)

Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests the securities and obligations authorized in subdivisions (a) to (n), inclusive, of Government Code Section 53601.

Summary of Investment Requirements[1]

Investment Type	City Minimum Quality Parameters	Code Minimum Quality Parameters	City Maximum % of Portfolio	Code Maximum % of Portfolio	City Maximum Maturity	Code Maximum Maturity
U.S. Treasury Obligations	None	None	None	None	5 Years	5 Years
Federal Agency Obligations	None	None	None	None	5 Years	5 Years
Bankers Acceptances	A1/P1	None	40%/5% issuer[2]	40%/ 30% issuer	180 Days	180 Days
State and Local Obligations	"A-" rated obligation	None	30%/5% issuer[2]	None	5 years	5 years
Commercial Paper	A1/P1/F1	A1/P1/F1	25%/5% issuer[2]	25%	270 Days	270 Days

Investment Type	City Minimum Quality Parameters	Code Minimum Quality Parameters	City Maximum % of Portfolio	Code Maximum % of Portfolio	City Maximum Maturity	Code Maximum Maturity
Negotiable Certificates of Deposits	Aa/AA-rated financial institutions	None	30%/5% issuer[2]	30%	5 Years	5 Years
Certificates of Deposit	"A" rated financial institutions	None	30%/5% issuer[2]	None	1 Year	None
Repurchase Agreements	"A" rated primary dealers	None	15%/5% issuer[2]	None	90 Days	1 Year
Medium-Term Notes	A	A	30%/5% issuer[2]	30%	5 Years	5 Years
Asset-backed Securities	"AA" security/"A" rated financial institutions	AA" security/"A" rated financial institutions	20%/5% issuer[2]	20%	5 Years	5 Years
Money Market Funds	Multiple[4]	Multiple[4]	20%/ 10% per fund	20%	N/A	N/A
Local Agency Investment Fund	None	None	$50 million[5]	$50 million	N/A	N/A
CAMP[6]	None	None	None	None	N/A	N/A

Notes:

1. The table is a summary of the key requirements. Additional requirements may apply as listed under this Policy and California Government Code Section 53601.
2. The Policy limits the portfolio's allocation to any one issuer, with the exception of U.S. Treasury securities, Federal Agency securities, and authorized pools, to no more than 5 percent of the portfolio.
3. The Policy limits the portfolio's allocation to any one issuer, with the exception of U.S, Treasury securities, Federal Agency securities, and authorized pools, to no more than 10% per fund.
4. Must receive the highest rating by two of the three largest nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC and has not less than five years experience managing money market funds with assets under management in excess of $500 million.
5. There is a $50 million cap for the City of Pittsburg funds.
6. CAMP is California Asset Management Program.

IX. DIVERSIFICATION

In an effort to reduce portfolio risk while attaining market average rates, the City's portfolio will be suitably diversified by type and institution. With the exception of U.S. Treasury securities, Federal Agency securities, and authorized pools, no more than 30 percent of the total portfolio, and less where stated, will be invested in a single security type with no more than 5 percent invested with a single issuer.

X. MAXIMUM MATURITY

The City's cash management system is designed to accurately monitor and forecast revenues and expenditures thus enabling the City to invest funds to the fullest extent possible. To the extent possible, the City will attempt to match investments with anticipated cash flow requirements. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds

Where this Policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

XI. INELIGIBLE INVESTMENTS

Investments not described herein, including but not limited to common stocks and financial futures contracts and options, are prohibited in this fund. As provided in California Government Code Section 53601.6, the City shall not invest any funds in inverse floaters, range notes, mortgage derived interest-only strips or in any security that could result in zero interest accrual if held to maturity. The purchase of any security not listed in Section 8 above, but permitted by the California Government Code, is prohibited unless the City Council approves the investment specifically or as a part of an investment program approved by the City Council.

XII. BANKS AND SECURITIES DEALERS

The Finance Director shall maintain a list of authorized broker/dealers and financial institutions, which are approved for investment purposes. It shall be the City's policy to purchase securities only from those authorized institutions and firms. The City shall annually send a copy of the current investment policy to all dealers approved to do business with the City. Each broker dealer or financial institution that has been authorized by the City shall be required to submit the firm's most recent financial statement. If an investment advisor is used, they may use their own list of approved broker/dealers and financial institutions for investment purposes.

XIII. SAFEKEEPING AND CUSTODY

All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. All cash and securities in the City's portfolio, including those that are managed by an investment advisor, shall be held in safekeeping in the City's name by a third party bank trust department, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Evidence of each these investments will be held in the Treasury vault. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

XIV. PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market-average rate of return during budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow needs.

XV. REPORTING REQUIREMENTS

A Quarterly Investment report shall be provided to the City Council, City Manager, and Finance Director.

1. A quarterly investment report will be submitted within 60 days following the period being reported to the City Council. Reports of the investment of bond proceeds are issued monthly by the Trustee and are included in the quarterly report of the pooled investment fund. The quarterly investment report shall include information on the following:
   - Type of Investment
   - Issuer
   - Date of Maturity
   - Par and dollar amount invested on all securities
   - Current market value of each security and the source of the valuation
   - Credit quality of each investment, as determined by one or more nationally recognized credit rating services
   - Listing of investment transactions for the quarter being reported upon.
   - Statement that portfolio is in compliance with investment policy ,or the manner in which the portfolio is not in compliance
   - Statement denoting ability of City to meet its expenditure requirements for the next six months, or provide sufficient explanation why money is not available

XVI. INVESTMENT POLICY REVIEW

The Finance Director shall periodically submit to the City Council a statement of investment policy outlining any proposed changes, which the City Council must consider at a public meeting.

Glossary of Terms

Accrued Interest: Interest earned but not yet received.

Active Deposits: Funds which are immediately required for disbursement.

Amortization: An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Arbitrage: Transactions by which securities are bought and sold in different markets at the same time for the sake of the profit arising from a yield difference in the two markets.

Asked Price: The price a broker/dealer offers to sell securities.

Average Life: The average length of time that an issue of serial bonds and/or term bonds with a mandatory sinking fund features is expected to be outstanding.

Bankers' Acceptance (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Basis Point: One basis point is one hundredth of one percent (.01).

Bid Price: The price a broker/dealer offers to purchase securities.

Bond: A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Book Entry: The system maintained by the Federal Reserve, by which most money market securities are delivered to an investor's custodial bank. The Federal Reserve maintains a computerized record of the ownership of these securities and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment.)

Book Value: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not take a position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

Callable Bond: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price: The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk: The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase: A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CDs are typically negotiable.

Collateral: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper: A short-term, unsecured, and negotiable promissory note with a fixed maturity of no more than 270 days. By statute, these issues are exempt from registration with the U.S. Securities and Exchange Commission.

Comprehensive Annual Financial Report (CAFR): The official annual financial report for public sector entities/companies. It includes five combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP).

Convexity: A measure of a bond's price sensitivity to changing interest rates. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Coupon: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

Credit Analysis: A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security and a loss will result.

Current Yield: The interest paid on an investment expressed as a percentage of the current price of the security.

Custodian: A bank or other financial institution that keeps custody of stock certificates and other assets.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his or her own account.

Debenture: A bond secured only by the general credit of the issuer.

Defeased Bond Issues: Issues that have sufficient money to retire outstanding debt when due so that the agency is released from the contracts and covenants in the bond document.

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free delivery). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Derivative: Securities that are based on, or derived from, some underlying asset, reference date, or index.

Discount: The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Duration: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

Face Value: The principal amount owed on a debt instrument. It is the amount on which interest is computed and represents the amount that the issuer promises to pay at maturity.

Fair Value: The amount at which a security could be exchanged between willing parties, other than in a forced or liquidation sale. If a market price is available, the fair value is equal to the market value.

Federal Farm Credit Bank (FFCB): Government-sponsored institution that consolidates the financing activities of the Federal Land Banks, the Federal Intermediate Credit Banks and the Banks for Cooperatives. Its securities do not carry direct U. S. Government guarantees.

Federal Funds Rate: The rate of interest at which Federal funds are traded. This rate is considered the most sensitive indicator of the direction of interest rates, as it is currently pegged by the Federal Reserve through open-market operations.

Federal Home Loan Banks (FHLB): Government sponsored wholesale banks, which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac): Established in 1970 to help maintain the availability of mortgage credit for residential housing. FHLMC finances these operations by marketing guaranteed mortgage certificates and mortgage participation certificates. Its discount notes and bonds do not carry direct U.S. Government guarantees.

Federal National Mortgage Association (FNMA): FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (H.U.D.). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the U.S., which consists of seven member Board of Governors, 12 regional banks, and about 5,700 commercial banks that are members.

Fitch IBCA, Inc. (Fitch): One of the three best-known rating agencies in the United States, the others being Moody's Investment Service, Inc. and Standard and Poor's Corporation.

Government Accounting Standards Board (GASB): A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

Government National Mortgage Association (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA or VA mortgages. The term pass-through is often used to describe Ginnie Maes.

Government Securities: An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Guaranteed Investment Contracts (GICS): An agreement acknowledging receipt of funds, for deposit, specifying terms for withdrawal, and guaranteeing a rate of interest to be paid.

Inactive Deposits (Idle Funds): Funds not immediately needed for disbursement.

Investment-Grade Obligations: An investment instrument suitable for purchase by institutional investors under the prudent person rule. Investment-grade is restricted to those obligations rated BBB or higher by a rating agency.

Interest Rate Risk: The risk of gain or loss in market values of securities due to changes in interest-rate levels. For example, rising interest rates will cause the market value of portfolio securities to decline.

Inverse Floating Rate Note: A debt security with an interest rate stated as a fixed rate minus an index. This calculation causes the rate on the inverse floater to move in the opposite direction of general interest rates. This instrument generally performs well in a declining interest rate environment but will lose value if rates rise.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between the bid and asked prices is narrow and reasonable size can be done at those quotes.

Local Agency: County, City, City and County, including a chartered city or county, school district, community college district, public district, or any public or municipal corporation.

Local Agency Investment Fund (LAIF): An investment pool managed by the California State Treasurer. Local government units, with consent of the governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment. Interest earned is distributed by the State Controller to the participating governmental agencies on a quarterly basis.

Mark-to-market: The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk: Systematic risk of a security that is common to all securities of the same general class (stocks, bonds, notes, money market instruments) and cannot be eliminated by diversification (which may be used to eliminate non-systematic risk).

Market Value: The price at which a security is trading and could presumably be sold.

Master Repurchase Agreement: A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each person's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Medium Term Notes: Instruments issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

Modified Duration: A measure of exposure to market risk of a security or a portfolio. It is the percent change in the price of a security (portfolio) or a 100 basis point change in the security's (portfolio's) yield.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund: Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Moody's: Moody's Investment Service, Inc. One of the three best-known rating agencies in the United States, the others being Standard and Poor's Corporation (S&P) and Fitch IBCA, Inc. (Fitch).

National Association of Securities Dealers (NASD): A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

NATIONAL RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO):
A rating organization designated by the SEC as being nationally recognized, such as Moody's Investor Service, Inc. (Moody's), Standard & Poor's (S&P), and Fitch Ratings (Fitch).

Net Asset Value: The market value of one share of an investment company, such as a mutual fund. This figure is calculated by totaling a fund's assets, which includes securities, cash, and any accrued earnings, subtracting this from the fund's liabilities and dividing this total by the number of shares outstanding. This is calculated once a day based on the closing price for each security in the fund's portfolio. [(Total assets) - (Liabilities)] / (Number of shares outstanding)

Negotiable Certificate of Deposit: A large denomination certificate of deposit, which can be sold in the open market prior to maturity.

Nominal Yield: The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

New Issue: Term used when a security is originally "brought" to market.

Note: A written promise to pay a specified amount to a certain entity on demand or on a specified date.

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the Federal Open Market Committee, (FOMC), in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit: Sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Par Value: The amount of principal that must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in $1,000 increments per bond.

Portfolio: Collection of securities held by an investor.

Premium: The amount by which the price paid for a security exceeds the security's par value.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities, broker/dealers, banks and a few unregulated firms.

Principal: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

Prospectus: A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC that typically includes information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements (also known as an "official statement").

Prudent Investor Standard: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state, the so-called legal list. In other states, the trustee may invest in a security if it is one that would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

Purchase Date: The date in which a security is purchased for settlement on that or a later date.

Range Note: A debt security with a varied interest payment that depends on the number of days the designated index falls within (or in some cases outside) an established range of interest rates. Should rates move beyond the range on either end, the investor faces the risk of a reduced or zero interest payment for the applicable interest period.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Rating Agency: Nationally recognized credit rating agency such as Fitch, Moody's or S&P.

Rating Category: A credit rating assignment by a Rating Agency shall mean (a) with respect to any long-term rating category, all ratings designated by a particular letter or combination of letters, without regard to any numerical modifier, plus or minus sign or other modifier, and (b) with respect to any short-term or commercial paper rating category, all ratings designated by a particular letter or combination of letters and taking into account any numerical modifier, but not any plus or minus sign or other modifier.

Repurchase Agreement (RP or Repo): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement and the terms of the agreement are structured to compensate the buyer for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money, which is increasing bank reserves.

Reverse Repurchase Agreement (Reverse Repo): A counter party (e.g. investment dealer) buys the securities from the holder of securities (e.g. the Agency) with an agreement to sell them back at a fixed date. The counter party in effect lends the seller, (e.g. the Agency) money for the period of the agreement with terms of the agreement structured to compensate buyer.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Secondary Market: A market for the repurchase and resale of outstanding issues following the initial distribution.

Securities: Investment instruments such as notes, bonds, stocks, money market instruments and other instruments of indebtedness of equity.

See Rule 15C3:1: See Uniform Net Capital Rule.

Securities and Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Settlement Date: The date on which a trade is cleared by delivery of securities against funds.

Serial Bond: A bond issue, usually of a municipality, with various maturity dates scheduled at regular intervals until the entire issue is retired.

Sinking Fund: Money accumulated on a regular basis in a separate custodial account that is used to redeem debt securities or preferred stock issues.

Spread: The difference between two figures or percentages. It may be the difference between the bid (price at which a prospective buyer offers to pay) and asked (price at which an owner offers to sell) prices of a quote, or between the amount paid when bought and the amount received when sold.

Standard and Poor's Corporation (S&P): One of the three best-known rating agencies in the United States, the others being Moody's Investment Service, Inc. and Fitch IBCA, Inc. (Fitch).

Strip (Bonds): Brokerage-house practice of separating a bond into its principal and interest, which are then sold as zero coupon bonds.

Swap: An agreement between two parties (known as counterparties) where one stream of future interest payments is exchanged for another based on a specified principal amount.

Term Bond: Bonds comprising a large part or all of a particular issue, which come due in a single maturity. The issuer usually agrees to make periodic payments into a sinking fund for mandatory redemption of term bonds before maturity.

Time Certificate of Deposit: A non-negotiable certificate of deposit, which cannot be sold prior to maturity.

Total Return: The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

Treasury Bonds: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

Treasury Notes: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

Trustee or trust company or trust department of a bank: A financial institution with trust powers which acts in a fiduciary capacity for the benefit of the bondholders in enforcing the terms of the bond contract.

Underwriter: A dealer which purchases a new issue of municipal securities for resale.

Uniform Net Capital Rule: Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

U.S. Government Agencies: Instruments issued by various U.S. Government Agencies most of which are secured only by the credit worthiness of the particular agency.

U.S. Treasury Obligations: Debt obligations of the United States Government sold by the Treasury Department in the forms of Bills, Notes, and Bonds. Bills are short-term obligations that mature in 1 year or less and are sold on the basis of a rate of discount. Notes are obligations that mature between 1 year and 10 years. Bonds are long-term obligations that generally mature in 10 years or more.

Weighted Average Maturity (WAM): The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

Yield: The rate of annual income return on an investment, expressed as a percentage. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Yield to Maturity: The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Yield Curve: A graphic representation that shows the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity.

Zero-coupon Securities: Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

ATTACHMENT B

CITY OF PITTSBURG

DRAFT INVESTMENT REPORT DECEMBER 31, 2017

CITY OF PITTSBURG

Investment Performance Review
For the Quarter Ended December 31, 2017

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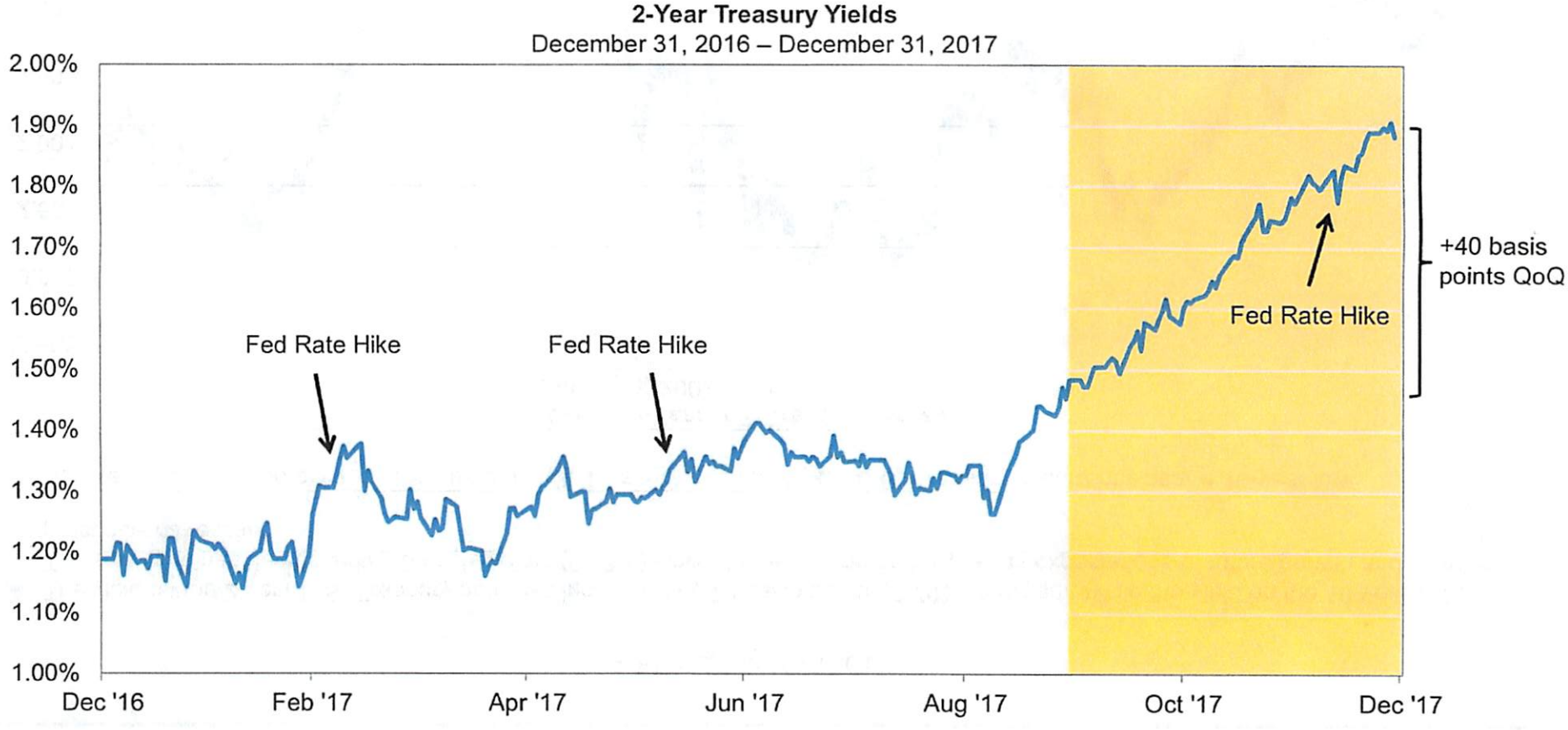
Market Update

Interest Rate Update

- Two-year treasury yields moved notably higher for the year ended December 31, 2017; the increase was most pronounced during the fourth quarter as markets responded to another rate hike by the Federal Reserve and the passage of the largest overhaul of the U.S. tax system in more than thirty years.

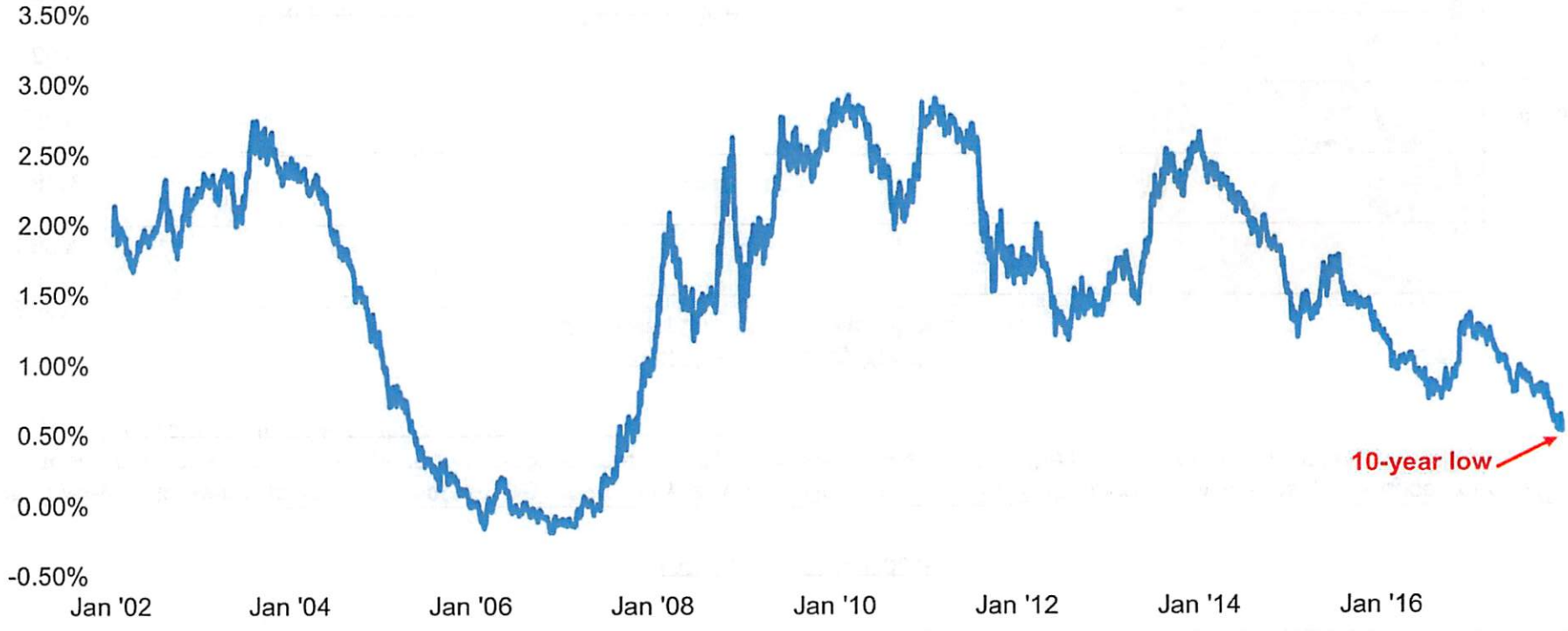


Source: Bloomberg, as of 12/31/17.

A Flattening Yield Curve

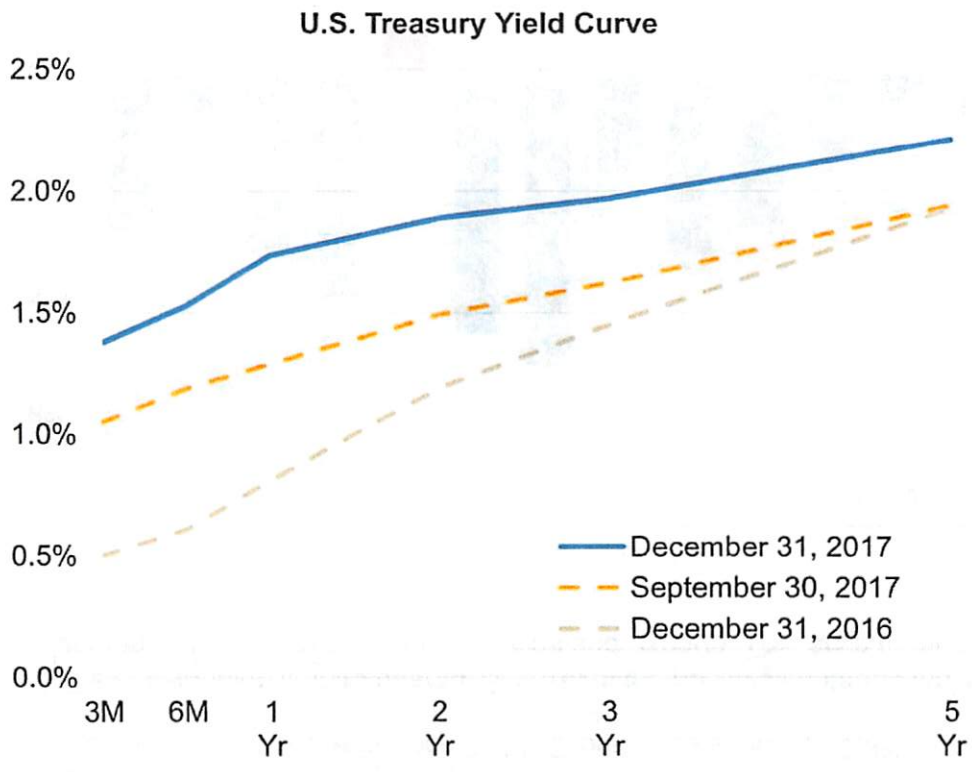
- The yield on the 2-year U.S. Treasury note has increased by 70 basis points (0.70%) this year, while the yield on the 10-year U.S. Treasury note has decreased by 3 basis points (0.03%) since the beginning of the year as expectations of future growth and inflation prospects have fallen.
- As a result, the spread between the 10-year U.S. Treasury and the 2-year U.S. Treasury is currently near a 10-year low.

10-Year/2-Year U.S. Treasury Spread
January 1, 2002 – December 31, 2017



Source: Bloomberg, as of 12/31/17.

U.S. Treasury Yield Curve



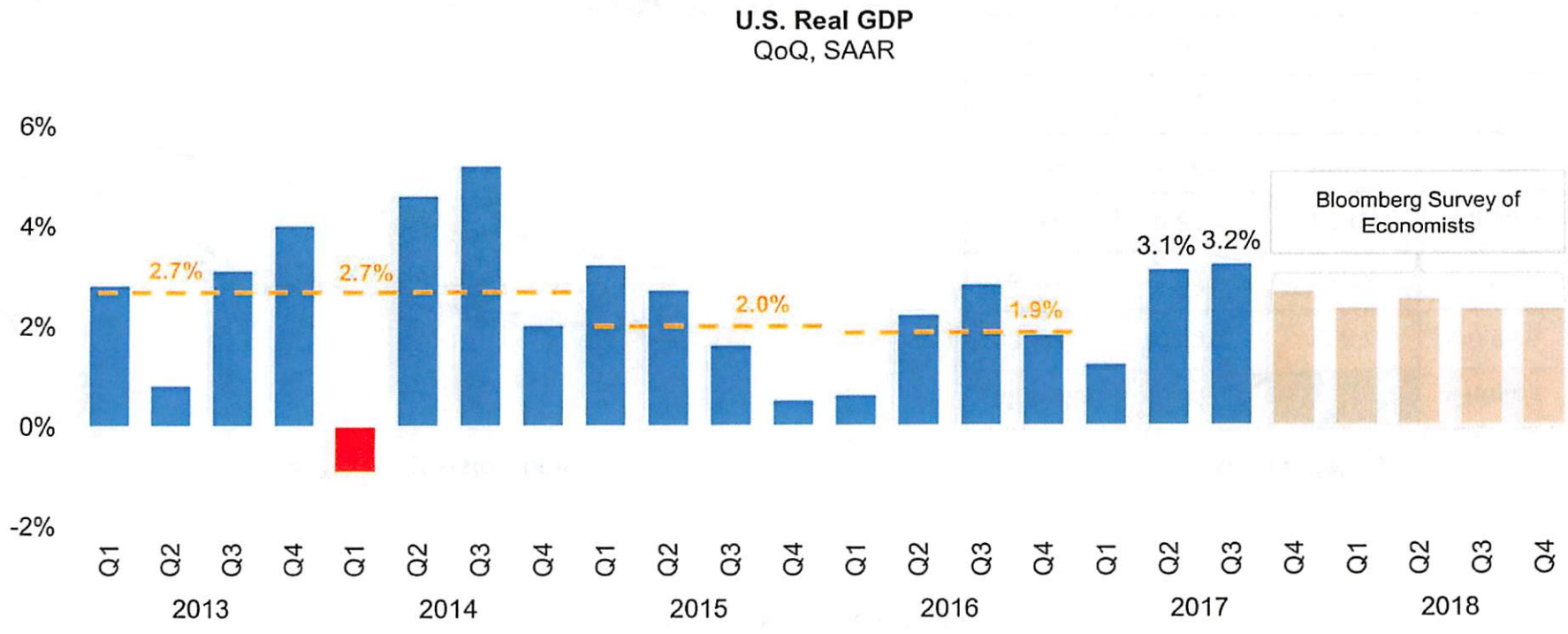
Yield Curve History

Maturity	12/31/16	12/31/17	Change
3-Mo.	0.50%	1.38%	+ 0.88%
6-Mo.	0.61%	1.53%	+ 0.92%
1-Yr.	0.81%	1.74%	+ 0.93%
2-Yr.	1.19%	1.89%	+ 0.70%
3-Yr.	1.45%	1.97%	+ 0.52%
5-Yr.	1.93%	2.21%	+ 0.28%
10-Yr.	2.44%	2.41%	- 0.03%
20-Yr.	2.76%	2.58%	- 0.18%
30-Yr.	3.07%	2.74%	- 0.33%

Source: Bloomberg, as of 12/31/17.

Economic Growth Remained Strong in Third Quarter

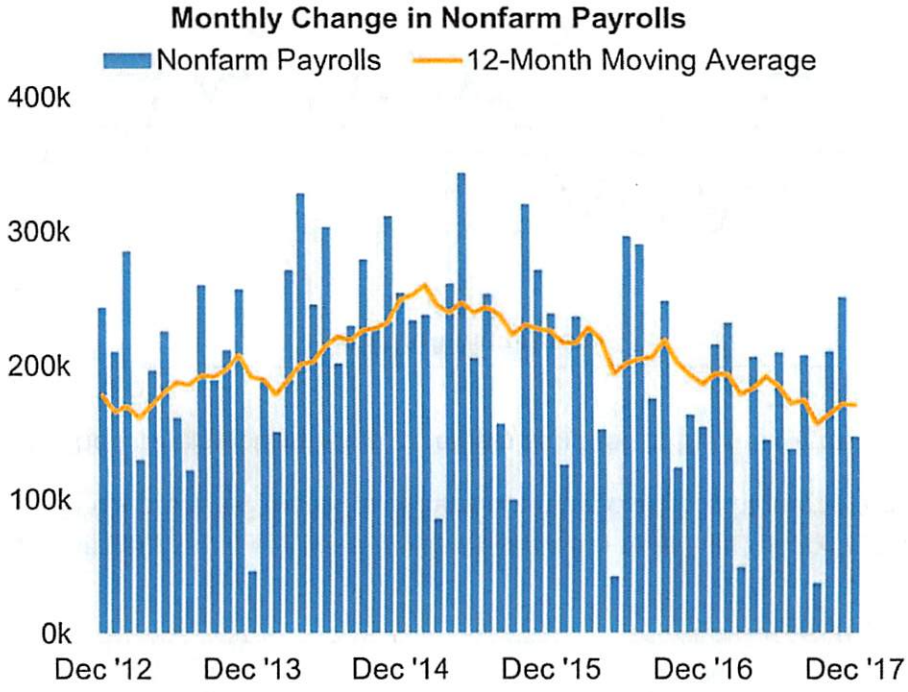
- Gross domestic product (GDP) increased at an annualized rate of 3.2% in the third quarter of 2017, the fastest pace of expansion over two consecutive quarters since 2014. Growth has averaged 2.3% over the last four quarters.
- The acceleration in third quarter GDP reflected positive contributions from personal consumption and business investment boosted primarily by a rise in private inventories and exports. This acceleration was offset by negative contributions from residential housing.

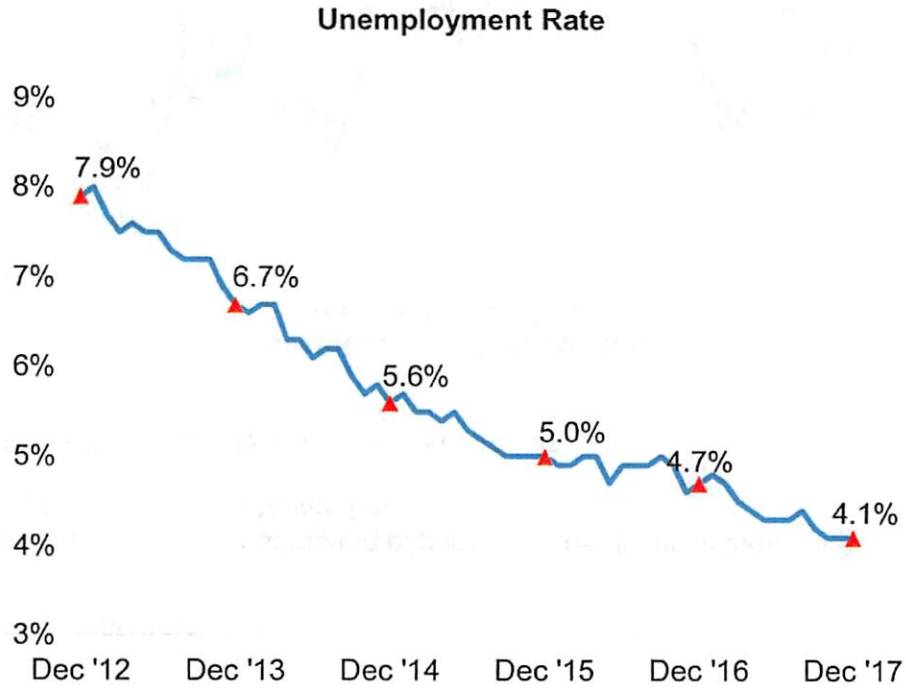


Source: Bloomberg, as of December 2017. SAAR is seasonally adjusted annualized rate. Orange dashes denote four-quarter averages.

Labor Market Activity During the Quarter

- The U.S. labor market added 611,000 jobs for the quarter ending December 31, 2017, and an average of 171,000 jobs per month over the past year.
- Headline unemployment rate for the fourth quarter remained at 4.1% for the third consecutive month. The U6 unemployment rate decreased from 8.3% in September to 8.1% in December, while the labor force participation rate fell from 63.0% in September to 62.7% in December.
- Average hourly earnings—an important gauge of wage growth—grew 2.5% over the past 12 months.

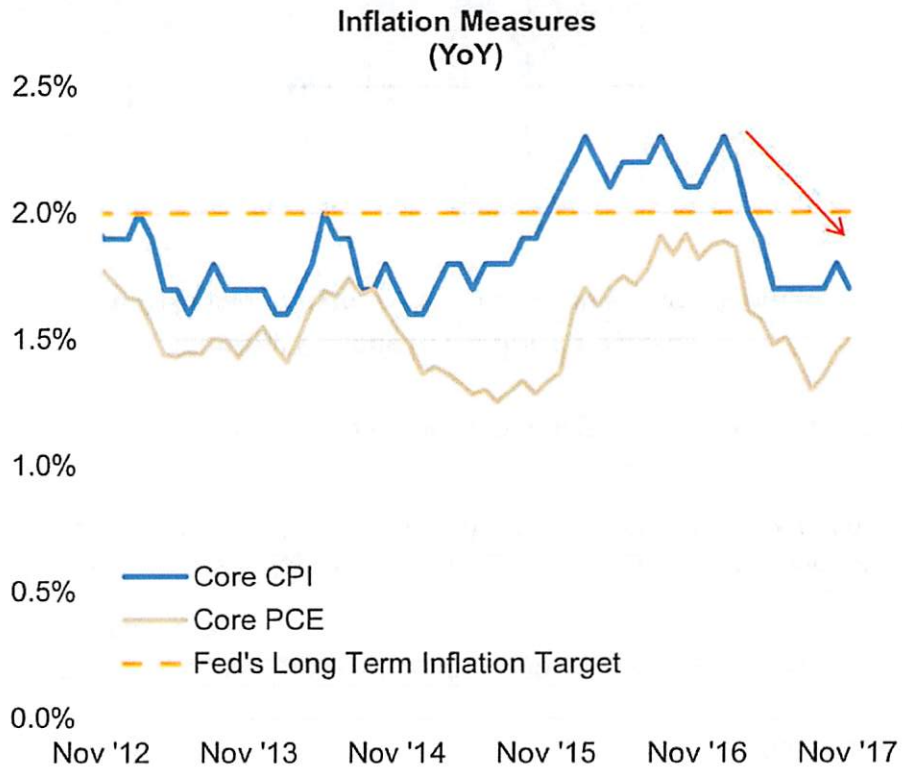




Source: Bloomberg, as of December 2017.

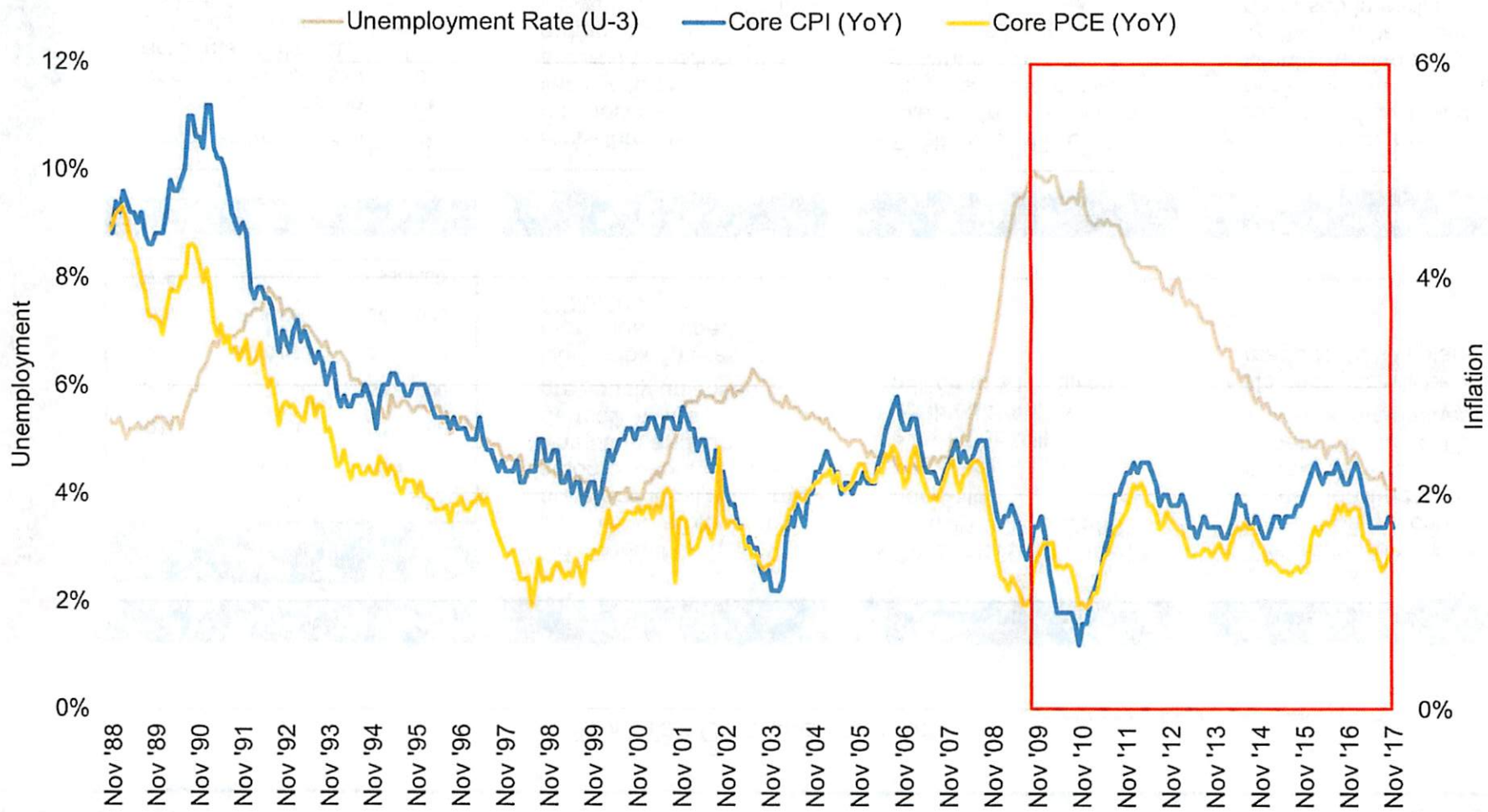
Inflation Remains Muted

- Inflation pressures have declined since the beginning of 2017. The core personal consumption expenditures (PCE) price index, the Fed's preferred measure of inflation, moved slightly higher to 1.5% year-over-year in November.
- The Fed expects inflation to remain subdued in the near term but to reach their 2% target in the medium term.



Source: Bloomberg, as of November 2017. Inflation expectations based on yield difference between 5-year Treasury note and 5-year Treasury Inflation Protected Securities (TIPS).

Inflation Remains Lackluster Despite a Strong Labor Market



Source: Bloomberg, as of November 2017.

GOP Tax Cuts and Jobs Act

Personal Taxes

Income Tax Brackets

Tax Rate	Single	Married
10%	$9,525	$19,050
12%	$38,700	$77,400
22%	$82,500	$165,000
24%	$157,500	$315,000
32%	$200,000	$400,000
35%	$500,000	$600,000
37%	> $500,000	> $600,000

Deductions

- Can deduct up to $10,000 in a blend of state and local property, income, and sales tax. The state and local deduction was previously unlimited.
- Deductible interest on mortgage capped at $750,000.

Exemptions

- Child tax credit raised from $1,000 to $2,000 per child.
- The estate tax exemption will be doubled from $5.5 million to $11 million.

Other

- The deduction for interest on education loans, qualified tuition expenses, and expensive medical bills would be maintained.
- No changes will be made to 401(k) plans.

Business Taxes

Marginal Tax Rate

- Reduced from 35% to 21%.
- Marks the largest one-time decline in U.S. history and amounts to almost $1 trillion of tax cuts over the next decade.

Deductions

- Pass-through businesses like limited liability corporations allowed to deduct 20% of their earnings. However, this will expire after 2025.

Exemptions

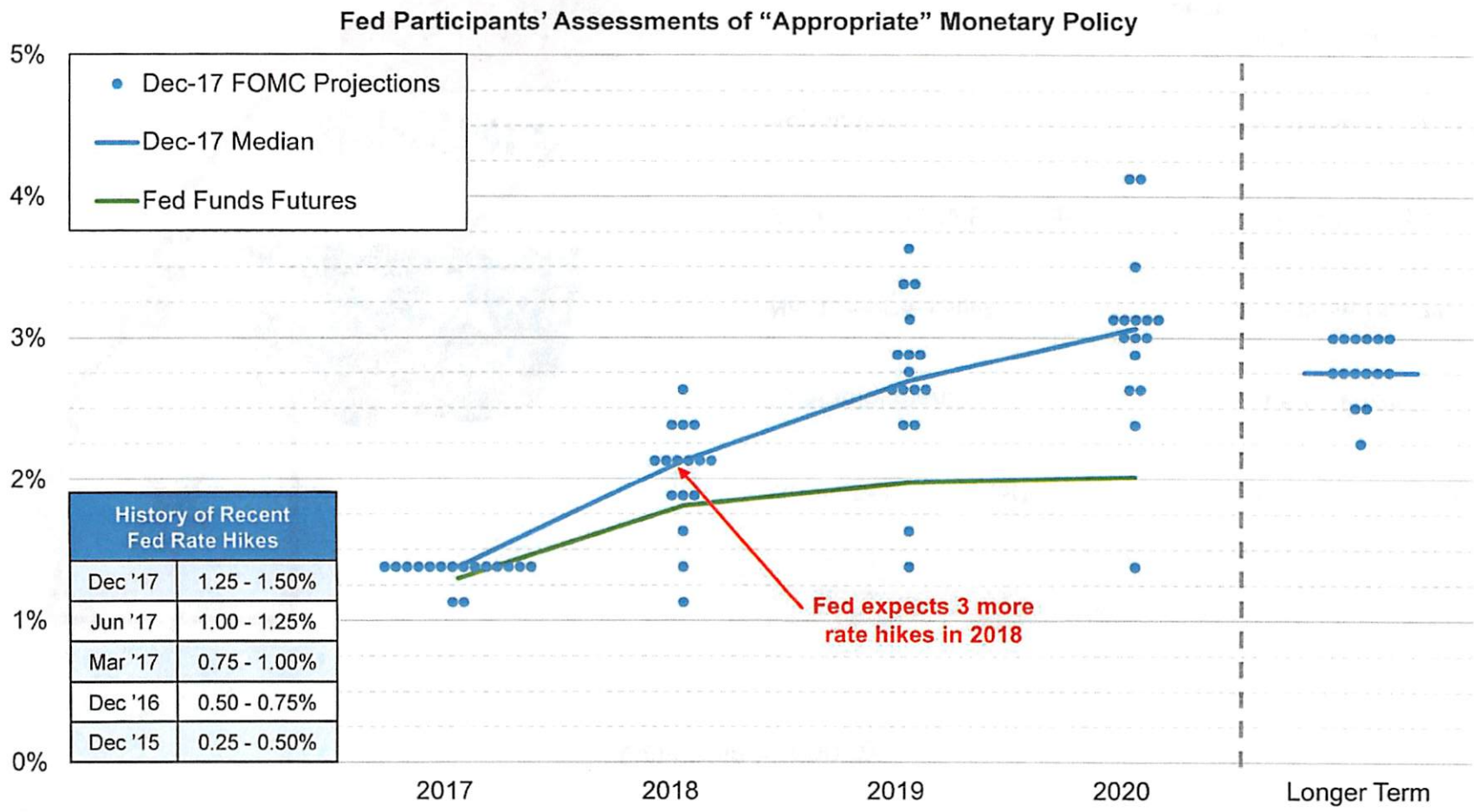
- Businesses will be exempt from paying the corporate alternative minimum tax.

Other

- One-time tax on repatriated cash and profits will be 15.5%, up slightly from the 14% to 14.5% that had been proposed in earlier versions.

Source: The Washington Post, Business Insider.

FOMC "Dot Plot" – December 2017



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed member's judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 12/13/17.

California Economy

Year-over-Year Changes in California	
Gross State Product[1]	$2.6 billion (↑4.5%)
Unemployment[2]	4.6% (↓0.7%)
Nonfarm Payrolls[2]	17.1 million (↑1.7%)
Average Hourly Earnings[2]	$30.28 (↑3.1%)
Population[3]	39.5 million (↑0.7%)
Headline News	Attorney General Jeff Sessions' announcement to rescind the Cole Memo may hurt the anticipated $5 billion marijuana industry in California

Source: Bloomberg, The Hill, U.S. Census Bureau.
1. Gross state product is as of December 2016.
2. Unemployment, nonfarm payrolls, and average hourly earnings are as of November 2017.
3. Population data as of July 2017.

Portfolio Review

Security Type	Original Cost	Market Value	% of Portfolio	In Compliance	Average Maturity[1]	Average Yield[1]
Cash Equivalents	$9,893,590	$9,893,590	11.9%	✓	1	0.00%
Money Market Funds	$116,974	$116,974	0.1%	✓	1	0.84%
Investment Pools	$24,999,416	$24,951,755	30.1%	✓	1	1.20%
Total Liquidity	**$35,009,980**	**$34,962,319**	**42.2%**		**1**	**0.86%**
U.S. Treasury Notes[2]	$10,906,450	$10,760,187	13.0%	✓	1,259	1.67%
Federal Agency Securities[3]	$2,923,659	$2,893,714	3.5%	✓	765	1.50%
Supranational Securities	$2,939,131	$2,913,581	3.5%	✓	774	1.54%
Negotiable Certificates of Deposit	$8,488,877	$8,461,268	10.2%	✓	515	1.89%
Medium-Term Corporate Notes	$14,202,272	$14,008,032	16.9%	✓	921	2.13%
Asset-Backed Securities	$5,054,106	$5,026,158	6.1%	✓	1,295	1.74%
Commercial Paper	$3,769,658	$3,791,298	4.6%	✓	102	1.57%
Total Securities	**$48,284,153**	**$47,854,238**	**57.8%**		**883**	**2.45%**
Total Portfolio	**$83,294,133**	**$82,816,557**	**100.0%**		**512**	**1.78%**
Bonded Debt Portfolio	**$20,995,416**	**$21,014,721**				**0.88%**
Total	**$104,289,549**	**$103,831,278**				**1.60%**

1. *Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.*
2. *Due to different disposal values applied by Wells Fargo and PFM, original cost value of U.S. Treasury bond with CUSIP 912828Q78 differs by $137.02.*
3. *Due to different disposal values applied by Wells Fargo and PFM, original cost value of Federal Agency bond with CUSIP 3135G0N82 differs by $199.15.*

Issuer	Original Cost	Market Value	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity[1]	Average Yield[1]
Cash Equivalents	**9,893,590**	**9,893,590**	**11.9%**			**1**	**0.00%**
Bank	9,893,590	9,893,590	11.9%	100%	✓	1	0.00%
Money Market Funds	**116,974**	**116,974**	**0.1%**			**1**	**0.84%**
Wells Fargo	116,974	116,974	0.1%	10%	✓	1	0.84%
Investment Pools	**24,999,416**	**24,951,755**	**30.1%**			**1**	**1.20%**
Local Agency Investment Fund	24,999,416	24,951,755	30.1%	$65 million	✓	1	1.20%
U.S. Treasury Notes	**10,906,450**	**10,760,187**	**13.0%**			**1259**	**1.67%**
U.S. Treasury[2]	10,906,450	10,760,187	13.0%	100%	✓	1259	1.67%
Federal Agency Securities	**2,923,659**	**2,893,714**	**3.5%**			**765**	**1.50%**
FHLMC	1,082,597	1,072,996	1.3%	100%	✓	703	1.46%
FNMA[3]	1,841,062	1,820,718	2.2%	100%	✓	801	1.52%
Commercial Paper	**3,769,658**	**3,791,298**	**4.6%**			**102**	**1.57%**
Bank of Tokyo Mitsubishi CP	1,087,506	1,098,636	1.3%	5%	✓	26	1.54%
BNP Paribas	939,604	946,449	1.1%	5%	✓	82	1.49%
Credit Agricole SA	991,918	994,051	1.2%	5%	✓	122	1.60%
Toyota	750,630	752,162	0.9%	5%	✓	1733	4.70%
Negotiable Certificates of Deposit	**8,488,877**	**8,461,268**	**10.2%**			**515**	**1.89%**
Bank of Nova Scotia (Houston)	1,150,000	1,145,837	1.4%	5%	✓	460	1.91%
Bank of Montreal Chicago	945,000	946,169	1.1%	5%	✓	403	1.90%
Canadian Imperial Bank	939,267	938,016	1.1%	5%	✓	334	1.78%
Credit Suisse NY	950,000	948,369	1.1%	5%	✓	166	1.61%
Nordea Bank	940,000	940,583	1.1%	5%	✓	334	1.74%
Westpac Banking Corp NY	870,000	868,556	1.0%	5%	✓	946	2.05%
Skandinaviska Enskilda NY	999,610	987,160	1.2%	5%	✓	579	1.85%
Svenska Handelsbanken	750,000	746,684	0.9%	5%	✓	375	1.91%
Swedbank NY	945,000	939,895	1.1%	5%	✓	1051	2.30%

1. *Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.*
2. *Due to different disposal values applied by Wells Fargo and PFM, original cost value of U.S. Treasury bond with CUSIP 912828Q78 differs by $137.02.*
3. *Due to different disposal values applied by Wells Fargo and PFM, original cost value of Federal Agency bond with CUSIP 3135G0N82 differs by $199.15.*

Issuer	Original Cost	Market Value	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity[1]	Average Yield[1]
Medium-Term Corporate Notes	**14,202,272**	**14,008,032**	**16.9%**			**921**	**2.13%**
American Express Company	429,553	428,698	0.5%	5%	✓	793	2.24%
American Honda Finance	299,574	298,463	0.4%	5%	✓	775	2.05%
Apple Inc.	667,687	666,527	0.8%	5%	✓	491	2.01%
Bank of New York	1,000,460	1,002,286	1.2%	5%	✓	1499	2.59%
BB&T Bank	715,361	715,039	0.9%	5%	✓	1552	2.59%
Berkshire Hathaway	144,859	143,169	0.2%	5%	✓	592	1.33%
Caterpillar Financial	354,702	350,856	0.4%	5%	✓	978	1.88%
Citigroup	464,103	463,027	0.6%	5%	✓	1438	2.67%
Goldman Sachs	471,908	469,673	0.6%	5%	✓	1211	2.50%
Home Depot	234,864	233,131	0.3%	5%	✓	887	1.82%
Honeywell International	129,899	129,313	0.2%	5%	✓	668	1.84%
IBM	1,366,021	1,224,746	1.5%	5%	✓	575	1.88%
John Deere	979,224	979,709	1.2%	5%	✓	253	1.82%
JP Morgan Chase	1,986,282	1,993,665	2.4%	5%	✓	753	2.36%
Paccar Financial	134,988	133,972	0.2%	5%	✓	1048	2.05%
Pepsi Co.	354,734	353,044	0.4%	5%	✓	487	1.59%
State Street	463,499	458,018	0.6%	5%	✓	961	1.94%
Toyota	1,059,656	1,052,446	1.3%	5%	✓	1227	3.33%
UPS	379,400	377,990	0.5%	5%	✓	1187	2.10%
Wal-Mart	943,630	938,913	1.1%	5%	✓	1080	1.95%
Walt Disney Corporation	149,961	149,513	0.2%	5%	✓	794	1.96%
Wells Fargo	1,471,910	1,445,833	1.7%	5%	✓	1072	2.04%
Asset-Backed Securities	**5,054,106**	**5,026,158**	**6.1%**			**1295**	**1.74%**
Ally Auto	1,029,918	1,024,628	1.2%	5%	✓	1356	1.76%
American Express Company Credit	539,913	537,207	0.6%	5%	✓	1445	1.65%
Citibank Credit Card Issuance Trust	474,965	472,570	0.6%	5%	✓	1359	1.80%
CNH Equipment Trust	579,558	578,738	0.7%	5%	✓	927	1.80%
Ford Motor Credit	314,999	313,029	0.4%	5%	✓	1262	1.67%
Honda Auto Receivables	469,959	466,080	0.6%	5%	✓	1323	1.68%
Hyundai Auto Receivables	1,079,848	1,072,310	1.3%	5%	✓	1310	1.64%
John Deere Owner Trust	274,973	273,308	0.3%	5%	✓	1170	1.64%
Toyota Auto Receivables Owner Trust	289,973	288,289	0.3%	5%	✓	1476	2.26%
Supranational Securities	**2,939,131**	**2,913,581**	**3.5%**			**774**	**1.54%**
Inter-American Development Bank	1,122,406	1,112,164	1.3%	100%	✓	729	1.40%
International Bank of Reconstruction and Development	1,816,724	1,801,417	2.2%	100%	✓	801	1.62%
Total	**83,294,133**	**82,816,557**				**512**	**1.78%**

1. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days. Per issuer limit.

Portfolio Recap

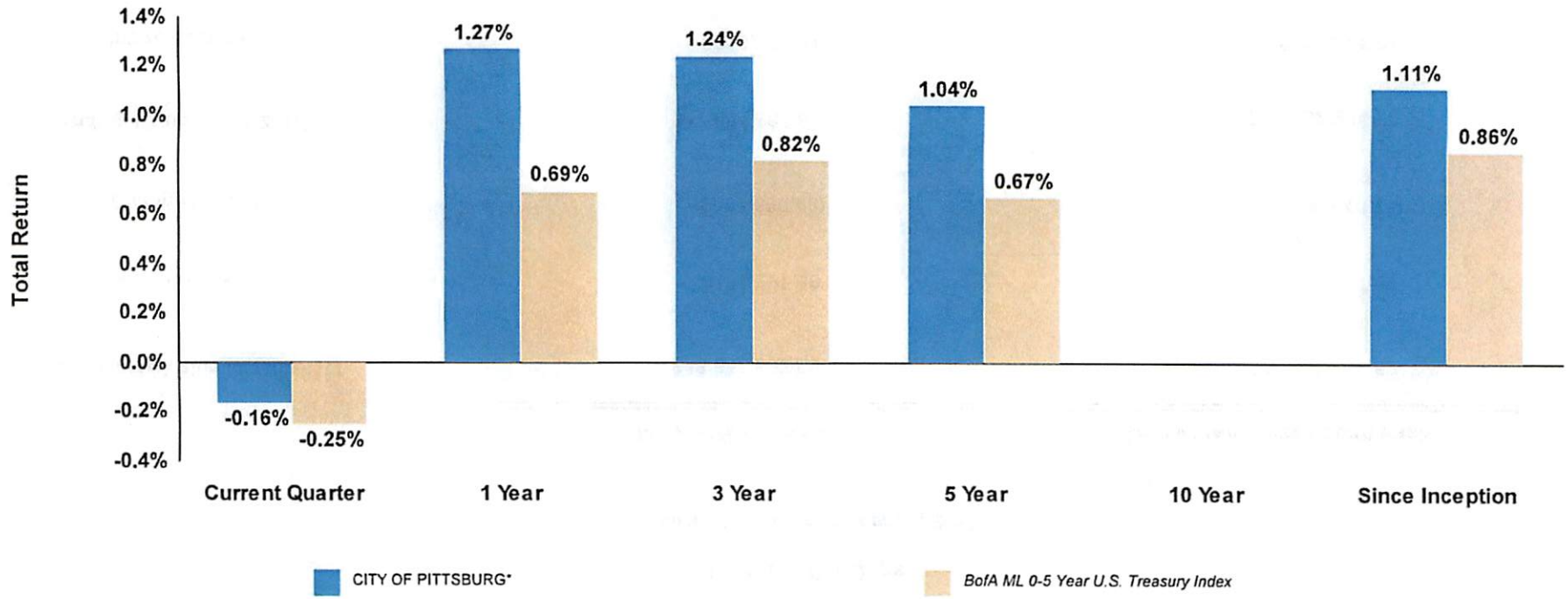
- In the fourth quarter, economic data was generally favorable, the unemployment rate hovered near a 15-year low, inflation remained in check, and the Fed raised rates for a third time in 2017. At the same time, both consumer and business confidence remained high, and Congress passed large corporate and individual tax cuts.
- Market reaction to the final tax bill reflected expectations for at least a near-term positive economic impact, causing both interest rates and U.S. equity markets to rise.
- The post-tax-bill market moves amplified existing trends. During the quarter
  - 2-year Treasury yields rose 40 basis points (0.40%), reflecting the FOMC's December rate hike and expectations for more policy changes going forward,
  - 10-year Treasury yields rose 9 basis points, muted by low inflation prospects and strong demand for yield by global investors,
  - the yield curve flattened to its narrowest levels since 2007, and
  - equity markets capped the first calendar year ever with twelve consecutive months of positive returns.
- The strength of the U.S. economy, coupled with the December Fed rate hike, drove yields on all but the longest Treasury maturities higher in the fourth quarter. As a result, fixed-income returns were mixed for the quarter, with shorter indexes generating negative returns; however, on a positive note, reinvestment opportunities became more attractive.
- Higher yields, narrow credit spreads, and a flat yield curve created a challenging investment landscape. As such, we generally employed a duration-neutral portfolio stance relative to the benchmark.

Portfolio Recap

- Credit instruments and other "spread product" generated outperformance for the quarter relative to government securities. The primary drivers of portfolio performance were asset allocation and diversification.
  - Federal agency yield spreads remained very narrow relative to similar-maturity Treasuries throughout the quarter. We generally favored U.S. Treasuries for government security allocations, except in a few maturity ranges where agency spreads were marginally wider. Minimal incremental income and similar relative price changes resulted in little excess return from the agency sector during the quarter. (Excess return is the return on a sector over and above the return on similar-duration Treasuries.)
  - Supranational spreads continued to narrow through the fourth quarter on limited supply dynamics. The portfolio benefited from incremental performance, in addition to broader diversification within the government sector.
  - Investment-grade corporate yield spreads continued to grind tighter. Due to a combination of incremental yield and spread compression, the corporate sector was one of the best performing fixed income sectors during the quarter.
  - Incremental returns on asset-backed securities (ABS) were also strong, although they were dependent on industry, issuer, and deal tranches.
  - Negotiable CDs continued to provide attractive incremental yield benefits relative to comparable Treasuries while providing an alternative to corporate debt that performed equally well.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return 3 Year	5 Year	10 Year	Since Inception (09/30/10)
CITY OF PITTSBURG*	2.12	-0.16%	1.27%	1.24%	1.04%	-	1.11%
BofA ML 0-5 Year U.S. Treasury Index	*2.12*	*-0.25%*	*0.69%*	*0.82%*	*0.67%*	-	*0.86%*
Difference		0.09%	0.58%	0.42%	0.37%	-	0.25%



*Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Earnings

Quarter-Ended December 31, 2017

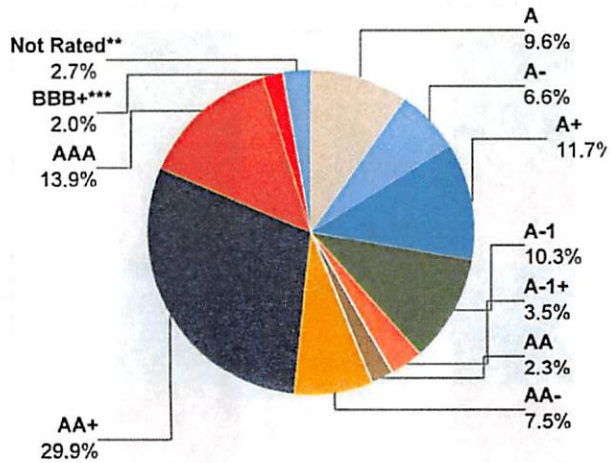
	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2017)	$48,047,608.69	$48,058,537.52
Net Purchases/Sales	$101,297.39	$101,297.39
Change in Value	($294,668.23)	($6,840.14)
Ending Value (12/31/2017)	$47,854,237.85	$48,152,994.77
Interest Earned	$216,274.24	$216,274.24
Portfolio Earnings	($78,393.99)	$209,434.10

Portfolio Statistics

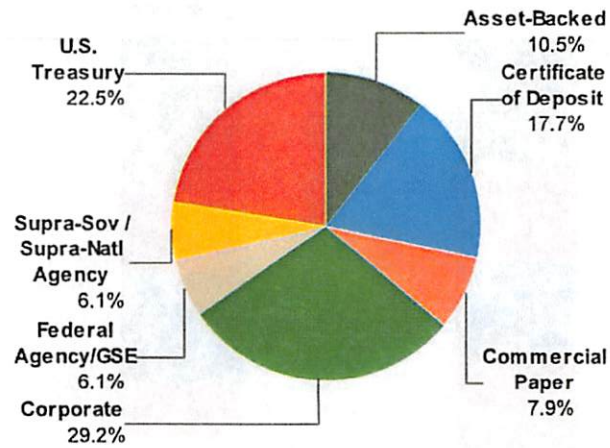
As of December 31, 2017

Par Value:	$48,099,581
Total Market Value:	$48,199,385
Security Market Value:	$47,854,238
Accrued Interest:	$218,143
Cash:	$127,004
Amortized Cost:	$48,152,995
Yield at Market:	2.04%
Yield at Cost:	1.83%
Effective Duration:	2.12 Years
Duration to Worst:	2.20 Years
Average Maturity:	2.42 Years
Average Credit: *	AA

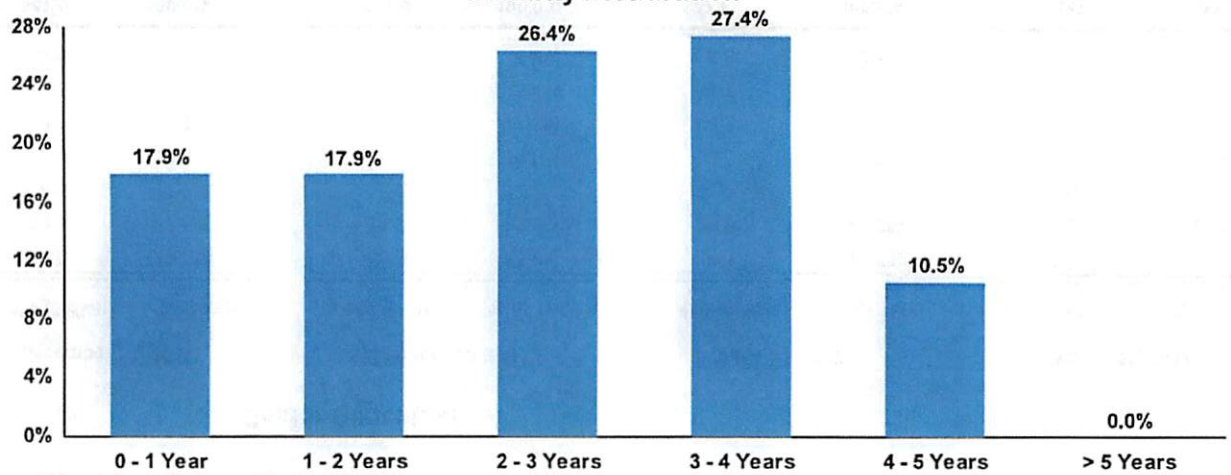
Credit Quality (S&P Ratings)



Sector Allocation



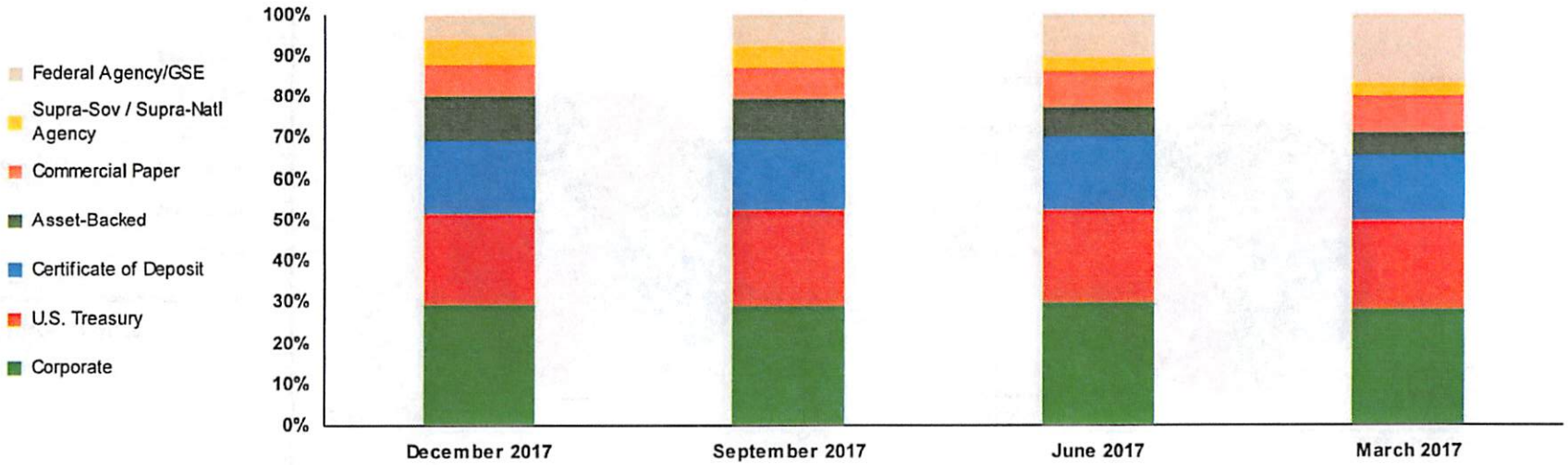
Maturity Distribution



**An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.*
***The "Not Rated" category comprises asset-backed securities rated Aaa by Moody's.*
****The "BBB+" category comprises securities rated A or better by Moody's and/or Fitch.*

Sector Allocation

Sector	December 31, 2017 MV ($MM)	December 31, 2017 % of Total	September 30, 2017 MV ($MM)	September 30, 2017 % of Total	June 30, 2017 MV ($MM)	June 30, 2017 % of Total	March 31, 2017 MV ($MM)	March 31, 2017 % of Total
Corporate	14.0	29.2%	13.9	28.9%	14.1	29.5%	13.5	28.3%
U.S. Treasury	10.8	22.5%	11.2	23.3%	10.9	22.8%	10.1	21.1%
Certificate of Deposit	8.5	17.7%	8.2	17.2%	8.4	17.7%	7.7	16.3%
Asset-Backed	5.0	10.5%	4.8	10.0%	3.5	7.3%	2.5	5.2%
Commercial Paper	3.8	7.9%	3.8	7.9%	4.2	8.8%	4.3	9.1%
Supra-Sov / Supra-Natl Agency	2.9	6.1%	2.5	5.1%	1.7	3.5%	1.7	3.5%
Federal Agency/GSE	2.9	6.1%	3.7	7.6%	5.0	10.4%	7.9	16.5%
Total	$47.9	100.0%	$48.0	100.0%	$47.8	100.0%	$47.6	100.0%

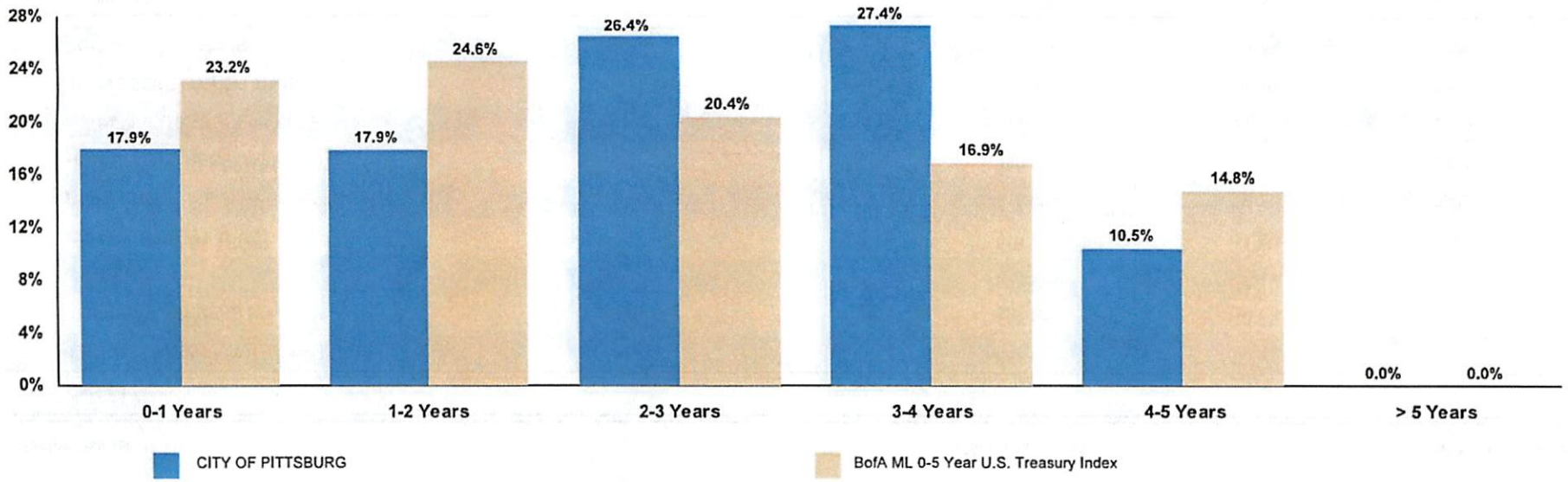


Detail may not add to total due to rounding.

Maturity Distribution

As of December 31, 2017

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF PITTSBURG	2.04%	2.42 yrs	17.9%	17.9%	26.4%	27.4%	10.5%	0.0%
BofA ML 0-5 Year U.S. Treasury Index	*1.89%*	*2.28 yrs*	*23.2%*	*24.6%*	*20.4%*	*16.9%*	*14.8%*	*0.0%*



Sector/Issuer Distribution

As of December 31, 2017

Sector / Issuer	Market Value ($)	% of Sector	% of Total Portfolio
Asset-Backed			
ALLY AUTO RECEIVABLES TRUST	1,024,628	20.4%	2.1%
AMERICAN EXPRESS CO	537,207	10.7%	1.1%
CITIGROUP INC	472,570	9.4%	1.0%
CNH EQUIPMENT TRUST	578,738	11.5%	1.2%
FORD CREDIT AUTO OWNER TRUST	313,029	6.2%	0.7%
HONDA AUTO RECEIVABLES	466,080	9.3%	1.0%
HYUNDAI AUTO RECEIVABLES	1,072,310	21.3%	2.2%
JOHN DEERE OWNER TRUST	273,308	5.4%	0.6%
TOYOTA MOTOR CORP	288,289	5.7%	0.6%
Sector Total	**5,026,158**	**100.0%**	**10.5%**
Certificate of Deposit			
BANK OF MONTREAL	946,169	11.2%	2.0%
BANK OF NOVA SCOTIA	1,145,837	13.5%	2.4%
CANADIAN IMPERIAL BANK OF COMMERCE	938,016	11.1%	2.0%
CREDIT SUISSE GROUP	948,369	11.2%	2.0%
NORDEA BANK AB	940,583	11.1%	2.0%
SKANDINAVISKA ENSKILDA BANKEN AB	987,160	11.7%	2.1%
SVENSKA HANDELSBANKEN AB	746,684	8.8%	1.6%
SWEDBANK AB	939,895	11.1%	2.0%

Sector / Issuer	Market Value ($)	% of Sector	% of Total Portfolio
WESTPAC BANKING CORP	868,556	10.3%	1.8%
Sector Total	**8,461,268**	**100.0%**	**17.7%**
Commercial Paper			
BNP PARIBAS	946,449	25.0%	2.0%
CREDIT AGRICOLE SA	994,051	26.2%	2.1%
MITSUBISHI UFJ FINANCIAL GROUP INC	1,098,636	29.0%	2.3%
TOYOTA MOTOR CORP	752,162	19.8%	1.6%
Sector Total	**3,791,298**	**100.0%**	**7.9%**
Corporate			
AMERICAN EXPRESS CO	428,698	3.1%	0.9%
AMERICAN HONDA FINANCE	298,463	2.1%	0.6%
APPLE INC	666,527	4.8%	1.4%
BB&T CORPORATION	715,039	5.1%	1.5%
BERKSHIRE HATHAWAY INC	143,169	1.0%	0.3%
CATERPILLAR INC	350,856	2.5%	0.7%
CITIGROUP INC	463,027	3.3%	1.0%
DEERE & COMPANY	979,709	7.0%	2.0%
GOLDMAN SACHS GROUP INC	469,673	3.4%	1.0%
HOME DEPOT INC	233,131	1.7%	0.5%
HONEYWELL INTERNATIONAL	129,313	0.9%	0.3%
IBM CORP	757,138	5.4%	1.6%
INTERNATIONAL BUSINESS MACHINES	467,608	3.3%	1.0%
JP MORGAN CHASE & CO	1,993,665	14.2%	4.2%

Sector / Issuer	Market Value ($)	% of Sector	% of Total Portfolio
PACCAR FINANCIAL CORP	133,972	1.0%	0.3%
PEPSICO INC	353,044	2.5%	0.7%
STATE STREET CORPORATION	458,018	3.3%	1.0%
THE BANK OF NEW YORK MELLON CORPORATION	1,002,286	7.2%	2.1%
THE WALT DISNEY CORPORATION	149,513	1.1%	0.3%
TOYOTA MOTOR CORP	1,052,446	7.5%	2.2%
UNITED PARCEL SERVICE INC	377,990	2.7%	0.8%
WAL-MART STORES INC	938,913	6.7%	2.0%
WELLS FARGO & COMPANY	1,445,833	10.3%	3.0%
Sector Total	**14,008,032**	**100.0%**	**29.3%**
Federal Agency/GSE			
FANNIE MAE	1,820,718	62.9%	3.8%
FREDDIE MAC	1,072,996	37.1%	2.2%
Sector Total	**2,893,714**	**100.0%**	**6.0%**
Supra-Sov / Supra-Natl Agency			
INTER-AMERICAN DEVELOPMENT BANK	1,112,164	38.2%	2.3%
INTL BANK OF RECONSTRUCTION AND DEV	1,801,417	61.8%	3.8%
Sector Total	**2,913,581**	**100.0%**	**6.1%**
U.S. Treasury			
UNITED STATES TREASURY	10,760,187	100.0%	22.5%

Sector / Issuer	Market Value ($)	% of Sector	% of Total Portfolio
Sector Total	10,760,187	100.0%	22.5%
Portfolio Total	47,854,238	100.0%	100.0%

Outlook and Strategy

- Generally, the economic themes that brought 2017 to a close will carry forward into 2018, including improving growth, stable job production, healthy personal consumption, and strong corporate fundamentals.
- Following three hikes in 2017, the Fed's "dot plot," released after the December FOMC meeting, indicated an expectation for three more hikes in 2018. As of year-end, the market-implied probability of a rate hike at the March FOMC meeting was around 70%.
- The FOMC begins 2018 balancing several factors: persistently low inflation, uncertainty around the pace of economic growth, and the continuation of balance sheet normalization. Additionally, a change in leadership at the Fed—Jerome Powell will replace Janet Yellen as Fed Chair—has the potential to create some uncertainty. As a current Fed governor, Powell is expected to follow closely in Yellen's footsteps.
- Our outlook for each of the major investment-grade fixed income sectors are as follows:
  - Federal agency spreads remain tight; however, the best value relative to U.S. Treasuries is in the 2- to 3-year area of the curve. While callable agency value waned towards the end of 2017, wider spreads in the new year may provide an opportunity to capture incremental yield.
  - Supranational issuance came to a halt at the close of the year, and with it some of their incremental value. However, with the prospect of high seasonal supply in the first quarter, the expectation exists for attractive spreads and purchase opportunities.
  - Corporate yield spreads are expected to remain stable, with incremental income being supportive of continued expected outperformance. As always, careful issuer due diligence will drive selection.
  - Given the steepness of the short-term yield curve (under one year), short-term credit instruments like commercial paper and negotiable CDs look particularly attractive. We believe their current yields fully compensate for at least three Fed rate hikes in 2018.

Transactions & Account Holdings

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
BUY									
9/25/17	10/2/17	475,000	17305EGH2	CCCIT 2017-A9 A9	1.80%	9/20/21	474,964.61	1.80%	
10/2/17	10/10/17	470,000	4581X0CD8	INTER-AMERICAN DEVELOPMENT BANK	2.12%	11/9/20	478,545.68	1.81%	
10/11/17	10/20/17	945,000	931142EA7	WAL-MART STORES INC CORP NOTE	1.90%	12/15/20	943,629.75	1.95%	
10/23/17	10/30/17	130,000	438516BQ8	HONEYWELL INTERNATIONAL CORP NOTES	1.80%	10/30/19	129,898.60	1.84%	
10/27/17	10/31/17	470,000	38141GVU5	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.62%	4/25/21	472,113.83	2.50%	
10/30/17	10/31/17	1,000,000	22533UE25	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	5/2/18	991,917.50	1.60%	
11/2/17	11/3/17	760,000	89233HGW8	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	7/30/18	750,629.83	1.67%	
11/6/17	11/13/17	135,000	69371RN85	PACCAR FINANCIAL CORP NOTES	2.05%	11/13/20	134,987.85	2.05%	
11/7/17	11/15/17	290,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	289,973.26	2.26%	
11/9/17	11/14/17	380,000	911312BP0	UNITED PARCEL SERVICE CORPORATE BOND	2.05%	4/1/21	379,399.60	2.10%	
11/15/17	11/17/17	460,000	172967LC3	CITIGROUP INC CORP (CALLABLE) NOTE	2.90%	12/8/21	469,995.03	2.67%	
11/16/17	11/17/17	945,000	87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	2.27%	11/16/20	945,000.00	2.30%	
Total BUY		**6,460,000**					**6,461,055.54**		
INTEREST									
10/1/17	10/1/17	710,000	05531FAX1	BB&T CORP (CALLABLE) NOTES	2.75%	4/1/22	10,304.86		
10/2/17	10/2/17	920,000	36962G6W9	GENERAL ELEC CAP CORP GLOBAL NOTES	1.62%	4/2/18	7,475.00		
10/2/17	10/2/17	0	MONEY0002	MONEY MARKET FUND			25.43		
10/5/17	10/5/17	1,150,000	06417GUE6	BANK OF NOVA SCOTIA HOUSTON LT CD	1.91%	4/5/19	11,104.53		
10/15/17	10/15/17	305,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	447.33		
10/15/17	10/15/17	395,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	582.63		
10/15/17	10/15/17	470,000	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	658.00		
10/15/17	10/15/17	95,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	144.08		
10/15/17	10/15/17	315,000	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	438.38		

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
10/15/17	10/15/17	245,000	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	263.38		
10/15/17	10/15/17	95,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	140.92		
10/15/17	10/15/17	85,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	88.54		
10/15/17	10/15/17	340,000	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	495.83		
10/15/17	10/15/17	120,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	170.00		
10/15/17	10/15/17	135,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	175.50		
10/15/17	10/15/17	725,000	459200GM7	IBM CORP CALLABLE BONDS	7.62%	10/15/18	27,640.63		
10/15/17	10/15/17	605,000	12636WAB2	CNH 2017-A A2	1.64%	7/15/20	826.83		
10/15/17	10/15/17	570,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	845.50		
10/15/17	10/15/17	540,000	02582JHG8	AMERICAN EXPRESS ABS 2017-4 A	1.64%	12/15/21	738.00		
10/20/17	10/20/17	485,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	3,334.38		
10/21/17	10/21/17	395,000	459058FZ1	INTL BK RECON & DEVELOP NOTES	1.87%	4/21/20	4,321.30		
10/31/17	10/31/17	1,110,000	912828Q78	US TREASURY NOTES	1.37%	4/30/21	7,631.25		
10/31/17	10/31/17	850,000	912828Q78	US TREASURY NOTES	1.37%	4/30/21	5,843.75		
10/31/17	10/31/17	835,000	912828Q78	US TREASURY NOTES	1.37%	4/30/21	5,740.63		
10/31/17	10/31/17	575,000	912828T67	US TREASURY NOTES	1.25%	10/31/21	3,593.75		
10/31/17	10/31/17	500,000	912828T67	US TREASURY NOTES	1.25%	10/31/21	3,125.00		
11/1/17	11/1/17	0	MONEY0002	MONEY MARKET FUND			70.47		
11/2/17	11/2/17	355,000	713448DR6	PEPSICO INC CORP NOTE	1.55%	5/2/19	2,751.25		
11/6/17	11/6/17	1,430,000	037833AQ3	APPLE INC GLOBAL NOTES	2.10%	5/6/19	15,015.00		
11/9/17	11/9/17	470,000	4581X0CD8	INTER-AMERICAN DEVELOPMENT BANK	2.12%	11/9/20	4,993.75		
11/13/17	11/13/17	650,000	458182DX7	INTER-AMERICAN DEVELOPMENT BANK	1.00%	5/13/19	3,250.00		
11/15/17	11/15/17	540,000	02582JHG8	AMERICAN EXPRESS ABS 2017-4 A	1.64%	12/15/21	738.00		
11/15/17	11/15/17	395,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	582.63		
11/15/17	11/15/17	340,000	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	495.83		
11/15/17	11/15/17	120,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	170.00		
11/15/17	11/15/17	305,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	447.33		
11/15/17	11/15/17	95,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	140.92		
11/15/17	11/15/17	245,000	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	263.38		
11/15/17	11/15/17	470,000	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	658.00		

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
11/15/17	11/15/17	85,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	88.54		
11/15/17	11/15/17	605,000	12636WAB2	CNH 2017-A A2	1.64%	7/15/20	826.83		
11/15/17	11/15/17	315,000	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	438.38		
11/15/17	11/15/17	570,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	845.50		
11/15/17	11/15/17	135,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	175.50		
11/15/17	11/15/17	95,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	144.08		
11/27/17	11/27/17	955,000	459058FS7	INTL BANK OF RECON AND DEV GLOBAL NOTES	1.12%	11/27/19	5,376.65		
11/30/17	11/30/17	360,000	912828VF4	US TREASURY NOTES	1.37%	5/31/20	2,475.00		
11/30/17	11/30/17	940,000	65558LWA6	NORDEA BANK FINLAND NY CD	1.76%	11/30/18	8,455.82		
11/30/17	11/30/17	940,000	13606A5Z7	CANADIAN IMPERIAL BANK NY CD	1.76%	11/30/18	8,272.00		
12/1/17	12/1/17	0	MONEY0002	MONEY MARKET FUND			20.66		
12/5/17	12/5/17	235,000	437076BQ4	HOME DEPOT INC CORP NOTES	1.80%	6/5/20	2,115.00		
12/7/17	12/7/17	1,440,000	94974BGR5	WELLS FARGO & COMPANY NOTES	2.55%	12/7/20	18,360.00		
12/8/17	12/8/17	460,000	172967LC3	CITIGROUP INC CORP (CALLABLE) NOTE	2.90%	12/8/21	6,670.00		
12/15/17	12/15/17	395,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	582.63		
12/15/17	12/15/17	245,000	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	263.38		
12/15/17	12/15/17	305,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	447.33		
12/15/17	12/15/17	340,000	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	495.83		
12/15/17	12/15/17	120,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	170.00		
12/15/17	12/15/17	85,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	88.54		
12/15/17	12/15/17	290,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	466.42		
12/15/17	12/15/17	605,000	12636WAB2	CNH 2017-A A2	1.64%	7/15/20	826.83		
12/15/17	12/15/17	470,000	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	658.00		
12/15/17	12/15/17	95,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	140.92		
12/15/17	12/15/17	95,000	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	144.08		
12/15/17	12/15/17	570,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	845.50		
12/15/17	12/15/17	135,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	175.50		
12/15/17	12/15/17	540,000	02582JHG8	AMERICAN EXPRESS ABS 2017-4 A	1.64%	12/15/21	738.00		
12/15/17	12/15/17	315,000	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	438.38		
12/31/17	12/31/17	415,000	912828VK3	US TREASURY NOTES	1.37%	6/30/18	2,853.13		

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
12/31/17	12/31/17	195,000	912828VJ6	US TREASURY NOTES	1.87%	6/30/20	1,828.13		
12/31/17	12/31/17	535,000	912828U81	US TREASURY NOTES	2.00%	12/31/21	5,350.00		
Total INTEREST		**30,870,000**					**196,508.55**		
PAYDOWNS									
12/15/17	12/15/17	25,419	12636WAB2	CNH 2017-A A2	1.64%	7/15/20	25,419.27		0.00
Total PAYDOWNS		**25,419**					**25,419.27**		**0.00**
SELL									
9/25/17	10/2/17	325,000	3135G0ZA4	FANNIE MAE BENCHMARK NOTE	1.87%	2/19/19	327,697.36	1.43%	1,040.69
9/25/17	10/2/17	150,000	084664CG4	BERKSHIRE HATHAWAY INC NOTES	1.70%	3/15/19	150,396.42	1.57%	331.93
10/2/17	10/10/17	470,000	3137EAEF2	FHLMC AGENCY NOTES	1.37%	4/20/20	470,039.04	1.63%	(1,653.64)
10/11/17	10/18/17	920,000	36962G6W9	GENERAL ELEC CAP CORP GLOBAL NOTES	1.62%	4/2/18	921,262.44	1.48%	145.06
10/23/17	10/25/17	130,000	037833AQ3	APPLE INC GLOBAL NOTES	2.10%	5/6/19	132,122.68	1.67%	665.84
10/27/17	10/31/17	350,000	912828Q78	US TREASURY NOTES	1.37%	4/30/21	344,640.63	1.83%	(10,060.29)
10/30/17	10/31/17	1,000,000	22533TYF7	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	11/15/17	999,491.67	1.22%	54.17
10/31/17	10/31/17	30,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	29,844.47	1.54%	(178.37)
11/2/17	11/3/17	760,000	89233HA38	TOYOTA MOTOR CREDIT CORP COMM PAPER	0.00%	1/3/18	758,377.40	1.26%	0.00
11/6/17	11/13/17	135,000	037833AQ3	APPLE INC GLOBAL NOTES	2.10%	5/6/19	135,789.53	1.73%	558.25
11/7/17	11/14/17	260,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	259,538.93	1.72%	(1,156.79)
11/13/17	11/14/17	380,000	037833AQ3	APPLE INC GLOBAL NOTES	2.10%	5/6/19	381,777.13	1.81%	1,104.90
11/15/17	11/17/17	475,000	89236TBP9	TOYOTA MOTOR CREDIT CORP NOTES	2.12%	7/18/19	479,376.80	1.99%	978.11
11/16/17	11/17/17	250,000	037833AQ3	APPLE INC GLOBAL NOTES	2.10%	5/6/19	251,097.92	1.84%	613.72
11/16/17	11/17/17	695,000	78009NZZ2	ROYAL BANK OF CANADA NY CD	1.70%	3/9/18	697,565.38	1.53%	333.66

Trade Date	Settle Date	Par ($)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt ($)	Yield at Market	Realized G/L (BV)
Total SELL		6,330,000					6,339,017.80		-7,222.76

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 07/01/2013 1.375% 06/30/2018	912828VK3	415,000.00	AA+	Aaa	09/08/17	09/12/17	415,518.75	1.22	15.76	415,324.75	414,740.63
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	360,000.00	AA+	Aaa	12/02/15	12/04/15	357,117.19	1.56	435.16	358,426.31	355,387.68
US TREASURY NOTES DTD 07/01/2013 1.875% 06/30/2020	912828VJ6	195,000.00	AA+	Aaa	09/01/15	09/03/15	198,389.65	1.50	10.10	196,786.24	194,748.65
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	1,000,000.00	AA+	Aaa	10/03/16	10/05/16	1,036,406.25	1.15	6,795.58	1,026,314.61	999,414.00
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	760,000.00	AA+	Aaa	06/27/16	06/29/16	774,012.50	0.98	1,789.78	769,715.52	743,552.84
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	835,000.00	AA+	Aaa	02/01/17	02/03/17	818,495.70	1.86	1,966.40	821,934.29	816,929.77
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	850,000.00	AA+	Aaa	01/03/17	01/05/17	833,066.41	1.86	2,001.73	836,833.40	831,605.15
US TREASURY N/B DTD 07/31/2014 2.250% 07/31/2021	912828WY2	1,135,000.00	AA+	Aaa	11/22/16	11/23/16	1,159,118.75	1.78	10,686.89	1,153,615.59	1,141,605.70
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	860,000.00	AA+	Aaa	06/26/17	06/28/17	871,220.31	1.67	5,844.20	869,887.17	857,178.34
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,225,000.00	AA+	Aaa	12/01/16	12/05/16	1,229,306.64	1.92	8,324.59	1,228,374.08	1,220,980.78
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	500,000.00	AA+	Aaa	03/14/17	03/16/17	481,406.25	2.10	1,070.44	484,483.57	484,375.00
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	575,000.00	AA+	Aaa	08/30/17	08/31/17	565,970.70	1.64	1,231.01	566,682.55	557,031.25
US TREASURY NOTES DTD 01/03/2017 2.000% 12/31/2021	912828U81	535,000.00	AA+	Aaa	06/26/17	06/28/17	541,499.41	1.72	29.56	540,791.23	532,283.27
US TREASURY NOTES DTD 02/02/2015 1.500% 01/31/2022	912828H86	540,000.00	AA+	Aaa	07/05/17	07/07/17	531,119.53	1.88	3,389.67	532,029.32	526,732.20

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 01/31/2017 1.875% 01/31/2022	912828V72	1,095,000.00	AA+	Aaa	05/08/17	05/10/17	1,093,802.34	1.90	8,591.88	1,093,970.06	1,083,621.86
Security Type Sub-Total		**10,880,000.00**					**10,906,450.38**	**1.67**	**52,182.75**	**10,895,168.69**	**10,760,187.12**
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	650,000.00	AAA	Aaa	04/05/16	04/12/16	648,050.00	1.10	866.67	649,127.91	641,767.10
INTL BANK OF RECON AND DEV GLOBAL NOTES DTD 10/27/2016 1.125% 11/27/2019	459058FS7	955,000.00	AAA	Aaa	08/18/17	08/23/17	947,167.73	1.50	1,014.69	948,387.12	939,062.01
INTL BK RECON & DEVELOP NOTES DTD 03/21/2017 1.875% 04/21/2020	459058FZ1	395,000.00	AAA	Aaa	03/14/17	03/21/17	394,656.35	1.90	1,440.10	394,739.38	393,324.81
INTL BANK OF RECON AND DEV GLOBAL NOTES DTD 08/29/2017 1.625% 09/04/2020	459058GA5	475,000.00	AAA	Aaa	08/22/17	08/29/17	474,900.25	1.63	2,615.80	474,911.48	469,029.73
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	470,000.00	AAA	Aaa	10/02/17	10/10/17	474,356.48	1.81	1,442.64	474,048.62	470,397.15
Security Type Sub-Total		**2,945,000.00**					**2,939,130.81**	**1.54**	**7,379.90**	**2,941,214.51**	**2,913,580.80**
Federal Agency Bond / Note											
FANNIE MAE BENCHMARK NOTE DTD 01/13/2014 1.875% 02/19/2019	3135G0ZA4	365,000.00	AA+	Aaa	08/01/14	08/04/14	368,343.40	1.66	2,509.38	365,858.01	365,094.54
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	110,000.00	AA+	Aaa	02/19/16	02/23/16	109,740.40	1.08	381.94	109,899.54	108,960.17
FREDDIE MAC NOTES DTD 07/19/2017 1.375% 08/15/2019	3137EAEH8	150,000.00	AA+	Aaa	08/03/17	08/04/17	149,847.00	1.43	928.13	149,877.94	148,712.85
FREDDIE MAC NOTES DTD 07/19/2017 1.375% 08/15/2019	3137EAEH8	450,000.00	AA+	Aaa	07/19/17	07/20/17	449,408.93	1.44	2,784.38	449,536.37	446,138.55

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	345,000.00	AA+	Aaa	02/24/17	02/28/17	344,779.20	1.52	1,768.13	344,840.16	341,419.94
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	485,000.00	AA+	Aaa	04/19/17	04/20/17	483,341.30	1.49	1,315.23	483,720.46	478,144.53
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	330,000.00	AA+	Aaa	07/28/17	08/01/17	329,000.10	1.60	2,062.50	329,136.30	325,917.90
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	575,000.00	AA+	Aaa	08/30/17	08/31/17	574,902.25	1.51	3,593.75	574,914.74	567,887.25
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	115,000.00	AA+	Aaa	09/01/16	09/02/16	114,296.20	1.38	535.07	114,480.53	111,437.99
Security Type Sub-Total		**2,925,000.00**					**2,923,658.78**	**1.50**	**15,878.51**	**2,922,264.05**	**2,893,713.72**
Corporate Note											
JOHN DEERE CAPITAL CORP NOTE DTD 09/11/2015 1.750% 08/10/2018	24422ETA7	780,000.00	A	A2	09/08/15	09/11/15	779,235.60	1.78	5,346.25	779,836.32	779,878.32
IBM CORP CALLABLE BONDS DTD 10/15/2008 7.625% 10/15/2018	459200GM7	725,000.00	A+	A1	08/01/14	08/06/14	892,003.75	1.88	11,670.49	757,423.73	757,137.80
JOHN DEERE CAPITAL CORP NOTE DTD 01/08/2016 1.950% 01/08/2019	24422ETE9	200,000.00	A	A2	01/05/16	01/08/16	199,988.00	1.95	1,874.17	199,995.84	199,830.60
PEPSICO INC CORP NOTE DTD 05/02/2017 1.550% 05/02/2019	713448DR6	355,000.00	A+	A1	04/27/17	05/02/17	354,733.75	1.59	901.80	354,821.25	353,043.95
APPLE INC GLOBAL NOTES DTD 05/06/2014 2.100% 05/06/2019	037833AQ3	665,000.00	AA+	Aa1	08/01/14	08/06/14	667,686.60	2.01	2,133.54	665,790.35	666,526.84
TOYOTA MOTOR CREDIT CORP NOTES DTD 07/18/2014 2.125% 07/18/2019	89236TBP9	585,000.00	AA-	Aa3	08/01/14	08/06/14	585,216.45	2.12	5,628.59	585,071.04	585,017.55
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019	084664CK5	145,000.00	AA	Aa2	08/08/16	08/15/16	144,859.35	1.33	712.11	144,923.26	143,168.65

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Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

CITY OF PITTSBURG GENERAL FUNDS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
HONEYWELL INTERNATIONAL CORP NOTES DTD 10/30/2017 1.800% 10/30/2019	438516BO8	130,000.00	A	A2	10/23/17	10/30/17	129,898.60	1.84	396.50	129,907.07	129,312.82
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020	46625HKA7	1,995,000.00	A-	A3	10/15/15	10/20/15	1,986,281.85	2.36	19,700.63	1,990,688.49	1,993,665.35
AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020	02665WBM2	300,000.00	A+	A2	02/13/17	02/16/17	299,574.00	2.05	2,283.33	299,695.75	298,463.10
AMERICAN EXPRESS CREDIT (CALLABLE) CORP DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	430,000.00	A-	A2	02/28/17	03/03/17	429,552.80	2.24	3,100.78	429,673.32	428,698.39
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020	25468PDP8	150,000.00	A+	A2	03/01/17	03/06/17	149,961.00	1.96	950.63	149,971.40	149,512.50
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	235,000.00	A	A2	05/24/17	06/05/17	234,863.70	1.82	305.50	234,889.14	233,131.28
STATE STREET CORP NOTES DTD 08/18/2015 2.550% 08/18/2020	857477AS2	455,000.00	A	A1	06/08/17	06/13/17	463,499.40	1.94	4,286.48	462,070.88	458,018.02
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	355,000.00	A	A3	09/05/17	09/07/17	354,701.80	1.88	2,079.71	354,732.50	350,855.73
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	135,000.00	A+	A1	11/06/17	11/13/17	134,987.85	2.05	369.00	134,988.38	133,972.11
WELLS FARGO & COMPANY NOTES DTD 12/07/2015 2.550% 12/07/2020	94974BGR5	1,440,000.00	A	A2	05/06/16	05/10/16	1,471,910.40	2.04	2,448.00	1,460,804.90	1,445,833.44
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	945,000.00	AA	Aa2	10/11/17	10/20/17	943,629.75	1.95	3,541.13	943,717.54	938,913.26
IBM CREDIT CORP NOTE DTD 09/08/2017 1.800% 01/20/2021	44932HAB9	475,000.00	A+	A1	09/05/17	09/08/17	474,016.75	1.86	2,683.75	474,102.94	467,608.05
UNITED PARCEL SERVICE CORPORATE BOND DTD 11/14/2017 2.050% 04/01/2021	911312BP0	380,000.00	A+	A1	11/09/17	11/14/17	379,399.60	2.10	1,017.03	379,420.94	377,990.18

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Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

CITY OF PITTSBURG GENERAL FUNDS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	470,000.00	BBB+	A3	10/27/17	10/31/17	471,908.20	2.50	2,261.88	471,817.66	469,673.35
CITIGROUP INC CORP (CALLABLE) NOTE DTD 12/08/2016 2.900% 12/08/2021	172967LC3	460,000.00	BBB+	Baa1	11/15/17	11/17/17	464,103.20	2.67	852.28	463,987.59	463,027.26
BANK OF NY MELLON CORP (CALLABLE) NOTES DTD 02/07/2017 2.600% 02/07/2022	06406RAA5	1,000,000.00	A	A1	02/07/17	02/10/17	1,000,460.00	2.59	10,400.00	1,000,383.79	1,002,286.00
BB&T CORP (CALLABLE) NOTES DTD 03/21/2017 2.750% 04/01/2022	05531FAX1	710,000.00	A-	A2	04/03/17	04/06/17	715,360.50	2.59	4,881.25	714,599.95	715,038.87
TOYOTA MOTOR CREDIT CORP DTD 09/08/2017 2.150% 09/08/2022	89236TEC5	475,000.00	AA-	Aa3	09/08/17	09/12/17	474,439.50	2.18	3,205.59	474,472.22	467,428.50
Security Type Sub-Total		**13,995,000.00**					**14,202,272.40**	**2.13**	**93,030.42**	**14,057,786.25**	**14,008,031.92**
Commercial Paper											
BANK OF TOKYO MITSUBISHI UFJ COMM PAPER DTD 05/01/2017 0.000% 01/26/2018	06538CAS0	1,100,000.00	A-1	P-1	05/01/17	05/02/17	1,087,506.44	1.54	0.00	1,098,838.88	1,098,636.00
BNP PARIBAS NY BRANCH COMM PAPER DTD 06/26/2017 0.000% 03/23/2018	09659CCP1	950,000.00	A-1	P-1	06/26/17	06/28/17	939,603.83	1.49	0.00	946,857.88	946,448.90
CREDIT AGRICOLE CIB NY COMM PAPER DTD 10/30/2017 0.000% 05/02/2018	22533UE25	1,000,000.00	A-1	P-1	10/30/17	10/31/17	991,917.50	1.60	0.00	994,655.83	994,051.00
TOYOTA MOTOR CREDIT CORP COMM PAPER DTD 11/02/2017 0.000% 07/30/2018	89233HGW8	760,000.00	A-1+	P-1	11/02/17	11/03/17	750,629.83	1.67	0.00	752,685.00	752,162.12
Security Type Sub-Total		**3,810,000.00**					**3,769,657.60**	**1.57**	**0.00**	**3,793,037.59**	**3,791,298.02**
Certificate of Deposit											

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Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

CITY OF PITTSBURG GENERAL FUNDS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
CREDIT SUISSE NEW YORK CERT DEPOS DTD 09/20/2017 1.610% 06/15/2018	22549LFP5	950,000.00	A-1	P-1	09/19/17	09/20/17	950,000.00	1.61	4,376.07	950,000.00	948,368.74
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	940,000.00	A-1	P-1	12/01/16	12/05/16	939,266.80	1.78	1,424.62	939,663.24	938,015.66
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	940,000.00	A-1+	P-1	12/01/16	12/05/16	940,000.00	1.74	1,470.58	940,000.00	940,582.80
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	750,000.00	AA-	Aa2	01/10/17	01/12/17	750,000.00	1.91	6,890.63	750,000.00	746,684.25
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	945,000.00	A+	A1	02/08/17	02/09/17	945,000.00	1.90	7,106.40	945,000.00	946,168.97
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	1,150,000.00	A+	A1	04/05/17	04/06/17	1,150,000.00	1.91	5,369.22	1,150,000.00	1,145,837.00
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	1,000,000.00	A+	Aa3	08/03/17	08/04/17	999,610.00	1.85	7,666.67	999,690.36	987,159.56
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	870,000.00	AA-	Aa3	08/03/17	08/07/17	870,000.00	2.05	7,134.00	870,000.00	868,555.80
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	945,000.00	AA-	Aa3	11/16/17	11/17/17	945,000.00	2.30	2,681.44	945,000.00	939,895.11
Security Type Sub-Total		**8,490,000.00**					**8,488,876.80**	**1.89**	**44,119.63**	**8,489,353.60**	**8,461,267.89**
Asset-Backed Security / Collateralized Mortgage Obligation											
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	85,000.00	NR	Aaa	07/19/16	07/27/16	84,993.23	1.25	47.22	84,996.09	84,472.51
CNH 2017-A A2 DTD 03/22/2017 1.640% 07/15/2020	12636WAB2	579,580.73	AAA	NR	03/15/17	03/22/17	579,558.48	1.80	422.45	579,562.72	578,737.73
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	135,000.00	AAA	Aaa	03/22/16	03/30/16	134,973.81	1.57	93.60	134,985.10	134,606.70
JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	95,000.00	NR	Aaa	02/22/17	03/02/17	94,986.47	1.79	75.16	94,986.47	94,543.98

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Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

CITY OF PITTSBURG GENERAL FUNDS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	245,000.00	AAA	Aaa	09/14/16	09/21/16	244,967.02	1.30	140.47	244,977.21	242,397.12
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	120,000.00	NR	Aaa	01/24/17	01/31/17	119,989.51	1.70	90.67	119,991.83	119,440.70
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	315,000.00	NR	Aaa	01/18/17	01/25/17	314,998.83	1.67	233.80	314,999.17	313,029.11
HYUNDAI ABS 2017-A A3 DTD 03/29/2017 1.760% 08/15/2021	44931PAD8	305,000.00	AAA	NR	03/22/17	03/29/17	304,975.33	1.76	238.58	304,975.33	303,395.30
HONDA ABS 2017-2 A3 DTD 06/27/2017 1.680% 08/15/2021	43811BAC8	470,000.00	AAA	Aaa	06/20/17	06/27/17	469,959.35	1.68	350.93	469,959.35	466,079.50
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	570,000.00	NR	Aaa	03/21/17	03/29/17	569,932.80	1.79	450.93	569,944.98	567,908.33
CCCIT 2017-A9 A9 DTD 10/02/2017 1.800% 09/20/2021	17305EGH2	475,000.00	AAA	NR	09/25/17	10/02/17	474,964.61	1.80	2,113.75	474,967.00	472,570.19
JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	95,000.00	NR	Aaa	07/11/17	07/18/17	94,993.05	1.82	76.84	94,993.82	94,291.10
ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	340,000.00	AAA	NR	08/15/17	08/23/17	339,995.61	1.75	264.44	339,996.01	337,279.15
AMERICAN EXPRESS ABS 2017-4 A DTD 05/30/2017 1.640% 12/15/2021	02582JHG8	540,000.00	AAA	NR	05/22/17	05/30/17	539,913.49	1.65	393.60	539,923.78	537,207.07
TAOT 2017-D A3 DTD 11/15/2017 1.930% 01/15/2022	89238KAD4	290,000.00	AAA	Aaa	11/07/17	11/15/17	289,973.26	2.26	248.76	289,974.06	288,289.26
HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/15/2022	44932GAD7	395,000.00	AAA	Aaa	08/09/17	08/16/17	394,931.55	1.78	310.73	394,937.16	391,910.63
Security Type Sub-Total		**5,054,580.73**					**5,054,106.40**	**1.74**	**5,551.93**	**5,054,170.08**	**5,026,158.38**
Managed Account Sub-Total		**48,099,580.73**					**48,284,153.17**	**1.83**	**218,143.14**	**48,152,994.77**	**47,854,237.85**

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Managed Account Detail of Securities Held

For the Month Ending **December 31, 2017**

CITY OF PITTSBURG GENERAL FUNDS

Securities Sub-Total	**$48,099,580.73**	**$48,284,153.17**	**1.83%**	**$218,143.14**	**$48,152,994.77**	**$47,854,237.85**
Accrued Interest						**$218,143.14**
Total Investments						**$48,072,380.99**

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results.The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while ominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually $1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

ATTACHMENT C

CITY OF PITTSBURG

SAMPLE OF PROFESSIONAL SERVICES AGREEMENT

CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND
[NAME OF CONSULTANT]
(Standard Agreement)

THIS Agreement ("Agreement") for consulting services is made by and between the City of Pittsburg ("City") and _____ ("Consultant") (together referred to as the "Parties") as of _____, 20__ (the "Effective Date").

Section 1. **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on _____ or the date the Consultant completes the services specified in Exhibit A, whichever occurs first, unless the term of the Agreement is otherwise terminated or extended, as referenced herein.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City's request, reassign such persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant's obligations hereunder.

Section 2. **COMPENSATION.** City hereby agrees to pay Consultant a sum not to exceed _____$( ), as set forth in Exhibit B, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant, but is merely a limit of potential City expenditures under this Agreement.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information, unless waived by the City Manager, or his or her designee:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice.

2.3 **Final Payment.** Consultant shall submit its final invoice within 60 days of completing its services. Consultant's failure to submit its final invoice within this 60 day period shall constitute Consultant's waiver of any further billings to, or payments from, City.

2.4 **Reimbursable Expenses.** Reimbursable expenses, if any, are specified in Exhibit B and included in the total compensation referenced in Section

2. Expenses not listed in Exhibit B are not chargeable to, or reimbursable by, City.

2.5 **Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.6 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement

Section 4. INSURANCE REQUIREMENTS. Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than $2,000,000 per occurrence and $4,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis.

Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 **Additional requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.

b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.

c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.

d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.

e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 **Professional Liability Insurance.**

4.3.1 **General requirements.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than

$1,000,000 per occurrence or claim covering the Consultant's errors and omissions.

4.3.2 **Claims-made limitations.** The following provisions shall apply if the professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.

d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

4.4 **All Policies Requirements.**

4.4.1 **Submittal Requirements.** Consultant shall submit the following to City prior to beginning services:

a. Certificate of Liability Insurance in the amounts specified in this Agreement; and

b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Polices.

4.4.2 **Acceptability of Insurers.** All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.3 **Deductibles and Self-Insured Retentions.** Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than $100,000.

4.4.4 **Wasting Policies.** No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 **Waiver of Subrogation.** Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.4.6 **Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Consultant shall ensure that City, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

4.4.7 **Excess Insurance.** If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any payment that becomes due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 **General Requirement.** To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any

applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of City.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damage or claims for damages whether or not such insurance policies shall be been determined to apply.

5.2 **PERS Indemnification.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.

6.2 **Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.

7.3 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and

will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.

7.4 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 **Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.

8.3 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the

subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.

8.4 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.

8.5 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.5.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.5.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

8.5.5 The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 **Records Created as Part of Consultant's Performance.** All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily

suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.

9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.7 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.8 **Notices.** Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested,. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Consultant : _____
_____
_____
_____

City: City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
ATTN: City Manager

10.9 **Professional Seal.** Where applicable in the determination of the City Manager, or his or her designee, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility."

10.10 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A and B represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.

To the extent there are any inconsistences between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control To the extent there are any inconsistences between the Exhibits and the Consultant's Proposal, the Exhibits shall control.

Exhibit A Scope of Services
Exhibit B Compensation Schedule

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

10.12 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.13 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG	**CONSULTANT**
_____	_____
Joe Sbranti, City Manager	**[NAME, TITLE]**

Attest:

_____
Alice E. Evenson, City Clerk

Approved as to Form:

_____
Ruthann G. Ziegler, City Attorney

EXHIBIT A

SCOPE OF SERVICES

EXHIBIT B

COMPENSATION SCHEDULE

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

CONSULTANT

By: _____

Title: _____

2784980.1

EXHIBIT D

REQUEST FOR PROPOSAL
INVESTMENT ADVISORY SERVICES

March 2, 2018

CHANDLER ASSET MANAGEMENT

CHANDLER ASSET MANAGEMENT
6225 Lusk Boulevard
San Diego, California 92121
Toll free: (800) 317-4747
info@chandlerasset.com
www.chandlerasset.com

CHANDLER
ASSET MANAGEMENT

February 27, 2018

City of Pittsburg
Attention: Alice Evenson, City Clerk
65 Civic Avenue
Pittsburg, California 94565

RE: Bid for Investment Advisory Services

Dear Ms. Evenson,

On behalf of *Chandler Asset Management, Inc.* ("Chandler"), we are pleased to submit our firm's proposal and present our qualifications to provide discretionary investment advisory and portfolio management services for the **City of Pittsburg ("City")**. Chandler has been providing investment advisory and management services for local governments for nearly three decades. Our experience in managing public funds in support of a city's broader financial management uniquely qualifies us to assist the City with the range of investment services it seeks.

Since 1988, Chandler has assisted public agencies like the City in fulfilling their fiduciary duty to their constituents by providing high quality fixed income portfolios in a prudent investment framework. We utilize investment strategies that conform to all applicable federal laws and California Government Codes regarding qualified investments for public entities. We have reviewed the City's investment policy, and believe that we can add significant value to the City's investment program through the strategies summarized below, and explained in greater detail in our proposal:

- Confirm that the City's investment policy complies with California Government Code ("Code"), encompasses the latest industry best practices, and continues to meet the City's preferences for ensuring safety and liquidity while optimizing investment return;
- Work with City staff to analyze cash requirements in order to optimize the allocation between funds needed for liquidity and funds that can be invested longer-term in reserve strategies in order to capture additional opportunities for return; and
- Develop a comprehensive investment strategy that supports the City's financial goals, current budgetary objectives, and long-term general plan. The strategy will seek to increase interest income as well as protect and enhance portfolio market value by actively diversifying sectors, issuers, and maturities.

Our commitment to providing personalized client service is equal to our commitment to meeting investment objectives, and is reflected in the following:

We understand your investment perspective. Chandler was founded by investment officers of large California public agencies based on the same principles of investment management that guide these entities today. We understand that the investment program must support the District's financial goals while enhancing safety and liquidity within a framework of legal conformity. Chandler is uniquely qualified to meet

CHANDLER
ASSET MANAGEMENT

the project needs because of our work in safeguarding our clients' funds while generating compelling risk-adjusted returns over many market cycles.

We understand California public agency investing. Chandler's investment professionals are experts in all applicable federal laws and California Government Codes regarding qualified investments for public funds. The City's assigned key contacts have decades of public sector investment experience and are active in organizations relevant to public fund investment best practices, including the Government Finance Officers Association (GFOA), the California Society of Municipal Finance Officers (CSMFO), and the California Municipal Treasurers Association (CMTA). Our staff are highly regarded industry experts and are frequent participants, speakers, and sponsors at industry conferences and events across California as well as nationwide.

We are committed to client success. We are dedicated to our role as fiduciaries to our clients, and understand the public role that your investment staff has in the stewardship of taxpayer funds. The firm invests in best-in-class technology and resources that assist our investment professionals to develop both long-term and short-term strategies that are significant to the overall financial program. Our reports provide transparency of the entire investment program, and we commit the full resources of the firm to ensure your success. We are immensely proud of our client retention record, which we attribute to our belief that *"if we do what is right for our clients, our own success will follow."*

As the firm's CEO and Chief Investment Officer, I am authorized to bind the firm and to act in this capacity. I certify that all the information provided in our proposal is accurate, firm and irrevocable, and shall be valid for a period of at least 60 days from March 2, 2018.

If you have any questions, please contact **Christopher McCarry** at (858) 546-4747 or via email at cmccarry@chandlerasset.com.

Sincerely,

CHANDLER ASSET MANAGEMENT, INC.

Martin D. Cassell, CFA
CEO, Chief Investment Officer

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FIRM BACKGROUND AND ORGANIZATION

1. **Describe the organization, date founded, and ownership of your firm. If your firm experienced a material change in organizational structure, ownership or management during the past three years, describe the change.**

History

Chandler Asset Management, Inc. ("Chandler") is a California-headquartered registered investment adviser with a targeted focus on the management of fixed-income portfolios for the public sector. The firm specializes in managing funds for public agencies, like the **City of Pittsburg,** who are guided by the objectives of preservation of principal, access to cash, and maximization of investment returns without undue exposure to risk. We are privileged to be stewards of the principal our clients entrust to us, and have, for three decades, performed our fiduciary duty with discipline and care. Our risk control practices and relationship-based approach to investment management have led to our firm's significant growth, and we currently manage $13.7 billion in firm assets as of December 31, 2017. From our three decades of experience, we are a firm that understands firsthand the challenges of investing taxpayer funds in changing economic conditions.

Chandler was founded in 1988 by Kay Chandler in response to the pressing need she observed within the public sector, based on her own experiences serving as the Investment Officer for the County of San Diego for eight years, and for the City of San Diego for another two years. Ms. Chandler recognized that public agencies with limited time and resources could benefit from external professional expertise and technological resources to help manage their investment programs. In 1991, Martin Cassell, Ms. Chandler's successor on the investment staff of the City of San Diego, joined the firm. Mr. Cassell now serves as the firm's CEO and Chief Investment Officer.

Over the years, Ms. Chandler and Mr. Cassell carefully assembled a team of professionals with the specialized professional expertise and technological skills necessary to structure highly effective, fixed income cash and core investment programs for cities, counties, and other local government entities. The comprehensive services we offer including portfolio management, regulatory guidelines and reporting requirements are designed to meet the unique needs of public agencies. All of the firm's Portfolio Managers are CFA charter holders, and are committed to strengthening and sharing their knowledge of prudent standards of investment management for public funds.

Now in its third decade, Chandler remains committed to our principles of conservative fixed income management as the firm continues to evolve in response to our clients' needs and to the public investment climate.

Firm Structure and Ownership

Chandler is an independent and 100% employee-owned corporation. In 2017, Chandler's key shareholders and Executive Management Team introduced an Employee Stock Ownership Plan ("ESOP") structure that aligns with the firm's values and culture of shared success. Every employee is an owner through the ESOP Trust, which owns 35% of the firm. Key individual owners are **Kay Chandler, CFA**, President and Founder (33%), **Martin Cassell, CFA**, CEO and Chief Investment Officer (25%); **Jayson Schmitt, CFA**, Executive Vice President and Portfolio Manager (3%), **Nicole Dragoo, JD, IACCP**, COO and Chief Compliance Officer (2%); and **Ted Piorkowski, CFA**, Senior Vice President and Portfolio Manager (2%). We believe that this structure contributes to our ability to attract and retain the highest quality investment professionals as well as to

sustain growth, promote accountability, and best serve current and prospective clients well into the future.

The firm's professional staff currently totals twenty-nine (29) individuals and includes ten (10) investment team members. We maintain offices in California, Colorado, Florida, and Washington to serve our clients nationwide.

2. **Describe any other business affiliations (subsidiaries, join ventures, "soft dollar" arrangements with brokers). Describe your firm's policy on soft dollars.**

   As an independent firm, Chandler maintains no other business affiliations, subsidiaries or joint ventures, thereby avoiding any potential conflicts of interest that could interfere with our ability to provide independent and unbiased advice to our clients. As a matter of policy and practice, Chandler does not engage in any soft dollar arrangements with broker-dealers or third parties. We recognize our duty to seek best execution and ensure the quality of our services as a fiduciary.

3. **Describe your firm's sources of revenue, categorized by retail and institutional accounts.**

   The firm's revenue is derived entirely from the direct fees for investment management and advisory services received from our clients. As of our most recent fiscal year end, approximately 90% of the firm's revenue is from institutional accounts. We also manage the same investment-grade fixed income portfolios for wrap fee programs, which are available to both institutional and retail investors, and which account for approximately 10% of the firm's revenue.

4. **Is your firm a registered investment Advisor under the Investment Advisor's Act of 1940, as amended?**

   Chandler is registered with the U.S. Securities and Exchange Commission under the Investment Adviser's Act of 1940. The firm acknowledges its fiduciary duty to its clients, and makes investment recommendations as a "Prudent Expert". We have provided our most recently filed *Form ADV Parts 1 and 2* in the Appendix as part of our submission.

5. **Describe any SEC, NASD, or regulatory censure or litigation involving your firm or its employees within the past three years.**

   None – neither the firm nor any of its officers or employees has ever been subject to regulatory censure or litigation by the SEC, NASD, or other regulatory agency in relation to the investment management and advisory services it provides.

6. **Did you, or will you, pay a finder's fee to any third party for business related to this account? Specify the recipients of any fee.**

   No, Chandler has not paid nor will it pay a finder's fee to any third party for business related to this account.

EXPERIENCE

7. **Describe your firm's experience in managing fixed income portfolios for governmental entities.**

   Working with 126 public agencies across the U.S. has given us a unique perspective on helping cities, counties, and other local governments achieve their financial goals. Chandler's experienced team of professionals are experts in the prudent standards of short and intermediate-duration fixed-income management for public agencies, and utilize considerable analytical resources to enhance the investment management practices of these entities. We manage our client's assets to ensure that their funds are (1) invested prudently, (2) available when needed to meet capital obligations, (3) structured to achieve

competitive returns, and 4) rebalanced appropriately to maintain the desired structure. We work closely with our clients to address specific investment objectives and risk tolerances as they relate to overall sound financial management, while maintaining the focus and discipline to help guide portfolios through challenging market cycles.

Three Decades of Experienced Investing

Chandler's significant experience managing fixed income assets for state and local governments is reflected in the inception dates of the investment strategies commonly used by our public clients:

Chandler Strategy	Inception Date
Ultra Short Bond (*0-3 Year Strategy)*	11/30/1988
Limited Maturity (*1-3 Year Strategy)*	9/30/1988
Short Term Bond (*1-5 Year Strategy)*	9/30/1995
Intermediate Bond (*1-10 Year Strategy)*	9/30/1995
Core Bond (*1-30 Year Strategy)*	9/30/1993

Our experience managing through volatile markets, including the last three rising interest rate cycles, January 1994 – February 1995, June 1999 – May 2000, June 2004 – June 2006, is critical to managing interest rate risk, preserving safety of principal and the liquidity to sell assets if necessary. In addition, our expertise in credit analysis was instrumental to our clients during the credit crisis of 2008, resulting in portfolios that generated competitive returns and experienced no loss of principal during that time.

As a fiduciary, we work with clients on every aspect of the investment program, including ensuring that the program supports the City's budget and financial goals. We also focus on analysis of risk and return, investment policy development and review, and cash flow analysis and forecasting. The entire professional staff understands the specific needs as well as the challenges public agencies and their finance staffs face due to their public role and responsibility in the stewardship of taxpayer funds. All of the proprietary tools and processes the firm has developed are in response to public agencies' unique investment objectives, constraints, and requirements for adherence to state legal requirements. Moreover, our portfolio management, market research, credit analysis process, accounting, and reporting resources are extensive, and scalable to meet additional needs. We also assist with models for accounting and journal entry, and work with clients individually during onboarding and beyond to help them set up their internal accounting templates.

We will be an overall financial resource to the City that has the capability of going beyond investing alone.

One of the firm's guiding principles is participation in the development of best practices in the management of public funds. Chandler participates in programs and seminars provided by the Government Finance Officers Association (**GFOA**), the California Society of Municipal Finance Officers (**CSMFO**), the California Municipal Treasurers Association (**CMTA**) and the CFA Institute. In addition, Marty Cassell sits on the GFOA's Committee on Treasury and Investment Management. This committee tracks new developments in cash management and develops best practices for government officials at all levels.

A representative list of the California public agency clients we serve includes:

Cities		
Agoura Hills, CA	Fairfield, CA	National City, CA
Alameda, CA	Fountain Valley, CA	Newport Beach, CA
American Canyon, CA	Imperial Beach, CA	Orinda, CA
Arcata, CA	Indio, CA	San Clemente, CA
Brea, CA	La Habra, CA	San Jacinto, CA
Buena Park, CA	La Mirada, CA	San Leandro, CA
Camarillo, CA	Long Beach, CA	San Marcos, CA
Corona, CA	Menifee, CA	So. San Francisco, CA
Costa Mesa, CA	Monterey, CA	Tracy, CA
Danville, CA	Moreno Valley, CA	Truckee, CA
Dublin, CA	Mountain View, CA	Westminster, CA

Government Entities	
Alameda Corridor Trans. Authority, CA	Rancho California Water District, CA
Authority for CA Cities Excess Liability, CA	Redwood Empire Muni. Insurance Fund, CA
California Earthquake Authority	San Bernardino Municipal Water District, CA
California Insurance Pool Authority, CA	San Diego County Water Authority, CA
California Joint Powers RMA, CA	South Coast Water District, CA
CSAC Excess Insurance Authority, CA	Transportation Corridor Agencies, CA
Elsinore Valley Municipal Water District, CA	Three Valleys Municipal Water District, CA
First 5 Alameda County, CA	Walnut Valley Water District, CA
Fontana POA Retiree Benefit Trust, CA	WestEd, CA
LA County Metro. Transprtation Authority, CA	Western Municipal Water District, CA
Moulton Niguel Water District, CA	Whittier Area Schools Ins. Authority, CA
Orange County Sanitation District, CA	Yolo County Public Agency RMIA, CA

**A sample listing of the firm's public agency clients shown in alphabetical order. This list includes only clients that have given permission to be listed. Includes discretionary and non-discretionary relationships. It is not known whether the listed clients approve or disapprove of Chandler Asset Management or the services provided.*

8. What is your firm's experience in developing policies and portfolio management guidelines for government portfolios?

We are experts in California Government Code and best practices for public agencies in California and nationally. We work with all our local government clients to formally review and update their investment policies to ensure compliance with applicable legal requirements. Within the parameters of the Code, each client's policy is customized to reflect specific risk measures and return objectives, while incorporating current best investment practices.

Through our active involvement on advisory committees that develop recommended best practices, we have assisted associations develop guidelines for the effective writing and revising of prudent investment policies. We begin each relationship with a thorough review of the investment policy, during which we make recommendations and use it to formalize the investment mandate for our client's portfolio(s). Additionally, we will review the investment policy annually to ensure that it captures updates to California Government Code, as well as changes to the City's financial objectives and cash flow requirements. Recommendations are meant to incorporate best practices that *provide clarification, increase return potential,* and *improve risk management.*

Our policy reviews will conform to:

- California Government Code
- Specific Client Directives
- Chandler's Best Practices
- Industry best practices as identified by the Government Finance Officers' Association and the Association of Public Treasurers of the United States and Canada

The City's Investment Policy

We have conducted a preliminary review of the City's current Investment Policy in *Attachment A*, and find that in general it is a well-written, thoroughly inclusive directive providing for the objectives of safety, liquidity and return. We have made a few observations under Section VIII., *Eligible Investments* that we would welcome discussing with the City, with the goal of adding diversification, limiting risk, and increasing the potential for risk-adjusted returns over a market cycle in the portfolio.

9. Does your firm act as a broker or as a primary dealer in securities or receive any other form of additional compensation (including soft dollars) for the client transactions aside from the direct fee paid by clients?

Chandler does *not* act as a broker or dealer in securities or receive any other form of additional compensation. The firm's revenue is derived entirely from the direct fees for investment management and advisory services received from our clients.

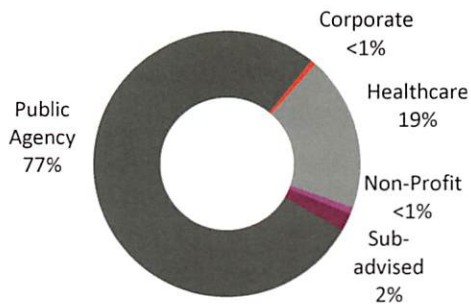
10. Provide the number and types of accounts, total asset value, and composition of portfolios currently being managed by your firm.

Chandler manages portfolios that are comprised of asset classes in the U.S. fixed income universe that align with our clients' objectives of ***safety, liquidity*** and ***return***. In California, these are assets that are permitted by California Government Code 53601 and 53635. The composition of Chandler's portfolios include high quality, short-term investment-grade, U.S. dollar denominated securities including but not limited to: *U.S. Treasuries, Federal Agencies, municipal bonds, negotiable CDs, Corporate notes, Supranational securities, asset-backed securities, mortgage-backed securities and commercial paper.*

Chandler Firm AUM and Client Base
As of December 31, 2017

Client Type	Number of Accounts	AUM ($MM)*
Public Agency	257	$10,584
Corporate	18	$87
Healthcare	31	$2,568
Non-profit	33	$111
Sub-advised	605	$298
Other	9	$50
Total	**953**	**$13,698**

**Other includes DC Plan, Bank, Church and Higher Education assets. Chandler Asset Management assets as of December 31, 2017.*



STAFFING

11. Identify and provide background information on the key person or personnel who take the most active role(s) in the administration and management of the firm.

Chandler's **Executive Committee** is comprised of seven senior members with key administration and senior management functions in each of the firm's departments. The Committee convenes at both periodic formal off-site planning meetings as well as throughout the year for day-to-day communications and operations. The following members represent the departments responsible for firm strategy, portfolio management, investment strategy, credit research and analysis, compliance and operations, and client service and business development:

- **Kay Chandler, CFA**, *Founder & President*
- **Martin Cassell, CFA** *CEO and Chief Investment Officer*
- **Jayson Schmitt, CFA**, *Executive Vice President, Portfolio Manager*
- **Nicole Dragoo, JD, IACCP**, *COO and Chief Compliance Officer*
- **William Dennehy, CFA**, *Executive Vice President, Portfolio Manager*
- **Scott Prickett, CTP**, *Executive Vice President, Portfolio Strategist*
- **Don Penner**, *Executive Vice President, Business Development*

12. Identify the investment professionals (portfolio manager, analysts, and researchers) employed by your firm, by classification, and specify the average number of accounts handled by portfolio managers. Are there any established limits on accounts or assets under management?

Chandler Investment Professionals by Classification

Classification	Number of Professionals
CEO and Chief Investment Officer	1
Portfolio Managers	5
Portfolio Strategists	3
Credit Analyst	1
Total:	**10**

As of December 31, 2017, the firm's five portfolio managers and three portfolio strategists managed 144 institutional client relationships totaling $13.3 billion, for an average of 18 relationships per investment professional.

While there are no established limits on accounts or assets under management, we have a comprehensive plan in place to maintain our bandwidth around servicing our clients to our desired level of excellence, and to maintain the high level of performance and service that is one of the hallmarks of our firm. We believe our level of communication with our clients is unmatched by our larger peers who service much larger client bases with comparable size investment teams.

13. Provide resumes and biographical information on the investment professionals that will be directly involved in the decision-making process for the portfolio. Include the number of years at your firm, total years of experience, and professional licenses and designation. Include the number of accounts managed and any limits on this.

The key professionals who will be assigned to the City of Pittsburg are listed in the following table.

Chandler's Professional Team for City of Pittsburg

Contact Name and Title	Responsibilities to the City	Industry Tenure	Firm Tenure	Education
Jayson Schmitt, CFA *EVP, Portfolio Manager*	• ***Primary Portfolio Manager*** • Implements portfolio strategies • Research and Analysis • Head of Quantitative Analysis Committee and Economic and Market Analysis Committee	*24 years*	*23 years*	B.A. Economics, San Diego State University, CFA® charter holder
William Dennehy II, CFA *EVP, Portfolio Manager*	• ***Back-up Portfolio Manager*** • Implements portfolio strategies • Research and Analysis • Head of Credit Committee	*26 years*	*7 years*	B.S. Business Administration, California State University, Chico, CFA® charter holder
Carlos Oblites *SVP, Portfolio Strategist*	• ***Primary Portfolio Strategist*** • Implements portfolio strategies • Monitors alignment with client objectives and policies • Expertise in policy development and state legal requirements governing public investments	*23 years*	*1 year*	B.A., History, University of California, Santa Barbara, M.B.A., San Francisco State University
Christopher McCarry, AIF *SVP, Investment Consultant*	• ***Primary Relationship Manager*** • Conducts onboarding process • Schedules training and educational presentations • Oversees client communication	*17 years*	*5 years*	B.A. International Relations/Spanish, Bucknell University Accredited Investment Fiduciary (AIF) designation
Nicole Dragoo, JD, IACCP *CCO, Chief Compliance Officer*	• ***Head of Operations and Compliance*** • Responsible for regulatory compliance and legal matters • Directly manages investment operations • Oversees firm's administrative functions	*18 years*	*17 years*	B.A. Business Economics, J.D. University of San Diego Investment Adviser Certified Compliance Professional (IACCP) designation

The City will benefit from Chandler's customized service approach with direct access to experienced investment and client service team members responsible for the investment program. Drawing from their collective expertise, the Investment Management Team will develop and implement strategies for the City based on a thorough, well-rounded analysis of investment ideas—especially with respect to your specific investment objectives. **Jayson Schmitt, CFA**, *EVP, Portfolio Manager*, will employ our research-based methods to structure investment solutions that adequately address the City's dual needs for liquidity and return, implement the portfolio's strategy in a customized manner, and conduct securities transactions in the accounts. **William Dennehy II, CFA,** *EVP, Portfolio Manager*, will serve as the back-up portfolio manager for Jayson Schmitt. In addition, **Carlos Oblites**, *SVP, Portfolio Strategist* will have dual roles of portfolio strategy and client service. Carlos' key advisory responsibilities include monitoring the investment strategy for alignment with client objectives, addressing anticipated cash flow needs, and providing research and education on asset classes. Located in Novato, he will also serve as a local resource for the City and attend in-person meetings.

Christopher McCarry, *Senior Vice President, Investment Consultant*, will be the engagement manager and key account contact for the City. Chris joined the firm in 2013 with over a decade of experience providing diverse financial services to institutional clients. He is a regular participant at California public agency conferences and events, and has significant expertise in the state's evolving investment landscape and investment best practices. Chris will work closely with the City to review investment policies, assist with custodial relationships, and provide investment training, among other services. He will also assist you to develop a schedule of regular in-person client meetings consistent with your preferences, and will attend meetings, along with your primary investment contacts.

Additional members of Chandler's investment management team serve on the various committees that shape the firm's investment approach and outlook and are listed in the table below:

Professional	Experience Related to Project	Education	Industry Experience	Firm Tenure
Investment Management and Research				
Martin D. Cassell, CFA CEO, Chief Investment Officer	• Development of quantitative investment models and strategy • Leads Investment Team • Oversight of firm/service quality	B.S. Business, CSU Hayward CFA® charter holder	1987	1991
Scott Prickett, CTP EVP, Portfolio Strategist	• Implements portfolio strategies • Monitors alignment with client objectives and policies • Head of Portfolio Strategy	B.S. Business Administration, Finance, University of Northern Colorado, CTP designation	1987	2014
Julie Hughes SVP, Portfolio Strategist	• Implements portfolio strategies • Monitors alignment with client objectives and policies	BBA, Marketing, University of Texas of Austin, MBA, Wharton School of the University of Pennsylvania	1993	2014

Ted Piorkowski, CFA SVP, Portfolio Manager	• Implements portfolio strategies • Research and Analysis • Head of Sector Committee	B.A. Finance, M.B.A. Finance, San Diego State University, CFA® charter holder	1987	1999
Shelly Henbest, CFA VP, Credit Analyst	• Research and Credit Analysis	B.A. Economics, University of California, Santa Barbara CFA® charter holder	2000	2009
Genny Lynkiewicz, CFA VP, Portfolio Manager	• Implements portfolio strategies • Research and Analysis	B.B.A., Finance, Investment & Banking, University of Wisconsin CFA® charter holder	2000	2015
Jeff Probst, CFA VP, Portfolio Manager	• Implements portfolio strategies • Research and Analysis	B.S. Managerial Economics, M.S. Agricultural Economics, University of California, Davis CFA® charter holder	2010	2012

As of December 31, 2017, the firm's five portfolio managers and three portfolio strategists managed 144 institutional client relationships totaling $13.3 billion, for an average of 18 relationships per investment professional.

For more details on Chandler's professionals, please see the *Professional Biographies* included in the **Appendix.**

14. Describe the projected workload of the portfolio manager and their ability to provide timely services.

A top priority of our firm is to provide superior service to our clients and function as an extension of their staff. Chandler's investment management, client service, compliance, operations, and sales and marketing teams will coordinate their efforts to not only fulfill but also exceed the expectations you have for your investment manager. The City will have a number of teams dedicated to providing desired services, and systems and technology that support these services, as well as metrics implemented to ensure our desired level of service excellence is maintained.

The firm's COO and Chief Compliance Officer, Nicole Dragoo, JD, IACCP, oversees the onboarding and contracting process of new client accounts and leads a team that communicates effectively with accountants, custodians and administrators during the transition period and for the duration of the relationship. In addition, Christopher McCarry, Carlos Oblites, and investment team members will be involved in the transition to Chandler's management and will conduct the "kick-off" meeting in person with the City's staff. Since its inception, Chandler has on-boarded hundreds of public agency and institutional clients into its management, many of whom transitioned from prior investment managers. Chandler's professionals possess significant experience in the care required as a fiduciary to ensure that all needs are seen to and concerns are addressed during this period. Chandler staff will efficiently implement both cash and existing securities that are received into a customized investment program for the City.

We have the expertise and capacity to perform all of the required duties specified in this proposal and in the City's *Scope of Work*, as well as the resources and personnel to complete a timely transition to Chandler's management. We would begin the engagement immediately and without hesitation.

15. Describe your firm's training and education efforts to keep portfolio managers informed of developments relevant to government investment managers.

Maintaining an authoritative presence in the specialized area of providing investment advice to public entities is crucial to the firm and to the success of our clients. Chandler's leadership recognizes the importance of continuing education for its portfolio managers and other investment staff, applicable to both the California investment landscape as well as the national marketplace.

Industry Credentials and Continuing Education

In order to provide effective portfolio management to governmental clients, our Investment Management Team must have current, in-depth knowledge of the investment field. Many of our investment professionals have demonstrated their understanding of and commitment to portfolio management by earning industry credentials, such as the Chartered Financial Analyst (CFA) and the Certified Treasury Professionals (CTP), which require continuing education.

Chandler is deeply involved with the GFOA. Our investment professionals as well as members of our compliance and operations teams are guided by the GFOA's publications and best practices in regards to investment management, compliance, and GASB reporting for public agencies. Our compliance professionals monitor regulatory changes affecting local governments, and stay up-to-date on SEC updates and legislative changes. In addition, the firm engages an outside consultant to assist us with the complex practice of regulatory compliance as it applies to varied aspects in the management of public funds.

Our investment and client service professionals serve as committee members and are active participants and sponsors of national and regional associations that develop recommended best practices and training curricula, including the California Municipal Treasurers Association **(CMTA)**, the California Society of Municipal Finance Officers **(CSMFO)**, the California Debt and Investment Advisory Commission **(CDIAC)**, and the **CFA Institute**. Through our involvement and participation with these organizations, Chandler's professionals stay informed about current themes and relevant topics affecting the constituents of the member entities. Our staff is regularly called upon to present to these organizations on matters of legislative changes and other meaningful and timely issues.

Chandler's executive staff and investment team members are trusted experts in California's legal requirements as they apply to public agency investing and actively monitor legislative changes that could potentially impact our clients from a risk, opportunity, operational and statutory perspective. We are often involved in drafting investment legislation and recommending best practices on a state and national level, providing guidance on safe and effective practices for the management of public funds.

16. Has there been any turnover of professional staff in the firm in the last three years assigned to public sector clients?

During the past three years, the firm's investment management team had one departure, an assistant portfolio manager who moved out of the area. During the same time period, the firm added two members to the investment management team, **Genny Lynkiewicz, CFA**, *Vice President, Portfolio Manager,* and **Carlos Oblites**, *Senior Vice President, Portfolio Strategist.* Each of these professionals has approximately two decades of experience in short-duration investment management for public agencies, and possesses the relevant experience and qualifications to effectively serve our public clients.

ASSETS UNDER MANAGEMENT

17. Summarize your institutional investment assets under management by category as shown below for your latest reporting period.

Chandler's Institutional Assets Under Management
As of December 31, 2017

	Governmental	Non-Governmental	Total
Operating/Bond Funds	$10,533	$1,420	$11,953
Pension Funds	$0	$0	$0
Foundations/Endowments	$0	$45	$45
Equity Funds	$42	$1,253	$1,295
Other:	$9	$75	$84
Total:	**$10,584**	**$2,793**	**$13,377**

"Other" assets include OPEB, ERISA and sub-advised assets. Chandler's institutional investment assets under management as of 12/31/2017.

18. Summarize your assets under management (institutional only) over the past five years and average assets per client.

Chandler's Institutional Assets Under Management
Previous Five Calendar Years

Year	Assets Under Management	Average Assets Per Client (# of Clients)
2017	$13,290.5 M	$92.5 M (144)
2016	$12,588.9 M	$79.7 M (145)
2015	$11,420.8 M	$85.2 M (134)
2014	$8,553.8 M	$75.7 M (113)
2013	$6,653.2 M	$71.0 M (94)

Includes both discretionary and non-discretionary assets.

19. Provide relevant performance statistics on a comparable portfolio and compare with industry averages or benchmarks for the last one, three, five, ten year period and/or since inception. Note whether these performance statistics are reported based on GIPS (Global Investment Performance Standards) formerly known as AIMR (Association for Investment Management and Research).

Chandler Composite Performance *(gross of fees)*
As of December 31, 2017

	One Year	Three Years	Five Years	Ten Years	Since Inception
Chandler Limited Maturity *(inception: 9/30/88)*	**0.85%**	**0.90%**	**0.77%**	**1.86%**	**4.71%**
ICE BAML 1-3 Year US Treasury Index	*0.43%*	*0.61%*	*0.56%*	*1.44%*	*4.40%*
Chandler Short Term Bond *(inception: 9/30/95)*	**1.08%**	**1.17%**	**0.99%**	**2.39%**	**4.17%**
ICE BAML 1-5 Year US Treasury & Agency Index	*0.67%*	*0.90%*	*0.76%*	*2.05%*	*3.88%*

*Based on Chandler's Limited Maturity and Short Term Bond composites as of December 31, 2017. Please see the GIPS disclosures in the **Appendix** for further details. Past performance is not indicative of future results. Performance is presented gross of investment management fees. Gross performance does not reflect payment of advisory fees and other expenses which will reduce performance. Adviser fees are disclosed in Form ADV, Part 2A. Performance for periods greater than one year is annualized. For one-on-one presentation only.*

Chandler Composite Characteristics
As of December 31, 2017

	Yield-to Maturity	Average Maturity	Average Duration	Average Quality*	Average Coupon
Chandler Limited Maturity	***1.91%***	***1.81***	***1.72***	***AA***	***1.49%***
ICE BAML 1-3 Year US Treasury Index	*1.88%*	*1.86*	*1.80*	*AAA*	*1.82%*
Chandler Short Term Bond	*2.03%*	*2.60%*	*2.42*	*AA*	*1.66%*
ICE BAML 1-5 Year US Treasury & Agency Index	*1.98%*	*2.68%*	*2.57*	*AAA*	*1.94%*

*Based on Chandler's Limited Maturity and Short Term Bond composites as of December 31, 2017. *Composite quality based on S&P ratings; Index quality reflects S&P equivalent of composite/average of S&P, Moody's and Fitch ratings. Composite characteristics are supplemental information pursuant to GIPS. Please see the GIPS disclosures in the **Appendix** for further details. For one-on-one presentation only.*

Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®), and prepares and presents its performance in compliance with these standards. Chandler develops and implements portfolio strategies that we tailor to meet the exact needs of each client. We group portfolios with similar characteristics into composites for the purpose of computing and reporting GIPS®-compliant performance results. GIPS® represent an industry wide standard for performance calculation and reporting which facilitates comparison among investment firms. Chandler is independently verified by ACA Performance Services for firm-wide GIPS® compliance. A copy of the firm's most recent GIPS® Verification Letter is included in the **Appendix**.

20. How many accounts have you gained in the last 12 months? How many accounts have been lost in the last 12 months and why?

During the past 12 month period through December 2017, Chandler gained 5 institutional clients. During the same time period, Chandler lost six institutional clients. Occasionally, clients discontinue investment management or advisory services provided by Chandler for various reasons. These may include budgetary constraints, spending down investable assets, or internal changes in finance administration/staff. Chandler has never had a client discontinue its services for convenience or cause.

INVESTMENT MANAGEMENT APPROACH AND DISCIPLINE

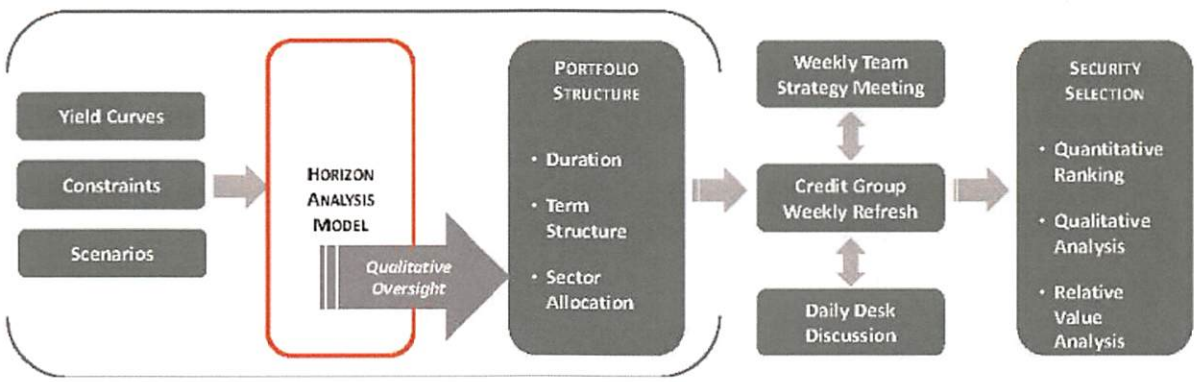
21. Briefly describe your firm's investment management philosophy, including your approach to managing governmental portfolios.

We believe that through effective risk management, we can enhance the potential for higher ***total returns*** for risk-conscious clients while maintaining their primary objectives of ***safety*** and ***liquidity***.

We implement this philosophy by structuring investment portfolios with the goal of achieving performance that consistently exceeds the returns of a selected market benchmark, while maintaining each client's risk profile at all times. The first step will be ascertaining the City's specific objectives, both qualitative and quantitative, for safety, liquidity, and return. Our approach to structuring the portfolio is designed to fulfill those requirements in a customized way.

Investment Approach

Chandler's Proprietary Horizon Analysis Model – The *Horizon Analysis Model* is the quantitative foundation for Chandler's portfolio construction process. The Model enables our portfolio management team to integrate their research into the portfolio management process in a quantitative, disciplined, and repeatable way.



Inputs to the Model include: (1) current yields on Treasury, agency and corporate securities; (2) specific client constraints, such as maturity restrictions and maximum sector exposure; and (3) nine different forecasted interest rate scenarios that may occur at the six-month horizon date. Our analysis of current macroeconomic conditions is one of the factors we consider as we develop the nine scenarios that comprise the third input to the Model.

Through an iterative process, the Model generates the "optimal portfolio structure" (duration, maturity distribution, and sector allocation), which we define as the portfolio that achieves a return greater than the

benchmark in each of the nine scenarios. That is, the Model generates a portfolio structure that we expect will outperform the portfolio's benchmark over a wide range of possible future interest rate movements.

The Investment Management Team then evaluates the optimal portfolio structure, and may make adjustments as they begin the construction of the portfolio. This combination of a rigorous quantitative structure and experienced qualitative oversight is a hallmark of all Chandler's portfolio management activities.

Duration — We strive to maintain duration (the portfolio's price sensitivity to changes in interest rates) within a defined range that reflects the City's return requirements and acceptable volatility. We are experts in short- and intermediate-term duration portfolios for California public agencies, and our experience is uniquely suited to those entities. In the segmented structure we recommend in *question #32 below*, we provide the security types that we suggest should comprise both the liquidity portion (0- 1 year duration), as well as the reserve portion (0-3 year or 0-5 year duration) for a California public agency's operating portfolio.

Maturity — We believe the average maturity of each separate portfolio, as well as the longest permitted maturity, should reflect the client's goals, return objectives and risk tolerances. That is why we see our first task with the City as understanding your specific objectives regarding current yield, book yield and total return. When that understanding is achieved, we establish a target maturity and duration for each account under our management

Investment Type— Chandler will assist with structuring a well-diversified portfolio based on the City's Investment Policy. The inclusion of high quality US Treasury and federal agency securities, along with a rigorous process of credit analysis and broad diversification by issuer, promote the objective of safety in the portfolio.[1] Additionally, our extensive credit and investment analytic capabilities allow our clients to further diversify the portfolio and safely increase potential return. Our sector allocation strategy provides broad diversification by sector and by issuer and works to minimize exposure to credit risk. For the City, that would entail investing in US Treasuries, federal agencies, and short and longer term corporate issues. We may add other permitted asset classes to the allocation from time to time.

A primary consideration is value among asset classes. That is, we will allocate a greater percentage of the portfolio to, for example, corporate securities whenever we find that the corporate sector has greater value relative to the benchmark that appropriately represents our clients' risk tolerance. Conversely, we will allocate a lower percentage to an asset class when other asset classes appear more attractive. We are able to add considerable value through rotating sectors, thus identifying best relative value at time of purchase. Nevertheless, we always maintain a core allocation to US Treasury securities, widely known as a relatively safe and liquid asset class.

Credit Quality — We employ a rigorous credit analysis process that helps us identify investment opportunities in securities that are appropriate for the prudent investment of public funds. Our investment professionals recommend securities from an *Approved Issuer List* based on relative value considerations. Moreover, we believe that each client should establish credit quality constraints that reflect the risk preferences of shareholders, and these constraints may be more conservative than Code. We will limit our investment in corporate securities to highly rated companies, subject to the City's restrictions. Within that framework, we will purchase securities that our credit and value analyses have identified as being

[1] *While our conservative investment approach promotes safety, investing in securities carries varying degrees of risk and we cannot guarantee safety of principal.*

appropriate for the City's portfolio, and having relative value.

Periodic Rebalancing – With the passage of time, portfolio characteristics tend to drift away from the desired structure. For that reason, the team reruns the *Horizon Analysis Model* monthly, reevaluates the optimal portfolio structure and rebalances as market conditions and portfolio characteristics change. We will also rebalance when we find securities of higher value in terms of higher expected return or reduced risk.

22. Describe the mechanics of how your firm proposes to execute transactions on behalf of the City.

We recognize our duty to provide value to our clients and ensure the quality of our services as a fiduciary. As part of this process, we seek a broad range of security broker/dealers that provide a high level of market liquidity and product inventory. The City's staff is assured that through Chandler's best execution practices, it is receiving competitive, institutional pricing on transactions, as the firm seeks a minimum of three quotes per trade. The practice of shopping competitively results in an incremental net financial advantage for our clients over time, and is an additional source of value in retaining Chandler as investment manager. This competitive process can be evidenced on daily trade tickets viewable by clients on the *Chandler Client Portal*.

CHANDLER ASSET MANAGEMENT

Trade Ticket

All trades are discretionary unless otherwise noted

BUY

ORDER ID	00000000	ACCT MANAGER	Manager
TRADE DATE	10/14/2014	TRADER	Trader
SETTLE DATE	10/15/2014	Blr/CParty	Broker

ACCOUNT INFORMATION

Account Name	Chandler DEMO Viewer Account		
Pam #	####		
Bank/Custodian	Custodian	Bank Acct	0000000

TRADE INFORMATION

Security	US TREASURY					**SETTLEMENT VALUES**	
Cusip	SAMPLE CUSIP	Coupon Rate	0.625000	Maturity Date	11/30/2017	Principal	$10,381,332.94
Qty/Par	10,475,000.00	Yield (YTM)	0.916	Issue Date	11/30/2012	Interest	$24,506.06
Price	99.105804	Disc Rate		Pay Freq	Semi-Annually	Commission	$0.00
Int Pymt		First Pay Date	05/31/2013	Day Basis	act/act	Sec Fee	$0.00
Spread		Next Cpn Date	11/30/2014	Accrual Type	FIXRT	Trade Fee	
Sec Type	TN	Ticker	TREASU	Original Face	0.00	Net Amt	$10,405,839.00

RATINGS		**SETTLEMENT INSTRUCTIONS**			
S&P	AA+	Delivery Type	Federal Wire	Agent DTC #	DTC #
Moody	Aaa	Agent Name	Broker	Agent BIC Code	
		Delivery Location	Broker Bank	ABA #	000000000

NOTES

ND- approved by Client Name 10-14-14

COMPETITIVE PRICE

Dealer 1	Price 1	Dealer 2	Price 2	Dealer 3	Price 3
JEF	99.11	BAC	99.12	MS	99.12

This sample report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. References to specific securities and their characteristics are examples of securities held in a portfolio and are not intended to be, and should not be interpreted as an offer, solicitation, or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition of performance of the portfolio.

Under no circumstances will Chandler take possession or control of the City's assets, and all transactions of securities will be done using standard delivery-versus-payment ("DVP") procedures.

23. How frequently do you formulate and review fixed income strategy? How is that carried out and who is involved?

The Investment Management Committee formulates and reviews our fixed income strategy on a weekly basis. The firm employs a sub-committee system for effective analysis, decision-making and communication. Individuals may generate and develop investment themes through their independent research to bring to the entire Investment Management Team or their committee meetings, or one of the committees may collectively source an idea or theme through discussion. Additionally, the entire Investment Committee

participates in regular off-site meetings for short, intermediate and long range planning. These meetings provide a forum in which every member of the team has input on the formulation and implementation of our strategies.

The **Economic and Market Analysis Committee** focuses on the development of economic inputs and interest rate scenarios for the Horizon Analysis Model, the proprietary tool we employ to develop portfolio structure. The **Sector Committee** is tasked with sector valuation methodology and evaluation of new instruments and sectors for suitability. The **Credit Committee** is responsible for evaluating issuers for inclusion in the Approved Issuer List. The **Quantitative Analysis Committee** develops and sets the structure for the Horizon Analysis Model and evaluates the Model's process for improved technology and methods.

Members of the Investment Management Committee meet weekly to review the findings and recommendations of the committees, market conditions, and client portfolio characteristics to determine short term strategies and any need for portfolio rebalancing. In addition, team members meet off-site on a semi-annual basis and discuss economic, market and credit conditions using committee research to establish the firm's investment outlook, portfolio target characteristics, and sector strategy for the ensuing quarter.

All credits are monitored daily and are closely reviewed by the Credit Committee at least quarterly. A team member will monitor the overall news flow on each issuer on our approved list on a daily basis (earnings or press releases, management presentations or conferences, ratings changes, etc.). The information is distributed to the entire Investment Management Team on a daily basis. In the event the fundamentals of the underlying credit change, the Credit Committee may act to add or remove the issuer from our approved credit list under the appropriate segregation.

24. What are the primary strategies for adding value to portfolios (e.g. Market timing, credit research, trading)?

The goal at Chandler is to deliver consistent, stable, risk-adjusted returns over a market cycle across all possible investing environments. Chandler's pro-active portfolio management, diligent security analysis, and prudent attention to cash flow needs add value to client portfolios and enhance the consistent returns generated over time. Chandler's investment process focuses on the following four key elements to differentiate our performance from that of our peer group:

- ***Tightly Controlled Duration Management*** — We practice active duration management to reduce our client's sensitivity to interest rate changes in the marketplace. We maintain duration within a tightly-defined range of the chosen benchmark that will reflect the City's return requirements and acceptable volatility. We will work with the City's finance staff to identify an optimal target duration range in order to limit relative market risk, but typically maintain duration within a 10% band of the benchmark.
- ***Sector Allocation***— We base our asset allocation process on the belief that portfolios are more robust and prepared for unforeseen events if they have well-diversified exposure to high quality fixed income securities. Using the output of the *Horizon Analysis Model* and research from the Sector Committee, we will determine the allocation to asset classes that our models show can provide the best economic opportunities and protection for the portfolio. We are able to add considerable value through rotating sectors as market conditions evolve and our outlook changes, thus identifying best relative value at time of purchase.
- ***Term Structure***— Utilizing the output from the *Horizon Analysis Model,* the term structure for the portfolio is determined with the objective of finding a structure that prioritizes the protection of the portfolio and performs well under both anticipated and unanticipated yield curve shifts over a six month horizon.
- ***Security Selection***— Once the team has determined the percentage of the portfolio in any duration range or security type, individual securities are purchased to complete the portfolio structure. Team members analyze market conditions in order to find securities with relative value that are best suited to meet the target portfolio structure. Securities are subjected to a rigorous review process, including not only credit analysis, but also quantitative studies using proprietary tools and Bloomberg analysis. Our investment professionals recommend securities from an *Approved Issuer List* based on relative value considerations. In addition, our Credit Committee seeks to identify both improving and deteriorating credits so we can work to reposition client portfolios by seeking favorable and avoiding detrimental factors not yet understood by the majority of market participants.

Chandler's investment management team does not try to time interest rates and keeps the overall interest rate risk sensitivity of our clients' portfolios close to that of the benchmark. Our repeatable, disciplined investment process helps us identify when to alter our asset allocation to be either more or less conservative and to identify an optimal term structure based on the current shape of the yield curve.

25. How are portfolios managed (e.g. by team or individual manager)? What is the back-up when the manager is away?

We manage portfolios in a team structure ensuring that all investment team members and client service personnel are familiar with your portfolio. This team approach ensures that there will always be professionals available who are knowledgeable about your portfolio management needs and provide continuity of the investment program. In case Jayson Schmitt is traveling or otherwise unavailable, Bill Dennehy or Carlos Oblites will serve the City for its investment management needs. Successful implementation of the firm's investment process is not dependent upon any one individual, as all of our portfolio managers have research, trading and management responsibilities, which benefit all of our client accounts. In addition, our client service personnel are adept at handling the non-investment needs of the engagement (e.g., client portal access, statement requests, and meetings), and will escalate any issues and route them through the correct channels, if necessary.

26. What oversight is provided to portfolio managers?

Martin Cassell, CFA, *CEO and Chief Investment Officer* oversees the Investment Management Team as well as the implementation of the investment management process. Jayson Schmitt, CFA, *Executive Vice President, Portfolio Manager,* provides day-to-day supervision and oversight of the portfolio management process and trading desk. In addition and concurrently, the firm's Compliance Department, led by Nicole Dragoo, IACCP, *COO and Chief Compliance Officer*, leads the trade order management and portfolio compliance process. Nicole and her team use industry-leading software from **Bloomberg AIM** for ensuring that portfolios conform to client investment policies and state legal requirements. Further procedures to ensure compliance with governing laws, policy, objectives, and directives, as well as any Chandler imposed constraints include a daily reconciliation of transactions and cash balances with custodian information, a month-end review of the portfolio to confirm compliance with the investment policy, and a detailed compliance report at month end where we demonstrate adherence to requirements such as permitted investments, minimum credit quality, maximum maturities, and concentration limits.

27. Describe your firm's in-house technical and research capabilities. Are outside sources used by the firm on a regular basis? Describe your credit review process. Does your firm assign credit research to specialists?

Chandler possesses significant technological capabilities to augment the comprehensive advisory services we provide to our clients. These tools assist our professionals with the prudent advising, comprehensive reporting and compliance elements of the investment program and are best-in-class resources that streamline these processes and enhance the end-user (client) experience. Chandler's internally-developed, proprietary tools include our *Horizon Analysis Model*, the quantitative foundation for Chandler's portfolio construction process, our credit review and security selection process, and our cash flow analysis and forecasting models.

Credit Review and Security Selection: Chandler employs an in-house, proprietary credit research process with the objective of identifying stable and improving credits to include in client portfolios. The dynamic nature of the process also provides the team with the ability to detect weak and deteriorating credits, which may be removed from client portfolios and Chandler's approved issuer list. In determining the suitability of a particular credit security, the Credit Committee analyzes company fundamentals with a particular focus on relative balance sheet strength and the overall earnings outlook of the issuer, paired with Chandler's view of the forward-looking macro-economic environment. After the fundamental outlook of a particular issuer has been ascertained, the Credit Committee focuses on the relative value of current and historical spreads of both the issuer and its industry sector.

Although the Nationally Recognized Statistical Rating Organizations ("NRSROs") typically determine the initial eligibility of a particular security, Chandler does not rely on these ratings to determine whether a security is suitable for a Chandler portfolio. Chandler's Credit Committee, with input from the entire investment team further vets the suitability of an investment based on our own internal research and a thorough understanding of each client's investment objectives and risk tolerances. This combination of qualitative and quantitative analysis enables the team to identify and invest in securities consistent with our clients' objectives of safety, liquidity, and return.

Chandler's internal credit process is designed to identify and evaluate changing fundamentals and the current relative value of issuers versus sector peers. The Credit Committee meets weekly to rank corporate issuers into three tiers and categorizes those securities based on individual client risk tolerance and policy guidelines.

Top Tier Issuers	
• Strong credit profile • Stable Management	• Transactional liquidity • Less spread volatility relative to the overall peer group
Middle Tier Issuers	
• Favorable credit quality • Modestly higher leverage • Marginally more volatile spreads	• Ample transactional liquidity • May be more susceptible to event risk/negative industry-specific developments
Bottom Tier Issuers	
• Increase in leverage and balance sheet deterioration • Management turnover	• M&A exposure • Issues Chandler may consider exiting • Lower-rated improving credits

Each sector and issuer is reviewed at a minimum of once per quarter, or four times per year. The goal is to be proactive in identifying and investing in stable and improving credits, and in avoiding deteriorating credits.

In addition to the formal weekly Credit Committee meetings, all credits are monitored on a continuous basis. The Credit Committee monitors the overall news flow on each issuer on our approved list (i.e. earnings, press releases, management presentation or conferences, ratings changes, etc.). The gathered information is distributed to the entire investment management team on a daily basis. In the event the fundamentals of the underlying security change, the Credit Committee may act to add or remove the issuer from our approved credit list or move it within the appropriate tier.

External Research Tools

Some of the external research sources our team uses for diverse market perspectives and for raw data for our proprietary analytical systems include the following industry-leading tools:

- **Bloomberg** (real-time market activity, security prices, execution, research database)
- **Stone & McCarthy Research Associates** (macroeconomic analysis, market commentary, sector analysis)
- **BCA Research** (macroeconomic analysis, research)
- **Rating Agencies** (Moody's, Fitch, Standard and Poor's)
- **ICE BAML Fixed Income Indices**
- **Egan Jones** (ratings organization, ratio analysis, quantitative credit metrics)
- **Credit Sights** (fundamental credit research and analysis, relative valuation)
- **ITR Economics** (economic and industry analysis)
- **Electronic Trading Platforms** (TradeWeb, MarketAxess

28. What percentage of your research is conducted in-house? Describe your research capability.

Chandler conducts 100% of its research in-house. The investment management team uses a variety of sell-side equity and credit research from major banks and investment institutions. Internal original research

accounts for a large portion of the firm's research sources and includes news publications, conference calls, earning reports, and management presentations. Economic dynamics and the market environment are evaluated and discussed in a committee structure as to the effect key indicators may have on the structuring of portfolios.

29. What technical analysis do you use?

We do not use a pure technical analysis process. We use quantitative measures to support our qualitative beliefs. The investment management team occasionally uses technical methods to determine timing of purchases on an intraday basis, striving to execute transactions at the lower end of the daily trading range. Technical analysis is not used in the firm's research or portfolio management process.

30. What role does interest-rate forecasting play in your portfolio management strategy?

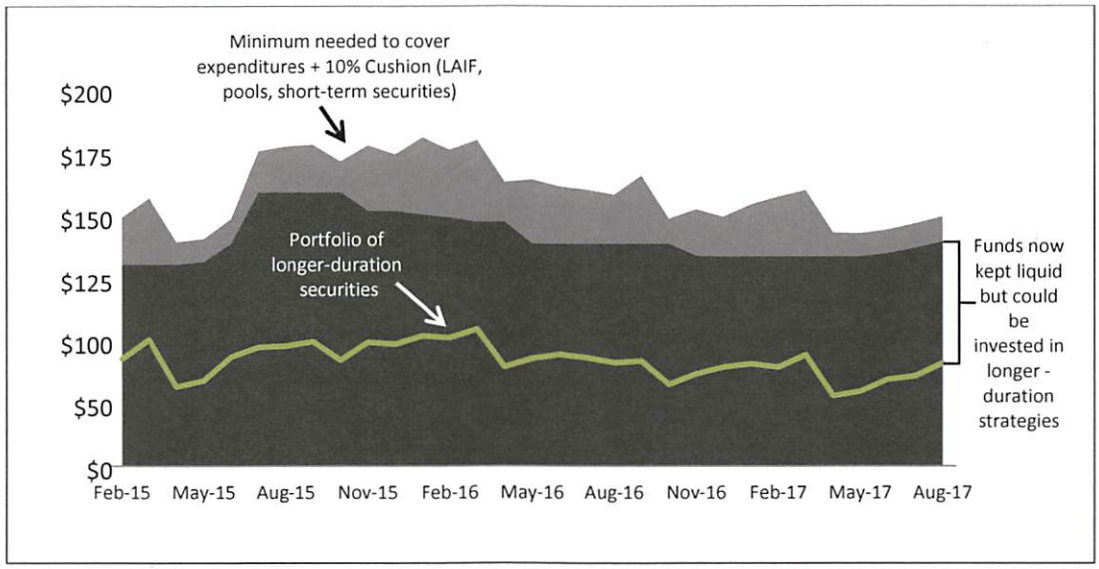
Interest rate forecasting plays a very limited role in our investment process. We believe that it is not possible to add value to a portfolio over time through speculation on future interest rates. In order to do so, a portfolio manager would have to accurately predict three variables–the direction of the interest rate change, the amount of the change, and its timing. For that reason, we maintain portfolio duration close to that of the portfolio's benchmark to avoid speculation on interest rate forecasting.

Our analysis of current macro-economic conditions is one of the factors we input into the *Horizon Analysis Model*, the quantitative tool used in our portfolio construction process. Chandler runs scenario analysis on nine different interest rate scenarios that may occur over a six-month horizon date. We then structure portfolios that we expect will outperform the portfolio's benchmark over a wide range of possible future interest rate movements.

31. How will you handle fluctuating cash flows and the cash forecasting process?

We actively assist our clients to develop and maintain cash flow forecasts and to manage liquidity. In our experience, many municipalities retain more liquidity than is optimally desirable for a portfolio that seeks risk-adjusted returns above a comparable benchmark over a market cycle. We propose to conduct a cash flow analysis to determine funds needed liquid to meet ongoing demands, and funds available for investment in longer-term strategies. A straightforward historical analysis of cash balances is a simple but effective method for determining liquidity needs. By having a 360 degree view of the City's cash flow profiles, and by imposing different scenarios on them, we can structure an effective investment program that would serve the City in both predictable and unforeseen circumstances. As in the example below, we will identify the amount of funds that are being unnecessarily being kept liquid, and explore a solution that could include using investment pools, LAIF, or segregation into a portfolio of short-duration securities where funds are invested to a short-duration target or to a known cash flow date. Funds not needed for immediate liquidity may then be directed into a longer-duration strategy to safely earn the City more return on investments.

Sample Cash Flow Analysis



This sample illustration is being provided to demonstrate the tools in how we analyze cash balances.

We will use analysis such as the above as a starting point to project balances into the future to handle fluctuating cash flows. We will maintain ongoing dialogues with the City to be kept abreast of all issues that may arise regarding your evolving needs for liquidity. Future liquidity needs are structured in advance through maturing securities, allowing for effective investing as well as sufficient cash when needed. Because cash flow projections can only be estimates, we recommend a portfolio structure that includes an additional layer of short-term investments designed to be available for unanticipated cash expenditures.

32. Describe an ongoing daily investment procedure proposed for The City including procedures for trades, security choice, controls, etc., and how you will provide liquidity.

Chandler's Investment Management Team reviews portfolios daily for compliance with investment policies and consistency with the recommended portfolio structure. The firm's investment procedures also incorporate the following:

- **Trades -** Chandler executes approved securities transactions on a transparent and highly competitive basis, in accordance with our commitment to best execution. The main considerations for broker selection include best price and reliability of delivery. As part of this process, we seek a broad range of security trading partners that provide a high level of market liquidity and product inventory. A minimum of three quotations is sought and documented on trade tickets, and are reported to the City at the time of execution, and are available for download on the *Chandler Client Portal*. The winning seller delivers securities directly to your custodian bank, using standard delivery-versus-payment procedures.

  In seeking best execution, we "block" trades for clients, where possible, and then allocate the trades to individual portfolios, using an allocation process designed to treat all clients fairly in the transaction. We execute transactions through online trading platforms, such as TradeWeb and MarketAxess, or directly through individual brokers with the goal of seeking competitive executions.

- **Security Choice -** Once the team has determined the percentage of the portfolio in any duration range or security type, the team seeks individual securities to complete the portfolio structure.

Corporate and agency securities are subject to our rigorous credit analysis process, which results in an Approved Issuer List. Our investment professionals recommend securities from the Approved Issuer List based on relative value considerations. Chandler's active management and diligent monitoring of credit issues and issuers flags impending rating changes and deteriorating credits which we may choose to remove from the portfolio.

- **Controls** - The primary control in the portfolio management process is third party bank custody of client cash and securities, with all transactions occurring on a delivery-versus-payment basis.

  Chandler has a robust process for ensuring portfolio compliance with client objectives, policies and directives. The firm utilizes **Bloomberg AIM** system to monitor compliance with client investment guidelines. When we begin our relationship with you, a firm compliance officer will code each element of your investment policy and guidelines into the Bloomberg system under the appropriate segregation of duties. Since each trade originates in the system, pre-trade compliance testing is activated each time a portfolio manager prepares to execute a transaction. The system prohibits execution of the trade if it does not comply with your investment policy. If an "alert" is triggered for non-compliance, it can only be lifted by a compliance professional.

  As a part of our regular process of policy and guideline monitoring, we provide clients with a monthly detailed Statement of Compliance, based on our complete review of client's investments. This Statement also serves as an effective means of reporting compliance to the governing body.

  In addition to providing pre-trade compliance, Bloomberg AIM integrates seamlessly with Chandler's accounting system. Our investment professionals electronically send executed transaction information to Chandler's investment operations professionals for settlement processing and broker/custodian notification. Transactions are then electronically imported into the portfolio accounting/reporting system. We designed these controls to provide appropriate separation of duties and to reduce the possibility of human error in the process.

- **Ensuring Liquidity**

  Chandler's approach to structuring portfolios is to optimize the allocation between the City's liquid and reserve components through analysis of historical cash flow and capital expenditures. Our objective is to provide sufficient liquidity for operations and at the same time, reduce the costly effect of maintaining too much liquidity in shorter-maturity investments that pay lower yields.

  We implement an approach that segments funds into liquidity and reserve components. The liquidity portfolio is structured to include short-term credit instruments that mature on known cash flow dates, providing sufficient funds for net cash disbursements over the ensuing six to twelve months. The reserve portfolio is designed to enhance earnings and long-term growth through investments in high quality, longer-maturity allocations that have historically offered higher returns. Generally, all securities in the portfolio are liquid, and available for sale in case of any unforeseen or emergency cash needs.

Segmented Investment Portfolio	
Liquidity Portfolio	**Operating Reserve Portfolio**

• Matching maturities to known expenditures
• The average maturity of the portfolio is typically 1 year or less
• Money market funds provide a liquidity "cushion"
• Money market instruments offer diversification
• Commercial Paper, Treasury Bills, Agency Discount Notes, Certificates of Deposit
	• Targeted generally to a higher duration to match liabilities and enhance the potential to increase earnings
	• The portfolio includes securities that mature from between 0-5 years but may be concentrated from between 1-3 or 1-5 years, specific to each client.
	• Invest in:
	  ○ U.S. Treasury Securities
	  ○ U.S. Agency Securities
	  ○ Corporate Notes, Supranationals, Asset-backed securities (if permitted)

Chandler's approach to structuring portfolios is designed to be scalable to changes in your investment program or cash flow needs.

33. How frequently would you suggest your staff meet with The City's staff? Who will attend these meetings?

As an investment manager headquartered in California, Chandler will provide timely communication and practice excellent service delivery to the City in all of its contact with your staff and Council. Your Relationship Manager, Christopher McCarry and individuals from the City's assigned investment management team will meet with you at least quarterly to present the investment portfolio to the City's finance staff. We understand that during any transition and initial period that follows, communication will be frequent in nature and will assist both teams to understand objectives and milestones for the engagement. After this initial period the team assigned to the City maintains the flexibility to continue to meet with you as often as you prefer, and will also attend any ad hoc or special meetings throughout the year.

In addition, we communicate regularly via email to our clients with updates which include:

- Weekly economic updates provide a concise summary of economic and market news of the current week, key economic indicators, as well as topics for the next weeks' economic data releases. The update is sent via email to clients and interested parties each Friday;
- Monthly newsletter that includes a market summary, treasury yield curve graph and monthly percent changes, as well as economic data and statistics; and
- Ad hoc emails and communication such as Fed rate news, education pieces, white papers, technology and product updates.

REPORTING

34. Describe the investment accounting and reporting system used by your firm.

Chandler utilizes the software of PAM for Investments, a State Street Company to perform investment accounting and reporting. Using PAM as the investment book of record for our clients, we generate comprehensive monthly statements and performance reports, which clients receive no later than the third business day following month end.

Chandler measures portfolio performance monthly and quarterly on a *total return basis*, providing a

complete snapshot of the outcomes resulting from investment decisions since total return measures the percent change in the value of a portfolio over a defined historical period. The total return of the portfolio is compared to carefully selected benchmarks which have been selected in collaboration with clients as the appropriate metric for assessing performance relative to their risk tolerances and investment objectives.

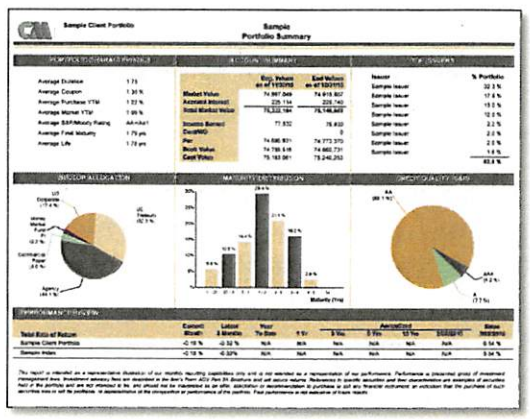
Our standard reports currently include purchase yields and portfolio total rate of return compared to the benchmark return for periods of one month, the most recent quarter, year to date, one year, three years, five years, ten years and since inception.

35. Describe the frequency and format of reports that you would provide to The City staff. Send a sample.

The reports that Chandler provides to you will provide transparency of your portfolio, and will assist your staff with their accounting duties, alleviating and even eliminating intermediary steps required to compile internal reports. We are able to provide comprehensive reporting that is tailored to meet the City's unique needs, as well as meet the competitive demand of the marketplace.

Online Client Portal: Chandler's *Client Portal* is the custom computer-based analytical tool that provides clients with secure access to a variety of digital files, including customized reports, trade tickets and documents, as well as the ability to download daily transactions and holdings, historical monthly statements, and quarterly reports. The *Portal* offers online access, and is also designed to be viewed on mobile devices. Reports can be downloaded in Excel format and easily mapped and integrated into your internal reporting requirements, aggregating your data for effective analysis and improving your operational efficiencies. Access to the *Chandler Client Portal* is available to individual contacts selected by the client, and is accessible 24 hours a day, 7 days a week.

Monthly Statements: We provide monthly portfolio accounting and performance statements as part of our regular services. Each monthly statement begins with a one-page management summary of portfolio characteristics that provides a thorough overview of the portfolio, including performance relative to the selected benchmark(s), followed by a statement of compliance. Full accounting details include: a detailed asset listing, including *cost, book*, and *market values; amortized cost; a transaction ledger, accruals; an earned interest report;* and *a cash flow report.*



Monthly statements are accessible on the *Chandler Client Portal*. Clients receive an email notification stating that the statement is available for download no later than the *third business day* following month-end.

Quarterly Reports: We also provide quarterly investment reports in a format designed to facilitate discussion between Chandler investment professionals and City staff. The report presents portfolio characteristics, return, compliance and a summary of accounts under management using graphs, charts and illustrations in a format that is effective for management, elected officials and interested members of the public. We provide this report for our regular meetings with City.

Reports will be prepared in accordance with state law and the Governmental Accounting Standards Board (GASB), and are compiled to meet your specific needs. Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®), and prepares and presents its performance in

compliance with these standards. Chandler is independently verified by ACA Performance Services for firm-wide GIPS® compliance.

Chandler provides monthly portfolio accounting and performance statements as well as mark-to-market fair value pricing for securities in accordance with GASB 31. We provide a GASB 40 report to all governmental clients, which provides the information needed to prepare the required fiscal year-end portfolio risk assessment, and we will be able to assist the City in drafting the narratives for GASB notes.

We have developed a GASB 72 report which is available by fiscal yearend. The GASB 72, Fair Value Measurement and Application, issued in February of 2015, requires government investments to be measured at fair market value. It also requires disclosures regarding how fair value was measured, what hierarchy the investment fits into and any special valuation processes used.

Please see Chandler's *Sample Monthly Statement and Quarterly Report* in the **Appendix**.

36. What performance benchmarks do you propose for this portfolio? Provide recommendations regarding performance benchmarks for a portfolio similar to that of The City's. What experience has the firm had in developing benchmarks for public operating portfolios?

Our experience with developing portfolio benchmarks is extensive. Since the firm's inception, each client account has been assigned at least one market benchmark based on our understanding of their objectives, and client agreement with our recommendations. Performance benchmarks serve a dual purpose. First, an appropriate benchmark will reflect a client's investment objectives and permitted investments, as well as the client's investment constraints. Therefore, we recommend market benchmarks that mirror the portfolio characteristics of a model portfolio for the client. Second, the benchmark should be the basis for discussion about incremental outperformance of the portfolio relative to the benchmark. That is, the goal is not just to "beat" the benchmark, but also to analyze what factors contributed to differences in performance. Since the benchmark reflects the risk profile of the client, it is important to understand whether the manager is taking on undesired risk to achieve results.

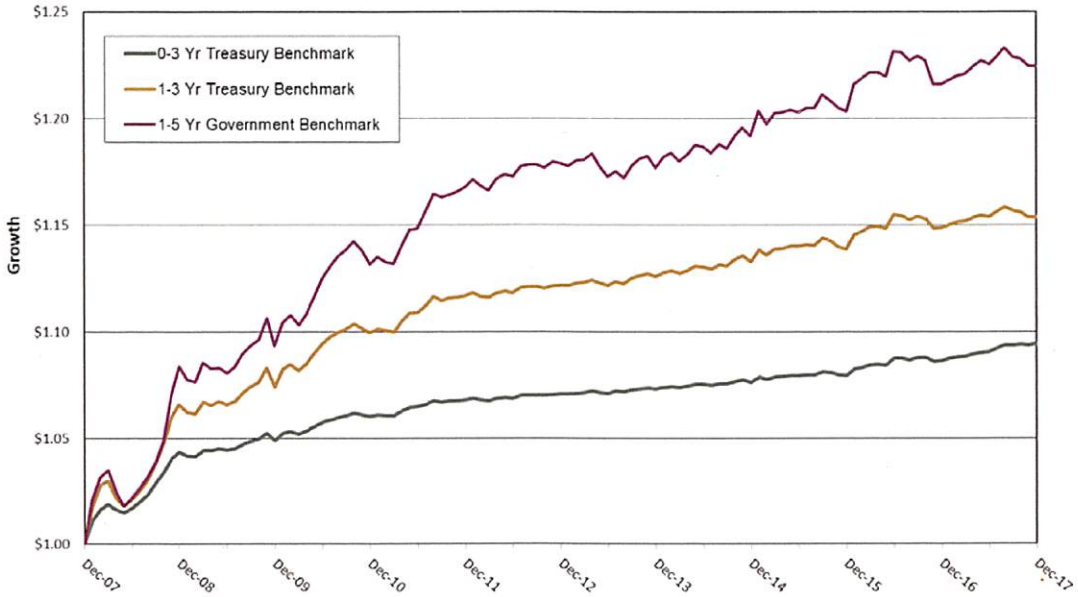
Benchmarks that some of our other public agency clients have selected, which may also be appropriate for the City include the *ICE BAML 0-3 Year US Treasury & Agency Index*, the *ICE BAML 1-3 Year US Treasury Index* and the *ICE BAML 1-5 Year US Treasury & Agency Index*[2]. While these are possible suggestions, our goal is to select the benchmark that is right for you: as such, we can discuss other possible benchmarks or even customize benchmarks for the City.

In general, the portfolio should be structured to have the highest suitable duration target that meets the City's return expectations and risk tolerance. That is, the target duration for the reserve portfolio should be as high as the City Treasurer feels comfortable with, given the risk and return characteristics implied by duration. The following chart and table display the ten-year returns of the three commonly used benchmark portfolios the City might consider.

[2] *ICE BAML Indices. Please see disclosures for ICE BAML 0-3 Year U.S. Treasury Index, ICE BAML 1-3 Year U.S. Treasury Index, and ICE BAML 1-5 Year U.S. Treasury & Agency Index included in the Appendix.*

Benchmark Comparison

December 31, 2007 through December 31, 2017



Source: ICE BAML Indices. Please see disclosures attached for ICE BAML 0-3 Year U.S. Treasury Index, ICE BAML 1-3 Year U.S. Treasury Index, and ICE BAML 1-5 Year U.S. Treasury & Agency Index.

Value of $50 Million

December 31, 2007 through December 31, 2017

Benchmark	Duration	12/31/2017	Annualized Return
0-3 Year Treasury Benchmark	0.89 years	$54,718,864	0.91%
1-3 Year Treasury Benchmark	1.80 years	$57,682,310	1.44%
1-5 Year Government Benchmark	2.57 years	$61,230,096	2.05%

Source: ICE BAML Indices. Data as of 12/31/17. Past performance is not indicative of future results. Index returns are unmanaged and reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an index. Please see disclosures attached for ICE BAML 0-3 Year U.S. Treasury Index, ICE BAML 1-3 Year U.S. Treasury Index, and ICE BAML 1-5 Year U.S. Treasury & Agency Index.

As the graph and chart demonstrate, the longer the duration of the benchmark, the greater its return over time. The 1-5 year government benchmark, with a duration of 2.57 years, returned approximately $6,500,000 more than the 0-3 year Treasury index, which has a duration of 0.89 years.

Our philosophy stresses safety of principal, appropriate levels of liquidity, and low volatility of return relative to benchmarks. We strive for superior risk-adjusted returns across market environments relative to our clients' chosen benchmarks in all of our strategies.

FEES

37. Provide the complete fee schedule that would apply to this account. Are fees charged in arrears?

Chandler is pleased to provide comprehensive investment management services to the City of Pittsburg in accordance with the following fee schedule:

Proposed Fee Schedule for the City of Pittsburg

Assets Under Management	Annual Asset Management Fee
First $25 million	0.10 of 1% (10 basis points)
Next $25 million	0.08 of 1% (8 basis points)
Assets over $50 million	0.07 of 1% (7 basis points)

Fees are based on the amount of assets under management and are not based on transaction volume. Management fees will accrue as long as there are assets in the portfolio, even if there is no activity during the period. Since the firm calculates fees based on the average balance of assets under our direct management (market value including accrued interest), fees will fluctuate based on portfolio value.

Fees are charged monthly in arrears, and can be debited directly from your third party custody account.

Our proposed fee schedule is all-inclusive for the services that Chandler provides, including full time investment management, technological resources, onboarding and implementation, online access to the *Chandler Client Portal*, comprehensive reporting, meetings, personal visits, and educational offerings for your staff, as well as the additional services described herein in Chandler's proposal and in the City's *Scope of Work.*

Chandler does not charge fees on funds held in vehicles not directly under our management such as Local Government Investment Pools. We are able to consolidate these liquid funds in our reports to you.

38. What additional expenses not covered through the fee structure will be expected in order to implement your investment Advisor services?

Our fee schedule does not include charges that the City would incur for third party custodial services.

ADDITIONAL INFORMATION

39. Provide a copy of your firm's most recent ADV Part II as on file with the SEC.

We have provided our most recently filed *Form ADV Parts 1 and 2* in the **Appendix** as part of our submission.

40. Describe your firm's business continuity plan and how often it is updated.

As part of its fiduciary duty to its clients, and as required under the Federal Compliance Program Rule, Chandler has adopted a *Disaster Recovery/Business Continuity Plan* to provide for the firm's recovery from an emergency or disaster and for the resumption of business operations in as short a period of time as possible. These policies and procedures address our primary responsibility for establishing and maintaining communication with our clients and for our mission critical functions.

Chandler's policy addresses our response to both internal and external significant business disruptions and includes procedures for data back-up and recovery, client access to funds and securities, phone, internet and email disruptions, and mission critical functions such as order entry, execution and client reporting. In the event that we determine we are unable to continue our business, we will assure clients prompt access to their funds and securities.

Chandler has hired Managed Solution, an outsourced IT firm, to administer and monitor the back-up and recovery of our electronic records. Managed Solution is also responsible for monitoring, maintaining and managing our network and overall IT infrastructure, and administers and maintains the Backup Data and Recovery System which is a comprehensive backup solution for our mission critical servers. The firm reviews its policy on a quarterly basis, and updates and revises it whenever a significant event or regulation determines its inclusion. Chandler, with the assistance of Managed Solution, conducts annual tests of our backup services. Additionally, all employees of Chandler are required to attest that they have reviewed the procedures described within the policy.

Cybersecurity/Data Security - We recognize the critical importance of safeguarding clients' personal information as well as the confidential and proprietary information of the firm and its employees. While recognizing that the very nature of cybercrime is constantly evolving, we conduct periodic assessments based on our firm's use of technology, third-party vendor relationships, reported changes in cybercrime methodologies, and in response to any attempted cyber incident, among other circumstances.

Chandler's comprehensive *Cybersecurity Policy* includes procedures that cover acceptable use by employees of Chandler's network resources, as well as data backup, data destruction, data encryption, security monitoring, vendor access and incident management. These policies and procedures are distributed to employees and appropriate employee training is conducted to ensure employee adherence to these policies and procedures. Chandler also appoints an outsourced Chief Information Officer to support oversight of IT and cybersecurity management and monitoring.

41. Provide any changes in terms and conditions from those set forth in this RFP that your firm requests or requires to be included in an agreement for this service.

We have reviewed the City's *Attachment C, Sample of Professional Services Agreement* and do not have any exceptions to the specifications, terms or conditions contained within this document. However, we respectfully request that the City consider Chandler's *Proposed Additional Terms*, which we have provided as **Appendix F.** This document contains additional provisions that relate specifically to our status as an SEC-registered investment adviser.

In addition, Section 4.4.3 of the *Agreement* requires insurance deductibles and self-insured retentions to be $100,000 or less. Our deductible for our professional liability insurance is higher than this because it is has a $20 million limit. We request that, if Chandler is chosen as the successful bidder, the City add language that if we need to disclose payment of this deductible or retention, that they can approve an amount over the stated $100,000.00. We have included our *Certificate of Liability* in **Appendix B,** for your review.

42. Briefly describe any additional feature, services, attributes or conditions which The City should consider in selection your firm.

Leveraging resources from across the firm, we provide advice and investment manager analysis while bringing clients a personalized and local perspective. In addition, Chandler distinguishes itself from its competition in several ways, and in all aspects of the relationship with its clients, not limited to its investment management capabilities.

- **We are experts in public agency investments.** The engagement team we are proposing have decades of experience in managing investments for cities. Moreover, Chandler's founder, CEO and other key investment professionals have worked as investment officers and finance directors of public agencies and have in-depth experience and knowledge of the issues public entities face in managing their assets effectively. Since 1988, Chandler has assisted public agency clients, including the City's neighboring municipalities, fulfill their fiduciary duty to their constituents by providing high quality fixed income portfolios in a risk-conscious framework that conform to all state laws and directives. The depth of our experience, expertise and consistent, repeatable investment process is evident in the performance of the investment strategies we have managed for almost three decades.
- **Commitment to client success.** We are dedicated to our role as fiduciaries to our clients, and strive to ease the responsibility and operational requirements needed to effectively invest the City's assets. Our comprehensive services provide transparency, excellent client service, and successful investment program outcomes. We commit the full resources of the firm to ensure your success.
- **Firm headquarters in California.** As an investment management firm headquartered in San Diego, Chandler's investment professionals are experts in California's investment landscape and possess significant expertise in structuring portfolios that adhere to California Government Code. Both investment professionals and client service team members will be highly accessible to the City and its staff, and we anticipate a high-level of in-person meetings and interactions, as well as timely updates to changes in legislature and best investment practices that are relevant to California public agencies.
- **Resources.** Our clients can count on our extensive research and analytical capabilities used to identify opportunities and minimize risk. Our access to market information in conjunction with our proprietary credit review process make our services uniquely qualified to address the City's investment needs. Additionally, our multi-step compliance process ensures that all trades conform to California Government Code, the City's investment policy, and the customized investment strategy that we will co-develop with City staff.
- **Chandler delivers consistent, stable, risk-adjusted returns over many market cycles.** Chandler's investment process focuses on risk management through tightly controlled duration, sector allocation, term structure, and security selection to differentiate our performance from that of our peer group. Our repeatable, disciplined investment process helps us identify when to alter our asset allocation to be either more or less conservative. An optimal term structure is based on our proprietary analysis and a probability-weighted forward-looking forecast of various interest rate scenarios that may occur at the six- to twelve-month horizon date.
- **Access to portfolio managers.** Chandler offers its clients direct access to its lead portfolio managers and the back-up investment management team who are responsible for making the decisions for your portfolio, allowing for customization and flexibility to changes in your program. Your portfolio

management team will have a deep understanding of not only your investment portfolio, but also of where it fits in the overall program and its future objectives.

REFERENCES

Chandler Current Client References for the City of Pittsburg

Client	Contact Information	Served Since	AUM*	Type of Account(s)
City of Alameda 2263 Santa Clara Avenue, Rm. 220 Alameda, California 94501	Kevin Kennedy *City Treasurer* Ph: (510) 748-1898 Fax: (510) 748-1896	2002	$46 M	• Operating funds in 1-5 year strategy • Consolidated reports
Town of Danville 510 La Gonda Way Danville, California 94526	Joseph Calabrigo *Town Manager* Ph: (925) 314-3302 Fax: (925) 838-0797	1995	$74 M	• Operating funds in 1-3 year strategy • Bond proceeds in cash management strategy
City of Dublin 100 Civic Plaza Dublin, California 94568	Colleen Tribby *Admin. Svcs. Director* Ph: (925) 833-6654 Fax: (925) 833-8741	2013	$158 M	• Operating funds in 1-5 year strategy
City of Monterey 735 Pacific Street, Suite A Monterey, California 93940	Carol Bouchard *Asst. Finance Director* Ph: (831) 646-3958 Fax: (831) 655-0562	2008	$68 M	• Operating funds in 1-3 year strategy • Bond reserve funds in 1-5 year strategy
City of Orinda 22 Orinda Way Orinda California 94563	Paul Rankin *Finance Director* Ph: (925) 253-4224 Fax: (925) 254-2068	2015	$35 M	• Operating funds in 1-3 year strategy • Bond proceeds in cash management strategy
City of Tracy 333 Civic Center Plaza Tracy, California 95376	Raymond McCray *Treasurer* Ph: (209) 831-6843 Fax: (209) 831-6848	1999	$133 M	• Operating funds in 1-3 year strategy

**Chandler Asset Management Assets Under Management as of December 31, 2017.*

STATEMENT OF PAST CONTRACT DISOUALIFICATIONS

Chandler affirms that:

None of Chandler Asset Management's officers or employees have ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of the violation of law, a safety regulation, or for any other reason, including but not limited to financial difficulties, project delays, or disputes regarding work or product quality.

Chandler's staff who will be responsible for carrying out this Agreement have not, within the last two years, been convicted of any crime or pleaded nolo contendere or agreed to any consent decree with respect to any matter involving breach of trust or fiduciary duty or securities law violations.

Chandler Asset Management

Appendices

Appendix A

Form ADV, Parts 1 and 2

FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: CHANDLER ASSET MANAGEMENT INC **CRD Number: 107287**

Other-Than-Annual Amendment - All Sections **Rev. 10/2012**

7/27/2017 3:35:42 PM

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):
CHANDLER ASSET MANAGEMENT INC

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.:
CHANDLER ASSET MANAGEMENT INC

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of
☐ your legal name or ☐ your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-44378**
(2) If you report to the SEC as an *exempt reporting adviser*, your SEC file number:

E. If you have a number ("*CRD* Number") assigned by the *FINRA's CRD* system or by the IARD system, your *CRD* number: **107287**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

F. *Principal Office and Place of Business*

(1) Address (do not use a P.O. Box):

Number and Street 1:		Number and Street 2:	
6225 LUSK BOULEVARD			
City:	State:	Country:	ZIP+4/Postal Code:
SAN DIEGO	California	United States	92121-2796

If this address is a private residence, check this box: ☐

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to

which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.

(2) Days of week that you normally conduct business at your *principal office and place of business:*

◉ Monday - Friday ○ Other:
Normal business hours at this location:
6:00 AM TO 5:00 PM

(3) Telephone number at this location:
858.546.3737

(4) Facsimile number at this location:
858.546.3741

G. Mailing address, if different from your *principal office and place of business* address:

Number and Street 1:		Number and Street 2:	
City:	State:	Country:	ZIP+4/Postal Code:

If this address is a private residence, check this box: ☐

H. If you are a sole proprietor, state your full residence address, if different from your *principal office and place of business* address in Item 1.F.:

Number and Street 1:		Number and Street 2:	
City:	State:	Country:	ZIP+4/Postal Code:

	Yes	No
I. Do you have one or more websites?	◉	○

If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.

J. Provide the name and contact information of your Chief Compliance Officer: If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name:		Other titles, if any:	
NICOLE M. DRAGOO		CHIEF OPERATING OFFICER	
Telephone number:		Facsimile number:	
858.546.3737		858.546.3741	
Number and Street 1:		Number and Street 2:	
6225 LUSK BOULEVARD			
City:	State:	Country:	ZIP+4/Postal Code:
SAN DIEGO	California	United States	92121-2796

Electronic mail (e-mail) address, if Chief Compliance Officer has one:
NDRAGOO@CHANDLERASSET.COM

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name:		Titles:	
RHEA GUTIERREZ		COMPLIANCE OFFICER	
Telephone number:		Facsimile number:	
858.546.3737		858.546.3741	
Number and Street 1:		Number and Street 2:	
6225 LUSK BOULEVARD			
City:	State:	Country:	ZIP+4/Postal Code:
SAN DIEGO	California	United States	92121-2796

Electronic mail (e-mail) address, if contact person has one:
RGUTIERREZ@CHANDLERASSET.COM

	Yes	No
L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*?	◉	○

If "yes," complete Section 1.L. of Schedule D.

	Yes	No
M. Are you registered with a *foreign financial regulatory authority*?	○	◉

Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.

	Yes	No
N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934?	○	◉

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company):

	Yes	No
O. Did you have $1 billion or more in assets on the last day of your most recent fiscal year?	○	◉

P. Provide your *Legal Entity Identifier* if you have one:

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the *legal entity identifier* standard was still in development. You may not have a *legal entity identifier*.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1:		Number and Street 2:	
1875 LAWRENCE STREET		SUITE 920	
City:	State:	Country:	ZIP+4/Postal Code:
DENVER	Colorado	United States	80202

If this address is a private residence, check this box: ☐

Telephone Number:	Facsimile Number:
800.317.4747	303.295.0513

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1:		Number and Street 2:	
801 2ND AVENUE		SUITE 800	
City:	State:	Country:	ZIP+4/Postal Code:
SEATTLE	Washington	United States	98104

If this address is a private residence, check this box: ☐

Telephone Number:	Facsimile Number:
206-489-5610	206-489-5611

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1:		Number and Street 2:	
1800 PEMBROOK DR.		SUITE 300	
City:	State:	Country:	ZIP+4/Postal Code:
ORLANDO	Florida	United States	32810

If this address is a private residence, check this box: ☐

Telephone Number: 407-739-8797

Facsimile Number:

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Number and Street 1: 7250 REDWOOD BOULEVARD

Number and Street 2: SUITE 300

City: NOVATO

State: California

Country: United States

ZIP+4/Postal Code: 94945

If this address is a private residence, check this box: ☐

Telephone Number: 415.798.5586

Facsimile Number: 858.546.3741

SECTION 1.I. Website Addresses

List your website addresses. You must complete a separate Schedule D Section 1.I. for each website address.

Website Address: HTTP://WWW.CHANDLERASSET.COM

SECTION 1.L. Location of Books and Records

Complete the following information for each location at which you keep your books and records, other than your *principal office and place of business*. You must complete a separate Schedule D Section 1.L. for each location.

Name of entity where books and records are kept: CORODATA

Number and Street 1: 12370 KERRAN STREET

Number and Street 2:

City: POWAY

State: California

Country: United States

ZIP+4/Postal Code: 92064

If this address is a private residence, check this box: ☐

Telephone Number:
858.748.7202

Facsimile number:
858.748.9506

This is (check one):

- one of your branch offices or affiliates.
- a third-party unaffiliated recordkeeper.
- other.

Briefly describe the books and records kept at this location:
BROKERAGE CONFIRMS OLDER THAN 2 YEARS, CLIENT STATEMENTS, CLOSED ACCOUNT FILES, AND ARCHIVED ACCOUNTS PAYABLE RECORDS.

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

A. To register (or remain registered) with the SEC, you must check **at least one** of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

☑ (1) are a **large advisory firm** that either:

(a) has regulatory assets under management of $100 million (in U.S. dollars) or more, or

(b) has regulatory assets under management of $90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;

☐ (2) are a **mid-sized advisory firm** that has regulatory assets under management of $25 million (in U.S. dollars) or more but less than $100 million (in U.S. dollars) and you are either:

(a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or

(b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;

*Click **HERE** for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*

☐ (3) have your *principal office and place of business* **in Wyoming** (which does not regulate advisers);

☐ (4) have your *principal office and place of business* **outside the United States**;

☑ (5) are **an investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;

☐ (6) are **an investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least $25 million of regulatory assets under management;

☐ (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least $200,000,000 that qualifies for the exemption in rule 203A-2(a);

☐ (8) are a **related adviser** under rule 203A-2(b) that *controls*, is *controlled* by, or is under common *control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;

If you check this box, complete Section 2.A.(8) of Schedule D.

☐ (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;

If you check this box, complete Section 2.A.(9) of Schedule D.

☐ (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);

If you check this box, complete Section 2.A.(10) of Schedule D.

☐ (11) are an **Internet adviser** relying on rule 203A-2(e);

☐ (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;

If you check this box, complete Section 2.A.(12) of Schedule D.

☐ (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings* and State Reporting by *Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

Jurisdictions

☑ AL	☑ IL	☑ NE	☑ SC
☑ AK	☑ IN	☑ NV	☐ SD
☑ AZ	☐ IA	☑ NH	☑ TN
☑ AR	☑ KS	☑ NJ	☑ TX
☑ CA	☐ KY	☑ NM	☑ UT
☑ CO	☑ LA	☑ NY	☐ VT
☑ CT	☑ ME	☑ NC	☐ VI
☑ DE	☑ MD	☐ ND	☑ VA
☑ DC	☑ MA	☑ OH	☑ WA
☑ FL	☑ MI	☑ OK	☑ WV
☑ GA	☑ MN	☑ OR	☑ WI
☐ GU	☐ MS	☑ PA	☐ WY
☑ HI	☑ MO	☐ PR	
☑ ID	☐ MT	☑ RI	

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled* by, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser
801 -

SECTION 2.A.(9) Newly Formed Adviser

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- ☐ I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- ☐ I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- ☐ I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- ☐ I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- ☐ Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive *Order*

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:
803-

Date of *order*:

Item 3 Form of Organization

A. How are you organized?

- (●) Corporation
- ( ) Sole Proprietorship
- ( ) Limited Liability Partnership (LLP)
- ( ) Partnership
- ( ) Limited Liability Company (LLC)
- ( ) Limited Partnership (LP)
- ( ) Other (specify):

If you are changing your response to this Item, see Part 1A Instruction 4.

B. In what month does your fiscal year end each year?
DECEMBER

C. Under the laws of what state or country are you organized?

State	Country
California	United States

If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.

If you are changing your response to this Item, see Part 1A Instruction 4.

Item 4 Successions

		Yes	No
A.	Are you, at the time of this filing, succeeding to the business of a registered investment adviser?	○	◉

If "yes", complete Item 4.B. and Section 4 of Schedule D.

B. Date of Succession: (MM/DD/YYYY)

If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.

SECTION 4 Successions

No Information Filed

Item 5 Information About Your Advisory Business - Employees, Clients, and Compensation

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

Employees

If you are organized as a sole proprietorship, include yourself as an employee in your responses to Item 5.A. and Items 5.B.(1), (2), (3), (4), and (5). If an employee performs more than one function, you should count that employee in each of your responses to Items 5.B.(1), (2), (3), (4), and (5).

A. Approximately how many *employees* do you have? Include full- and part-time *employees* but do not include any clerical workers.

30

B. (1) Approximately how many of the *employees* reported in 5.A. perform investment advisory functions (including research)?

16

(2) Approximately how many of the *employees* reported in 5.A. are registered representatives of a broker-dealer?

0

(3) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives*?

16

(4) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives* for an investment adviser other than you?

0

(5) Approximately how many of the *employees* reported in 5.A. are licensed agents of an insurance company or agency?

0

(6) Approximately how many firms or other *persons* solicit advisory *clients* on your behalf?

0

In your response to Item 5.B.(6), do not count any of your employees and count a firm only once – do not count each of the firm's employees that solicit on your behalf.

Clients

In your responses to Items 5.C. and 5.D. do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

C. (1) To approximately how many *clients* did you provide investment advisory services during your most recently completed fiscal year?

○ 0 ○ 1-10 ○ 11-25

○ 26-100 ◉ More than 100

If more than 100, how many?
(round to the nearest 100)
800

(2) Approximately what percentage of your *clients* are non-*United States persons*?

1%

D. *For purposes of this Item 5.D., the category "individuals" includes trusts, estates, and 401(k) plans and IRAs of individuals and their family members, but does not include businesses organized as sole proprietorships. The category "business development companies" consists of companies that have made an election pursuant to section 54 of the Investment Company Act of 1940. Unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, check "None" in response to Item 5.D.(1)(d) and do not check any of the boxes in response to Item 5.D.(2)(d).*

(1) What types of *clients* do you have? Indicate the approximate percentage that each type of *client* comprises of your total number of *clients*. If a *client* fits into more than one category, check all that apply.

	None	Up to 10%	11-25%	26-50%	51-75%	76-99%	100%
(a) Individuals (other than *high net worth individuals*)	○	○	◉	○	○	○	○
(b) *High net worth individuals*	○	○	○	◉	○	○	○
(c) Banking or thrift institutions	○	◉	○	○	○	○	○
(d) Investment companies	○	◉	○	○	○	○	○
(e) Business development companies	◉	○	○	○	○	○	○
(f) Pooled investment vehicles (other than investment companies)	◉	○	○	○	○	○	○
(g) Pension and profit sharing plans (but not the plan participants)	○	◉	○	○	○	○	○
(h) Charitable organizations	○	◉	○	○	○	○	○
(i) Corporations or other businesses not listed above	○	◉	○	○	○	○	○
(j) State or municipal *government entities*	○	○	○	◉	○	○	○
(k) Other investment advisers	◉	○	○	○	○	○	○
(l) Insurance companies	◉	○	○	○	○	○	○
(m) Other: HOSPITALS	○	◉	○	○	○	○	○

(2) Indicate the approximate amount of your regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If a *client* fits into more than one category, check all that apply.

	None	Up to 25%	Up to 50%	Up to 75%	>75%
(a) Individuals (other than *high net worth individuals*)	○	◉	○	○	○

(b) *High net worth individuals*	○	●	○	○	○
(c) Banking or thrift institutions	○	●	○	○	○
(d) Investment companies	○	●	○	○	○
(e) Business development companies	●	○	○	○	○
(f) Pooled investment vehicles (other than investment companies)	●	○	○	○	○
(g) Pension and profit sharing plans (but not the plan participants)	○	●	○	○	○
(h) Charitable organizations	○	●	○	○	○
(i) Corporations or other businesses not listed above	○	●	○	○	○
(j) State or municipal *government entities*	○	○	○	○	●
(k) Other investment advisers	●	○	○	○	○
(l) Insurance companies	●	○	○	○	○
(m) Other: HOSPITALS	○	●	○	○	○

Compensation Arrangements

E. You are compensated for your investment advisory services by (check all that apply):

- [x] (1) A percentage of assets under your management
- [x] (2) Hourly charges
- [ ] (3) Subscription fees (for a newsletter or periodical)
- [x] (4) Fixed fees (other than subscription fees)
- [ ] (5) Commissions
- [ ] (6) *Performance-based fees*
- [ ] (7) Other (specify):

Item 5 Information About Your Advisory Business - Regulatory Assets Under Management

Regulatory Assets Under Management

	Yes	No
F. (1) Do you provide continuous and regular supervisory or management services to securities portfolios?	●	○

(2) If yes, what is the amount of your regulatory assets under management and total number of accounts?

	U.S. Dollar Amount	Total Number of Accounts
Discretionary:	(a) $ 10,929,700,528	(d) 900
Non-Discretionary:	(b) $ 1,952,208,611	(e) 64
Total:	(c) $ 12,881,909,139	(f) 964

Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management. You must follow these instructions carefully when completing this Item.

Item 5 Information About Your Advisory Business - Advisory Activities

Advisory Activities

G. What type(s) of advisory services do you provide? Check all that apply.

- ☐ (1) Financial planning services
- ☑ (2) Portfolio management for individuals and/or small businesses
- ☑ (3) Portfolio management for investment companies (as well as "business development companies" that have made an election pursuant to section 54 of the Investment Company Act of 1940)
- ☐ (4) Portfolio management for pooled investment vehicles (other than investment companies)
- ☑ (5) Portfolio management for businesses (other than small businesses) or institutional *clients* (other than registered investment companies and other pooled investment vehicles)
- ☐ (6) Pension consulting services
- ☐ (7) Selection of other advisers (including *private fund* managers)
- ☐ (8) Publication of periodicals or newsletters
- ☐ (9) Security ratings or pricing services
- ☐ (10) Market timing services
- ☐ (11) Educational seminars/workshops
- ☑ (12) Other(specify): CONSULTING

Do not check Item 5.G.(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, including as a subadviser. If you check Item 5.G.(3), report the 811 or 814 number of the investment company or investment companies to which you provide advice in Section 5.G.(3) of Schedule D.

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

- ○ 0
- ○ 1 - 10
- ○ 11 - 25
- ○ 26 - 50
- ○ 51 - 100
- ○ 101 - 250
- ○ 251 - 500
- ○ More than 500

If more than 500, how many?
(round to the nearest 500)

In your responses to this Item 5.H., do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

I. If you participate in a *wrap fee program*, do you (check all that apply):

- ☐ (1) *sponsor* the *wrap fee program*?
- ☑ (2) act as a portfolio manager for the *wrap fee program*?

If you are a portfolio manager for a wrap fee program, list the names of the programs and their sponsors in Section 5.I.(2) of Schedule D.

If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients, or you advise a mutual fund that is offered through a wrap fee program, do not check either Item 5.I.(1) or 5.I.(2).

		Yes	No
J.	In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?	◉	○

SECTION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies

If you check Item 5.G.(3), what is the SEC file number (811 or 814 number) of each of the registered investment companies and business development companies to which you act as an adviser pursuant to an advisory contract? You must complete a separate Schedule D Section 5.G.(3) for each registered investment company and business development company to which you act as an adviser.

SEC File Number 811-22507

SECTION 5.I.(2) *Wrap Fee Programs*

If you are a portfolio manager for one or more *wrap fee programs*, list the name of each program and its *sponsor*. You must complete a separate Schedule D Section 5.I.(2) for each *wrap fee program* for which you are a portfolio manager.

Name of *Wrap Fee Program*
MANAGED ACCOUNTS SELECT

Name of *Sponsor*
CHARLES SCHWAB CORPORATION

Name of *Wrap Fee Program*
SEPARATELY MANAGED ACCOUNTS (SMA) PROGRAM

Name of *Sponsor*
ENVESTNET ASSET MANAGEMENT, INC.

Name of *Wrap Fee Program*
UNIFIED MANAGED ACCOUNTS ("UMA") PROGRAM

Name of *Sponsor*
ENVESTNET

Item 6 Other Business Activities

In this Item, we request information about your firm's other business activities.

A. You are actively engaged in business as a (check all that apply):

- ☐ (1) broker-dealer (registered or unregistered)
- ☐ (2) registered representative of a broker-dealer
- ☐ (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- ☐ (4) futures commission merchant
- ☐ (5) real estate broker, dealer, or agent
- ☐ (6) insurance broker or agent
- ☐ (7) bank (including a separately identifiable department or division of a bank)
- ☐ (8) trust company
- ☐ (9) registered municipal advisor
- ☐ (10) registered security-based swap dealer
- ☐ (11) major security-based swap participant
- ☐ (12) accountant or accounting firm
- ☐ (13) lawyer or law firm
- ☐ (14) other financial product salesperson (specify):

If you engage in other business using a name that is different from the names reported in Items 1.A. or 1.B, complete Section 6.A. of Schedule D.

			Yes	No
B.	(1)	Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)?	○	◉
	(2)	If yes, is this other business your primary business?	○	○

If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that name.

			Yes	No
	(3)	Do you sell products or provide services other than investment advice to your advisory clients?	○	◉

If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that name.

SECTION 6.A. Names of Your Other Businesses

No Information Filed

SECTION 6.B.(2) Description of Primary Business

Describe your primary business (not your investment advisory business):

If you engage in that business under a different name, provide that name:

SECTION 6.B.(3) Description of Other Products and Services

Describe other products or services you sell to your *client*, You may omit products and services that you listed in Section 6.B.(2) above.

If you engage in that business under a different name, provide that name.

Item 7 Financial Industry Affiliations

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

A. This part of Item 7 requires you to provide information about you and your *related persons*, including foreign affiliates. Your *related persons* are all of your *advisory affiliates* and any *person* that is under common *control* with you.

You have a *related person* that is a (check all that apply):

- ☐ (1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered or unregistered)
- ☐ (2) other investment adviser (including financial planners)
- ☐ (3) registered municipal advisor
- ☐ (4) registered security-based swap dealer
- ☐ (5) major security-based swap participant
- ☐ (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- ☐ (7) futures commission merchant
- ☐ (8) banking or thrift institution
- ☐ (9) trust company
- ☐ (10) accountant or accounting firm
- ☐ (11) lawyer or law firm
- ☐ (12) insurance company or agency
- ☐ (13) pension consultant
- ☐ (14) real estate broker or dealer
- ☐ (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- ☐ (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

For each related person, including foreign affiliates that may not be registered or required to be registered in the United States, complete Section 7.A. of Schedule D.

You do not need to complete Section 7.A. of Schedule D for any related person if: (1) you have no business dealings with the related person in connection with advisory services you provide to your clients; (2) you do not conduct shared operations with the related person; (3) you do not refer clients or business to the related person, and the related person does not refer prospective clients or business to you; (4) you do not share supervised persons or premises with the related person; and (5) you have no reason to believe that your relationship with the related person otherwise creates a conflict of interest with your clients.

You must complete Section 7.A. of Schedule D for each related person acting as qualified custodian in connection with advisory services you provide to your clients (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.

SECTION 7.A. Financial Industry Affiliations

No Information Filed

Item 7 *Private Fund* Reporting

	Yes	No
B. Are you an adviser to any *private fund*?	○	◉

If "yes," then for each private fund that you advise, you must complete a Section 7.B.(1) of Schedule D, except in certain circumstances described in the next sentence and in Instruction 6 of the Instructions to Part 1A. If another adviser reports this information with respect to any such private fund in Section 7.B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that private fund. You must, instead, complete Section 7.B.(2) of Schedule D.

In either case, if you seek to preserve the anonymity of a private fund client by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the private fund in Section 7.B.(1) or 7.B.(2) of Schedule D using the same code or designation in place of the fund's name.

SECTION 7.B.(1) *Private Fund* Reporting

No Information Filed

SECTION 7.B.(2) *Private Fund* Reporting

No Information Filed

Item 8 Participation or Interest in *Client* Transactions

In this Item, we request information about your participation and interest in your *clients*' transactions. This information identifies additional areas in which conflicts of interest may occur between you and your *clients*.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*, including foreign affiliates.

Proprietary Interest in *Client* Transactions

		Yes	No
A.	Do you or any *related person*:		
(1)	buy securities for yourself from advisory *clients*, or sell securities you own to advisory *clients* (principal transactions)?	○	●
(2)	buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory *clients*?	●	○
(3)	recommend securities (or other investment products) to advisory *clients* in which you or any *related person* has some other proprietary (ownership) interest (other than those mentioned in Items 8.A.(1) or (2))?	○	●

Sales Interest in *Client* Transactions

		Yes	No
B.	Do you or any *related person*:		
(1)	as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory *client* securities are sold to or bought from the brokerage customer (agency cross transactions)?	○	●
(2)	recommend purchase of securities to advisory *clients* for which you or any *related person* serves as underwriter, general or managing partner, or purchaser representative?	○	●
(3)	recommend purchase or sale of securities to advisory *clients* for which you or any *related person* has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)?	○	●

Investment or Brokerage Discretion

		Yes	No
C.	Do you or any *related person* have *discretionary authority* to determine the:		
(1)	securities to be bought or sold for a *client's* account?	●	○
(2)	amount of securities to be bought or sold for a *client's* account?	●	○
(3)	broker or dealer to be used for a purchase or sale of securities for a *client's* account?	●	○
(4)	commission rates to be paid to a broker or dealer for a *client's* securities transactions?	●	○
D.	If you answer "yes" to C.(3) above, are any of the brokers or dealers *related persons*?	○	●
E.	Do you or any *related person* recommend brokers or dealers to *clients*?	●	○
F.	If you answer "yes" to E above, are any of the brokers or dealers *related persons*?	○	●
G. (1)	Do you or any *related person* receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with *client* securities transactions?	○	●
(2)	If "yes" to G.(1) above, are all the "soft dollar benefits" you or any *related persons* receive eligible "research or brokerage services" under section 28(e) of the Securities Exchange Act of 1934?	○	○

H. Do you or any *related person*, directly or indirectly, compensate any *person* for *client* referrals? ◉ ○

I. Do you or any *related person*, directly or indirectly, receive compensation from any *person* for *client* referrals? ○ ◉

In responding to Items 8.H and 8.I., consider all cash and non-cash compensation that you or a related person gave to (in answering Item 8.H) or received from (in answering Item 8.I) any person in exchange for client referrals, including any bonus that is based, at least in part, on the number or amount of client referrals..23 of 39

Item 9 Custody

In this Item, we ask you whether you or a *related person* has *custody* of *client* (other than *clients* that are investment companies registered under the Investment Company Act of 1940) assets and about your custodial practices.

		Yes	No
A. (1)	Do you have *custody* of any advisory *clients'*:		
	(a) cash or bank accounts?	○	◉
	(b) securities?	○	◉

If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have custody solely because (i) you deduct your advisory fees directly from your clients' accounts, or (ii) a related person has custody of client assets in connection with advisory services you provide to clients, but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)-(2)(d)(5)) from the related person.

(2) If you checked "yes" to Item 9.A.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which you have *custody*:

U.S. Dollar Amount	Total Number of *Clients*
(a) $	(b)

If you are registering or registered with the SEC and you have custody solely because you deduct your advisory fees directly from your clients' accounts, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). If your related person has custody of client assets in connection with advisory services you provide to clients, do not include the amount of those assets and number of those clients in your response to 9.A.(2). Instead, include that information in your response to Item 9.B.(2).

		Yes	No
B. (1)	In connection with advisory services you provide to *clients*, do any of your *related persons* have *custody* of any of your advisory *clients'*:		
	(a) cash or bank accounts?	○	◉
	(b) securities?	○	◉

You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).

(2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which your *related persons* have *custody*:

U.S. Dollar Amount	Total Number of *Clients*
(a) $	(b)

C. If you or your *related persons* have *custody* of *client* funds or securities in connection with advisory services you provide to *clients*, check all the following that apply:

(1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage. ☐

(2) An *independent public accountant* audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools. ☐

(3) An *independent public accountant* conducts an annual surprise examination of *client* funds and securities. ☐

(4) An *independent public accountant* prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities. ☐

If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report. (If you checked Item 9.C.(2), you do not have to list auditor information in Section 9.C. of Schedule D if you already provided this information with respect to the private funds you advise in Section 7.B.(1) of Schedule D).

D. Do you or your *related person(s)* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?	**Yes**	**No**
(1) you act as a qualified custodian	○	●
(2) your *related person(s)* act as qualified custodian(s)	○	●

If you checked "yes" to Item 9.D.(2), all related persons that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)) must be identified in Section 7.A. of Schedule D, regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.

E. If you are filing your *annual updating amendment* and you were subject to a surprise examination by an *independent public accountant* during your last fiscal year, provide the date (MM/YYYY) the examination commenced:

F. If you or your *related persons* have *custody* of *client* funds or securities, how many persons, including, but not limited to, you and your *related persons,* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients?*
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SECTION 9.C. *Independent Public Accountant*

No Information Filed

Item 10 Control Persons

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you.

If you are submitting an initial application or report, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C.

	Yes	No
A. Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies?	○	◉

If yes, complete Section 10.A. of Schedule D.

B. If any *person* named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D.

SECTION 10.A. *Control Persons*

No Information Filed

SECTION 10.B. Control Person Public Reporting Companies

No Information Filed

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

	Yes	No
Do any of the events below involve you or any of your *supervised persons*?	○	◉

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any *advisory affiliate*:	Yes	No
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any *felony*?	○	◉
(2) been *charged* with any *felony*?	○	◉

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.

B. In the past ten years, have you or any *advisory affiliate*:		
(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a *misdemeanor* involving: investments or an *investment-related* business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?	○	◉
(2) been *charged* with a *misdemeanor* listed in Item 11.B.(1)?	○	◉

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:	Yes	No
(1) *found* you or any *advisory affiliate* to have made a false statement or omission?	○	◉

(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of SEC or CFTC regulations or statutes? ○ ◉

(3) *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ○ ◉

(4) entered an *order* against you or any *advisory affiliate* in connection with *investment-related* activity? ○ ◉

(5) imposed a civil money penalty on you or any *advisory affiliate*, or *ordered* you or any *advisory affiliate* to cease and desist from any activity? ○ ◉

D. Has any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority*:

(1) ever *found* you or any *advisory affiliate* to have made a false statement or omission, or been dishonest, unfair, or unethical? ○ ◉

(2) ever *found* you or any *advisory affiliate* to have been *involved* in a violation of *investment-related* regulations or statutes? ○ ◉

(3) ever *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ○ ◉

(4) in the past ten years, entered an *order* against you or any *advisory affiliate* in connection with an *investment-related* activity? ○ ◉

(5) ever denied, suspended, or revoked your or any *advisory affiliate's* registration or license, or otherwise prevented you or any *advisory affiliate*, by *order*, from associating with an *investment-related* business or restricted your or any *advisory affiliate's* activity? ○ ◉

E. Has any *self-regulatory organization* or commodities exchange ever:

(1) *found* you or any *advisory affiliate* to have made a false statement or omission? ○ ◉

(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of its rules (other than a violation designated as a "*minor rule violation*" under a plan approved by the SEC)? ○ ◉

(3) *found* you or any *advisory affiliate* to have been the cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted? ○ ◉

(4) disciplined you or any *advisory affiliate* by expelling or suspending you or the *advisory affiliate* from membership, barring or suspending you or the *advisory affiliate* from association with other members, or otherwise restricting your or the *advisory affiliate's* activities? ○ ◉

F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended? ○ ◉

G. Are you or any *advisory affiliate* now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.? ○ ◉

<u>For "yes" answers to the following questions, complete a Civil Judicial Action DRP:</u>

H. (1) Has any domestic or foreign court: **Yes** **No**

(a) in the past ten years, enjoined you or any *advisory affiliate* in connection with any *investment-related* activity? ○ ◉

(b) ever *found* that you or any *advisory affiliate* were *involved* in a violation of *investment-related* statutes or regulations? ○ ◉

(c) ever dismissed, pursuant to a settlement agreement, an *investment-related* civil action brought against you or any *advisory affiliate* by a state or *foreign financial regulatory authority*? ○ ◉

(2) Are you or any *advisory affiliate* now the subject of any civil proceeding that could result in a "yes" answer to any part of Item 11.H.(1)? ○ ◉

Item 12 Small Businesses

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of "small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC **and** you indicated in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than $25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- *Control* means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to *control* the other *person*.

	Yes	No
A. Did you have total assets of $5 million or more on the last day of your most recent fiscal year?	○	○

If "yes," you do not need to answer Items 12.B. and 12.C.

B. Do you:		
(1) *control* another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of $25 million or more on the last day of its most recent fiscal year?	○	○
(2) *control* another *person* (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year?	○	○
C. Are you:		
(1) *controlled* by or under common *control* with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of $25 million or more on the last day of its most recent fiscal year?	○	○
(2) *controlled* by or under common *control* with another *person* (other than a natural person) that had total assets of $5 million or more on the last day of its most recent fiscal year?	○	○

Schedule A

Direct Owners and Executive Officers

1. Complete Schedule A only if you are submitting an initial application or report. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.
2. Direct Owners and Executive Officers. List below the names of:
   (a) each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer(Chief Compliance Officer is required if you are registered or applying for registration and cannot be more than one individual), director, and any other individuals with similar status or functions;
   (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);
   Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
   (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5% or more of your capital;
   (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
   (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.
3. Do you have any indirect owners to be reported on Schedule B? (•) Yes ( ) No
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.
5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are:

NA - less than 5%	B - 10% but less than 25%	D - 50% but less than 75%
A - 5% but less than 10%	C - 25% but less than 50%	E - 75% or more

7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
   (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
   (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	DE/FE/I	Status	Date Status Acquired MM/YYYY	Ownership Code	Control Person	PR	*CRD* No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.
CASSELL, MARTIN, DAYLE	I	CEO, CIO & SECRETARY	03/2003	C	Y	N	4330905
CHANDLER, MARY, CATHERINE	I	PRESIDENT	07/1993	C	Y	N	2276868

DRAGOO, NICOLE, MARIE	I	CHIEF COMPLIANCE OFFICER & CHIEF OPERATING OFFICER	01/2008	NA	Y	N	4263078
SCHMITT, JAYSON	I	EXECUTIVE VICE PRESIDENT, PORTFOLIO MANAGER	02/2004	NA	Y	N	4892847
PIORKOWSKI, TED, JAMES	I	SENIOR VICE PRESIDENT, SENIOR PORTFOLIO MANAGER	01/2007	NA	Y	N	1857510
CHANDLER ASSET MANAGEMENT, INC. EMPLOYEE STOCK OWNERSHIP PLAN & TRUST	DE	SHAREHOLDER	07/2017	C	Y	N	81-2142236

Schedule B

Indirect Owners

1. Complete Schedule B only if you are submitting an initial application. Schedule B asks for information about your indirect owners; you must first complete Schedule A, which asks for information about your direct owners. Use Schedule C to amend this information.
2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:
   (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;

   For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.

   (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
   (c) in the case of an owner that is a trust, the trust and each trustee; and
   (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.
3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.
4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.
5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).
6. Ownership codes are:
   - C - 25% but less than 50%
   - D - 50% but less than 75%
   - E - 75% or more
   - F - Other (general partner, trustee, or elected manager)
7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.
   (b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.
   (c) Complete each column.

FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name)	**DE/FE/I**	**Entity in Which Interest is Owned**	**Status**	**Date Status Acquired MM/YYYY**	**Ownership Code**	**Control Person**	**PR**	***CRD* No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No.**

CASSELL, MARTIN, DAYLE	I	CHANDLER ASSET MANAGEMENT, INC. EMPLOYEE STOCK OWNERSHIP PLAN & TRUST	TRUSTEE	07/2017	C	Y	N	4330905

Schedule D - Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

DRP Pages

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

Part 2

Exemption from brochure delivery requirements for SEC-registered advisers

SEC rules exempt SEC-registered advisers from delivering a firm brochure to some kinds of clients. If these exemptions excuse you from delivering a brochure to *all* of your advisory clients, you do not have to prepare a brochure.

	Yes	No
Are you exempt from delivering a brochure to all of your clients under these rules?	○	◉

If no, complete the ADV Part 2 filing below.

Amend, retire or file new brochures:

Brochure ID	Brochure Name	Brochure Type(s)
265489	FIRM BROCHURE_24 MARCH 2017	Individuals, High net worth individuals, Pension plans/profit sharing plans, Foundations/charities, Government/municipal, Other institutional, Other
280898	CHANDLER FIRM BROCHURE_27 JULY 2017	Individuals, High net worth individuals, Pension plans/profit sharing plans, Foundations/charities, Government/municipal, Other institutional, Wrap program

Execution Pages

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding*, or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature: MARTIN CASSELL	Date: MM/DD/YYYY 07/27/2017
Printed Name: MARTIN CASSELL	Title: CEO, CHIEF INVESTMENT OFFICER
Adviser *CRD* Number: 107287	

***NON-RESIDENT* INVESTMENT ADVISER EXECUTION PAGE**

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

1. Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint each of the Secretary of the SEC, and the Secretary of State or other legally designated officer, of any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept

service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of any state in which you are submitting a *notice filing*.

2. Appointment and Consent: Effect on Partnerships

If you are organized as a partnership, this irrevocable power of attorney and consent to service of process will continue in effect if any partner withdraws from or is admitted to the partnership, provided that the admission or withdrawal does not create a new partnership. If the partnership dissolves, this irrevocable power of attorney and consent shall be in effect for any action brought against you or any of your former partners.

3. *Non-Resident* Investment Adviser Undertaking Regarding Books and Records

By signing this Form ADV, you also agree to provide, at your own expense, to the U.S. Securities and Exchange Commission at its principal office in Washington D.C., at any Regional or District Office of the Commission, or at any one of its offices in the United States, as specified by the Commission, correct, current, and complete copies of any or all records that you are required to maintain under Rule 204-2 under the Investment Advisers Act of 1940. This undertaking shall be binding upon you, your heirs, successors and assigns, and any *person* subject to your written irrevocable consents or powers of attorney or any of your general partners and *managing agents*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the *non-resident* investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature: Date: MM/DD/YYYY

Printed Name: Title:

Adviser *CRD* Number:
107287

CHANDLER ASSET MANAGEMENT

ITEM 1	COVER PAGE

Part 2A of Form ADV: Firm Brochure

Chandler Asset Management, Inc.

6225 Lusk Boulevard
San Diego, CA 92121

Telephone: 858-546-3737
Email: Compliance@chandlerasset.com
Web Address: www.chandlerasset.com

July 27, 2017

This disclosure brochure (the "Brochure") provides information about the qualifications and business practices of Chandler Asset Management, Inc. ("Chandler"). If you have any questions about the contents of this Brochure, please contact us at 858-546-3737 or Compliance@chandlerasset.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the Securities and Exchange Commission does not imply any level of skill or training.

Additional information about Chandler and its investment adviser representatives is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by name or by a unique identifying number, known as a CRD number. Our firm's CRD number is 107287.

ITEM 2 MATERIAL CHANGES

This Firm Brochure, dated 07/27/2017, provides you with a summary of Chandler's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This item (Item 2) is used to provide our clients with a summary of new and/or updated information; we will inform you of the revision(s) based on the nature of the information as follows.

1. *Annual Update*: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end ("FYE") of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.

2. *Material Changes*: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location or disciplinary proceedings. We may also advise you of other changes based on the nature of the updated information.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 03/24/2017.

Item 4A – Firm Overview – Updated to reflect new ownership structure effective July 6, 2017. On July 6, 2017, Chandler implemented an Employee Stock Ownership Plan ("ESOP") which purchased 35% of the outstanding shares from Kay Chandler (the "Transaction"). Post-Transaction, the ESOP owns thirty-five percent (35%) of the outstanding shares of Chandler and Ms. Chandler owns thirty-three percent (33%) of the outstanding shares. Ms. Chandler's management responsibilities have not changed as a result of the Transaction and she continues to serve as the Chair of the Board and President of Chandler. Additionally, there are no changes to the day-to-day management of the Firm in connection with the Transaction.

Clients and prospective clients are strongly encouraged to review this Brochure very carefully.

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ITEM 4 ADVISORY BUSINESS

ITEM 4A: FIRM OVERVIEW

Chandler Asset Management, Inc. ("Chandler") is an SEC-registered investment adviser and employee-owned business enterprise with its principal place of business located in San Diego, California. Since 1988, Chandler has provided fixed income investment management services to the public sector, as well as to hospitals, foundations, endowments, individuals and corporations.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Chandler Asset Management, Inc Employee Stock Ownership Plan ("ESOP")
- Mary Catherine (Kay) Chandler, President
- Martin Dayle Cassell, CEO/CIO

ITEM 4B: TYPES OF ADVISORY SERVICES

Chandler offers the following advisory services, where appropriate, to certain institutional clients such as public agencies, hospitals and healthcare institutions, corporations or other business entities, foundations and endowments, pension and profit sharing plans, registered investment companies (mutual funds), higher education institutions, and non-institutional clients, such as individuals, high net worth individuals, trusts, estates and charitable organizations. The portfolio management services are offered to clients directly, and through wrap fee programs, sub-advisory relationships, and dual contract sponsored programs.

FIXED INCOME PORTFOLIO MANAGEMENT

Chandler specializes in fixed income portfolio management, utilizing a variety of investments, such as corporate debt securities (notes and bonds), municipal bonds, U.S. Government Treasury bonds, Government Sponsored Enterprise debt securities (agencies), mortgage backed securities, asset-backed securities and money market securities, i.e., commercial paper. Please refer to Item 8 for further information on our method of analysis and risks associated with this strategy.

GLOBAL ASSET ALLOCATION PORTFOLIO MANAGEMENT

Chandler also offers a Global Asset Allocation strategy to clients seeking to attain exposure to multiple asset classes. The Global Asset Allocation strategy provides exposure to a variety of global equity, fixed income and other asset classes through investment in indexed or actively managed mutual funds and exchange-traded funds (ETFs). Please refer to Item 8 for further information on our method of analysis and risks associated with this strategy.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as analysis of a client's existing portfolio, including delivery of a report or periodic reports of performance and recommended rebalancing of assets, review of investment policy, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer. These recommendations are of a generic nature.

ITEM 4C: TAILORING ADVISORY SERVICES OFFERED DIRECTLY TO CLIENTS

For direct services, each client will enter into a written agreement directly with Chandler for the management of certain assets. At the beginning of the client relationship, we have discussions with clients to determine their

overall investment goals in order to develop a specific investment policy for each client and confirm that the selected strategy meets their current needs. During our information gathering process, we review the client's individual objectives, time horizons, risk tolerance, liquidity needs and any investment restrictions they may want to place on the assets in their account. As appropriate, we also review and discuss a client's prior investment history, and any other relevant issues. While Chandler gathers this information from clients at the beginning of the relationship, clients are responsible for informing us of any changes to their guidelines, individual needs and/or restrictions and should do so promptly upon such change. We do not assume any responsibility for the accuracy of the information provided by the client.

Generally, we manage clients' advisory accounts on a discretionary basis, but will manage a client's account on a non-discretionary basis, if requested by a client. Please refer to Item 16 for further information on our discretionary authority of client accounts.

In addition to the types of securities utilized by Chandler for its Fixed Income and Global Asset Allocation advisory services outlined above, we may also provide advice on or manage other investments for clients, particularly when a client already has securities in his/her portfolio at the time the client opens an account with Chandler. These may include, but not be limited to:

- Exchange-listed securities
- Securities traded over-the-counter
- Certificates of deposit

Some types of investments involve certain additional degrees of risk; therefore, they will only be implemented or recommended when consistent with the client's stated investment goals, tolerance for risk, liquidity and suitability requirements. Please refer to Item 8 for further information on the risks associated with investments made in clients' accounts.

Clients will retain individual ownership of all securities at all times through their selected custodian.

Chandler provides investment management services to two investment companies (mutual funds) registered under the Investment Company Act of 1940, through an investment advisory arrangement ("Mutual Fund Clients"). Chandler manages the Mutual Fund Clients' portfolios based on each Fund's specific investment objectives and restrictions, as outlined in the Funds' prospectus and statement of additional information. These documents provide a complete description of the investment objective and risks pertaining to each Fund. Please refer to Items 5, 7, 8, 10, 11, 12 & 17 for further important disclosures regarding the Mutual Fund Clients, including but not limited information on the conflicts surrounding this arrangement and how Chandler addresses the conflicts.

ITEM 4D: SERVICES OFFERED THROUGH WRAP FEE PROGRAMS, SUB-ADVISORY ARRANGEMENTS AND DUAL CONTRACT SPONSORED PROGRAMS

Chandler may participate as an investment manager in selected wrap fee programs ("Wrap Programs"). Generally, under these programs a client enters into an agreement with the wrap program sponsor to provide the following services to such clients ("Wrap Clients"): a) assisting the Wrap Client in determining which investment strategy and investment manager best meet their goals and objectives, b) on-going monitoring of account performance, c) custodial services, and d) execution of account transactions. These services and the services provided by the investment manager are generally provided for one all-inclusive fee ("Wrap Fee"). From the Wrap Fee, the wrap program sponsor pays the investment manager (for example Chandler) for their services.

Currently, Chandler participates as an investment manager in the following Wrap Programs:

- Managed Accounts Select Program sponsored by Charles Schwab Corporation ("Schwab")
- Separately Managed Accounts ("SMA") Program sponsored by Envestnet Asset Management, Inc. ("Envestnet")
- Unified Managed Accounts ("UMA") Program sponsored by Envestnet.

For more details on these specific programs, clients should review the respective sponsor's Wrap Fee Program Brochure prior to investing.

In each of these programs, a representative of the program sponsor or an independent financial advisor will work with the Wrap Client to complete an investment questionnaire or other investment objective documentation and

determine the appropriate investment strategy and manager. While Chandler is not responsible for client suitability for the Wrap Program, we will perform a general review of the Wrap Client's investment objective documentation, if provided by the wrap sponsor, to help us ensure that our strategy selected by the Wrap Client appears suitable. Participation in these wrap programs is subject to account minimums specified in the respective Wrap Fee Program Brochure. Depending on the selected program, these minimums may range from $150,000 to $500,000.

Chandler may also enter into selected sub-advisory arrangements or participate as a manager in selected dual contract sponsored programs. In such instances, Chandler typically provides advisory services to a client under a sub-advisory arrangement with an unaffiliated registered investment adviser ("RIA"), or under an investment management agreement with an advisory client who also has an advisory agreement with an unaffiliated RIA or financial consultant intermediary. Chandler may or may not have a service agreement with the sponsor of a dual-contract program. With the exception of certain pre-existing fixed income portfolio management clients, typically Chandler is granted full investment discretion (subject to limitations on the firm's discretion to select broker-dealers for portfolio transactions, as discussed below) and manages a client's portfolio based on the individual needs of that client, as communicated through the sponsor, the RIA or other designated intermediary. The relevant information is submitted to Chandler and a determination is made as to whether participation in this program is appropriate for the client. On an ongoing basis, the participating client's financial consultant is responsible for obtaining and communicating to us any changes in the client's financial circumstances and/or objectives, including modifications to any client-imposed restrictions, if applicable.

Currently Chandler provides investment management services as an investment manager in the following dual-contract or sub-advisory sponsored programs:

- Charles Schwab Corporation ("Schwab") Market Place
- Fidelity Investments ("Fidelity") Separate Account Network
- TD Ameritrade Institutional ("TDAI") Separate Account Exchange
- Merrill Lynch ("ML") Managed Account Services
- FDx Advisors Inc. ("FDxA") Folio Dynamix Advisory Services Program ("Folio Dynamix Program")

ITEM 4E: ASSETS UNDER MANAGEMENT

Assets Under Management
As of December 31, 2016

	Discretionary	Non-Discretionary	Total
Assets Managed	$10,929,700,528	$1,952,208,611	$12,881,909,139

ITEM 5 FEES AND COMPENSATION

ITEM 5A: FEE SCHEDULES

The annual fee for non-wrap fee client accounts is charged as a percentage of assets under management, according to the following schedules:

Fixed Income Portfolio Management for Institutional Accounts	
Assets Under Management	**Annual Asset Management Fee**
All Assets	0.15 of 1% (15 basis points)

A minimum of $10 million in assets under management is required for this service. This account size may be negotiable under certain circumstances. Chandler may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Global Asset Allocation Portfolio Management for All Accounts	
Assets Under Management	**Annual Asset Management Fee**
All Assets	0.40 of 1% (40 basis points)

A minimum of $1 million in assets under management is required for this service. This account size may be negotiable under certain circumstances. Chandler may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

FIXED INCOME PORTFOLIO MANAGEMENT FOR NON-INSTITUTIONAL ACCOUNTS; DUAL CONTRACT SPONSORED PROGRAMS OR SUB-ADVISORY ARRANGEMENTS

Chandler's fees will vary with a maximum of 0.35 of 1% depending upon the program and strategy in which the client is participating. Chandler's fees for non-institutional clients will be paid quarterly in advance or arrears. Chandler's fees earned pursuant to dual contract programs or sub-advisory arrangements will be paid in accordance with the terms of each such program.

For non-institutional accounts (e.g., high net worth), a minimum of $1 million in assets under management is required for this service. For dual contract and sub-advisory relationships, account minimums may range from $150,000 to $500,000 depending on the program and the composition of the assets being managed. Account size may be negotiable under certain circumstances. Chandler may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

FIXED INCOME PORTFOLIO MANAGEMENT FOR WRAP FEE PROGRAMS

Chandler will be compensated through a portion of the total wrap fee charged by the program sponsor (with Chandler's fees ranging up to a maximum of 0.35 of 1%. The all-inclusive wrap fee collected by a wrap sponsor includes Chandler's advisory fee. Chandler does not control the fees or the billing arrangements in any Wrap Program.

Chandler is paid its fees for Schwab's Managed Accounts Select Program monthly, in arrears, while our fees for Envestnet's SMA and UMA Programs are paid quarterly, in arrears. Fees paid for ML's Managed Account Services Program are paid quarterly in advance. The wrap sponsor pays Chandler its advisory fee on behalf of the Wrap Client. For a complete description of the fee arrangement, including billing practices, minimum account requirements and account termination provisions, clients should review the respective sponsors' Wrap Fee Program Brochure. Clients participating in these programs should also review important disclosures about Chandler's brokerage practices described in Item 12 below.

FIXED INCOME PORTFOLIO MANAGEMENT FOR RIC CLIENTS

Chandler is paid an annual investment management fee by each Mutual Fund Client, which is calculated daily based on the average daily net assets of each of the RIC client's portfolio assets and paid monthly in arrears. The fees range from 0.09 of 1% and go down to 0.06 of 1% dependent on the amount of net assets. Detailed management fee and related expense information are contained in the Funds' prospectus and statement of additional information, which should be read carefully before investing. No performance fees are charged to these funds.

CONSULTING SERVICES FEES

Chandler's Consulting Services fees will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Chandler's Consulting Services fees are calculated in one or both of two ways:

1. On a fixed fee basis, subject to the specific arrangement reached with the client; and/or
2. On an hourly basis, ranging up to $500.00 per hour. An estimate for the total hours is determined at the start of the advisory relationship.

The length of time it will take to complete Consulting Services will depend on the scope and terms of the engagement. Fees are due and payable upon completion of the Consulting Service or on an agreed upon payment schedule. A retainer may be requested upon completion of Chandler's fact-finding session with the client; however, advance payment will never exceed $1,200 for work that will not be completed within six months. There is no minimum fee for Chandler's Consulting Services.

GENERAL FEE INFORMATION PERTAINING TO NON-WRAP FEE CLIENT ACCOUNTS

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Chandler's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements and advisory fees may differ among clients.

Advisory Fees in General: Clients should note that similar advisory services may or may not be available from other registered investment advisers for similar or lower fees. Chandler's clients are not required to pay any start-up or closing fees; there are no penalty fees.

Termination of the Advisory Relationship: A client agreement entered into between a client and Chandler may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed in Item 5D below, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded to the client. In calculating a client's reimbursement of fees, we will pro rate to the effective date of termination on the basis of actual days elapsed.

Fee Calculation: Chandler's annual advisory fee charged to non-wrap clients is billed monthly or in some instances quarterly, in arrears, and is calculated based on the average market value of a client's account for the billing period using, including accrued interest. We will value securities or investments in the portfolio in a manner determined in good faith by us to reflect fair market value. Chandler uses an independent third-party pricing source to value client securities.

Limited Negotiability of Advisory Fees: Although Chandler has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a case-by-case basis. Client facts, its circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, the assets to be placed under management, the anticipated future additional assets; the existence of any related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the written agreement between Chandler and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annual advisory fee.

Chandler reserves the right to reduce or waive advisory fees for services provided to related persons of the firm and their immediate family members. Such rates are not available to all of Chandler's advisory clients.

GENERAL FEE INFORMATION PERTAINING TO WRAP FEE CLIENT ACCOUNTS

Fee Calculation: Chandler's annual advisory fees charged to wrap fee program clients are calculated and billed by the respective program sponsor. As Chandler does not control the billing arrangements in these programs, clients should review the applicable disclosure documents for a comprehensive understanding of the fees charged and the billing practices of the program.

What services are covered by the Wrap Program fees? Wrap Program fees typically pay for our firm's advisory services to participating clients, administrative expenses, custody charges for clients' assets custodied at the Wrap Program's designated custodian and brokerage services for participating client accounts to the extent trades are conducted through the Wrap Program's designated broker-dealer.

What services are not covered by the Wrap Program fees? Wrap Program fees do not cover brokerage to the extent trades are conducted through brokers or dealers other than the designated broker or dealer and

custody charges if client assets are custodied anywhere other than the designated custodian. The program fees do not include expenses of mutual funds and electronically traded funds such as fund management fees charged to each fund's investors. Chandler's fixed income transactions are generally executed by the broker-dealer on a net basis, which means the execution costs (*e.g.,* commissions) are included in the purchase or sale price of the security.

Wrap Fee Programs Fees: Clients participating in wrap fee programs may be charged various program fees in addition to the advisory fee charged by our firm. Clients should carefully evaluate such an arrangement to determine if the wrap fee paid for the services provided may or may not exceed the aggregate cost of such services if they were to be provided separately.

ITEM 5B: FEE PAYMENT

Generally, each non-wrap client's custodian debits Chandler's advisory fees from the client's account and pays such fee directly to us upon receipt of an invoice, unless otherwise arranged by the client. Clients entering into written agreements with Chandler have discretion over whether or not Chandler may directly debit fees from the client's account. Clients who do not permit direct debiting will be invoiced directly with payment due upon receipt of the invoice.

Sub-advisory and dual contract client agreements require the client to authorize the custodian to pay Chandler its advisory fees directly from the client's account, which will be paid in arrears in accordance with the terms of each such program.

Fees for Schwab's Managed Accounts Select Program are paid monthly, in arrears, while our fees for Envestnet's SMA and UMA's Programs are paid quarterly, in arrears. ML's Managed Account Services Program are paid quarterly in advance. All of these programs require a client to authorize the sponsor to deduct the fees directly from the client's account to pay Chandler. For a complete description of the fee arrangement including billing practices and account termination provisions for wrap fee programs, clients should review the respective sponsors' Wrap Fee Program Brochure.

ITEM 5C: OTHER FEES AND EXPENSES AND VALUATION POLICY

Mutual Fund Fees: All fees paid to Chandler for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders, with the exception of when clients invest in the mutual funds (Mutual Fund Clients) managed by Chandler. The fees and expenses charged by mutual funds and ETFs are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, 12b-1 fees and possible distribution or redemption fees. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. As outlined in Item 5.A above, Chandler receives fees for the management of the portfolio assets of the Mutual Fund Clients. From time to time, Chandler will recommend one or both of these mutual funds to clients for investment. For clients that invest in these mutual funds, Chandler will carve out those assets when calculating the client's investment management fee. Chandler does not receive any portion of any of the other fees charged by these mutual funds. However, Chandler does receive a benefit when a client invests in one or both of these mutual funds since it is paid management fees based on the assets in the Mutual Fund Clients' portfolios, which creates conflicts of interest. Please refer to Items 7, 8, 10, 11, 12 and 17 for additional information regarding the Mutual Fund Clients, including but not limited details of the conflicts surrounding this arrangement and how Chandler addresses the conflicts.

Importantly, clients should review both the fees charged by mutual funds and ETFs and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Except for the two Mutual Fund Clients, Chandler is not affiliated with any mutual funds or ETFs, does not share in the fees charged by mutual funds and ETFs, does not participate in the investment decisions regarding the portfolios of mutual funds and ETFs and is not liable with regard to such investments.

The fees and related expenses charged by mutual funds and ETFs can be found in the respective fund's prospectus and statement of additional information, which should be read carefully before investing.

Short Term Idle Cash Investment: Chandler may move some or all of the non-invested cash in a client's

account to a money market mutual fund that may generate an interest return. If the cash is invested through a mutual fund, there may be times when an affiliate of the client's custodian may be the manager of such fund and would receive separate management fees from the mutual fund. Chandler is not affiliated with any such custodian, does not share in that fee, does not participate in the investment decisions of the mutual fund portfolio and is not liable with regard to such investments.

Custodian and Broker Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer that effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Brochure for additional information.

From time to time, Chandler may recommend a custodian to clients who do not have an existing custodial relationship established. Among others, Chandler may recommend Union Bank, Bank of New York/Mellon, US Bank, Wells Fargo, Bank of America or Charles Schwab & Co. Some of these custodians may offer special pricing for institutional clients of Chandler. Chandler does not receive any compensation from the custodians we may refer our clients to. The rates offered will depend on the size of the assets or type of account. Clients retain full discretionary authority over the selection of the custodian to be used.

Valuation Policy: For all publicly traded securities held in clients' accounts, Chandler receives daily prices electronically from a third party provider, which are reviewed internally on a monthly basis by designated investment personnel. When it is believed that the price provided is not correct or for times when the third party does not provide a price, Chandler will obtain pricing from a different third party pricing source. This creates a conflict of interest since this practice could incentivize the designated investment personnel to select a pricing source that reflects a higher price per share for the security. To address this conflict, Chandler maintains detailed written policies and procedures regarding valuation of clients' securities, which includes among other things, a list of approved third party pricing vendors used by Chandler and reviews of price changes by the CIO and CCO.

For any security in a Mutual Fund Client's portfolio that needs to be fair valued, the portfolio manager or Chandler's CCO will immediately notify the Mutual Fund Client's CCO and follow the respective Fund's valuation policies and procedures. Further detail regarding the valuation policies and procedures of the Mutual Fund Clients is in the Funds' prospectus and statement of additional information.

ITEM 5D: PREPAID FEES

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of $1,200 more than six months in advance of services rendered.

Fees for ML's Manager Account Services Program are billed quarterly in advance. For a complete description of the fee arrangement, including billing practices and account termination provisions, clients should review the respective sponsors' Wrap Fee Program Brochure or other applicable disclosure document(s).

ITEM 5E: COMPENSATION FOR THE SALE OF SECURITIES OR INVESTMENT PRODUCTS

Chandler is not affiliated with any broker-dealers or mutual fund companies, and therefore we do not receive any compensation for the purchase or sale of securities or investment products used in client accounts.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Chandler does not charge performance-based fees (*i.e.,* fees calculated based on a share of capital gains on or capital appreciation of the client's assets or any portion of the client's assets).

Consequently, we do not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management).

ITEM 7 TYPES OF CLIENTS

Chandler provides advisory services to the following types of clients:

- State, local or other municipal government entities

- Healthcare institutions
- Higher education institutions
- Charitable organizations
- Pension and profit sharing plans (other than plan participants)
- Registered Investment Companies
- Individuals (other than high net worth individuals) only through Wrap and Dual Contract programs
- High net worth individuals
- Corporations or other business entities not listed above
- Retirement Accounts

As disclosed above in Item 5A of this Brochure, we have established certain initial minimum account asset requirements to maintain an account, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

ITEM 8A: METHODS OF ANALYSIS & INVESTMENT STRATEGIES

METHODS OF ANALYSIS

We may use all or a combination of the following methods of analysis in formulating our investment advice and/or managing client assets:

- ***Fundamental Analysis.*** We attempt to measure the intrinsic value of a security or a market sector by looking at broad economic and financial factors (including the overall economy, industry conditions, and the market's valuation of the security or market sector) to identify securities or market sectors that we believe are fairly valued or undervalued.

  Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the security.

- ***Technical Analysis.*** We analyze past market movements and may occasionally apply that analysis to choose the price at which we wish to purchase or sell a given security. While we may seek a specific price for a security, technical analysis is never the main determinant of our purchase or sell process.

  A risk in using technical analysis is that the methods or models we use may not result in the best price of a given day.

- ***Quantitative Analysis.*** We use quantitative analysis that may include mathematical analysis in an attempt to identify the impact of interest rate changes on individual securities and portfolios of securities. The results of our quantitative analysis are taken into consideration in the decision to buy or sell securities and in the management of portfolio characteristics.

  A risk in using quantitative analysis is that the methods or models used may be based on assumptions that prove to be incorrect.

- ***Qualitative Analysis***. We use qualitative analysis to evaluate individual securities, focusing on other non-quantifiable factors, such as quality of management, not readily subject to measurement, and incorporate that analysis into our security selection process.

  A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

- ***Asset Allocation.*** We generally focus on identifying an appropriate allocation of securities, maturities, market sectors and yield curve positioning suitable for the client's investment goals and risk tolerance.

  A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the allocation will change over time due to market move-

ments in the various sectors, which, if not corrected, may no longer be appropriate for the client's goals.

- ***Mutual Fund and/or ETF Analysis.*** In selecting mutual funds and ETFs for Global Asset Allocation portfolios, we look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We monitor the funds and ETFs in an attempt to determine if they continue to follow their stated investment strategy.

  A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, potentially increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis
Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell as well as other purchased or publicly-available sources of information about these securities are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

FIXED INCOME PORTFOLIO MANAGEMENT INVESTMENT STRATEGIES

We believe that a conservative, risk-averse approach to fixed income management will provide both steady incremental outperformance, and low relative volatility.

The disciplined process we employ in an effort to realize this philosophy is generally grounded in four key decisions:

- Constraint of portfolio duration within a narrow range relative to the benchmark in order to limit exposure to market risk
- Strategic allocations to key sectors to add value relative to the benchmark
- Active management of term structure to add value in different yield curve environments
- Security selection based on rigorous credit and relative value analysis and broad diversification of non-government issuers.

Within our fixed income strategy, we use the following sub-strategies in managing client accounts, provided that such sub-strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

- ***Duration Constraints.*** We adhere to a discipline of generally maintaining duration within a narrow band around benchmark duration in order to limit exposure to market risk. Our portfolio management team rebalances client portfolios to their current duration targets on a periodic basis.

  The risk of constraining duration is that the client may not participate fully in a large rally in bond prices.

- ***Sector Allocation.*** We allocate client assets to various sectors of the fixed income market, including US Treasury obligations, federal agency securities, corporate notes, mortgage-backed securities and others, based on our quantitative and qualitative analysis in order to manage client exposure to a given sector and to provide exposure to sectors we believe have good value.

  The risk of sector allocation is that clients may not participate fully in an increase in value in any specific sector.

- ***Security Selection.*** A proprietary credit evaluation process drives our security selection process. The system uses both internally and externally generated credit research to evaluate securities we are considering for purchase. Based on research we conduct internally, our Credit Committee selects

securities for our Approved list. The ultimate decision to purchase or sell a security is based on the firm's evaluation of the current price for the security.

The risk of security selection is that the methods of analysis employed will not provide accurate measurement of the risk association with each individual security.

- ***Long-term purchases.*** We purchase securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this sub-strategy when:
  - we believe the securities to be well valued, and/or
  - we want exposure to a particular asset class over time, regardless of the current projection for this class.

  A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our analysis is incorrect, a security may decline sharply in value before we make the decision to sell.

GLOBAL ASSET ALLOCATION PORTFOLIO MANAGEMENT INVESTMENT STRATEGIES

We invest in Global Asset Allocation portfolios for clients with certain objectives and risk tolerances. This strategy begins with assumptions that the firm develops about the expected long term performance of various asset classes including domestic and foreign stocks and bonds, real estate, commodities, cash and others. Based on the expected returns and risk characteristics of these asset classes, we prepare an asset allocation suitable for the individual client's objectives and risk tolerances. The investment vehicles that we currently employ for this strategy are mutual funds or exchange-traded funds (ETFs) that are designed to track market returns and volatilities.

The mutual funds or ETFs will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances.

Once the client's portfolio is in place, we rebalance it each quarter to the client's target allocation. On an annual basis, at a minimum, we review the costs and performance of our selected investment vehicles to ensure the funds or ETFs are performing as we expect.

The risks of this strategy include (1) that our analysis of long term return expectations will not be correct; (2) that the portfolios will not be properly rebalanced; (3) that the investment vehicles we employ will not track market returns and volatility as we expect. Detailed information on the risks associated with the investments made by the mutual funds or ETFs, will be outlined in each fund's prospectus.

ITEM 8B: MATERIAL RISKS

Risk of Loss. Securities investments are not guaranteed and a client may lose money on their investments. We ask that each client work with us to help us understand their tolerance for risk. Investors should be aware that investment prices may fluctuate as the securities are affected by economic and other factors. As a result, the value of your investment may increase or decrease. Bonds held to maturity will return the full par or face value amount to the bondholder at maturity (absent a default); however, those sold prior to maturity are subject to gain or loss depending on the market price at the time of sale.

The investment strategies for the two Mutual Fund Clients are very similar to strategies offered to other clients and have similar risks. Full details on the investment objectives and risks pertaining to the two mutual funds are outlined in the Funds' prospectus and statement of information. It is important for potential mutual fund shareholders to fully read these documents prior to investing.

For risks specific to a particular method of analysis or investment strategy, please see Item 8A above.

For risks specific to a particular type of security, please see Item 8C below.

ITEM 8C: RISKS ASSOCIATED WITH PARTICULAR TYPES OF SECURITIES USED

RISKS ASSOCIATED WITH FIXED INCOME SECURITIES

Chandler specializes in investment grade fixed income portfolio management. Despite the generally conservative nature of many fixed income investments, there are a variety of risks associated with fixed income investing.

Fixed income securities represent monies lent by investors to corporate and government institutions. Risks vary according to the type of fixed income investment purchased along with the general level of interest rates in the economy.

The risks most commonly associated with fixed income securities are:

- **Market Risk:** The price of the security may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.

- **Interest Rate Risk**: The risk that the value of an interest-bearing investment will change due to changes in the general level of interest rates in the market. The market value of a bond fluctuates inversely to the change in interest rates; that is, as interest rates rise, bond prices fall and vice versa.

  Interest rate risk is commonly measured by a bond's duration; the greater a bond's duration, the greater the impact on price of a change in interest rates. Investors may incur a gain or loss from bonds sold prior to the final maturity date.

- **Credit Risk**: The risk that principal and/or interest on a fixed income investment will not be paid in a timely manner or in full due to changes in the financial condition of the issuer. Generally, the higher the perceived credit risk, the higher the rate of interest investors will receive on their investment.

  Many bonds are rated by a third party Nationally Recognized Statistical Rating Organization (NRSRO), for example, Moody's Investor Services or Standard & Poor's Inc. While ratings may assist investors to determine the creditworthiness of the issuer, they are not a guarantee of performance.

- **Reinvestment Risk**: The risk that interest and principal payments from a bond will be reinvested at a lower yield than that received on the original bond. During periods of declining interest rates, bond payments may be invested at lower rates; during periods of rising rates, bond payments may be invested at higher rates.

- **Call Risk**: The risk that a bond will be called by its issuer. A callable bond has a provision which allows the issuer to purchase the bond back from the bondholders at a predetermined price. Generally, issuers call bonds when prevailing rates are lower than the cost of the outstanding bond. Call provisions allow an issuer to retire high-rate bonds on a predefined call schedule.

- **Prepayment Risk**: Some types of bonds are subject to prepayment risk. Similar to call risk, prepayment risk is the risk that the issuer of a security will repay principal prior to the bond's maturity date, thereby changing the expected payment schedule of the bonds.

  Prepayment risk is particularly prevalent in the mortgage-backed bond market, where a drop in interest rates can trigger loan holders to pre-pay their mortgages. When investors in a bond comprised of the underlying pool of mortgages receives his or her principal back sooner than expected, they may be forced to reinvest at prevailing, lower rates.

- **Liquidity Risk**: The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in a wide bid-ask spread or large price movements.

- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Opportunity Cost Risk**: The risk that an investor may forego profits or returns from other investments.

RISKS ASSOCIATED WITH MUTUAL FUNDS AND ETFS

As discussed in further detail in Item 4B above, Chandler also offers a Global Asset Allocation strategy to clients seeking to attain balanced returns. This strategy provides exposure to various equity, fixed income and other asset classes through investments in indexed or actively managed mutual funds, and exchange traded funds ("ETFs").

With the exception of the Mutual Fund Clients, Chandler is not affiliated with any such mutual fund or ETF company, does not share in any fees charged by a mutual fund or ETF and does not participate in any investment decisions relating to the management of a mutual fund or ETF portfolio.

Mutual Funds

A mutual fund is a company that pools money from many investors and invests the money in different securities or assets based on the investment strategy or goals of the particular fund. Each share of a mutual fund represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate.

The risks most commonly associated with mutual funds are:

- **Market Volatility**: Investment returns will fluctuate and are subject to market volatility, so that a client's shares, when redeemed or sold, may be worth more or less than their original cost. Past performance is no guarantee of future results.
- **Tracking Error for Index Funds**: Index mutual funds seek to track the returns of a market benchmark such as the S&P 500 index, by holding the same securities or a representative sample. A risk of using index mutual funds is that the fund may not be able to track its benchmark closely creating the potential for lower returns than the benchmark.
- **Lack of Control/Transparency**: Clients typically are not given the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- **Price Uncertainty**: With an individual stock, a client can obtain real-time pricing information with relative ease by either checking financial websites or by calling a broker. With a mutual fund, the price at which a client purchases or redeems shares will typically depend on the fund's NAV, which the fund might not calculate until many hours after a client has placed their order. Mutual funds generally calculate their NAV at least once per business day.
- **International Risk**: Chandler invests in Mutual Funds offered by US based fund companies that invest in non-US companies and markets, which entail additional risks. Non-US markets may be more volatile due to a variety of factors including, less liquidity, transparency and oversight of companies or assets. Values of non-US investments may fluctuate due to changes in currency exchange rates. Non-US companies are also subject to risks that come with political and economic stability that may affect their respective countries. These risks may be greater in emerging market countries.

Exchange-Traded Funds (ETFs)

ETFs are investment funds that trade on stock exchanges much like stocks and will fluctuate in market value. ETFs also may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns. Additionally, frequent trading of ETFs could significantly increase commissions and other costs such that they may offset any savings from low fees or costs.

Equity based ETFs are subject to risks similar to those of stocks and fixed income ETFs are subject to risks similar to those of bonds.

The risks most commonly associated with ETF securities are:

- **Market Volatility**: Investment returns will fluctuate and are subject to market volatility, so that a client's shares, when redeemed or sold, may be worth more or less than their original cost. Past performance is no guarantee of future results.
- **Tracking Error for Index ETFs**: Index ETFs seek to track the returns of a market benchmark such as S&P 500 index, by holding the same securities or a representative sample. A risk of using index ETFs is that the fund may not be able to track its benchmark closely creating the potential for lower returns than the benchmark.

- **Lack of Control/Transparency**: Clients typically are not given the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- **Liquidity Risk**: The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in a wide bid-ask spread or large price movements.
- **International Risk**: Chandler invests in ETFs offered by US based fund companies that invest in non-US companies and markets, which entail additional risks. Non-US markets may be more volatile due to a variety of factors including, less liquidity, transparency and oversight of companies and assets. Values of non-US investments may fluctuate due to changes in currency exchange rates. Non-US companies are also subject to risks that come with political and economic stability that may affect their respective countries. These risks may be greater in emerging market countries.

Chandler does not represent, guarantee or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines.

ITEM 9 DISCIPLINARY INFORMATION

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Neither our firm nor our Management Persons have any reportable disciplinary events to disclose.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations, except as described below.

As described in Item 4 and 5 above, Chandler serves as the investment manager to two Mutual Fund Clients. There are times when Chandler will recommend one or both of these mutual funds to Chandler clients, which creates a conflict of interest that is mainly due to the fact that Chandler receives a benefit since they are paid a management fee by the Mutual Fund Clients. Importantly, as part of Chandler's fiduciary duty to clients, Chandler and its representatives will endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by this practice are disclosed to clients in writing at the time of entering into an advisory agreement through delivery of this Disclosure Brochure and other written disclosure document(s). Clients are not obligated to implement recommended transactions through Chandler, and have the option to decline such recommendation. Please also refer to Items 7, 8, 11, 12, & 17 for further information.

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

ITEM 11A: CODE OF ETHICS

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Chandler and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement), an initial public offering and certain other securities. Our Code also provides

for oversight, enforcement and recordkeeping provisions.

Chandler's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are periodically reminded that such information may not be used in a personal or professional capacity.

Our Code of Ethics is distributed to all supervised persons of Chandler whenever revisions are made or no less frequently than annually, at which time all employees are required to provide a written acknowledgement and attestation of their intent to abide by Chandler's Code provisions.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to Compliance@chandlerasset.com, or by calling us at 858-546-3737.

ITEM 11B: PRINCIPAL TRADING AND AGENCY CROSS TRADING

Chandler and individuals associated with our firm are prohibited from engaging in principal transactions. Chandler and individuals associated with our firm are prohibited from engaging in agency cross transactions.

ITEM 11C: PERSONAL TRADING

Chandler and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a security(ies) which may also be recommended to a client.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients, and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. It is also designed to help prevent employees from benefiting from transactions placed on behalf of advisory clients.

For additional information on how we address the conflicts of interest that arise in connection with personal trading, please see Item 11D below.

ITEM 11D: PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

From time to time, Chandler will aggregate trades for our self or our employees with client transactions, including Mutual Fund Clients, where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular aggregated order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be excluded in such a pro-rata allocation.

Because the situations outlined above represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. No principal or employee may benefit from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO, private placement investments and certain other securities by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or designee.

6. We have established procedures for the maintenance of all required books and records.
7. Clients may decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person (as defined by the Code) of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions may be subject to sanctions, which may include termination of employment.

ITEM 12 BROKERAGE PRACTICES

ITEM 12A: BROKER-DEALER SELECTION, COMPENSATION & TRADE AGGREGATION

FIXED INCOME & GLOBAL ASSET ALLOCATION PORTFOLIO MANAGEMENT

Chandler requires discretionary clients to provide us with written authority to determine broker-dealer selection and commission costs that will be charged to these clients for transactions placed in their account(s).

Broker-dealers are selected by Chandler on the basis of best execution, a combination of most favorable price and the quality of execution. In selecting a broker to execute a transaction for a client, Chandler may consider a variety of other factors, including (but not limited to) the following:

- the broker-dealer's capital depth;
- the broker-dealer's market access;
- the nature of the security or instrument being traded;
- the size and type of transaction;
- the nature and character of the markets for the security or instrument to be purchased or sold;
- the desired timing of the transaction;
- the execution, clearance and settlement capabilities of the broker-dealer selected and others considered;
- the reputation and perceived soundness of the broker-dealer and others considered;
- Chandler's knowledge of any actual or apparent operational problems with the broker-dealer; and
- the reasonableness of the commission for specific transactions.

While Chandler generally seeks competitive commission rates and dealer spreads, it may not necessarily pay the lowest commission. Transactions may involve specialized services on the part of the broker-dealer and thereby justify higher commissions than would be the case with other transactions requiring more routine services.

In regard to commission rates paid, Chandler's fixed income transactions are generally executed by the broker-dealer on a net basis, which means the execution costs (*e.g.,* commissions) are included in the purchase or sale price of the security. Equity and ETF transactions will be charged commissions.

FIXED INCOME PORTFOLIO MANAGEMENT IN WRAP FEE OR SUB-ADVISORY PROGRAMS

Managed Accounts Select Program

Chandler participates in the Schwab Institutional ("SI") services program offered to independent investment advisers by Charles Schwab & Company, Inc. (Schwab), a FINRA registered broker-dealer unaffiliated with Chandler. Wrap fee clients participating in this program are required to utilize Schwab as the custodian for their assets managed within the program. As part of the SI program, Chandler receives benefits that it would not

receive if it did not offer investment advice (See the disclosure under Item 12A.1 of this Brochure).

Chandler arranges for all securities transactions in wrap program accounts to be executed through the sponsoring party, subject to best execution considerations described above. If Chandler determines that best execution considerations require trading with brokers other than the sponsoring party, clients may incur additional trading costs. These costs are a factor in Chandler's best execution analysis.

Chandler has established a prime brokerage account relationship with Schwab through which it may purchase fixed income products directly from third parties for clients and maintain custody at Schwab. In this situation, Chandler will select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of brokerage costs, commissions and mark-up/mark-downs is based on the broker-dealer's ability to provide professional services, competitive execution, and other services that will help Chandler in providing investment management services to clients. Thus, for fixed income transactions, Chandler may request that it be provided with written authority to determine the broker-dealer to use for client fixed income transactions and the costs that will be incurred by clients for these transactions. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing.

Client trades in fixed income securities may be aggregated with transactions for other advisory clients to achieve better pricing and commission costs. Fixed income trades will be allocated on a pro-rata basis in the best interest of the client as set forth in Chandler's policy and procedures manual.

Envestnet Separately Managed and Unified Managed Accounts Programs
Chandler participates as a separate account manager in Envestnet's Separately Managed Accounts (SMA) and Unified Managed Accounts (UMA) Programs offered to independent investment advisers by Envestnet Asset Management, Inc., an SEC registered investment adviser unaffiliated with Chandler. SMA and UMA Program clients are required to utilize Charles Schwab & Company, JP Morgan, Pershing Advisor Solutions, or Fidelity as the custodian for their assets managed within the program.

Chandler arranges for all securities transactions in SMA and UMA program accounts through the sponsoring party subject to best execution considerations described above. If Chandler determines that best execution considerations require trading with brokers other than the sponsoring party or client custodian, clients may incur additional trading costs. These costs are a factor in Chandler's best execution analysis.

Folio Dynamix Advisory Services Program
Chandler participates as a separate account manager in the Folio Dynamix Advisory Services Program ("Folio Dynamix Program") offered to independent advisers by FDx Advisors Inc. ("FDxA"), an SEC registered investment adviser unaffiliated with Chandler. Clients participating in this program typically will be required to custody their assets managed within the program with a designated custodian.

For example, clients participating in the Folio Dynamix Program through Cetera Investment Management LLC and/or certain other affiliated investment adviser entities under common control (individually referred to as a Cetera Adviser and collectively as Cetera Advisers) are required to custody their program assets with Cetera Investment Services LLC as clearing broker or with a third party clearing broker mutually acceptable to Cetera Adviser, FDxA and Chandler.

Generally, Chandler arranges for all securities transactions in Folio Dynamix Program accounts through the sponsoring party subject to best execution considerations described above. If Chandler determines that best execution considerations require trading with brokers other than the sponsoring party or client custodian, clients may incur additional trading costs. These costs are a factor in Chandler's best execution analysis.

Mutual Fund Clients' Transactions
For transactions for the portfolios of the Mutual Fund Clients, Chandler places trades with brokers that the Firm believes can provide best execution and in accordance with each Fund's written policies and procedures regarding brokerage selection and soft dollars. Additional information regarding brokerage selection is outlined in the Funds' prospectus and statement of additional information and should be read carefully prior to investing.

ITEM 12A.1: RESEARCH AND OTHER SOFT DOLLAR BENEFITS

Chandler's soft dollar policy prohibits us from entering into third party soft dollar arrangements. The term Soft dollars generally refers to arrangements whereby a discretionary investment adviser is allowed to pay for and receive research, research-related or execution services from a broker-dealer or third-party provider, in addition to the execution of transactions, in exchange for the brokerage commissions from transactions for client accounts.

As disclosed in Item 4D of this Brochure, clients participating in the Schwab Managed Account Select wrap fee program are required to utilize Schwab as the custodian of their assets being managed within that program. Although participating clients are required to establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Chandler is independently owned and operated and not affiliated with Schwab.

Schwab Institutional provides Chandler with access to its institutional trading and operations services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors at no charge to them so long as a specified minimum, generally $10 million, of the advisor's clients' account assets are maintained at Schwab Institutional.

These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit Chandler but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- provide access to client account data (such as trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide research, pricing and other market data;
- facilitate payment of our fees from clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- compliance, legal and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Chandler. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest. However, Chandler has a fiduciary responsibility to always place client interests before our own and will only recommend Schwab to clients where we believe it would beneficial to those clients.

Additionally, when placing trades with brokers, there are times when Chandler places certain trades with a third party broker that is providing brokerage and research services to us ("Research Broker"). Brokerage and research services provided by Research Brokers can include, among other things, effecting securities transactions and performing services incidental thereto (such as clearance, settlement and custody) and

providing proprietary research (i.e., created by the Research Broker). The research can pertain to the economy, industries, sectors of securities, individual companies, statistical information, political and/or developments, credit and risk measurement, and/or performance analysis. In selecting a broker for trade placement, Chandler can place transactions with Research Brokers that charge commissions/transaction costs/mark-ups that are in excess of that which another broker might have charged for effecting the same transaction, in recognition of the value of the brokerage and/or research services provided by the broker. This practice is commonly referred to as "soft dollars" and is permissible under Section 28(e) of the Securities Exchange Act of 1934, so long as certain conditions are met. In some cases, the research provided by Research Brokers is not utilized by Chandler and in other cases, it can be used in servicing any or all of our clients. In other words, there can be certain client accounts that benefit from the research services, which did not make the payment of commissions/transaction costs/mark-ups to the Research Broker providing the services. This is allowed under Section 28(e); however the receipt of brokerage and research services from any broker executing transactions for our clients will not result in a reduction of our customary and normal research activities. Also, the receipt of this type of research can be deemed to be the receipt of an economic benefit by us, and although customary, creates a conflict of interest between Chandler and our clients. Therefore, we are providing these disclosures as we believe clients should understand the issues surrounding soft dollars. In addition, we only place trades where we feel best execution can be obtained, taking into consideration all factors surrounding the transaction and not just research received.

ITEM 12A.2: BROKERAGE FOR CLIENT REFERRALS

Chandler does not direct brokerage in exchange for client referrals.

ITEM 12A.3: DIRECTED BROKERAGE

Chandler's policy and practice is not to accept advisory clients' instructions for directing client's brokerage transactions, however from time to time, Chandler accepts written direction from a client regarding the use of a particular broker-dealer to execute some or all transactions for the client's account(s). In these circumstances, clients should understand that: (1) we do not negotiate specific brokerage commission rates with the broker on client's behalf, or may not seek better execution services or prices from other broker/dealers and, as a result, the client may pay higher commissions and/or receive less favorable net prices on transactions for their account than might otherwise be the case; (2) transactions for that account generally will be effected independently unless we decide to purchase or sell the same security for several clients at approximately the same time (block trade), in which case we may be able to include such client's transaction with that of other clients for execution if at the same broker; and (3) conflicts may arise between the client's interest in receiving best execution with respect to transactions effected for the account and Chandler's interest in receiving future client referrals from that broker. Therefore, prior to directing us to use a specific broker-dealer, clients should consider whether, under that restriction, execution, clearance and settlement capabilities, commission expenses and whatever amount is allocated to custodian fees, if applicable, would be comparable to those otherwise obtainable. Clients should understand that they might not obtain commissions rates as low as might otherwise be obtain if we had discretion to select other broker-dealers.

ITEM 12B: AGGREGATING CLIENT TRADES

Order aggregation is the process of adding together or "blocking" orders to purchase and sell the same security as one large order. Chandler will aggregate or "block" trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, including Mutual Fund Clients and in some cases, employees and other proprietary accounts so long as transaction costs are shared equally and on a pro-rata (or other fair and reasonable) basis between all accounts included in any such block.

Block trading may allow us to execute trades in a timelier, more equitable manner, at a better overall price.

Chandler may aggregate trades for itself or for its associated persons with client trades, providing that the following conditions are met:

1) Chandler's policies for the aggregation of transactions shall be fully disclosed in this Form ADV Part 2A and separately to Chandler's existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;

2) We will not aggregate transactions unless aggregation is consistent with our duty to seek best

execution and the terms of Chandler's investment advisory agreement with each client for which trades are being aggregated;

3) No participating account will be favored over any other account; each account that participates in an aggregated order will participate at the average price for all the aggregated order, with transaction costs shared pro-rata, when applicable, on each account's participation in the transaction;

4) Chandler will enter aggregated orders into Charles River, our Order Management System ("OMS"), specifying the participating accounts and how we intend to allocate the order among those accounts;

5) If the aggregated order is filled in its entirety, it will be allocated among participating accounts in accordance with the allocations entered into the OMS; if the order is partially filled, it will be allocated pro-rata based on the allocations entered into the OMS;

6) If the security is purchased from multiple dealers at different prices and is to be allocated among multiple accounts, it will be allocated using a weighted average method;

7) Allocations for an aggregated order should constitute no less than 0.50 of 1% (50 basis points) of a selected portfolio. If a proposed allocation would amount to less than 0.50 of 1% (50 basis points) of the selected portfolio, it may be allocated to a more appropriate account different from that specified in the OMS as long as all client accounts receive fair and equitable treatment and the reason for the different allocation is explained in a manner consistent with the procedures listed in number 8 herein;

8) Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the OMS if all client accounts receive fair and equitable treatment and the reason for the different allocation is explained in writing and is approved in writing by appropriate supervisory personnel no later than one hour after the opening of the markets on the trading day following the day the order was executed;

9) Chandler will receive no additional compensation of any kind as a result of the proposed aggregation;

10) Individual investment advice and treatment will be accorded to each advisory client.

11) Chandler's books and records will separately reflect, for each client account, the orders of which are aggregated, the securities held by, and bought and sold for that account.

12) Funds and securities for aggregated orders are clearly identified on Chandler's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

There may also be times when Chandler does not aggregate trades when we have an opportunity to do so. Portfolio managers may choose not to aggregate trades in the following situations:

- **Non-discretionary clients**: An advisory client electing not to grant investment discretionary authority to Chandler is advised that trades done in his/her account may be executed subsequent to trades effected in discretionary accounts due to the additional time involved in obtaining the required client approval prior to executing any trade in such non-discretionary client accounts. Consequently, we may not be able to aggregate these trades with other discretionary trades which may result in a difference in the price per share/bond of a given security and the commission rates paid.

- **Client direction**: While rare, an advisory client may choose not to have their trades aggregated or may have cash flow needs that prevent Chandler from aggregating a trade with other pending orders. Consequently, we may not be able to aggregate these client trades with other client trades which may result in a difference in the price per share/bond of a given security and the commission rates paid.

- **Portfolio Manager's discretion**: Portfolio managers may choose to trade certain strategies at the same time while waiting to trade others. The timing of the trades and determination of which strategy to trade is dependent on market conditions.

  Additionally, not all portfolio managers will trade their client accounts at the same time and there may be timing differences for trades executed by different portfolio managers. Accordingly, we may not be able to aggregate all trades executed independently by our different portfolio managers, which may result in a difference in the price per share/bond of a given security and the commission rates paid.

ITEM 13 ACCOUNT REVIEWS

ITEM 13A: PERIODIC ACCOUNT REVIEWS

FIXED INCOME & GLOBAL ASSET ALLOCATION PORTFOLIO MANAGEMENT

While the underlying securities within client accounts are continually monitored and reviewed at least monthly in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, liquidity requirements, credit analysis or the market, political or economic environment.

These accounts are reviewed by our Chief Investment Officer and Portfolio Managers.

WRAP FEE PROGRAMS

Program clients should refer to the selected Sponsor's Wrap Fee Program Brochure and, if applicable, the independent advisor's disclosure document for information regarding reviews performed by the sponsor or independent advisor and the frequency of reviews conducted on the client's Program account(s).

CONSULTING SERVICES

While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

ITEM 13B: OTHER REVIEWS

Chandler reviews accounts on a periodic basis as described above in Item 13A of this brochure.

ITEM 13C: REPORTING

FIXED INCOME & GLOBAL ASSET ALLOCATION PORTFOLIO MANAGMENT

In addition to the monthly account statements that non-wrap clients receive from their custodian and confirmations of transactions that they receive from the executing broker-dealer, we provide written monthly reports summarizing account performance, balances and holdings, transactions, income earned and cash flow expected for the next 365 days.

WRAP FEE PROGRAMS

Program clients should refer to the selected Sponsor's Wrap Fee Program Brochure and, if applicable, the independent advisor's disclosure document for information regarding the content and frequency of reports provided by the sponsor or independent advisor to the client, if any. Chandler does not send any reports or account statements to wrap fee program clients.

CONSULTING SERVICES

These client accounts will receive written reports as contracted for at the inception of the advisory engagement.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

ITEM 14A: OTHER COMPENSATION

As outlined in Item 12A of this Brochure, certain indirect economic benefits are received by Chandler for clients that custody their assets with Schwab. While Chandler and its employees endeavor at all times to put the interest of our clients first, clients participating in the Schwab wrap programs should be aware that receipt of this

indirect additional compensation creates a potential conflict of interest. However, Chandler has a fiduciary responsibility to always place client interests before our own and will only recommend Schwab to clients where we believe it would be beneficial to those clients.

ITEM 14B: CLIENT REFERRALS

Chandler's policy and practice is not to enter into arrangements to pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Compensation paid to certain related persons of Chandler may take into consideration an overall assessment of predetermined objectives in addition to other defined criteria. Notably, this firm practice does not impact the advisory fees paid to Chandler by any client.

ITEM 15 CUSTODY

Chandler does not take custody or possession of the funds or securities that a client has placed under our management. Each client shall appoint a Qualified Custodian ("custodian") to take and have possession of their assets. The fees expressed in the "Fees and Compensation" section (Item 5A) of this Brochure do not include fees a client will incur for custodial services.

From time to time, Chandler may recommend a custodian to clients who do not have an existing custodian relationship established. Among others, Chandler may recommend (in alphabetical order) Bank of America, Bank of New York/Mellon, Charles Schwab & Co., Union Bank, US Bank or Wells Fargo. Some of the above mentioned custodians may offer special pricing for institutional or municipal clients of Chandler. Chandler does not receive any compensation from the custodians we may refer our clients to. The rates offered by the custodian may be based on the size of the portfolio or type of account opened. Client retains full discretionary authority over the selection of the custodian to be used.

Direct Debiting of Fees

Although Chandler does not take custody or possession of the funds or securities that a client has placed under its management, Chandler is deemed by the SEC to have custody of those accounts where fees are debited directly from the client's custodian bank account. We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions and holdings within the account during the reporting period, in addition to any advisory fees paid.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a monthly basis. While Chandler makes every effort to provide accurate statements, we urge our clients to carefully compare the information provided on our statements to statements provided by their custodian in order to ensure that all account transactions, holdings and values are correct and current.

ITEM 16 INVESTMENT DISCRETION

Generally, clients hire us to provide discretionary asset management services. We may provide our services on a non-discretionary basis, if requested by a client.

Our discretionary authority includes the ability to do the following without first obtaining approval from the client:

- Determine the security to buy or sell;
- Determine the amount of the security to buy or sell; and
- Determine the price at which to buy or sell the security;

Clients give us discretionary authority when they sign a discretionary client agreement with our firm, and may limit this authority by giving us written instructions. Such limitations are typically outlined in a client's investment

policy statement and may include restrictions on maturity or ratings, issuer or sector concentration limitations, among others. Clients may also change/amend such limitations by once again providing us with written instructions. Chandler reserves the right to decline acceptance of any client account.

ITEM 17 VOTING CLIENT SECURITIES

ITEM 17A: PROXY VOTING

We vote proxies for the securities held in all client accounts, including Mutual Fund Clients; however, all clients retain the right to vote their own proxies should they choose to do so. Clients can exercise this right by instructing us in writing to not vote proxies in their account and instructing their custodian to send proxies directly to their attention.

We will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Nicole Dragoo, our Chief Compliance Officer, by telephone, email, or in writing. Clients may request, in writing, information on how proxies for their shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for their account(s), we will promptly provide such information to the client.

Chandler is required to present to the Board of Trustees, at least annually, their proxy voting policy and a record of each proxy voted by the Firm on behalf of the two Mutual Fund Clients, including a report on the resolution of all proxies identified by us as involving a conflict of interest. Information regarding how proxies are voted relating to portfolio securities of the two Mutual Fund Clients is outlined in the Funds' prospectus and statement of additional information.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Nicole Dragoo by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). You can also instruct us on how to cast your vote in a particular proxy contest by contacting Nicole Dragoo by mail at 6225 Lusk Boulevard, San Diego, CA 92121 or by email at Compliance@chandlerasset.com. These requests must be made in writing.

ITEM 17B: WHERE CLIENT RETAINS RIGHT TO VOTE PROXIES

For accounts where we do not vote proxies, Chandler may provide investment advisory services relative to client investment assets. Clients maintain exclusive responsibility for:

1) Directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and
2) Making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets; and
3) Instructing each custodian of the assets to forward to the client copies of all proxies and shareholder

communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

ITEM 18 FINANCIAL INFORMATION

ITEM 18A: FINANCIAL STATEMENT REQUIREMENT

Under no circumstances do we require or solicit payment of fees in excess of $1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

ITEM 18B: FINANCIAL CONDITION

Chandler has no financial conditions to disclose that would impair its ability to meet contractual and fiduciary obligations to clients.

ITEM 18C: BANKRUPTCY DISCLOSURE

Chandler has never been the subject of a bankruptcy petition.

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE

Kay Chandler, CFA

President

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about Kay Chandler that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Kay Chandler is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Mary Catherine (Kay) Chandler
Year of Birth:	1948
Post High School Education:	Oberlin College; BA, Psychology; 1970
Business Background:	2008 to Present: President & Principal – Chandler Asset Management, Inc. 1988 to 2008: President, CEO & Principal – Chandler Asset Management, Inc.
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 1998 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Kay Chandler. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Kay Chandler is not engaged in any other investment-related activities.
- Kay Chandler does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Kay Chandler is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

ITEM 5: ADDITIONAL COMPENSATION

Kay Chandler does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Board of Directors
Title:	
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE

Martin Cassell, CFA

CEO & Chief Investment Officer

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about Martin Cassell that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Martin Cassell is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Martin Dayle Cassell
Year of Birth:	1959
Post High School Education:	California State University Hayward; BS, Finance; 1987
Business Background:	2008 to Present: CEO, Chief Investment Officer & Principal – Chandler Asset Management, Inc. 2003 to 2008: Chief Investment Officer & Principal – Chandler Asset Management, Inc. 1993 to 2003: VP, Portfolio Manager & Principal – Chandler Asset Management, Inc. 1991 to 1993: Portfolio Manager – Chandler Asset Management, Inc.
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 1998 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Martin Cassell. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Martin Cassell is not engaged in any other investment-related activities.
- Martin Cassell does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Martin Cassell is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

Martin Cassell does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

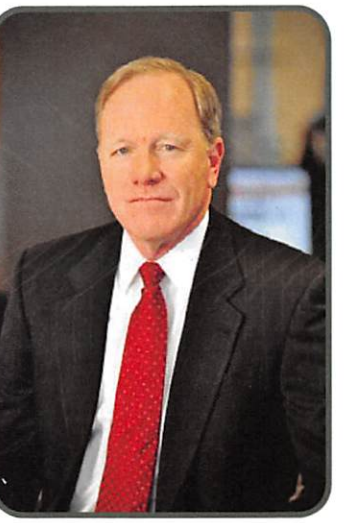
Supervisor:	Board of Directors
Title:	
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE



Ted Piorkowski, CFA

Senior Vice President and Portfolio Manager

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about Ted Piorkowski that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Ted Piorkowski is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Theodore James Piorkowski
Year of Birth:	1959
Post High School Education:	California State University San Diego; BS, Finance; 1982 California State University San Diego; MBA, Finance; 1985
Business Background:	2009 – Present: SVP, Portfolio Manager & Principal – Chandler Asset Management, Inc. 2004 to 2009: SVP, Portfolio Manager – Chandler Asset Management, Inc. 1999 to 2004: VP, Portfolio Manager – Chandler Asset Management, Inc. 1994 to 1999; VP, Fund Manager – Sefton Capital Management, Inc.
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 1991 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Ted Piorkowski. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Ted Piorkowski is not engaged in any other investment-related activities.
- Ted Piorkowski does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Ted Piorkowski is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

Ted Piorkowski does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Martin Cassell
Title:	CEO & Chief Investment Officer
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

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ITEM 1: COVER PAGE

Jayson Schmitt, CFA

Executive Vice President & Portfolio Manager

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about Jayson Schmitt that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Jayson Schmitt is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Jayson Arnold Schmitt
Year of Birth:	1969
Post High School Education:	California State University San Diego; BA, Economics; 1995
Business Background:	2016 to Present: EVP, Portfolio Manager & Principal – Chandler Asset Management, Inc. 2010 to 2015: SVP, Portfolio Manager & Principal – Chandler Asset Management, Inc. 2009 to 2010: VP, Portfolio Manager & Principal – Chandler Asset Management, Inc. 2003 to 2009: VP, Portfolio Manager – Chandler Asset Management, Inc. 1995 to 2003: Operations Manager – Chandler Asset Management, Inc.
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 2003 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Jayson Schmitt. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Jayson Schmitt is not engaged in any other investment-related activities.
- Jayson Schmitt does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Jayson Schmitt is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

Jayson Schmitt does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Martin Cassell
Title:	CEO & Chief Investment Officer
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

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ITEM 1: COVER PAGE

William Dennehy II, CFA

Executive Vice President & Portfolio Manager

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about William Dennehy II that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about William Dennehy II is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	William Dennehy II
Year of Birth:	1970
Post High School Education:	California State University Chico; BS, Business/Finance; 1992
Business Background:	2016 to Present: EVP, Portfolio Manager – Chandler Asset Management, Inc. 2012 to 2015: SVP, Portfolio Manager – Chandler Asset Management, Inc. 2011 to 2012: VP, Portfolio Manager – Chandler Asset Management, Inc. 2001 to 3/2011: Senior Portfolio Manager – Northern Trust Global Investments
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 2000 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of William Dennehy II. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- William Dennehy II is not engaged in any other investment-related activities.
- William Dennehy II does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- William Dennehy II is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

William Dennehy II does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Martin Cassell
Title:	CEO & Chief Investment Officer
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

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ITEM 1: COVER PAGE

Jeffrey Probst, CFA

Vice President & Portfolio Manager

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about Jeffrey Probst that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Jeffrey Probst is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Jeffrey John Probst
Year of Birth:	1984
Post High School Education:	University of California, Davis; BS, Managerial Economics; 2006 University of California, Davis; MS, Agriculture and Resource Economics; 2008
Business Background:	01/2014 to Present: VP, Portfolio Manager – Chandler Asset Management, Inc. 02/2012 to 12/2013: Assistant Portfolio Manager – Chandler Asset Management, Inc. 07/2010 to 02/2012: Senior Investment Analyst – BofI Federal Bank 02/2010 to 6/2010: Fund Treasury Admin – Western Asset Management
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 2013 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Jeffrey Probst. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Jeffrey Probst is not engaged in any other investment-related activities.
- Jeffrey Probst does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Jeffrey Probst is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

Jeffrey Probst does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Jayson Schmitt
Title:	Executive Vice President & Portfolio Manager
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE

Scott Prickett, CTP

Executive Vice President & Portfolio Strategist

Chandler Asset Management, Inc.
801 2nd Avenue, Suite 800
Seattle, WA 98104
(800) 317-4747

Chandler Asset Management, Inc.
1875 Lawrence Street, Suite 920
Denver, CO 80202
(800) 317-4747

This brochure supplement provides information about Scott Prickett that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Scott Prickett is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Scott David Prickett
Year of Birth:	1963
Post High School Education:	University of Northern Colorado; BS, Business Finance; 1987
Business Background:	01/2016 to Present: EVP, Portfolio Strategist – Chandler Asset Management, Inc. 04/2014 to 12/2015: SVP, Portfolio Strategist – Chandler Asset Management, Inc. 05/2006 to 04/2014: SVP, Managing Director, Portfolio Manager – Davidson Fixed Income Mgmt. Inc. 05/2006 to 04/2014: SVP, Managing Director - D.A. Davidson& Co.
Professional Designations:	Certified Treasury Professional (CTP); Association of Financial Professionals; 2000 *For an explanation of the CTP designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Scott Prickett. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Scott Prickett is not engaged in any other investment-related activities.
- Scott Prickett does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Scott Prickett is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

Scott Prickett does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Martin Cassell
Title:	CEO & Chief Investment Officer
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE

Julie Hughes

Senior Vice President & Portfolio Strategist

Chandler Asset Management, Inc.
1875 Lawrence Street, Suite 920
Denver, CO 80202
(800) 317-4747

This brochure supplement provides information about Julie Hughes that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Julie Hughes is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Julie Kirschner Hughes
Year of Birth:	1964
Post High School Education:	University of Texas at Austin; BBA, Marketing; 1986 The Wharton School of the University of Pennsylvania; MBA, Entrepreneurial Management; 1992
Business Background:	01/2016 to Present: SVP, Portfolio Strategist – Chandler Asset Management 04/2014 to 12/2015: VP, Portfolio Strategist – Chandler Asset Management 08/2007 to 04/2014: SVP, Portfolio Manager – Davidson Fixed Income Management 08/2007 to 04/2014: SVP, Structured Products – D.A. Davidson & Co.
Professional Designations:	None

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Julie Hughes. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Julie Hughes is not engaged in any other investment-related activities.
- Julie Hughes does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Julie Hughes is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

ITEM 5: ADDITIONAL COMPENSATION

Julie Hughes does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Scott Prickett
Title:	Executive Vice President, Portfolio Strategist
Phone Number:	(800) 317-4747

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE

Genny Lynkiewicz

Vice President & Portfolio Manager

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121
(800) 317-4747

This brochure supplement provides information about Genny Lynkiewicz that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Genny Lynkiewicz is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Genevieve Cathryn Lynkiewicz
Year of Birth:	1974
Post High School Education:	University of Wisconsin, Madison; BBA, Finance, Investment & Banking; 1997
Business Background:	10/2015 to Present: VP, Portfolio Manager – Chandler Asset Management 08/2012 to 02/2015: VP, Fixed Income Portfolio Manager – BMO Asset Management Corp. 02/2012 to 08/2012: Fixed Income Portfolio Manager – M&I Investment Management Corp. 03/2007 to 01/2012: Fixed Income Trader – M&I Investment Management Corp.
Professional Designations:	Chartered Financial Analyst (CFA); CFA Institute; 2006 *For an explanation of the CFA designation, please see page 10*

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Genny Lynkiewicz. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Genny Lynkiewicz is not engaged in any other investment-related activities.
- Genny Lynkiewicz does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Genny Lynkiewicz is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

ITEM 5: ADDITIONAL COMPENSATION

Genny Lynkiewicz does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Jayson Schmitt
Title:	Executive Vice President & Portfolio Manager
Phone Number:	(858) 546-3737

CHANDLER ASSET MANAGEMENT

Part 2B of Form ADV: *Brochure Supplement*

Effective Date: February 6, 2017

ITEM 1: COVER PAGE

Carlos Oblites

Senior Vice President & Portfolio Strategist

Chandler Asset Management, Inc.
7250 Redwood Boulevard, Suite 300
Novato, CA 94945
(800) 317-4747

This brochure supplement provides information about Carlos Oblites that supplements the Chandler Asset Management (Chandler) brochure. You should have received a copy of that brochure. Please contact Nicole Dragoo if you did not receive Chandler's brochure or if you have any questions about the contents of this supplement.

Additional information about Carlos Oblites is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Full Legal Name:	Carlos Oblites
Year of Birth:	1969
Post High School Education:	University of CA, Santa Barbara; BA, History; 1990 San Francisco State University; MBA, Business/Finance; 2003
Business Background:	01/2017 to Present: SVP, Portfolio Strategist – Chandler Asset Management 09/2015 to 01/2017: Administrative Services Manager – Central Marin Sanitation Agency 05/2007 to 09/2015: Director – PFM Asset Management
Professional Designations:	None

ITEM 3: DISCIPLINARY INFORMATION

Chandler is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Carlos Oblites. No events have occurred that are applicable to this item.

ITEM 4: OTHER BUSINESS ACTIVITIES

Chandler is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients.

A. Investment-Related Activities

- Carlos Oblites is not engaged in any other investment-related activities.
- Carlos Oblites does not receive commissions, bonuses or other compensation on the sale of securities or other investment products.

B. Non-Investment-Related Activities

- Carlos Oblites is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

ITEM 5: ADDITIONAL COMPENSATION

Carlos Oblites does not receive any economic benefit from a non-advisory client for the provision of advisory services.

ITEM 6: SUPERVISION

Supervisor:	Scott Prickett
Title:	Executive Vice President, Portfolio Strategist
Phone Number:	(800) 317-4747

Explanations of Professional Designations Held

CFA Charter

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals. There are currently more than 100,000 CFA charterholders working throughout the world. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

Global Recognition

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 19 countries recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To learn more about the CFA charter, visit www.cfainstitute.org.

Certified Treasury Professional (CTP)

The Certified Treasury Professional ® (CTP) designation is evidence that an individual is certified in corporate treasury and cash management. The credential is awarded based upon experience and passing of a rigorous examination that provides an objective measure of an individual's broad-based knowledge and competency in treasury management. Ongoing professional development is required in order to maintain the credential. The CTP is administered by the Association for Financial Professionals, the leading association for treasury and financial management professionals, with more than 29,000 members worldwide.

Appendix B

Certificate of Liability

Client#: 62001 CHANDAST

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 08/02/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Starkweather & Shepley
PO Box 549
Providence, RI 02901-0549
401 435-3600

CONTACT NAME: Linda Vecoli
PHONE (A/C, No, Ext): 781 234-0085 FAX (A/C, No): 401 431-9360
E-MAIL ADDRESS: lvecoli@starshep.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Travelers Insurance Company	25674
INSURER B : Hartford Ins Group	19682
INSURER C : Hartford Group	
INSURER D : Argonaut Insurance Company	19801
INSURER E : Pacific Insurance Company	
INSURER F : Scottsdale	

INSURED
Chandler Asset Management Inc
6225 Lusk Boulevard
San Diego, CA 92121

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			6802C0796051742	09/01/2017	09/01/2018	EACH OCCURRENCE	$2,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
							MED EXP (Any one person)	$5,000
							PERSONAL & ADV INJURY	$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$4,000,000
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$4,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			BA2C081883SEL	09/01/2017	09/01/2018	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			CUP2C085022	09/01/2017	09/01/2018	EACH OCCURRENCE	$5,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$5,000,000
	DED RETENTION $							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			02WECCR2756	09/01/2017	09/01/2018	X PER STATUTE OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory in NH)	N/A					E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
C	Prof Liab			00DC021984517	08/02/2017	08/02/2018	$10,000,000 Limit	
D	Excess Profe			MLX760115003	08/02/2017	08/02/2018	$10,000,000 Limit	
C	Crime			00FA024546717	08/02/2017	08/02/2018	$10,000,000 Limit	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Insurer E: Cyber Liability Eff Date 12/21/16 Exp Date 12/21/17 Policy #08MB028799016 Limit $4,000,000
Insurer F: Employment Practices Eff Date 8/2/17 Exp Date 8/2/18 Policy #EKS3229090 Limit: $1,000,000

CERTIFICATE HOLDER

Chandler Asset Management, Inc
6225 Lusk Boulevard
San Diego, CA 92121

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Barry Rosen

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Appendix C

Professional Biographies

Investment Management

Martin Cassell, CFA
CEO, Chief Investment Officer

Martin Cassell is the Chief Executive and Investment Officer at Chandler Asset Management and is a principal of the firm. He is responsible for defining, planning, and directing company programs. Martin heads implementation of the firm's investment strategies and portfolio risk management. He designed the proprietary quantitative models that drive our investment process, establishing duration, structure, and asset allocation throughout client portfolios.

Martin joined Chandler in 1991 from the City of San Diego where he managed a $1 billion fixed income portfolio. He began his investment career in 1987 managing portfolios at World Savings and Loan.

Martin received his B.S. in finance from California State University, Hayward. He is a member of the CFA Society of San Diego and holds the designation of Chartered Financial Analyst. Martin is also a member of the Government Finance Officers Association (GFOA) Treasury and Investment Committee (TIM) and the California Association of Joint Power Authorities (CAJPA) finance committee.

William Dennehy II, CFA
Executive Vice President, Portfolio Manager

William Dennehy is an Executive Vice President and Portfolio Manager at Chandler Asset Management. He is responsible for implementing portfolio strategy and securities trading in client accounts and leads the Credit Committee.

Prior to joining Chandler in 2011, Bill worked at Northern Trust Global Investments in Chicago, most recently as senior portfolio manager and vice president, with a wide range of responsibilities in asset allocation, quantitative and qualitative analysis.

Bill earned his B.S. in business administration, option in finance, at California State University, Chico. He holds the designation of Chartered Financial Analyst.

Scott Prickett, CTP
Executive Vice President, Portfolio Strategist

Scott Prickett is an Executive Vice President and Portfolio Strategist at Chandler Asset Management. He is responsible for building and maintaining client relationships with a focus upon developing and enhancing client investment programs. Scott actively participates in the portfolio management process and meets with clients on a regular basis to review their accounts, portfolio activity, portfolio strategy and financial markets. Scott has over 30 years of investment industry experience focused largely on managing short-term fixed income strategies for governmental and institutional non-profit clients.

Prior to joining Chandler, Scott was Managing Director and Portfolio Manager at Davidson Fixed Income Management. Scott was directly responsible for managing over $750 million in client assets and had management responsibilities over multiple business units with combined total assets of over $5 billion. These included taxable and tax-exempt SMA programs, a Local Government Investment Pool (LGIP) and SeaCap Investment Advisors. At ALPS Mutual Fund Services, Scott played a key role in developing two SEC registered

mutual funds. Scott also spent two years at Pacific Investment Management Company (PIMCO) as a fixed income Portfolio Specialist for over $1.4 billion in assets.

Scott is a graduate of the University of Northern Colorado with a degree in business administration with an emphasis in finance. Scott has earned the Association of Financial Professionals designation as a Certified Treasury Professional (CTP) and is a frequent speaker for various local and national organizations.

Jayson Schmitt, CFA
Executive Vice President, Portfolio Manager

Jayson Schmitt is an Executive Vice President and Portfolio Manager at Chandler Asset Management. Jayson is instrumental in the development and integration of quantitative analytic tools for the portfolio management process. He leads the Quantitative Analysis and Asset Allocation Committees, and provides full-time oversight of the entire investment management team and the implementation process.

Prior to joining Chandler in 1995, Jayson was employed as a Financial Analyst with USA Federal Credit Union in San Diego, managing a $100 million liquidity book. His responsibilities there also included asset/liability management.

Jayson earned his B.A. in economics from San Diego State University. He is a member of the CFA Society of San Diego and holds the designation of Chartered Financial Analyst. Jayson also is a member of the City of San Diego Investment Advisory Committee. The committee assists the City with its investment program by providing regular policy and portfolio reviews.

Julie Hughes
Senior Vice President, Portfolio Strategist

Julie Hughes is a Senior Vice President and Portfolio Strategist at Chandler Asset Management. She is responsible for building and maintaining client relationships with public agencies along with participating actively in the portfolio management process. Julie has over 25 years of finance, strategy, and client relationship management experience.

Prior to joining Chandler, Julie was a Portfolio Manager at Davidson Fixed Income Management, where she managed short-term fixed income portfolios for government and non-profit clients. She was responsible for managing over $400 million in assets and leading the municipal bond credit research and analysis for a $300 million tax-exempt bond fund. Julie also has deep expertise in the investment of tax-exempt bond proceeds and hedging interest rate risk for tax-exempt debt. Prior to 2004, she held positions in corporate strategy and management consulting.

Julie earned an MBA from the Wharton School of the University of Pennsylvania and a BBA in Marketing from the University of Texas of Austin.

Carlos Oblites
Senior Vice President, Portfolio Strategist

Carlos Oblites is a Senior Vice President and Portfolio Strategist at Chandler Asset Management. He is responsible for building and maintaining client relationships with public agencies along with participating actively in the portfolio management process. Carlos has over 20 years of investment

and financial experience, focused largely on managing short-term fixed income and pension strategies for governmental and institutional non-profit clients.

Prior to joining Chandler, Carlos served as the Administrative Services Manager at Central Marin Sanitation Agency (CMSA), and was responsible for all aspects of the Agency's financial, human resources, administrative support, and information systems activities. He also has significant expertise in serving California public agencies, healthcare, and insurance clients through his roles as Director at PFM Asset Management, and as a Principal at Wells Capital Management. Previous responsibilities include managing a variety of institutional client relationships and developing, implementing, and monitoring customized investment strategies for operating funds, bond proceeds, pension, and post-retirement funds. Carlos has also worked as a marketing/research consultant with Wells Fargo Bank and as teacher for the Long Beach Unified School District.

Carlos holds a Bachelor of Arts degree in History from the University of California, Santa Barbara, and earned a Master's degree in Business Administration from San Francisco State University.

Ted Piorkowski, CFA
Senior Vice President, Portfolio Manager

Ted Piorkowski is a Senior Vice President and Portfolio Manager at Chandler Asset Management. In addition to his duties as a portfolio manager, he oversees daily trading and is responsible for implementing portfolio strategy. Ted leads the Economic and Market Analysis Committee, as well as the Sector Committee.

Prior to joining Chandler in 1999, Ted served as a Vice President and Fund Manager for Sefton Capital Management. He was responsible for the management of over $300 million in both mutual fund vehicles and individually managed institutional portfolios. From 1988 through 1994, Ted managed money market and enhanced money market funds for San Diego Trust and Savings Bank and its successor, San Diego Financial Capital Management.

Ted earned both his B.S. and M.B.A. in finance from San Diego State University. He is a member of the CFA Society of San Diego and holds the designation of Chartered Financial Analyst.

Shelly Henbest, CFA
Vice President, Credit Analyst

Shelly Henbest joined Chandler Asset Management as a Credit Analyst in 2009. She is actively involved in analyzing and assessing the credit suitability of debt issuers and assisting portfolio managers in the portfolio management process. Shelly is a member of the firm's Credit Committee, the Economic and Market Analysis Committee, and is responsible for monitoring developments in the financial markets and providing fundamental economic and investment research.

Shelly has more than 15 years of experience in financial research and analysis. Previously, she was an Associate Analyst at Bear, Stearns & Co. Inc., focusing on the consumer/retail sector. Prior to joining Bear Stearns, Shelly was an Equity Research Associate at C.L. King & Associates. She began her career at Ford Equity Research in San Diego as a Quantitative Equity Analyst. Shelly was a three-year member of Institutional Investor magazine's "All-America Research Team."

Shelly earned her B.A. in business economics from the University of California, Santa Barbara and holds the designation of Chartered Financial Analyst.

Genny Lynkiewicz, CFA
Vice President, Portfolio Manager

Genny Lynkiewicz is a Vice President and Portfolio Manager at Chandler Asset Management. She is responsible for implementing portfolio strategy and securities trading in client accounts. Prior to joining Chandler in 2015, Genny worked at BMO Asset Management in Chicago where she managed over $8 billion in taxable money market funds, securities lending portfolios and separately managed accounts.

Genny earned a B.B.A. in Finance, Investment & Banking and a Certificate in International Business from the University of Wisconsin, Madison. She holds the designation of Chartered Financial Analyst.

Jeff Probst, CFA
Vice President, Portfolio Manager

Jeff Probst is a Vice President and Portfolio Manager at Chandler Asset Management, and is responsible for portfolio and fixed income research, implementing portfolio strategy, and trading securities for client accounts. Jeff joined Chandler as an Assistant Portfolio Manager in 2012. Prior to joining the firm, Jeff worked at BOFI Federal Bank in San Diego as an Investment Analyst where he analyzed mortgage backed securities and structured debt. He started his career at Western Asset Management as a mutual fund treasury administrator in their proprietary funds division.

Jeff earned his B.S. in Managerial Economics, as well as his M.S. in Agricultural and Resource Economics, from the University of California, Davis.

Jeff is an adjunct instructor in the Finance Department at San Diego State University, where he teaches courses in Managerial Economics and Portfolio Management. He holds the designation of Chartered Financial Analyst.

Relationship Management and Client Service

Christopher McCarry
Senior Vice President, Investment Consultant

Christopher McCarry joined Chandler Asset Management in 2013 and currently serves as a Senior Vice President, Investment Consultant for the Client Service Team. Chris focuses on developing and enhancing investment programs encompassing fixed income and equity strategies for government and institutional clients. Chris has worked in the investment industry since 2001 with a diverse background in financial services. Most recently, Chris was the Regional Vice President for Zack's Investment Management focusing on retail sales for the West Coast Territory. He previously was an Advisory Consultant at LPL Financial and began his career at Penn Mutual Life.

Chris is a graduate of Bucknell University with his BA in both International Relations (Latin America Focus) and Spanish. He holds his Accredited Investment Fiduciary (AIF®) designation.

Jeannie Palmero
Vice President, Client Service

Jeannie Palmero joined Chandler Asset Management in 2007 and currently serves as a Vice President of the Client Service Team. In this role, she is focused on developing and maintaining client relationships. Jeannie proactively schedules client meetings, supports the firm's marketing activities and responds to client inquiries. She acts as a liaison with the portfolio management team and is responsible for producing and distributing product communication pieces and disseminating the portfolio management team's market updates and economic commentaries.

Jeannie has almost 25 years of client service experience in the financial services industry. Prior to joining Chandler, she was employed with Nicholas Applegate Capital Management as a Client Service Associate. Jeannie has also served as a Financial Consultant for Great Western Financial Securities.

Jeannie is a graduate of the University of San Diego, earning her B.A. in business administration with an emphasis on finance and holds the FINRA Series 65 license.

Operations and Compliance

Nicole Dragoo, IAACP
COO, Chief Compliance Officer

Nicole Dragoo joined the firm in December 2001 and assumed the roles of Chief Operating and Compliance Officer at Chandler Asset Management in 2008. She is responsible for regulatory compliance and legal matters, and implements and oversees the firm's operational and administrative functions. Nicole also directly oversees the investment operations department, which is responsible for maintaining data integrity, trade settlement, performance calculation, client reporting and portfolio accounting.

Nicole joined Chandler as an Operations Associate in 2001 and held various roles working in and managing operations prior to accepting the responsibilities of COO and CCO. Before joining Chandler, Nicole served as a Trading Associate on the institutional fixed income sales desk at Merrill Lynch.

Nicole earned her B.A. from the University of San Diego in business economics and her J.D. from the University Of San Diego School Of Law. She is a member of the State Bar of California, the American Bar Association, the San Diego County Bar Association, and the Southern California Compliance Group. Additionally, Nicole holds the designation of Investment Adviser Certified Compliance Professional (IACCP).

Michael Ramos
Vice President, Operations

Michael Ramos is Vice President of Operations at Chandler Asset Management. He is responsible for leading the investment operations team and managing the firm's IT resources. Mike oversees trade processing, trade settlements, portfolio accounting, statement reconciliation, and client reporting. He joined Chandler Asset Management in 2004 as an Operation Associate. His previous experience includes financial accounting and reporting.

Mike earned his B.S. in business administration with a specialization in finance from California State University, San Marcos in 2003. In 2009, he received his M.B.A. in finance from National University.

Appendix D

Global Investment Performance Standards (GIPS®)
and
Verification Letter

GIPS® Compliant Verification Statement

ACA
COMPLIANCE GROUP
PERFORMANCE SERVICES

Verification Report

Chandler Asset Management, Inc.
6225 Lusk Boulevard
San Diego, CA 92121

We have verified whether Chandler Asset Management, Inc. (the Firm) (1) complied with all the composite construction requirements of the Global Investment Performance Standards (GIPS®) on a firm-wide basis for the periods from July 1, 1997 through March 31, 2017, and (2) designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of March 31, 2017. The Firm's management is responsible for compliance with the GIPS standards and the design of its policies and procedures. Our responsibility is to express an opinion based on our verification. We conducted this verification in accordance with the required verification procedures of the GIPS standards. We also conducted such other procedures as we considered necessary in the circumstances.

In our opinion, the Firm has, in all material respects:

- Complied with all the composite construction requirements of the GIPS standards on a firm-wide basis for the periods from July 1, 1997 through March 31, 2017; and
- Designed its policies and procedures to calculate and present performance in compliance with the GIPS standards as of March 31, 2017.

This report does not relate to or provide assurance on any composite compliant presentation of the Firm and does not ensure the accuracy of any specific composite compliant presentation.

ACA Performance Services, LLC

ACA Performance Services, LLC
August 11, 2017

GIPS® Disclosures – Ultra Short Bond

Annual Rates of Return 2008 through 2017

Year End	Returns Total Gross	Returns Total Net	Index	3 Year Annualized Standard Deviation Composite	3 Year Annualized Standard Deviation Index	Dispersion Asset Wtd Std. Dev.	Number of Portfolios	Assets Composite (MM)	Assets % of Firm Assets	Assets Firm (MM)
2008	4.61%	4.35%	4.32%	n/a	n/a	0.24%	7	267	7.32%	3,655
2009	1.35%	1.10%	0.55%	n/a	n/a	0.14%	6	158	3.19%	4,965
2010	1.51%	1.25%	1.08%	n/a	n/a	0.12%	6	114	1.99%	5,755
2011	0.81%	0.56%	0.73%	0.45%	0.42%	≤5	≤5	119	2.01%	5,929
2012	0.74%	0.49%	0.26%	0.37%	0.31%	≤5	≤5	77	1.20%	6,431
2013	0.39%	0.14%	0.22%	0.25%	0.21%	≤5	≤5	58	0.81%	7,165
2014	0.46%	0.20%	0.29%	0.22%	0.17%	≤5	≤5	74	0.83%	8,894
2015	0.46%	0.21%	0.30%	0.23%	0.23%	≤5	≤5	62	0.53%	11,747
2016	0.97%	0.71%	0.65%	0.30%	0.32%	≤5	≤5	80	0.62%	12,882
2017	0.99%	0.74%	0.71%	0.29%	0.32%	0.09%	≤5	86	0.63%	13,698

Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards.

Chandler Asset Management has been independently verified by ACA Performance Services for the period of July 1, 1997 through March 31, 2017. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

1. Chandler Asset Management is an independent investment adviser registered as such with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. Registration with the SEC does not imply a certain level of skill or training. Since 1988, Chandler Asset Management has provided fixed income investment management services to the public sector, as well as to foundations, endowments, individuals and corporations. A complete list and description of all of the firm's composites is available upon request.
2. The Ultra Short Bond Composite is a composite of individually managed accounts with an average modified duration approximately equal to the modified duration of the ICE Bank of America Merrill Lynch Blended 0-3 year Treasury index and a maximum final stated maturity of individual securities of three years. The minimum account size required to be included in this composite is $2 million. This composite was created in November 1988. The name of this composite was changed from Principal Preservation effective June 30, 2009.
3. The ICE BAML Blended 0-3 Year Treasury Index is a static, internally-maintained blended benchmark comprised of US Treasury securities issued by the US Government. Prior to 1/1/2001, it consisted of 1 Year T-Bills. Effective 1/1/2001, it consists of the following indices: 30% ICE BAML 3-Month U.S. T-Bill, 30% ICE BAML 6-Month U.S. T-Bill and 40% ICE BAML 1-3 Year U.S. Treasuries. Securities in this benchmark include current 3- and 6-month T-Bills and 1-3 year treasuries that have fixed coupon rates and a maturity not greater than three years regardless of any call features. Indexes are referred to for comparative purposes only and are not intended to parallel the risk or investment style of the portfolios in the Composite. Indexes do not utilize leverage. Index calculations do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index. Index data contained herein (and all trademarks related thereto) are owned by the indicated index provider, and may not be redistributed. The information herein has not been approved by the index provider.
4. Valuations are computed and performance reported in U.S. Dollars.
5. Performance is calculated using a time-weighted total rate of return, which links performance monthly, and is reported gross of investment management fees and custodial fees, but after all trading expenses. Results reflect the reinvestment of income, dividends and other earnings, and include realized and unrealized gains and losses and interest accrued through the last day of each month. Results do not reflect the potential impact of taxes. Past performance is not indicative of future results. Fees charged by Chandler Asset Management will reduce performance.
6. Net-of-fees performance returns are calculated by reducing the monthly gross performance by one-twelfth (1/12) of the actual maximum applicable fee of 0.25%, which is representative of our current fee schedule for this composite. These monthly returns are then geometrically linked to produce annual returns which are presented before custodial fees but after management fees and all trading expenses. Fees are negotiable and additional information regarding Chandler's fees is included in our Part 2A of Form ADV.
7. Dispersion is calculated using the asset weighted standard deviation for all accounts in the composite for the year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period and is required by GIPS for periods beginning after Jan. 1, 2011. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

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GIPS® Disclosures – Limited Maturity

Annual Rates of Return 2008 through 2017										
	Returns			3 Year Annualized		Dispersion		Assets		
Year	Total	Total		Standard Deviation		Asset Wtd	Number of	Composite	% of Firm	Firm
End	Gross	Net	Index	Composite	Index	Std. Dev.	Portfolios	(MM)	Assets	(MM)
2008	6.82%	6.56%	6.61%	n/a	n/a	0.20%	8	202	5.53%	3,655
2009	2.10%	1.85%	0.78%	n/a	n/a	0.34%	9	224	4.51%	4,965
2010	2.96%	2.70%	2.35%	n/a	n/a	0.38%	8	201	3.50%	5,755
2011	1.88%	1.62%	1.55%	1.02%	1.02%	0.31%	9	222	3.74%	5,929
2012	1.16%	0.91%	0.43%	0.78%	0.73%	0.06%	15	474	7.37%	6,431
2013	0.30%	0.05%	0.36%	0.59%	0.50%	0.08%	18	797	11.12%	7,165
2014	0.87%	0.61%	0.62%	0.54%	0.43%	0.09%	21	879	9.88%	8,894
2015	0.74%	0.49%	0.54%	0.63%	0.56%	0.07%	27	1,328	11.31%	11,747
2016	1.11%	0.86%	0.88%	0.74%	0.76%	0.06%	31	1,081	8.39%	12,882
2017	0.85%	0.60%	0.43%	0.71%	0.74%	0.08%	32	1,178	8.60%	13,698

Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards.

Chandler Asset Management has been independently verified by ACA Performance Services for the period of July 1, 1997 through March 31, 2017. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

1. Chandler Asset Management is an independent investment adviser registered as such with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. Registration with the SEC does not imply a certain level of skill or training. Since 1988, Chandler Asset Management has provided fixed income investment management services to the public sector, as well as to foundations, endowments, individuals and corporations. A complete list and description of all of the firm's composites is available upon request.
2. The Limited Maturity Composite is a composite of individually managed accounts with an average modified duration approximately equal to the modified duration of the ICE Bank of America Merrill Lynch 1-3 Year US Treasury Index and a final stated maturity of individual securities of five years. The minimum account size required to be included in this composite is $2 million. This composite was created September 1988. The name of this composite was changed from Short-Term Fixed Income effective June 30, 2009.
3. The ICE BAML 1-3 Year US Treasury Index is comprised of US Treasury securities issued by the US Government. All securities in the index must have fixed coupon rates and have at least one year but not greater than three years to maturity regardless of any call features. Indexes are referred to for comparative purposes only and are not intended to parallel the risk or investment style of the portfolios in the Composite. Indexes do not utilize leverage. Index calculations do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index. Index data contained herein (and all trademarks related thereto) are owned by the indicated index provider, and may not be redistributed. The information herein has not been approved by the index provider.
4. Valuations are computed and performance reported in U.S. Dollars.
5. Performance is calculated using a time-weighted total rate of return, which links performance monthly, and is reported gross of investment management fees and custodial fees, but after all trading expenses. Results reflect the reinvestment of income, dividends and other earnings, and include realized and unrealized gains and losses and interest accrued through the last day of each month. Results do not reflect the potential impact of taxes. Past performance is not indicative of future results. Fees charged by Chandler Asset Management will reduce performance.
6. Net-of-fees performance returns are calculated by reducing the monthly gross performance by one-twelfth (1/12) of the actual maximum applicable fee of 0.25%, which is representative of our current fee schedule for this composite. These monthly returns are then geometrically linked to produce annual returns which are presented before custodial fees but after management fees and all trading expenses. Fees are negotiable and additional information regarding Chandler's fees is included in our Part 2A of Form ADV.
7. Dispersion is calculated using the asset weighted standard deviation for all accounts in the composite for the year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period and is required by GIPS for periods beginning after Jan. 1, 2011. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

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GIPS® Disclosures – Short Term Bond

Annual Rates of Return 2008 through 2017										
	Returns			3 Year Annualized		Dispersion		Assets		
Year	Total	Total		Standard Deviation		Asset Wtd	Number of	Composite	% of Firm	Firm
End	Gross	Net	Index	Composite	Index	Std. Dev.	Portfolios	(MM)	Assets	(MM)
2008	7.65%	7.40%	8.37%	n/a	n/a	0.53%	22	1,202	32.90%	3,655
2009	2.80%	2.50%	0.91%	n/a	n/a	0.35%	29	1,554	31.29%	4,965
2010	3.97%	3.70%	3.46%	n/a	n/a	0.11%	33	1,906	33.12%	5,755
2011	2.90%	2.64%	3.19%	1.47%	1.65%	0.07%	32	1,866	31.48%	5,929
2012	1.80%	1.54%	0.98%	1.18%	1.27%	0.26%	38	2,133	33.17%	6,431
2013	0.04%	-0.21%	-0.16%	1.02%	1.10%	0.08%	39	2,168	30.26%	7,165
2014	1.42%	1.17%	1.24%	0.96%	0.99%	0.07%	40	2,325	26.14%	8,894
2015	1.15%	0.90%	0.96%	1.11%	1.18%	0.07%	44	3,403	28.97%	11,747
2016	1.30%	1.04%	1.08%	1.24%	1.39%	0.05%	49	4,131	32.07%	12,882
2017	1.08%	0.83%	0.67%	1.19%	1.34%	0.11%	48	3,783	27.62%	13,698

Chandler Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards.

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1. Chandler Asset Management is an independent investment adviser registered as such with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. Registration with the SEC does not imply a certain level of skill or training. Since 1988, Chandler Asset Management has provided fixed income investment management services to the public sector, as well as to foundations, endowments, individuals and corporations. A complete list and description of all of the firm's composites is available upon request.
2. The Short Term Bond Composite is a composite of individually managed accounts with an average modified duration approximately equal to the modified duration of the ICE Bank of America Merrill Lynch 1-5 Year US Treasury & Agency Index and a maximum final stated maturity of individual securities of five years. The minimum account size required to be included in this composite is $2 million. This composite was created in September 1995. The name of this composite was changed from 1-5 Year Government Fixed Income effective June 30, 2009.
3. The ICE BAML 1-5 Year US Treasury & Agency Index is comprised of securities issued by entities of the US Government, including the US Treasury and Agencies such as Fannie Mae, Resolution Trust Funding and the Federal Home Loan Bank. Corporate or foreign debt guaranteed by the US Government, such as USAID securities, may also be included in the index. All securities in the index must be investment grade, have fixed coupon rates or rates that change according to a predetermined schedule, and have at least one year but not greater than five years to maturity regardless of any call features. Indexes are referred to for comparative purposes only and are not intended to parallel the risk or investment style of the portfolios in the Composite. Indexes do not utilize leverage. Index calculations do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index. Index data contained herein (and all trademarks related thereto) are owned by the indicated index provider, and may not be redistributed. The information herein has not been approved by the index provider.
4. Valuations are computed and performance reported in U.S. Dollars.
5. Performance is calculated using a time-weighted total rate of return, which links performance monthly, and is reported gross of investment management fees and custodial fees, but after all trading expenses. Results reflect the reinvestment of income, dividends and other earnings, and include realized and unrealized gains and losses and interest accrued through the last day of each month. Results do not reflect the potential impact of taxes. Past performance is not indicative of future results. Fees charged by Chandler Asset Management will reduce performance.
6. Net-of-fees performance returns are calculated by reducing the monthly gross performance by one-twelfth (1/12) of the actual maximum applicable fee of 0.25%, which is reflective of our current fee schedule for this composite. These monthly returns are then geometrically linked to produce annual returns which are presented before custodial fees but after management fees and all trading expenses. Fees are negotiable and additional information regarding Chandler's fees is included in our Part 2A of Form ADV.
7. Dispersion is calculated using the asset weighted standard deviation for all accounts in the composite for the year. For those years when less than six portfolios were included in the composite for the full year, no dispersion measure is presented. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period and is required by GIPS for periods beginning after Jan. 1, 2011. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

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Appendix E

Sample Client Monthly Statement
and
Quarterly Report

CAM | CHANDLER ASSET MANAGEMENT

Sample
Monthly Account Statement

Please note: This sample client service report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. References to specific securities and their characteristics are examples of securities held in the portfolio and are not intended to be, and should not be interpreted as an offer, solicitation or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. The information contained in this sample presentation was obtained from sources we believe to be reliable, but we do not guarantee its accuracy. This presentation contains the current opinions of the author, which are subject to change without notice. Any statements concerning financial market trends or future forecasts are based on current market conditions, which will fluctuate. Past performance is not indicative of future success.

Chandler Team

For questions about your account,

please call (800) 317-4747 or

Email operations@chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source.

Sample Client Portfolio

Sample
Portfolio Summary

PORTFOLIO CHARACTERISTICS

Average Duration	1.75
Average Coupon	1.38 %
Average Purchase YTM	1.22 %
Average Market YTM	1.09 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.79 yrs
Average Life	1.78 yrs

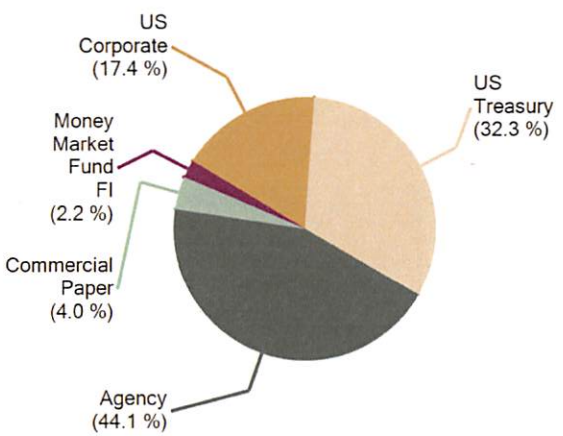
ACCOUNT SUMMARY

	Beg. Values as of 11/30/15	End Values as of 12/31/15
Market Value	74,997,049	74,919,867
Accrued Interest	225,114	229,740
Total Market Value	**75,222,164**	**75,149,608**
Income Earned	77,532	75,839
Cont/WD		0
Par	74,686,931	74,773,370
Book Value	74,789,518	74,860,731
Cost Value	75,163,061	75,240,253

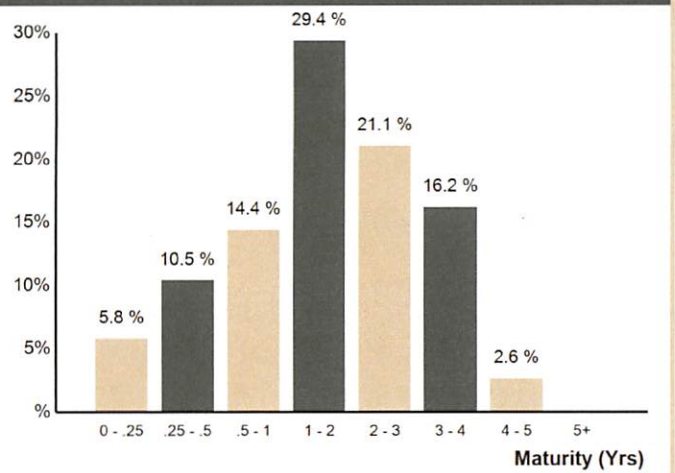
TOP ISSUERS

Issuer	% Portfolio
Sample Issuer	32.3 %
Sample Issuer	17.8 %
Sample Issuer	13.0 %
Sample Issuer	12.0 %
Sample Issuer	2.2 %
Sample Issuer	2.0 %
Sample Issuer	2.0 %
Sample Issuer	1.6 %
	82.8 %

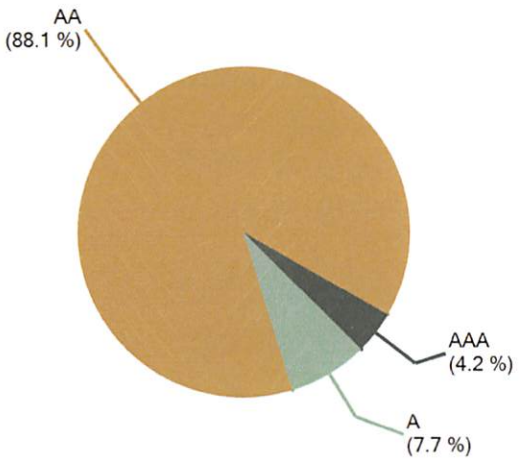
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized 3 Yrs	5 Yrs	10 Yrs	2/28/2015	Since 2/28/2015
Sample Client Portfolio	-0.10 %	-0.32 %	N/A	N/A	N/A	N/A	N/A	N/A	0.54 %
Sample Index	-0.10 %	-0.32%	N/A	N/A	N/A	N/A	N/A	N/A	0.54 %

This report is intended as a representative illustration of our monthly reporting capabilities only and is not intended as a representation of our performance. Performance is presented gross of investment management fees. Investment advisory fees are described in the firm's Form ADV Part 2A Brochure and will reduce returns. References to specific securities and their characteristics are examples of securities held in the portfolio and are not intended to be, and should not be interpreted as an offer, solicitation or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. Past performance is not indicative of future results.

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and the Client's investment policy.

Category	Standard	Comment
Treasury/Agency Issues	No Limit	Complies
Banker's Acceptances	A1/P1; AA L/T 40%;180 days	Complies
Commercial Paper	A1/P1, A L/T	Complies
Max. maturity< 270 days	25% maximum	Complies
Repurchase Agreements	≤90 days	Complies
Mortgage Pass Throughs & Asset-Backed Securities	10% ABS; 20% combined	Complies
Negotiable CDs	30%; A1/P1	Complies
Medium Term Notes	25% maximum; 15% A-rated by two NRSROs	Complies - 20.3% total; 10.2% A-rated
Money Market Mutual Funds	"AAA" rated by 2 NRSROs or SEC registered; 20% maximum; 10% per fund	Complies
LAIF	Prohibited for outside manager	Complies
Rev. Repo Agreements	Prohibited	Complies
Inverse Floaters, Range Notes	Prohibited	Complies
Interest Only Strips	Prohibited	Complies
Zero Interest Accruals	Prohibited	Complies
Maximum Maturity	5 years	Complies

This sample report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. Elements of the Compliance Report are representative of investment guidelines promulgated by State Law or the entity's investment policy.

Sample
Reconciliation Summary

BOOK VALUE RECONCILIATION		
Beginning Book Value		**$74,789,518.09**
Acquisition		
+ Security Purchases	$4,494,607.64	
+ Money Market Fund Purchases	$1,153,294.35	
+ Money Market Contributions	$0.00	
+ Security Contributions	$0.00	
+ Security Transfers	$0.00	
Total Acquisitions		$5,647,901.99
Dispositions		
- Security Sales	$0.00	
- Money Market Fund Sales	$4,501,854.51	
- MMF Withdrawals	$0.00	
- Security Withdrawals	$0.00	
- Security Transfers	$0.00	
- Other Dispositions	$0.00	
- Maturites	$1,065,000.00	
- Calls	$0.00	
- Principal Paydowns	$0.00	
Total Dispositions		$5,566,854.51
Amortization/Accretion		
+/- Net Accretion	($9,834.55)	
		($9,834.55)
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	$0.00	
		$0.00
Ending Book Value		**$74,860,731.02**

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		**$5,001,930.54**
Acquisition		
Contributions	$0.00	
Security Sale Proceeds	$0.00	
Accrued Interest Received	$0.00	
Interest Received	$88,277.13	
Dividend Received	$17.22	
Principal on Maturities	$1,065,000.00	
Interest on Maturities	$0.00	
Calls/Redemption (Principal)	$0.00	
Interest from Calls/Redemption	$0.00	
Principal Paydown	$0.00	
Total Acquisitions	$1,153,294.35	
Disposition		
Withdrawals	$0.00	
Security Purchase	$4,494,607.64	
Accrued Interest Paid	$7,246.87	
Total Dispositions	$4,501,854.51	
Ending Book Value		**$1,653,370.38**

Sample Client Portfolio

Sample
Holdings Report

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
Sample CUSIP	Sample Issuer 2.375% Due 4/11/2016	1,600,000.00	06/07/2011 1.78 %	1,643,896.00 1,602,506.22	100.52 0.51 %	1,608,284.80 8,444.44	2.15 % 5,778.58	Aaa / AA+ AAA	0.28 0.28
Sample CUSIP	Sample Issuer 2.5% Due 5/27/2016	2,300,000.00	06/03/2011 1.84 %	2,371,704.80 2,305,801.10	100.77 0.60 %	2,317,691.60 5,430.56	3.09 % 11,890.50	Aaa / AA+ AAA	0.41 0.40
Sample CUSIP	Sample Issuer 2.125% Due 6/10/2016	1,600,000.00	09/14/2011 1.10 %	1,675,120.00 1,606,990.94	100.65 0.66 %	1,610,323.20 1,983.33	2.15 % 3,332.26	Aaa / AA+ AAA	0.44 0.44
Sample CUSIP	Sample Issuer 2% Due 8/25/2016	1,650,000.00	01/25/2012 1.10 %	1,716,054.45 1,659,357.39	100.80 0.76 %	1,663,279.20 11,550.00	2.23 % 3,921.81	Aaa / AA+ AAA	0.65 0.64
Sample CUSIP	Sample Issuer 1.25% Due 9/28/2016	1,500,000.00	09/29/2011 1.30 %	1,496,413.50 1,499,467.43	100.36 0.76 %	1,505,436.00 4,843.75	2.01 % 5,968.57	Aaa / AA+ AAA	0.75 0.74
Sample CUSIP	Sample Issuer 1.375% Due 11/15/2016	1,600,000.00	12/21/2011 1.21 %	1,612,656.00 1,602,255.45	100.46 0.84 %	1,607,428.80 2,811.11	2.14 % 5,173.35	Aaa / AA+ AAA	0.88 0.87
Sample CUSIP	Sample Issuer 1.625% Due 12/9/2016	1,275,000.00	10/17/2013 0.78 %	1,308,532.50 1,285,018.85	100.74 0.83 %	1,284,429.90 1,266.14	1.71 % (588.95)	Aaa / AA+ AAA	0.94 0.93
Sample CUSIP	Sample Issuer 1.25% Due 1/30/2017	900,000.00	03/26/2012 1.25 %	899,916.30 899,981.32	100.38 0.90 %	903,375.00 4,718.75	1.21 % 3,393.68	Aaa / AA+ AAA	1.08 1.07
Sample CUSIP	Sample Issuer 1% Due 3/8/2017	1,600,000.00	03/19/2012 1.37 %	1,571,443.20 1,593,199.26	100.08 0.93 %	1,601,326.40 5,022.22	2.14 % 8,127.14	Aaa / AA+ AAA	1.19 1.17
Sample CUSIP	Sample Issuer 0.625% Due 5/30/2017	500,000.00	05/21/2015 0.68 %	499,435.00 499,606.26	99.53 0.96 %	497,660.00 269.10	0.66 % (1,946.26)	Aaa / AA+ AAA	1.41 1.41
Sample CUSIP	Sample Issuer 1% Due 6/9/2017	1,550,000.00	06/20/2012 1.02 %	1,548,124.50 1,549,457.20	99.98 1.01 %	1,549,680.70 947.22	2.06 % 223.50	Aaa / AA+ AAA	1.44 1.42
Sample CUSIP	Sample Issuer 0.75% Due 7/14/2017	750,000.00	06/29/2015 0.79 %	749,452.50 749,588.46	99.46 1.11 %	745,927.50 3,312.50	1.00 % (3,660.96)	Aaa / AA+ AAA	1.54 1.52
Sample CUSIP	Sample Issuer 0.83% Due 9/21/2017	1,050,000.00	09/18/2012 0.83 %	1,050,000.00 1,050,000.00	99.58 1.08 %	1,045,602.60 2,420.84	1.39 % (4,397.40)	Aaa / AA+ AAA	1.73 1.70
Sample CUSIP	Sample Issuer 1% Due 9/27/2017	1,600,000.00	Various 1.12 %	1,594,375.50 1,596,833.32	99.77 1.13 %	1,596,393.60 4,177.79	2.13 % (439.72)	Aaa / AA+ AAA	1.74 1.71
Sample CUSIP	Sample Issuer 0.875% Due 3/7/2018	2,025,000.00	Various 1.04 %	2,009,674.50 2,018,074.43	99.30 1.20 %	2,010,790.58 5,610.95	2.68 % (7,283.85)	Aaa / AA+ AAA	2.18 2.15
Sample CUSIP	Sample Issuer 1.375% Due 3/9/2018	1,500,000.00	08/06/2013 1.48 %	1,492,815.00 1,496,576.94	100.31 1.23 %	1,504,711.50 6,416.66	2.01 % 8,134.56	Aaa / AA+ AAA	2.19 2.14
Sample CUSIP	Sample Issuer 1.125% Due 4/25/2018	1,000,000.00	03/03/2015 1.17 %	998,480.00 998,881.18	99.74 1.24 %	997,393.00 2,062.50	1.33 % (1,488.18)	Aaa / AA+ AAA	2.32 2.27
Sample CUSIP	Sample Issuer 0.875% Due 5/21/2018	1,250,000.00	06/17/2013 1.24 %	1,228,262.50 1,239,469.77	99.06 1.27 %	1,238,282.50 1,215.28	1.65 % (1,187.27)	Aaa / AA+ AAA	2.39 2.35
Sample CUSIP	Sample Issuer 1.125% Due 7/20/2018	310,000.00	06/04/2015 1.19 %	309,432.70 309,535.89	99.59 1.29 %	308,735.51 1,559.69	0.41 % (800.38)	Aaa / AA+ AAA	2.55 2.49
Sample CUSIP	Sample Issuer 2% Due 9/14/2018	1,500,000.00	02/07/2014 1.50 %	1,533,345.00 1,519,625.22	101.76 1.34 %	1,526,338.50 8,916.66	2.04 % 6,713.28	Aaa / AA+ AAA	2.71 2.61

Sample Client Portfolio

Sample
Holdings Report

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
Sample CUSIP	Sample Issuer 1.625% Due 11/27/2018	2,000,000.00	Various 1.57 %	2,005,390.00 2,003,131.46	100.73 1.37 %	2,014,556.00 3,069.44	2.68 % 11,424.54	Aaa / AA+ AAA	2.91 2.83
Sample CUSIP	Sample Issuer 1.125% Due 12/14/2018	1,000,000.00	12/15/2015 1.38 %	992,620.00 992,727.93	99.17 1.41 %	991,669.00 531.25	1.32 % (1,058.93)	Aaa / AA+ AAA	2.96 2.89
Sample CUSIP	Sample Issuer 1.75% Due 5/30/2019	1,350,000.00	08/18/2014 1.64 %	1,356,966.00 1,354,970.01	100.75 1.52 %	1,360,119.60 2,034.37	1.81 % 5,149.59	Aaa / AA+ AAA	3.41 3.30
Sample CUSIP	Sample Issuer 1.75% Due 9/12/2019	1,525,000.00	Various 1.86 %	1,517,171.50 1,519,184.73	100.53 1.60 %	1,533,047.43 8,080.38	2.05 % 13,862.70	Aaa / AA+ AAA	3.70 3.55
Total Agency		**32,935,000.00**	**1.31 %**	**33,181,281.45 32,952,240.76**	**1.04 %**	**33,022,482.92 96,694.93**	**44.07 % 70,242.16**	**Aaa / AA+ Aaa**	**1.68 1.64**
COMMERCIAL PAPER									
Sample CUSIP	Sample Issuer CP 0.39% Due 2/25/2016	1,510,000.00	10/27/2015 0.40 %	1,508,037.00 1,508,037.00	99.87 0.40 %	1,508,037.00 1,063.29	2.01 % 0.00	P-1 / A-1 F-1	0.15 0.15
Sample CUSIP	Sample Issuer CP 0.49% Due 4/4/2016	1,500,000.00	12/03/2015 0.50 %	1,497,488.75 1,497,488.75	99.83 0.50 %	1,497,488.75 592.08	1.99 % 0.00	P-1 / A-1+ F-1	0.26 0.26
Total Commercial Paper		**3,010,000.00**	**0.45 %**	**3,005,525.75 3,005,525.75**	**0.45 %**	**3,005,525.75 1,655.37**	**4.00 % 0.00**	**P-1 / A-1 F-1**	**0.21 0.21**
MONEY MARKET FUND FI									
Sample CUSIP	Sample Issuer MMKT Fund #657	1,653,370.38	Various 0.01 %	1,653,370.38 1,653,370.38	1.00 0.01 %	1,653,370.38 0.00	2.20 % 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		**1,653,370.38**	**0.01 %**	**1,653,370.38 1,653,370.38**	**0.01 %**	**1,653,370.38 0.00**	**2.20 % 0.00**	**Aaa / AAA NR**	**0.00 0.00**
US CORPORATE									
Sample CUSIP	Sample Issuer 2.125% Due 5/19/2016	800,000.00	10/13/2011 1.57 %	819,568.00 801,623.85	100.58 0.60 %	804,650.40 1,983.33	1.07 % 3,026.55	Aa2 / AA NR	0.38 0.38
Sample CUSIP	Sample Issuer 3.15% Due 7/5/2016	825,000.00	12/11/2012 1.39 %	875,349.75 832,209.43	101.03 1.12 %	833,528.03 12,705.00	1.13 % 1,318.60	A3 / A- A+	0.51 0.50
Sample CUSIP	Sample Issuer 1.6% Due 5/15/2017	1,010,000.00	Various 1.57 %	1,011,449.80 1,010,396.98	100.65 1.12 %	1,016,606.41 2,064.89	1.36 % 6,209.43	Aa2 / AA A+	1.37 1.35
Sample CUSIP	Sample Issuer 4/15/2017 1.65% Due 5/15/2017	825,000.00	01/31/2013 1.36 %	834,751.50 827,995.56	100.30 1.41 %	827,493.15 1,739.37	1.10 % (502.41)	A1 / A+ AA	1.37 1.27
Sample CUSIP	Sample Issuer 1.2% Due 10/15/2017	825,000.00	11/27/2012 1.17 %	826,171.50 825,429.77	100.05 1.17 %	825,437.25 2,090.00	1.10 % 7.48	A1 / AA- A+	1.79 1.76
Sample CUSIP	Sample Issuer Callable Note Cont 11/5/17 1.104% Due 12/5/2017	825,000.00	01/10/2013 1.03 %	827,854.50 826,125.80	99.31 1.48 %	819,327.30 657.80	1.09 % (6,798.50)	Aa1 / AA NR	1.93 1.82

Sample Client Portfolio

Sample
Holdings Report

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
Sample CUSIP	Sample Issuer 5.25% Due 12/6/2017	925,000.00	05/15/2014 1.37 %	1,048,580.00 992,225.23	106.77 1.67 %	987,607.70 3,372.39	1.32 % (4,617.53)	A1 / AA+ NR	1.93 1.84
Sample CUSIP	Sample Issuer 1.35% Due 12/15/2017	825,000.00	12/12/2012 1.29 %	827,570.25 826,006.11	100.13 1.28 %	826,097.25 495.00	1.10 % 91.14	A1 / A+ A+	1.96 1.92
Sample CUSIP	Sample Issuer 1.5% Due 1/16/2018	1,175,000.00	Various 1.44 %	1,178,377.60 1,176,433.74	99.57 1.71 %	1,169,994.50 8,078.13	1.57 % (6,439.24)	A2 / A AA-	2.05 1.99
Sample CUSIP	Sample Issuer 1% Due 5/3/2018	1,175,000.00	Various 1.10 %	1,169,224.20 1,172,205.83	99.19 1.35 %	1,165,453.13 1,893.05	1.55 % (6,752.70)	Aa1 / AA+ NR	2.34 2.30
Sample CUSIP	Sample Issuer 1.4% Due 5/18/2018	400,000.00	05/21/2015 1.43 %	399,708.00 399,766.83	99.14 1.77 %	396,579.20 637.78	0.53 % (3,187.63)	A1 / A+ NR	2.38 2.33
Sample CUSIP	Sample Issuer 7/2/2018 2.1% Due 8/1/2018	790,000.00	02/05/2014 1.94 %	795,387.80 793,068.65	100.68 1.82 %	795,409.13 6,912.50	1.07 % 2,340.48	A1 / A AA-	2.59 2.41
Sample CUSIP	Sample Issuer 2.125% Due 3/1/2019	750,000.00	11/19/2014 2.07 %	751,755.00 751,301.04	100.86 1.84 %	756,437.25 5,312.50	1.01 % 5,136.21	A1 / AA- NR	3.17 3.03
Sample CUSIP	Sample Issuer 1.95% Due 3/4/2019	900,000.00	05/28/2014 1.86 %	903,825.00 902,547.06	99.71 2.04 %	897,409.80 5,703.75	1.20 % (5,137.26)	A2 / A NR	3.18 3.04
Sample CUSIP	Sample Issuer 1.95% Due 3/15/2019	900,000.00	06/10/2014 2.05 %	896,049.00 897,339.45	100.86 1.67 %	907,740.90 5,167.50	1.21 % 10,401.45	A2 / AA- A	3.21 3.08
Total US Corporate		**12,950,000.00**	**1.50 %**	**13,165,621.90 13,034,675.33**	**1.46 %**	**13,029,771.40 58,812.99**	**17.42 % (4,903.93)**	**A1 / AA- A+**	**2.01 1.93**
US TREASURY									
Sample CUSIP	Sample Issuer 0.375% Due 2/15/2016	1,200,000.00	06/06/2014 0.30 %	1,201,597.77 1,200,116.72	100.00 0.38 %	1,200,000.00 1,699.73	1.60 % (116.72)	Aaa / AA+ AAA	0.13 0.12
Sample CUSIP	Sample Issuer 1.5% Due 7/31/2016	1,700,000.00	Various 1.25 %	1,720,884.60 1,702,427.96	100.50 0.63 %	1,708,566.30 10,671.19	2.29 % 6,138.34	Aaa / AA+ AAA	0.58 0.58
Sample CUSIP	Sample Issuer 1% Due 8/31/2016	975,000.00	09/14/2011 0.86 %	981,592.13 975,884.05	100.20 0.69 %	976,980.23 3,294.64	1.30 % 1,096.18	Aaa / AA+ AAA	0.67 0.66
Sample CUSIP	Sample Issuer 0.875% Due 11/30/2016	1,200,000.00	01/25/2012 0.86 %	1,200,660.27 1,200,124.59	100.06 0.81 %	1,200,703.20 918.03	1.60 % 578.61	Aaa / AA+ AAA	0.92 0.91
Sample CUSIP	Sample Issuer 0.5% Due 2/28/2017	500,000.00	03/30/2015 0.56 %	499,415.74 499,646.11	99.60 0.85 %	497,988.50 844.78	0.66 % (1,657.61)	Aaa / AA+ AAA	1.16 1.16
Sample CUSIP	Sample Issuer 0.875% Due 4/30/2017	1,750,000.00	Various 0.80 %	1,756,001.96 1,751,703.20	99.96 0.91 %	1,749,247.50 2,608.17	2.33 % (2,455.70)	Aaa / AA+ AAA	1.33 1.32
Sample CUSIP	Sample Issuer 0.875% Due 5/15/2017	1,800,000.00	05/15/2014 0.80 %	1,804,013.85 1,801,832.81	99.94 0.92 %	1,798,875.00 2,033.65	2.40 % (2,957.81)	Aaa / AA+ AAA	1.37 1.36
Sample CUSIP	Sample Issuer 0.625% Due 8/31/2017	2,400,000.00	Various 0.67 %	2,394,324.44 2,398,066.07	99.36 1.01 %	2,384,625.60 5,068.69	3.18 % (13,440.47)	Aaa / AA+ AAA	1.67 1.65
Sample CUSIP	Sample Issuer 0.625% Due 11/30/2017	1,150,000.00	12/27/2012 0.70 %	1,145,646.43 1,148,307.49	99.17 1.06 %	1,140,476.85 628.41	1.52 % (7,830.64)	Aaa / AA+ AAA	1.92 1.90

Sample Client Portfolio

Sample
Holdings Report

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
Sample CUSIP	Sample Issuer 1% Due 12/15/2017	1,250,000.00	12/11/2014 1.04 %	1,248,392.86 1,248,953.01	99.86 1.07 %	1,248,291.25 580.60	1.66 % (661.76)	Aaa / AA+ AAA	1.96 1.93
Sample CUSIP	Sample Issuer 1.375% Due 7/31/2018	650,000.00	07/30/2013 1.37 %	650,281.48 650,145.21	100.38 1.22 %	652,488.20 3,740.15	0.87 % 2,342.99	Aaa / AA+ AAA	2.58 2.52
Sample CUSIP	Sample Issuer 1.5% Due 8/31/2018	1,000,000.00	09/13/2013 1.69 %	990,901.79 995,109.08	100.66 1.25 %	1,006,641.00 5,068.68	1.35 % 11,531.92	Aaa / AA+ AAA	2.67 2.59
Sample CUSIP	Sample Issuer 1.5% Due 1/31/2019	1,850,000.00	Various 1.41 %	1,855,715.18 1,855,195.11	100.35 1.38 %	1,856,504.60 11,612.77	2.49 % 1,309.49	Aaa / AA+ AAA	3.09 2.99
Sample CUSIP	Sample Issuer 1.5% Due 2/28/2019	1,750,000.00	03/18/2014 1.55 %	1,746,041.02 1,747,471.68	100.32 1.40 %	1,755,537.00 8,870.19	2.35 % 8,065.32	Aaa / AA+ AAA	3.16 3.07
Sample CUSIP	Sample Issuer 1.625% Due 4/30/2019	1,200,000.00	Various 1.49 %	1,207,472.77 1,205,055.68	100.58 1.45 %	1,206,984.00 3,321.42	1.61 % 1,928.32	Aaa / AA+ AAA	3.33 3.23
Sample CUSIP	Sample Issuer 1.625% Due 8/31/2019	650,000.00	09/09/2014 1.76 %	645,863.51 646,952.30	100.29 1.54 %	651,853.80 3,569.20	0.87 % 4,901.50	Aaa / AA+ AAA	3.67 3.53
Sample CUSIP	Sample Issuer 1.5% Due 11/30/2019	1,200,000.00	12/11/2014 1.60 %	1,194,332.15 1,195,535.08	99.60 1.61 %	1,195,219.20 1,573.77	1.59 % (315.88)	Aaa / AA+ AAA	3.92 3.78
Sample CUSIP	Sample Issuer 1.375% Due 2/29/2020	1,000,000.00	04/23/2015 1.38 %	999,690.85 999,734.81	98.85 1.66 %	988,516.00 4,646.30	1.32 % (11,218.81)	Aaa / AA+ AAA	4.17 4.01
Sample CUSIP	Sample Issuer 1.375% Due 4/30/2020	500,000.00	05/06/2015 1.55 %	495,763.40 496,319.74	98.71 1.69 %	493,535.00 1,171.02	0.66 % (2,784.74)	Aaa / AA+ AAA	4.33 4.18
Sample CUSIP	Sample Issuer 1.5% Due 5/31/2020	500,000.00	06/04/2015 1.67 %	495,861.05 496,338.10	99.14 1.70 %	495,683.50 655.74	0.66 % (654.60)	Aaa / AA+ AAA	4.42 4.25
Total US Treasury		**24,225,000.00**	**1.11 %**	**24,234,453.25 24,214,918.80**	**1.11 %**	**24,208,716.73 72,577.13**	**32.31 % (6,202.07)**	**Aaa / AA+ Aaa**	**2.15 2.10**
TOTAL PORTFOLIO		**74,773,370.38**	**1.22 %**	**75,240,252.73 74,860,731.02**	**1.09 %**	**74,919,867.18 229,740.42**	**100.00 % 59,136.16**	**Aa1 / AA+ Aaa**	**1.79 1.75**
TOTAL MARKET VALUE PLUS ACCRUED						**75,149,607.60**			

Sample Client Portfolio

Sample
Transaction Ledger

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	12/02/2015	Sample CUSIP	17.22	Sample Government MMKT Fund #657	1.000	0.01 %	17.22	0.00	17.22	0.00
Purchase	12/03/2015	Sample CUSIP	1,500,000.00	Sample CP 0.49% Due 4/4/2016	99.833	0.50 %	1,497,488.75	0.00	1,497,488.75	0.00
Purchase	12/05/2015	Sample CUSIP	4,554.00	Sample Government MMKT Fund #657	1.000	0.01 %	4,554.00	0.00	4,554.00	0.00
Purchase	12/06/2015	Sample CUSIP	24,281.25	Sample Government MMKT Fund #657	1.000	0.01 %	24,281.25	0.00	24,281.25	0.00
Purchase	12/09/2015	Sample CUSIP	10,359.38	Sample Government MMKT Fund #657	1.000	0.01 %	10,359.38	0.00	10,359.38	0.00
Purchase	12/09/2015	Sample CUSIP	7,750.00	Sample Government MMKT Fund #657	1.000	0.01 %	7,750.00	0.00	7,750.00	0.00
Purchase	12/10/2015	Sample CUSIP	17,000.00	Sample Government MMKT Fund #657	1.000	0.01 %	17,000.00	0.00	17,000.00	0.00
Purchase	12/15/2015	Sample CUSIP	11,818.75	Sample Government MMKT Fund #657	1.000	0.01 %	11,818.75	0.00	11,818.75	0.00
Purchase	12/16/2015	Sample CUSIP	1,000,000.00	Sample Note 1.125% Due 12/14/2018	99.262	1.38 %	992,620.00	62.50	992,682.50	0.00
Purchase	12/22/2015	Sample CUSIP	12,513.75	Sample Government MMKT Fund #657	1.000	0.01 %	12,513.75	0.00	12,513.75	0.00
Purchase	12/22/2015	Sample CUSIP	1,065,000.00	Sample Government MMKT Fund #657	1.000	0.01 %	1,065,000.00	0.00	1,065,000.00	0.00
Purchase	12/23/2015	Sample CUSIP	1,000,000.00	Sample Issuer 1.5% Due 1/31/2019	100.442	1.35 %	1,004,417.41	5,910.33	1,010,327.74	0.00
Purchase	12/23/2015	Sample CUSIP	1,000,000.00	Sample Issuer 0.875% Due 4/30/2017	100.008	0.87 %	1,000,081.48	1,274.04	1,001,355.52	0.00
	Subtotal		**5,653,294.35**				**5,647,901.99**	**7,246.87**	**5,655,148.86**	**0.00**
TOTAL ACQUISITIONS			**5,653,294.35**				**5,647,901.99**	**7,246.87**	**5,655,148.86**	**0.00**
DISPOSITIONS										
Sale	12/03/2015	Sample CUSIP	1,497,488.75	Sample Government MMKT Fund #657	1.000	0.01 %	1,497,488.75	0.00	1,497,488.75	0.00
Sale	12/16/2015	Sample CUSIP	992,682.50	Sample Government MMKT Fund #657	1.000	0.01 %	992,682.50	0.00	992,682.50	0.00
Sale	12/23/2015	Sample CUSIP	2,011,683.26	Sample Government MMKT Fund #657	1.000	0.01 %	2,011,683.26	0.00	2,011,683.26	0.00
	Subtotal		**4,501,854.51**				**4,501,854.51**	**0.00**	**4,501,854.51**	**0.00**

Sample Client Portfolio

Sample
Transaction Ledger

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Maturity	12/22/2015	Sample CUSIP	1,065,000.00	Sample Issuer 2.35% Due 12/22/2015	100.000		1,065,000.00	0.00	1,065,000.00	0.00
	Subtotal		**1,065,000.00**				**1,065,000.00**	**0.00**	**1,065,000.00**	**0.00**
TOTAL DISPOSITIONS			**5,566,854.51**				**5,566,854.51**	**0.00**	**5,566,854.51**	**0.00**
OTHER TRANSACTIONS										
Interest	12/02/2015	Sample CUSIP	825,000.00	Sample Issuer Callable Note Cont 11/5/17 1.104% Due 12/5/2017	0.000		4,554.00	0.00	4,554.00	0.00
Interest	12/05/2015	Sample CUSIP	925,000.00	Sample Issuer 5.25% Due 12/6/2017	0.000		24,281.25	0.00	24,281.25	0.00
Interest	12/05/2015	Sample CUSIP	1,275,000.00	Sample Issuer 1.625% Due 12/9/2016	0.000		10,359.38	0.00	10,359.38	0.00
Interest	12/09/2015	Sample CUSIP	1,550,000.00	Sample Issuer 1% Due 6/9/2017	0.000		7,750.00	0.00	7,750.00	0.00
Interest	12/12/2015	Sample CUSIP	1,600,000.00	Sample Issuer 2.125% Due 6/10/2016	0.000		17,000.00	0.00	17,000.00	0.00
Interest	12/15/2015	Sample CUSIP	825,000.00	Sample Issuer 1.35% Due 12/15/2017	0.000		5,568.75	0.00	5,568.75	0.00
Interest	12/21/2015	Sample CUSIP	1,250,000.00	Sample Issuer 1% Due 12/15/2017	0.000		6,250.00	0.00	6,250.00	0.00
Interest	12/29/2015	Sample CUSIP	1,065,000.00	Sample Issuer 2.35% Due 12/22/2015	0.000		12,513.75	0.00	12,513.75	0.00
	Subtotal		**9,315,000.00**				**88,277.13**	**0.00**	**88,277.13**	**0.00**
Dividend	12/02/2015	Sample CUSIP	5,001,930.54	Sample Government MMKT Fund #657	0.000		17.22	0.00	17.22	0.00
	Subtotal		**5,001,930.54**				**17.22**	**0.00**	**17.22**	**0.00**
TOTAL OTHER TRANSACTIONS			**14,316,930.54**				**88,294.35**	**0.00**	**88,294.35**	**0.00**

Sample Client Portfolio

Sample
Income Earned

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
Fixed Income						
Sample Cusip	Sample Issuer 1% Due 05/03/2018		1,172,104.30	913.88	101.53	
		Various	0.00	0.00	0.00	
		Various	0.00	1,893.05	101.53	0.00
		1,175,000.00	1,172,205.83	979.17	1,080.70	1,080.70
Sample Cusip	Sample Issuer Callable Note Cont 7/2/2018 2.1% Due 08/01/2018		793,172.85	5,530.00	0.00	
		02/05/2014	0.00	0.00	104.20	
		02/10/2014	0.00	6,912.50	(104.20)	0.00
		790,000.00	793,068.65	1,382.50	1,278.30	1,278.30
Sample Cusip	Sample Issuer Note 1.6% Due 05/15/2017		1,010,421.60	718.23	3.40	
		Various	0.00	0.00	28.02	
		05/15/2012	0.00	2,064.89	(24.62)	0.00
		1,010,000.00	1,010,396.98	1,346.66	1,322.04	1,322.04
Sample Cusip	Sample Issuer Callable Note Cont 11/5/17 1.104% Due 12/05/2017		826,175.38	4,452.80	0.00	
		01/10/2013	0.00	4,554.00	49.58	
		01/15/2013	0.00	657.80	(49.58)	0.00
		825,000.00	826,125.80	759.00	709.42	709.42
Sample Cusip	Sample Issuer Note 2.125% Due 03/01/2019		751,335.96	3,984.38	0.00	
		11/19/2014	0.00	0.00	34.92	
		11/24/2014	0.00	5,312.50	(34.92)	0.00
		750,000.00	751,301.04	1,328.12	1,293.20	1,293.20
Sample Cusip	Sample Issuer Note 1.95% Due 03/04/2019		902,615.25	4,241.25	0.00	
		05/28/2014	0.00	0.00	68.19	
		05/30/2014	0.00	5,703.75	(68.19)	0.00
		900,000.00	902,547.06	1,462.50	1,394.31	1,394.31
Sample Cusip	Sample Issuer Note 1.125% Due 04/25/2018		998,840.14	1,125.00	41.04	
		03/03/2015	0.00	0.00	0.00	
		03/04/2015	0.00	2,062.50	41.04	0.00
		1,000,000.00	998,881.18	937.50	978.54	978.54
Sample Cusip	Sample Issuer Note 0.625% Due 05/30/2017		499,582.56	8.68	23.70	
		05/21/2015	0.00	0.00	0.00	
		05/22/2015	0.00	269.10	23.70	0.00
		500,000.00	499,606.26	260.42	284.12	284.12
Sample Cusip	Sample Issuer Note Due 12/22/2015		1,065,046.83	11,053.82	0.00	
		03/28/2011	0.00	12,513.75	46.83	
		03/29/2011	1,065,000.00	0.00	(46.83)	0.00
		0.00	0.00	1,459.93	1,413.10	1,413.10
Sample Cusip	Sample Issuer Note 1.625% Due 12/09/2016		1,285,924.35	9,898.95	0.00	
		10/17/2013	0.00	10,359.38	905.50	
		10/18/2013	0.00	1,266.14	(905.50)	0.00
		1,275,000.00	1,285,018.85	1,726.57	821.07	821.07

Sample Client Portfolio

Sample
Income Earned

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
Sample Cusip	Sample Issuer		1,608,337.02	16,150.01	0.00	
	Note	09/14/2011	0.00	17,000.00	1,346.08	
	2.125% Due 06/10/2016	09/15/2011	0.00	1,983.33	(1,346.08)	0.00
		1,600,000.00	1,606,990.94	2,833.32	1,487.24	1,487.24
Sample Cusip	Sample Issuer		1,520,241.63	6,416.67	0.00	
	Note	02/07/2014	0.00	0.00	616.41	
	2% Due 09/14/2018	02/10/2014	0.00	8,916.66	(616.41)	0.00
		1,500,000.00	1,519,625.22	2,499.99	1,883.58	1,883.58
Sample Cusip	Sample Issuer		1,496,443.96	4,697.92	132.98	
	Note	08/06/2013	0.00	0.00	0.00	
	1.375% Due 03/09/2018	08/07/2013	0.00	6,416.66	132.98	0.00
		1,500,000.00	1,496,576.94	1,718.74	1,851.72	1,851.72
Sample Cusip	Sample Issuer		1,549,425.16	7,405.55	32.04	
	Note	06/20/2012	0.00	7,750.00	0.00	
	1% Due 06/09/2017	06/21/2012	0.00	947.22	32.04	0.00
		1,550,000.00	1,549,457.20	1,291.67	1,323.71	1,323.71
Sample Cusip	Sample Issuer		1,050,000.00	1,694.58	0.00	
	Note	09/18/2012	0.00	0.00	0.00	
	0.83% Due 09/21/2017	09/21/2012	0.00	2,420.84	0.00	0.00
		1,050,000.00	1,050,000.00	726.26	726.26	726.26
Sample Cusip	Sample Issuer		1,603,275.45	5,277.78	0.00	
	Note	06/07/2011	0.00	0.00	769.23	
	2.375% Due 04/11/2016	06/08/2011	0.00	8,444.44	(769.23)	0.00
		1,600,000.00	1,602,506.22	3,166.66	2,397.43	2,397.43
Sample Cusip	Sample Issuer		1,499,406.51	3,281.25	60.92	
	Note	09/29/2011	0.00	0.00	0.00	
	1.25% Due 09/28/2016	09/30/2011	0.00	4,843.75	60.92	0.00
		1,500,000.00	1,499,467.43	1,562.50	1,623.42	1,623.42
Sample Cusip	Sample Issuer		309,520.44	1,269.06	15.45	
	Note	06/04/2015	0.00	0.00	0.00	
	1.125% Due 07/20/2018	06/08/2015	0.00	1,559.69	15.45	0.00
		310,000.00	309,535.89	290.63	306.08	306.08
Sample Cusip	Sample Issuer		1,602,474.64	977.78	0.00	
	Note	12/21/2011	0.00	0.00	219.19	
	1.375% Due 11/15/2016	12/22/2011	0.00	2,811.11	(219.19)	0.00
		1,600,000.00	1,602,255.45	1,833.33	1,614.14	1,614.14
Sample Cusip	Sample Issuer		0.00	0.00	107.93	
	Note	12/15/2015	992,620.00	(62.50)	0.00	
	1.125% Due 12/14/2018	12/16/2015	0.00	531.25	107.93	0.00
		1,000,000.00	992,727.93	468.75	576.68	576.68
Sample Cusip	Sample Issuer		899,979.85	3,781.25	1.47	
	Note	03/26/2012	0.00	0.00	0.00	
	1.25% Due 01/30/2017	03/27/2012	0.00	4,718.75	1.47	0.00
		900,000.00	899,981.32	937.50	938.97	938.97

Sample Client Portfolio

Sample
Income Earned

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
Sample Cusip	Sample Issuer Note 0.625% Due 11/30/2017		1,148,232.42	19.64	75.07	
		12/27/2012	0.00	0.00	0.00	
		12/28/2012	0.00	628.41	75.07	0.00
		1,150,000.00	1,148,307.49	608.77	683.84	683.84
Sample Cusip	Sample Issuer Note 0.375% Due 02/15/2016		1,200,197.13	1,320.65	0.00	
		06/06/2014	0.00	0.00	80.41	
		06/09/2014	0.00	1,699.73	(80.41)	0.00
		1,200,000.00	1,200,116.72	379.08	298.67	298.67
Sample Cusip	Sample Issuer Note 1.375% Due 07/31/2018		650,149.99	2,987.27	0.00	
		07/30/2013	0.00	0.00	4.78	
		07/31/2013	0.00	3,740.15	(4.78)	0.00
		650,000.00	650,145.21	752.88	748.10	748.10
Sample Cusip	Sample Issuer Note 0.875% Due 05/15/2017		1,801,946.44	692.31	0.00	
		05/15/2014	0.00	0.00	113.63	
		05/16/2014	0.00	2,033.65	(113.63)	0.00
		1,800,000.00	1,801,832.81	1,341.34	1,227.71	1,227.71
Sample Cusip	Sample Issuer Note 1.5% Due 05/31/2020		496,267.68	20.49	70.42	
		06/04/2015	0.00	0.00	0.00	
		06/05/2015	0.00	655.74	70.42	0.00
		500,000.00	496,338.10	635.25	705.67	705.67
Sample Cusip	Sample Issuer Note 1.5% Due 01/16/2018		1,176,493.35	6,609.38	3.34	
		04/17/2013	0.00	0.00	62.95	
		04/22/2013	0.00	8,078.13	(59.61)	0.00
		1,175,000.00	1,176,433.74	1,468.75	1,409.14	1,409.14
			68,279,550.55	**224,558.07**	**2,848.48**	
			2,997,118.89	**81,030.26**	**12,683.03**	
			1,065,000.00	**228,085.05**	**(9,834.55)**	**0.00**
TOTAL Fixed Income		**70,110,000.00**	**70,201,834.89**	**84,557.24**	**74,722.69**	**74,722.69**

Cash & Equivalent

Sample Cusip	Sample Issuer Discount CP 0.39% Due 02/25/2016		1,508,037.00	556.18	0.00	
		10/27/2015	0.00	0.00	0.00	
		10/28/2015	0.00	1,063.29	0.00	0.00
		1,510,000.00	1,508,037.00	507.11	507.11	507.11
Sample Cusip	Sample Government MMKT Fund #657		5,001,930.54	0.00	0.00	
		Various	1,153,294.35	17.22	0.00	
		Various	4,501,854.51	0.00	0.00	0.00
		1,653,370.38	1,653,370.38	17.22	17.22	17.22

Sample Client Portfolio

Sample
Income Earned

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
Sample Cusip	Sample Issuer CP 0.49% Due 04/04/2016		0.00	0.00	0.00	
		12/03/2015	1,497,488.75	0.00	0.00	
		12/03/2015	0.00	592.08	0.00	0.00
		1,500,000.00	1,497,488.75	592.08	592.08	592.08
			6,509,967.54	**556.18**	**0.00**	
			2,650,783.10	**17.22**	**0.00**	
			4,501,854.51	**1,655.37**	**0.00**	**0.00**
TOTAL Cash & Equivalent		**4,663,370.38**	**4,658,896.13**	**1,116.41**	**1,116.41**	**1,116.41**
			74,789,518.09	**225,114.25**	**2,848.48**	
			5,647,901.99	**81,047.48**	**12,683.03**	
			5,566,854.51	**229,740.42**	**(9,834.55)**	**0.00**
TOTAL PORTFOLIO		**74,773,370.38**	**74,860,731.02**	**85,673.65**	**75,839.10**	**75,839.10**

Sample Client Portfolio

Sample
Cash Flow Report

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/05/2016	Interest	Sample Cusip	825,000.00	Sample Issuer 3.15% Due 7/5/2016	0.00	12,993.75	12,993.75
01/14/2016	Interest	Sample Cusip	750,000.00	Sample Issuer 0.75% Due 7/14/2017	0.00	3,515.63	3,515.63
01/16/2016	Interest	Sample Cusip	1,175,000.00	Sample Issuer 1.5% Due 1/16/2018	0.00	8,812.50	8,812.50
01/20/2016	Interest	Sample Cusip	310,000.00	Sample Issuer 1.125% Due 7/20/2018	0.00	1,743.75	1,743.75
01/30/2016	Interest	Sample Cusip	900,000.00	Sample Issuer 1.25% Due 1/30/2017	0.00	5,625.00	5,625.00
01/31/2016	Interest	Sample Cusip	1,850,000.00	Sample Issuer 1.5% Due 1/31/2019	0.00	13,875.00	13,875.00
01/31/2016	Interest	Sample Cusip	1,700,000.00	Sample Issuer 1.5% Due 7/31/2016	0.00	12,750.00	12,750.00
01/31/2016	Interest	Sample Cusip	650,000.00	Sample Issuer 1.375% Due 7/31/2018	0.00	4,468.75	4,468.75
Jan 2016					**0.00**	**63,784.38**	**63,784.38**
02/01/2016	Interest	Sample Cusip	790,000.00	Sample Issuer Callable Note Cont 7/2/2018 2.1% Due 8/1/2018	0.00	8,295.00	8,295.00
02/15/2016	Maturity	Sample Cusip	1,200,000.00	Sample Issuer 0.375% Due 2/15/2016	1,200,000.00	2,250.00	1,202,250.00
02/25/2016	Interest	Sample Cusip	1,650,000.00	Sample Issuer 2% Due 8/25/2016	0.00	16,500.00	16,500.00
02/25/2016	Maturity	Sample Cusip	1,510,000.00	Sample Issuer Discount CP 0.39% Due 2/25/2016	1,508,037.00	1,963.00	1,510,000.00
02/29/2016	Interest	Sample Cusip	500,000.00	Sample Issuer 0.5% Due 2/28/2017	0.00	1,250.00	1,250.00
02/29/2016	Interest	Sample Cusip	975,000.00	Sample Issuer 1% Due 8/31/2016	0.00	4,875.00	4,875.00
02/29/2016	Interest	Sample Cusip	1,750,000.00	Sample Issuer 1.5% Due 2/28/2019	0.00	13,125.00	13,125.00
02/29/2016	Interest	Sample Cusip	650,000.00	Sample Issuer 1.625% Due 8/31/2019	0.00	5,281.25	5,281.25
02/29/2016	Interest	Sample Cusip	1,000,000.00	Sample Issuer 1.375% Due 2/29/2020	0.00	6,875.00	6,875.00
02/29/2016	Interest	Sample Cusip	1,000,000.00	Sample Issuer 1.5% Due 8/31/2018	0.00	7,500.00	7,500.00
02/29/2016	Interest	Sample Cusip	2,400,000.00	Sample Issuer 0.625% Due 8/31/2017	0.00	7,500.00	7,500.00
Feb 2016					**2,708,037.00**	**75,414.25**	**2,783,451.25**

Sample Client Portfolio

Sample
Cash Flow Report

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/01/2016	Interest	Sample Cusip	750,000.00	Sample Issuer 2.125% Due 3/1/2019	0.00	7,968.75	7,968.75
03/04/2016	Interest	Sample Cusip	900,000.00	Sample Issuer 1.95% Due 3/4/2019	0.00	8,775.00	8,775.00
03/07/2016	Interest	Sample Cusip	2,025,000.00	Sample Issuer 0.875% Due 3/7/2018	0.00	8,859.38	8,859.38
03/08/2016	Interest	Sample Cusip	1,600,000.00	Sample Issuer 1% Due 3/8/2017	0.00	8,000.00	8,000.00
03/09/2016	Interest	Sample Cusip	1,500,000.00	Sample Issuer 1.375% Due 3/9/2018	0.00	10,312.50	10,312.50
03/12/2016	Interest	Sample Cusip	1,525,000.00	Sample Issuer 1.75% Due 9/12/2019	0.00	13,343.75	13,343.75
03/14/2016	Interest	Sample Cusip	1,500,000.00	Sample Issuer 2% Due 9/14/2018	0.00	15,000.00	15,000.00
03/15/2016	Interest	Sample Cusip	900,000.00	Sample Issuer 1.95% Due 3/15/2019	0.00	8,775.00	8,775.00
03/21/2016	Interest	Sample Cusip	1,050,000.00	Sample Issuer 0.83% Due 9/21/2017	0.00	4,357.50	4,357.50
03/27/2016	Interest	Sample Cusip	1,600,000.00	Sample Issuer 1% Due 9/27/2017	0.00	8,000.00	8,000.00
03/28/2016	Interest	Sample Cusip	1,500,000.00	Sample Issuer 1.25% Due 9/28/2016	0.00	9,375.00	9,375.00
Mar 2016					**0.00**	**102,766.88**	**102,766.88**
04/04/2016	Maturity	Sample Cusip	1,500,000.00	Sample Issuer Discount CP 0.49% Due 4/4/2016	1,497,488.75	2,511.25	1,500,000.00
04/11/2016	Maturity	Sample Cusip	1,600,000.00	Sample Issuer 2.375% Due 4/11/2016	1,600,000.00	19,000.00	1,619,000.00
04/15/2016	Interest	Sample Cusip	825,000.00	Sample Issuer 1.2% Due 10/15/2017	0.00	4,950.00	4,950.00
04/25/2016	Interest	Sample Cusip	1,000,000.00	Sample Issuer 1.125% Due 4/25/2018	0.00	5,625.00	5,625.00
04/30/2016	Interest	Sample Cusip	500,000.00	Sample Issuer 1.375% Due 4/30/2020	0.00	3,437.50	3,437.50
04/30/2016	Interest	Sample Cusip	1,750,000.00	Sample Issuer 0.875% Due 4/30/2017	0.00	7,656.25	7,656.25
04/30/2016	Interest	Sample Cusip	1,200,000.00	Sample Issuer 1.625% Due 4/30/2019	0.00	9,750.00	9,750.00
Apr 2016					**3,097,488.75**	**52,930.00**	**3,150,418.75**
05/03/2016	Interest	Sample Cusip	1,175,000.00	Sample Issuer 1% Due 5/3/2018	0.00	5,875.00	5,875.00

Sample Client Portfolio

Sample
Cash Flow Report

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/15/2016	Interest	Sample Cusip	1,010,000.00	Sample Issuer 1.6% Due 5/15/2017	0.00	8,080.00	8,080.00
05/15/2016	Interest	Sample Cusip	825,000.00	Sample Issuer Callable Note Cont 4/15/2017 1.65% Due 5/15/2017	0.00	6,806.25	6,806.25
05/15/2016	Interest	Sample Cusip	1,800,000.00	Sample Issuer 0.875% Due 5/15/2017	0.00	7,875.00	7,875.00
05/15/2016	Maturity	Sample Cusip	1,600,000.00	Sample Issuer 1.375% Due 11/15/2016	1,600,000.00	11,000.00	1,611,000.00
05/20/2016	Interest	Sample Cusip	400,000.00	Sample Issuer 1.4% Due 5/18/2018	0.00	2,800.00	2,800.00
05/21/2016	Interest	Sample Cusip	1,250,000.00	Sample Issuer 0.875% Due 5/21/2018	0.00	5,468.75	5,468.75
05/27/2016	Interest	Sample Cusip	2,000,000.00	Sample Issuer 1.625% Due 11/27/2018	0.00	16,250.00	16,250.00
05/30/2016	Interest	Sample Cusip	1,350,000.00	Sample Issuer 1.75% Due 5/30/2019	0.00	11,812.50	11,812.50
05/30/2016	Interest	Sample Cusip	500,000.00	Sample Issuer 0.625% Due 5/30/2017	0.00	1,562.50	1,562.50
05/30/2016	Interest	Sample Cusip	1,200,000.00	Sample Issuer 1.5% Due 11/30/2019	0.00	9,000.00	9,000.00
05/30/2016	Interest	Sample Cusip	1,150,000.00	Sample Issuer 0.625% Due 11/30/2017	0.00	3,593.75	3,593.75
05/30/2016	Interest	Sample Cusip	500,000.00	Sample Issuer 1.5% Due 5/31/2020	0.00	3,750.00	3,750.00
05/30/2016	Maturity	Sample Cusip	1,200,000.00	Sample Issuer 0.875% Due 11/30/2016	1,200,000.00	5,250.00	1,205,250.00
May 2016					**2,800,000.00**	**99,123.75**	**2,899,123.75**
06/05/2016	Interest	Sample Cusip	825,000.00	Sample Issuer Callable Note Cont 11/5/17 1.104% Due 12/5/2017	0.00	4,554.00	4,554.00
06/06/2016	Interest	Sample Cusip	925,000.00	Sample Issuer 5.25% Due 12/6/2017	0.00	24,281.25	24,281.25
06/09/2016	Interest	Sample Cusip	1,550,000.00	Sample Issuer 1% Due 6/9/2017	0.00	7,750.00	7,750.00
06/09/2016	Maturity	Sample Cusip	1,275,000.00	Sample Issuer 1.625% Due 12/9/2016	1,275,000.00	10,359.38	1,285,359.38
06/14/2016	Interest	Sample Cusip	1,000,000.00	Sample Issuer 1.125% Due 12/14/2018	0.00	5,625.00	5,625.00
06/15/2016	Interest	Sample Cusip	1,250,000.00	Sample Issuer 1% Due 12/15/2017	0.00	6,250.00	6,250.00

Sample Client Portfolio

Sample
Cash Flow Report

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
06/30/2016	Interest	Sample Cusip	1,350,000.00	Sample Issuer 1.75% Due 5/30/2019	0.00	11,812.50	11,812.50
06/30/2016	Interest	Sample Cusip	500,000.00	Sample Issuer 0.625% Due 5/30/2017	0.00	1,562.50	1,562.50
06/30/2016	Interest	Sample Cusip	1,200,000.00	Sample Issuer 1.5% Due 11/30/2019	0.00	9,000.00	9,000.00
06/30/2016	Interest	Sample Cusip	1,150,000.00	Sample Issuer 0.625% Due 11/30/2017	0.00	3,593.75	3,593.75
06/30/2016	Interest	Sample Cusip	500,000.00	Sample Issuer 1.5% Due 5/31/2020	0.00	3,750.00	3,750.00
06/30/2016	Maturity	Sample Cusip	1,200,000.00	Sample Issuer 0.875% Due 11/30/2016	1,200,000.00	5,250.00	1,205,250.00
June 2016					**2,800,000.00**	**99,123.75**	**2,899,123.75**
07/05/2016	Interest	Sample Cusip	825,000.00	Sample Issuer Callable Note Cont 11/5/17 1.104% Due 12/5/2017	0.00	4,554.00	4,554.00
07/06/2016	Interest	Sample Cusip	925,000.00	Sample Issuer 5.25% Due 12/6/2017	0.00	24,281.25	24,281.25
07/09/2016	Interest	Sample Cusip	1,550,000.00	Sample Issuer 1% Due 6/9/2017	0.00	7,750.00	7,750.00
07/09/2016	Maturity	Sample Cusip	1,275,000.00	Sample Issuer 1.625% Due 12/9/2016	1,275,000.00	10,359.38	1,285,359.38
07/14/2016	Interest	Sample Cusip	1,000,000.00	Sample Issuer 1.125% Due 12/14/2018	0.00	5,625.00	5,625.00
07/15/2016	Interest	Sample Cusip	1,250,000.00	Sample Issuer 1% Due 12/15/2017	0.00	6,250.00	6,250.00
07/15/2016	Interest	Sample Cusip	825,000.00	ISample Issuer 1.35% Due 12/15/2017	0.00	5,568.75	5,568.75
July 2016					**1,275,000.00**	**64,388.38**	**1,339,388.38**
Total					**21,230,525.75**	**944,637.90**	**22,175,163.65**

Sample Client Portfolio

Sample
Sector Time Distribution Report

MIG	Market Value	0-1mo	1-12mo	1-2Yr	2-3Yr	3-4Yr	4-5Yr
Agency	$33,022,482.92	$0.00	$11,596,873.50	$7,939,965.80	$10,592,476.59	$2,893,167.03	$0.00
Commercial Paper	$3,005,525.75	$0.00	$3,005,525.75	$0.00	$0.00	$0.00	$0.00
Money Market Fund FI	$1,653,370.38	$1,653,370.38	$0.00	$0.00	$0.00	$0.00	$0.00
US Corporate	$13,029,771.40	$0.00	$1,638,178.43	$5,302,569.06	$3,527,435.96	$2,561,587.95	$0.00
US Treasury	$24,208,716.73	$0.00	$5,086,249.73	$8,819,504.70	$1,659,129.20	$6,666,098.60	$1,977,734.50
Sum	$74,919,867.18	$1,653,370.38	$21,326,827.41	$22,062,039.56	$15,779,041.75	$12,120,853.58	$1,977,734.50

Credit Ratings Group

Ratings Group	Market Value
A	$5,746,511.06
AA	$66,022,496.99
AAA	$3,150,859.13
Sum	$74,919,867.18

Sample Client Portfolio

Sample
Issuer Report

Issue Name	Par	Cost	Market Value	MVACC	% Portfolio
Sample Government Issuer	$24,225,000.00	$24,234,453.25	$24,208,716.73	$24,281,293.86	32.31 %
Sample Government Agency	$13,285,000.00	$13,300,134.00	$13,307,208.64	$13,346,660.52	17.76 %
Sample Government Agency	$9,675,000.00	$9,775,295.45	$9,699,134.88	$9,732,095.48	12.95 %
Sample Government Agency	$8,925,000.00	$9,055,852.00	$8,970,536.80	$8,992,398.41	11.97 %
Sample Institutional Govt Money Market Fund	$1,653,370.38	$1,653,370.38	$1,653,370.38	$1,653,370.38	2.20 %
Sample Corporate Issuer	$1,510,000.00	$1,508,037.00	$1,508,037.00	$1,509,100.29	2.01 %
Sample Corporate Issuer	$1,500,000.00	$1,497,488.75	$1,497,488.75	$1,498,080.83	1.99 %
Sample Corporate Issuer	$1,175,000.00	$1,178,377.60	$1,169,994.50	$1,178,072.63	1.57 %
Sample Corporate Issuer	$1,175,000.00	$1,169,224.20	$1,165,453.13	$1,167,346.18	1.55 %
Sample Government Agency	$1,050,000.00	$1,050,000.00	$1,045,602.60	$1,048,023.44	1.39 %
Sample Corporate Issuer	$1,010,000.00	$1,011,449.80	$1,016,606.41	$1,018,671.30	1.36 %
Sample Corporate Issuer	$925,000.00	$1,048,580.00	$987,607.70	$990,980.09	1.32 %
Sample Corporate Issuer	$900,000.00	$896,049.00	$907,740.90	$912,908.40	1.21 %
Sample Corporate Issuer	$900,000.00	$903,825.00	$897,409.80	$903,113.55	1.20 %
Sample Corporate Issuer	$825,000.00	$875,349.75	$833,528.03	$846,233.03	1.13 %
Sample Corporate Issuer	$825,000.00	$834,751.50	$827,493.15	$829,232.52	1.10 %
Sample Corporate Issuer	$825,000.00	$826,171.50	$825,437.25	$827,527.25	1.10 %
Sample Corporate Issuer	$825,000.00	$827,570.25	$826,097.25	$826,592.25	1.10 %
Sample Corporate Issuer	$825,000.00	$827,854.50	$819,327.30	$819,985.10	1.09 %
Sample Corporate Issuer	$800,000.00	$819,568.00	$804,650.40	$806,633.73	1.07 %
Sample Corporate Issuer	$790,000.00	$795,387.80	$795,409.13	$802,321.63	1.07 %
Sample Corporate Issuer	$750,000.00	$751,755.00	$756,437.25	$761,749.75	1.01 %
Sample Corporate Issuer	$400,000.00	$399,708.00	$396,579.20	$397,216.98	0.53 %
Total	**$74,773,370.38**	**$75,240,252.73**	**$74,919,867.18**	**$75,149,607.60**	**100.00 %**

CAM | CHANDLER ASSET MANAGEMENT

Investment Report

Sample Quarterly Report

Period Ending
December 31, 2015

Please note: This sample client service report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. References to specific securities and their characteristics are examples of securities held in the portfolio and are not intended to be, and should not be interpreted as an offer, solicitation or recommendation to purchase or sell any financial instrument, an indication that the purchase of such securities was or will be profitable, or representative of the composition or performance of the portfolio. The information contained in this sample presentation was obtained from sources we believe to be reliable, but we do not guarantee its accuracy. This presentation contains the current opinions of the author, which are subject to change without notice. Any statements concerning financial market trends or future forecasts are based on current market conditions, which will fluctuate. Past performance is not indicative of future success.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

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SECTION 1

Economic Update

Economic Update

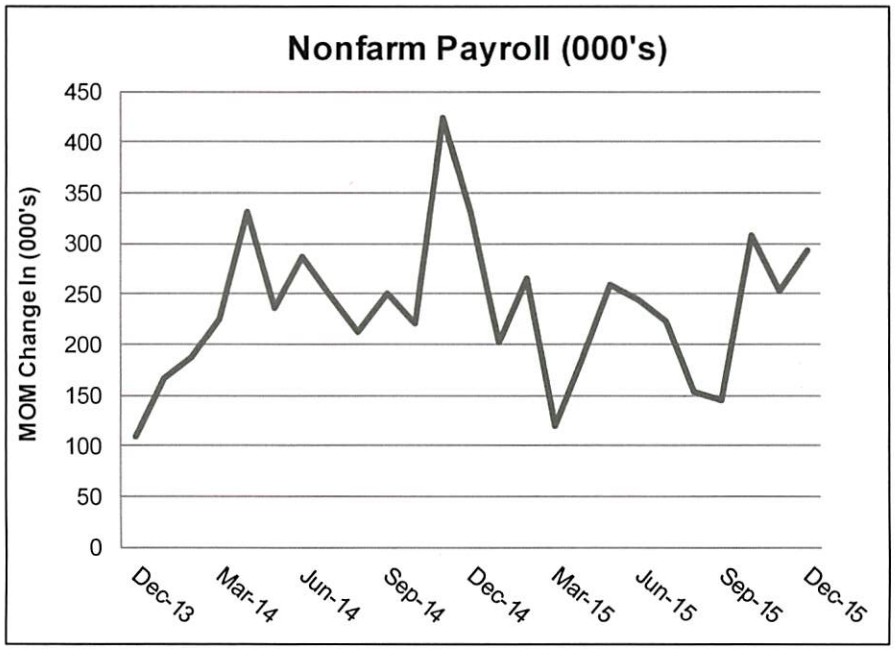
- As expected, in December the Federal Open Market Committee (FOMC) increased the fed funds target rate by 25 basis points. It was the first fed funds target rate increase since June 2006. Although the Fed took its first step toward normalizing monetary policy, the tone of the FOMC statement was dovish, suggesting the pace of additional policy tightening will be slower than historical Fed tightening cycles. Policymakers' median projection for the fed funds rate at the end of 2016 is 1.375%. In the longer-run, the target fed funds rate is roughly 3.5%. However, the FOMC has emphasized that monetary policy adjustments will be gradual and the path of the fed funds rate will depend on the economic outlook. Notably, the FOMC will continue to reinvest principal payments from its holdings of Agency and Mortgage-Backed securities and will continue rolling over maturing Treasury securities until normalization of the fed funds rate is well underway. Overall, monetary policy remains highly accommodative and the Fed is proceeding with caution as it moves toward a more normalized policy stance.

- Economic data is mixed. Trends in the labor market remain favorable, and consumer confidence rebounded in December. However, the manufacturing sector remains weak and housing sector data has been volatile. The ISM manufacturing index declined to 48.2 in December, to the weakest level since July 2009. In terms of housing, new and existing home sales were recently weaker than expected, but home prices remain firm. Nevertheless, payrolls have increased by an average of 284,000 per month over the past three months, with the unemployment rate at 5.0%, which should provide a strong tailwind for economic growth this year. Third quarter 2015 GDP grew at an annualized pace of 2.0%, following growth of 3.9% in the second quarter. Last month, the consensus forecast called for GDP growth of 2.1% in the fourth quarter of 2015, but some economists have since lowered their forecast. We are expecting GDP growth of about 2.0%-2.5% in 2016.

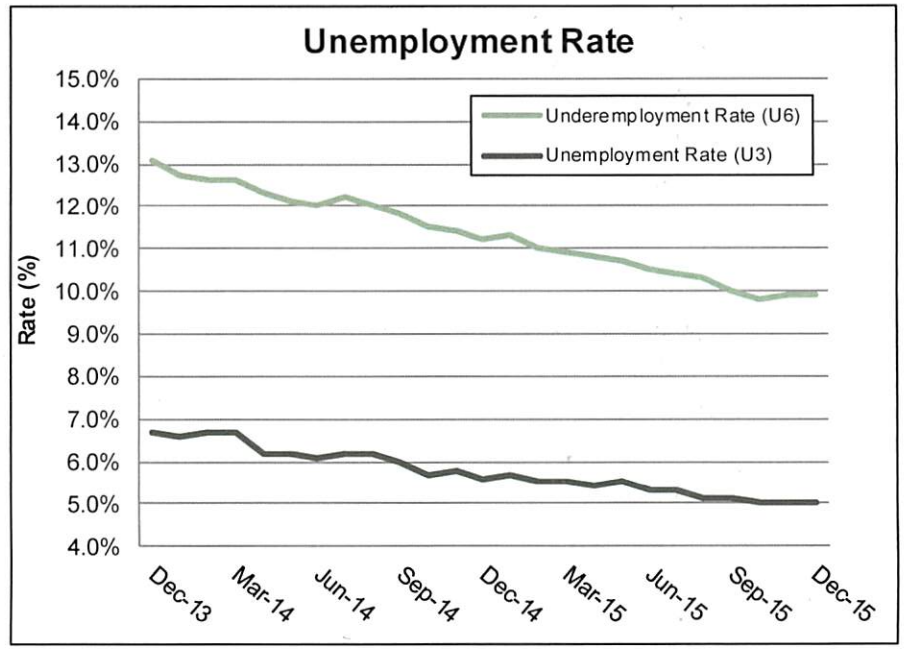
- During 2015, 2-year Treasury yields increased nearly 40 basis points, while 10-year Treasuries increased roughly 10 basis points. This bear flattening (with short-term rates rising more than long-term rates), is consistent with previous Fed tightening cycles and we expect this trend to continue. Over much of the past year, financial market volatility has been elevated due to mixed US economic data, the uncertain timing of the first rate hike, weak global economic growth, divergent global central bank monetary policies, turmoil in Asian stock markets, and geopolitical concerns. Ongoing uncertainty about the future pace of monetary policy normalization, and how the Fed communicates its economic projections, will likely continue to fuel financial market volatility.

Please see disclosures on front page of this presentation.

Employment



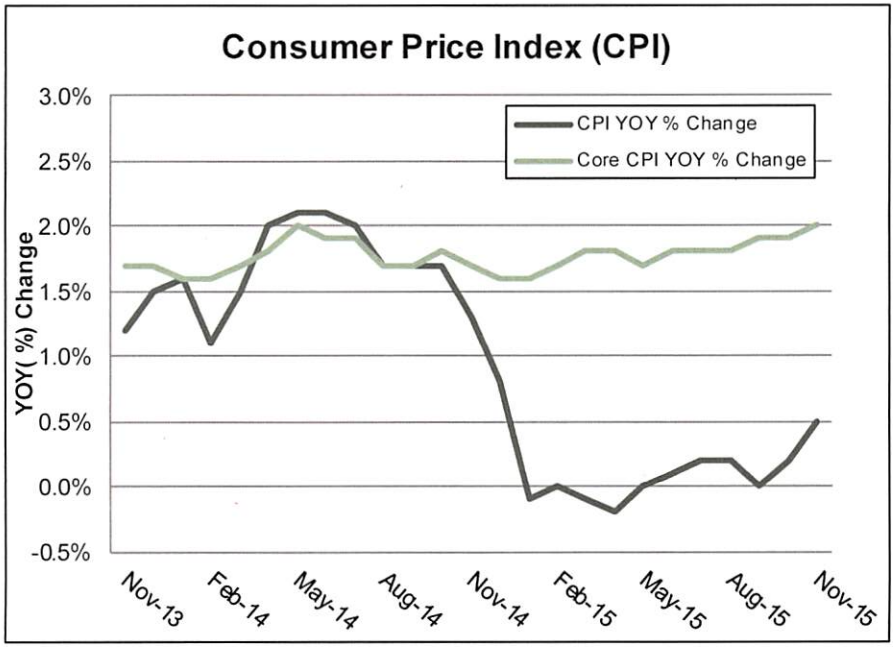
Source: US Department of Labor



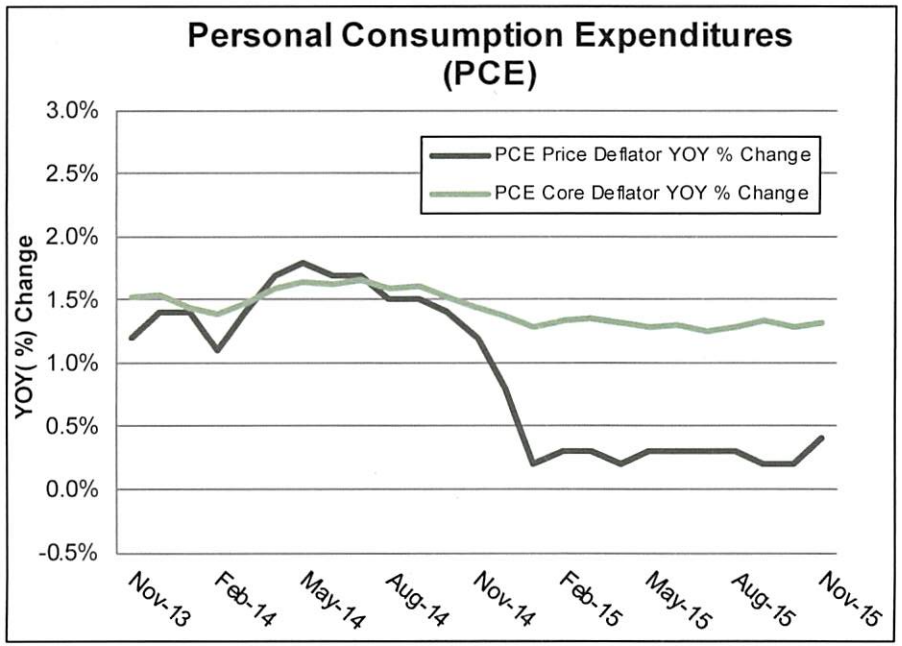
Source: US Department of Labor

The December employment report was mostly stronger than expected. Nonfarm payrolls rose by 292,000 in December, above the consensus forecast of 200,000. October and November payrolls were also revised up by a total of 50,000. The unemployment rate was unchanged at 5.0%. The participation rate inched up to 62.6% from 62.5%. However, wages were flat, missing expectations for a 0.2% increase. A broader measure of unemployment called the U-6, which includes those whom are marginally attached to the labor force and employed part time for economic reasons, was unchanged from November at 9.9%. Over the past three months, payrolls have increased by an average of 284,000 per month, compared to the trailing six-month average of 229,000.

Inflation



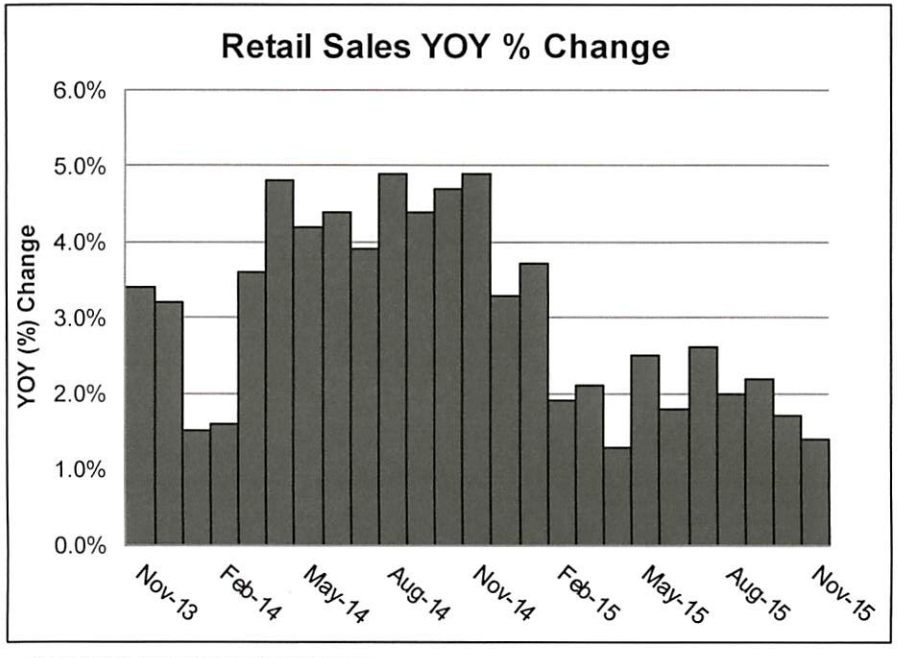
Source: US Department of Labor



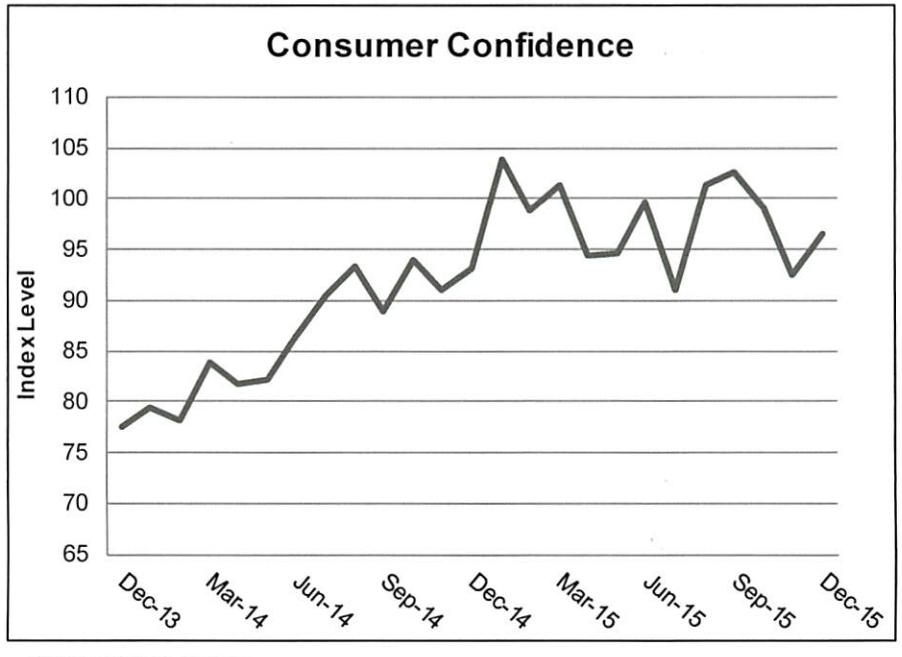
Source: US Department of Labor

In November, the Consumer Price Index (CPI) rose 0.5% on a year-over-year basis, up from 0.2% in October. Year-over-year comparisons have become easier, given the precipitous decline in energy prices at the end of 2014. Meanwhile, Core CPI (CPI less food and energy) was up 2.0% in November on a year-over-year basis, vs. up 1.9% in October. The Personal Consumption Expenditures (PCE) price index was up 0.4% on a year-over-year basis in November, up from 0.2% in October. Core PCE (excluding food and energy) was unchanged in November, up 1.3% on a year-over-year basis. Overall, inflation isn't showing signs up significant upward pressure and remains below the Fed's 2.0% target.

Consumer



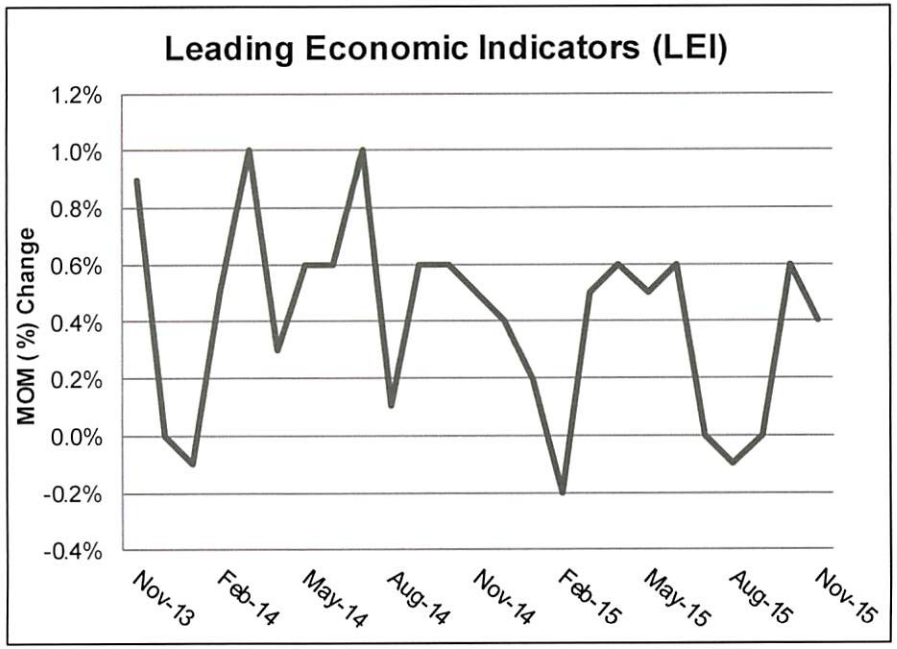
Source: US Department of Commerce



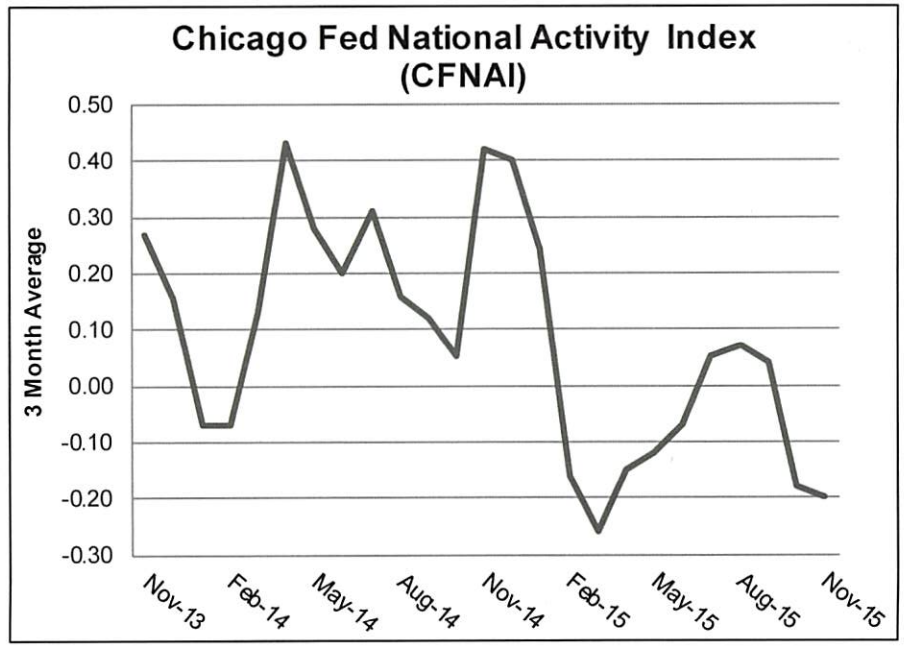
Source: Federal Reserve

On a year-over-year basis, retail sales were up 1.4% in November, versus growth of 1.7% in October. On a month-over-month basis, retail sales rose 0.2% in November, below the consensus forecast of 0.3%. However, excluding autos and gas, the figure was up 0.5%, stronger than the consensus forecast. Discretionary categories like restaurants, electronics & appliances, and clothing & accessories posted healthy gains. Online sales were also strong in November. The consumer confidence index rebounded to 96.5 in December after declining to 90.4 in November, which should bode well for retailers' fourth quarter holiday sales. Ongoing improvement in the labor market, low gas prices, and relatively strong consumer confidence should continue to benefit consumer spending.

Economic Activity



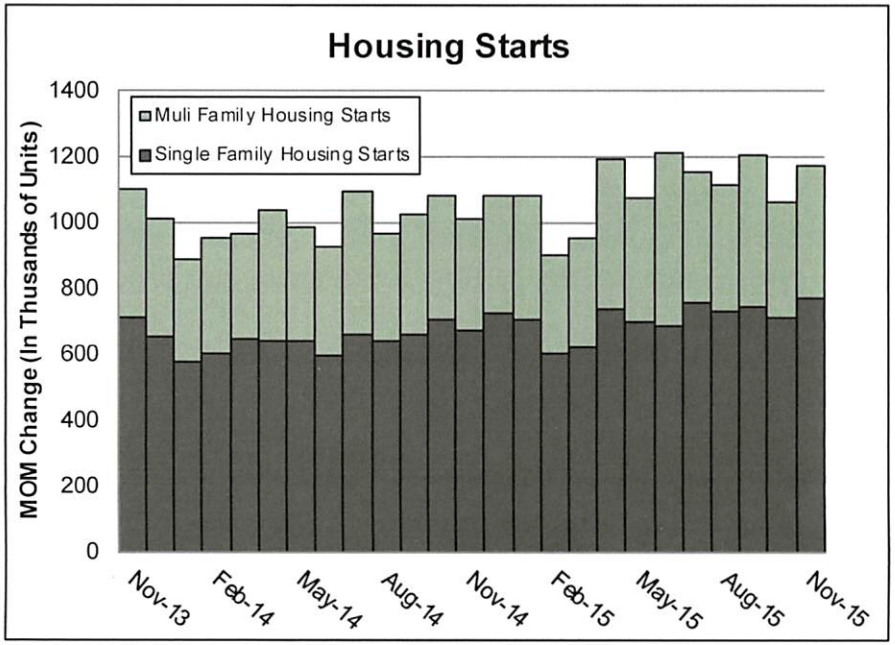
Source: The Conference Board



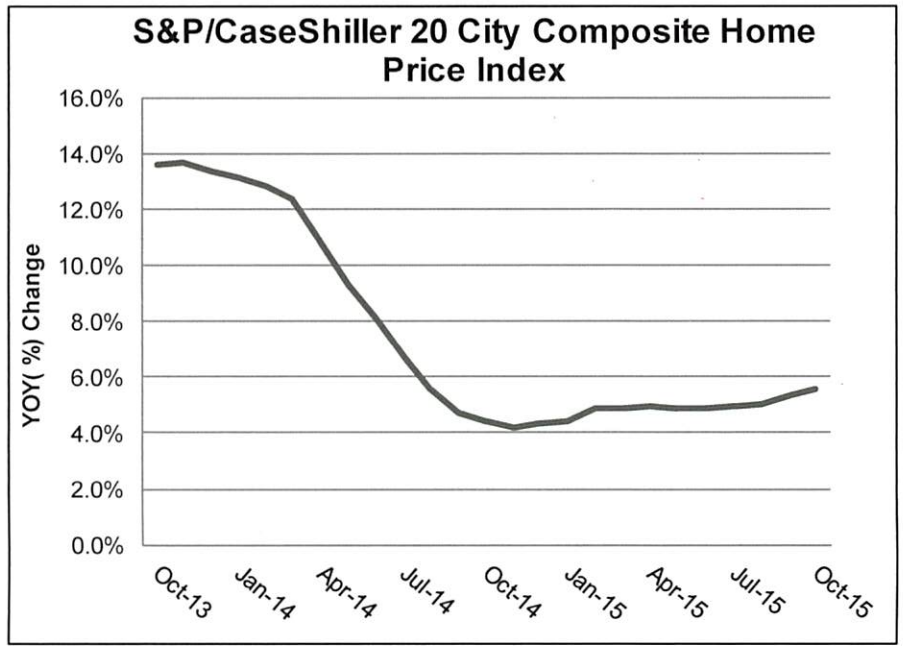
Source: Federal Reserve Bank of Chicago

The index of leading economic indicators rose 0.4% in November, following a 0.6% increase in October. This index points to modest economic activity in the months ahead. The Chicago Fed National Activity Index (CFNAI) 3-month moving average declined to -0.20 in November from -0.18 in October. Overall, this index is indicative of below-average economic activity. A reading below -0.70 on a 3-month moving average basis has historically corresponded with the onset of a recession, so fortunately the CFNAI remains safely above that level.

Housing



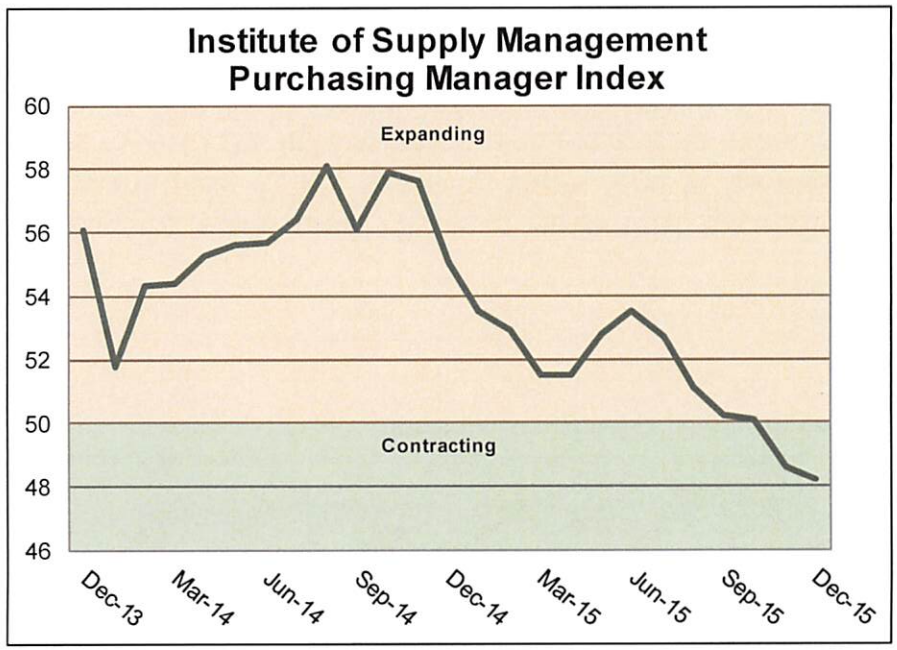
Source: US Census Bureau



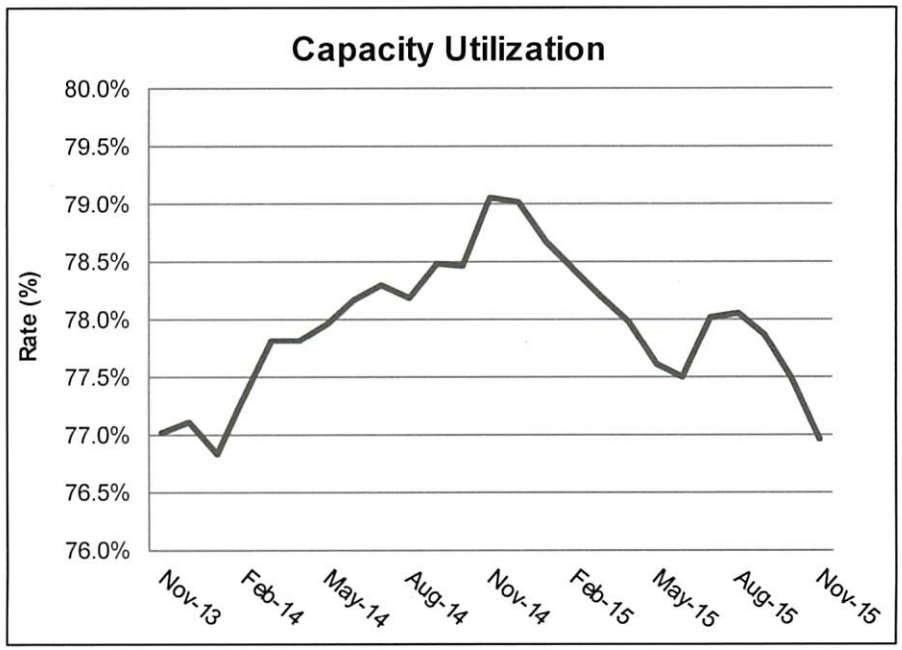
Source: S&P

Total housing starts rose 10.5% in November, exceeding expectations. Single-family housing starts rose 7.6% while multi-family starts rose 16.4%. Housing starts tend to be volatile on a month-to-month basis, but the trend is favorable. Housing permits rose 11.0% in November, also exceeding expectations. However, new and existing home sales were both weaker than expected in November. Pricing has remained firm, which may be keeping some first-time home buyers on the sidelines. The S&P Case-Shiller home price index was up 5.5% year-over-year in October.

Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

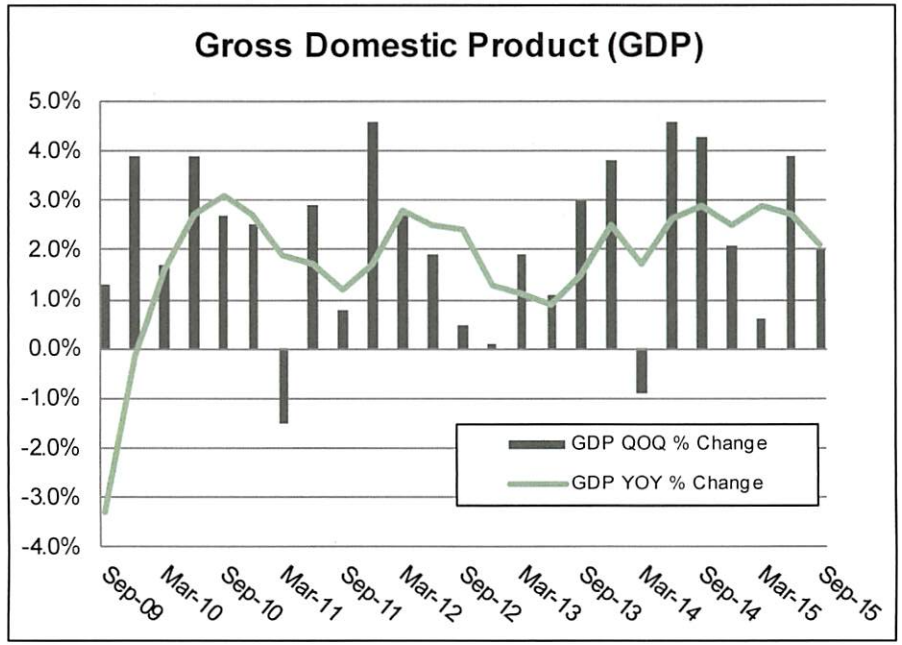
In December, the Institute for Supply Management (ISM) manufacturing index declined to 48.2 from 48.6 in November. Overall, manufacturing trends remain under pressure. A reading below 50.0 suggests the manufacturing sector is contracting. The index fell below 50.0 in November 2015, for the first time since November 2012. Notably, a reading above 43.1 over a period of time is generally indicative of overall economic expansion, based on the historical relationship between the index and GDP growth. Meanwhile, capacity utilization, which is production divided by capacity, declined to 77.0% in November from 77.5% in October. The capacity utilization rate is lower than the long-run average of 80.1% (1972-2014), suggesting there is excess capacity in the industrial sector. Overall, growth in the US manufacturing sector continues to be hindered by the strong US dollar and a sluggish global economy.

**Please see disclosures on front page of this presentation.*

Gross Domestic Product (GDP)

Components of GDP	12/14	3/15	6/15	9/15
Personal Consumption Expenditures	2.9%	1.2%	2.4%	2.0%
Gross Private Domestic Investment	0.4%	1.4%	0.9%	-0.1%
Net Exports and Imports	-0.9%	-1.9%	0.2%	-0.3%
Federal Government Expenditures	-0.4%	0.1%	0.0%	0.0%
State and Local (Consumption and Gross Investment)	0.2%	-0.1%	0.5%	0.3%
Total	2.1%	0.7%	3.9%	2.0%

Source: US Department of Commerce

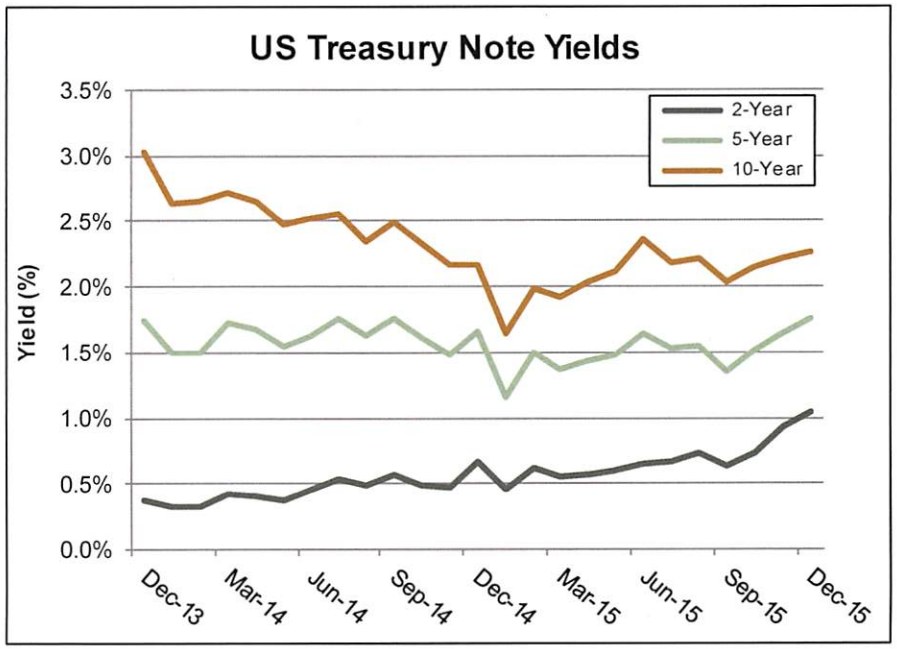


Source: US Department of Commerce

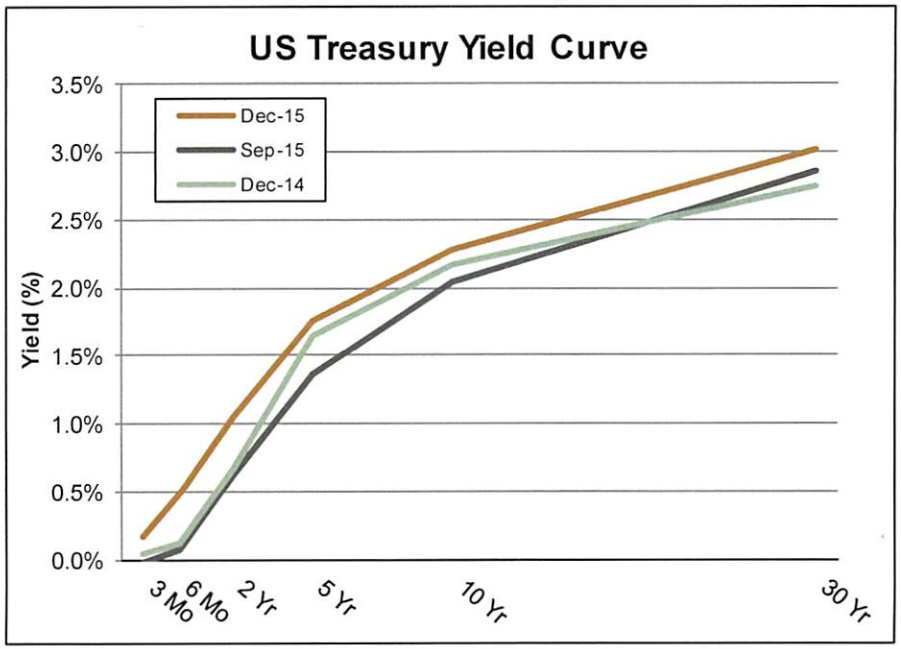
Third quarter GDP grew at an annualized pace of 2.0% (revised down from the second estimate of 2.1%, and up from the advance estimate of 1.5%). This follows growth of 3.9% in the second quarter. Last month, the consensus forecast called for GDP growth of 2.1% in the fourth quarter, but some economists have since lowered their forecast.

**Please see disclosures on front page of this presentation.*

Bond Yields



Source: Bloomberg



Source: Bloomberg

The yield on the two-year Treasury note rose roughly 12 basis points in December to 1.05%. Meanwhile, the yield on the ten-year Treasury note rose just six basis points in December to 2.27%. Overall, the Treasury yield curve flattened during 2015 in anticipation of monetary policy normalization by the Federal Reserve and we expect this trend to continue. Looking ahead, we believe the pace of subsequent rate hikes will be slower than historical Fed tightening cycles, in light of ongoing sluggishness in the global economy.

SECTION 2

Account Profile

Objectives

Investment Objectives

The investment objectives of the Client are first, to preserve principal in the overall portfolio; second, to provide liquidity; and third, to earn a market rate of return.

Chandler Asset Management Performance Objective

The performance objective for the Client is to achieve an annual total return on its portfolio that exceeds the return on a market index of one-to-five year government securities.

Strategy

In order to achieve its objective, we invest the Client's funds in high-quality money market instruments, short term government securities, and AA or higher rated corporate medium term notes with a maximum maturity of five years.

Compliance

Sample Client

December 31, 2015

COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law and the Client's investment policy.

Category	Standard	Comment
Treasury/Agency Issues	No Limit	Complies
Banker's Acceptances	A1/P1; AA L/T 40%;180 days	Complies
Commercial Paper	A1/P1, A L/T	Complies
Max. maturity< 270 days	25% maximum	Complies
Repurchase Agreements	≤90 days	Complies
Mortgage Pass Throughs & Asset-Backed Securities	10% ABS; 20% combined	Complies
Negotiable CDs	30%; A1/P1	Complies
Medium Term Notes	25% maximum; 15% "A" rated by two NRSROs	Complies - 18% total; 10.46% "A" rated
Money Market Mutual Funds	"AAA" rated by 2 NRSROs or SEC registered; 20% maximum; 10% per fund	Complies
LAIF	Prohibited for outside manager	Complies
Rev. Repo Agreements	Prohibited	Complies
Inverse Floaters, Range Notes	Prohibited	Complies
Interest Only Strips	Prohibited	Complies
Zero Interest Accruals	Prohibited	Complies
Maximum Maturity	5 years	Complies

**This sample report is being provided for illustrative purposes to demonstrate Chandler Asset Management's reporting capabilities. Elements of the Compliance Report are representative of investment guidelines promulgated by State Law or the entity's investment policy*

Portfolio Characteristics

Sample Client

	12/31/2015		9/30/2015
	Benchmark*	**Portfolio**	**Portfolio**
Average Maturity (yrs)	1.83	1.79	1.93
Modified Duration	1.79	1.75	1.88
Average Purchase Yield	n/a	1.22%	1.28%
Average Market Yield	1.05%	1.09%	0.78%
Average Quality**	AAA	AA+/Aa1	AA+/Aa1
Contributions/Withdrawals		0	
Total Market Value		75,149,608	75,387,598

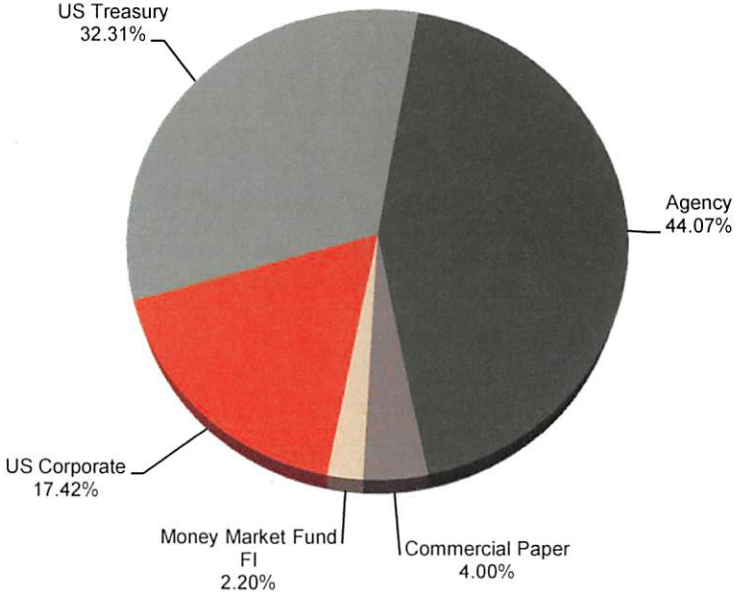
*ICE BAML 1-3 Yr US Treasury/Agency Index
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

**Please see disclosures on front page of this presentation.*

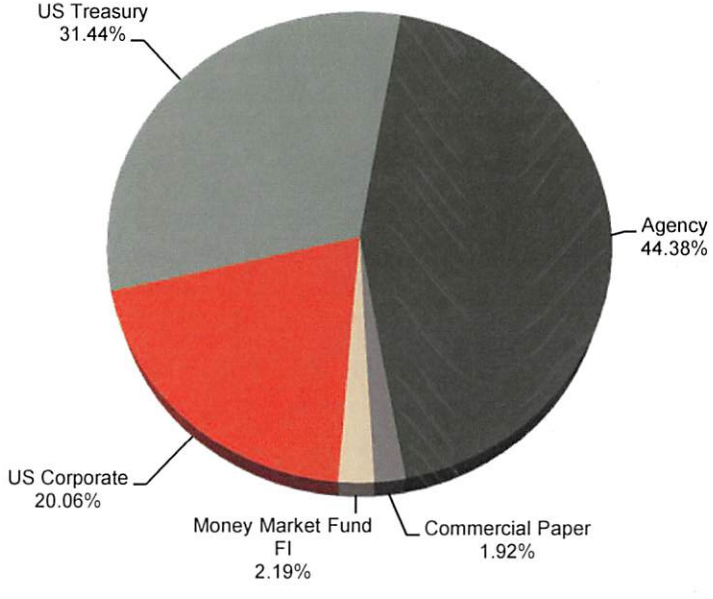
Sector Distribution

Sample Client

December 31, 2015



September 30, 2015



**Please see disclosures on front page of this presentation.*

Issuers

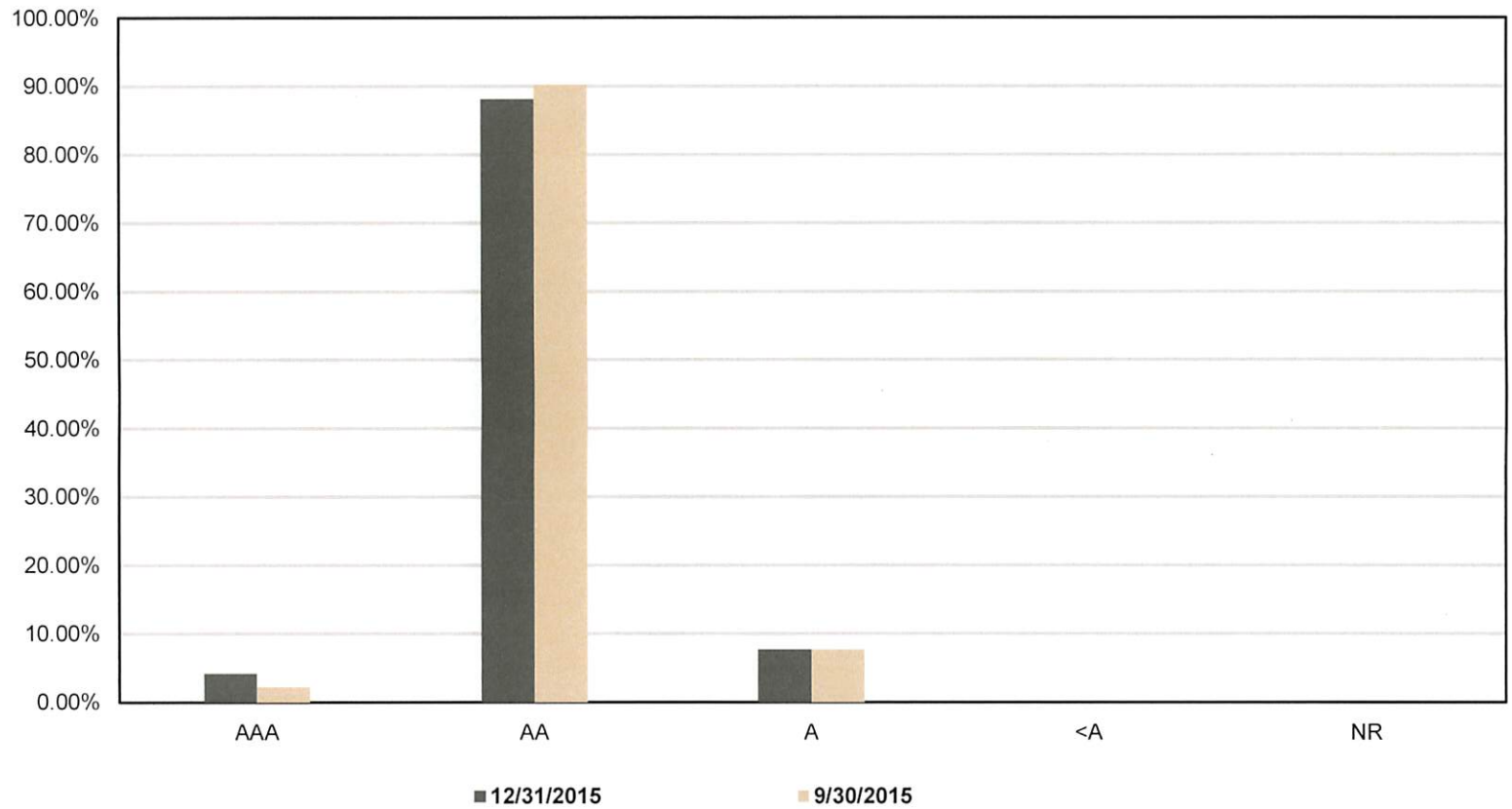
Sample Client **As of 12/31/2015**

Issue Name	Investment Type	S&P Rating	Moody Rating	% Portfolio
Sample Government Issuer	US Treasury	AA+	Aaa	32.31%
Sample Government Agency	Agency	AA+	Aaa	17.76%
Sample Government Agency	Agency	AA+	Aaa	12.95%
Sample Government Agency	Agency	AA+	Aaa	11.97%
Sample Money Market Fund	Money Market Fund FI	AAA	Aaa	2.20%
Sample Corporate Issuer	Commercial Paper	A-1	P-1	2.01%
Sample Corporate Issuer	Commercial Paper	A-1+	P-1	1.99%
Sample Corporate Issuer	US Corporate	A	A2	1.57%
Sample Corporate Issuer	US Corporate	AA+	Aa1	1.55%
Sample Government Agency	Agency	AA+	Aaa	1.39%
Sample Corporate Issuer	US Corporate	AA	Aa2	1.36%
Sample Corporate Issuer	US Corporate	AA+	A1	1.32%
Sample Corporate Issuer	US Corporate	AA-	A2	1.21%
Sample Corporate Issuer	US Corporate	A	A2	1.20%
Sample Corporate Issuer	US Corporate	A-	A3	1.13%
Sample Corporate Issuer	US Corporate	A+	A1	1.10%
Sample Corporate Issuer	US Corporate	AA-	A1	1.10%
Sample Corporate Issuer	US Corporate	A+	A1	1.10%
Sample Corporate Issuer	US Corporate	AA	Aa1	1.09%
Sample Corporate Issuer	US Corporate	AA	Aa2	1.07%
Sample Corporate Issuer	US Corporate	A	A1	1.07%
Sample Corporate Issuer	US Corporate	AA-	A1	1.01%
Sample Corporate Issuer	US Corporate	A+	A1	0.53%
Total				**100%**

Quality Distribution

Sample Client

December 31, 2015 vs. September 30, 2015



	AAA	AA	A	<A	NR
12/31/15	4.19%	88.11%	7.70%	0.00%	0.00%
09/30/15	2.19%	90.12%	7.69%	0.00%	0.00%

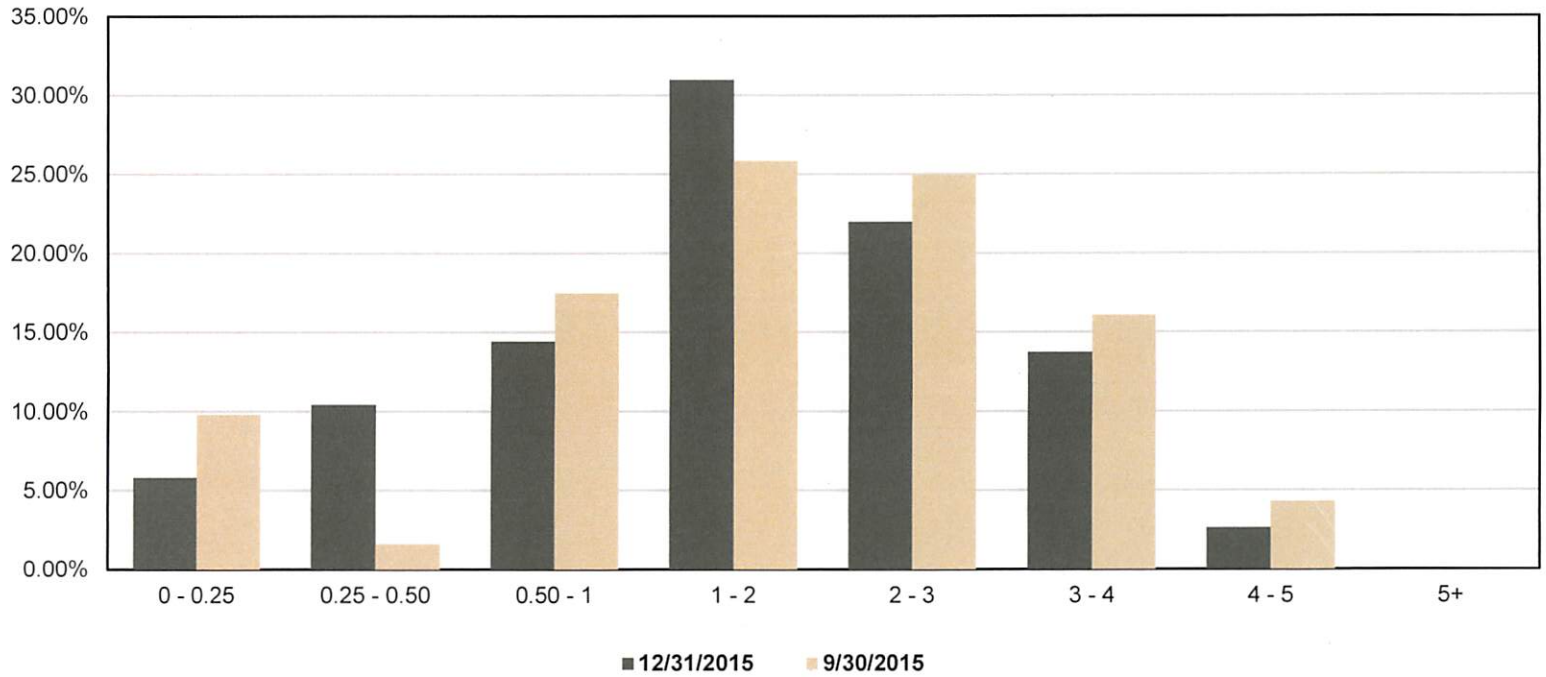
Source: S&P Ratings

*Please see disclosures on front page of this presentation.

Duration Distribution

Sample Client

December 31, 2015 vs. September 30, 2015



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
12/31/15	5.81%	10.45%	14.41%	30.98%	21.99%	13.72%	2.64%	0.00%
09/30/15	9.82%	1.59%	17.47%	25.82%	24.95%	16.05%	4.29%	0.00%

**Please see disclosures on front page of this presentation.*

Investment Performance

Sample Client

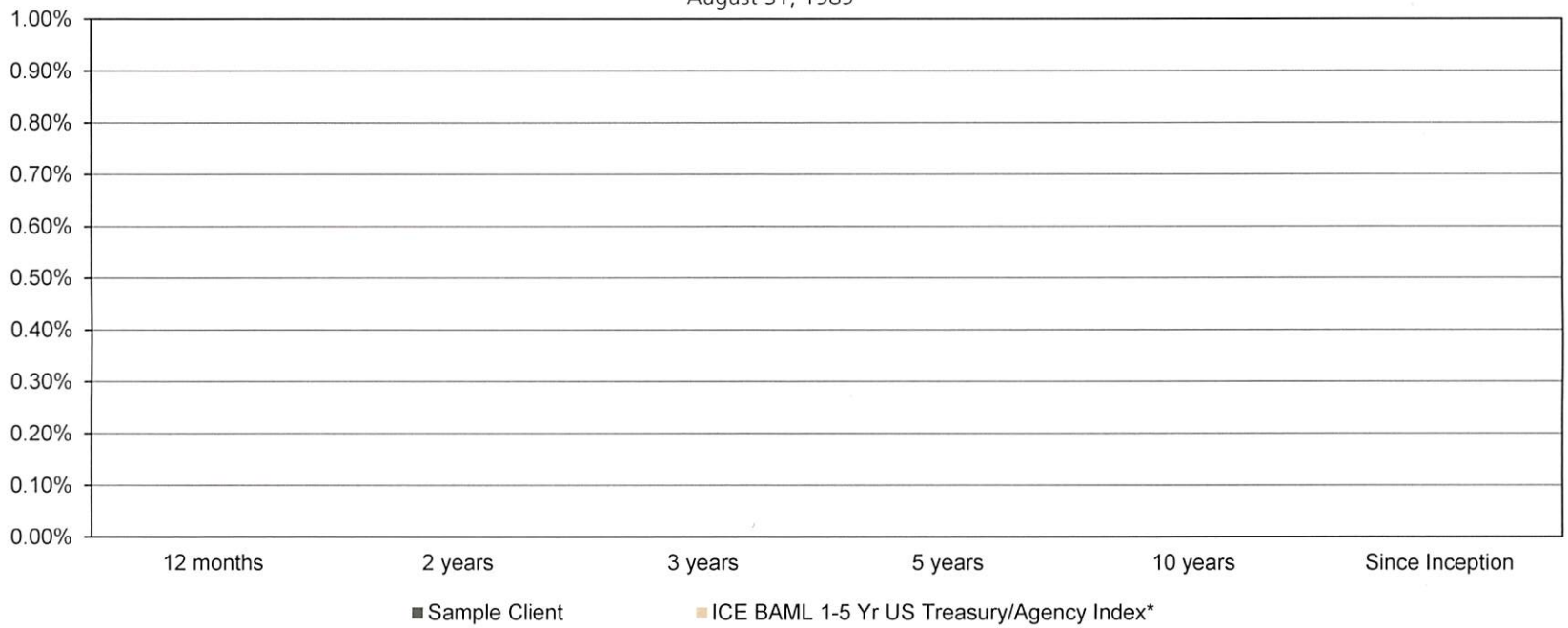
Period Ending

December 31, 2015

Total Rate of Return

Annualized Since Inception

August 31, 1989



			Annualized				
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
Sample Client	%	%	%	%	%	%	%
ICE BAML 1-5 Yr US Treasury/Agency Index	%	%	%	%	%	%	%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

**This report is intended as a representative illustration of our monthly reporting capabilities only and is not intended as a representation of our performance. Investment advisory fees are described in the firm's Form ADV Part 2A Brochure and will reduce returns. Past performance is not indicative of future results.*

SECTION 3

Portfolio Holdings

Holdings Report

Sample Client

For the Month Ending 12/31/2015

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Agency									
Sample Cusip	Sample Issuer	1,600,000.00	06/07/2011	1,643,896.00	100.52	1,608,284.80	2.15%	Aaa / AA+	0.28
	2.375% Due 04/11/2016		1.78%	1,602,506.22	0.51%	8,444.44	5,778.58	AAA	0.28
Sample Cusip	Sample Issuer	2,300,000.00	06/03/2011	2,371,704.80	100.77	2,317,691.60	3.09%	Aaa / AA+	0.41
	2.500% Due 05/27/2016		1.84%	2,305,801.10	0.60%	5,430.56	11,890.50	AAA	0.40
Sample Cusip	Sample Issuer	1,600,000.00	09/14/2011	1,675,120.00	100.65	1,610,323.20	2.15%	Aaa / AA+	0.44
	2.125% Due 06/10/2016		1.10%	1,606,990.94	0.66%	1,983.33	3,332.26	AAA	0.44
Sample Cusip	Sample Issuer	1,650,000.00	01/25/2012	1,716,054.45	100.80	1,663,279.20	2.23%	Aaa / AA+	0.65
	2.000% Due 08/25/2016		1.10%	1,659,357.39	0.76%	11,550.00	3,921.81	AAA	0.64
Sample Cusip	Sample Issuer	1,500,000.00	09/29/2011	1,496,413.50	100.36	1,505,436.00	2.01%	Aaa / AA+	0.75
	1.250% Due 09/28/2016		1.30%	1,499,467.43	0.76%	4,843.75	5,968.57	AAA	0.74
Sample Cusip	Sample Issuer	1,600,000.00	12/21/2011	1,612,656.00	100.46	1,607,428.80	2.14%	Aaa / AA+	0.88
	1.375% Due 11/15/2016		1.21%	1,602,255.45	0.84%	2,811.11	5,173.35	AAA	0.87
Sample Cusip	Sample Issuer	1,275,000.00	10/17/2013	1,308,532.50	100.74	1,284,429.90	1.71%	Aaa / AA+	0.94
	1.625% Due 12/09/2016		0.78%	1,285,018.85	0.83%	1,266.14	(588.95)	AAA	0.93
Sample Cusip	Sample Issuer	900,000.00	03/26/2012	899,916.30	100.38	903,375.00	1.21%	Aaa / AA+	1.08
	1.250% Due 01/30/2017		1.25%	899,981.32	0.90%	4,718.75	3,393.68	AAA	1.07
Sample Cusip	Sample Issuer	1,600,000.00	03/19/2012	1,571,443.20	100.08	1,601,326.40	2.14%	Aaa / AA+	1.19
	1.000% Due 03/08/2017		1.37%	1,593,199.26	0.93%	5,022.22	8,127.14	AAA	1.17
Sample Cusip	Sample Issuer	500,000.00	05/21/2015	499,435.00	99.53	497,660.00	0.66%	Aaa / AA+	1.41
	0.625% Due 05/30/2017		0.68%	499,606.26	0.96%	269.10	(1,946.26)	AAA	1.41
Sample Cusip	Sample Issuer	1,550,000.00	06/20/2012	1,548,124.50	99.98	1,549,680.70	2.06%	Aaa / AA+	1.44
	1.000% Due 06/09/2017		1.02%	1,549,457.20	1.01%	947.22	223.50	AAA	1.42
Sample Cusip	Sample Issuer	750,000.00	06/29/2015	749,452.50	99.46	745,927.50	1.00%	Aaa / AA+	1.54
	0.750% Due 07/14/2017		0.79%	749,588.46	1.11%	3,312.50	(3,660.96)	AAA	1.52
Sample Cusip	Sample Issuer	1,050,000.00	09/18/2012	1,050,000.00	99.58	1,045,602.60	1.39%	Aaa / AA+	1.73
	0.830% Due 09/21/2017		0.83%	1,050,000.00	1.08%	2,420.84	(4,397.40)	AAA	1.70
Sample Cusip	Sample Issuer	1,600,000.00	Various	1,594,375.50	99.77	1,596,393.60	2.13%	Aaa / AA+	1.74
	1.000% Due 09/27/2017		1.12%	1,596,833.32	1.13%	4,177.79	(439.72)	AAA	1.71
Sample Cusip	Sample Issuer	2,025,000.00	Various	2,009,674.50	99.30	2,010,790.58	2.68%	Aaa / AA+	2.18
	0.875% Due 03/07/2018		1.04%	2,018,074.43	1.20%	5,610.95	(7,283.85)	AAA	2.15
Sample Cusip	Sample Issuer	1,500,000.00	08/06/2013	1,492,815.00	100.31	1,504,711.50	2.01%	Aaa / AA+	2.19
	1.375% Due 03/09/2018		1.48%	1,496,576.94	1.23%	6,416.66	8,134.56	AAA	2.14
Sample Cusip	Sample Issuer	1,000,000.00	03/03/2015	998,480.00	99.74	997,393.00	1.33%	Aaa / AA+	2.32
	1.125% Due 04/25/2018		1.17%	998,881.18	1.24%	2,062.50	(1,488.18)	AAA	2.27
Sample Cusip	Sample Issuer	1,250,000.00	06/17/2013	1,228,262.50	99.06	1,238,282.50	1.65%	Aaa / AA+	2.39
	0.875% Due 05/21/2018		1.24%	1,239,469.77	1.27%	1,215.28	(1,187.27)	AAA	2.35
Sample Cusip	Sample Issuer	310,000.00	06/04/2015	309,432.70	99.59	308,735.51	0.41%	Aaa / AA+	2.55
	1.125% Due 07/20/2018		1.19%	309,535.89	1.29%	1,559.69	(800.38)	AAA	2.49
Sample Cusip	Sample Issuer	1,500,000.00	02/07/2014	1,533,345.00	101.76	1,526,338.50	2.04%	Aaa / AA+	2.71
	2.000% Due 09/14/2018		1.50%	1,519,625.22	1.34%	8,916.66	6,713.28	AAA	2.61

Holdings Report

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Sample Cusip	Sample Issuer	2,000,000.00	Various	2,005,390.00	100.73	2,014,556.00	2.68%	Aaa / AA+	2.91
	1.625% Due 11/27/2018		1.57%	2,003,131.46	1.37%	3,069.44	11,424.54	AAA	2.83
Sample Cusip	Sample Issuer	1,000,000.00	12/15/2015	992,620.00	99.17	991,669.00	1.32%	Aaa / AA+	2.96
	1.125% Due 12/14/2018		1.38%	992,727.93	1.41%	531.25	(1,058.93)	AAA	2.89
Sample Cusip	Sample Issuer	1,350,000.00	08/18/2014	1,356,966.00	100.75	1,360,119.60	1.81%	Aaa / AA+	3.41
	1.750% Due 05/30/2019		1.64%	1,354,970.01	1.52%	2,034.37	5,149.59	AAA	3.30
Sample Cusip	Sample Issuer	1,525,000.00	Various	1,517,171.50	100.53	1,533,047.43	2.05%	Aaa / AA+	3.70
	1.750% Due 09/12/2019		1.86%	1,519,184.73	1.60%	8,080.38	13,862.70	AAA	3.55
				33,181,281.45		**33,022,482.92**	**44.07%**	**Aaa / AA+**	**1.68**
Total Agency		**32,935,000.00**	**1.31%**	**32,952,240.76**	**1.04%**	**96,694.93**	**70,242.16**	**Aaa**	**1.64**
Commercial Paper									
Sample Cusip	Sample Issuer	1,510,000.00	10/27/2015	1,508,037.00	99.87	1,508,037.00	2.01%	P-1 / A-1	0.15
	0.390% Due 02/25/2016		0.40%	1,508,037.00	0.40%	1,063.29	0.00	F-1	0.15
Sample Cusip	Sample Issuer	1,500,000.00	12/03/2015	1,497,488.75	99.83	1,497,488.75	1.99%	P-1 / A-1+	0.26
	0.490% Due 04/04/2016		0.50%	1,497,488.75	0.50%	592.08	0.00	F-1	0.26
				3,005,525.75		**3,005,525.75**	**4.00%**	**P-1 / A-1**	**0.21**
Total Commercial Paper		**3,010,000.00**	**0.45%**	**3,005,525.75**	**0.45%**	**1,655.37**	**0.00**	**F-1**	**0.21**
Money Market Fund FI									
Sample Cusip	Sample Issuer	1,653,370.38	Various	1,653,370.38	1.00	1,653,370.38	2.20%	Aaa / AAA	0.00
			0.01%	1,653,370.38	0.01%	0.00	0.00	NR	0.00
				1,653,370.38		**1,653,370.38**	**2.20%**	**Aaa / AAA**	**0.00**
Total Money Market Fund FI		**1,653,370.38**	**0.01%**	**1,653,370.38**	**0.01%**	**0.00**	**0.00**	**NR**	**0.00**
US Corporate									
Sample Cusip	Sample Issuer	800,000.00	10/13/2011	819,568.00	100.58	804,650.40	1.07%	Aa2 / AA	0.38
	2.125% Due 05/19/2016		1.57%	801,623.85	0.60%	1,983.33	3,026.55	NR	0.38
Sample Cusip	Sample Issuer	825,000.00	12/11/2012	875,349.75	101.03	833,528.03	1.13%	A3 / A-	0.51
	3.150% Due 07/05/2016		1.39%	832,209.43	1.12%	12,705.00	1,318.60	A+	0.50
Sample Cusip	Sample Issuer	1,010,000.00	Various	1,011,449.80	100.65	1,016,606.41	1.36%	Aa2 / AA	1.37
	1.600% Due 05/15/2017		1.57%	1,010,396.98	1.12%	2,064.89	6,209.43	A+	1.35
Sample Cusip	Sample Issuer	825,000.00	01/31/2013	834,751.50	100.30	827,493.15	1.10%	A1 / A+	1.37
	1.650% Due 05/15/2017		1.36%	827,995.56	1.41%	1,739.37	(502.41)	AA	1.27
Sample Cusip	Sample Issuer	825,000.00	11/27/2012	826,171.50	100.05	825,437.25	1.10%	A1 / AA-	1.79
	1.200% Due 10/15/2017		1.17%	825,429.77	1.17%	2,090.00	7.48	A+	1.76
Sample Cusip	Sample Issuer	825,000.00	01/10/2013	827,854.50	99.31	819,327.30	1.09%	Aa1 / AA	1.93
	1.104% Due 12/05/2017		1.03%	826,125.80	1.48%	657.80	(6,798.50)	NR	1.82
Sample Cusip	Sample Issuer	925,000.00	05/15/2014	1,048,580.00	106.77	987,607.70	1.32%	A1 / AA+	1.93
	5.250% Due 12/06/2017		1.37%	992,225.23	1.67%	3,372.39	(4,617.53)	NR	1.84
Sample Cusip	Sample Issuer	825,000.00	12/12/2012	827,570.25	100.13	826,097.25	1.10%	A1 / A+	1.96
	1.350% Due 12/15/2017		1.29%	826,006.11	1.28%	495.00	91.14	A+	1.92

Holdings Report

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Sample Cusip	Sample Issuer	1,175,000.00	Various	1,178,377.60	99.57	1,169,994.50	1.57%	A2 / A	2.05
	1.500% Due 01/16/2018		1.44%	1,176,433.74	1.71%	8,078.13	(6,439.24)	AA-	1.99
Sample Cusip	Sample Issuer	1,175,000.00	Various	1,169,224.20	99.19	1,165,453.13	1.55%	Aa1 / AA+	2.34
	1.000% Due 05/03/2018		1.10%	1,172,205.83	1.35%	1,893.05	(6,752.70)	NR	2.30
Sample Cusip	Sample Issuer	400,000.00	05/21/2015	399,708.00	99.14	396,579.20	0.53%	A1 / A+	2.38
	1.400% Due 05/18/2018		1.43%	399,766.83	1.77%	637.78	(3,187.63)	NR	2.33
Sample Cusip	Sample Issuer	790,000.00	02/05/2014	795,387.80	100.68	795,409.13	1.07%	A1 / A	2.59
	2.100% Due 08/01/2018		1.94%	793,068.65	1.82%	6,912.50	2,340.48	AA-	2.41
Sample Cusip	Sample Issuer	750,000.00	11/19/2014	751,755.00	100.86	756,437.25	1.01%	A1 / AA-	3.17
	2.125% Due 03/01/2019		2.07%	751,301.04	1.84%	5,312.50	5,136.21	NR	3.03
Sample Cusip	Sample Issuer	900,000.00	05/28/2014	903,825.00	99.71	897,409.80	1.20%	A2 / A	3.18
	1.950% Due 03/04/2019		1.86%	902,547.06	2.04%	5,703.75	(5,137.26)	NR	3.04
Sample Cusip	Sample Issuer	900,000.00	06/10/2014	896,049.00	100.86	907,740.90	1.21%	A2 / AA-	3.21
	1.950% Due 03/15/2019		2.05%	897,339.45	1.67%	5,167.50	10,401.45	A	3.08
				13,165,621.90		**13,029,771.40**	**17.42%**	**A1 / AA-**	**2.01**
Total US Corporate		**12,950,000.00**	**1.50%**	**13,034,675.33**	**1.46%**	**58,812.99**	**(4,903.93)**	**A+**	**1.93**
US Treasury									
Sample Cusip	Sample Issuer	1,200,000.00	06/06/2014	1,201,597.77	100.00	1,200,000.00	1.60%	Aaa / AA+	0.13
	0.375% Due 02/15/2016		0.30%	1,200,116.72	0.38%	1,699.73	(116.72)	AAA	0.12
Sample Cusip	Sample Issuer	1,700,000.00	Various	1,720,884.60	100.50	1,708,566.30	2.29%	Aaa / AA+	0.58
	1.500% Due 07/31/2016		1.25%	1,702,427.96	0.63%	10,671.19	6,138.34	AAA	0.58
Sample Cusip	Sample Issuer	975,000.00	09/14/2011	981,592.13	100.20	976,980.23	1.30%	Aaa / AA+	0.67
	1.000% Due 08/31/2016		0.86%	975,884.05	0.69%	3,294.64	1,096.18	AAA	0.66
Sample Cusip	Sample Issuer	1,200,000.00	01/25/2012	1,200,660.27	100.06	1,200,703.20	1.60%	Aaa / AA+	0.92
	0.875% Due 11/30/2016		0.86%	1,200,124.59	0.81%	918.03	578.61	AAA	0.91
Sample Cusip	Sample Issuer	500,000.00	03/30/2015	499,415.74	99.60	497,988.50	0.66%	Aaa / AA+	1.16
	0.500% Due 02/28/2017		0.56%	499,646.11	0.85%	844.78	(1,657.61)	AAA	1.16
Sample Cusip	Sample Issuer	1,750,000.00	Various	1,756,001.96	99.96	1,749,247.50	2.33%	Aaa / AA+	1.33
	0.875% Due 04/30/2017		0.80%	1,751,703.20	0.91%	2,608.17	(2,455.70)	AAA	1.32
Sample Cusip	Sample Issuer	1,800,000.00	05/15/2014	1,804,013.85	99.94	1,798,875.00	2.40%	Aaa / AA+	1.37
	0.875% Due 05/15/2017		0.80%	1,801,832.81	0.92%	2,033.65	(2,957.81)	AAA	1.36
Sample Cusip	Sample Issuer	2,400,000.00	Various	2,394,324.44	99.36	2,384,625.60	3.18%	Aaa / AA+	1.67
	0.625% Due 08/31/2017		0.67%	2,398,066.07	1.01%	5,068.69	(13,440.47)	AAA	1.65
Sample Cusip	Sample Issuer	1,150,000.00	12/27/2012	1,145,646.43	99.17	1,140,476.85	1.52%	Aaa / AA+	1.92
	0.625% Due 11/30/2017		0.70%	1,148,307.49	1.06%	628.41	(7,830.64)	AAA	1.90
Sample Cusip	Sample Issuer	1,250,000.00	12/11/2014	1,248,392.86	99.86	1,248,291.25	1.66%	Aaa / AA+	1.96
	1.000% Due 12/15/2017		1.04%	1,248,953.01	1.07%	580.60	(661.76)	AAA	1.93
Sample Cusip	Sample Issuer	650,000.00	07/30/2013	650,281.48	100.38	652,488.20	0.87%	Aaa / AA+	2.58
	1.375% Due 07/31/2018		1.37%	650,145.21	1.22%	3,740.15	2,342.99	AAA	2.52
Sample Cusip	Sample Issuer	1,000,000.00	09/13/2013	990,901.79	100.66	1,006,641.00	1.35%	Aaa / AA+	2.67
	1.500% Due 08/31/2018		1.69%	995,109.08	1.25%	5,068.68	11,531.92	AAA	2.59

Holdings Report

Sample Client

For the Month Ending 12/31/2015

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Sample Cusip	Sample Issuer	1,850,000.00	Various	1,855,715.18	100.35	1,856,504.60	2.49%	Aaa / AA+	3.09
	1.500% Due 01/31/2019		1.41%	1,855,195.11	1.38%	11,612.77	1,309.49	AAA	2.99
Sample Cusip	Sample Issuer	1,750,000.00	03/18/2014	1,746,041.02	100.32	1,755,537.00	2.35%	Aaa / AA+	3.16
	1.500% Due 02/28/2019		1.55%	1,747,471.68	1.40%	8,870.19	8,065.32	AAA	3.07
Sample Cusip	Sample Issuer	1,200,000.00	Various	1,207,472.77	100.58	1,206,984.00	1.61%	Aaa / AA+	3.33
	1.625% Due 04/30/2019		1.49%	1,205,055.68	1.45%	3,321.42	1,928.32	AAA	3.23
Sample Cusip	Sample Issuer	650,000.00	09/09/2014	645,863.51	100.29	651,853.80	0.87%	Aaa / AA+	3.67
	1.625% Due 08/31/2019		1.76%	646,952.30	1.54%	3,569.20	4,901.50	AAA	3.53
Sample Cusip	Sample Issuer	1,200,000.00	12/11/2014	1,194,332.15	99.60	1,195,219.20	1.59%	Aaa / AA+	3.92
	1.500% Due 11/30/2019		1.60%	1,195,535.08	1.61%	1,573.77	(315.88)	AAA	3.78
Sample Cusip	Sample Issuer	1,000,000.00	04/23/2015	999,690.85	98.85	988,516.00	1.32%	Aaa / AA+	4.17
	1.375% Due 02/29/2020		1.38%	999,734.81	1.66%	4,646.30	(11,218.81)	AAA	4.01
Sample Cusip	Sample Issuer	500,000.00	05/06/2015	495,763.40	98.71	493,535.00	0.66%	Aaa / AA+	4.33
	1.375% Due 04/30/2020		1.55%	496,319.74	1.69%	1,171.02	(2,784.74)	AAA	4.18
Sample Cusip	Sample Issuer	500,000.00	06/04/2015	495,861.05	99.14	495,683.50	0.66%	Aaa / AA+	4.42
	1.500% Due 05/31/2020		1.67%	496,338.10	1.70%	655.74	(654.60)	AAA	4.25
				24,234,453.25		**24,208,716.73**	**32.31%**	**Aaa / AA+**	**2.15**
Total US Treasury		**24,225,000.00**	**1.11%**	**24,214,918.80**	**1.11%**	**72,577.13**	**(6,202.07)**	**Aaa**	**2.10**
				75,240,252.73		**74,919,867.18**	**100.00%**	**Aa1 / AA+**	**1.79**
TOTAL PORTFOLIO		**74,773,370.38**	**1.22%**	**74,860,731.02**	**1.09%**	**229,740.42**	**59,136.16**	**Aaa**	**1.75**
TOTAL MARKET VALUE PLUS ACCRUALS						**75,149,607.60**			

Appendix F

Proposed Additional Terms to Investment Management Agreement

PROPOSED ADDITIONAL TERMS
SPECIFIC TO INVESTMENT MANAGEMENT RELATIONSHIP

1. Client Representative. In its capacity as investment manager, Chandler shall receive all instructions, directions and other communications on Client's behalf respecting Client's account from _____ (Representative). Chandler is hereby authorized to rely and act upon all such instructions, directions and communications from such Representative or any agent of such Representative.

2. Investment Policy. In investing and reinvesting Client's assets, Chandler shall comply with Client's Investment Policy, which is attached hereto as Exhibit A.

3. Authority of Chandler. Chandler is hereby granted full discretion to invest and reinvest all assets under its management in any type of security it deems appropriate, subject to the instructions given or guidelines set by Representative.

4. Notices. All reports and other communications required hereunder to be in writing shall be delivered in person, or sent by first-class mail postage prepaid, by overnight courier, by confirmed facsimile with original to follow or by confirmed electronic mail with proof of receipt to the addresses set forth below. Either party to this Agreement may, by written notice given at any time, designate a different address for the receipt of reports and other communications due hereunder.

Chandler Asset Management	Client Representative
Attn: Nicole Dragoo	_____
6225 Lusk Boulevard	_____
San Diego, CA 92121	_____

5. Electronic Delivery. From time to time, Chandler may be required to deliver certain documents to Client such as account information, notices and required disclosures. Client hereby consents to Chandler's use of electronic means, such as email, to make such delivery. This delivery may include notification of the availability of such document(s) on a website, and Client agrees that such notification will constitute "delivery". Client further agrees to provide Chandler with Client's email address(s) and to keep this information current at all times by promptly notifying Chandler of any change in email address(s).

   Client email address(s):_____

6. Proxy Voting. Chandler will vote proxies on behalf of Client unless otherwise instructed. Chandler has adopted and implemented written policies and procedures and will provide Client with a description of the proxy voting procedures upon request. Chandler will provide information regarding how Clients' proxies were voted upon request. To request proxy policies or other information, please contact us by mail at the address provided, by calling 800-317-4747 or by emailing your request to info@chandlerasset.com.

7. Custody of Securities and Funds. Chandler shall not have custody or possession of the funds or securities that Client has placed under its management. Client shall appoint a custodian to take and have possession of its assets. Client recognizes the importance of comparing statements received from the appointed custodian to statements received from Chandler. Client recognizes that the fees expressed above do not include fees Client will incur for custodial services.

8. Valuation. Chandler will value securities held in portfolios managed by Chandler no less than monthly. Securities or investments in the portfolio will be valued in a manner determined in good faith by Chandler to reflect fair market value.

9. Investment Advice. Client recognizes that the opinions, recommendations and actions of Chandler will be based on information deemed by it to be reliable, but not guaranteed to or by it. Provided that Chandler acts in good faith, Client agrees that Chandler will not in any way be liable for any error in judgment or for any act or omission, except as may otherwise be provided for under the Federal Securities laws or other applicable laws.

10. Payment of Commissions. Chandler may place buy and sell orders with or through such brokers or dealers as it may select. It is the policy and practice of Chandler to strive for the best price and execution and for commission and discounts which are competitive in relation to the value of the transaction and which comply with Section 28(e) of the Securities and Exchange Act. Nevertheless, it is understood that Chandler may pay a commission on transactions in excess of the amount another broker or dealer may charge, and that Chandler makes no warranty or representation regarding commissions paid on transactions hereunder.

11. Other Clients. It is further understood that Chandler may be acting in a similar capacity for other institutional and individual clients, and that investments and reinvestments for Client's portfolio may differ from those made or recommended with respect to other accounts and clients even though the investment objectives may be the same or similar. Accordingly, it is agreed that Chandler will have no obligation to purchase or sell for Client's account any securities which it may purchase or sell for other clients.

12. Confidential Relationship. The terms and conditions of this Agreement, and all information and advice furnished by either party to the other shall be treated as confidential and shall not be disclosed to third parties except (i) as required by law, rule, or regulation, (ii) as requested by a regulatory authority, (iii) for disclosures by either party of information that has become public by means other than wrongful conduct by such party or its officers, employees, or other personnel, (iv) for disclosures by either party to its legal counsel, accountants, or other professional advisers, (v) as necessary for Chandler to carry out its responsibilities hereunder, or (vi) as otherwise expressly agreed by the parties.

13. Receipt of Brochure and Privacy Policy. Client hereby acknowledges receipt of the disclosure statement or "brochure" and "brochure supplement" also known as Part 2A and Part 2B of Form ADV, required to be delivered pursuant to Rule 204-3 of the Investment Advisers Act of 1940 (Brochure). Client further acknowledges receipt of Chandler's Privacy Policy, as required by Regulation S-P.

Appendix G

Benchmark Disclosures

BENCHMARK DISCLOSURES

LAIF

The California State Local Agency Investment Fund (LAIF) is an investment portfolio managed by the State Treasurer. All securities are purchased under the authority of Government Code Section 16430 and 16480.4 and include securities issued by entities of the US Government, including the US Treasury and Agencies, Corporate debt, Certificates of Deposit, Mortgage Backed Securities and certain loans to the State and state agencies. The average maturity of the Fund will be between 120 days and 18 months.

ICE BAML Blended 0-3 Year US Treasury Index

The ICE BAML Blended 0-3 Year US Treasury Index is a static, internally-maintained blended benchmark comprised of US Treasury securities issued by the US Government. Prior to 1/1/2001, it consisted of 1 Year T-Bills. Effective 1/1/2001, it consists of the following indices: 30% ICE BAML 3-Month U.S. T-Bill, 30% ICE BAML 6-Month U.S. T-Bill and 40% ICE BAML 1-3 Year U.S. Treasuries. Securities in this benchmark include current 3- and 6-month T-Bills and 1-3 year treasuries that have fixed coupon rates and a maturity not greater than three years regardless of any call features.

ICE BAML 1-3 Year US Treasury Index

The ICE Bank of America Merrill Lynch 1-3 Year US Treasury Index is comprised of US Treasury securities issued by the US Government. All securities in the index must have fixed coupon rates and have at least one year but not greater than three years to maturity regardless of any call features.

ICE BAML 1-5 Year US Treasury & Agency Index

The ICE BAML 1-5 Year US Treasury & Agency Index is comprised of securities issued by entities of the US Government, including the US Treasury and Agencies such as Fannie Mae, Resolution Trust Funding and the Federal Home Loan Bank. Corporate or foreign debt guaranteed by the US Government, such as USAID securities, may also be included in the index. All securities in the index must be investment grade, have fixed coupon rates or rates that change according to a predetermined schedule, and have at least one year but not greater than five years to maturity regardless of any call features.

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

DATE: 6/6/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of an Ordinance Approving a Zoning Map Amendment and Development Agreement for the Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

On June 4, 2018, the City Council held a public hearing on a request for approval of a 57-unit, single-family development on a 4.98-acre site located at 350 Central Avenue in the CS (Service Commercial) and RS-5 (Single-Family Residential) districts. Assessor's Parcel Nos. 086-160-009, -011, -012, and 086-151-001. After closing the public hearing, the Council adopted Resolution No. 18-1450 approving a General Plan map amendment, vesting tentative map, design review, and tree removal permit for the project. The Council also introduced and waived further reading of an ordinance approving a zoning map amendment and development agreement for the project. The ordinance is now ready for City Council adoption.

FISCAL IMPACT

One-time revenues related to construction permits and other development fees and exactions (as outlined in the proposed development agreement) are anticipated with this project. The applicant would also be required to deposit a minimum of $5,000 on an annual basis to reimburse the City for staff time expended in the annual review of the development agreement terms.

RECOMMENDATION

City Council move to adopt Ordinance No. 18-1450 approving a zoning map amendment and development agreement for the Liberty Residential Subdivision.

BACKGROUND

The requested zoning map amendment would rezone the entire site from a combination of 'CS (Service Commercial) District' and 'RS-5 (Single-Family Residential) District' to 'PD (Planned Development) District' (see Exhibit A of Attachment 1) to allow for flexible, small lot development. The proposed development agreement (see Exhibit B of Attachment 1) would establish the project's inclusionary housing and other obligations. It would require the developer to: a) build six houses with attached, income-restricted accessory dwelling units (ADUs) to meet the subdivision's inclusionary housing obligation under PMC Chapter 18.86; b) pay fees to finance unmet local and regional traffic improvement needs; c) install a camera surveillance system in the area; d) install basic home security wiring in each dwelling unit; e) annex the project site into the City's Lighting and Landscaping District; f) annex the site into the City's Community Facilities District (CFD) 2007-1 for park maintenance; g) annex the site into the City's CFD 2016-1 for maintenance of off-site stormwater facilities; h) annex the site into the City's CFD 2005-1 for police and other emergency services; and i) annex the site into the City's CFD 2017-1 for fire facilities and fire safety and emergency services. For a more detailed discussion of the application in its entirety, the City Council may refer to the June 4, 2018 staff report included as Attachment 2 of this report.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

After the City Council holds a public hearing and introduces an ordinance on a given matter, approval of the matter is formalized by City Council adoption of the ordinance by a majority vote at a meeting no fewer than five days after the public hearing. The ordinance becomes effective 30 days after the date of its adoption.

ATTACHMENTS: 1. Proposed Ordinance 18-1450
1a. Exhibit A – PD Plan
1b. Exhibit B – Development Agreement
2. City Council Staff Report

Report Prepared By: Hector J. Rojas, AICP, Senior Planner

Attachment 1

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Ordinance Approving a Zoning Map Amendment and Development Agreement for a 57-Unit, Single-Family Residential Subdivision at 350 Central Avenue, for "Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)."	)	ORDINANCE NO. 18-1450

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

SECTION 1. Recitals.

A. On February 22, 2017, Kevin English of Discovery Homes, Inc., filed Planning Application No. AP-17-1229, requesting approval of: 1) a General Plan map amendment changing the project site's land use designation from a combination of 'Service Commercial' and 'Low Density Residential' (1 to 7 d.u./ac) to 'Medium Density Residential' (7 to 14 d.u./ac); 2) a zoning map amendment rezoning the site from a combination of 'CS (Service Commercial) District' and 'RS-5 (Single-Family Residential) District' to 'PD (Planned Development) District'; 3) a vesting tentative map subdividing the 4.98-acre site into 57 lots for detached single-family homes; 4) a development agreement establishing the project's affordable housing and other obligations; 5) design review of architectural and landscape plans; and 6) a tree removal permit allowing the removal of five protected trees. The project site is located at 350 Central Avenue. Assessor's Parcel Nos. 086-160-009, -011, -012, and 086-151-001.

B. The proposed project is governed by the applicable goals and policies of the Pittsburg General Plan, the Pittsburg Municipal Code (PMC), and the City's adopted Design Review and Development Guidelines (DRDGs; Planning Commission Resolution No. 9864).

C. The proposed project is subject to the California Environmental Quality Act (CEQA), and the State CEQA Guidelines (Public Resources Code section 21080). Pursuant to the provisions of the State CEQA Guidelines, an Initial Study was prepared for the Project. Based on the analysis in the study, the Planning Manager determined that potentially significant effects of the project could be lessened through specified mitigations, and subsequently, a Mitigated Negative Declaration was prepared.

D. On April 11, 2018, a Notice of Intent to Adopt a Mitigated Negative Declaration (NOI) was distributed to the public for a 20-day review, in accordance with CEQA Guidelines section 15105(b). Public distribution of the NOI consisted of delivery to the County Clerk's Office, posting on the City's website, and direct mailing to all interested parties and owners/occupants of the properties directly contiguous with the Project, in accordance with CEQA Guidelines section 15072.

E. Pursuant to PMC sections 18.16.02 and 18.48.030, the City Council, upon recommendation of the Planning Commission, may approve a zoning map amendment if it finds that: 1) the change proposed is consistent with the objectives, policies, general land uses and programs specified in the General Plan and applicable specific plan; 2) a community need is demonstrated for the change proposed; and 3) its adoption will be in conformity with public convenience, general welfare and good zoning practice.

F. On November 25, 1996, the City Council adopted Resolution No. 96-8371, establishing procedures and requirements for considering, adopting and reviewing development agreements, pursuant to PMC section 18.44.020.

G. Pursuant to Resolution No. 96-8371, the City Council, upon recommendation of the Planning Commission, may approve a development agreement if it finds that: 1) the development agreement is consistent with the General Plan and any applicable specific plan; and 2) the agreement will promote the public health, safety, and general welfare.

H. On May 8, 2018, after conducting a duly noticed public hearing, the Planning Commission adopted Resolution No. 10099, recommending approval the requested zoning map amendment and development agreement.

I. On or prior to Friday, May 25, 2018, in accordance with Government Code sections 65090 and 65091, and PMC section 18.14.020.B, C and D, a "Notice of Public Hearing," for the June 4, 2018, public hearing on this item was published in the East County Times; was posted at City Hall; was delivered for posting at the Pittsburg Library; and was mailed via first class or electronic mail to the applicant, to the property owner, to owners of property located within 300 feet of the proposed project site, to local service agencies whose services might be affected by this project, and to individuals who had previously filed written request for such notice.

J. On June 4, 2018, the City Council held a duly-noticed public hearing to: 1) introduce and waive further reading of this ordinance approving the proposed zoning map amendment and development agreement; and 2) adopt resolution approving the proposed mitigated negative declaration, mitigation monitoring and reporting program, General Plan map amendment, vesting tentative map, design review, and tree removal permit, at which time oral and/or written testimony was considered.

SECTION 2. Findings.

A. Based on the City Council Staff Report entitled, "Adoption of a Resolution and Introduction and Waive First Reading of an Ordinance Approving the Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)," dated June 4, 2018, 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 public hearing, the City Council finds that:

1. All recitals above are true and correct and are incorporated herein by reference.

Zoning Map Amendment:

2. The proposed zoning map amendment is consistent with the objectives, policies, general land uses, and programs specified in the General Plan in that:

   a. The project will be developed on an infill site, thereby helping the City maintain a compact urban (Goal 2-G-1).

   b. The project will provide medium intensity single-family residential near the Downtown and in an area accessible to transit and services (Goal 2-G-4 and 3-G-3). The project site is within a half-mile distance of the Pittsburg Center BART Station and a quarter-mile of two bus stops located near the intersections of Railroad Avenue/Central Avenue and Harbor Street/Central Avenue (Tri Delta Transit Routes 381 and 387).

   c. The project will expand Pittsburg's housing diversity by providing higher-density single-family development on smaller lots ranging from approximately 2,000 to 4,200 square feet (Goal 2-G-5 and Housing Goal G-1).

   d. The project will utilize a Planned Development (PD) zoning, in part, to achieve a high-quality design outcome (Policy 2-P-5).

   e. The project will provide an 11,724-square-foot pocket park as a community amenity within the planned development (Policy 2-P-6).

   f. The project will pay its share of the costs for the construction of facilities needed to serve the development (Policy 3-P-1, 3-P-13, and 7-P-2). It will comply with conditions of approval requiring payment of the Facilities Reserve Charge, Local Traffic Mitigation Fee (LTMF), and Regional Transportation Development Impact Mitigation Fee (RT-DIM) in accordance with the Pittsburg Municipal Code.

   g. The project will be built in an area where public facilities and infrastructure are already available (Policy 3-P-1).

   h. The existing transportation system has adequate capacity to accommodate the proposed development (Policy 3-P-2). Residents of the proposed development will have multiple transportation options available to them as the site is located near BART, Tri-Delta Transit, and bicycle lanes.

   i. The developer was not required to prepare a traffic impact study because the project is expected to generate under 100 net new peak hour trips (Policy 3-P-5).

j. The project will provide safe and contiguous routes for pedestrians and bicyclists (Policy 3-P-17, 7-P-34, and 7-P-40). There is an existing Class II bicycle lane along Central Avenue and the project will comply with conditions of approval requiring that the sidewalk along the Central Avenue frontage be replaced with a new ten-foot-wide pathway.

k. The project focuses higher-density residential on a site that has been designated as a Priority Development Area under the Metropolitan Transportation Commission and Association of Bay Area Government's FOCUS Program (Policy 3-P-18 and Housing Policy P-1.1 D).

l. The project will promote the development and intensification of the Downtown commercial core as neighborhood retail center by increasing the demand for retail and other amenities (Goal 5-G-2).

m. The project will encourage walking as a regular means of transportation due to the site's proximity to various amenities (Goal 7-G-15). The project site is within a half-mile distance of Marina Vista Elementary School, Pittsburg High School, City Park, John Buckley Square, the Pittsburg Center BART Station, and the Downtown commercial core.

n. The project will provide bicycle racks in each garage for secure bicycle parking (Policy 7-P-45).

o. The project will comply with the development agreement requiring the developer pay an In-Lieu Parkland Dedication Fee in accordance with PMC section 17.32.020.D.2 (Policy 8-P-1, 8-P-5, and 8-P-16).

p. The project will provide a private pocket park that is centrally located and within reasonable walking distance of all homes in the subdivision (Policy 8-P-2).

q. The developer was not encouraged to dedicate a public park because the proposed development includes less than 150 units (Policy 8-P-16).

r. The project will comply with mitigation measures and conditions of approval requiring implementation of a Storm Water Control Plan in compliance with the requirements set forth in the City's most current NPDES permit. Post construction BMPs will be installed throughout the subdivision and an Operations and Maintenance Agreement will be executed by the City and developer for the perpetual maintenance of those BMPs (Goal 9-G-7, Policy 9-P-22, Goal 10-G-8, Policy 10-P-24 and 10-P-30).

s. The project will equitably share the costs associated with providing water and wastewater services to the subdivision through payment of the Pittsburg Facilities Reserve Charge (Policy 11-P-7 and 11-P-18).

t. The project will provide sound walls along the entire site perimeter and will also comply with mitigation measures requiring upper-floor windows of residences adjacent to Central Avenue (homes on Lots 1-4 and 54-57) and the UPRR tracks (homes on Lots 24-23) to be upgraded to a Sound Transmission Class (STC) rating of 32. The proposed sound walls and upper-story windows will help ensure interior noise levels do not exceed 45 dB CNEL (Policy 12-P-6).

u. The project site being rezoned is vacant, underutilized, and deemed appropriate for higher-density residential use given its proximity to schools, parks, transit, and commercial amenities (Housing Element Policy P-1.1 B).

v. The project will provide market-rate housing near Downtown and increase demand for economic activity in nearby shopping centers (Housing Policy P-1.2).

w. Pursuant to the proposed development agreement, the project will provide at least six single-family homes with accessory dwelling units that would allow extended families to live near each other, increase the affordable and rental housing stock, and provide income assistance to homeowners (Housing Policy P-1.5).

x. The project will help attain the City's Regional Housing Needs Allocation for moderate and above-moderate income households (Policy P-1.6).

y. The project will comply with conditions of approval requiring construction of quality home designs to ensure future residents will enjoy an attractive living environment (Housing Goal G-5 and Policy P-5.1).

3. There is a community need for the proposed zoning change, in that the amendment will facilitate occupancy of a long-standing vacant site in accordance with the City's housing goals calling for development of a variety of housing types, densities, and prices to balance the City's housing stock and to meet Pittsburg's regional fair share housing needs for people of all income levels. Providing 57 small-lot, market-rate residential units along with six income-restricted accessory units at the site will provide diverse housing options for residents and create an opportunity for more residents to utilize the Pittsburg Center BART Station and other public transit opportunities.

4. The proposed zoning amendment will be in conformity with public convenience, general welfare, and good zoning practice, in that the amendment will facilitate development of a long-standing vacant site, which

could help to eradicate existing problems that come with vacant sites, such as illegal dumping and loitering. Additionally, the proposed project will add additional residents to the area who may frequent the established and potential commercial uses envisioned along Railroad Avenue. In addition, the site's proximity to both the Pittsburg Center BART Station and two existing bus routes presents an opportunity for more residents to utilize public transit opportunities.

Development Agreement:

5. The proposed development agreement is consistent with the General Plan, specifically Housing Element Policy P-1.5, in that it will require the construction of six accessory dwelling units which will allow extended families to live near each other, increase the City's affordable housing stock, and provide opportunities for homeowners to generate additional income, and General Plan policies 8-P-1, 8-P-2, 8-P-11, in that it requires payment of fees to help the City meet its park and recreation facility standards.

6. The proposed development agreement will promote the public health, safety, and general welfare in that it requires the developer to: a) pay fees to finance unmet local and regional traffic improvement needs; b) install a camera surveillance system in the area; c) install basic home security wiring in each dwelling unit; d) annex the project site into the City's Lighting and Landscaping District; e) annex the site into the City's Community Facilities District (CFD) 2007-1 for park maintenance; f) annex the site into the City's CFD 2016-1 for maintenance of off-site stormwater facilities; g) annex the site into the City's CFD 2005-1 for police and other emergency services; and h) annex the site into the City's CFD 2017-1 for fire facilities and fire safety and emergency services.

B. The City Council Staff Report entitled, "Adoption of a Resolution and Introduction and Waive First Reading of an Ordinance Approving the Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)," dated June 4, 2018, is referenced hereto as additional support for findings.

SECTION 3. Decision.

Based on the findings and the authority set forth above, the City Council hereby:

A. Amends the Zoning Map, as referenced in Pittsburg Municipal Code, Title 18 (Zoning Ordinance) section 18.04.020, to change the zoning for the project site from a combination of 'CS' and 'RS-5' Districts to 'PD' District and adopting specific land use and development regulations as substantially presented in Exhibit A of this resolution; and

B. Approve a development agreement as substantially presented in Exhibit B of this resolution;

SECTION 4. Effective Date

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

The foregoing ordinance was introduced at a meeting of the City Council of the City of Pittsburg held on June 4, 2018, and was adopted and ordered published at a meeting of the City Council held on June 18, 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Fig. 1: Existing Zoning

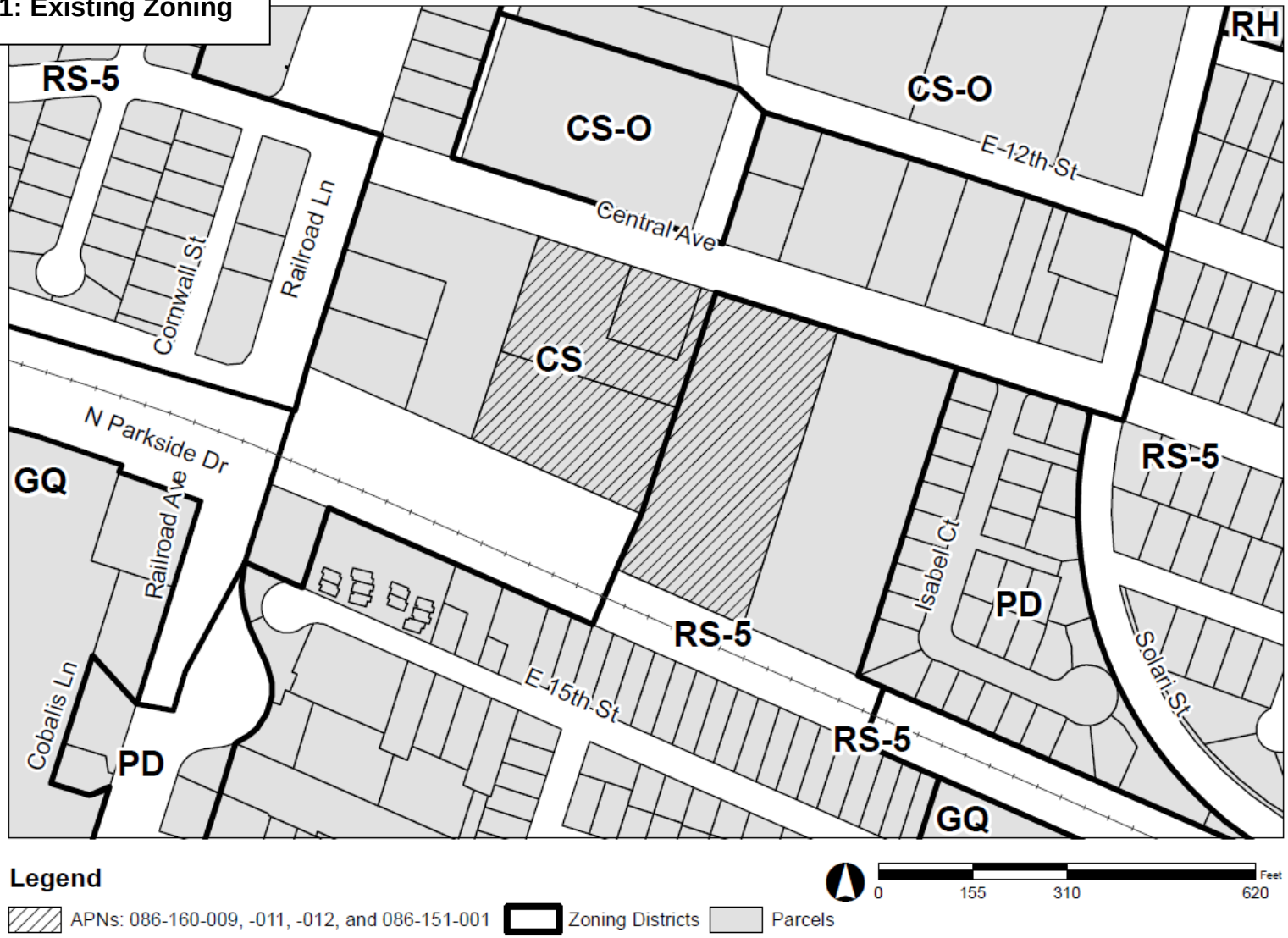
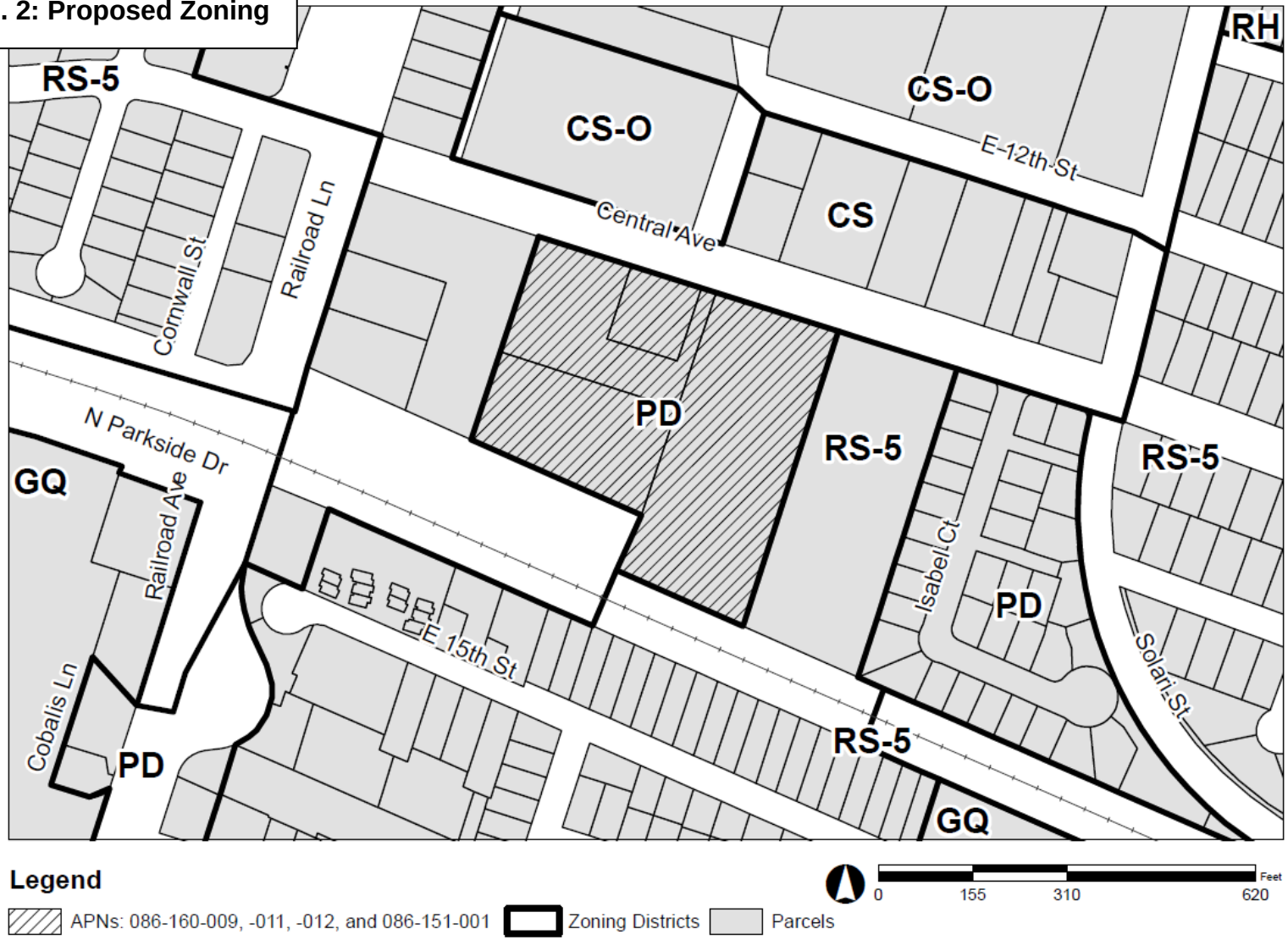


Fig. 2: Proposed Zoning



Purpose and Applicability
The purpose of this PD Plan is to establish land use and development regulations for a 57-unit, single-family residential subdivision on a 4.98-acre site located 350 Central Avenue (APNs: 086-160-009, -011, -012, and 086-151-001).

Land Use Regulations
The land uses allowed in the PD (Planned Development) District (shown in Figure 2) shall be the same as those allowed in the RS-4 (Single-Family Residential) District (Pittsburg Municipal Code [PMC] Chapter 18.50).

Development Regulations
Except as indicated in the table at right, all development regulations of the PD District shall be the same as those of the RS-4 District. Use and development of the property would also comply with Article 3 (Performance Standards) and Article 5 (Home Occupations) of PMC Chapter 18.50, and with the off-street parking requirements of PMC Chapter 18.78.

PD Development Regulations	
Min. Lot Size	2,000 sq. ft.
Min. Lot Width	40 ft.
Min. Front Yard (fronting on public street)	9 ft.
Min. Front Yard (fronting on private cluster road)	4 ft.
Min. Corner Side Yard (next to public street)	9 ft.
Min. Corner Side Yard (next to private cluster road)	4 ft.
Min. Interior Side Yard	4 ft.
Min. Rear Yard	4 ft.
Max. Encroachment into a Required Yard	1 ft.
Max. Lot Coverage	60%
Max. Building Height	28 ft.
Note: The development regulations above shall not apply to non-residential parcels including motor courts.	

Exhibit B Ordinance No. 18-
Development Agreement

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Forecast Land Investment, LLC
4061 Port Chicago Hwy., Suite H
Concord, CA 94520
Attention: Legal Department

City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
Attention: City Clerk

(Space Above This Line Reserved For Recorder's Use)

DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF PITTSBURG, CALIFORNIA
AND
FORECAST LAND INVESTMENT, LLC
(Liberty Subdivision)

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "**Agreement**") is entered into as of the Effective Date between FORECAST LAND INVESTMENT, LLC, a California limited liability company ("**Developer**"), and the CITY OF PITTSBURG, a California municipal corporation ("**City**"), pursuant to California Government Code § 65864 *et seq*. The Effective Date is _____, 2018.

R E C I T A L S

A. To strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California enacted California Government Code § 65864 *et seq*., which authorizes City to enter into an agreement with any person having a legal or equitable interest in real property regarding the development of such property.

B. Pursuant to California Government Code § 65865, City has adopted procedures and requirements for the consideration of development agreements (Resolution No. 89-7466). This Development Agreement has been processed, considered and executed in accordance with such procedures and requirements.

C. Developer has a legal interest in certain real property consisting of approximately 4.9 acres, as more particularly described in the **Exhibit A** attached hereto (the "**Property**" or "**Project**"), and as diagrammed in the attached **Exhibit A-1** (the "**Project Site**").

D. Developer filed applications with the City requesting to obtain a vesting tentative map to subdivide the Project Site into fifty-seven (57) single-family residential lots, and related infrastructure.

E. On _____, 2017, the Planning Commission adopted Resolution No. ____ recommending City Council approval of: 1) a General Plan Amendment; 2) a zoning amendment; 3 approving a Vesting Tentative Map No. ___ to subdivide the Property into fifty-seven (57) single-family residential lots, and related infrastructure; 2) approving the design of architectural and landscape plans; and 4) recommending City Council approval of a development agreement.

The approvals and development policies described in these Recitals, together with this Agreement, are collectively referred to herein as the "**Project Approvals**."

F. City has determined that the Project presents certain public benefits and opportunities which are advanced by City and Developer entering into this Agreement. This Agreement will, among other things, require conditions of approval and other exactions resulting in:

1. Developer's commitment that it will comply with PMC 18.86.080 by building six (6) rental secondary units, as set forth in Section 3.09 of this Agreement.

2. The inclusion of the Project Site into the City's existing Community Facilities District 2007-1 at no cost to the City, in order to provide funding for certain park

maintenance costs, as set forth in Section 5.05 of this Agreement. Developer understands that the Project Site is included within the City's existing Citywide Landscaping and Lighting Assessment District No. 88-01 that provides funding for certain landscape and lighting costs.

3. The inclusion of the Project Site into the City's existing police services Community Facilities District 2005-1, at no cost to the City, to provide for police and other emergency services for the Project Site, as set forth in Section 5.06 of this Agreement.

4. The inclusion of the Project Site into the City's existing fire safety and emergency services Community Facilities District 2017-1, at no cost to the City, to fund fire and emergency services as set forth in Section 5.07 of this Agreement.

5. The inclusion of the Project Site into the City's existing Community Facilities District 2016-1, at no cost to the City, to provide funding for the continuous maintenance of certain off-site stormwater treatment facilities as set forth in Section 5.05 of this Agreement.

6. Payment of an In-Lieu Parkland Dedication Fees to fund the development of public park facilities, as set forth in Section 5.09 of this Agreement.

G. In exchange for the benefits to City described in the preceding Recital F and others set forth herein, Developer will receive by this Agreement assurances that it may proceed with the long term phased development of the Project in accordance with the "Applicable Law" (defined herein), and therefore desires to enter into this Agreement.

H. The City Council, after conducting a duly noticed public hearing, has found that this Agreement is consistent with the General Plan and has conducted all necessary proceedings in accordance with the City's rules and regulations for the approval of this Agreement.

I. The City Council, on _____, 2018, at a duly noticed public hearing adopted Ordinance No. 18-_____, approving and authorizing the execution of this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and obligations set forth herein, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
DEFINITIONS

"**Administrative Agreement Amendment**" shall have that meaning set forth in Section 7.02 of this Agreement.

"**Administrative Project Amendment**" shall have that meaning set forth in Section 7.01 of this Agreement.

"Affordable Housing Agreement" shall have that meaning set forth in Section 3.09 of this Agreement.

”**Agreement**” shall mean this development agreement.

“**Applicable Fees**” shall have that meaning set forth in Section 3.04 of this Agreement.

“**Applicable Law**” shall have that meaning set forth in Section 6.03 of this Agreement.

“**Buildout**” shall mean the City’s issuance to Developer of the last certificate of occupancy required for any portion of the Project Site.

“**CEQA**” shall mean the California Environmental Quality Act.

“**Changes in the Law**” shall have that meaning set forth in Section 6.07 of this Agreement.

“**City**” shall mean the City of Pittsburg, a California municipal corporation.

“**Complaining Party**” shall have that meaning set forth in Section 10.01 of this Agreement.

“**Day**” or “**days**” shall mean calendar day or calendar days.

“**Default Notice**” shall have that meaning set forth in Section 10.01 of this Agreement.

“**Defaulting Party**” shall have that meaning set forth in Section 10.01 of this Agreement.

“**Deficiencies**” shall have that meaning set forth in Section 9.02(a) of this Agreement.

“**Developer**” shall mean Discovery Builders, Inc., a California corporation.

“**Effective Date**” shall have that meaning set forth in Section 2.01 of this Agreement.

“**Fair Share**” shall mean the proportionate share which the Developer, or other party, shall bear of the improvement, facility, or structure which is providing service to the Project, Developer or other party. The term “fair share” or similar terms used herein are not intended by the parties to this Agreement to impose a different or higher burden of proof on the City as to its fees, charges, or other exactions, than exists under applicable State or federal law.

“**Funding Mechanisms**” shall have that meaning set forth in Section 3.08 of this Agreement.

“**General Plan**” shall have that meaning set forth in Recital H of this Agreement.

“**HCP**” shall mean the East Contra Costa County Habitat Conservation Plan.

“**Judgment**” shall have that meaning set forth in Section 9.02(a) of this Agreement.

“**LLD**” shall have that meaning set forth in Section 5.05 of this Agreement.

"**Non-Assuming Transferee**" shall have that meaning set forth in Section 8.03 of this Agreement.

"**Notice of Compliance**" shall have that meaning set forth in Section 8.04 of this Agreement.

"**Periodic Review**" shall have that meaning set forth in Section 10.03 of this Agreement.

"Police Services District" shall have that meaning set forth in Section 5.06 of this Agreement.

"**Project**" shall have that meaning set forth in Recital C of this Agreement.

"**Project Approvals**" shall have that meaning set forth in Recitals A through F of this Agreement.

"**Project Site**" shall have that meaning set forth in Recital C of this Agreement.

"**Public Improvements**" shall have that meaning set forth in Article XI of this Agreement.

"**Subsequent Approvals**" shall mean those certain other land use approvals, entitlements, and permits other than the Project Approvals that are necessary or desirable for the Project. The Subsequent Approvals may include, without limitation, the following: amendments of the Project Approvals, design review approvals, improvement agreements, use permits, grading permits, building permits, lot line adjustments, sewer and water connection permits, certificates of occupancy, subdivision maps, PD Plans, rezonings, development agreements, permits, resubdivisions, and any amendments to, or repealing of, any of the foregoing.

"**Term**" shall have that meaning set forth in Section 2.02 of this Agreement.

"**Transfer Agreement**" shall have that meaning set forth in Section 8.02(a) of this Agreement.

If any capitalized terms contained in this Agreement are not defined above, then any such terms shall have the meaning otherwise ascribed to them in this Agreement.

ARTICLE II
EFFECTIVE DATE; TERM

Section 2.01 **Effective Date**. This Agreement shall become effective upon the date the ordinance approving this Agreement becomes effective (the "**Effective Date**").

Section 2.02 **Term**. The term of this Agreement shall commence upon the Effective Date and continue for a period of ten (10) years (the "**Term**"). However, at such time as Developer has complied with all conditions in this Agreement, and upon the City Manager's written authorization, this Agreement shall terminate and be of no further effect

between the parties. The termination shall not alter any of the Project Approvals and related matters as to the Project.

ARTICLE III
OBLIGATIONS OF DEVELOPER

Section 3.01 **Obligations of Developer Generally**. The parties acknowledge and agree that the City's agreement to perform and abide by the covenants and obligations of City set forth in this Agreement is a material consideration for Developer's agreement to perform and abide by its long term covenants and obligations, as set forth herein. As material consideration for the long term assurances and vested rights provided by this Agreement and as a condition of approval to one or more of the Project Approvals, Developer agrees to each of the following:

Section 3.02 **Facility Reserve Charges**. Developer agrees to pay City's Facility Reserve Charges ("FRC") as set or modified by the City Council from time to time.

Section 3.03 **Water Infrastructure**. Developer shall comply with the 2015 Water System Master Plan, as amended.

Section 3.04 **Applicable Fees**. City may levy development fees and charges during the term of this Agreement relative to the development of the Project Site which are in force and effect as of the Effective Date, or which are in effect at the time payment of those fees are due as more particularly described and according to the payment schedule set forth on **Exhibit B** ("**Applicable Fees**"). Unless otherwise provided in this Agreement, no development fees, or charges, or categories thereof, shall be imposed on the Project other than those fees (including categories within such fees), and charges identified as Applicable Fees on **Exhibit B**, which exhibit shall exclusively govern the Applicable Fee payment schedule. The parties agree that any and all Project development fees, charges or exactions related to schools, fire prevention, water, sewer, stormwater, and storm drainage facilities, which are to be paid by Developer directly to third-party governmental agencies, are not subject to or within the scope of this Agreement whether such third party charges exist or are subsequently imposed by such third parties, whether directly upon Developer or through City. This provision shall not be construed to benefit any Non-Assuming Transferees, as such term is defined in herein.

Section 3.05 **Applicable Fee Adjustments**. Developer shall pay fees and charges consistent with Section 3.04 above, and the applicable adjustments currently provided in such fees, and as modified from time to time by the City, whether such adjustment or modification is an increase or decrease. Developer retains the right to challenge the imposition of any new fees not referenced in this Agreement or the modification, amendment or adjustment of all Applicable Fees pursuant to Government Code § 66000 *et seq.*, not already authorized by ordinances, resolutions or policies in place at the time of this Agreement's execution. Should the City Council approve a new AB 1600 fee study and/or authorize a decrease in any of the Applicable Fees during the term of this Agreement by ordinance or by resolution, Developer shall have the option, at its sole discretion, to pay the lower fee, as may be adjusted by the applicable CPI or ENR, unless

otherwise bound by separate contract or memorandum of understanding with City. In no event shall Developer receive retroactive adjustments for lower fees.

Section 3.06 **City Local Traffic Mitigation Fee**. Developer shall pay the City Local Traffic Mitigation Fee, which fee is necessary to finance unmet City traffic improvement needs in the amount in effect as of the Effective Date and subject to adjustment in accordance with Resolution No. 07-10917 with credit for certain improvements constructed by Developer per Section 4.04 below. If the City Council approves a new AB 1600 fee study and/or authorizes a decrease in any of the Applicable Fees during the term of this Agreement by ordinance or by resolution, Developer shall have the option, at its sole discretion, to pay the lower fee, as may be adjusted by the applicable CPI or ENR, unless otherwise bound by separate contract or memorandum of understanding with City. In no event shall Developer receive retroactive adjustments for lower fees.

Section 3.07 **Regional Traffic Fee**. Developer shall the ECCRFA Regional Transportation Development Impact Mitigation Fee (PMC Chapter 15.103) (the "RTDIM") amount in effect when the Developer obtains a Building Permit. The RTDIM will be automatically increased or decreased on January 1 of each year based on the percent change in the Engineering News Record Construction Costs Index-San Francisco Bay Area between September 1 and September 1 of the preceding two calendar years. Developer shall pay the fees prior to issuance of a Building Permit. If no Building Permit is required, then Developer shall pay the fees at a time consistent with PMC Section 15.103 in the amount in effect when the Project commences pursuant to PMC Section 15.103.

Section 3.08 **Fees, Assessments and/or Taxes to be Paid by Developer**. Developer agrees to pay its fair share of any levies imposed by any assessment district, landscaping and lighting district, community facilities district, tax-exempt financing mechanisms, or other funding mechanisms related to public safety; traffic; sewer; water; fire; the prevention, mitigation, abatement, or control of geologic hazards; or other infrastructure improvements (including, without limitation, design, acquisition, construction and maintenance costs) (collectively, "**Funding Mechanisms**") within the Project Site, provided that such Funding Mechanism is referenced herein and/or was legally created pursuant to applicable law.

Section 3.09 **Affordable Housing**. Developer shall comply with PMC 18.86.080 by constructing six (6) rental secondary dwelling units within the Project. A covenant shall be recorded limiting the amount of rent that may be charged for these secondary units, consistent with the terms and conditions set forth in the affordable housing agreement. Prior to the City's issuance of the first certificate of occupancy Developer agrees to enter into an affordable housing agreement with the City (the "**Affordable Housing Agreement**") attached as **Exhibit C** which further memorializes the provisions of this Section 3.09 and is consistent with applicable law, including Pittsburg Municipal Code Chapter 18.50. Developer agrees that the secondary dwelling units referenced in this Section shall not be built or otherwise allowed on adjoining lots without the prior written approval of the City Manager.

(a) Timing. The Affordable Housing Agreement shall establish provisions to implement the affordable housing requirements within this Agreement and shall include, but not be limited to, implementation and monitoring provisions to ensure compliance

with municipal law related to affordable housing. The agreement shall include provisions for the reasonable reimbursement of costs to the City for the administration and monitoring of the agreement.

(b) Inclusionary Housing Ordinance. Notwithstanding any provision of this Agreement, in the event that the City has rescinded its respective previously adopted affordable housing ordinance and not replaced it with another affordable housing or similar ordinance, or such ordinance has been declared illegal, Developer shall not be obligated to comply with the provisions for affordable housing set forth in this Agreement. In the event, prior to or during the development of the Project, the City amends or replaces or eliminates its affordable housing ordinance which would result in a reduction in the number of secondary units Developer is obligated to construct, then the Affordable Housing Agreement shall be modified to provide for an equivalent reduction in the number of secondary units required to be constructed in the Project or elimination of the requirement.

Section 3.10 **Security Improvements**.

(a) Developer shall pay to the City the actual cost incurred by the City (not to exceed _____ Thousand Dollars ($_____)) towards funding the acquisition and installation a security camera at the entrance to the Property or other location as determined by the City. The security cameras will be installed under the supervision of the City's Police Chief. Developer shall pay such costs within thirty (30) days of receipt of invoice.

(b) Developer shall install the basic home security wiring implement wireless technology in the Project homes (defined herein as wiring for a basic home security system on the first floor windows and doors only). Developer shall offer one year of professional monitoring service to new homeowners. The monitoring service shall be at the election of the new homeowner.

Section 3.11 **Solar Roof System**. Developer shall install a solar roof system on one of its model homes for example purposes only (which may consist of a few panels with photovoltaic compatibility or other comparable technologies) and offer solar installation as an option at the homeowner's expense.

Section 3.12 **Tree Preservation**. Developer shall replace any and all trees that are removed as part of the construction of the Project with the appropriate number of new trees pursuant to the City's Tree Ordinance. Developer shall cause the Project to maintain said trees in an appropriate manner pursuant to the City's Tree Ordinance.

Section 3.13 **Off-Site Improvements.** Developer shall provide off-site improvements for a left turn lane from Central Avenue into the Project.

ARTICLE IV
OBLIGATIONS OF CITY

Section 4.01 **Obligations of City Generally**. The parties acknowledge and agree that Developer's agreement to perform and abide by its covenants and obligations set forth in this Agreement, including Developer's decision to process the siting of the Project in the City,

is a material consideration for City's agreement to perform and abide by the long term covenants and obligations of City, as set forth herein.

Section 4.02 **Availability of Public Services**.

(a) General. To the extent permitted by law and consistent with its authority, City shall reserve such capacity for water services as may be necessary to serve the Project. This reservation of water infrastructure capacity shall be assured for the Term to the extent consistent with applicable law.

(b) Construction Water. City shall make construction water available to the Project by allowing the Project access to the City's existing water supply infrastructure, at a location reasonably determined by the City, at Developer's cost and on those terms and conditions and charges customarily applied by City to similar projects consistent with City standards. Developer shall provide backflow prevention for all points of connection to the City's potable water supply system and the volume of water consumed shall be tracked with the use of a City-issued hydrant meter. City shall also allow Developer to install such temporary construction water pipelines and related infrastructure as reasonably necessary to provide construction water to the Project site for Developer's use in any and all Project grading and construction operations, as long as such water is unrelated to potable use.

Section 4.03 **Developer's Right to Rebuild**. City agrees that Developer, in Developer sole's discretion, may renovate or rebuild the Project within the Term of this Agreement should it become necessary due to natural disaster, changes in seismic requirements, acts of God, acts of terrorism, or damage to work in progress by reason of fire, floods or other casualties. Any such renovation or rebuilding shall be subject to the square footage and height limitations vested by this Agreement, and shall comply with the Project Approvals, the building codes existing at the time of such rebuilding or reconstruction, and the requirements of CEQA and this Agreement.

Section 4.04 **Reimbursement of Infrastructure Costs**.

(a) Reimbursement. Unless otherwise provided for herein, to the extent Developer incurs costs related to the planning and construction of traffic infrastructure, water delivery infrastructure, sewer infrastructure or other public infrastructure required by City or this Agreement for the Project that exceed the Project's fair share obligation for such infrastructure, City shall reimburse Developer for the City's portion of such costs (including any management fees provided for in this Agreement), subject to City's prior verification through inspection of the construction that is subject to such reimbursement and upon final acceptance of the infrastructure by the City. This reimbursement shall be paid within sixty (60) days after City's final acceptance or at such other time as mutually agreed upon in writing by the parties. Developer shall be entitled to a management fee of five percent (5%) for City's share of approved infrastructure costs, including but not limited to design and special inspection costs. The management obligations of Developer hereunder shall include contracting and managing the construction of the infrastructure, retaining copies of records, photographs and "as builts" for the improvement(s) as well as attending meetings and providing necessary reports as reasonably requested by City.

(b) City's Authorization of Reimbursement. Notwithstanding any other provision of this Section, or of this Agreement, or of VTM provisions, City shall not be responsible to reimburse or credit Developer for any costs, including as referenced in Section 4.04(a) herein, unless prior to Developer incurring any costs for which Developer will request reimbursement from City, Developer shall first provide written documentation as to the work to be performed, the estimated costs thereof, including a not-to-exceed cap, and such other details as reasonably requested by the City Manager and the City Manager approves the proposed costs and related work. If the City Manager fails to respond within thirty (30) days of its receipt of such estimated costs, Developer shall provide a second written notice to the City Manager and to the City Engineer, if neither responds within thirty (30) days of the City's receipt of the second request, the request shall be deemed approved. The City Manager shall have the discretion to require Developer to obtain competitive bids on any work for which Developer may request reimbursement or credit from the City where the total cost (not just the City's share) of that work is One Hundred Thousand Dollars ($100,000) or more. City shall also have the opportunity to inspect any and all infrastructure during its construction, as well as to review any work product for which Developer requests reimbursement or credits. If mutually agreed by the parties in writing, any reimbursement due Developer pursuant to this Agreement may be satisfied by City in the form of credits, which can actually be used by Developer to offset Developer's payment of any Applicable Fees. In the event there are not enough credits to fully satisfy the reimbursement due Developer and subject to the terms of the mutual agreement between the parties referenced in the prior sentence, City shall reimburse Developer within thirty (30) days of invoicing.

Section 4.05 **Park In Lieu Fee**. Developer and City agree that the park in-lieu fee valuation is currently Ten Dollars and Twenty Seven Cents per square foot ($10.27/sf unless City adopts a lower fee in which case the lower fee shall apply), increased annually by the CPI for the San Francisco-Oakland area, with the first increase implemented in January 2019 reflecting 2018 increases.

ARTICLE V
COOPERATION — IMPLEMENTATION

Section 5.01 **Processing Application for Subsequent Approvals**. The parties agree that all Subsequent Approvals shall be processed by City in a manner consistent with the following provisions:

(a) Standard of Review. By adopting the Project Approvals, City has made a final policy decision that the Project is in the best interests of the public health, safety and general welfare. Accordingly, City shall not use its discretionary authority in considering any application for a Subsequent Approval to change the policy decisions reflected by the Project Approvals or otherwise prevent or delay development of the Project as set forth in the Project Approvals. Instead, the Subsequent Approvals shall be deemed tools to implement those final policy decisions and shall be issued by City so long as they comply with this Agreement and Applicable Law, as defined below, and are not inconsistent with the Project Approvals as set forth above, and meet the intent and comply with any City adopted Designed Guidelines, as applicable. To the extent permitted by law, City shall not use its discretionary authority in considering these Subsequent Approval applications to revisit or frustrate the policy decisions or material terms reflected by the Project Approvals.

Developer agrees that development under this Agreement shall comply with provisions reflected in Uniform Codes (whether building, fire, plumbing, or other applicable uniform codes) which may adopted subsequent to the Effective Date of this Agreement.

(b) Basis for Denial. City may deny an application for a Subsequent Approval only if such application does not comply with this Agreement or Applicable Law, defined below, or does not substantially comply with the Project Approvals (provided, however, that inconsistency with the Project Approvals shall not constitute grounds for denial of a Subsequent Approval which is requested by Developer as an amendment to that Project Approval). City may approve an application for such a Subsequent Approval subject to any conditions necessary to bring the Subsequent Approval into compliance with this Agreement or Applicable Law, or as is necessary to make this Subsequent Approval consistent with the Project Approvals. If City denies any application for a Subsequent Approval, City shall specify in writing the reasons for such denial and may suggest a modification which would be approved by City.

Section 5.02 **Timely Submittals by Developer**. Developer acknowledges that City cannot expedite processing of the Subsequent Approvals until Developer submits complete applications on a timely basis. Developer shall use its best efforts to (i) provide to City in a timely manner any and all documents, applications, plans, and other information necessary for City to carry out its obligations hereunder; and (ii) cause Developer's planners, engineers, and all other consultants to provide to City in a timely manner all such documents, applications, plans and other necessary materials as set forth in the Applicable Law. It is the express intent of Developer and City to cooperate and diligently work to obtain any and all Subsequent Approvals consistent with this Agreement.

Section 5.03 **Timely Processing by City**. Upon submission by Developer of all appropriate applications and processing fees for any Subsequent Approval, City shall promptly and diligently commence and complete all steps necessary to act on the Subsequent Approval applications including, without limitation, (i) providing at Developer's expense and subject to Developer's request and prior written approval, reasonable overtime staff assistance and/or staff consultants for planning and processing of each Subsequent Approval application; (ii) if legally required, providing notice and holding public hearings; and (iii) acting on any such Subsequent Approval application. If Developer elects to request and approve the use of overtime staff assistance or staff consultants for planning and processing of any Subsequent Approval pursuant to this Section 5.03, Developer's reimbursement to City for such services shall be made in amount equal to City's actual costs of providing such services, in accordance with standard City practice.

Section 5.04 **Other Government Permits**. At Developer's sole discretion and in accordance with Developer's construction schedule, Developer shall apply for such other permits and approvals as may be required by other governmental or quasi-governmental entities in connection with the development of, or the provision of services to, the Project. City shall cooperate with Developer in its efforts to timely obtain such permits and approvals and shall, from time to time, at the request of Developer, use its best efforts to ensure the timely availability of such permits and approvals.

Section 5.05 **Landscaping and Lighting District, Park Maintenance, C.3 Facilities**.

(a) Developer agrees that the Project Site will be annexed into the City's existing Community Facilities District 2007-1 (**Park Maintenance Services**), and the City's Community Facilities District 2016-1 (**Maintenance of Project Facilities**) for maintenance of off-site C.3 facilities. This process shall be completed to the satisfaction of the City Manager and City Attorney prior to the recordation of the first final map for the project. Each legal residential lot located within the Project Site will be required to pay the levy by the CFD no earlier than the issuance of a building permit for such lot. Developer understands that the project Site is included in the City's existing Citywide Landscaping and Lighting Assessment District, as established pursuant to City Resolution No. 88-7324 ("**LLD**")., To the extent permitted by law, that the Project shall be assessed in a manner consistent with the provisions herein.

(b) Developer agrees that the base assessment applies to the Project and is subject to increase, provided any such increase of the base assessment imposed uniformly or similarly situated properties by City in a manner consistent with State law. Developer further agrees that the base assessment shall be levied upon recordation of each of the Project's final maps. The parties agree that the base LLD assessment described herein shall finance, among other things, the maintenance of any and all landscape improvements and the maintenance of the parks.

Section 5.06 Police Services CFD. Developer agrees to take all steps necessary to include the Project Site into the City's existing police services Community Facilities District 2005-1, as adopted pursuant to Resolution No. 05-10342 (Public Safety Services) at no cost to the City, to provide for police services for the Project Site. This process shall be completed to the satisfaction of the City Manager and the City Attorney, before recordation of the first final map for the Project. Each legal residential lot located on the Project Site will be required to pay the levy by the Police Services District no earlier than the issuance of a building permit for such lot.

Section 5.07 **Fire Services CFD**. Developer agrees to annex the Project Site into the City's existing Community Facilities District 2017-1 (Fire Facilities and Fire Safety and Emergency Services), as adopted pursuant to Resolution No. 17-13311, at no cost to the City, to provide fire protection and emergency services for the Project Site. This process shall be completed to the satisfaction of the City Manager, prior to the recordation of the first final map for the Project. Each legal residential lot located on the Project Site will be required to pay the levy by the CFD no earlier than the issuance of a building permit for such lot.

Section 5.08 **Parkland Dedication In-Lieu Fee.** The Developer shall pay an In-Lieu Parkland Dedication Fee on a per permit basis to the Engineering Department prior to the issuance of a building permit for the project per PMC section 17.32.020.D.2. Developer shall receive a fee credit for fifty percent of the acreage of the private tot lot provided for the project. The park in-lieu fee valuation is currently ten dollars and twenty seven Cents per square foot ($10.27/sf), increased annually by the CPI for the San Francisco-Oakland area,

with the first increase implemented in January 2019 reflecting 2018 increases. With the applied credit, Developer shall pay an in-lieu fee of $7,917 per dwelling unit.

Section 5.10 **Assessment Districts or Other Funding Mechanisms**.

(a) City understands that City's long term assurances to Developer concerning fees, taxes and assessments related to the Project are a material consideration for Developer agreeing to process the siting of the Project in its present location and to pay the fees, taxes and assessments described in this Agreement. City shall retain the ability to initiate or process applications for the formation of new assessment districts or other Funding Mechanisms, as defined in Section 3.08 of this Agreement, covering all or any portion of the Project site. Notwithstanding the foregoing, Developer retains all its rights to oppose the formation or proposed assessment of any new assessment district, Funding Mechanism, or any and all increases thereto, or to request or pursue assessment credits or reductions, unless otherwise provided for herein or unless such assessment, Funding Mechanism or related increases are in place and legally effective as of the date of this Agreement's Effective Date.

(b) At the request of Developer, City shall cooperate in the formation of, or annexation to, those assessment districts, landscaping and lighting districts, community facilities districts, tax-exempt financing mechanisms, or other Funding Mechanisms that Developer and City determine are needed to fund infrastructure improvements and to ensure the orderly development of the Project, at no cost to the City. City shall diligently and expeditiously process applications by Developer necessary to establish such Funding Mechanisms as long as (i) the application complies with law, (ii) is consistent with City's standards, and (iii) provides for a lien to value ratio and other financial terms that are reasonably acceptable to City, and which will result in no commitment of City. City shall diligently seek to sell any bonds to be issued and secured by such assessments upon the best terms reasonably available in the marketplace. Any and all costs associated with this Section shall be borne and/or advanced by Developer.

Section 5.11 **Warranty Bonds**. Developer agrees that every infrastructure improvement dedicated to City (except landscaping, unimproved real property or open space dedications) pursuant to this Agreement shall be accompanied by a one (1) year warranty bond in a form and in an amount, and with a surety acceptable to City, or otherwise as determined in the applicable Subdivision Improvement Agreement.

Section 5.12 **General Plan Maintenance Fee**. Developer agrees to pay a development related fee to help fund the maintenance of the Pittsburg General Plan. The General Plan Maintenance Fee will be $125.00 per building permit.

Section 5.13 **Refuse Management Plan.** Prior to issuance of the first building permit, Developer shall submit to, and receive written approval from, the City Planning Manager of a proposed refuse management plan addressing, among other matters, the routes for the solid waste company servicing the Project to access and otherwise provide service to the Project.

ARTICLE VI
STANDARDS, LAWS AND PROCEDURES GOVERNING THE PROJECT

Section 6.01 **Vested Right to Develop**. Developer shall have a vested right to develop the Project on the Project Site in substantial conformance with the terms and conditions of this Agreement, the Project Approvals (as and when issued), the Subsequent Approvals (as and when issued), and amendments thereto as shall, from time to time, be approved pursuant to this Agreement. Nothing in this Section 6.01 shall be deemed to eliminate or diminish the requirement of Developer to obtain any required Subsequent Approvals.

Section 6.02 **Permitted Uses Vested by This Agreement**. The permitted uses of the Project Site; the density and intensity of use of the Project Site; the maximum height, bulk and size of proposed buildings; provisions for reservation or dedication of land for public purposes and the location of public improvements; the general location of public utilities; and other terms and conditions of development applicable to the Project, shall be as set forth in the Project Approvals and, as and when they are issued (but not in limitation of any right to develop as set forth in the Project Approvals), the Subsequent Approvals.

Section 6.03 **Applicable Law**. "**Applicable Law**" shall mean the existing rules, regulations, official policies, standards and specifications governing permitted uses of the project site; governing density; and governing design, improvements, and construction standards and specifications applicable to the Project and Project site as set forth in this Agreement and the Project Approvals, and in force and effect on the Effective Date of this Agreement. However, this Agreement and this Section shall not be construed to prevent the City, in any subsequent actions applicable to the Project Site, from applying any new rules, regulations, official policies, standards, and specifications that do not conflict with those rules, regulations, official policies, standards, and specifications existing as of the Effective Date of the Agreement.

Section 6.04 **Uniform Codes**. Notwithstanding any other provision of this Agreement, City may apply to the Project Site, at any time during the Term, the then current Uniform Building Code and other uniform construction codes as properly modified by City and uniformly applied on a citywide basis, and City's then current design and construction standards for road and storm drain facilities. In no event shall any such uniform code or standard be adopted for the purpose of preventing or otherwise limiting construction of all or any part of the Project.

Section 6.05 **Moratorium and Conflicting Enactments**. To the extent consistent with State Law, if any ordinance, resolution or other measure is enacted, whether by action of City, by initiative, referendum, or otherwise, that imposes a building moratorium, a limit on the rate of development, or a voter-approval requirement which would otherwise affect the timely development of the Project on all or any part of the Project Site, City agrees that such ordinance, resolution or other measure shall not apply to the Project, the Project Site, this Agreement, the Project Approvals, or the Subsequent Approvals, if any, during the term of this Agreement, unless the building moratorium is imposed as part of a declaration of a local emergency or state of emergency as defined in Government Code Section 8558. Developer

reserves the right to challenge in court any City action or inaction which Developer believes is in conflict with Applicable Law or this Agreement.

Section 6.06 **Life of Subdivision Maps, Development Approvals, and Permits**. To the extent consistent with Applicable Law, the term of any subdivision map or any other map, permit, rezoning or other land use entitlement approved as a Project Approval or Subsequent Approval shall automatically be extended for the duration of this Agreement, including any extensions. The term of this Agreement and any subdivision map or other Project Approval or Subsequent Approval shall not include any period of time during which any applicable development moratorium (including, but not limited to, a water or sewer moratorium) or the actions of other public agencies that regulate land use, development or the provision of services to the land, prevents, prohibits or delays the construction of the Project. The term of this Agreement and any subdivision map or other Project Approval or Subsequent Approval shall not include any period of time during which any applicable court order or other legal requirement prevents the processing of any Subsequent Approval or prevents any Project development activities

Section 6.07 **State and Federal Law**. As provided in California Government Code § 65869.5, if any state or federal laws or regulations, enacted after this Agreement's Effective Date prevent or preclude compliance with one or more provisions of this Agreement ("**Changes in the Law**"), such provision of the Agreement shall be modified or suspended as may be necessary to comply with such state or federal laws or regulations as may be necessary to comply with Changes in the Law, and City and Developer shall take such action as may be required pursuant to this Agreement including, without limitation, Article V and Section 10.05. Not in limitation of the foregoing, nothing in this Agreement shall preclude City from imposing on Developer any fee specifically required by State or Federal laws and regulations.

Section 6.08 **Timing of Project Construction and Completion**.

(a) Project Phasing. The Project may be built in phases in response to then-existing market conditions over the Term of the Agreement. Except as otherwise specifically provided by this Agreement with respect to Project infrastructure timing, City and Developer expressly agree that there is no requirement that Developer initiate or complete development of the Project or any particular phase of the Project within any particular period of time, and City shall not impose such a requirement on any Project Approval. The parties acknowledge that Developer cannot at this time predict when or the rate at which or the order in which phases will be developed. Such decisions depend upon numerous factors which are not within the control of Developer, such as market demand, interest rates, competition and other similar factors.

(b) The parties agree that Developer shall be able to develop in accordance with Developer's own time schedule as such schedule may exist from time to time, and Developer shall determine which part of the Project Site to develop first, and at Developer's chosen schedule. In particular, and not in limitation of any of the foregoing, since the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo*, 37 Cal.3d 465 (1984), that the failure of the parties therein to consider and expressly provide for the timing of development resulted in a later-adopted initiative restricting the timing of

development to prevail over such parties' agreement, it is the parties' desire to avoid that result by acknowledging that Developer shall have the right to develop the Project in such order and at such rate and at such times as Developer deems appropriate within the exercise of its subjective business judgment. Developer's rights under this Section 6.08(b) shall be subject to the requirement that adequate infrastructure to serve each phase of the Project is constructed concurrently with such phase. The City Manager shall reasonably determine what infrastructure will be required to serve each phase of the Project, which determination shall be consistent with Applicable Law.

(c) Nothing in this Agreement shall exempt Developer from completing work required by a subdivision agreement, road improvement agreement or similar agreement in accordance with the terms thereof.

Section 6.09 **Exempting Fees, Mitigation Measures and Similar Requirements Imposed by Outside Agencies**. Notwithstanding any other provision of this Agreement, the City agrees to exclude Developer from any and all discretionary collection agreements regarding fees, mitigation measures and similar requirements including, but not limited to, development impact fees, which other public agencies request the City to impose at City's discretion on the Project or on the Project Site after the Effective Date through the Term of this Agreement. This Section 6.09 shall not prohibit the City from imposing on Developer any fee, mitigation measure or similar requirement or obligation that is required by a local or regional agency in accordance with local, regional, State or Federal obligations and implemented by the City in cooperation with such local, regional, state or federal agency, provided such fee, mitigation measure or similar requirement or obligation is imposed in a similar manner on similarly situated properties within the City as, for example, stormwater-related C.3 requirements and increases thereto.

Section 6.10 **City's Joint-Inspection Jurisdiction**. Developer acknowledges that City has joint inspection jurisdiction within other third-party governmental entities within any and all City rights-of-way and easements.

ARTICLE VII
AMENDMENT

Section 7.01 **Amendment to Project Approvals, Subsequent Approvals**. To the extent permitted by State and Federal law, any Project Approval or Subsequent Approval may, from time to time, be amended or modified in the following manner:

(a) Administrative Project Amendments. Upon the written request of Developer for an amendment or modification to a Project Approval or Subsequent Approval, the City Manager or his/her designee shall determine: (i) whether the requested amendment or modification is minor when considered in light of the Project as a whole; and (ii) whether the requested amendment or modification is consistent with this Agreement, Applicable Law, applicable uniform codes and State or Federal law. If the City Manager or his/her designee finds that the proposed amendment or modification is minor in the context of the entire Project, consistent with this Agreement and Applicable Law, and will result in no new significant environmental impacts not addressed and mitigated in the EIR, the amendment shall be determined to be an "**Administrative Project Amendment**" and the

City Manager or his/her designee may, except to the extent otherwise required by law, approve the Administrative Project Amendment without notice and public hearing. Without limiting the generality of the foregoing, lot line adjustments, reductions in the density, intensity, scale or scope of the Project, minor alterations in vehicle circulation patterns or vehicle access points, changes in trail alignments, minor variations in lot layouts, substitutions of comparable landscaping for any landscaping shown on any final development plan or landscape plan, variations in the location of structures that do not substantially alter the design concepts of the Project, variations in the location or installation of utilities and other infrastructure connections or facilities that do not substantially alter the design concepts of the Project, and minor adjustments to the Project Site diagram or Project Site legal description shall be treated as Administrative Project Amendments.

(b) Non-Administrative Project Amendments. Any request of Developer for an amendment or modification to a Project Approval or Subsequent Approval which is determined not to be an Administrative Project Amendment as set forth above shall be subject to review, consideration and action pursuant to the Applicable Law and this Agreement.

Section 7.02 **Amendment of this Agreement**. This Agreement may be amended from time to time, in whole or in part, by mutual written consent of the parties hereto or their successors in interest, as follows:

(a) Administrative Agreement Amendments. The City Manager, or his/her designee, may, except to the extent otherwise required by law, enter into certain amendments of this Agreement on behalf of the City as long as any such amendment does not substantially affect (i) the Term of this Agreement, (ii) permitted uses of the Project Site, (iii) provisions for the reservation or dedication of land, (iv) conditions, terms, restrictions or requirements for subsequent discretionary actions, (v) the density or intensity of use of the Project Site or the maximum height or size of proposed buildings or (vi) monetary contributions by Developer ("**Administrative Agreement Amendment**"), and shall not, except to the extent otherwise required by law, require notice or public hearing before the parties may execute an amendment hereto. For purposes of this Section 7.02(a), the term "substantially affect" shall be evaluated in the context of the entire Project.

(b) Amendment Exemptions. No amendment of a Project Approval or Subsequent Approval, whether done administratively or not, shall require an amendment to this Agreement. Instead, any such matter automatically shall be deemed to be incorporated into the Project and vested under this Agreement when written and executed by both parties.

(c) Amendment Limitations. In consideration of the scope of the benefits to City set forth in this Agreement, any amendment to this Agreement shall only be subject to such new terms and conditions, including new exactions or other obligations, as are reasonably related to the impacts on City directly attributable to such amendment.

ARTICLE VIII
ASSIGNMENT, TRANSFER AND NOTICE

Section 8.01 **Assignment of Interests, Rights and Obligations**. Developer may transfer or assign all or any portion of its interests, rights or obligations under this Agreement, the Project Approvals or Subsequent Approvals to third parties acquiring an interest or estate in the Project or any portion thereof including, without limitation, purchasers or ground lessees of lots, parcels or facilities.

Section 8.02 **Transfer Agreements**.

(a) In connection with the transfer or assignment by Developer of all or any portion of the Project (other than a transfer or assignment by Developer to an affiliated party, any deed of trust beneficiary or mortgagee, or a "Non-Assuming Transferee" (as defined in Section 8.03), Developer and the transferee shall enter into a written agreement (a "**Transfer Agreement**") regarding the respective interests, rights and obligations of Developer and the transferee in and under the Agreement, the Project Approvals, and the Subsequent Approvals. Such Transfer Agreement may (i) release Developer from obligations under the Agreement, the Project Approvals, or the Subsequent Approvals that pertain to that portion of the Project being transferred or assigned, as described in the Transfer Agreement, provided that the transferee expressly assumes such obligations, (ii) transfer to the transferee vested rights to improve that portion of the Project being transferred and (iii) address any other matter deemed by Developer to be necessary or appropriate in connection with the transfer or assignment.

(b) Any Transfer Agreement shall be binding on Developer, City and the transferee and, unless otherwise provided for in Section 8.03 of this Agreement, shall require the City's prior written consent, which consent shall not be unreasonably withheld. Failure by City to respond within thirty (30) days of a written request by Developer for City's consent shall be deemed City's approval of the Transfer Agreement in question. City may refuse to give its consent only if, in light of the proposed transferee's reputation and financial resources, such transferee would not in City's reasonable determination be able to perform the obligations proposed to be assumed by such transferee. Such determination shall be made by the City Manager and is appealable to the City Council. In no event, however, shall City refuse to give its consent to a proposed transferee pursuant to this Section 8.02(b) if such transferee has a net worth of at least Ten Million Dollars ($10,000,000) documented in a manner reasonably acceptable to City. Upon recordation of any Transfer Agreement in the Official Records of Contra Costa County, Developer shall automatically be released from those obligations assumed by the transferee therein.

(c) Developer shall be free from any and all liabilities accruing on or after the date of any assignment or transfer with respect to those obligations assumed by a transferee pursuant to a Transfer Agreement. No breach or default hereunder by any person succeeding to any portion of Developer's obligations under this Agreement shall be attributed to Developer, nor may Developer's rights hereunder be canceled or diminished in any way by any breach or default by any such person.

Section 8.03 **Non-Assuming Transferees**. Except as otherwise required by Developer in Developer's sole discretion, the burdens, obligations and duties of Developer under this Agreement shall terminate with respect to, and neither a Transfer Agreement nor City's consent shall be required in connection with (i) any single residential parcel conveyed to a purchaser, (ii) any property transferred as fewer than ten (10) lots to a single retail builder or (iii) any property that has been established as one or more separate legal parcels for office, commercial, open space, park, school or other nonresidential uses. The transferee in such a transaction and its successors ("**Non-Assuming Transferees**") shall be deemed to have no obligations under this Agreement, but shall continue to benefit from the vested rights provided by this Agreement for the duration of the Term. Nothing in this Section 8.03 shall exempt any property transferred to a Non-Assuming Transferee from payment of applicable fees and assessments or compliance with applicable conditions of approval.

Section 8.04 **Notice of Compliance Generally**. Subject to City's finding that the facts contemplated by clauses (i) through (iii) herein are true and accurate, within thirty (30) days following any written request which Developer may make from time to time, City shall execute and deliver to Developer (or to any party requested by Developer) a written "**Notice of Compliance**," in recordable form, duly executed and acknowledged by City, that certifies that (i) this Agreement is unmodified and in full force and effect, or if there have been modifications hereto, that this Agreement is in full force and effect as modified and stating the date and nature of such modifications, (ii) there are no current uncured defaults under this Agreement or specifying the dates and nature of any such default, and (iii) any other information reasonably requested by Developer. City's failure to deliver such notice within such time period shall constitute a conclusive presumption against City that this Agreement is in full force and effect without modification except as may be represented by the Developer and that there are no uncured defaults in the performance of the Developer, except as may be represented by the Developer. Developer shall have the right at Developer's sole discretion, to record the Notice of Compliance.

ARTICLE IX
COOPERATION IN THE EVENT OF LEGAL CHALLENGE

Section 9.01 **Cooperation**.

(a) Developer agrees to indemnify, defend, and hold harmless the City, its officials, officers, employees, agents and consultants from any and all administrative, legal or equitable actions or other proceedings instituted by any person not a party to this Agreement challenging the validity of the Agreement or any Project Approval or any Subsequent Project Approval, or otherwise arising out of or stemming from this Agreement. Developer may select its own legal counsel to represent Developer's interests at Developer's sole cost and expense. The parties shall cooperate in defending such action or proceeding. Developer shall pay for City's costs of defense, whether directly or by timely reimbursement on a monthly basis. Such costs shall include, but not be limited to, all court costs and attorneys' fees expended by City in defense of any such action or other proceeding, plus staff and City Attorney time spent in regard to defense of the action or proceeding. The parties shall use best efforts to select mutually agreeable defense counsel but, if the parties cannot reach agreement, City may select its own legal counsel and Developer agrees to pay directly

or timely reimburse on a monthly basis City for all such court costs, attorney fees, and time referenced herein.

(b) Developer also agrees to indemnify, defend and hold harmless the City, its officials, officers, employees, agents and consultants from any claims, costs, damages or other liabilities for any personal injury or death, or property damage, resulting from the construction of the Project or of operations by the Developer, its officers, employees, agents or consultants, under this Agreement, except for such claims, costs, damages, or other liabilities which are caused by the sole or gross negligence of the City, its officials, officers, employees, agents, or consultants. Developer may select its own legal counsel to represent Developer's interests at Developer's sole cost and expense.

(c) The parties agree that this Section 9.01 shall constitute a separate agreement entered into concurrently, and that if any other provision of this Agreement, or the Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the parties agree to be bound by the terms of this Section 9.01, which shall survive such invalidation, nullification or setting aside.

Section 9.02 **Cure; Reapproval**.

(a) If, as a result of any administrative, legal or equitable action or other proceeding as described in Section 9.01, all or any portion of this Agreement, Project Approvals, or Subsequent Approvals are set aside or otherwise made ineffective by any judgment (a "**Judgment**") in such action or proceeding (based on procedural, substantive or other deficiencies, hereinafter "**Deficiencies"**), the parties agree to use their respective best efforts to sustain and reenact or readopt this Agreement, Project Approvals, and/or Subsequent Approvals that the Deficiencies relate to, as follows, unless the parties mutually agree in writing to act otherwise:

(i) If any Judgment requires reconsideration or consideration by City of this Agreement, Project Approval, or Subsequent Approval, then the City shall consider or reconsider that matter in a manner consistent with the intent of this Agreement. If any such Judgment invalidates or otherwise makes ineffective all or any portion of this Agreement or any Project Approval, or Subsequent Approval, then the parties shall cooperate and shall cure any Deficiencies identified in the Judgment or upon which the Judgment is based in a manner consistent with the intent of this Agreement and the Judgment. Upon the parties cure of such Deficiencies, City shall then take steps consistent with the Judgment necessary readopt or reenact this Agreement and any applicable Project Approval, Subsequent Approval, or any portion thereof.

(ii) Acting in a manner consistent with the intent of this Agreement or a Judgment includes, but is not limited to, recognizing that the parties intend that Developer may develop a fifty seven (57) single-family residential unit project, and adopting such ordinances, resolutions, and other enactments, including but not limited to a general plan amendment, rezoning, vesting subdivision map approvals, development plan approvals, PD Plan approvals, design review, improvement agreements, use permits, grading permits, building permits, lot line adjustments, sewer and water connection permits, certificates of occupancy, final development plans, development agreements, permits,

resubdivisions, and any amendments to, or repealing of, any of the foregoing as are necessary to readopt or reenact all or any portion of this Agreement, Project Approvals, and/or Subsequent Approvals without contravening the Judgment.

(b) The parties agree that this Section 9.02 shall constitute a separate agreement entered into concurrently, and that if any other provision of this Agreement, or the Agreement as a whole, is invalidated, rendered null, or set aside by a court of competent jurisdiction, the parties agree to be bound by the terms of this Section 9.02, which shall survive such invalidation, nullification or setting aside.

ARTICLE X
DEFAULT; REMEDIES; TERMINATION

Section 10.01 **Defaults**. Any failure by either party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other party (the "**Complaining Party**") (unless such period is extended by mutual written consent), shall constitute a default under this Agreement. The Complaining Party's notice ("**Default Notice**") shall specify the nature of the alleged failure and, may specify the manner in which the failure satisfactorily may be cured By the other party (the "**Defaulting Party**"). Any failures or delays by a Complaining Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of a default or of any such rights or remedies. Delays by a Complaining Party in asserting any of its rights and remedies shall not deprive the Complaining Party of its right to institute and maintain any actions or proceedings, which it may deem necessary to protect, assert, or enforce any such rights or remedies. If the nature of the alleged failure is such that it cannot reasonably be cured within such 30-day period, then no fault shall be deemed to have occurred if: (a) the cure shall be commenced at the earliest practicable date following receipt of the Default Notice; (b) the cure is diligently prosecuted to completion at all times thereafter; (c) at the earliest practicable date (if no event later than thirty (30) days after the Defaulting Party's receipt of the Default Notice), the Defaulting Party provides written notice to the Complaining Party that the cure cannot practicably be completed within such 30-day period; and (d) the cure is completed at the earliest practicable date. In no event shall Complaining Party be precluded from exercising remedies if a default is not cured within one hundred twenty (120) days after the Notice of Default is given. Complaining Party shall not send notice to any third party, including, but not limited to, bonding and surety companies, until such time as the cure opportunities set forth above have expired unless otherwise required by applicable law. Upon the occurrence of a default under this Agreement, the Complaining Party may institute legal proceedings to enforce the terms of this Agreement or, in the event of a material default, terminate this Agreement. If the default is cured consistent with this Section, then no default shall exist and the Complaining Party shall take no further action.

Section 10.02 **Termination**. If City elects to consider terminating this Agreement due to a material default of Developer, then City shall give a notice of intent to terminate this Agreement and the matter shall be scheduled for consideration and review by the City Council at a duly noticed and conducted public hearing. As used herein, a finding of materiality shall be based on the effect of the default in relation to the size and scope of the Project. Developer shall have the right to offer written and oral evidence prior to or at the time of said public hearings. If the City Council determines that a material default has

occurred and is continuing, and elects to terminate this Agreement, City shall give written notice of termination of this Agreement to Developer by certified mail and this Agreement shall thereby be terminated sixty (60) days thereafter; provided, however, that if Developer files an action to challenge City's termination of this Agreement within such 60-day period, then this Agreement shall remain in full force and effect until a trial court has affirmed City's termination of this Agreement and all appeals have been exhausted (or the time for requesting any and all appellate review has expired).

Section 10.03 **Periodic Review.**

(a) Conducting the Periodic Review. Throughout the Term of this Agreement, at least once every twelve (12) months following the execution of this Agreement, City shall review the extent of good-faith compliance by Developer with the terms of this Agreement. This review (the "**Periodic Review**") shall be conducted by the City Manager or his/her designee and shall be limited in scope to compliance with the terms of this Agreement pursuant to California Government Code § 65865.1. Developer also agrees to pay City annually the greater of Five Thousand Dollars ($5,000) or the actual cost of Periodic Review Fee (not to exceed Ten Thousand Dollars ($10,000)). The Five Thousand Dollars ($5,000) shall be increased annually thereafter by the CPI for the San Francisco Oakland Area, with the first increase implemented in January 2019 reflecting 2018 increases. Such Periodic Review Fee shall only be paid in the years in which a Periodic Review is actually conducted.

(b) Notice. At least ten (10) days prior to the Periodic Review, and in the manner prescribed in Article XII of this Agreement, City shall deposit in the mail to Developer a copy of any staff reports and documents to be used or relied upon in conducting the review and, to the extent practical, related exhibits concerning Developer's performance hereunder. Developer shall be permitted an opportunity to respond to City's evaluation of Developer's performance, either orally at a public hearing or in a written statement, at Developer's election. Such response shall be made to the City Manager.

(c) Good Faith Compliance. During the Periodic Review, the City Manager shall review Developer's good-faith compliance with the terms of this Agreement. At the conclusion of the Periodic Review, the City Manager shall make written findings and determinations, on the basis of substantial evidence, as to whether or not Developer has complied in good faith with the terms and conditions of this Agreement. The decision of the City Manager shall be appealable to the City Council. If the City Manager finds and determines that Developer has not complied with such terms and conditions, the City Manager may recommend to the City Council that it terminate or modify this Agreement by giving notice of its intention to do so, in the manner set forth in California Government Code §§ 65867 and 65868. The costs incurred by City in connection with the Periodic Review process described herein shall be shared equally by Developer and City.

(d) Failure to Properly Conduct Periodic Review. If, after thirty (30) days following Developer's notice requesting a Periodic Review, City fails to initiate the Periodic Review, such failure shall be conclusively deemed an approval by City of Developer's compliance with the terms of this Agreement.

(e) Written Notice of Compliance. With respect to any year for which Developer has been determined or deemed to have complied with this Agreement, City shall, within thirty (30) days following a written request by Developer, provide Developer with a written notice of compliance, in recordable form, duly executed and acknowledged by City. Developer shall have the right, in Developer's sole discretion, to record such notice of compliance.

Section 10.04 **Excusable Delay; Extension of Time of Performance**. In addition to specific provisions of this Agreement, neither party shall be deemed to be in default where delays in performance or failures to perform are due to, and a necessary outcome of, war, insurrection, terrorism, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, restrictions imposed or mandated by other governmental entities (including new or supplemental environmental regulations), enactment of conflicting State or Federal laws or regulations, or judicial decisions. Neither party shall be deemed to be in default where delays in performance or failure to perform are due to a court order arising out of or related to litigation attacking the validity of this Agreement, the Project Approvals, the Subsequent Approvals, or any permit, ordinance, entitlement or other action of a governmental agency other than City necessary for the development of the Project. Developer shall not be deemed to be in default where delays in performance or failure to perform are t due to Developer's inability to obtain materials, power or public facilities (such as water or sewer service) to the Project and unrelated to Developer's actions or inactions and beyond Developer's control. Upon the properly noticed request of either party hereto, as required by Section 12.09, an extension of time for the performance of any obligation whose performance has been so prevented or delayed will be set forth in writing. The term of any such extension shall be equal to the period of the excusable delay, or longer, as may be mutually agreed upon in writing.

Section 10.05 **Legal Action**. Either party may, in addition to any other rights or remedies, institute legal action to cure, correct, or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation thereof, recover damages for any default, enforce by specific performance the obligations and rights of the parties hereto, or to obtain any remedies consistent with the purpose of this Agreement.

Section 10.06 **California Law**. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

Section 10.07 **Resolution of Disputes**. With regard to any dispute involving development of the Project, the resolution of which is not provided for by this Agreement or Applicable Law, Developer shall, at City's request, meet with City. The parties to any such meetings shall attempt in good faith to resolve any such disputes. If the parties are then unable to resolve their dispute, either party may commence mediation by providing to JAMS, or its successor, and the other party a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties will cooperate with JAMS and with one another in selecting a mediator from JAMS' panel of neutrals, and in scheduling the mediation proceedings. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator and any JAMS

employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Either party may seek equitable relief prior to the mediation to preserve the status quo pending the completion of that process. Except for such an action to obtain equitable relief, neither party may commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, or ninety (90) days after the date of filing the written request for mediation, whichever occurs first. Mediation may continue after the commencement of a civil action, if the parties both agree in writing. The provisions of this Section 10.07 may be enforced by any Court of competent jurisdiction, and the party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorney's fees, to be paid by the party against whom enforcement is ordered. Nothing in this Section 10.07 shall in any way be interpreted as requiring that Developer and City and/or City's designee reach agreement with regard to those matters being addressed, nor shall the outcome of these meetings be binding in any way on City or Developer unless expressly agreed to in writing by the parties to such meetings.

Section 10.08 **Attorneys' Fees**. In any legal action or other proceeding brought by either party to enforce or interpret a provision of this Agreement, the prevailing party is entitled to reasonable attorneys' fees and any related other costs incurred in that proceeding in addition to any other relief to which it is entitled.

Section 10.09 **Default by City or Developer**. In the event City or Developer defaults under the terms of this Agreement, City or Developer shall have all rights and remedies provided herein and under law.

ARTICLE XI
NO AGENCY, JOINT VENTURE OR PARTNERSHIP

It is specifically understood and agreed to by and between the parties hereto that unless otherwise expressly provided herein (i) the subject development is a private development; (ii) City have no interest or responsibilities for, or duty to, third parties concerning any improvements until such time, and only until such time, that City accepts the same pursuant to the provisions of this Agreement or in connection with the various Project Approvals or Subsequent Approvals; (iii) Developer shall have full power over and exclusive control of the Project herein described, subject only to the limitations and obligations of Developer under this Agreement, the Project Approvals, Subsequent Approvals, and Applicable Law; and (iv) City and Developer hereby renounce the existence of any form of agency relationship, joint venture or partnership between City and Developer and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between City and Developer. The City agrees that Developer's obligations under this Agreement related to the construction of Project water, sewer and drainage infrastructure improvements, the grading and construction of traffic improvements, and the grading and construction of any other public improvements (collectively, the "**Public Improvements**") are all public works of improvement the City is requiring as a condition of regulatory approval of the Project and that the Project is an otherwise private development. The City further agrees that it will contribute no more money,

or the equivalent of money, to the overall Project than is required to construct the Public Improvements and that City maintain no proprietary interest in the overall Project.

ARTICLE XII
MISCELLANEOUS

Section 12.01 **Incorporation of Recitals and Introductory Paragraph**. The Recitals contained in this Agreement, and the introductory paragraph preceding the Recitals, are hereby incorporated into this Agreement as if fully set forth herein.

Section 12.02 **Enforceability**. City and Developer agree that unless this Agreement is amended or terminated pursuant to the provisions of this Agreement, this Agreement shall be enforceable by any party hereto notwithstanding any change hereafter enacted or adopted (whether by ordinance, resolution, initiative, or any other means) in any applicable general plan, specific plan, zoning ordinance, subdivision ordinance, or any other land use ordinance or building ordinance, resolution or other rule, regulation or policy adopted by City that changes, alters or amends the rules, regulations and policies applicable to the development of the Project Site at the time of the approval of this Agreement as provided by California Government Code § 65866. In the event of any conflict between the provisions of this Agreement and Applicable Law, the Project Approvals or any Subsequent Approval, this Agreement shall prevail.

Section 12.03 **Findings**. City hereby finds and determines that execution of this Agreement furthers public health, safety and general welfare and that the provisions of this Agreement are consistent with the General Plan.

Section 12.04 **Severability**. If any term or provision of this Agreement, or the application of any term or provision of this Agreement to a particular situation, is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining terms and provisions of this Agreement, or the application of this Agreement to other situations, shall continue in full force and effect unless amended or modified by mutual consent of the parties. Notwithstanding the foregoing, if any material provision of this Agreement, or the application of such provision to a particular situation, is held to be invalid, void or unenforceable, either City or Developer may (in their sole and absolute discretion) terminate this Agreement by providing written notice of such termination to the other party.

Section 12.05 **Other Necessary Acts**. Each party shall execute and deliver to the other all such other further instruments and documents as may be reasonably necessary to carry out the Project Approvals, Subsequent Approvals and this Agreement and to provide and secure to the other party the full and complete enjoyment of its rights and privileges hereunder.

Section 12.06 **Construction**. Each reference in this Agreement to this Agreement or any of the Project Approvals or Subsequent Approvals shall be deemed to refer to the Agreement, Project Approval or Subsequent Approval as it may be amended from time to time, whether or not the particular reference refers to such possible amendment. This Agreement has been reviewed and revised by legal counsel for both City and Developer, and

no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement.

Section 12.07 **Other Miscellaneous Terms**. The singular shall include the plural; the masculine gender shall include the feminine; "shall" is mandatory; "may" is permissive. If there is more than one signer of this Agreement, the signer obligations are joint and several.

Section 12.08 **Covenants Running with the Land**. All of the provisions contained in this Agreement shall be binding upon the parties and their respective heirs, successors and assigns, representatives, lessees, and all other persons acquiring all or a portion of the Project, or any interest therein, whether by operation of law or in any manner whatsoever. All of the provisions contained in this Agreement shall be enforceable as equitable servitudes and shall constitute covenants running with the land pursuant to California law including, without limitation, California Civil Code § 1468. Each covenant herein to act or refrain from acting is for the benefit of or a burden upon the Project, as appropriate, runs with the Project Site and is binding upon the owner of all or a portion of the Project Site and each successive owner during its ownership of such property.

Section 12.09 **Notices**. Any notice or communication required hereunder between City or Developer must be in writing, and may be given either personally, by fax (with original forwarded by regular U.S. Mail) by registered or certified mail (return receipt requested), or by Federal Express or other similar courier promising overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the party to whom it is addressed. If given by facsimile transmission, a notice or communication shall be deemed to have been given and received upon actual physical receipt of the entire document by the receiving party's facsimile machine. Notices transmitted by facsimile after 5:00 p.m. on a normal business day or on a Saturday, Sunday or holiday shall be deemed to have been given and received on the next normal business day. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:

If to City, to: City Manager
City of Pittsburg
Civic Center
65 Civic Avenue
Pittsburg, CA 94565-2830

With Copies to: Ruthann G. Ziegler
City Attorney
Meyers Nave
555 Capitol Mall, Suite 1200
Sacramento, CA 95814

If to Developer, to: Albert D. Seeno, Jr.
Forecast Land Investment, LLC
4021 Port Chicago Hwy.
Concord, CA 94520

With Copies to: Forecast Land Investment, LLC
Attn: Legal Department
4061 Port Chicago Hwy., Suite H
Concord, CA 94520

Section 12.10 **Entire Agreement, Counterparts and Exhibits**. This Agreement is executed in two (2) duplicate counterparts**,** each of which is deemed to be an original. This Agreement consists of 27 pages and four exhibits which constitute in full, the final and exclusive understanding and agreement of the parties and supersedes all negotiations or previous agreements of the parties with respect to all or any part of the subject matter hereof. All waivers of any provisions of this Agreement shall be in writing and signed by the appropriate authorities of City and Developer. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

EXHIBIT A - Legal Description
EXHIBIT A-1 - Project Site Diagram
EXHIBIT B - Applicable Fees
EXHIBIT C - Affordable Housing Agreement

Section 12.11 **Recordation of Development Agreement**. Pursuant to California Government Code § 65868.5, no later than ten (10) days after City enters into this Agreement, the City Clerk shall record an executed copy of this Agreement, or Memorandum thereof, in the Official Records of the County of Contra Costa. The parties agree to cooperate as to preparation, execution, and recording of a Memorandum hereof.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement has been entered into by and between Developer and City as of the day and year first above written.

CITY:

CITY OF PITTSBURG,
a California municipal corporation

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM:

By: _____
City Attorney

DEVELOPER:

FORECAST LAND INVESTMENT, LLC,
a California limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

LEGAL DESCRIPTION

(To follow.)

EXHIBIT A-1

PROJECT SITE DIAGRAM

(To follow.)

EXHIBIT B

APPLICABLE FEES

(To follow.)

2955971.2

EXHIBIT C

AFFORDABLE HOUSING AGREEMENT

(To follow.)

Office of the City Manager
65 Civic Avenue
Pittsburg, CA 94565

MEMO: June 4, 2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

RE: **Adoption of a Resolution and Introduction and Waive First Reading of an Ordinance Approving the Liberty Residential Subdivision, AP-17-1229 (GP, RZ, SUBD, DA, DR, TRP)**

EXECUTIVE SUMMARY

This is a public hearing on a request for approval of a 57-unit, single-family development on a 4.98-acre site located at 350 Central Avenue in the CS (Service Commercial) and RS-5 (Single-Family Residential) districts. Assessor's Parcel Nos. 086-160-009, -011, -012, and 086-151-001. The proposal includes: 1) a General Plan map amendment to change the site's land use designation to 'Medium Density Residential'; 2) a zoning map amendment to rezone the site to PD (Planned Development) District; 3) a development agreement; 4) a vesting tentative map to subdivide the property; 5) design review; and 6) a tree removal permit. On May 8, 2018, the Planning Commission adopted Resolution No. 10099 recommending approval of the proposal in its entirety.

FISCAL IMPACT

One-time revenues related to construction permits and other development fees and exactions (as outlined in the proposed development agreement) are anticipated with this project. The applicant would also be required to deposit a minimum of $5,000 on an annual basis to reimburse the City for staff time expended in the annual review of the development agreement terms.

RECOMMENDATION

City Council open the public hearing; take public comment; close the public hearing; adopt the attached resolution approving a mitigated negative declaration, General Plan map amendment, vesting tentative map, design review, and tree removal permit; and introduce, waive further reading, and pass to second reading, the attached ordinance approving a zoning map amendment and development agreement for the Liberty Residential Subdivision. A condition of approval has been included making approval of the vesting tentative map, design review, and tree removal permit contingent upon City Council

adoption of the ordinance approving the zoning map amendment for the project.

BACKGROUND

In 2014, Meea Kang filed a planning application requesting approval of: 1) a General Plan amendment to change the land use designation of the site from a combination of 'Service Commercial' and 'Low Density Residential' to 'High Density Residential'; and 2) a rezoning of the site from a combination of CS (Service Commercial) and RS-5 (Single-Family Residential) districts to RH (High-Density Residential) District. The Commission held a public hearing to consider Ms. Kang's project on September 9, 2014. At this meeting, the Commission could not reach a consensus on its desired recommendation and voted to continue the item for further review.

On May 20, 2015, staff received a letter from Ms. Kang requesting that the initial version of the application be revised in order to rezone the site to RM (Medium Density Residential) District instead of the previously requested change to RH (High Density Residential District. Because of the change in proposal, the potential allowable density was substantially decreased. Under the originally requested RH District, the site would have been zoned for a maximum of 120 units (14 to 24 d.u./ac). The subsequent RM District proposal would have allowed for up to 70 units (4 to 14 d.u./ac).

On May 26, 2015, the Commission held a public hearing on Ms. Kang's revised proposal. During the public hearing, there was extensive testimony received from the public generally opposing the project. Concerns included the following: 1) the project would not be consistent with the surrounding neighborhood's single-family character; 2) the proposal would not be consistent with the goals of the Railroad Avenue Specific Plan; 3) there are not enough jobs available in the community to accommodate additional residents; 4) existing schools are overcrowded; 5) the project may result in negative impacts to Downtown Pittsburg; 6) there could be increased traffic and parking problems for the area; 7) the project could increase crime rates in the immediate vicinity; and 8) without conceptual project plans, there would be too much uncertainty regarding future development of the site.

Following the close of the public hearing, the Commission deliberated and voted 6-0 to deny the revised proposal without prejudice (Planning Commission Resolution No. 9982). The Commission's denial was based primarily on the lack of conceptual project plans to support the requested General Plan amendment and rezoning.

In June 2015, Ms. Kang and the property owners filed an appeal of the Commission's denial and submitted conceptual project plans illustrating a development that could occur on the site if the requested General Plan amendment and rezoning were to be approved. The conceptual project plans included a total of 70 units and a mix of two-story, detached single-family homes and three-story, attached townhouses, with craftsman-style architecture and living areas ranging between 1,800 and 2,100 square-feet.

The City Council heard the appeal on February 1, 2016. The City Council liked the conceptual project plans presented, but felt that a development agreement, affordable housing agreement, tentative map, and detailed architectural plans should have accompanied the application considered by the Commission. For this reason, the City

Council voted unanimously to uphold the Commission's decision to deny the revised proposal without prejudice. Since that time, Discovery Builders, Inc. has extended an offer to purchase the site from the current owners with the intent to construct a single-family residential development.

Existing Conditions: The project site includes 4.98 acres of undeveloped, flat land located along the southern side of Central Avenue, between Railroad Lane and Isabel Court. Just under 20% of the site is covered with gravel or concrete pavement left behind from prior development, which included a self-service car wash and a bottling facility operated by the Pepsi Company prior to 1990. The remainder of the site consists of weeds, seasonal grasses, and several trees. Most of the site is unsecured, but there is a chain-link fence around the formerly developed area and another along the southern perimeter of the site. The site has just over 500 feet of frontage on Central Avenue. The frontage is improved with a five-and-half-foot-wide sidewalk, a parking lane with 18 designated spaces, a Class II bicycle lane, a vehicle lane in each direction, and a center turning lane.

The site is within a half-mile distance of the Pittsburg Center BART Station and a quarter-mile of two bus stops located near the intersections of Railroad Avenue/Central Avenue and Harbor Street/Central Avenue (Tri Delta Transit Routes 381 and 387). Additionally, the site is within a half-mile distance of Marina Vista Elementary School, Pittsburg High School, City Park, John Buckley Square, and the Downtown commercial core.

The project site is bordered to the south by the Union Pacific Railroad (UPRR). Immediately east of the site is St. James Cathedral and multiple single-family subdivisions. To the north, across Central Avenue, there is the Filipino-American Cultural Center and several industrial facilities, including Ramar Foods International and the City's Corporation Yard. The Pentecostals of the Bay Area and Forrest Memorial Church are located immediately west of the site along Railroad Lane (see Map of Surrounding Uses and Site Photos in Attachments 5 and 6).

Proposed Project: The current applicant, Discovery Builders, Inc., proposes to construct a 57-unit, detached, single-family development at the site, similar to the 'Waterstone' subdivision (formerly 'Belle Harbor') which was approved by City Council in June 2016 and is currently under construction. Several approvals are requested for this project. The first is a General Plan map amendment that would change the site's current land use designation from a combination of 'Service Commercial' and 'Low Density Residential' (1 to 7 units/acre) to 'Medium Density Residential' (7 to 14 units/acre) (see Exhibit C of Attachment 1).

The second approval is for a zoning map amendment that would rezone the entire site from a combination of 'CS (Service Commercial) District' and 'RS-5 (Single-Family Residential) District' to 'PD (Planned Development) District'. The PD district would allow for flexible, small lot development. As shown on the PD Plan (see Exhibit A of Attachment 2), the development regulations for the proposed PD district are as follows:

Min. Lot Size:	2,000 square feet
Min. Lot Width:	40 feet
Min. Front Yard (fronting on private motor court):	4 feet
Min. Corner Side Yard (next to public street):	9 feet

Min. Corner Side Yard (next to private motor court):	4 feet
Min. Interior Side Yard:	4 feet
Min. Rear Yard:	4 feet
Max. Encroachment into a Required Yard:	1 foot
Max. Lot Coverage:	60%
Max. Building Height:	28 ft.

The third approval is for a vesting tentative map (see Project Plans in Attachment 4) that would subdivide the 4.98-acre site into 57 lots. The lot sizes would range from 2,016 to 4,126 square feet, yielding a density of approximately 11.45 units per acre. A single, 36-foot-wide, two-way street (currently referenced on the vesting tentative map as 'Liberty Court') would provide public access into the subdivision. The street would be positioned south of the Central Avenue/Moose Way intersection and would serve seven, 20-foot-wide motor courts, with six to nine lots arranged around each court. The seventh motor court at the end of Liberty Court would include an 11,867-square-foot, pocket park to be maintained by the homeowner's association.

Parking would be prohibited on the motor courts to ensure access for each lot. It should be noted that only 21% of the proposed lots (12 of 57) are designed with driveways deep enough to accommodate parking. However, about 30 curbside spaces would be provided along Liberty Court and Central Avenue. There would also be seven off-street spaces located along Liberty Court and 12 off-street spaces in front of the proposed pocket park.

The fourth approval is for a development agreement (see Exhibit B of Attachment 2) between the City of Pittsburg and Discovery Builders, Inc., establishing the project's inclusionary housing and other obligations. The proposed agreement would require the developer to: a) build six houses with attached, income-restricted accessory dwelling units (ADUs) to meet the subdivision's inclusionary housing obligation under PMC Chapter 18.86; b) pay fees to finance unmet local and regional traffic improvement needs; c) install a camera surveillance system in the area; d) install basic home security wiring in each dwelling unit; e) annex the project site into the City's Lighting and Landscaping District; f) annex the site into the City's Community Facilities District (CFD) 2007-1 for park maintenance; g) annex the site into the City's CFD 2016-1 for maintenance of off-site stormwater facilities; h) annex the site into the City's CFD 2005-1 for police and other emergency services; and i) annex the site into the City's CFD 2017-1 for fire facilities and fire safety and emergency services.

The fifth approval is for design review of architectural and landscape plans (see Attachment 4). The architectural plans include four, two-story house models with three exterior designs each and 12 total color schemes. The house model designs are characterized by a mixture of hipped and gable-end roofs with concrete tile roofing material; stucco siding and simulated stone veneer or horizontal lap siding; and windows with faux shutters or wrought iron railings. The proposed house models range from 1,846 to 2,477 square feet in total living area. Each model features a two-car garage with two wall-mounted bike racks, four to five bedrooms, two and one-half to three bathrooms (including a master bath and walk-in closet), a family or 'great' room, a 'nook' or dining room, a kitchen with appliances, and a laundry room. As previously stated, ADUs would be built into six of the homes to meet the City's affordable housing requirements. The ADUs would include a living room/bedroom, kitchenette, and bathroom for a total living area of

approximately 235 square feet.

The landscape plans include signage, fencing, planting, and irrigation details. Along Central Avenue, the proposed landscape improvements include 13-foot-wide landscaped areas with drought-tolerant shrubs, groundcover, and street trees planted next to six-foot-high, decorative masonry walls. Two entry signs with the subdivision's name and branding, would be embedded into the masonry walls on each side of Liberty Court. Although the vesting tentative map and landscape plans show otherwise, Discovery Builders has agreed to construct six-foot masonry walls along the entire western, southern, and eastern property lines. A six-foot masonry wall would also be provided between the pocket park and the three adjacent, residential lots to the east. Discovery Builders would like to preserve the existing five-and-half-foot-wide sidewalk along Central Avenue, but City standard specifications require that a ten-foot-wide sidewalk be installed along arterial streets.

Along Liberty Court, landscape improvements would include six-foot-wide sidewalks, similar drought-tolerant plantings, and six-foot-tall redwood fences with a lattice top. Yards along the motor courts would be landscaped, but no sidewalks would be provided. Redwood fences without a lattice top would be provided between each residential lot.

The last approval requested is a tree removal permit. The City's Tree Preservation Ordinance (PMC section 18.84.830) requires replacement of any tree with a circumference of 50 inches or more. There are currently five palm trees on the site that would require replacement. Discovery Builders would comply with the requirements of ordinance by either: a) replacing the trees with 24-inch box trees at a four-to-one ratio; b) replacing them with 15-gallon trees at a 12-to-one ratio; or c) paying an in-lieu fee. On May 8, 2018, the Planning Commission adopted Resolution No. 10099 recommending approval of the proposal in its entirety.

GENERAL PLAN/CODE COMPLIANCE:

General Plan: The project site is in the 'East Central' subarea of the General Plan. The western half of the site (APN Nos. 086-160-009, -011, and -012) is designated 'Service Commercial', with the eastern half (APN No. 086-151-001) designated 'Low Density Residential'. The 'Service Commercial' designation is intended to provide sites for commercial uses with heavy vehicle or truck traffic. It also allows mixed-use development with a maximum floor-to-area-ratio (FAR) of 0.5. The 'Low Density Residential' designation is intended to provide sites for single family development with a density of 1 to 7 units per acre. Although it is consistent with several General Plan goals and policies (see Attachment 7), the proposed project is a single-family development with a density of 11.45 units per acre and is therefore inconsistent with the site's general plan land use designations and associated densities. This issue would be addressed if the City Council were to approve the proposed re-designation of the site to 'Medium Density Residential', which allows residential development at densities between 7 and 14 units per acre.

Zoning: In similar fashion to the land use designations mentioned above, the western half of the site is zoned CS (Service Commercial) and RS-5 (Single Family Residential). These zoning districts are intended implement the General Plan land use designations. Unlike the General Plan however, the zoning provides a maximum residential density for the CS

District. PMC section 18.52.120 stipulates that residential development in commercial zoning districts cannot exceed 24.2 units per acre. The maximum density for the RS-5 District is 8.7 units per acre. Based on these factors, the entire site could accommodate up to 84 units (63 on the western half and 21 on the eastern half).

As proposed, the project would only include 57 units across the site. Although the current zoning allows the number of units proposed, it requires the units on the western half to be incorporated into a multistory, mixed-use development and the units on the eastern half to be built on lots with a minimum size of 5,000 square-feet. Since the project consists of a homogeneous, single family development on smaller lots, Discovery Builders is requesting the site be rezoned to a PD district. Pursuant to PMC section 18.62.010(D), a PD district can be used to provide flexibility when the base zoning regulations are too rigid to allow for unique land uses or site characteristics. The City Council has approved similar PDs for past subdivisions such as 'Vista Del Mar' in the San Marco area, 'Clipper Cove' west of Downtown, and most recently 'Waterstone' across from Pittsburg High School.

Development Agreement: Pursuant to PMC 18.44.020, the City Council adopted procedures and requirements for considering, adopting and reviewing development agreements on November 25, 1996, through Resolution No. 96-8371. In accordance with this resolution, the City Council may adopt an ordinance approving a development agreement if it finds that the development agreement is consistent with the General Plan and will promote the public health, safety, and general welfare.

Design Guidelines: The proposed project is subject to the City's Development Review Design Guidelines (DRDG), adopted by the Planning Commission through Resolution No. 9864. As shown in Attachment 8, the project is substantially consistent with the City's DRDGs, except for DRDG sections 1.l, 2.b through 2.e, 2h, and 6.A.1 through 6.A.3, which encourage: a) enhanced window treatments on building elevations exposed to public view; b) architectural details be extended around the sides of each building; c) decorative masonry walls with pilasters at intervals of 25 feet or less; d) decorative retaining walls; e) screening for utility boxes, transformers, backflow preventers, meters, and junction boxes; f) developers to provide, as part of the options package for homebuyers, an option offering pre-wiring for solar panels; and g) cool roofs for reduction of heat island effect.

Required Finding – General Plan Map Amendment: In order to adopt a general plan amendment, the City Council must determine, in accordance with Government Code section 65358, that the amendment would be in the public interest.

Required Findings – Zoning Map Amendment: In order to approve zoning changes, the City Council must determine, in accordance with PMC section 18.48.030, that:

A. the change proposed is consistent with the objectives, policies, general land uses and programs specified in the General Plan and applicable specific plan;

B. a community need is demonstrated for the change proposed; and

C. its adoption would be in conformity with public convenience, general welfare and good zoning practice.

Required Findings – Tentative Map: In order to approve a tentative map, the City Council must determine, in accordance with PMC section 17.20.060(c), that:

A. the proposed map is consistent with the general plan and any applicable specific plan, or other applicable provision of PMC;

B. the site is physically suitable for the type of development;

C. the site is physically suitable for the proposed density of development;

D. the design of the subdivision or the proposed improvements would not cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;

E. the design of the subdivision or the type of improvements would not cause serious public health problems; and

F. the design of the subdivision or the type of improvements would not conflict with easements, acquired by the public at large, for access through or use of property within the proposed subdivision.

Required Findings – Development Agreement: Pursuant to City Council Resolution No. 96-8371, the City Council may adopt an ordinance approving a development agreement if it finds that:

A. the development agreement is consistent with the General Plan and any applicable specific plan; and

B. the development agreement would promote the public health, safety, and general welfare.

Required Findings – Design Review: In order to grant design review approval for a project, the City Council must determine, in accordance with PMC section 18.36.220.B, that:

A. the structure conforms with good taste, good design and in general contributes to the character and image of the City as a place of beauty, spaciousness, balance, taste, fitness, broad vistas, and high quality;

B. the structure would be protected against exterior and interior noise, vibrations and other factors that may tend to make the environment less desirable;

C. the exterior design and appearance of the structure is not of inferior quality as to cause the nature of the neighborhood to materially depreciate in appearance and value;

D. the structure is in harmony with proposed developments on land in the general area; and

E. the application conforms with the criteria set forth in any applicable City adopted Design Guidelines.

Required Finding – Tree Removal Permit: In order approve of a tree removal permit, the City Council must determine, in accordance with PMC section 18.84.850.E, that preservation of the protected trees would severely reduce the scale or feasibility of the development.

Environmental Review: The proposed project is subject to the California Environmental Quality Act (CEQA), and the State CEQA Guidelines (Public Resources Code section 21080). Pursuant to the provisions of the State CEQA Guidelines, an Initial Study was prepared for the Project. Based on the analysis in the study, the Planning Manager determined that potentially significant effects of the project could be lessened through specified mitigations, and subsequently, a draft Mitigated Negative Declaration (MND) was prepared. On April 11, 2018, a Notice of Intent to Adopt a Mitigated Negative Declaration was distributed to the public for a 20-day review, in accordance with CEQA Guidelines section 15105(b). Public distribution of the NOI consisted of delivery to the County Clerk's Office, posting on the City's website, and direct mailing to all interested parties and owners/occupants of the properties directly contiguous with the Project, in accordance with CEQA Guidelines section 15072. No comment letters were received prior to the close of the comment period.

Public Notice: On Friday, May 25, 2017, in accordance with Government Code sections 65090 and 65091, and PMC section 18.14.020.B, C and D, a "Notice of Public Hearing," for the June 4, 2018, public hearing on this item was published in the East County Times; was posted at City Hall; was delivered for posting at the Pittsburg Library; and was mailed via first class or electronic mail to the applicant, to the property owner, to owners of property located within 300 feet of the proposed project site, to local service agencies whose services might be affected by this project, and to individuals who had previously filed written request for such notice.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

Staff believes that the City Council can make the required findings to approve the proposed project. The staff recommended findings are provided as part of the proposed resolution and ordinance in Attachments 1 and 2. In particular, staff believes the proposed General Plan map amendment would be in the public interest, in that the proposed land use change would facilitate quality residential development, promote the reuse and revitalization of a dilapidated site, help the City maintain a compact urban form, and promote a diversity of housing types and densities near the Pittsburg Center BART Station. The development would also enhance the visual quality of the area and increase the number of residents within the area that naturally monitor the streetscape and one another, enhancing community safety.

The proposed rezoning would be consistent with the objectives, goals, and policies in the

General Plan in that, among other reasons provided as part of the resolution, the project would: a) provide medium intensity, single-family residential near Downtown and in an area accessible to transit and services; b) expand Pittsburg's housing diversity by providing higher-density single-family development on smaller lots; c) promote the development and intensification of the Downtown commercial core as a neighborhood retail center by increasing the demand for retail and other amenities; d) encourage walking as a regular means of transportation due to the site's proximity to various amenities; e) provide a private pocket park that is centrally located and within reasonable walking distance of all homes in the subdivision; f) provide sound walls along the entire site perimeter and upper-floor windows with a sound transmission rating to mitigate noise along Central Avenue and the UPRR; and g) provide at least six single-family homes with ADUs that would allow extended families to live near each other, increase the affordable and rental housing stock, and provide income assistance to homeowners.

The design of the proposed subdivision and accompanying improvements would not cause substantial environmental damage or substantially and unavoidably injure fish or wildlife or their habitat, in that the project would comply with the mitigation measures identified in the Mitigated Negative Declaration. Furthermore, the design of the subdivision and type of improvements proposed would not cause serious public health problems. The project site was used by the Pepsi Bottling Company prior to 1990. The facility included a 1,000-gallon gasoline underground storage tank (UST) that was removed in 1986. According to the San Francisco Regional Water Quality Control Board's (RWQCB) case closure letter dated August 19, 2008, the required remedial activities have been completed and residual hydrocarbons beneath the site do not pose a significant risk to human health.

The proposed development agreement would promote the public health, safety, and general welfare in that it would require the developer to: a) pay fees to finance unmet local and regional traffic improvement needs; b) install a camera surveillance system in the area; c) install basic home security wiring in each dwelling unit; d) annex the project site into the City's Lighting and Landscaping District; e) annex the site into the City's CFD 2007-1 for park maintenance; f) annex the site into the City's CFD 2016-1 for maintenance of off-site stormwater facilities; g) annex the site into the City's CFD 2005-1 for police and other emergency services; and h) annex the site into the City's CFD 2017-1 for fire facilities and fire safety and emergency services.

The proposed project would conform with good taste, good design and in general contributes to the character and image of the City as a place of beauty, spaciousness, balance, taste, fitness, broad vistas, and high quality, in that the proposed house models would feature an attractive architectural design characterized by a mixture of hipped and gable-end roofs with high-quality, concrete tile roofing material; stucco siding with horizontal trim, corbels, and simulated stone veneer; and a mixture of single-hung and sliding glass windows with faux shutters, or decorative wrought iron railings. The proposed project would also provide an attractive outdoor environment for residents. At the intersection of Central Avenue and Liberty Court, the developer would install two entry signs; a variety of colorful, drought-tolerant landscaping; and a decorative, masonry sound wall with wall caps and simulated stone veneer at each wall pilaster. Residential front yards would feature drought-tolerant plants and blooming street trees that would provide seasonal color throughout the subdivision.

Lastly, the proposed project would substantially conform to the applicable DRDGs for single-family development if conditions are added requiring the developer to: a) provide enhanced window treatments on building elevations exposed to public view; b) extend architectural details around the sides of each building; c) provide decorative masonry walls with pilasters at intervals of 25 feet or less; d) provide decorative retaining walls between lots if they exceed two feet in height; e) provide screening for utility boxes, transformers, backflow preventers, meters, and junction boxes; f) provide, as part of the options package for homebuyers, an option offering pre-wiring for solar panels; and g) provide cool roofs for reduction of heat island effect, consistent with DRDG sections 1.a, 1.l, 2.b through 2.e, 2h, and 6.A.1 through 6.A.3.

ATTACHMENTS:

1. Proposed Resolution
    a. Exhibit A – Initial Study/Mitigated Negative Declaration
    b. Exhibit B – Mitigation Monitoring and Reporting Program
    c. Exhibit C – General Plan Map Amendment
    d. Exhibit D – Conditions of Approval
2. Proposed Ordinance
    a. Exhibit A – PD Plan
    b. Exhibit B – Development Agreement
3. Planning Commission Resolution No. 10099
4. Project Plans
5. Map of Surrounding Uses
6. Photos of Site and Surroundings
7. Applicable General Plan Goals and Policies
8. Development Design Review Guidelines
9. Public Hearing Notice

Prepared by: Hector J. Rojas, AICP, Senior Planner

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

DATE: 6/6/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution Authorizing Separate Consultant Service Agreements with JML Planning and LSA Associates, Inc. for the Making Waves Academy Project

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

The Making Waves Foundation has submitted a planning application requesting design review approval of plans to construct a new charter school campus on a 20-acre site located at 420 E. 3rd street (former Johns Manville Plant). JML Planning and LSA Associates, Inc. have submitted separate proposals to provide the City with project management and environmental review services for amounts not to exceed $50,000 and $197,855, respectively. Staff is requesting adoption of a resolution authorizing a consultant service agreement with each firm.

FISCAL IMPACT

If authorized by the City Council, the City Manager will execute separate consultant service agreements with each firm in the amounts specified above. The applicant has agreed to deposit the funds with the City upon execution of the agreements. The funds would be deposited into Development Agreement Deposit Account No. 110-20061, and any unspent funds would be returned to the applicant after a final decision is made on the project.

RECOMMENDATION

City Council adopt the attached resolution authorizing separate consultant service agreements with JML Planning and LSA Associates, Inc. to provide the City with project management and environmental review services for the Making Waves Academy Project

BACKGROUND

On May 11, 2018, the Making Waves Foundation submitted a planning application (AP-18-1339) requesting design review approval of plans to construct a new charter school campus

on a 20-acre site located at 420 E. 3rd street. The proposed campus would consist of seven, two-story buildings totaling just under 400,000 square feet and serve up to 2,000 students in grades K through 12. Prior to construction and with regulatory oversight from the Department of Toxic Substances Control (DTSC), the applicant would voluntarily remove approximately 110,000 tons of asbestos containing soils which were encapsulated within a berm along the eastern boundary of the site. At a future date, the applicant would submit a separate planning application requesting approval of plans to construct a sports complex on a 12-acre site located at 595 E. 3rd Street, just north of the proposed campus. The complex would include a regulation soccer field, 400-meter track, swim center, softball field, baseball field, tennis courts, and basketball courts. The City and applicant are currently discussing the possibility of a joint-use agreement for the sports complex.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

JML Planning and LSA Associates, Inc. have requested a total of $247,855 to provide project management and environmental review services for the Making Waves Academy project. The applicant has agreed to deposit the funds, and as such, it is recommended that the Council authorize execution of separate contracts with each firm as included in Attachments 2 and 3. The City anticipates having an environmental document ready for public review and comment by October 2018.

ATTACHMENTS: 1. Proposed Resolution
2. Consultant Service Agreement with JML Planning
3. Consultant Service Agreement with LSA Associates, Inc.

Report Prepared By: Hector J. Rojas, AICP, Senior Planner

Attachment 1

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Resolution Authorizing Separate Consultant Service Agreements with JML Planning and LSA for the Making Waves Academy Project	))))	RESOLUTION NO. 18-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, on May 11, 2018, the Making Waves Foundation submitted Planning Application No. 18-1339, requesting design review approval of plans to construct a new charter school campus on a 20-acre site located at 420 E. 3rd Street; and

WHEREAS, before the City can consider such a proposal, the project must be reviewed in accordance with the California Environmental Quality Act (CEQA, Public Resources Code 21000 et seq.), which requires agencies to assess whether a proposed project might have significant impacts on the environment; and

WHEREAS, the City of Pittsburg has received a proposal from JML Planning to provide project management services for an amount not to exceed $50,000; and

WHEREAS, the City has received a separate proposal from LSA to provide environmental review services for an amount not to exceed $197,855; and

WHEREAS, the Making Waves Foundation has agreed to deposit funds with the City of Pittsburg sufficient to reimburse the cost of project management and environmental review services.

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

Section 1.

The consultant service agreements with JML Planning and LSA, as substantially presented in Exhibits A and B of this resolution, are hereby approved.

Section 2.

The City Manager is hereby authorized to execute the agreements with JML Planning and LSA on behalf of the City of Pittsburg up to the limits specified in each agreement.

Section 3.

The Finance Director is hereby authorized to issue new purchase orders to JML Planning and LSA to implement the approved agreements.

Section 4.

The agreements shall be administered by the Planning Manager.

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 June 2018, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine “Pete” Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

CONSULTING SERVICES AGREEMENT BETWEEN THE CITY OF PITTSBURG AND JML PLANNING FOR THE MAKING WAVES ACADEMY PROJECT

THIS Agreement ("Agreement") for consulting services is made by and between the City of Pittsburg ("City") and JML Planning ("Consultant") (together referred to as the "Parties") as of June 18, 2018 (the "Effective Date").

Section 1. **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 18, 2020 or the date the Consultant completes the services specified in Exhibit A, whichever occurs first, unless the term of the Agreement is otherwise terminated or extended, as referenced herein.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City's request, reassign such persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant's obligations hereunder.

Section 2. **COMPENSATION.** City hereby agrees to pay Consultant a sum not to exceed fifty thousand $(50,000.00), as set forth in Exhibit A, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant, but is merely a limit of potential City expenditures under this Agreement.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of

providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information, unless waived by the City Manager, or his or her designee:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice.

2.3 **Final Payment.** Consultant shall submit its final invoice within 60 days of completing its services. Consultant's failure to submit its final invoice within this 60 day period shall constitute Consultant's waiver of any further billings to, or payments from, City.

2.4 **Reimbursable Expenses.** Reimbursable expenses, if any, are specified in Exhibit A and included in the total compensation referenced in Section 2. Expenses not listed in Exhibit A are not chargeable to, or reimbursable by, City.

2.5 **Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.6 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. **FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than $2,000,000 per occurrence and $4,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned

autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 **<u>Additional requirements.</u>** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.

b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.

c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.

d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.

e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 **<u>All Policies Requirements.</u>**

4.3.1 **<u>Submittal Requirements</u>.** Consultant shall submit the following to City prior to beginning services:

a. Certificate of Liability Insurance in the amounts specified in this Agreement; and

b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Polices.

4.3.2 **Acceptability of Insurers.** All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.3.3 **Deductibles and Self-Insured Retentions.** Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than $100,000.

4.3.4 **Wasting Policies**. No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.3.5 **Waiver of Subrogation.** Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.3.6 **Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Consultant shall ensure that City, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

4.3.7 **Excess Insurance.** If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.4 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any payment that becomes due to Consultant hereunder until Consultant

demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 General Requirement. To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of or in connection with Consultant's performance of the services under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of City.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damage or claims for damages whether or not such insurance policies shall be been determined to apply.

5.2 PERS Indemnification. In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

6.1 Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.

6.2 Consultant Not an Agent. Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.

7.3 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.

7.4 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 **Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.

8.3 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.

8.4 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.

8.5 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.5.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.5.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

8.5.5 The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 **Records Created as Part of Consultant's Performance.** All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.

9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach**. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.7 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.8 **Notices.** Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested,. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Consultant : JML Planning
PO Box 1022
Stinson Beach, CA 94970-1022
ATTN: Joan Lamphier, Principal

City: City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
ATTN: Hector J. Rojas, AICP, Senior Planner

10.9 **Professional Seal.** Where applicable in the determination of the City Manager, or his or her designee, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility."

10.10 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. To the extent there are any inconsistences between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control To the extent there are any inconsistences between the Exhibits and the Consultant's Proposal, the Exhibits shall control.

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

10.12 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.13 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG	**CONSULTANT**
_____	_____
Joe Sbranti, City Manager	Joan Lamphier, Principal

Attest:

_____
Alice E. Evenson, City Clerk

Approved as to Form:

_____
Ruthann G. Ziegler, City Attorney

EXHIBIT A

SCOPE OF SERVICES

May 30, 2018

Me. Hector Rojas, Senior Planner

City of Pittsburg Planning Department

65 Civic Avenue

Pittsburg, CA 94565-3814

JML planning

RE: Making Waves Project

Dear Mr. Rojas:

Thank you for contacting me regarding the proposed Making Waves Project. The project would consist of the development of school campus including an elementary school, middle school and high school with a total student population of 2,000 students. It would also include development of a recreational complex just north of the school site. The project requires Design Review by the Planning Commission which is a discretionary action and would be subject to environmental review under CEQA. The purpose of this letter is to provide a scope of work and cost estimate for assisting the City in processing the environmental review and planning application for this project.

SCOPE OF WORK

The scope of work would consist of acting as a contract planner for this project and performing the necessary tasks to assist the City of Pittsburg in processing this application. It would include the following tasks:

- Project startup meeting with applicant and a project site visit
- Assistance in selecting environmental consultant, reviewing scope of work and schedule
- Preparation of initial schedule for environmental review, project review and public hearings
- Preliminary evaluation of proposed project to determine the appropriate level of environmental review

- Review of Initial Study
- Review of Draft EIR and Final EIR
- Preparation of public notices for circulation of environmental document, public hearings
- Preparation of staff reports, draft resolutions and any additional material required for public hearings
- Coordination with City staff including the Planning Department staff, City Attorney's office and other departments as appropriate
- Any additional tasks necessary to assist City staff in processing this proposed project
- Project coordination meetings with City staff and applicant

BUDGET

It is difficult to estimate the level of effort required to complete the above scope of work related to the role of Project Planner. This can be dependent upon the level of detail provided by the applicant, the timeliness of submittals and the amount of public involvement in the review of the project. Work would be completed on a time and materials basis at a rate of $250 an hour. I estimate the budget required to complete this project would be approximately $50,000. All work would be performed under the direction of Planning Department staff.

STAFFING

I would be the person to perform the above scope of work. I have forty two years of experience as a planner working throughout the Bay Area for approximately 80 different cities and public agencies. My primary focus has been assisting Cities in the review of large scale, complex projects including refineries, corporate campuses, and large scale residential development and transmission lines. I was the founding Principal of Lamphier-Gregory and left that firm to the next generation and to start my own entity, JML Planning. I have personally worked on projects for the City of Pittsburg since 1992 including the environmental review for the Mount Diablo Recycling Center, the environmental review of the L-B portion of the USSPOSCO property, and acted as staff to manage the environmental review of the Trans Bay Cable Project.

CONCLUSION

I look forward to working with you on this proposed project. If you have any questions regarding the above scope, budget and staffing please give me a call at the following number: 415-868-0293.

Very truly yours;

Joan Lamphier, Principal

JML Planning

JML planning

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

CONSULTANT

By: _____

Title: _____

2784980.1

CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF PITTSBURG AND LSA ASSOCIATES, INC. FOR
THE MAKING WAVES ACADEMY PROJECT
(design professionals)

THIS Agreement ("Agreement") for consulting services is made by and between the City of Pittsburg ("City") and LSA Associates, Inc. ("Consultant") (together referred to as the "Parties") as of June 18, 2018 (the "Effective Date").

Section 1. **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A, and incorporated herein, at the time and place and in the manner specified therein.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 18, 2020 or the date the Consultant completes the services specified in Exhibit A, whichever occurs first, unless the term of the Agreement is otherwise terminated or extended, as referenced herein.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement according to the standards observed by a competent practitioner of the profession in which Consultant is engaged.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, requests in writing the reassignment of any such persons to ensure Consultant performs services in accordance with the Standard of Performance, Consultant shall, immediately upon receiving City's request, reassign such persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided herein above and to satisfy Consultant's obligations hereunder.

Section 2. **COMPENSATION.** City hereby agrees to pay Consultant a sum not to exceed one-hundred-ninety-seven thousand, eight-hundred and fifty-five $(197,855), as set forth in Exhibit A, attached hereto and incorporated herein for services to be performed and reimbursable expenses incurred under this Agreement. This dollar amount is not a guarantee that the City will pay that full amount to the Consultant, but is merely a limit of potential City expenditures under this Agreement.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information, unless waived by the City Manager, or his or her designee:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder;
- The Consultant's signature.

2.2 **Monthly Payment.** City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall pay undisputed invoices that comply with the above requirements within 30 days from the receipt of the invoice.

2.3 **Final Payment.** Consultant shall submit its final invoice within 60 days of completing its services. Consultant's failure to submit its final invoice within this 60 day period shall constitute Consultant's waiver of any further billings to, or payments from, City.

2.4 **Reimbursable Expenses.** Reimbursable expenses, if any, are specified in Exhibit A and included in the total compensation referenced in Section

2. Expenses not listed in Exhibit A are not chargeable to, or reimbursable by, City.

2.5 **Payment of Taxes.** Consultant is solely responsible for the payment of all federal, state and local taxes, including employment taxes, incurred under this Agreement.

2.6 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written authorization from the City Manager, or his or her designee.

Section 3. **FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any services under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance specified herein and maintain that insurance throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid or proposal. Consultant shall be fully responsible for the acts and omissions of its subcontractors or other agents.

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant in the amount required by applicable law. The requirement to maintain Statutory Workers' Compensation and Employer's Liability Insurance may be waived by the City upon written verification that Consultant is a sole proprietor and does not have any employees and will not have any employees during the term of this Agreement.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than $2,000,000 per occurrence and $4,000,000 aggregate, combined single limit coverage for risks associated with the work contemplated by this Agreement.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis.

Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) covering any auto (Code 1), or if Consultant has no owned autos, hired (code 8) and non-owned autos (Code 9). No endorsement shall be attached limiting the coverage.

4.2.3 **Additional requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The Commercial General and Automobile Liability Insurance shall cover on an occurrence basis.

b. City, its officers, officials, employees, agents, and volunteers shall be covered as additional insureds for liability arising out of work or operations on behalf of the Consultant, including materials, parts, or equipment furnished in connection with such work or operations; or automobiles owned, leased, hired, or borrowed by the Consultant. Coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as CG 20 10 11 85, or both CG 20 10 10 01 and CG 20 37 10 01.

c. For any claims related to this Agreement or the work hereunder, the Consultant's insurance covered shall be primary insurance as respects the City, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and non-contributing.

d. The policy shall cover inter-insured suits and include a "separation of Insureds" or "severability" clause which treats each insured separately.

e. Consultant agrees to give at least 30 days prior written notice to City before coverage is canceled or modified as to scope or amount.

4.3 **Professional Liability Insurance.**

4.3.1 **General requirements.** Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than

$1,000,000 per occurrence or claim covering the Consultant's errors and omissions.

4.3.2 **Claims-made limitations.** The following provisions shall apply if the professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the Agreement or the work.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must purchase an extended period coverage for a minimum of five (5) years after completion of work under this Agreement.

d. A copy of the claim reporting requirements must be submitted to the City for review prior to the commencement of any work under this Agreement.

4.4 **All Policies Requirements.**

4.4.1 **Submittal Requirements.** Consultant shall submit the following to City prior to beginning services:

a. Certificate of Liability Insurance in the amounts specified in this Agreement; and

b. Additional Insured Endorsement as required for the General Commercial and Automobile Liability Polices.

4.4.2 **Acceptability of Insurers.** All insurance required by this Agreement is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.3 **Deductibles and Self-Insured Retentions.** Insurance obtained by the Consultant shall have a self-insured retention or deductible of no more than $100,000.

4.4.4 **Wasting Policies.** No policy required herein shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.4.5 **Waiver of Subrogation.** Consultant hereby agrees to waive subrogation which any insurer or contractor may require from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents, and subcontractors.

4.4.6 **Subcontractors.** Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein, and Consultant shall ensure that City, its officers, officials, employees, agents, and volunteers are covered as additional insured on all coverages.

4.4.7 **Excess Insurance.** If Consultant maintains higher insurance limits than the minimums specified herein, City shall be entitled to coverage for the higher limits maintained by the Consultant.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option: 1) obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement; 2) order Consultant to stop work under this Agreement and withhold any payment that becomes due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof; and/or 3) terminate this Agreement.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.

5.1 **General Requirement.** To the fullest extent permitted by law, Consultant shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers (collectively, "Indemnitees") from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney's fees, costs and fees of litigation, (collectively, "Liability") of every nature arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of the Consultant in performance of the

services under this Agreement, except such Liability caused by the sole negligence or willful misconduct of City.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damage or claims for damages whether or not such insurance policies shall be been determined to apply.

5.2 **PERS Indemnification.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City.

6.2 **Consultant Not an Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder. Consultant shall also, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates as determined by the California Department of Industrial Relations.

7.3 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have, and

will maintain at their sole cost and expense, all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from City.

7.4 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, genetic information, marital status, sex, sexual orientation, gender or gender identity, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** Upon ten days' prior written notice, City may cancel this Agreement at any time and without cause upon such written notification to Consultant. In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 **Amendments.** The parties may amend this Agreement only by a writing signed by the parties hereto.

8.3 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City Manager, or his or her designee. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the

subcontractors noted in the proposal, without prior written approval of the City Manager, or his or her designee.

8.4 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant, including but not limited to the provisions of Section 5, shall survive the termination of this Agreement.

8.5 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, the following:

8.5.1 Immediately terminate the Agreement;

8.5.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.5.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.5.4 Charge Consultant the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

8.5.5 The remedies mentioned in this Agreement are not exclusive of any other right, power or remedy permitted by law. The City's failure or delay in exercising any remedy shall not constitute a waiver of such remedy or preclude the further exercise of City's rights.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 **Records Created as Part of Consultant's Performance.** All final versions of reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement, and the City may use, reuse or otherwise dispose of the documents without Consultant's permission. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily

suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential drafts and will not be released to third parties by Consultant without prior written approval of City.

9.2 **Consultant's Books and Records.** Consultant shall maintain any and all records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Pursuant to Government Code Section 8546.7, the Agreement may be subject to the examination and audit of the State Auditor for a period of 3 years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in Contra Costa County or in the United States District Court for the Northern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach**. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

10.7 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.8 **Notices.** Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, or (ii) certified United States mail, postage prepaid, return receipt requested,. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

Consultant : LSA Associates, Inc.
20 Executive Park, Suite 200
Irvine, CA 92614
ATTN: Contracts

City: City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
ATTN: City Manager

10.9 **Professional Seal.** Where applicable in the determination of the City Manager, or his or her designee, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled "Seal and Signature of Registered Professional with report/design responsibility."

10.10 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibit A represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. To the

extent there are any inconsistences between this Agreement, the Exhibits, and Consultant's proposal, the Agreement shall control To the extent there are any inconsistences between the Exhibits and the Consultant's Proposal, the Exhibits shall control.

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

10.12 **Construction of Agreement.** Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.13 **No Third Party Beneficiaries.** This Agreement is made solely for the benefit of the parties hereto, with no intent to benefit any third parties.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PITTSBURG	**CONSULTANT**
_____	_____
Joe Sbranti, City Manager	Mike Trotta, President

Attest:

_____
Alice E. Evenson, City Clerk

Approved as to Form:

_____
Ruthann G. Ziegler, City Attorney

EXHIBIT A

SCOPE OF SERVICES

BERKELEY
CARLSBAD
FRESNO
IRVINE
LOS ANGELES
PALM SPRINGS
POINT RICHMOND
RIVERSIDE
ROSEVILLE
SAN LUIS OBISPO

May 31, 2018

Hector Rojas, AICP
Senior Planner, City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565

Via e-mail

Subject: Scope of Services to Prepare the California Environmental Quality Act (CEQA) Documentation for the Pittsburg Making Waves Academy Project

Dear Hector:

LSA Associates, Inc. (LSA) is pleased to provide this scope of services to prepare the CEQA documentation for the Pittsburg Making Waves Academy Project (proposed project). Based on review of the project plans, background information, discussions with City staff and Campus LLC, and a site visit, LSA believes that a project-level Focused Environmental Impact Report (EIR) supported by a robust Initial Study (IS) will achieve CEQA compliance.

LSA has assembled a strong project team who will consist of the following key LSA staff members: **Judith Malamut, AICP, Principal,** who will serve as **Principal-in-Charge, Steven Ross, Associate,** who will serve as **Project Manager**, and will be supported by **Matthew Wiswell, Project Planner.** LSA technical specialists include **Amy Fischer, Principal,** and **Cara Carlucci, Air Quality and Noise Planner** who will prepare the air quality, greenhouse gas emissions, and noise analyses, and **Andrew Pulcheon, AICP, CEP, Principal, Lora Holland, Senior Cultural Resources Manager,** and **Michael Hibma, Senior Cultural Resources Manager** who will prepare the cultural resources analysis . LSA will be joined by **BASELINE Environmental Consultants (Baseline)** who will evaluate the project and prepare the geology, hydrology, and hazardous materials analyses, and **Fehr & Peers (F&P)** who will conduct a technical peer review of the project applicant's transportation study and prepare the transportation and circulation analysis.

PROJECT UNDERSTANDING AND DESCRIPTION

The proposed project includes two project sites located along the north and south sides of E 3rd Street in the City of Pittsburg. The first project site (campus site), located south of E 3rd Street (Assessor's Parcel Number [APN] 073-050-001-4), is approximately 24.7 acres and currently vacant, but was the former site of the Johns Manville Manufacturing Plan. The campus site is bounded by E 3rd Street to the north, Harbor Street to the east, a linear park and E 8th Street to the south, and single-family residential uses to the west. The campus site has a closed status from the Department of Toxic Substances Control (DTSC) and is currently approved for residential development. The campus site has General Plan Land Use Designations of Downtown Medium Density Residential and Downtown Commercial, and is mostly within the Downtown Medium -Residential (RMD) zoning district with a Limited overlay (RMD-O), with a small portion of the site within the Pedestrian Commercial (CP) zoning district.

2215 Fifth Street, Berkeley, California 94710 510.540.7331 www.lsa.net

The second project site (sports complex site), located north of E 3rd Street (Assessor's Parcel Number [APN] 073-010-13-8), is approximately 26 acres and currently vacant, and was previously used for Petroleum Coke Storage. The sports complex site is bounded by the New York Slough to the north, industrial uses to the east, E 3rd Street to the south, and single-family residential uses to the west. The sports complex site has land use designations of Marine Commercial and Park, and is within the Waterfront Commercial (CW) zoning district.

The proposed project would consist of development on both the campus site and the sports complex site. The campus site would be developed with an Elementary/ Middle/High School Campus operated by the Making Waves Academy. At full buildout, the campus would include a total of 399,612 square feet of building space. The campus would serve approximately 2,000 students from kindergarten through 12th grade supported by a staff of approximately 220 persons. The campus site would include on-site circulation and approximately 262 parking spaces. Additionally, development on the campus site would include the removal and off-site management of a berm containing approximately 64,600 cubic yards of asbestos and hydrocarbon-contaminated soil.

The sports complex site would be developed with a baseball turf field, softball turf field, track, soccer turf field, and pool, as well as accessory structures including a pool house and field house. The recreational facility site would include a parking lot with approximately 107 parking spaces, as well as night lighting and amplified sound systems for certain fields and facilities.

LSA understands that a Phase I and II environmental site assessment for both project sites, a geotechnical analysis, and a transportation impact analysis (TIA) have been prepared (or are being prepared) for the project by the applicant, and LSA would rely on that information to substantiate the CEQA analysis for those topics and during preparation of the EIR. It is assumed that these studies will be adequate to respond to the questions in the IS regarding geology and soils and transportation and circulation. If it is determined that additional analysis would be necessary, LSA will coordinate with the City and the project applicant.

APPROACH

LSA's proposed work program, as outlined below, includes preparation of a focused EIR, as well as preparation of an IS to be attached to and circulated with the Notice of Preparation (NOP). Preparing the IS will allow the "focusing-out" of environmental topics that would not require detailed analysis in the EIR. Following preparation of the IS and the scoping process, LSA would prepare a legally defensible, comprehensive EIR. The two topics that are expected to be addressed in the EIR are traffic and circulation and hazards and hazardous materials; however that might change in regards to review of existing reports and comments received during the scoping period, and additional topics, such as air quality, noise and hydrology and water quality may also need to be individual sections in the EIR.

LSA understands that the proposed project is within a 100-year flood hazard zone as mapped by the Federal Emergency Management Agency, and has the potential to impede or redirect flood flows and affect the base flood elevation through placement of fill and structures within the flood zone. However, LSA anticipates that hydrology and water quality issues would be mitigated through

project design to a less-than-significant level, and therefore would be able to be focused out in the IS. However, if it is determined through further analysis that potential hydrology and water quality impacts cannot be reduced to a less-than-significant level, LSA will coordinate with the City, project applicant, and Baseline to address this topic in the EIR as an additional task.

Additionally, LSA assumes that the topics of air quality, greenhouse gas emissions, and noise impacts, resulting from implementation of the proposed project could be addressed in the IS. If the analysis and modeling identifies potential impacts that cannot be mitigated to a less-than-significant level, LSA will coordinate with the City and the project applicant to address these topics in the EIR, as necessary.

ASSUMPTIONS

This scope of work is based on the following assumptions:

- The Transportation Impact Analysis (TIA) for the Making Waves Charter School Project prepared by Abrams Associates dated May 14, 2018, and any addendums or revisions, will be peer reviewed and provide the basis for responding to some Initial Study questions and the EIR section.
- The Biological Constraints Analysis to be prepared by WRA Environmental Consultants will provide sufficient information and mitigation measures for LSA to incorporate into the IS.
- The geotechnical report and hydrological studies to be prepared by the applicant will be reviewed by Baseline and will be sufficient to provide the basis for responding to Initial Study questions.
- The City will be responsible for posting and distributing the Public Review Draft EIR.
- The City will be responsible for filling all notices associated with the project.

SCOPE OF WORK

Task A. Project Initiation

A summary of the work program is provided in Table 1. Project initiation will involve coordination with City staff and the applicant, attending a project start-up meeting and site visit (occurred on May 29, 2018), gathering and reviewing available background reports, preparing base maps, and preparing the project description. LSA will request approval of the CEQA project description prior to undertaking any analysis to ensure its accuracy and reduce inefficiencies.

Task B. Initial Study Checklist, Technical Studies, and Notice of Preparation

Initial Study. Activities under Task B include preparation of an IS supported by technical studies (as described below) which will include a brief project description, the CEQA Environmental Checklist (Appendix G), and a determination that an EIR will be the appropriate CEQA documentation for the project. This scope assumes that the following topics would be addressed in the IS: aesthetics;

agricultural and forestry resources; air quality; biological resources; cultural resources; geology and soils; greenhouse gas emissions; hydrology and water quality; land use and planning; mineral resources; noise; parks and recreation; population and housing; public services; transportation and circulations; tribal cultural resources; and utilities and service systems. The IS will identify the topics that will need further evaluation in the EIR and those that can be focused out based on the findings of the IS. LSA will prepare an Administrative IS and a Final IS that responds to City comments.

Technical Studies. LSA and Fehr & Peers will conduct the following technical studies in order to support the analysis in the IS and the EIR.

Cultural Resources Study. LSA will prepare a Phase I cultural resources study of the project site (school site and sports complex site) in accordance with the requirements of CEQA, and the findings of the study will be summarized in the Initial Study Checklist responses. The study will identify built environment or archaeological cultural resources in or adjacent to the project area that may meet the definition of a historical resource (California Public Resources Code [PRC] §21084.1) or archaeological deposits that may meet the definition of a unique archaeological resource (PRC §21083.2). The study will consist of background research, a request to the Native American Heritage Commission (NAHC) for a review of their Sacred Lands list, a pedestrian field survey of the project area, and the a brief technical memorandum to document the findings. The letter report will be submitted to the NWIC in fulfillment of a requirement to access their archives. If cultural resources are identified on-site, a scope and budget adjustment would be required to document, analyze, and report, on such resources.

Historical Resource Evaluation. LSA will prepare a historical resource evaluation of the existing building in the project site to assess the building's eligibility for inclusion in the California Register of Historical resources. The building dates to at least 1939, according to preliminary aerial photograph review. To economize the evaluation, LSA will use state resource forms (DPR523 forms) as the vehicle for the evaluation, rather than a standalone report. The purpose of the evaluation will be to assess whether or not the building qualifies as a "historical resource" as defined in PRC §21084.1.

Tribal Cultural Resources. LSA will prepare responses regarding Tribal Cultural Resources summarizing the findings of the cultural resources study. The Native American Heritage Commission (NAHC) will be contacted (as part of the Phase I study) to request a search of the Sacred Lands File for any information about cultural resources in the project site of traditional or cultural value to tribal organizations. Pursuant to Assembly Bill 52, the City of Pittsburg is responsible for consultation with Native American tribes that have requested notification of projects. To assist with this process, LSA will prepare draft tribal consultation letters for the City to mail on City letterhead. The section would document tribal notification and consultation conducted by the City. Separate tribal consultation conducted by or on behalf of the DTSC would also be summarized in this section. Further assistance with consultation is not anticipated with this task. However, as a separate optional task, LSA could assist the City with tribal consultation.

TIA Technical Review. F&P will conduct a technical peer review of the applicant's TIA, including all necessary appendices (hardcopy and electronic files), expected to include the LOS analysis files, signal timing sheets, background and cumulative forecasting assumptions and inputs, freeway delay

index calculations, and lane configuration assumptions for the project site driveways. Additional backup data needs will be identified as part of the initial peer review and requested, if needed. We will assess the appropriateness and accuracy of the information, as well as whether the scope of the off-site impact analysis is adequate. Specifically, Fehr & Peers will review and assess the following items:

- Adequacy of the existing conditions data, including vehicle, truck, pedestrian and bicycle counts.
- Accuracy of the existing roadway network information, including intersection geometries and signal timing/phasing assumptions.
- Trip generation and trip distribution estimates, including considerations of the expected school enrollment area and the potential for children to be dropped-off as part of a parent commute trip, and review of documentation to support the sibling trip reduction discount, as well as the busing trip reduction discount.
- Adequacy of the study area (intersections, roadway segments, and freeway segments).
- Assumptions regarding future land uses and transportation system improvements and resulting traffic projections, including review of the model files used to develop future year forecasts.
- Accuracy of intersection level of service calculations (it is preferable if electronic files are provided, but at a minimum we need PDFs of the LOS and queue reports).
- Adequacy of the on-site circulation assessment such that the potential for on-site vehicle queues to spillback to the public right-of-way is minimized.
- Identification of project impacts in relation to significance criteria, and use of appropriate significance criteria for the City of Pittsburg.
- Adequacy and feasibility of the proposed transportation improvements and mitigation measures.
- Adequacy of documentation (description of all assumptions, adequate technical appendices, etc.).

Results of the peer review will be documented in a technical memorandum for submittal to the project team.

Corrections and/or Additional Analysis. This task describes additional work F&P may perform based on the final outcome of the peer review of the applicant's TIA that will include the sports complex as part of the project. Further work beyond the items described below may be identified as part of the technical peer review. A contingency amount has been identified for additional corrections and/or additional evaluations that would only be used with written authorization from the City.

Mid-Afternoon Trip Generation. For the mid-afternoon period, which is not analyzed in the applicant's TIA, F&P will develop trip generation estimates based on the proposed bell schedule and other specific operational parameters for the campus. Depending on the number of vehicle trips generated, a focused assessment of intersections immediately adjacent to the site to ensure that the transportation system can accommodate the expected levels of afternoon peak activity may be necessary. A separate scope of work would be prepared for this task.

School Site Access and Circulation Evaluation. F&P will use the operational information to be obtained in the mid-afternoon trip generation analysis to evaluate the adequacy of the site driveways (need for left turn lanes for inbound traffic, sizing of outbound lanes), sizing of drop-off/pick-up zones on-site for passenger vehicles and buses, and assess pedestrian and bicycle circulation at the site driveways and on-site in the vicinity of the vehicular circulation lanes. F&P will assess the need for pedestrian crossing treatments on East Third Street between the campus and the sports complex. F&P will also estimate peak parking demand for a typical day and for potential special events to determine if there is sufficient on-site parking to accommodate typical day demands, and sufficient on-site and off-site parking within the immediate project vicinity to accommodate potential special event parking demand.

Sports Complex Weekend Evaluation. Assuming that the updated study submitted by the applicant does not provide a detailed assessment of the sports complex operations and impacts, F&P will prepare a trip generation estimate for typical weekend use of the sports complex, using best-estimate operational information from the City and the applicant. Daily and peak hour estimates will be prepared. Upon completion of this task, F&P will discuss whether further analysis is desired. If so, a separate proposal for this work would be prepared.

Notice of Preparation. This task also includes preparing a Notice of Preparation (NOP), which with the IS would be posted by the City, attendance at a scoping session (should the City decide to have one) and any work program refinements that should be made as a result of comments on the NOP and IS. This scope assumes the Administrative Draft IS would be provided electronically to the City and up to five (5) paper copies of the NOP and Final IS (with appendices) and one (1) CD in Microsoft Word and PDF format will be submitted to City staff for posting and noticing. LSA will provide the NOP and IS to the State Clearinghouse.

Task C. Environmental Impact Report

As part of the EIR analysis, the topics listed in Table 1 (transportation and circulation and hazards and hazardous materials) are what we anticipate including in the EIR; however, it is possible that some other topics may not be focused out through the IS process and would need to be included as well. If this occurs, we will evaluate this situation with the City, as described above.

As part of Task C, LSA will revise and update the project description for the Draft EIR. The description will detail the project components associated with each project element based on the level of available information. Additionally, based on input from City staff, LSA will prepare and submit for approval a draft set of significance criteria for the EIR.

Setting, Impact, and Mitigation Measures. The setting, impacts, and mitigation measures documentation for the Transportation and Circulation and Hazards and Hazardous Materials issue areas will be incorporated into the Draft EIR. Section 15130 of the CEQA Guidelines requires that an EIR evaluate potential impacts that are individually limited but cumulatively significant. These impacts can result from the proposed project alone or together with other projects. Both of the topical sections will address the potential cumulative impacts associated with the proposed project in conjunction with other off-site, permitted, under-construction, or probable future projects. LSA will work with City Staff to determine the foreseeable projects to be included in the cumulative analysis.

Transportation and Circulation. F&P and LSA will prepare the transportation and circulation chapter of the EIR based on the applicant's TIA and the additional analysis as described above, which will also be included as an appendix.

Table 1: Work Program Outline

Task A. Project Initiation
1. Start-Up Meeting/Site Visit
2. Data Gathering and Review
3. Project Description

Task B. Initial Study Checklist, Technical Studies, and Notice of Preparation

Task C. Environmental Impact Report
1. Refine Project Description
2. Significance Criteria
3. Setting, Impacts, and Mitigation Measures
   a. Transportation and Circulation
   b. Hazards and Hazardous Materials
4. Alternatives
5. CEQA-Required Assessment Conclusions
6. Administrative Draft EIR
7. Screencheck Draft EIR
8. Public Review Draft EIR

Task D. Response to Comments Document
1. Administrative Draft RTC Document
2. Screencheck Draft RTC Document
3. Final RTC Document
4. Mitigation Monitoring and Reporting Program
5. Findings of Fact and Statement of Overriding Considerations
6. Administrative Record

Task E. Public Hearings and Meetings

Task F. Project Management

Hazards and Hazardous Materials. Environmental concerns identified in Phase I and Phase II Environmental Site Assessments (ESAs) prepared for the project site include the presence of contaminants in soil and groundwater from previous commercial/industrial activities at the project site and surrounding areas. Previous industrial activities in the northern portion of the project site included fuel and chemical storage, petroleum coke storage, and settling ponds for process water. Previous industrial activities in the southern portion of the project site included manufacturing of asbestos-containing products and asphalt roofing and use of an evaporation pond for oily water. Remediation activities have been performed in the southern portion of the project site which included excavation of contaminated soil, construction of engineered soil berms to contain contaminated soil, and the restriction of certain land uses for the property including schools in the area of the engineered berms. Baseline understands that removal of the engineered berms on the project site is planned as part of the proposed project, and that a Remedial Action Plan (RAP) Addendum is planned to be developed and implemented under the oversight of the Department of Toxic Substances Control (DTSC) to address the removal of the engineered berms and other project construction activities that would require DTSC approval (e.g, deep soil mixing for ground improvement). Baseline understands that additional parcels that are currently owned by the City may be incorporated into the northern portion of the project site. The environmental condition of these additional parcels is unknown. Remediation of the Tesoro Property in the northern portion of the project site has not been performed and may be required based on contaminant concentrations in soil and groundwater. We understand that asbestos containing materials (ACMs) have been identified in the subsurface of the City park located adjacent to the south of the project site, and

that removal of the ACMs from the City park could potentially be incorporated into the project. However, this scope of services does not include an evaluation of that site or its remediation. Should it be included as part of the project, LSA will coordinate with the City regarding an amendment to this scope. Baseline will describe the environmental setting for the proposed project, including the existing conditions at the project sites and the existing regulatory framework for hazards and hazardous materials that are applicable to the proposed project. Mitigation measures will be prepared, as needed, to reduce any impacts to levels of less than significant, if possible.

Section 15130 of the CEQA Guidelines requires that an EIR evaluate potential environmental impacts that are individually limited but cumulatively significant. These impacts can result from the proposed projects alone or together with other projects. The Hazards and Hazardous Materials Section will address the potential cumulative impacts associated with the proposed project in conjunction with other off-site, permitted, under-construction, or probable future projects. LSA will work with City staff to determine the foreseeable projects to be included in the cumulative analysis. LSA will prepare an alternatives chapter for inclusion in the Screencheck Draft EIR (i.e., after the City has reviewed the Admin Draft EIR impacts and mitigation measures).

The LSA team will evaluate up to four alternatives for the project, including the No Project alternative. LSA also will prepare the appropriate conclusions to fulfill CEQA requirements by providing an assessment of the mandatory impact categories.

Task D. Prepare Draft EIR

For Task D LSA will refine and organize the information from Tasks A through C and prepare an Administrative Draft EIR, and, based on receipt of one set of consolidated and non-contradictory comments, will prepare a Screencheck Draft EIR, and a Public Review Draft EIR. LSA will prepare a Draft Notice of Availability, for distribution by the City pursuant to CEQA and City review procedures. LSA will also provide the Draft EIR to the State Clearinghouse. This scope assumes that up to five (5) paper copies of the Administrative Draft EIR (with appendices), two (2) paper copies of the Screencheck Draft EIR (with appendices), and up to twenty (20) paper copies and twenty (20) CDs of the Public Review Draft EIR (with appendices) would be submitted to City staff for review and distribution. LSA will prepare a Notice of Completion, in accordance with CEQA guidelines, and coordinate with the City to distribute the Public Review Draft EIR pursuant to CEQA and City review procedures. LSA will be responsible for distributing the NOC to the State Clearinghouse including fifteen (15) paper copies of the Summary Chapter.

Task E. Prepare Response to Comments (RTC) Document and MMRP

After the 45-day public review period, LSA, Baseline, and F&P will prepare an Administrative Draft RTC document, a Screencheck Draft RTC, and a Final RTC. LSA will also prepare a Mitigation Monitoring and Reporting Program (MMRP) which will identify the responsibility for implementing and monitoring each mitigation measure in the EIR, a Findings of Fact and Statement of Overriding Considerations, and an Administrative Record for the CEQA document. We have identified a level of effort for the RTC in the budget table, but that might need to be revised depending on the extent and complexity of comments received, or if there are comments from legal representatives or an

organized letter writing campaign. This scope assumes up to five (5) paper copies of the Administrative Draft RTC Document, two (2) paper copies of the Screencheck Draft EIR, and up to ten (10) paper copies and ten (10) CDs of the Final RTC document would be submitted to City staff for review and distribution. LSA will provide a draft Notice of Determination (NOD) for the City to file with the County Clerk upon certification of the EIR.

Task F. Meetings and Public Hearings

Judith Malamut and Steven Ross will be available throughout the EIR preparation period to meet with City staff and the project team. The cost estimate assumes two in person staff meetings and up to six one hour teleconferences and three public meetings/hearings. F&P and Baseline will attend up to three in-person meetings and four conference calls over the course of the project.

Task G. Project Management

Judith and Steven will undertake a variety of general project management tasks throughout the course of the project. Judith will provide input on the scope, budget, contract negotiations and management, and scheduling of the project, and will be responsible for the overall quality of all work undertaken. She will be available for consultation on CEQA procedural matters as well as application of the CEQA Guidelines to this project.

Steven will coordinate the day-to-day activities associated with the project, including regular client contact, oversight of subconsultants and team members, schedule coordination, and development of products. He will also provide direction to all team members that will ensure an internally consistent, coherent document. Judith and Steven will review all sub consultant submittals and in-house prepared text, tables, and graphics before these materials are presented to the City as administrative review documents.

SCHEDULE

The schedule for this scope of work is shown in Table 2, with an assumed start date of May 25, 2018. Based on this schedule, an Administrative Draft IS would be available in approximately 9 weeks, respective of the holidays. The Public Review Draft EIR would be available within approximately 4 months, and the Final EIR would be ready for certification in approximately 8 months from the start date. While this schedule is aggressive and realistic, LSA welcomes the opportunity to strategize with City staff on ways to shorten the schedule.

COST ESTIMATE

On Table 3, LSA has identified an initial EIR cost estimate of $179,855 for this scope of services and suggests including a 10 percent contingency of $18,000. The contingency amount would not be used without written authorization from the City. With the contingency amount the total contract would be $197,855. We can further refine the budget when we know more about the project components and the level of detail that will be available. Our standard contract provisions and billing rates are attached.

Thank you for the opportunity to provide this proposal, as is always the case, we welcome the opportunity to discuss the scope, schedule and budget in order to make refinements and better meet your needs. Please contact Judith Malamut, Principal at 510-540-7331 (or after June 15 510-236-6810) with any questions.

Sincerely,

LSA Associates, Inc.

Judith H. Malamut, AICP
Principal

Steven D. Ross
Associate/Project Manager

Attachments: Schedule of Standard Contract Provisions and Billing Rates

Table 2: Pittsburg Making Waves Project EIR Schedule (PIT1801 revised June 4, 2018)

Milestone	Responsible Party	Duration	Dates[a]
Authorization to Proceed (Assumed Date)	City	--	May 25, 2018
Provide Project Description Inputs/Requested Information Needs	Applicant	--	Jun 1, 2018
Prepare Project Description	LSA	1 week	Jun 8, 2018
Provide Final TIA for Review	Applicant	1 week	Jun 8, 2018
Review Project Description	Applicant/City	1 week	Jun 15, 2018
Prepare Administrative Draft Initial Study and Draft NOP	LSA	6 weeks	Jul 30, 2018
Review Administrative Draft Initial Study and Draft NOP	City	2 weeks	Aug 13, 2018
Prepare Final Initial Study and NOP	LSA/City	1 week	Aug 20, 2018
Planning Commission Scoping Meeting (2nd and 4th Tuesdays)	*LSA/City*	--	*TBD*
Close of Notice of Preparation Comment Period	--	30 days	Sep 20, 2018
Prepare Administrative Draft EIR (without Alternatives)	LSA	5 weeks	Sep 3, 2018
Review Administrative Draft EIR(without Alternatives)	City	1 week	Sep 10, 2018
Prepare Screencheck Draft EIR (with Alternatives)	LSA	1 week	Sep 17, 2018
Review Screencheck Draft EIR (with Alternatives)	City	1 week	Sep 24, 2018
Prepare and Publish Draft EIR	LSA	1 week	Oct 1, 2018
Planning Commission Draft EIR Hearing (2nd and 4th Tuesdays)	City/LSA	--	*TBD*
Close of Public Review Period	--	45 days	Nov 15, 2018
Prepare Administrative RTC Document	LSA	4 weeks	Dec 13, 2018
Review Administrative RTC Document	City	3 weeks	Jan 3, 2019
Prepare Screencheck RTC Document	LSA	1 week	Jan 10, 2019
Review Screencheck RTC Document	City	1 week	Jan 17, 2019
Prepare and Reproduce Final RTC Document	LSA	1 week	Jan 24, 2019
Planning Commission Hearings on EIR Certification and Project Approval	City/LSA	--	*TBD*

[a] Some dates may need to be revised to accommodate holidays and/or City VTO days.

[b] Steve Ross on vacation June 18-25 and Aug 11-21 Judy Malamut on vacation July 23-27.

Table 3: Cost Estimate for the Proposed Pittsburg Making Waves Project EIR

LABOR COSTS	LSA Associates, Inc.												BASELINE Environmental Consulting				
	Principal-in-Charge (Malamut)	Associate/Project Manager (Ross)	Planner (Wiswell)	Principal, AQ/GHG/Noise (Fischer)	Air Quality/Noise Specialist (Villalvazo)	Air Quality/Noise Specialist (Carlucci)	Principal, Cultural Resources (Pulcheon)	Senior Cultural Resources Manager (Hilbma)	Senior Cultural Resources Manager (Holland)	Document Management (Hanshaw)	Graphics and Production (Linder)	*LSA Total*	Principal, Senior Hydrogeologist (Abelli-Amen)	Environmental Engineer III (Atabek)	Environmental Engineer III (Sutton)	*BASELINE Total*	*Team Total*
Hourly Rate:	*$220*	*$170*	*$100*	*$200*	*$125*	*$100*	*$185*	*$105*	*$100*	*$110*	*$115*		*$220*	*$175*	*$175*		
Task A. Project Initiation																	
(1) Start-Up Meeting/Site Visit	6	6	6									**$2,940**	1	5		**$1,095**	**$4,035**
(2) Data Gathering and Review	2		6									**$1,040**				**$0**	**$1,040**
(3) Project Description	6	2	14							2	6	**$3,970**				**$0**	**$3,970**
Subtotal for Task A	**14**	**8**	**26**	**0**	**0**	**0**	**0**	**0**	**0**	**2**	**6**	**$7,950**	**1**	**5**	**0**	**$1,095**	**$9,045**
Task B. Initial Study Checklist, Technical Studies, and NOP																	
(1) Administrative Draft Initial Study	6	6	8							6	2	**$4,030**				**$0**	**$4,030**
(a) Aesthetics		2	4								2	**$970**				**$0**	**$970**
(b) Agricultural and Forestry Resources			1									**$100**				**$0**	**$100**
(c) Air Quality	1	2	1	6	24	16				2		**$6,680**				**$0**	**$6,680**
(d) Biological Resources	1	1	6									**$990**				**$0**	**$990**
(e) Cultural Resources		2	4				8	28	32	1	4	**$8,930**				**$0**	**$8,930**
(f) Geology and Soils		1	2							1		**$480**	2	12		**$2,540**	**$3,020**
(g) Greenhouse Gas Emissions	1	3	1	4		12				1		**$2,940**				**$0**	**$2,940**
(h) Hydrology and Water Quality		3	2							1		**$820**	2	16		**$3,240**	**$4,060**
(i) Land Use and Planning		1	4									**$570**				**$0**	**$570**
(j) Mineral Resources			1									**$100**				**$0**	**$100**
(k) Noise	1	3	1	8		44				2		**$7,050**				**$0**	**$7,050**
(l) Parks and Recreation			1									**$100**				**$0**	**$100**
(m) Population and Housing			4									**$400**				**$0**	**$400**
(n) Public Services		2	6									**$940**				**$0**	**$940**
(o) Transportation and Circulation	4	6	10							6	4	**$4,020**				**$0**	**$4,020**
(p) Tribal Cultural/AB 52 Consultation		1	4							2	4	**$1,250**				**$0**	**$1,250**
(q) Utilities and Service Systems		1	6									**$770**				**$0**	**$770**
(2) Final Initial Study Checklist	2	4	6							2	2	**$2,170**	1	3		**$745**	**$2,915**
(3) Notice of Preparation and Scoping Session	6	8	8							1	2	**$3,820**				**$0**	**$3,820**
(4) Work Program Refinement	1	2										**$560**				**$0**	**$560**
Subtotal for Task B	**23**	**48**	**80**	**18**	**24**	**72**	**8**	**28**	**32**	**25**	**20**	**$47,690**	**5**	**31**	**0**	**$6,525**	**$54,215**
Task C. Environmental Impact Report																	
(1) Refine Project Description		2	4							2	2	**$1,190**				**$0**	**$1,190**
(2) Significance Criteria		1	2							1		**$480**				**$0**	**$480**
(3) Setting, Impacts, and Mitigation Measures			1									**$100**				**$0**	**$100**
(a) Transportation and Circulation	2	10	8							6	2	**$3,830**				**$0**	**$3,830**
(b) Hazards and Hazardous Materials	2	4	6							6	2	**$2,610**	8		56	**$11,560**	**$14,170**
(4) Alternatives Analysis	2	8	10							1		**$2,910**				**$0**	**$2,910**
(5) CEQA-Required Assessment Conclusions		1	4							1		**$680**				**$0**	**$680**
(6) Administrative Draft EIR	6	8	10							6	4	**$4,800**	2		6	**$1,490**	**$6,290**
(7) Screencheck Draft EIR	4	6	8							4	2	**$3,370**	1		3	**$745**	**$4,115**
(8) Public Review Draft EIR	2	6	6							4	4	**$2,960**				**$0**	**$2,960**
Subtotal for Task C	**18**	**46**	**59**	**0**	**0**	**0**	**0**	**0**	**0**	**31**	**16**	**$22,930**	**11**	**0**	**65**	**$13,795**	**$36,725**
Task D. Response to Comments Document																	
(1) Administrative Draft RTC Document		12	16	2						6	4	**$5,160**	2		8	**$1,840**	**$7,000**
(2) Screencheck Draft RTC Document		8	6							2	2	**$2,410**	1		4	**$920**	**$3,330**
(3) Final RTC Document		6	6							4	2	**$2,290**				**$0**	**$2,290**
(4) Mitigation Monitoring and Reporting Program		2	6							4		**$1,380**				**$0**	**$1,380**
(5) Findings of Fact and Statement of Overriding Considerations		4	16							6		**$2,940**				**$0**	**$2,940**
(6) Administrative Record	1	1	16							2	2	**$2,440**				**$0**	**$2,440**
Subtotal for Task D	**1**	**33**	**66**	**2**	**0**	**0**	**0**	**0**	**0**	**24**	**10**	**$16,620**	**3**	**0**	**12**	**$2,760**	**$19,380**
Task E. Public Hearings and Meetings																	
Subtotal for Task E	**20**	**32**	**24**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**$12,240**	**0**	**16**	**0**	**$2,800**	**$15,040**
Task F. Project Management																	
Subtotal for Task F	**16**	**20**	**8**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**$7,720**	**0**	**0**	**0**	**$0**	**$7,720**
TOTAL LABOR	**92**	**187**	**263**	**20**	**24**	**72**	**8**	**28**	**32**	**82**	**52**	**$115,150**	**20**	**52**	**77**	**$26,975**	**$142,125**

DIRECT COSTS	
(1) Travel, Deliveries, Communication	**$1,100**
(2) Maps; Plans; Reports; Database Searches	**$800**
(3) Printing and Graphic Reproduction	**$4,200**
(4) Fehr & Peers Traffic Analysis	**$31,630**
TOTAL DIRECT COSTS	**$37,730**

TOTAL LSA TEAM BUDGET	
TOTAL LSA TEAM BUDGET (WITHOUT CONTINGENCY)	**$179,855**

CONTINGENCY FUNDS	
CONTINGENCY AT 10 PERCENT	**$18,000**

TOTAL LSA TEAM BUDGET WITH CONTINGENCY	
TOTAL LSA TEAM BUDGET (WITH CONTINGENCY)	**$197,855**

SCHEDULE OF STANDARD CONTRACT PROVISIONS AND BILLING RATES

FEES FOR PROFESSIONAL SERVICES

Fixed-Fee Contracts

If a fixed-fee proposal, the professional services described in the Scope of Services Section of the attached proposal shall be provided for the fixed fee noted in the proposal. All other professional services are considered extra services. Extra services shall be provided on a time and expenses basis at the same rates specified for hourly contracts, unless other arrangements are made in advance.

Hourly Contracts

If an hourly plus expenses proposal, the professional services described in the Scope of Services Section of the attached proposal shall be provided on a time and materials basis at current hourly rates. These rates are as shown on a Rate Schedule that is attached, or can be made available. Hourly rates are subject to review at least annually on or about June 1 of each year, and may be adjusted to reflect changing labor costs, at our discretion, at that time. (A schedule can be made available upon request.)

Direct costs (including cost of subconsultants) shall be reimbursed at cost plus 10 percent, unless other arrangements are made in advance, and are not included in the hourly fee for professional services.

The total estimated amount of time and expenses noted in the proposal will serve as a control on the services to be provided. The specified amount will not be exceeded without prior approval of the client.

INVOICING

Monthly invoices shall be submitted for progress payment based on work completed to date. Clients requesting changes to LSA's standard invoice may be billed for the time to develop the invoice and monthly administration of the billing.

PAYMENT OF ACCOUNTS

Terms are net 30 days. A service charge of 1.5 percent of the invoice amount (18 percent annual rate) may be applied to all accounts not paid within 30 days of invoice date. Any attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by the client.

STANDARD OF CARE

Services provided by LSA under this Agreement will be performed in a manner consistent with the degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

INDEMNIFICATION

Client and consultant each agree to indemnify and hold the other harmless and their respective officers, employees, agents, and representatives from and against liability for all claims, losses, damages, and

expenses, including reasonable attorneys' fees, to the extent such claims, losses, damages, and expenses are caused by the indemnifying party's negligent acts, errors, or omissions.

ELECTRONIC FILE DATA CHANGES

Copies of documents that may be relied upon by client are limited to the printed copies (also known as hard copies) that are signed or sealed by LSA. Files in electronic media format or text, data, graphic, or other types that are furnished by LSA to client are only for convenience of client. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. When transferring documents in electronic media format, LSA makes no representations as to long-term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those of LSA at the beginning of the assignment.

FORCE MAJEURE

Neither party shall be deemed in default of this Agreement to the extent that any delay in performance of its obligation results from any cause beyond its reasonable control and without its negligence.

LITIGATION

In the event that either party brings action under the proposal for the breach or enforcement thereof, the prevailing party in such action shall be entitled to its reasonable attorneys' fees and costs whether or not such action is prosecuted to judgment.

NOTICES

Any notice or demand desired or required to be given hereunder shall be in writing, and shall be deemed given when personally delivered or deposited in the mail, postage prepaid, sent certified or registered, and addressed to the parties as set forth in the proposal or to such other address as either party shall have previously designated by such notice. Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received 5 days after the date on which it was mailed.

TERMINATION OF CONTRACT

Client may terminate this agreement with 7 days prior notice to LSA for convenience or cause. Consultant may terminate this Agreement for convenience or cause with seven days prior written notice to client. Failure of client to make payments when due shall be cause for suspension of services, or ultimately termination of the contract, unless and until LSA has been paid in full all amounts due for services, expenses, and other related charges.

If this Schedule of Standard Contract Provisions is attached to a proposal, said proposal shall be considered revoked if acceptance is not received within 90 days of the date thereof, unless otherwise specified in the proposal.

HOURLY BILLING RATES EFFECTIVE JUNE 2017

Job Classification							Hourly Rate Range[1,2]
Planning	**Environmental**	**Transportation**	**Air/Noise**	**Cultural Resources**	**Biology**	**GIS**	
Principal	Principal	Principal	Principal	Principal	Principal	Principal	$180–325
Associate	Associate	Associate	Associate	Associate	Associate	Associate	$95–240
Senior Planner	Senior Environmental Planner	Senior Transportation Planner/Engineer	Senior Air Quality/Noise Specialist	Senior Cultural Resources Manager	Senior Biologist/ Botanist/Wildlife Biologist/Ecologist/ Soil Scientist/ Herpetologist/ Arborist	Senior GIS Specialist	$95–195
Planner	Environmental Planner	Transportation Planner/Engineer	Air Quality/ Noise Specialist	Cultural Resources Manager	Biologist/Botanist/ Wildlife Biologist/ Ecologist/Soil Scientist/ Herpetologist/ Arborist	GIS Specialist	$80–140
Assistant Planner	Assistant Environmental Planner	Assistant Transportation Planner/Engineer	Air Quality/ Noise Analyst	Cultural Resources Analyst	Assistant Biologist/ Botanist/Wildlife Biologist/Ecologist/ Soil Scientist/ Herpetologist/ Arborist	Assistant GIS Specialist	$70–105
Field Services							
Senior Field Crew/Field Crew							$70–100
Office Services							
Graphics							$115–125
Marketing							$80–185
Office Assistant							$55–105
Project Assistant							$70–100
Research Assistant/Intern							$50–70
Word Processing/Technical Editing							$60–115

[1] The hourly rate for work involving actual expenses in court (e.g., giving depositions or similar expert testimony) will be billed at $400 per hour regardless of job classifications.

[2] Hourly rates are subject to review at least annually, on or about June 1 of each year, and may be adjusted to reflect changing labor costs at LSA's discretion at that time.

LSA IN-HOUSE DIRECT EXPENSES EFFECTIVE JUNE 2017

Description		Unit Cost	Description	Unit Cost
Reproduction	(8.5 x 11) B/W	$0.07 per page	GPS Unit	$75.00 per day
Reproduction	(8.5 x 11) Color	$0.40 per page	Total Station Surveying Instrument	$50.00 per day
Reproduction	(11 x 17) B/W	$0.10 per page	Level (Laser or Optical)	$25.00 per day
Reproduction	(11 x 17) Color	$0.75 per page	Laser Rangefinder	$25.00 per day
CD Production		$5.00 per CD	Sound Meter	$75.00 per day
USB Flash Drive		$5.00 per drive	Sound Meter with Velocity Transducer	$85.00 per day
Plotting		$3.75 per sq ft	Aerial Photo	Cost
Aerial Drone		$200.00 per day	Boat Rental	$125.00 per day
Mileage	On-Road	Current federal rate	Water Quality Meter	$25.00 per day
Mileage	Off-Road	Current federal rate		

CERTIFICATE OF COMPLIANCE WITH LABOR CODE § 3700

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

CONSULTANT

By: _____

Title: _____

2784982.1

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

DATE: 6/8/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Adoption of a City Council Resolution for Approval of the City of Pittsburg's Operating Budget for Fiscal Year 2018-19 and Appropriation of Funds for Fiscal Year 2018-19

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

On April 30, 2018, a budget workshop meeting was held to review and receive public input and discussion regarding the Draft Operating Budget for Fiscal Year 2018-19. The Fiscal Year 2018-19 budget must be appropriated by July 1, 2018 to provide on-going funding for the City of Pittsburg activities during the next fiscal year.

FISCAL IMPACT

The proposed City of Pittsburg Operating Budget for Fiscal Year 2018-19 contains an overall estimated revenue stream of $211,552,491 and overall appropriations of $217,299,887. Included in the total appropriations budget are $44.65 million for the General Fund, $11.88 million for the Internal Service Funds, $51.40 million for the Enterprise Funds, $32.82 million for the Special Revenue Funds, $42.26 million for the Debt and Project Funds and $34.29 million for the Successor Agency to the Former Pittsburg Redevelopment Agency Funds.

The Fiscal Year 2018-19 City Manager Budget Message is set forth as attachment I.
The City of Pittsburg Fiscal Year 2018-19 operating budgets for all City funds are set forth in the Summary of Fund Conditions, attachment II, and Summary of Revenues and Expenditures All Funds, attachment III. Projected Citywide revenues are set forth in the Revenue Source by Category and Object, attachment IV. A Summary of Expenditures by Program can be found in attachment V. The FY 2018-19 General Fund Revenues and Expenditures are included in attachments VI and VII.

RECOMMENDATION

Adopt the budget for the City of Pittsburg for the Fiscal Year 2018-19.

BACKGROUND

The City's proposed FY 2018-19 Operating Budget was presented to the City Council at a Budget Workshop held on April 30, 2018.

The proposed FY 2018-19 budget is scheduled to be adopted at the City Council meeting on June 18, 2018. Copies of the proposed budget and supporting documentation were submitted to interested parties prior to the meeting. A complete copy of the detailed Preliminary Operating Budget document for Fiscal Year 2018-19 will be on the City's website before the June 18, 2018 City Council meeting and can be located by navigating to City Services/Finance/Budget and Other Financial Documents/2018-19 Proposed Budget. A hard copy of the same document will be filed at the Contra Costa County Library, Pittsburg Branch.

SUBCOMMITTEE FINDINGS

On May 17, 2018 the Finance Committee met to review the Draft FY 2018-19 Operating Budget.

STAFF ANALYSIS

The City Manager's attached Budget Message provides an overview of the City's FY 2018-19 General Fund budget as well as a description of the City's financial challenges.

ATTACHMENTS: Resolution
Attachment I: Fiscal Year 2018-19 City Manager Budget Message
Attachment II: Summary of Fund Conditions for FY 2018-19
Attachment III: Summary of Revenues and Expenditures All Funds
Attachment IV: Revenue Source by Category and Object All Funds
Attachment V: Summary of Expenditures by Program All Funds
Attachment VI: General Fund Revenues
Attachment VII: General Fund Expenditures

Report Prepared By: Diane Agar, Finance Division Manager – Accounting and Budget
Reviewed by: Brad Farmer, Director of Finance

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

Approval of the Operating Budget for Fiscal Year 2018-19 for the City of Pittsburg and Appropriation of Funds for Fiscal Year 2018-19	))))	RESOLUTION NO. 18-

The Pittsburg City Council DOES RESOLVE as follows:

WHEREAS, the City Manager has prepared, transmitted and presented the one-year Preliminary Operating Budget for Fiscal Year 2018-19 to the City Council for its consideration; and

WHEREAS, the City prepares and adopts the Preliminary Operating Budget for Fiscal Year 2018-19 with the intent of providing a planned program for services and a financial system to carry out the planned program of services; and

WHEREAS,on April 30, 2018the City Council held a budget workshopfor the purpose of reviewing the Preliminary Operating Budget for Fiscal Year 2018-19 and for providing opportunities for public input and discussion on said Preliminary Operating Budget; and

WHEREAS, the City Council, having fully reviewed the Preliminary Operating Budget for Fiscal Year 2018-19 being fully advised, finds and determines that the said Preliminary Operating Budget should be adopted and prepared in the final form.

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 in conjunction with the respective staff report.

B. The Budget for Fiscal Year 2018-19 is hereby approved as set forth in a copy of said budget summary on file with the City of Pittsburg and which by this reference is incorporated herein and authorizes the preparation of the final Adopted Operating Budget for Fiscal Year 2018-19.

C. The funds are hereby and shall be appropriated in the base amount for all City funds, in the manner and for the purposes set forth in the respective staff report Attachment I, Adopted Citywide Expenditure Budgets for Fiscal Year 2018-19.

D. The revenues for all City funds are projected as set forth in the respective staff report Attachment II, Adopted Estimated Citywide Revenues Fiscal Year 2018-19.

E. The Finance Director or his/her designee is hereby authorized to approve payment of goods and services received by the City of Pittsburg in accordance with the City's approved budget, programs, and policies.

F. The City Council of the City of Pittsburg authorizes changes to be made to the annual budget of the City of Pittsburg as follows:

Items Requiring Council/Agency Action:

- Appropriation of fund balance reserves.
- Transfers of appropriations between funds.
- New interfund loans or advances.
- Creation of new capital projects.
- Transactions which increase total fund budgets.

Items Delegated to the City Manager/Executive Director:

- Items in excess of $5,000.00
- Transfers between departments and divisions so that the total fundbudget remains the same.
- Approval of transfers within funds which increase salary and benefit appropriations so that the total fund budget remains the same.

Items Delegated to Department Heads:

- Allocation of departmental appropriations to line item except for salary and benefit appropriations.
- Changes which exceed current funds disbursement authorizations must be approved by the City Manager/Executive Director. These changes cannot increase the department budget.

Section 2. Authorization

PASSED AND ADOPTED by the City Council of the City of Pittsburg at a regular meeting held on 18th day of June2018,by the following vote:

AYES:
NOES:
ABSTAINED:
ABSENT:

_____
Dwayne "Pete" Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk

Summary of Fund Condition

	[1]Estimated Reserves June 30, 2018	Projected Revenues 2018-19	Transfers-In	Projected Expenditures 2018-19	Transfers-Out	Estimated Balance June 30, 2019
General Fund						
General Fund	13,875,169	39,161,425	4,794,237	43,302,464	1,345,370	13,182,997
Subtotal, General Fund	$ 13,875,169	$ 39,161,425	$ 4,794,237	$ 43,302,464	$ 1,345,370	$ 13,182,997
Internal Service Funds						
Building Maintenance	1,242,814	1,801,321	60,000	1,785,072	11,597	1,307,466
Fleet Maintenance	801,985	2,086,449	-	2,079,214	9,642	799,578
Fringe Benefits	750,542	2,532,493	-	2,519,657	-	763,378
Information Communication Services	1,111,167	1,096,210	-	1,246,210	-	961,167
Insurance	463,024	1,697,729	-	1,657,729	-	503,024
Other Post-Employment Benefits (OPEB)[2]	220,404	1,679,599	500,000	2,174,899	-	225,104
Pension Trust/Reserve Fund[3]	-	394,215	-	394,215	-	-
Subtotal, Internal Service Funds	$ 4,589,936	$ 11,288,016	$ 560,000	$ 11,856,996	$ 21,239	$ 4,559,717
Enterprise Funds						
Island Energy	2,898,872	6,199,861	-	6,053,888	28,927	3,015,918
Marina	1,042,943	2,035,971	-	1,972,477	266,909	839,528
Pittsburg Power	2,285,141	2,558,174	50,000	1,507,746	729,891	2,655,678
Sewer Utility	1,809,265	4,950,000	6,777,500	11,054,966	1,269,951	1,211,848
Water Front Operations	714,918	1,525,598	250,000	1,780,761	10,481	699,274
Water Utility	15,254,899	20,945,100	789,867	20,953,534	6,705,734	9,330,598
Subtotal, Enterprise Funds	$ 24,006,038	$ 38,214,704	$ 7,867,367	$ 43,323,372	$ 9,011,893	$ 17,752,844
Special Revenue Funds						
Assets Seizure	31,640	-	-	-	-	31,640
Budget Stabilization	3,682,529	-	-	-	-	3,682,529
CA Energy Conservation Program	6	-	74,500	74,498	-	8
CalHome Program	120,064	900	-	-	-	120,964
California Theatre	(9,420)	93,828	175,000	254,250	-	5,158
Economic Development	112,684	299,763	150,000	413,095	51,258	98,094
Emergency Operations Center	894	52	55,000	34,700	20,000	1,246
Fire District CFD	(10,484)	4,682	-	4,515	-	(10,317)
Gas Tax	(26,329)	1,709,928	-	520,000	1,139,325	24,274
Gas Tax - Road Maint & Rehab (RMRA)	15,013	1,159,401	-	1,159,401	-	15,013
General Plan Update	163,012	-	100,000	-	-	263,012
GHAD Administration	-	-	494,825	490,353	4,472	-
Golf Course	2,752	-	-	10,200	-	(7,448)
Hillview Jr. High Athletic Field Replacement	285,826	52,500	-	-	-	338,326
Housing Authority-Section 8	264,977	17,292,859	-	17,399,175	18,586	140,075
HUD Community Development Block Grant	112,486	889,896	-	500,072	407,109	95,201
Lighting and Landscape	86,411	2,913,110	994,707	3,880,907	113,321	-
Lighting and Landscaping Oak Hills	17,680	33,959	663	35,175	-	17,127
Marina Vista Field Replacement	284,593	29,400	-	-	-	313,993
Measure J Tax Fund	168,930	832,740	-	210,000	683,757	107,913
Miscellaneous Grants	-	70,000	-	-	70,000	-
Neighborhood Stabilization	44,454	-	-	-	-	44,454
Park Maintenance CFD 2007-1	79,773	110,505	-	75,767	-	114,511
Project Amenities Mgmt (CFD 2016-1)	24,791	25,289	-	6,500	-	43,580
Public Safety CFD 2005-1	180,829	464,387	-	11,300	610,000	23,916
Public, Education & Gov't Fees (PEG)	566,614	165,600	-	126,000	-	606,214
R/R Ave Specific Plan (e-BART) CFD 2014	64,638	73,000	-	-	-	137,638
San Marco CFD 2004-1	122,405	939,541	-	14,400	1,020,000	27,546
Small Cities Grant	3,608	-	154,031	154,031	-	3,608
Solid Waste	162,115	541,150	-	526,179	104,192	72,894
Southwest Pittsburg GHAD II	3,628,389	922,700	-	171,850	494,825	3,884,414
Storm Water Utility NPDES	420,504	1,120,994	100,000	1,133,760	62,965	444,773
Successor Agency Housing Fund	1,114,990	266,868	101,541	389,128	559	1,093,712
Vista Del Mar CFD 2005-2	118,869	333,393	-	1,050	425,000	26,212
Subtotal, Special Revenue Funds	$ 11,835,243	$ 30,346,445	$ 2,400,267	$ 27,596,306	$ 5,225,369	$ 11,760,280
Capital Projects Funds						
Bailey Road Maintenance	1,102,520	140,000	-	-	-	1,242,520
Capital Improvement	10,144	-	-	-	-	10,144
Community Capital Improvement	92,845	-	-	-	-	92,845
Inclusionary Housing	391,733	-	-	-	-	391,733

	Estimated Reserves June 30, 2018	Projected Revenues 2018-19	Transfers-In	Projected Expenditures 2018-19	Transfers-Out	Estimated Balance June 30, 2019
Infrastructure Repair & Replacement	8,597	-	-	-	-	8,597
Kirker Creek Drainage Fees	383,727	-	-	-	18,000	365,727
Park Dedication	1,142,506	-	-	734,906	-	407,600
RDA - Project Fund	116,394	-	-	-	-	116,394
Recycled Water Capital Maintenance	30,997	-	-	-	-	30,997
Regional Traffic Mitigation	58,259	-	-	-	-	58,259
Traffic Impact Fair Share	490,374	-	-	-	-	490,374
Traffic Mitigation	511,870	125,000	-	83,698	-	553,172
Subtotal, Capital Projects Funds	$ 4,339,966	$ 265,000	$ -	$ 818,604	$ 18,000	$ 3,768,362
Successor Agency to RDA Funds						
Successor Agency to RDA-Tax Increment	509,192	356,042	361,960	431,811	36,500	758,883
Successor Agency Obligation Retirement Fund	-	33,827,124			33,827,124	-
Subtotal, Successor Agency to RDA Funds	$ 509,192	$ 34,183,166	$ 361,960	$ 431,811	$ 33,863,624	$ 758,883
Debt Service Funds[4]						
Assessment Districts Funds	6,991,148	4,080,964	-	2,832,505	-	8,239,607
Pension Obligations	2,826,609	4,427,276	-	4,425,976	-	2,827,909
Successor Agency to RDA – Bond Funds	40,052,997	50,000	31,545,640	31,145,693	50,000	40,452,944
Successor Agency to RDA - HSG Bond Funds	2,549,948	-	2,006,024	2,030,665	-	2,525,307
Subtotal, Debt Service Funds	$ 52,420,702	$ 8,558,240	$ 33,551,664	$ 40,434,839	$ 50,000	$ 54,045,767
Total, All Funds	$ 111,576,246	$ 162,016,996	$ 49,535,495	$ 167,764,392	$ 49,535,495	$ 105,828,850

[1] Represents working capital and does not include fixed assets, inventory, long-term advances or loans

[2] Does not include CERBT trust funds held by CalPERS

[3] Pension trust funds are collected and disbursed to a trustee

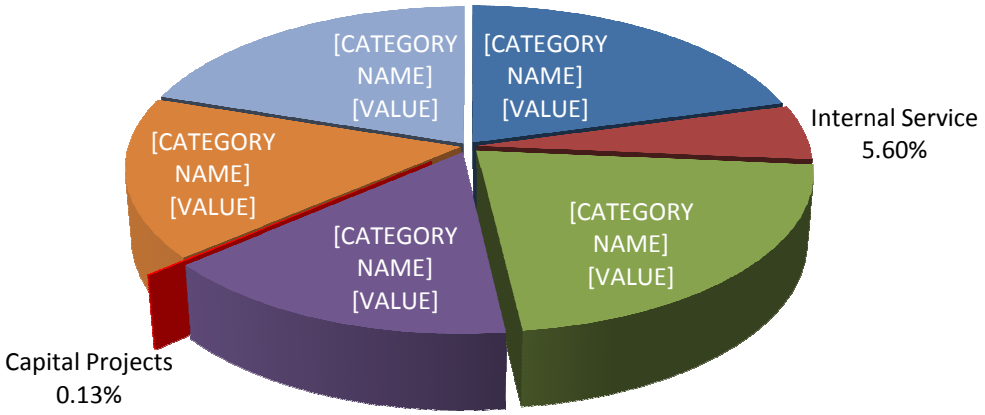
[4] Debt service fund balances include debt service reserves held by a trustee

Summary of Revenues and Expenditures – All Funds

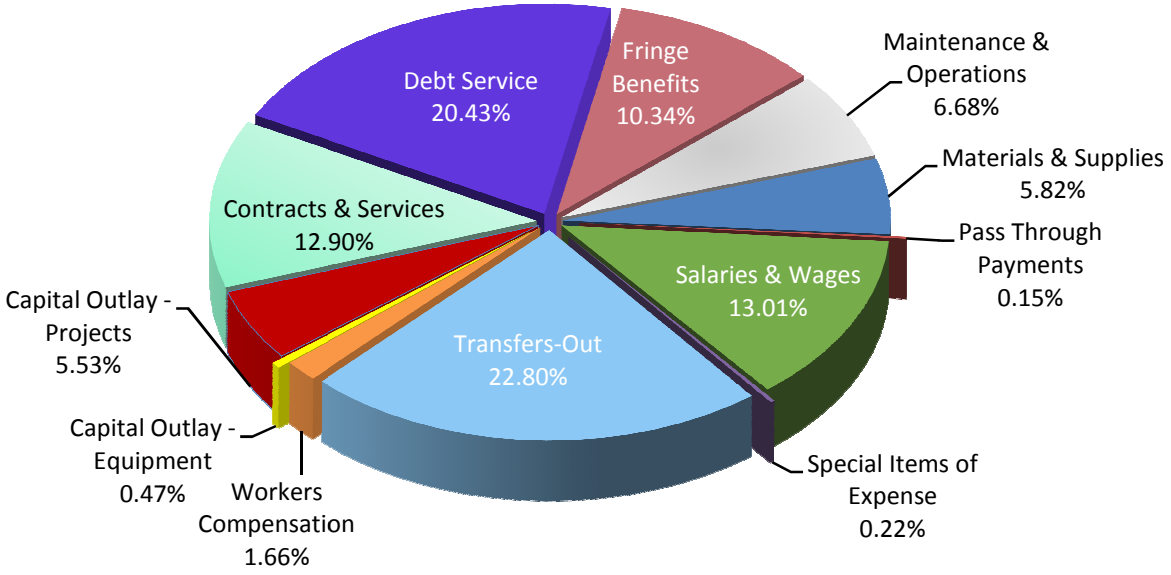
	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
Revenue					
General Fund	41,600,835	45,579,831	43,955,662	(1,624,169)	-3.56
Internal Service Funds	10,327,463	11,641,522	11,848,016	206,494	1.77
Enterprise Funds	78,785,164	42,718,902	46,079,071	3,360,169	7.87
Special Revenue Funds	30,097,134	38,610,035	32,746,712	(5,863,323)	-15.19
Capital Projects Funds	3,520,656	3,106,462	265,000	(2,841,462)	-91.47
Successor Agency to RDA Funds	11,359,278	34,139,962	34,545,126	405,164	1.19
Debt Service Funds	48,662,958	42,334,823	42,112,904	(221,919)	-0.52
Total, Revenues	$ 224,353,488	$ 218,131,537	$ 211,552,491	$ (6,579,046)	-3.02 %
Expenditure					
Capital Outlay - Equipment	2,121,593	5,962,516 [1]	1,013,000	(4,949,516)	-83.01
Capital Outlay - Projects	17,696,303	32,916,962	12,006,901	(20,910,061)	-63.52
Contracts & Services	26,443,990	30,479,814 [1]	28,025,350	(2,454,464)	-8.05
Debt Service Funds	80,882,553	43,834,096	44,389,147	555,051	1.27
Fringe Benefits	20,388,074	20,820,980	22,467,006	1,646,026	7.91
Maintenance & Operations	12,299,461	14,351,845	14,516,311	164,466	1.15
Materials & Supplies	9,931,381	11,911,107	12,638,186	727,079	6.10
Pass Through Payments	320,916	322,151	333,414	11,263	3.50
Salaries & Wages	26,178,501	27,987,234	28,277,593	290,359	1.04
Special Items of Expense	436,607	389,516	471,200	81,684	20.97
Transfers-Out	54,304,349	52,802,007	49,535,495	(3,266,512)	-6.19
Workers Compensation	2,685,961	3,362,803	3,626,284	263,481	7.84
Total, Expenditures	$ 253,689,689	$ 245,141,031	$ 217,299,887	$ (27,841,144)	-11.36 %

(1) Includes a $3.5M multi-jurisdictional freeway security network project funded by CalTrans. The project is cost-neutral to the City.

2018-19 Revenues by Fund Type



2018-19 Expenditures by Category



Revenue Source by Category and Object – All Funds

	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
General Fund					
Fines & Forfeitures	686,962	489,500	726,850	237,350	48.49
Franchise Fees	3,980,309	4,096,870	4,145,234	48,364	1.18
Intergovernmental Revenue	3,031,399	2,665,698	2,646,275	(19,423)	-0.73
Other Revenues	1,946,807	2,189,749	1,935,437	(254,312)	-11.61
Other Taxes	6,684,716	6,916,881	7,165,000	248,119	3.59
Permits, Licenses & Fees	2,105,519	1,918,040	2,038,849	120,809	6.30
Property Taxes	3,573,823	3,668,495	3,992,731	324,236	8.84
Sales Taxes	12,659,580	12,291,467	13,579,560	1,288,093	10.48
Service Fees	2,331,974	2,376,787	2,400,343	23,556	0.99
Transfers-In	4,093,226	8,373,068	4,794,237	(3,578,831)	-42.74
Use of Money & Property	506,520	593,276	531,146	(62,130)	-10.47
Subtotal, General Fund	$ 41,600,835	$ 45,579,831	$ 43,955,662	$ (1,624,169)	-3.56 %
Internal Service Funds					
Other Revenues	5,428,100	6,008,762	6,431,417	422,655	7.03
Service Fees	4,144,874	4,757,915	4,856,599	98,684	2.07
Transfers-In	754,181	874,845	560,000	(314,845)	-35.99
Use of Money & Property	308	-	-	-	-100.00
Subtotal, Internal Service Funds	$ 10,327,463	$ 11,641,522	$ 11,848,016	$ 206,494	1.77 %
Enterprise Funds					
Debt Service	34,886,360	50	-	(50)	-100.00
Fines & Forfeitures	431	-	-	-	-100.00
Franchise Fees	580,000	880,000	880,000	-	-
Intergovernmental Revenue	199,937	440,404	70,000	(370,404)	-84.11
Other Revenues	2,464,686	1,341,519	1,247,589	(93,930)	-7.00
Service Fees	32,377,517	33,280,670	33,861,677	581,007	1.75
Transfers-In	6,239,604	4,795,577	7,867,367	3,071,790	64.05
Use of Money & Property	2,036,629	1,980,682	2,152,438	171,756	8.67
Subtotal, Enterprise Funds	$ 78,785,164	$ 42,718,902	$ 46,079,071	$ 3,360,169	7.87 %
Special Revenue Funds					
Fines & Forfeitures	19,410	1,000	-	(1,000)	-100.00
Franchise Fees	161,435	160,000	163,000	3,000	1.88
Intergovernmental Revenue	16,029,674	18,645,523	17,742,343	(903,180)	-4.84
Other Revenues	1,673,220	5,861,060	1,349,108	(4,511,952)	-76.98
Other Taxes	2,213,740	2,673,101	3,670,998	997,897	37.33
Sales Taxes	128,877	124,662	130,441	5,779	4.64
Service Fees	188,041	109,094	93,950	(15,144)	-13.88
Special Assessments	6,159,385	6,447,468	6,871,235	423,767	6.57
Transfers-In	3,053,804	4,192,439	2,400,267	(1,792,172)	-42.75
Use of Money & Property	469,548	395,688	325,370	(70,318)	-17.77
Subtotal, Special Revenue Funds	$ 30,097,134	$ 38,610,035	$ 32,746,712	$ (5,863,323)	-15.19 %
Capital Projects Funds					
Intergovernmental Revenue	1,183,805	912,972	140,000	(772,972)	-84.67
Other Revenues	200,000	1,604,781	-	(1,604,781)	-100.00
Service Fees	1,828,607	9,816	125,000	115,184	1,173.43
Transfers-In	242,692	578,893	-	(578,893)	-100.00
Use of Money & Property	65,552	-	-	-	-100.00
Subtotal, Capital Projects Funds	$ 3,520,656	$ 3,106,462	$ 265,000	$ (2,841,462)	-91.47 %
Successor Agency to RDA Funds					
Other Revenues	735,612	272,220	212,380	(59,840)	-21.98
Property Taxes	10,218,501	33,641,674	33,827,124	185,450	0.55
Transfers-In	221,239	75,000	361,960	286,960	382.61
Use of Money & Property	183,926	151,068	143,662	(7,406)	-4.90
Subtotal, Successor Agency to RDA Funds	$ 11,359,278	$ 34,139,962	$ 34,545,126	$ 405,164	1.19 %
Debt Service Funds					
Debt Service	162,273	90,067	11,800	(78,267)	-86.90
Service Fees	4,926,918	4,445,017	4,475,976	30,959	0.70
Special Assessments	3,674,562	3,878,584	4,058,578	179,994	4.64
Transfers-In	39,851,830	33,912,185	33,551,664	(360,521)	-1.06
Use of Money & Property	47,375	8,970	14,886	5,916	65.95
Subtotal, Debt Service Funds	$ 48,662,958	$ 42,334,823	$ 42,112,904	$ (221,919)	-0.52 %
Total, All Funds	$ 224,353,488	$ 218,131,537	$ 211,552,491	$ (6,579,046)	-3.02 %

Summary of Expenditures by Program – All Funds

	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
City Council					
City Council	83,145	76,048	79,285	3,237	4.26
Subtotal, City Council	$ 83,145	$ 76,048	$ 79,285	$ 3,237	4.26 %
Administration					
City Manager	250,259	237,229	174,382	(62,847)	-26.49
City Clerk	437,389	416,297	455,755	39,458	9.48
City Attorney	459,513	431,313	541,745	110,432	25.60
Human Resources	890,121	980,865	1,171,835	190,970	19.47
Treasurer	6,355	6,536	6,286	(250)	-3.82
Finance	2,843,758	3,001,632	3,043,471	41,839	1.39
General Fund - Non Departmental	4,445,839	4,799,750	3,930,512	(869,238)	-18.11
Emergency Operation Center	-	55,000	54,700	(300)	-0.55
Information Technology	1,026,242	1,204,868	1,246,210	41,342	3.43
Employee Fringe Benefits	2,060,987	2,483,801	2,519,657	35,856	1.44
Other Post-Employment Benefits (OPEB)	1,970,293	2,395,645	2,174,899	(220,746)	-9.21
Pension Trust	-	-	394,215	394,215	-100.00
Insurance	1,187,522	1,228,798	1,657,729	428,931	34.91
Budget Stabilization	25,000	4,478,386	-	(4,478,386)	-100.00
Subtotal, Administration	$ 15,603,278	$ 21,720,120	$ 17,371,396	$ (4,348,724)	-20.02 %
Police Department					
Police Services	24,110,407	25,124,762	27,944,932	2,820,170	11.22
San Marco CFD	720,954	740,467	1,034,400	293,933	39.70
Vista Del Mar CFD	286,219	309,109	426,050	116,941	37.83
Public Safety CFD	284,742	368,752	621,300	252,548	68.49
Asset Forfeitures	875	-	-	-	-100.00
Police Grants	396,796	4,083,195 [3]	70,000	(4,013,195)	-98.29
Subtotal, Police Department	$ 25,799,993	$ 30,626,285	$ 30,096,682	$ (529,603)	-1.73 %
Enterprise Services					
Marina	1,759,544	2,092,696	2,239,386	146,690	7.01
Golf Course	13,051	32,776	10,200	(22,576)	-68.88
Fire District CFD	8,197	-	4,515	4,515	-100.00
R/R Ave e-BART CFD	3,501,635	-	-	-	-100.00
Environmental Affairs	692,167	972,460	830,869	(141,591)	-14.56
Housing Rehab Loans - CDBG	65,913	100,000	154,031	54,031	54.03
CDBG Entitlements	684,669	1,007,012	907,181	(99,831)	-9.91
CalHome Program	-	-	-	-	-100.00
Waterfront Operations	1,149,369	2,001,990	1,791,242	(210,748)	-10.53
Economic Development	545,854	514,727	464,353	(50,374)	-9.79
Subtotal, Enterprise Services	$ 8,420,399	$ 6,721,661	$ 6,401,777	$ (319,884)	-0.05 %
Community Development					
Planning Division	1,171,589	1,465,027	1,517,672	52,645	3.59
Planning Grants	-	312,000	-	(312,000)	-100.00
Building Division	1,052,294	1,019,964	1,032,596	12,632	1.24
Engineering Division	2,016,881	1,753,875	1,885,084	131,209	7.48
Gas Tax	1,432,086	3,497,552	2,818,726	(678,826)	-19.41
Measure J Tax	1,468,994	4,171,024	893,757	(3,277,267)	-78.57
NPDES	1,034,380	1,045,830	1,196,725	150,895	14.43
Southwest Pittsburg GHAD	684,793	645,721	666,675 [1]	20,954	3.25
GHAD Administration	-	446,478	494,825 [1]	48,347	10.83
Pittsburg CIP	258,144	1,787,978	-	(1,787,978)	-100.00
Developer Fee Fund	3,472,966	4,208,483	836,604	(3,371,879)	-80.12
Community Capital Improvements	211,328	1,246,630	-	(1,246,630)	-100.00
Project Amenities Mgmt CFD	29,024	5,400	6,500	1,100	20.37
Infrastructure Repair & Replacement	170,617	902,295	-	(902,295)	-100.00
Subtotal, Community Development	$ 13,003,096	$ 22,508,257	$ 11,349,164	$ (11,159,093)	-0.50 %
Public Works - Maintenance Services					
Swim Center Maint.	131,094	150,120	148,777	(1,343)	-0.89
Landscape	2,701,285	2,560,620	2,548,842	(11,778)	-0.46
Landscape - Oak Hills Assessment	32,130	32,406	35,175	2,769	8.54
Park Maintenance CFD	73,560	84,328	75,767	(8,561)	-10.15
Public Works Administration	92,639	98,702	97,114	(1,588)	-1.61
Streets	2,243,733	2,310,179	2,578,131	267,952	11.60

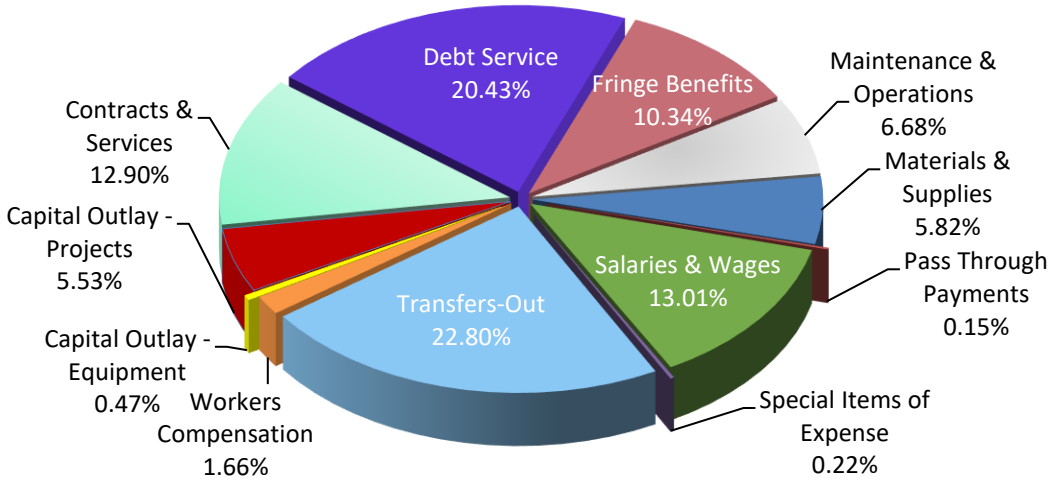
	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
Street Lighting	817,335	804,366	888,050	83,684	10.40
Street Trees	487,903	652,063	496,977	(155,086)	-23.78
Concrete	93,007	77,330	60,359	(16,971)	-21.95
Fleet Maintenance	2,115,171	2,410,514	2,088,856	(321,658)	-13.34
Building Maintenance	1,912,971	1,955,213	1,796,669	(158,544)	-8.11
Graffiti Removal Program	148,962	155,297	164,186	8,889	5.72
Subtotal, Public Works - Maintenance Services	$ 10,849,790	$ 11,291,138	$ 10,978,903	$ (312,235)	-2.77 %
Recreation					
Recreation Administration	130,462	197,395	212,020	14,625	7.41
Recreation Services	960,003	1,099,810	1,123,786	23,976	2.18
Recreation Grants	9,692	17,745	-	(17,745)	-100.00
California Theatre	358,772	394,032	254,250	(139,782)	-35.47
Subtotal, Recreation	$ 1,458,929	$ 1,708,982	$ 1,590,056	$ (118,926)	-0.07 %
Public Works - Water and Sewer Enterprises					
Water Operating	17,494,450	17,758,225	21,526,885	3,768,660	21.22
Water CIP	5,239,277	1,558,850	475,000	(1,083,850)	-69.53
Water Facility Reserve Fee Funds	7,059,760	5,150,966	77,500	(5,073,466)	-98.50
Sewer Maintenance	2,681,522	4,161,675	2,931,983	(1,229,692)	-29.55
Sewer CIP	226,305	13,047,864	8,127,500	(4,920,364)	-37.71
Sewer Facility Reserve Fee Funds	2,865	233,113	460,000	226,887	97.33
Water Bond Debt Service	41,158,050	3,913,952	4,120,148	206,196	5.27
Sewer Bond Debt Service	809,986	806,268	805,434	(834)	-0.10
Subtotal, Public Works - Water & Sewer Enterprises	$ 74,672,215	$ 46,630,913	$ 38,524,450	$ (8,106,463)	-17.38 %
Housing Authority					
Housing Authority - Section 8	15,699,518	16,335,709	17,417,761	1,082,052	6.62
Housing - Successor Agency	602,632	379,758	389,687	9,929	2.61
Subtotal, Housing Authority	$ 16,302,150	$ 16,715,467	$ 17,807,448	$ 1,091,981	6.53 %
Pittsburg Power Company					
Island Energy	4,431,876	5,635,400	5,552,815	(82,585)	-1.47
Pittsburg Power	2,096,355	2,559,669	2,237,637	(322,032)	-12.58
Power Company Capital Projects	558,904	1,414,641	530,000	(884,641)	-62.53
Subtotal, Pittsburg Power Company	$ 7,087,135	$ 9,609,710	$ 8,320,452	$ (1,289,258)	-13.42 %
Successor Agency to Former RDA					
RDA General	10,255,651	33,641,675	33,863,624 [2]	221,949	0.66
RDA Administration	401,514	998,157	431,811	(566,346)	-56.74
RDA Capital Projects Fund	113,307	415,229	-	(415,229)	-100.00
RDA Tax Allocation Bonds	58,651,433	31,026,326	31,195,693 [2]	169,367	0.55
RDA Housing Bonds	3,452,531	2,037,103	2,030,665 [2]	(6,438)	-0.32
Subtotal, Successor Agency to Former RDA	$ 72,874,436	$ 68,118,490	$ 67,521,793	$ (596,697)	-0.88 %
Debt Service Funds					
Pension Obligation Bond	4,793,127	4,370,018	4,425,976	55,958	1.28
Assessment Districts	2,741,996	5,043,942	2,832,505	(2,211,437)	-43.84
Subtotal, Debt Service Funds	$ 7,535,123	$ 9,413,960	$ 7,258,481	$ (2,155,479)	-22.90 %
Total, Uses by Program	$ 253,689,689	$ 245,141,031	$ 217,299,887	$ (27,841,144)	-11.36 %

(1) Includes transfers between funds in the amount of $494,825, therefore uses appear to be overstated by $494,825

(2) Includes transfers between funds to pay for debt obligation in the amount of $33,135,772, therefore uses appear to be overstated by $33,135,772

(3) Includes a $3.5M multi-jurisdictional freeway security network project funded by CalTrans. The project is cost-neutral to the City.

2018-19 Expenditures by Category

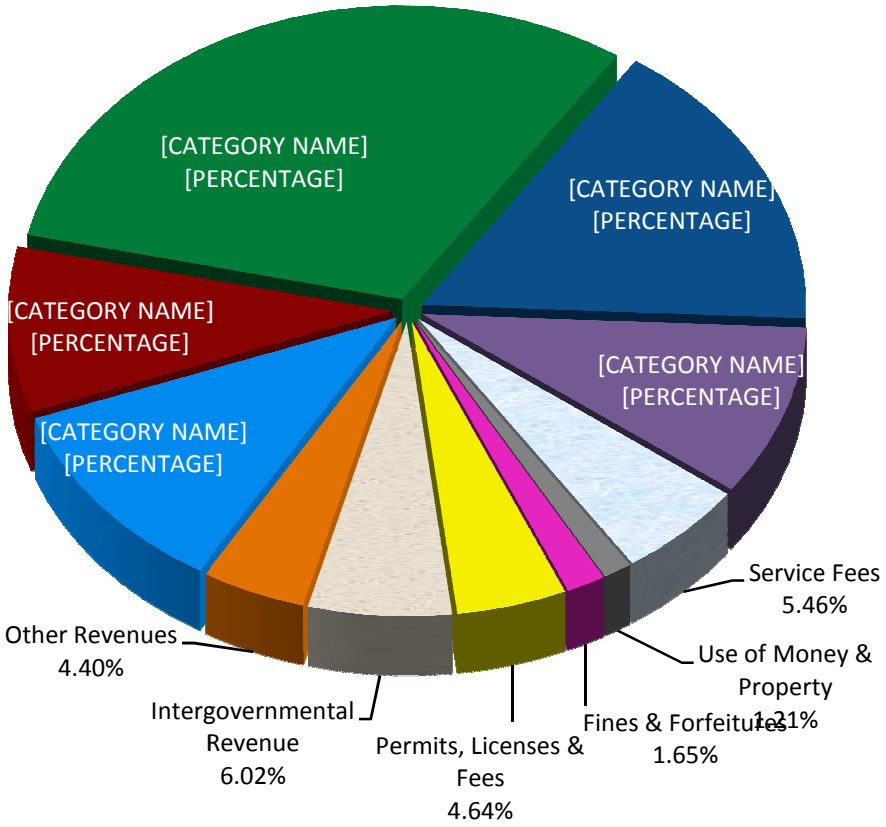


General Fund Revenues

	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
Property Taxes					
Homeowners Tax Relief	78,281	80,000	80,000	-	-
Prior Year Taxes	77,136	(30,000)	(30,000)	-	-
Secured Property Taxes	2,536,092	2,776,467	2,887,822	111,355	4.01
Supplemental Taxes	292,112	200,000	400,000	200,000	100.00
Unitary Taxes	279,350	320,000	320,000	-	-
Unsecured Property Taxes	310,852	322,028	334,909	12,881	4.00
Subtotal, Property Taxes	$ 3,573,823	$ 3,668,495	$ 3,992,731	$ 324,236	8.84 %
Sales Taxes					
Sales & Use Taxes	8,492,550	8,260,708	8,966,700	705,992	8.55
Sales Taxes - Increase	4,167,030	4,030,759	4,612,860	582,101	14.44
Subtotal, Sales Taxes	$ 12,659,580	$ 12,291,467	$ 13,579,560	$ 1,288,093	10.48 %
Other Taxes					
Business License Tax	541,269	525,000	530,000	5,000	0.95
Motor Vehicle Tax	4,544,316	4,787,481	4,900,000	112,519	2.35
Other Taxes	256,528	260,000	350,000	90,000	34.62
Public Safety - Prop 172 Sales Tax	583,789	585,000	585,000	-	-
Transient Occupancy Taxes	758,814	759,400	800,000	40,600	5.35
Subtotal, Other Taxes	$ 6,684,716	$ 6,916,881	$ 7,165,000	$ 248,119	3.59 %
Franchise Fees					
Calpine	18,007	16,000	17,500	1,500	9.38
Comcast Broadband	681,660	670,000	687,000	17,000	2.54
Franchise Fees - Other	123,981	129,918	125,000	(4,918)	-3.79
PG&E	513,007	571,000	591,000	20,000	3.50
Pittsburg Disposal	1,738,661	1,760,000	1,765,000	5,000	0.28
RCTS	904,993	949,952	959,734	9,782	1.03
Subtotal, Franchise Fees	$ 3,980,309	$ 4,096,870	$ 4,145,234	$ 48,364	1.18 %
Service Fees					
Building Service Fees	290,923	278,640	255,335	(23,305)	-8.36
Engineering Service Fees	1,410	510	2,226	1,716	336.47
Other Reimbursements	321,745	449,000	400,000	(49,000)	-10.91
Other Service Fees	642,735	593,713	623,370	29,657	5.00
Planning Service Fees	26,795	30,100	36,100	6,000	19.93
Police Service Fees	525,998	502,224	503,512	1,288	0.26
Public Works Service Fees	280,654	281,000	276,000	(5,000)	-1.78
Recreation Entrance Fees	140,442	150,000	172,500	22,500	15.00
Recreation Service Fees	81,006	76,600	87,300	10,700	13.97
Recreation Sports Fees	20,266	15,000	44,000	29,000	193.33
Subtotal, Service Fees	$ 2,331,974	$ 2,376,787	$ 2,400,343	$ 23,556	0.99 %
Use of Money & Property					
Investment Earnings	140,608	266,000	207,400	(58,600)	-22.03
Rental Income	365,912	327,276	323,746	(3,530)	-1.08
Sale of Property	-	-	-	-	-100.00
Subtotal, Use of Money & Property	$ 506,520	$ 593,276	$ 531,146	$ (62,130)	-10.47 %
Fines & Forfeitures					
Abandoned Vehicle Abatement	158,406	145,000	140,000	(5,000)	-3.45
Booking Fees	8,118	8,000	5,500	(2,500)	-31.25
Code Enforcement Fines	150,194	46,000	61,500	15,500	33.70
Fines and forfeitures	4,409	1,000	1,000	-	-
Police Fines	210,482	98,000	76,500	(21,500)	-21.94
Police Forfeitures	3,474	2,000	3,000	1,000	50.00
POST Reimbursements	5,069	-	5,000	5,000	-100.00
Traffic Fines	144,973	-	-	-	-100.00
Vehicle Code Fines	1,837	189,500	434,350	244,850	129.21
Subtotal, Fines & Forfeitures	$ 686,962	$ 489,500	$ 726,850	$ 237,350	48.49 %
Permits, Licenses & Fees					
Building Fees	111,379	209,240	188,220	(21,020)	-10.05
Building Permits	930,737	908,400	888,925	(19,475)	-2.14
Business License Fees	146,068	145,500	125,000	(20,500)	-14.09
Code Enforcement Fee	-	-	10,000	10,000	-100.00
Engineering Fees	765,177	439,464	602,043	162,579	36.99

	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
Other Fees	10,261	10,261	10,261	-	-
Other Permits	13,629	3,575	8,900	5,325	148.95
Planning & Zoning	118,106	195,600	198,000	2,400	1.23
Police Fees	10,162	6,000	7,500	1,500	25.00
Subtotal, Permits, Licenses & Fees	$ 2,105,519	$ 1,918,040	$ 2,038,849	$ 120,809	6.30 %
Intergovernmental Revenue					
Grants	188,588	406,222	110,500	(295,722)	-72.80
Other Reimbursements	136,221	300,500	453,810	153,310	51.02
RDA AB-1290/City Pass Through	1,366,332	605,623	487,808	(117,815)	-19.45
School Resource Officer Reimbursement	360,672	346,800	505,000	158,200	45.62
State Mandated Costs	22,888	26,553	109,157	82,604	311.09
Tipping Fee	956,698	980,000	980,000	-	-
Subtotal, Intergovernmental Revenue	$ 3,031,399	$ 2,665,698	$ 2,646,275	$ (19,423)	-0.73 %
Other Revenues					
Administrative Overhead	1,636,718	1,852,489	1,859,638	7,149	0.39
Donations	10,055	5,260	11,799	6,539	124.32
Grants	-	-	-	-	-100.00
Loan Repayments	-	100,000	-	(100,000)	-100.00
Other Reimbursements	242,902	192,000	52,500	(139,500)	-72.66
Other Revenues	57,132	40,000	11,500	(28,500)	-71.25
Subtotal, Other Revenues	$ 1,946,807	$ 2,189,749	$ 1,935,437	$ (254,312)	-11.61 %
Transfers-In					
Transfers-In	4,093,226	8,373,068	4,794,237	(3,578,831)	-42.74
Subtotal, Transfers-In	$ 4,093,226	$ 8,373,068	$ 4,794,237	$ (3,578,831)	-42.74 %
Total, General Fund Revenues	$ 41,600,835	$ 45,579,831	$ 43,955,662	$ (1,624,169)	-3.56 %

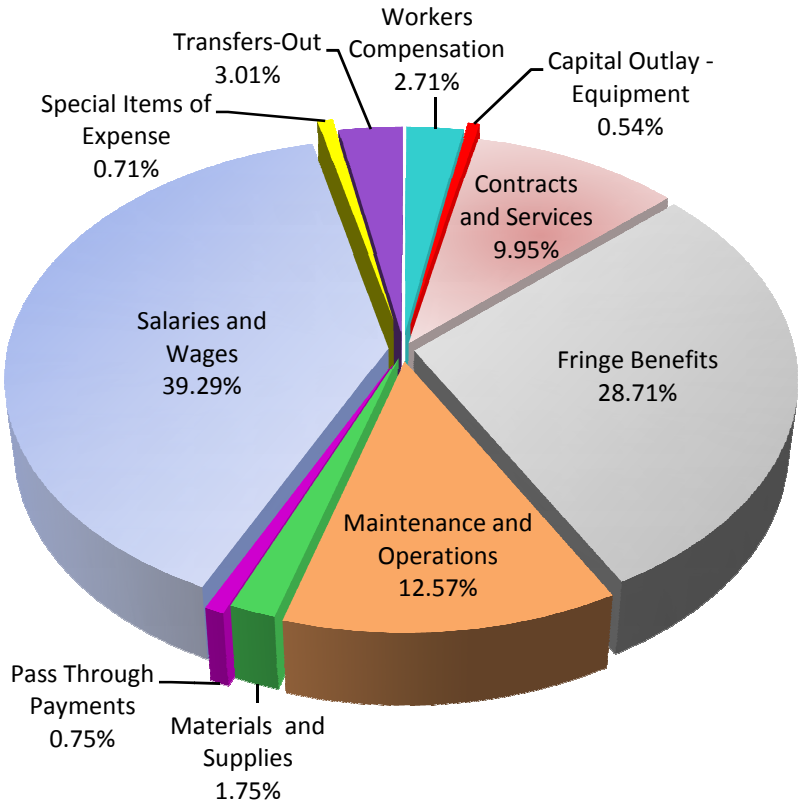
General Fund Revenues by Source



General Fund Expenditures by Category

	2016-17 Actual	2017-18 Amended Budget	2018-19 Proposed Budget	Change from 2017-18	% Change
Capital Outlay - Equipment	184,870	648,222	242,000	(406,222)	-62.67
Contracts & Services	5,444,388	5,030,713	4,442,251	(588,462)	-11.70
Fringe Benefits	11,694,163	10,907,670	12,819,677	1,912,007	17.53
Maintenance & Operations	4,682,043	5,482,194	5,613,435	131,241	2.39
Materials & Supplies	795,334	793,361	781,645	(11,716)	-1.48
Pass Through Payments	302,670	322,151	333,414	11,263	3.50
Salaries & Wages	16,119,811	15,918,117	17,543,130	1,625,013	10.21
Special Items of Expense	104,835	214,516	319,000	104,484	48.71
Transfers-Out	1,295,808	1,535,266	1,345,370	(189,896)	-12.37
Workers Compensation	840,521	1,042,606	1,207,912	165,306	15.86
Total, Expenditures	$ 41,464,443	$ 41,894,816	$ 44,647,834	$ 2,753,018	6.57 %

2018-19 General Fund Expenditures by Category



City of Pittsburg
65 Civic Avenue
Pittsburg, California 94565

June 18, 2018

Honorable Mayor and Members of the City Council:

I am pleased to submit the Fiscal Year (FY) 2018-19 Annual Budget for the City of Pittsburg (City), which provides a comprehensive financial framework for the coming year. The budget presented in this document represents the City's commitment to serve both the residents and business community, and long-term financial stability throughout the City. Over this past year bond ratings of the City have increased two times as a result of the fiscally responsible approach the City has taken with our finances and financial projections. Revenues for the City (excluding transfers) are projected to be $162.0 million, of which 24.2 percent comprises the General Fund. The City's total expenditures are projected (excluding Transfers and Capital) to be $154.7 million, of which 27.8 percent is the General Fund, the City's main source of unrestricted funds. This proposed budget funds 276 full-time equivalent employees, an increase of three full-time public safety positions over FY 2017-18 approved staffing levels. Before the recent economic recession, the City budget had 308 full-time equivalent positions. This Budget is in compliance with the requirements of the Fiscal Sustainability Ordinance which set a minimum reserve by the end of FY 2017-18.

Overview of the General Fund Proposed Operating Budget for FY 2018-19

	17/18 YE Est	18/19 Budget	Difference	Percent Difference
Revenues	43,282,123	43,955,662	673,539	1.56%
Expenditures	43,407,636	44,647,834	1,240,198	2.86%
Surplus (Deficit)	(125,513)	(692,172)	(566,659)	451.47%
Use of Budget Stabilization Fund	125,513	-	-	-
Use of GF Fund Balance	-	692,172	692,172	100%

Projected FY 2018-19 ending Budget Stabilization Fund – Fund Balance	$ 3,682,529
Projected FY 2018-19 ending General Fund – Fund Balance	$13,182,997

Revenues

The City's revenue streams are influenced by overall economic conditions. Total General Fund revenue projections for FY 2018-19 are approximately $1.2 million more than FY 2017-18 year-end estimates. The additions are due to a one-time realignment of approximately $450,000 in Community Facilities District Public Safety revenues along with the related operations costs being moved to the General Fund. The General Fund major revenue sources include property and sales taxes, transfers, other taxes, and franchise taxes. Together the major sources comprise

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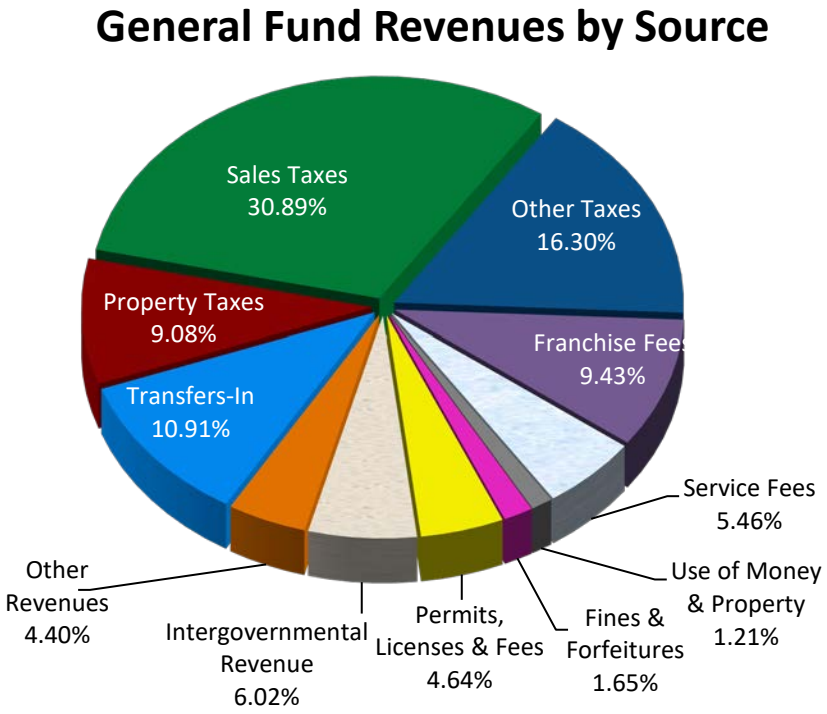
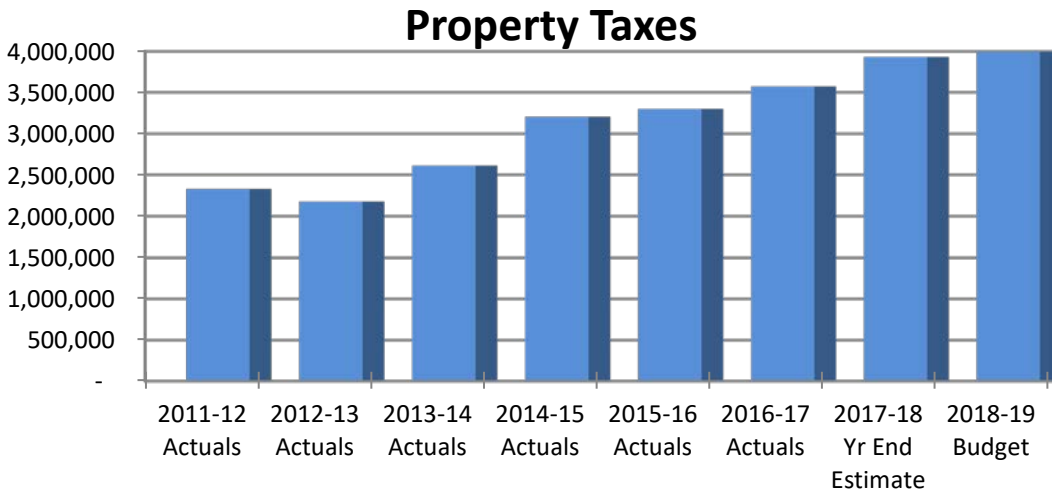
76.61 percent of total General Fund revenues for FY 2018-19, as shown on the graph below. The remaining 23.39 percent includes revenues such as intergovernmental revenue, department fee revenues and interest earnings.



The City continues to see signs of improvement through increases in both property tax and sales tax revenues. Property tax revenue projections increased approximately $60,923 from year-end estimates; a 1.55 percent estimated increase due to additional single-family and commercial construction, as well as recovering property values.



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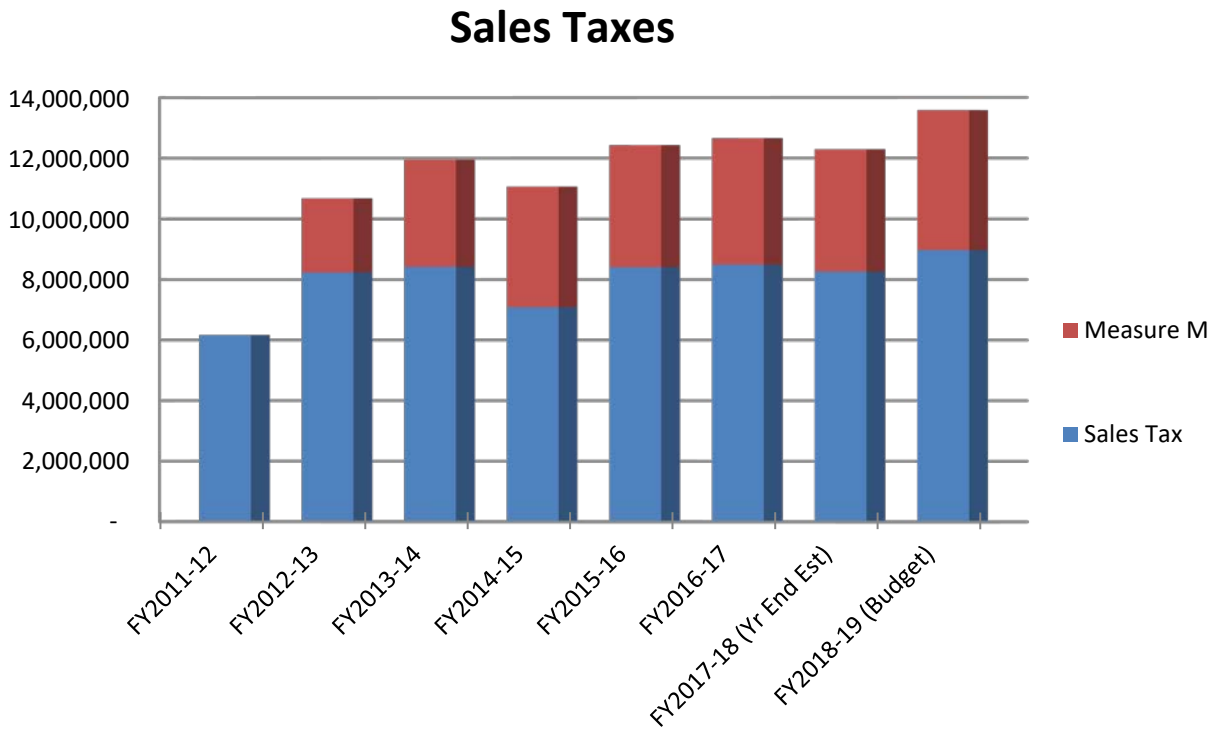
FY 2018-19 Sales Tax revenue projections raised by $1,288,093 over FY 2017-18 year-end estimates, a 10.5 percent increase. Sales tax revenue continues to show strong growth with the addition of a new auto dealership and gasoline station accounting for most of the projected increase. Looking forward, the City is projecting Sales Tax revenue to increase at a modest rate of approximately two percent per year.

In June 2016, 81% of voters approved Measure M, which extended the City's one-half sales tax through June 2035.



Expenditures

General Fund projected expenditures have increased by $1.2 million in FY 2018-19 over FY 2017-18 year-end estimates. An increase of approximately $450,000 resulted from a realignment of public safety costs being moved from the CFD funds to the General Fund to provide greater transparency of the City's public safety expenditures in the General Fund. For the FY 2018-19 budget, all departments were requested to keep controllable costs neutral where possible to offset normal inflationary costs. This budget continues to see additional resources being dedicated to fund the public retirement system CalPERS with higher contribution rates and additional funding requirements to cover the unfunded actuarial liabilities and changes initiated by the CalPERS Board. The CalPERS rate increases resulted from changes to proactively fund the current unfunded actuarial liabilities over the next 15 years. In response to these changes, the City

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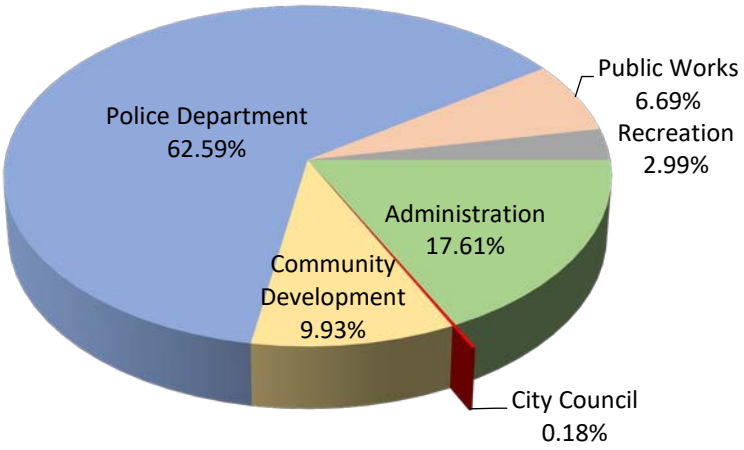
redirected program costs to other funds and away from the General Fund where possible and made necessary adjustments to the current budget and future projected budgets to minimize the impacts wherever possible for the current and future years to come.

The restructuring and reductions that were necessary in the current budget will enable the City to continue to provide the services residents and the business community have enjoyed while remaining fiscally prudent with the funds entrusted to the City.

2018-19 General Fund Expenditures by Department



7-year General Fund Balancing Plan and Implementation of the Fiscal Sustainability Ordinance

FY 2017-18 was the final year of the initial 7-year General Fund Balancing Plan and starting with FY 2018-19, the City is required to operate within the revenues provided through normal operations within the City. The initial plan to develop a sustainable plan for the City to operate within by the end of the 7-year General Fund Balancing Plan (Plan) ending with FY 2017-18. While the City is at the end of the initial Plan, we will continue to work with similar conservative revenue projections and expenditure assumptions, with the goal to operating within a structurally balanced budget. Since the inception of the Plan, actual revenues and expenses have been favorable overall. Starting with FY 2018-19, the City will no longer utilize the Budget Stabilization Fund to balance the General Fund, unless significant events occur outside of the normal predictable operating cycle. Should such an event occur, prior to utilizing any Budget Stabilization Funds, council will be apprised of the situation.

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Fiscal Sustainability Ordinance – This is the sixth year that the City's budget has been developed under the guidelines of the City's Fiscal Sustainability Ordinance. The Budget Stabilization Fund projected balance at the end of FY 2018-19 is just over five percent of the General Fund operating expenditures as required by the Ordinance. While the City Council adopted a change to the Fiscal Sustainability Ordinance allowing up to ten percent (10%) of the required minimum 30 percent General Fund reserve level to be held in real estate, no expected utilization of real estate is projected for the current year to maintain the minimum requirements as outlined in the Ordinance.

20-year General Fund Forecast – The City budgets annually for the upcoming year, however the City uses a longer-range 20-year forecast to predict future fiscal measures for the City to operate within. This forecast incorporates anticipated revenues from development, assessed market value and economic recovery, as well as a systematically structured expenditure plan to cover current operational costs, post retirement liabilities (Contra Costa County Employees' Retirement Association (CCCERA), Pension, and Other Post-Employment Benefits (OPEB).

Pension - One of the benefits offered to City employees is participation in the CalPERS pension program. Following significant losses during the recession and lower than projected returns on assets held for the past several years, CalPERS changed the assumptions it applies to the funding requirements of the program. These assumptions changed the term of recovery from 30 years to 15 years, lowering the discount rate (projected annual earnings rate) from 7.375 percent to 7.0 percent over the next three years and a shortening of the amortization life from 30 years to 20 years for future years. The resulting financial impacts of these changes will significantly increase future pension obligations, possibly resulting in reduced service levels throughout the City.

Assembly Bill 340 (AB 340) created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and the final compensation period for employees hired on or after January 1, 2013. The impacts of AB 340 will be realized as the City experiences employee attrition. The City is working on reducing this liability through employee attrition, negotiated employee contributions, and additional City contributions toward the pension obligation.

By direction of the City Council, the current operating budget contains the establishment of a 115 Trust to accumulate funds that can only be used towards future Pension costs in addition to paying the required CalPERS annual pension payments. For FY 2018-19 the City has budgeted $394,215 city wide to be deposited into the Trust.

OPEB Liabilities – In December 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 healthcare. The City continues to deposit funds with CERBT each year to reduce its unfunded OPEB liability. The City's CERBT account had a balance of $3.8 million as of March 31, 2018 and a balance of $3.4 million as of June 30, 2017. The proposed FY 2018-19 Budget contains a contribution of $500,000 towards the Trust to fund future OPEB costs.

Looking Forward

Staff will continue to streamline the City's organization and strive to optimize the existing workforce to meet the needs of residents throughout the City. By continuing to improve efficiency and focusing on the longer-term 20-year forecast for the City's General Fund, staff feels the City, residents, business leaders and community partners will continue to invest in and strengthen the community.

Crime Rates –Over the past year, the City saw an increase in Violent Crimes and a reduction in Part I Crimes. Overall crime rates continue to remain at some of the lowest levels in decades and continues to compare very well with nearby cities.

VIOLENT CRIME COMPARISON BY CITY

PER 1,000 RESIDENTS

CITY/YEAR	2016	2017
Walnut Creek	1.1	1.5
Pleasant Hill	2.6	2.0
Brentwood	2.2	2.6
Concord	3.5	3.6
Pittsburg	4.5	4.9
Antioch	6.7	5.3

PART I CRIME COMPARISON BY CITY

PER 1,000 RESIDENTS

CITY/YEAR	2016	2017
Brentwood	31.6	31.2
Pittsburg	33.8	30.6
Walnut Creek	31.2	33.8
Concord	37.4	38.2
Antioch	39.7	39.6
Pleasant Hill	47.0	49.6

Violent Crime includes: Murder, Rape, Robbery and Aggravated Assault

Part I Crimes include Murder, Rape, Robbery, Aggravated Assault, Burglary, Larceny Theft, Vehicle Theft and Arson

Development – Pittsburg is a great place to live and work, filled with many talented people with a diversity of interests. The business community works hard and City government is committed to maintaining that tradition. The Council and staff work with businesses and developers to ensure the community grows at a pace that is healthy for all parties involved. Staff's objective is to look both internally and externally, focusing not only on maintaining the quality of life in Pittsburg, but improving it.

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The proposed Capital Projects budget for FY 2018-19 is approximately $12 million, as summarized on the chart below. A majority of the capital projects involve improvements to the City's water distribution and sewer systems. Funds for infrastructure projects come from water and sewer operation funds, developer fees, grants and regional fees for storm drainage and fuel taxes.

Project Name	Funding Source	Prior Allocations	FY18/19 Allocation
Range Road Sidewalk Widening	Gas Tax/TDA	$ -	$ 120,000
2018/19 Citywide Pavement Management	Gas Tax	-	400,000
West Leland Road Pavement Management	RMRA	-	974,401
2018/19 Citywide Traffic Calming Project	Measure J	-	100,000
2018/19 Citywide Fence/Soundwall/Streetlight Replacement and Installation	Measure J	-	100,000
2018/19 Citywide Striping and Signage	RMRA	-	50,000
2018/19 Traffic Signal Modification	RMRA	-	135,000
Water Treatment Capital Repairs and Improvements	WOF	75,000	75,000
Automatic Water Meter Reading System	WOF	2,206,793	300,000
2021/22 Filter Media Replacement	WOF	-	100,000
2016/17 Sewer and Water Replacement and Rehabilitation Program	SOF, SFR, WOF, Wbond, WFR	3,500,000	8,127,500
Small World Park Improvements	PDF	-	20,000
Annual Playground Replacement Project	PDF	-	80,000
City Park Soccer Field Turf Replacement	PDF	-	250,000
Annual Park Features Replacement Project	PDF	-	75,000
Biennial Restroom Replacement/Rehabilitation	PDF	-	250,000
Marina Maintenance Dredging (formerly Riverview Basin Dredging)	WO, ME	106,208	320,000
Duct Bank and Vault Replacements	IE	-	400,000
Station H KWH Metering Equipment	IE	100,000	80,000
Gas Line Removal and Replacement	IE	100,000	50,000
Totals		**$ 6,088,001**	**$12,006,901**

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BART – (Bay Area Rapid Transit) Construction of the $463 million extension of the BART system from the Pittsburg-Bay Point station to Antioch is complete with opening of the Pittsburg station in May 2018. The development surrounding the new station will help invigorate development along the Railroad corridor through the heart of the City of Pittsburg.

Conclusion

The FY 2018-19 Annual Budget reflects the short and long-term financial capacity of the City. It balances a variety of wants against needs, while reflecting the goals, strategic direction and plans prioritized by the Council as the community moves forward.

I would like to thank the City Council for their guidance and support throughout the development of this proposed budget. In addition, I would like to thank the Finance Department Budget staff and staff in all other City Departments that contributed to the Fiscal Year 2018-19 budget. I would like to give special thanks to Brad Farmer, Finance Director and to Diane Agar, Finance Accounting and Budget Manager for their work and expertise throughout this year's budget process.

Joe Sbranti
City Manager

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

DATE: 6/6/2018

TO: Mayor and Council Members

FROM: Joe Sbranti, City Manager

SUBJECT: Introduction and Waive First Reading of an Ordinance Amending Chapter 8.04 Rubbish Removal and Disposal

MEETING DATE: 6/18/2018

EXECUTIVE SUMMARY

The City Council will consider the adoption of an Ordinance, amending Chapter 8.04 Rubbish Removal and Disposal, to clarify the proper storage of collection containers for garbage, recycling, and green waste on properties on non-collection days.

FISCAL IMPACT

This Amendment to the Ordinance will not directly impact the General Fund. This Ordinance will require staff time to notify and educate residential, commercial, and industrial property owners as well as other staff members to provide enforcement with notices and citations.

RECOMMENDATION

City Council move to adopt the attached Ordinance approving amendments to Chapter 8.04 “Rubbish Removal and Disposal” of the Municipal Code.

BACKGROUND

City staff has received complaints over the years about the storage garbage and recycling containers being left in public right of ways as well as being left in front of properties or outside of containment areas. The improper storage of these containers cause blight with their unsightliness and litter nuisances after the local solid waste / recycling hauler has collected the materials curbside. Containers left in this fashion invite scavenging and illegal dumping within the community as well as vandalism with containers being knocked over and contents spilled onto the ground and eventually into waterways.

Code Enforcement has been active over the years with enforcing this section of the Pittsburg Municipal Code (PMC), however, the present vagueness of the Ordinance has caused difficulty with follow through of the implementation of enforcement. This has caused additional complaints by the residents complaining about the blight of the containers only to then issue complaints about the City's lack of enforcement and being non-proactive in efforts pertaining to blight in our community.

SUBCOMMITTEE FINDINGS

Not applicable.

STAFF ANALYSIS

Staff reviewed the Municipal Codes of 8 cities within Contra Costa County and approximately 10 other cities within the state regarding the storage of garbage and recycling containers on properties. On average, the descriptions fell into two categories; either vague or descriptive. The vague ones are usually older Ordinances such as the City's Ordinance which was adopted in 1990. The descriptive ones provide better guidance to property owners on the proper manner to store the containers on properties to prevent blight and ensure better control of litter within the City and allow for better enforcement.

Staff made a presentation to the Community Advisory Committee (CAC) on April 4, 2018 with the City's present language in the Municipal Code and the proposed amended language before the City Council for consideration. Pictures were also provided as examples of the blight and litter concerns. The CAC was supportive of the amended language to the City's Municipal Code.

The Amendment to Chapter 8.04 "Rubbish Removal and Disposal" will provide the needed clarifying language to property owners, allow for Code Enforcement to perform enforcement more efficiently, and assist with improving the quality of life with the City by removing blight and unnecessary litter contributions with in our communities. The passage of this Amendment will also support requirements in the City's National Pollutant Discharge Elimination System (NPDES) permit and PMC Section 13.28 "Stormwater Management and Discharge Controls."

ATTACHMENTS: Exhibit A – Ordinance Amending Chapter 8.04 Rubbish Removal and Disposal

Report Prepared By: Laura L. Wright, Environmental Affairs Manager

BEFORE THE CITY COUNCIL OF THE CITY OF PITTSBURG

In the Matter of:

An Ordinance of the City of Pittsburg	)	
Amending Chapter 8.04 "Rubbish Removal	)	ORDINANCE NO. 18-
And Disposal" of the Municipal Code	)	

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

SECTION 1. Recitals

The health, welfare and safety of the people in the City require that all real property owners are required to properly maintain and store solid waste upon their properties. The storage, accumulation, collection and disposal of municipal solid waste, including without limitation, garbage, trash, debris and other discarded or recyclable materials is a matter of public concern in that improper control of these materials may create a public nuisance, air pollution, fire hazard, rat and insect infestation and other problems adversely affecting the City.

Regulation of the placement of garbage, refuse, and other discarded and recyclable materials from all residential, commercial, industrial and institutional properties within the City will provide the most orderly and efficient solution to these problems and will promote the public health, safety and welfare. Proper storage of containers can deter many vector issues, scavenging and the spillage of litter onto public streets.

Effective enforcement to alleviate health and safety issues in addition to blight and litter requires clarity of conditions on proper placement of these types of containers within the community to provide enforcement and help prevent these problems in the future.

SECTION 2. The City Council finds and determines that:

The recitals set forth are true and correct statements.

SECTION 3. Amending Pittsburg Municipal Code Chapter 8.04, "Rubbish Removal and Disposal."

Article I. General Provisions, Section 8.04.030, "Definitions" of Chapter 8.04 "Plastic Bag Regulation" of Title 8 "Health and Sanitation" is hereby amended to read as follows:

"Collection container" means all such containers including standard container that collects and stores solid waste garbage, refuse, rubbish, recyclables, and yard trimmings.

SECTION 4. Deletion of Section 8.04.080, "Refuse collection stations," of Pittsburg Municipal Code Chapter 8.04, "Rubbish Removal and Disposal."

Article II. Storage, Collection and Disposal of Refuse, Section 8.04.080, “Refuse collection stations.” of Chapter 8.04 “Rubbish Removal and Disposal” of Title 8 “Health and Sanitation” is hereby repealed in its entirety.

SECTION 5. Adding of Section 8.04.080, “Collection Containers - Placement,” of Pittsburg Municipal Code Chapter 8.04, “Rubbish Removal and Disposal.”

Title 8 “Health and Sanitation” of the Pittsburg Municipal Code, Chapter 8.04 “Rubbish Removal and Disposal, Article II. Storage, Collection and Disposal of Refuse, is hereby amended to include Section 8.04.080, “Collection Containers- Placement,” which shall hereby read as follows:

8.04.080 Collection Containers – Placement.
A. Residences / Multi-Family. It shall be the duty of every owner, tenant, lessee, or occupant of any private dwelling house to use a container provided by the franchisee or approved by the City and or franchisee for receiving and holding all of the solid waste and recycling produced, created, or accumulated upon said premises. No solid waste container, other than one owned by the City, shall be placed or kept in or on any public street, side-walk, footpath or any public place whatsoever, or remain in public view from any public right-of-way. These collection containers shall be maintained in a code complaint location and screened from public view. For purposes of this section, “screened” means blocked from public view from the street or public right-of-way with a permanent fence, enclosure, landscaping, or other comparable facility as approved by the City. No person shall place a container so that either the sidewalk or street gutter is obstructed.

All collection containers shall be kept on their premises, and the area in which they are located, in a good, usable, clean in a sanitary condition at all times. The containers shall be located in such places on the premises as to be readily accessible for removing and emptying and shall ensure that the lids or covers are kept closed, that solid waste and recyclable materials are not placed outside the container, and that containers do not leak or spill.

B. Businesses/Commercial/Industrial. It shall be the duty of the proprietor, manager, owner, or lessee of any business, commercial or industrial property to provide use a container or dumpster provided by the franchisee or approved by the City and or franchisee for receiving and holding all of the solid waste and recycling produced, created, or accumulated upon said premises. All solid waste, rubbish and recyclable materials containers and dumpsters shall be placed and maintained in a code compliant location readily accessible to the contractor but shall not be placed within the limits of any street or other public place in said city or in such a place or manner as to constitute either a fire hazard or a public nuisance. The proprietor, manager, owner, or lessee of any business, commercial or industrial property shall keep their containers and or dumpsters in a location not visible from the public right-of-way unless otherwise approved by the City.

All such containers and dumpsters shall be kept in a sanitary condition at all times and shall ensure that the lids or covers are kept closed, that solid waste and recyclable materials are not placed outside the container, and that containers do not leak or spill.

Upon written notification from the City that containers are being maintained in a hazardous or offensive condition, they shall be relocated immediately by the subscriber.

Failure to relocate the containers following notice shall be unlawful and constitute an infraction, punishable as specified in this code.

SECTION 3. Effective Date

This Ordinance shall be in full force and effective 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 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 June 4, 2018 and was adopted and ordered published at a meeting of the City Council held on June 18, 2018 by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

_____
Dwaine “Pete” Longmire, Mayor

ATTEST:

_____
Alice E. Evenson, City Clerk