



AGENDA

REGULAR MEETING

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CLAYTON CITY COUNCIL

* * *

TUESDAY, February 19, 2019

7:00 P.M.

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

Mayor: Tuija Catalano
Vice Mayor: Julie K. Pierce

Council Members

Jim Diaz
Jeff Wan
Carl Wolfe

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

*** CITY COUNCIL ***

February 19, 2019

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

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

3. **CONSENT CALENDAR**

Consent Calendar items are typically routine in nature and are considered for approval by one single motion of the City Council. Members of the Council, Audience, or Staff wishing an item removed from the Consent Calendar for purpose of public comment, question, discussion or alternative action may request so through the Mayor.

- (a) Approve the minutes of the City Council's special public meeting of January 29, 2019 and its regular public meeting of February 5, 2019. ([View Here](#))
- (b) Approve the Financial Demands and Obligations of the City. ([View Here](#))
- (c) Resolution declaring certain City Maintenance vehicles and equipment as property surplus to the City's needs and authorizing the City Manager to dispose of said assets by public auction. ([View Here](#))

4. **RECOGNITIONS AND PRESENTATIONS** – None.

5. **REPORTS**

- (a) Planning Commission – No meeting held.
- (b) Trails and Landscaping Committee – No meeting held.
- (c) City Manager/Staff
- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.
- (e) Other: Keith Haydon, Central Contra Costa Transit Authority Board (CCCTA).

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

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

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

7. PUBLIC HEARING

- (a) Consider the City's Mid-Year Budget Report for Fiscal Year 2018-2019 and a recommended Resolution for mid-year General Fund adjustments and Trails and Landscape Committee proposed amendments for the Landscape Maintenance District; and consider the Council Sub-Committee's recommendation for proposed use of a portion of \$181,500 in General Fund excess monies from FY 2017-18 on one-time unmet priority-need expenditures, equipment or capital projects. ([View Here](#))
(Finance Manager; Council Budget/Audit Sub-Committee)

Staff recommendations: **1).** Receive the staff report; **2).** Open the Public Hearing and receive public comment; **3).** Close the Public Hearing; **4).** Subject to any further budgetary modifications, that Council adopt the prepared Resolution to amend as recommended the annual operating budget of the City of Clayton for Fiscal Year 2018-19; and **5).** By separate motion, that City Council authorize its recommended assignment of all or a portion of the \$181,500 in Fiscal Year 2017-18 excess General Fund monies for specified one-time unmet priority needs of the City.

8. ACTION ITEMS – None.

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

10. CLOSED SESSION – None.

11. ADJOURNMENT

The next regularly scheduled meeting of the City Council will be March 5, 2019.

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MINUTES
OF THE
SPECIAL MEETING
CLAYTON CITY COUNCIL

Agenda Date: 2-19-2019

Agenda Item: 3a

TUESDAY, January 29, 2019

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 5:30 p.m. by Mayor Catalano in the 3rd Floor Conference Room, Clayton City Hall, 6000 Heritage Trail, Clayton, CA. Councilmembers present: Mayor Catalano, Vice Mayor Pierce Councilmembers Diaz (arrived at 6:25 pm), Wan and Wolfe. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Clerk Janet Calderon.

2. **PUBLIC COMMENTS** – None.

3. **ACTION ITEM**

Discussion and establishment of Council – Manager Goals and Objectives for Calendar Year 2019.

The City Manager updated the City Council as to progress made and achievements obtained concerning each of the various City Council goals set from previous annual sessions. Of note was completion of the AB 1505 discretionary Ordinance incorporating inclusionary affordable housing units into rental housing projects, adoption of a parolee housing ordinance, an annual CalPERS pension report to Council, and the exterior repainting of the historic Keller Ranch House. The City Manager noted other goals had been completed during 2018 that were purged from this list last November.

Considerable discussion ensued with members of the Council noting most of the goals on the list were aspirational in nature and lacked sufficient funding allocations to commence or achieve. It was recognized these items remained on the list for reference and tracking purposes should new monies, grant funds or other funding partners materialize that would aid the City's achievement of that desirable goal.

The City Council deleted the following Goals from the tracking list:

- Update the City's Noise Element and Municipal Code.
- Research and Implement GIS mapping software for land use/infrastructures.

The City Council added the following Goals and Objectives for the upcoming year:

- Revisit the Town Center Specific Plan for potential land use revisions.
- Insert a narrative at the top of the Staff Work in Progress document noting this document does not list other achievements accomplished by City staff during the year, acknowledging just keeping the City operational with the limited amount of staff and financial resources amounts to significant achievements.

Mayor Catalano opened the meeting for public comment.

Ann Stanaway offered her knowledge of alternatives to solar panels for energy, suggesting solar film or solar shingles as they are much lighter in weight. She also expressed concerns on adding additional paved areas such as basketball courts and tracks as each retains heat creating heat sinks.

Frank Gavidia inquired if the City could partner with different organizations or entities that have the means to contribute stock or real estate towards a specific area or project; for example, Clayton Community Park to re-level or re-sod the fields. He believed it unfortunate the Mount Diablo Soccer Association no longer uses Clayton Community Park due to poor field conditions caused by chronic ground squirrel damage. He noted a third of the kids in that association are residents of Clayton and would love to play local.

Terri Denslow suggested it should be noted on the document there are resource challenges to inform the public of why the Council goals may not be accomplished. She also suggested a different layout to help the public have a better perception of the concept of this document. Ms. Denslow also asked if the issues on Regency Drive discussed at the last Council meeting would be something added to these Council goals.

Mayor Catalano closed public comment.

Councilmember Wan advised the Regency Drive ad-hoc committee had not met yet; after its meeting the issues will be evaluated and a proposal will be brought back to City Council for consideration.

Mayor Catalano felt an added header to the Council Goals document would be beneficial by informing the public of the Council goals and limited resources in accomplishing those goals, most of which are aspirational in nature.

City Manager Napper noting the suggested changes to the Council goals document have merit and will provide a greater understanding of this document to the public. He added until now this list was used for internal tracking purposes only and those readers understood the basis of the document.

5. **ADJOURNMENT**– on call by Mayor Catalano the meeting adjourned at 8:23 p.m.

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Respectfully submitted,

Janet Calderon, City Clerk

APPROVED BY CLAYTON CITY COUNCIL

Tuija Catalano, Mayor

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**MINUTES
OF THE
REGULAR MEETING
CLAYTON CITY COUNCIL**

TUESDAY, February 5, 2019

1. **CALL TO ORDER & ROLL CALL** – The meeting was called to order at 7:00 p.m. by Mayor Catalano in Hoyer Hall, Clayton Community Library, 6125 Clayton Road, Clayton, CA. Councilmembers present: Mayor Catalano, Vice Mayor Pierce and Councilmembers Diaz, Wan and Wolfe. Councilmembers absent: None. Staff present: City Manager Gary Napper, City Attorney Mala Subramanian (arrived at 7:06 pm), Chief of Police Warren, Maintenance Supervisor Jim Warburton, Community Development Director Mindy Gentry, City Engineer Scott Alman, and City Clerk/HR Manager Janet Calderon.

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

3. **CONSENT CALENDAR**

Mayor Catalano requested Item 3(a) be pulled from the Consent Calendar for separate discussion.

It was moved by Vice Mayor Pierce, seconded by Councilmember Wan, to approve the Consent Calendar Items 3(b) – 3(e). (Passed; 5-0 vote).

- (b) Approved Financial Demands and Obligations of the City.
- (c) Adopted Resolution No. 03-2019 awarding a low-bid contract to Resources Environmental, Inc., in the amount of \$47,100.00 for the demolition of the City-owned bungalows located on City real properties at 1005 and 1007 Oak Street, and authorizing the allocation of \$55,000.00 from the City's Capital Improvement Budget, CIP No. 10400 – Downtown Economic Development Account, to fund the project.
- (d) Accepted the City Investment Portfolio Report for the 2nd Quarter of FY 2018-19 ending December 31, 2018.
- (e) Approved Mayoral appointment of Edward L. Miller to serve on the Contra Costa Transportation Authority (CCTA) Citizens Advisory Committee with a 4-years' term of office ending February 2023.

Consent Calendar Pulled

- 3(a) Approve the minutes of the regular meeting of January 15, 2019.

Mayor Catalano noted a correction to the minutes on page 12 has already been benched on the dais regarding the Planning Commissioner appointment vote. She wished an additional correction noting she made a second nomination of James Porter on Item 10 (d).

It was moved by Vice Mayor Pierce, seconded by Councilmember Wolfe, to approve Consent Calendar Item 3(a), as amended. (Passed; 5-0 vote).

Mayor Catalano asked Mr. Miller to share a few words. Mr. Edward Miller thanked the City Council for the opportunity to serve on the Contra Costa Transportation Authority (CCTA) Citizens Advisory Committee and that he wished to make periodic reports to the City Council regarding the actions of this advisory committee.

4. RECOGNITIONS AND PRESENTATIONS

- (a) Certificates of Recognition to public school students for exemplifying the "Do the Right Thing" character trait of "Kindness" during the months of November and December 2018.

Mayor Catalano and Mt. Diablo Elementary School Principal Linn Kissinger presented certificates to Abigail Buddell and Kaitlyn Conners.

Mayor Catalano and Diablo View Middle School Principal Patti Bannister presented certificates to Genevieve Dennis and Matthew Dias-Martin.

5. REPORTS

- (a) Planning Commission – No meeting held.
- (b) Trails and Landscaping Committee – Meeting held on January 28, 2019.
- (c) City Manager/Staff – No Report.
- (d) City Council - Reports from Council liaisons to Regional Committees, Commissions and Boards.

Councilmember Diaz attended the Contra Costa Water District Board of Directors meeting, the League of California Cities Environmental Policy Committee meeting, the Clayton Valley Shell Gas Station's 7-11 store grand opening, and the Special Meeting of the City Council Goals Setting Session.

Councilmember Wolfe attended the League of California Cities New Council Member Academy, the League of California Cities East Bay Division meeting, the Special meeting of the City Council Goals Setting Session, a Regency Drive Council ad-hoc committee meeting, met with a group of residents in Peacock Creek regarding Hazardous Preparedness, and the Clayton Business and Community Association's General Membership meeting where he met Clayton resident Dee Viera, who is interested in organizing a LGBTQ group in the Clayton community for community awareness and participation in the City's annual 4th of July Parade.

Vice Mayor Pierce attended the Contra Costa Transportation Authority Board meeting and workshop, several meetings of the Association of Bay Area Governments, several meetings of the Metropolitan Transportation Commission, the Clayton Valley Shell Gas Station's 7-11 store grand opening, represented the Contra Costa Transportation Authority at the ground breaking for the Interstate 680/Highway 4 interchange improvement project, the League of California Cities East Bay Division meeting, the City's Trails and Landscaping Committee meeting, the East County Economic Development (EC2) meeting in Oakley, and met with a group of residents in Peacock Creek regarding Hazardous Preparedness.

Councilmember Wan attended the League of California Cities New Council Member Academy.

Mayor Catalano attended the Clayton Community Library Foundation Board meeting and announced its upcoming Used Book Sale scheduled for April 12-14, the League of California Cities Transportation, Communication and Public Works Policy Committee meeting, she held Mayor's office hours on January 19 and on January 25, the Special meeting of the City Council Goals Setting Session, and the Clayton Business and Community Association General Membership meeting. Mayor Catalano noted she is again the chair for the Clayton Business and Community Association's Scholarship Program for high school seniors that currently reside in Clayton; CBCA scholarship applications are available through the Clayton Business and Community Association website and are due by March 30.

- (e) Other – None.

6. PUBLIC COMMENT ON NON - AGENDA ITEMS

Fiona Hughes, on behalf of Marci Longchamps: *"After the community outcry when the City Council passed the AB109 Parolee Housing Ordinance on September 4 to protect children in some of our local parks; it excluded Coyote Circle Park and areas of Shell Lane. The residents have requested that this be rectified when a member of the City Council promised to reevaluate this exclusion within 30 days; it has been 4 months of waiting with no response. As your constituents we urge parity so all children can enjoy the Coyote Circle park safely as with all of our parks in Clayton. What's the point of having citizens of Clayton speak during public comment at meetings such as these if there is never any follow through, dialogue or emails regarding these items? It appears that the Council body is not looking at her; rather through her. The phrase "Do The Right Thing" echoes through the schools, parenting and the Clayton Police Department. We now need the City Council to respond with specific answers and action so we can extend safety and have a barrier for all the children in all of Clayton parks."*

7. PUBLIC HEARINGS – None.

8. ACTION ITEMS

- (a) Consider the report, findings and recommendations by the City Council ad-hoc committee appointed to further examine the street parking and private property impacts occurring on Regency and Rialto Drives due to visitors and hikers accessing the nearby Mt. Diablo State Park trailhead on state park property.

Councilmember Wan lead the discussion by summarizing the written goals and resolutions of the City Council ad-hoc committee contained in the Agenda Packet, and requested the City Council provide direction to staff to create a preferential parking program near the Regency Gate on Saturdays, Sundays, and holidays.

Mayor Catalano inquired who were the attendees of this meeting? Councilmember Wan responded there were a few neighborhood residents, a few citizens from Clayton, the Superintendent from Mt. Diablo State Park, and two members from City staff. The ad-hoc committee structured the meeting with questions to prompt discussion; nearly everyone acknowledged there is an issue the City has the ability to deal with. There was a wide spectrum of ideas, with some being intrusive; ultimately having a conversation resulted in compromise to address the issues. Councilmember Wan advised the

attachment in the Agenda Packet attempts to address each of the issues; the core issue is having available parking spots in front of each of the houses while still providing the public with access to Mt. Diablo State Park.

Vice Mayor Pierce inquired if the ad-hoc committee's written report was presented to the attendees of the ad-hoc committee meeting. Councilmember Wan confirmed it was not; however, a conversation occurred with those in attendance and although the document was not presented, the ad-hoc committee's report is more of an aggregation of thoughts that were presented including the ad hoc committee members' thoughts. This proposal is asking the full City Council to agree to direct staff to take the actions listed.

Councilmember Wolfe added the meeting had a time limit and was not intended to go over all the same issues that were brought up in the City Council meeting. The ad-hoc committee had a specific set of questions that were asked to get to some compromise in the time allotted, and he believed they had achieved that.

Councilmember Wan added the proposal contemplates whichever plan is enacted is to be expense neutral to the City.

Vice Mayor Pierce added when she read the ad-hoc committee's report she felt they went into the meeting with a set of goals ahead of time, then tried to figure out how to meet them. She is unsure if the goals were of that group as a whole and they were all in favor, or is this just a list of goals heard at the City Council meeting; how did this list of goals come about? Councilmember Wan responded that as Councilmembers on an ad-hoc committee it was their task to prepare direction to be brought back to the full Council, after the group discussion, to decide whether or not the Council wants to ask staff to prepare something along these lines. He considers the proposed resolution to the issue is a fair assessment of the need that came out of the meeting and overall of the ad-hoc committee with the input from the citizens.

Mayor Catalano opened the item for Public Comment.

Rick Lewis, 170 Regency Drive, thanked the Council for listening to them and a plan that actually resolves their concerns. He agrees with all the characteristics and encourages the City Council to move forward. He briefly addressed property values and whether they would be negatively impacted by such a permit plan. He looked at two surveys; one in Charlottesville, where that city determined six permit zones would allow residents reasonable access to their properties and preserve the residential areas and property values therein, according to the city code which contains property values as a benefit to this program. He also spoke to some realtors, one in Napa, who felt a parking permit program was positive for property values, and local realtor Lynne French also thought it would be positive for property values.

Nancy Topp noted she participated in the ad-hoc committee's meeting to decide if Regency Drive residents should get preferential parking permits. She said on the sub-committee, 5 people were opposed to the parking permit program and 4 individuals were in favor of the parking permits. The side against the parking permits offered viable suggestions to mitigate the parking issues on Regency Drive residents, including 1) Redirecting hikers to park at Diablo View Middle School and other locations to condense their numbers to fewer cars; 2) Provide volunteer assistance at the state park to assist with educating hikers to respect the residents and remove their trash; 3) Assist with educating hikers on social media to reroute their destinations; and 4) The proposal of a parking lot. All of these suggestions were rejected and in fact were not included on the consequent ad-hoc committee report. She feels this was done because it was probably already pre-determined the Regency Drive residents would get preferential parking permits. So what are the consequences to the Regency Drive residents now they will get

their preferential parking permits? In all likelihood this plan will just displace the problem to another set of streets; hikers to Mt. Diablo State Park and the Clayton Open Space will park slightly farther away and because they have to walk farther there is more chance they will leave behind litter and further encumber areas including the sidewalks by a longer distance. The Regency Drive residents say they are worried about the effect of park visitors on their property values yet there is the chance their property values might further decline because of their choice to have preferential permitted parking. As a result the Regency Drive residents will have won their battle but will have lost the war for Clayton residents outside of Regency Drive as well as our neighboring communities. Please be assured there are a great many Clayton residents who do not want this result. We regret that parking permits have been approved and for the unfortunate consequences this will have for all hikers and residents alike.

Margaret Eraclio, 151 Regency Drive, thanked the Council for listening to the residents and she agrees with the proposal; however as she resides at the end of Regency Drive she would have preferred restrictive parking signs seven days a week rather than weekends and holidays. Just today one of the cars parked in her neighborhood had preferential parking permit from the Oakwood neighborhood; why can't we have something like this? She encouraged the City Council to vote yes.

Jennifer Roe indicated she read the goals and resolutions for the preferential parking program; as a Clayton resident that resides outside the proposed permit parking area, this group currently competes with the crowds on weekends and holidays for access to Donner Canyon at Regency Drive, which is our closest State Park gate, and we Clayton residents have never been mentioned as part of the problem. She was originally concerned that a new parking program would preserve quality of life for one group of Clayton residents at the expense of another. However she now sees the proposed temporary day use permits as an attempt to mitigate additional barriers to Donner Canyon imposed by this program. But to be effective, the temporary day use permit should have the following features: 1. Available online and therefore easy to access and obtainable even on weekends and holidays when City offices are closed and of a longer duration for a two week or a month period; 2. Guest passes, and in particular how the City determines whether or not a household even needs a guest pass; 3. What factors will the City use to ensure each guest pass is justified and fair; 4. Guest passes are their own commodity; they stand separate from residential parking permits and therefore should not automatically be bundled into a parking permit program without separate consideration; 5. Guest passes give the holder private ownership rights to public streets, therefore they should only be granted to a household after using measurable standards that can be equally applied in fairness to any type of Clayton home and neighborhood. These fair standards would eliminate preferential treatment when allocating private use of our public property. The Concord and Walnut Creek parking programs look at external factors such as the amount of off-street parking accommodations that currently exist at each home and whether there is a garage or not and how many cars and if street parking is the only available parking for that household. In this case, homes along Regency and Rialto Drives have off-street accommodations to park four vehicles and now the curbs in front of their homes will be cleared for use by their permitted vehicles only. This means these homeowners can legally park their vehicles on the street to free up their off street parking for additional cars; with this in mind, her question is again what measure does the City use to determine whether each of these homes need more parking via a guest pass. What is the targeted number of parking spaces for each home? She brings this up because a permit program sets a precedence for those to come; it is the model for the next one so the standards for guest passes in this case must be clearly stated, justifiable, and ones that can be applied with equality and fairness to all Clayton neighborhoods and all types of homes.

Judy Moon, 121 Regency Drive, supported a parking permit program. She has nothing against the hikers, there are many adequate places for hikers to park other than in front of their homes; she has tried to reserve street parking by placing her garbage cans out but they simply move them up on her property.

Jeff Weiner thanked the ad-hoc committee for its work. He suggested reviewing the Concord and Walnut Creek parking programs pricing, including a reduced price for senior citizens. He suggested looking at other cities to see how much vote is needed before adding another parking zone area, and look at unlimited visitor parking as no other neighborhood is experiencing these issues. He wants to work with the City on signage, and realizes the Neighborhood Watch Program is useless as it is generally unknown if people parking in front of their houses are hikers or others checking out the neighborhood. It is a very unsafe environment. He would like the Council to consider the park and the hikers, noting the hikers are not coming from Clayton.

Terri Denslow thanked the ad-hoc committee for its work; she participated in the meeting and commenting on the permit aspect, she is not sure if it is going to work as the problem is persistent and limited to Clayton residents. One of the goals stated is to direct hikers to the Mitchell Canyon staging area; she personally does not recall that occurring in the meeting or necessarily should be a goal. She also suggested there are a lot of areas to park that are not in front of these residences and she suspects they are going to drive beyond the permit areas and park in front of other residences. She questioned if there is some way to indicate not to park in front of houses and direct the parking to open areas.

Jon Adams, 134 Regency Drive, thanked the ad-hoc committee for its work and it is his understanding the City was notified not too long ago about this problem and is already looking at a solution. If he and his wife knew of this parking issue on Regency Drive prior to purchasing their home, they would have reconsidered locating to another area. He also indicated they have experienced difficulty in hosting birthday parties for their children.

Eric Rehn, 176 Regency Drive, suggested before enacting any measures tonight he would like to see the Council get more expert advice including contact with appraisers and brokers for opinions on the impact to the property values. He is not in favor of the current proposal as it is too complex, and really does nothing at all to address the traffic issues. He suggested banning state park parking on the weekends and holidays by fines and enforcement by having a police officer park at the end of Regency Drive. The parking program will also require an officer to come out to Regency to enforce the permits. The goal is to reduce the State Park's Regency Gate visitors and the traffic.

Dan Walsh supports the ad-hoc committee proposal. With people outside of their subdivision trying to dictate what goes on in his subdivision, including certain hikers of Peacock Creek, Save Mt. Diablo and Mt. Diablo State Park, they are not the stakeholders of his neighborhood being the one impacted. He also remarked if residential parking will require a fee, then everyone should have to pay a parking permit fee.

Ann Stanaway, 1553 Haviland Place, commented she has a dream that Clayton actually enforces its ordinances that it has on its books, much less the ordinances that are proposed. Clayton does not enforce its traffic ordinances right now; what make people think they are going to enforce new ones?

With no other public members wishing to speak, Mayor Catalano closed for public comment.

Mayor Catalano asked the City Attorney should the Council decide to have a permit program, would the program be open to any city resident and is that legal? She referenced Vehicle Code Section 22507 and a California Attorney General opinion on preferential parking permit programs from 2016; specifically, it talks about how local authorities can prohibit or restrict parking on certain streets or portions thereof and may include a designation to certain streets in which preferential parking privileges are given. So clearly we can do preferential parking program yet it does go on to indicate residents and merchants adjacent to the streets defined as residents that live adjacent to a street where parking is restricted or permits are granted. She questions whether that is possible.

City Attorney Subramanian responded she does not think under the Vehicle Code authorization, in reference to 22507, the City can allow the entire city residents to hold preferential parking permits for this area as it is limited to residents and merchants adjacent to the streets. The question asked to the California Attorney General was if a local permit parking program would only be limited to residents in the affected area; she believes the affected area was the adjacent street and she cautioned the City Council to adopt that portion into any preferential parking permit program.

Councilmember Wan remarked he feels these laws are not clearly defined and worth exploring with the availability to make changes. In the case he read it did not define the area as immediately adjacent.

Mayor Catalano would like to defer this matter as she found a case in 1984 in Hermosa Beach and would be interested in more recent case law on preferential parking permits. City Attorney Subramanian responded she is not aware of a recent case and remained concerned that creating a zone of the entire city is not in compliance with "adjacent." As these types of programs are created because of some sort of nuisance, in this case it is the attraction of the State Park's Regency Gate and the Vehicle Code is trying to address the problem defined to a localized area.

Councilmember Wan noted in the *Boccatto* case, the appellate court decision, the district court [the trial court] heard testimony on behalf of the city parking program that immediate adjacency would not resolve the parking problems and made the program unmanageable. To construe section 22507, to require this absurd consequence, is unreasonable and the trial court's interpretation of the statute is it only requires general adjacency, thereby permitting residents in the affected area to park anywhere within the area. It did not go further to define general adjacency so in that manner it precludes the construction of the immediate adjacency however the range to the extent that is clearly established.

Mayor Catalano thinks we have some limitations beyond these two streets and thinks the Vehicle Code states those adjacent to the streets, even in the ordinary sense application, means that which is immediately next to it.

Vice Mayor Pierce noted when reading residences and businesses in the vehicle code, what then is the legal opinion if a business in downtown Clayton wants only their customers to park in the parking spaces next to their building? City Attorney Subramanian responded a business could request a preferential parking program for the merchant, and if the Council so chooses one could be done but it is parking typically for the merchant's employees. The actual parking permit could be handed out by the merchant to be displayed.

Councilmember Diaz indicated additional work will need to take place to come up with a plan to try and resolve this issue. It sounded to him like we have not gotten the attention of the violators of the parking; these are the people who are coming from outside of Clayton. Although the Police Department has issued citations for parking violations or expired registration, no vehicle has been towed. He believes if one or two vehicles are towed for being non-residence the word would get out quickly to not park on Regency Drive.

Councilmember Wan does not consider the main issue is the people violating the vehicle code; rather it is the surge of parking and he thinks it would be problematic to only tow non-resident vehicles. If the signage does not have an enforcement component it is merely a decoration not allowing any action or accomplishment of the goals.

Councilmember Diaz responded the Police Department had reasonable cause to write up 35 citations; at the time of citation we would know if the violators are residents of Clayton or not.

Councilmember Wolfe commented we are in a different time with social media playing a role in making people aware of this area with free parking. He feels that social media is the main reason for the problem in this area.

Mayor Catalano proposed a question of supply; the City has zoned these properties and other single-family residences for a requirement of four parking spaces per unit. Are we now making a statement that four parking spaces per residence is not adequate, therefore the need is more? Or does the City get in trouble with its zoning ordinances requiring four stalls per unit?

City Attorney Subramanian clarified the four required parking spaces referenced are on-site, not on public streets. It does beg the question of what is the purpose or need for preferential permit parking; is it that four parking spaces is not enough? She noted it is common that people are using their garage for storage and not parking. Councilmember Wolfe added that it seems four parking spaces would have been enough if it weren't for the influx of cars coming to this neighborhood.

Councilmember Wan reiterated the goal overall is to relieve congestion, bring back a quality of life, less density and pollution, and safety issues. Given that the vehicle code has given this option, surrounding cities have used parking permits for any attraction that has essentially created a surge in the demand of parking. He feels the City is safe in that regard to employ preferential parking.

Vice Mayor Pierce noted letters have been received on this issue, one from Mountaire Parkway noting there is not a problem there, the hikers have been considerate and that resident thinks this is a horrible idea. Another letter was received by someone living on Regency Drive who signed the petition not knowing it would result in permit parking or gating off the park, which that resident thinks are both bad ideas. Vice Mayor Pierce asked the ad-hoc committee if there was any discussion that four parking places per residence is enough at most times? If these residents want to have on street parking on the weekends for their own guests, why can't they park their own cars on the street before the weekend and then the onsite parking in the garage and on the driveway is available for guests? Sometimes there are things we want for the convenience for us but are inconvenient of that same thing for others. Vice Mayor Pierce advised she has some concerns this is precedence setting for other parts of the community and restricts the public street for public access by all of our citizens that pay for them. She also has a concern this is creating a preferred status for Regency Drive residents by guaranteeing them more parking spaces than their property is zoned for. She is not in favor of a permit

parking program, believing more can be done on social media along with more onsite education to the hikers and more enforcement of the street parking laws.

Councilmember Wan remarked the City is under no obligation to do anything, given it is a public road that has long standing access to the park; the path of least resistance is to do nothing. He is sympathetic with the neighbors regarding the loss of quality of life and possible decreased property values. Councilmember Wan noted Mr. Rehn would like signs directing hikers to the designated parking area where there are docents, bathrooms, sufficient parking and necessary facilities. He has visited the area on weekends and there is so much congestion that you are unable to make a U-turn. Councilmember Wan clarified this occurrence provides concentrated costs for the residents that bear this situation and very diffused benefits for the other folks that want to enjoy the park. The proposal on the table provides continued parking for people on a limited basis for anyone who wants to enjoy the park, in such a way that is least impactful; there still remains forty to fifty parking spots at locations close by Regency Gate and signage that will recommend parking on Mitchell Canyon. To the extent of offering guest passes, all the other parking permit programs he reviewed prohibit commodity of the passes. The suggestion is not a perfect solution, but a compromise.

Mayor Catalano inquired on the process of a parking permit program and a survey to be conducted, asking if the survey would cover onsite and/or offsite parking. Councilmember Wan clarified the survey would be conducted offsite to elevate the congestion of people coming into the area. Mayor Catalano further inquired if the goal is to provide sufficient parking for the residents and consider the onsite parking available to the residents.

Vice Mayor Pierce inquired if the goal is to eliminate street parking to nonresidents, in essence there is a creation of a private street. In a sample survey most driveways were empty, providing space for the residents to park; however, if the residents are taking up the street parking they are limiting the space available to the public on the street paid for by the taxpayer dollars. Councilmember Wan commented the street parking available at the end of Regency Drive is not in front of any homes and allows for anyone to park there.

Mayor Catalano inquired if the spaces at the end of Regency Drive are still available to the public, how is congestion relieved? Councilmember Wan responded the parking permit program and signage will not eliminate the problem but should reduce the problem while allowing limited access.

Mayor Catalano summarized the suggested alternative solutions of improved signage and possible painting red the driveway wing-tips. She feels that a preferential parking permit program sets precedence and she is unfavorable of that solution and feels four onsite parking spaces are sufficient.

City Manager Napper advised this item is before the Council as staff was unable to come up with an acceptable plan and is seeking direction with various criteria. Some of the suggestions can be problematic, for example, day passes for only Clayton residents. The vehicles that were cited were disobeying vehicle code laws but there is nowhere in the law to cite someone who is legally parked for being from out of town.

It was moved by Councilmember Wan, seconded by Councilmember Wolfe, that staff take direction from the attached criteria and come back with a proposal for a pilot preferential parking program.

Mayor Catalano inquired if the City Code would have to be updated for a pilot program. City Attorney Subramanian advised the program could come back as a resolution for the duration of a pilot program.

City Manager Napper commented inherent with the implementation of a pilot program, a number of fixtures will need installation, such as poles and street signage. In his experience with other cities once pilot programs are started it is difficult to have a termination date.

Vice Mayor Pierce indicated she will be opposing the motion as she feels there are other measures that should be taken prior to a pilot parking program, such a social media posts that recommend parking at the Mitchell Canyon entrance gate. Councilmember Wolfe recommended whatever goes out on social media should be of enforceable nature.

Mayor Catalano commented there are three actions that could be taken: 1. Permanently change the City Code to allow a preferential parking program; 2. Establish some type of pilot program, just for this street; and 3. Addressing lower level items like painting red the driveway wing tips, addressing social media to redirect the public to the Mitchell Canyon gate, post improved signage with greater enforcement. In her opinion she would like to begin with the third action.

A substitute motion was made by Vice Mayor Pierce, seconded by Mayor Catalano directing staff to try alternative methods prior to a pilot preferential parking program. The substitute motion failed (Failed, 2-3 vote; Diaz, Wan and Wolfe, no).

The vote was taken on the original motion to direct staff to prepare a Resolution implementing a pilot preferential parking permit program (Approved, 3-2 vote; Catalano and Pierce, no)

- (b) City Council consideration of the necessity for revisions to the City's existing size and number limitation regarding temporary noncommercial signage (Municipal Code 15.08.040 (G)).

City Attorney Mala Subramanian presented the staff reporting providing two options of consideration for the City Council: 1.) A per sign size; and 2.) Aggregate sign area limits. Ms. Subramanian also noted if challenged on this issue and unsuccessful these cases can be difficult to defend resulting in the possible requirement of attorney's fees to be paid to the plaintiff. She also pointed out the existing ordinance is currently written specifies if both sides of the sign are visible, the sign would be considered double-sided. For example, a 40 square foot sign visible on both sides amounts to an aggregate of 80 square feet.

Councilmember Wan clarified this is specifically about non-commercial temporary signs and does not address any other sign type in the Ordinance. City Attorney Subramanian confirmed that understanding is correct.

Mayor Catalano opened the matter to public comment.

Frank Gavidia, 104 Gold Rush Court, noted this issue is a big deal for him as 32 years ago he took an oath to the U.S. Constitution. That two hundred year old document has the First Amendment which guarantees all of us freedom of speech. As a young Marine he had an instructor once who served in Vietnam who spoke of stories when he came home to protestors and of course all of us went nuts and started to insult protestors. That

instructor said those protestors have a right to do what they do because of that document we all took an oath to. The City Council and Planning Commissioners took an Oath to that document. The words of that instructor stuck with him so much he cannot stand seeing protestors burning the flag but they have a right to do so because of the First Amendment. Last year this City had a contentious issue during election season when residents wished to display more than one sign for more than one candidate; soon there will be three seats open for City Council office. As the proposed Ordinance is written, a resident could display only one sign per candidate; that is not right. Mr. Gavidia watched the video when this Ordinance was passed recalling a complaint of sign blight. He does not think it is right to limit freedom of speech especially for something that is temporary. The First Amendment is pretty clear: freedom of speech, freedom of political speech. Some of us took an oath to protect that right with our lives and that is why this is important to him. Councilmember Diaz understands that; he took the same oath. Mr. Gavidia is sure the City Council will do the right thing on this.

Mayor Catalano closed public comments.

Vice Mayor Pierce noted that while she personally prefers the old sign ordinance provisions, we legally are not allowed to have the sign ordinance specify candidates, parties or issues with regard to what the sign is for. This Ordinance has to apply to any noncommercial sign, not just political ones. When the City Council was considering this item last year, it was meant to be no larger than 3 square feet per sign. She would like to try and keep the signs relatively small as she does not think residents will like 4x8 signs on private property. Her preference is a limited number of signs for each candidate to 3 square feet per sign; in our community these signs are almost always visible.

Councilmember Diaz agreed with Vice Mayor Pierce and does not want to see the sign blight and limit the sign size and one sign per candidate.

Vice Mayor Pierce clarified this subject only addresses signs on private property.

Councilmember Wan noted content neutral speech is not regulated if any restrictions are placed; he would challenge any restriction on favored speech. Unfavorable speech is what the First Amendment is about; it is about protecting what is unfavorable because speech is important. Any time we are going to restrict what someone can say or how they express themselves, he will be opposed.

Councilmember Wolfe noted he is not concerned with speech content but sign size, including two-sided signs.

Mayor Catalano also preferred the sign ordinance prior to 2017; she does not want to regulate speech either however she prefers the most restrictive in size.

City Attorney Subramanian confirmed the sign size could be limited to 16 square feet with an aggregate of 32 square feet with appropriate findings.

Councilmember Wan requested an example of the findings. City Attorney Subramanian provided some of the findings that were used in Redwood City which were upheld due to concerns about debris, littering, as well as traffic hazards.

Councilmember Diaz inquired on the length of time the sign could be posted and its removal. City Attorney Subramanian she is a little concerned if limitations within a certain period of time of an event as these are temporary noncommercial signs that are being discussed and it is not limited to political signs. The type of material was defined as a finding; if a sign started to decay in terms of debris and litter it could be removed.

Councilmember Diaz further inquired of when these signs would be removed?

Councilmember Wan commented based on what he has read it does not look favorable of when a sign would have to be removed. City Attorney Subramanian inquired for what is the time based limit on? The discussion is content neutral, temporary, noncommercial, not political speech.

Vice Mayor Pierce expressed her interpretation of a sign made of wood as permanent and her preference of a 90 day time limit for any temporary sign. If there is a reason that sign would have to be displayed longer, maybe it should be considered a permanent sign. She is also concerned with a 4x4 minimum sign size with a 30 foot aggregate; if it is a two-sided sign, it is restrictive and would limit speech.

Mayor Catalano inquired about the State Advertising Act indicating when signs can be put up and when they are required to be removed, encourages a particular vote in an upcoming election, can be put up no sooner than 90 days, removed no later than 10 days after an election, and up to 32 square feet. How does that Act fit into this? City Attorney Subramanian replied the State Advertising Act does not apply in Clayton as it applies to signs on the highway or certain proximity to the highway, and in addition she questions the legality of the Act as it is not content neutral.

City Attorney Subramanian added that someone could always use with a smaller sized sign as the limit being discussed is the maximum size.

Mayor Catalano shared it seems a lot of people do not want a lot of signs like in the neighboring city of Concord, so what she is hearing the minimum individual size sign could be 16 square feet and a resident could display as many candidates and ballot measures signs as they would like. She is unsure of the appropriate aggregate size to accommodate.

Councilmember Wan suggested no aggregate.

City Manager Napper noted the limitations being discussed are the maximums; if Council wishes to regulate the per sign size it would be expressed in terms of maximum size. However, with the concern of multiple candidates for multiple offices in an election and even multiple issues such as ballot measures that could be applicable, an aggregate limit could be problematic as it could be reached very quickly. There is the option of no aggregate. If you are the neighbor to someone who places signs all over their lawn in a shape or way you don't like, one may have a conversation with that individual or maybe others would to become self-limiting. From a staff perspective, the size of each sign should have limitations but tread a little more carefully on the aggregate limitation. At any given time when a ballot is full and someone wishes to support a write-in candidate plus additional ballot measures, it could become problematic in limiting free speech.

Councilmember Wolfe added that we are not just talking about political signage, but it could be about anything.

Vice Mayor Pierce inquired if there is any recourse on time limitations? Some of the materials being used for temporary signs with these days last a long time and realistically, if we are talking about a sign deteriorating that's not going to give us anything. City Attorney Subramanian advised it is currently defined as constructed of paper, cloth, canvas, light fabric, cardboard, wallboard or other substances of similar lightweight materials with or without frames which is designed or intended to be displayed for a limited amount of time.

Councilmember Wolfe advised that description is very vague. City Attorney Subramanian advised that was intentional to avoid limiting it to a period of time and event that could again be challenged.

Councilmember Wolfe inquired if we put a limit on the time what is the limit on when the sign would have to be removed and allowed to be displayed again?

City Manager Napper offered as an example to a temporary time limit, a sign could be displayed for ninety days and on day ninety-one that same individual displays a different sign that says the same thing differently or moves it slightly on their property. Such practices would be lawful and defeat any time limitation being contemplated.

Vice Mayor Pierce suggested an individual 4x4 maximum sign with the recommendation specifying no time limit or aggregate. City Manager Napper clarified the proposed ordinance amendment would be written as 16 square feet as opposed to restricting that size to a specified dimension of 4x4. City Attorney Subramanian advised it can be written as no more than 16 square feet with no aggregate and no time limit.

It was moved by Vice Mayor Pierce, seconded by Councilmember Diaz, to have staff prepare the draft Ordinance limiting the temporary noncommercial sign size to 16 square feet with no aggregate or time limit, with a hearing to the Planning Commission in the near future. (Passed 4-1 vote; Wan, no).

- (c) Council Member request to discuss consideration of the City possibly banning its use of glyphosate (Round Up) in its weed extermination services on City properties and in public rights-of-way.

Councilmember Wan opened the discussion noting various members of the public expressed concern for the use of Round Up by the City. He found it valuable to get information on the extent and nature of the City's current utilization, what safety measures are in place, and any possible alternatives. Another factor driving this item was a recent judgement involving the Benicia School District where a groundskeeper prevailed in a multi-million dollar injury case by the use of Round Up. Councilmember Wan noted he was not really proposing a ban per say, rather seeking a report of its use, liability and safety of the public and any consideration of alternative products. Councilmember Wan considered the document in the report is sufficient outlining the level of use with a remaining question of potential liability given the fact pattern of the previous ruling. After conducting his own research he has found there is no conclusive evidence and it is more of a judgement matter.

City Attorney Subramanian advised the potential risk exposure is in the Workers' Compensation situation in terms of our own employees and their utilization of the product; with safety protocols in place that will reduce the City's risk. Outreach has been made with the Municipal Pooling Authority which is looking into since they are the first line of defense for the City in these types of employee injury cases. She is unsure if Councilmember Wan is concerned with the risk exposure in terms of the public's exposure on public property; she thinks causation or any illness would be very difficult to prove.

Councilmember Wan inquired if the City's insurance would provide coverage if a claim were made by a member of the public. City Attorney Subramanian advised the City's insurance would be the first line of defense if a Workers' Compensation claim is filed by an employee of the City.

Councilmember Wan indicated he was pleased with the protocols and safety precautions used by the City provided by Maintenance Supervisor Jim Warburton.

Mayor Catalano noted the City is not regulating a private person's glyphosate use, and not proposing any action against private citizens to purchase or use the product. She clarified Councilmember Wan made the request to see how the City currently uses the product. Councilmember Wan confirmed that is correct.

Vice Mayor Pierce inquired if employees who perform this type of duty must have certification and attend special training? Maintenance Supervisor Warburton confirmed he is a certified pesticide/herbicide applicator and confirmed there are also two other employees in his small department that are also certified applicators; certification is not required to spray chemicals however one does have to be trained by a pesticide applicator. The City Maintenance Department maintains personnel training records for the employees that are spraying to prove training has taken place.

City Manager Napper added based upon the initial request of the nature of this item, staff went back through and reviewed its protocols and best practices, which is included in the Agenda Packet list. Areas in which the public might be going through, signage will be placed advising the public of the spraying. Mr. Napper noted he recently saw an article stating the City of Concord had banned the use of Glyphosate so he contacted its city manager and she advised the City of Concord did not ban the use; rather they have chosen to follow the "Clayton model" which we has always been done, and Concord stopped spraying it in their parks where the public frequents. He noted the sale of the product has not been banned however Costco has recently chosen not to sell it any longer. Individuals may unknowingly have exposure to Round Up in their own neighborhoods then where the City has limited its application. The City has Workers' Compensation insurance for employee exposure claims and General Liability to cover such an incident if a member of the public were to file a claim.

Councilmember Wan noted in the staff write-up there is no effective herbicide substitute, which seems to be his experience as well. He inquired if the City has tried other tactics. Mr. Warburton consulted with his pesticide advisor and he was assured there is no other equivalent to Round Up or Glyphosate. It was suggested the City try spraying more pre-emergent which is a viable solution but does not cure the weed problem.

Councilmember Wolfe added since this issue has come up more citizens have approached him with ideas and questions. Although some cities have banned the use going back to 1997 in Arcadia, he felt the statement there is no effective herbicide or substitute is untrue, suggesting industrial-strength vinegar or Burnout, both being more natural. His other concern is the exposure pets have to the chemicals as they run and play in the areas sprayed with Round Up. He understands marine life could also be affected once Round Up dries it could get wet again and then the chemical can run into the ground, into the streams, and kill marine life. Mr. Warburton responded to the best of his knowledge Round Up will not translocate into the water system; he knows once it is applied to the weed the chemical works its way to the root of the weed. He knows the Burnout product only kills the top of the weed, temporarily solving the problem. He has not heard of Round Up going into the water system; it is mentioned with some chemicals they are not to be sprayed on the edge of a creek bank or edge of a waterway because of the possibility of the chemical getting into the waterway. To his knowledge, Round Up is not sprayed around the creeks.

Councilmember Wolfe feels there could be potential litigation and would like to consider alternative products. Mr. Warburton advised recently staff has been using signage to make the public aware the spray is being used in specific areas of the city, noting the chemical has a drying time of 1-hour.

Councilmember Wolfe asked if Mr. Warburton is comfortable spraying Round Up? Mr. Warburton responded he is comfortable, and he has been spraying the chemical for over forty years with no health risk to himself or children. He feels with the use of the proper safety equipment, which is regularly tested and not leaking, one is not being exposed to the product. Mr. Warburton added the Maintenance Department has started to use blue dye in the Round Up as an indicator while spraying in public rights-of-way to visually inform the public where the chemical has recently been sprayed.

Councilmember Wan had a clarifying question regarding the written statement the "primary" public areas sprayed with glyphosate being landscaped medians and rights-of-way. Is there an inventory of other areas that are considered primary? Mr. Warburton noted that should probably say "only" instead of "primary".

Mayor Catalano noted she found a website showing what some California cities have done regarding the use of Round Up and there were several different categories; most have taken action which is consistent with the City's existing practice with signage protocols. She indicated that Arcadia and Oakland reduced their use of Round Up, and she learned Benicia and Richmond have a complete ban on the use of Round Up.

Mayor Catalano opened public comment.

Brian Buddell expressed concerned the City is not considering an out-right ban of the use of Glyphosate and is opening itself to huge liability, not simply a Workers' Comp issue. The case in Benicia got around that through a third party claim, which can be done here too. The City of Clayton is using Glyphosate, a recognized Carcinogen, recognized by the State of California, and is doing so willingly. Although the City is implementing all the uses and protections and guidelines, all it takes is one illness and one creative plaintiff's attorney and this City is screwed. If you don't believe him, just watch a little late night TV and watch the ads for asbestos claims, which was once thought as the only product available. He does not know what the City's insurance coverage is but like an asbestos lawsuit, even if you win, it is a costly endeavor, and if you lose, the verdicts are going up. The same thing is coming for the use of talc. This is a grave concern; although he understands the usefulness of Glyphosate if it means pulling more weeds by hand to save the City a multi-million dollar lawsuit, then that is the way to go.

Marsha Rosenthal, Mitchell Creek Place HOA representative, recalled her experience was last week walking her two dogs down Oak Street she noticed a City employee spraying. When she approached him to ask what he was using and which side of the street had been sprayed, he directed where she would be able to walk. She noticed a woman with a baby in a stroller who stopped in the area where it was just sprayed; if the baby would have dropped a toy or she dropped her phone and had to step into the area that was just sprayed she would be tracking the chemical into her home. Her dogs like to eat grass; if she had not seen the worker she would have thought it was just moisture and not the chemical. We have to be honest that the chemical is not just being sprayed on median strips; the spray is being used near the school where children play. She noted Mr. Warburton confirmed with her the area is being sprayed while the children are in school so they are not exposed. She added as a retired school teacher she knows of several people who are now homeschooling their children, who may be out in the parks during the day.

Ann Stanaway, 1553 Haviland Place, indicated is in favor of the City banning the use of Round Up. She appreciates the fact that Round Up is a known carcinogen; not only does the City need to ban it from their own use but it needs to prescribe a barrier around the City parks where it cannot be used by private residents or HOAs so when people who perform lawn or garden maintenance of any kind, they are currently Round Up happy in this town. The City needs to protect its park areas because the public use those parks; they need to have a barrier maybe 10-20 feet around the park where one cannot possibly use Round Up.

Mayor Catalano closed public comments.

Councilmember Wan indicated he is uncertain about this issue and would like to explore other alternatives but he does not know how fruitful that would be.

Councilmember Wolfe added he is glad that people are becoming more aware of this and being more careful with this product. He suggested a public relations campaign advising the public where and when spraying is occurring; notifying the public by signage and blue dye especially when people are outdoors with their pets and children.

Councilmember Wan remarked a blue dye would not be an indicator to him that the area was just sprayed, and he looked for further public outreach.

City Manager Napper suggested public outreach could occur through the Mayor's Column in the *Clayton Pioneer*. The difficulty is how does the City reach out and notify everyone in the community what to read or how to look for news. Another challenge is knowing exactly when and where City personnel are going to spray Round Up. The City a limited number of personnel whose schedules can change due to weather patterns and availability of trained personnel to make these applications. He noted after Ms. Rosenthal met Maintenance Worker Jeff Miller in the field he then had a conversation with Mr. Warburton and the City has since initiated the field practice of letting people know when and where it is spraying by the display of signage. A problem with this setting is its abundance of weeds and open space; pulling weeds by hand can be managed in one's own yard but it is a huge task when it involves the entire city with a staff of six maintenance workers. City staff is open to trying some of the suggestions, such as industrial-based vinegar, in a small section to determine its effectiveness.

Mayor Catalano appreciated the written City use guidelines and is happy to cover the outreach in the next *Clayton Pioneer* Mayor's Column. Councilmember Wan agreed the Mayor's Column is a good first step.

No action was taken.

- (d) Council Member request to discuss City consideration of possible semi-annual public reports by City staff on achievement of Council goals.

Councilmember Wan lead the discussion noting the most recent Council goals setting session there is no formal report out on the goals set during this session, with some being over ten years old, and with limited time and resources, City staff does not have the time to accomplish these goals. Councilmember Wan thinks it is a good idea to report out as a matter of public record and prioritize goals noting those without a very realistic chance of being implemented. He proposes a semi-annual report from staff that describes each of the goals, a rough outline of the steps necessary to accomplish those goals, and progress made in achieving the goals with a potential timeline. Doing so would go a long way informing the public about the activities of the City staff and allows Council to present its accomplishments and areas it is working on. Given there is already

a running list of these goals, the informative value of this activity would be high compared to the level of effort it would require. He requests a more formalized nature of report out and better direction for both the City Council and public to evaluate the process a little bit further.

Councilmember Wolfe inquired on the extra time and work it will take to achieve the goals outlined in the Council goals for staff to accomplish.

City Manager Napper responded noting as discussed at the goals setting session, there is limited number of resources the City staff has, and this proposal would have staff spending more time reporting as opposed to achieving the tasks. Such work efforts can be disrupted at any time. For example, he noted there were plans last year by the City Council to replace the tot lot equipment at North Valley Park. Ms. Hoffmeister took over working on that project when former Maintenance Supervisor Mark Janney retired last year from the City. Mr. Warburton was hired and he is still in that transition so Ms. Hoffmeister has been leading the project. She contacted the approved low-bid CMAS recreational vendors and those vendors did not return her calls as they were busy restoring park properties that have been destroyed by wildfires in other areas of California, which are larger projects and more lucrative than what the City of Clayton wants to do. City staff still does not have the specifications or quotes. If Councilmember Wan is looking to make the Council's goals a public document it can be done, but City Manager Napper suggested the report be on an annual basis as not much progress can be accomplished if reporting on a semiannual basis.

Councilmember Wan indicated he feels the current product is good, suggesting something more expansive with an outline of the steps needed to achieve the goal and the process needed.

City Manager Napper noted the progress list is received weekly with updates but does it not tell the whole story of what City staff is doing, and that is the difficulty in reporting out. While the current document is labeled "Staff Work in Progress," it is really City Council goals and the Council should assign its priorities. Mr. Napper advised he has his own set of goals for the City organization that are not measured by this table; he is concerned with having the Council Goals published and the public perception that City staff is doing nothing. In order to keep City Hall doors open with a staff of 26, half of which is the Police Department and 6 maintenance workers, it leaves only 7 employees on the third floor of City Hall to accomplish the tasks. There are no middle managers employed by the City; department heads are doing the heavy lifting of running the City and accomplishing Council goals, himself included. It can be very difficult with sick leaves and vacations and not getting timely responses from a vendor or contractor. If an annual reporting requirement is desired, staff can try and aim for that; often cities will do such with their annual budget.

Vice Mayor Pierce added during the Goals Setting Session, Councilmember Wan pointed out some of the organization of our goals need improvement. The biggest thing she wants the public to understand is many of the Council's goals are aspirational goals. If the City had unlimited resources, or adequate resources, so much more could be accomplished; however with limited numbers of staff and resources, the City needs the resources we do have for daily operations of the community. One active goal for staff, if the resources could be identified, is the review of the Town Center Specific Plan; even that will be incumbent on whether we have financial and staff resources. Mr. Napper referred to a weekly report that he generates for the City Council and staff, where the department heads provide a summary of what they have been working on during the week. However, that does not even count all the trips to the counter to help a member of the public, or the number of phone calls being answered, along with other things, and those are things that potentially take up a great deal of time. Keeping the City running is

answering those phone calls and assisting the public; that is what we do. To think staff has adequate time to report or provide a presentation of how staff is spending their time is not accurate. A lot of the goals the Council has are keeping the City running. She thinks staff is doing a terrific job with the resources we have in keeping the City running in a way that is far above what a lot of other cities could accomplish. She is not in favor of time logs or reports that distract City staff from actually doing the daily work. Vice Mayor Pierce suggested that perhaps the City Manager weekly report may be posted on the City's website but she doubts that many people will read it.

Councilmember Wolfe thought some members of the public who attended the Goals Setting Session were confused on the long-term, decade long goals; he suggested the decade long goals are aspirational because it presently can very much confuse the public.

Councilmember Wan advised in his profession it is very normal to report out on the goals with steps outlining the accomplishment and feels it is a healthy conversation with the oversight of the City to make sure the goals that we set are continued to be supported. Councilmember Wan looks forward to the City Manager weekly report which contains a lot of good information.

Councilmember Diaz remarked he finds the City Manager weekly report adequate.

Mayor Catalano noted the items contained in the Council Goals are there if resources became available. She finds the weekly report very informative, and if she had a question about any item City staff is always available to the City Council and the public.

Councilmember Wolfe also finds the weekly report very informative.

Councilmember Wan noted in the previous Council Goals Setting Sessions one can see the goals that were added, but not the previous items on the list. His idea allows public view into the established goals of the City and having the complete list in the record.

Mayor Catalano opened public comment; no public comments were received.

No action taken.

9. COUNCIL ITEMS - None.

10. CLOSED SESSION – None.

11. ADJOURNMENT– on call by Mayor Catalano, the City Council adjourned its meeting at 10:36 p.m.

The next regularly scheduled meeting of the City Council will be February 19, 2019.

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Respectfully submitted,

Janet Calderon, City Clerk

APPROVED BY THE CLAYTON CITY COUNCIL

Tuija Catalano, Mayor

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Agenda Date: 02/19/19

Agenda Item: 3b

STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: KEVIN MIZUNO, FINANCE MANAGER

DATE: 02/19/19

SUBJECT: FINANCIAL DEMANDS AND OBLIGATIONS OF THE CITY

Approved: 
 Gary A. Napper
 City Manager

RECOMMENDATION:

It is recommended the City Council, by minute motion, approve the financial demands and obligations of the City for the purchase of services and goods in the ordinary course of operations.

Cash Requirements Report	Accounts Payable	Report dated	02/15/2019	\$ 94,840.56
Cash Requirements Report	Payroll, Taxes	Pay period ending	02/10/2019	\$ 79,942.67
			Total Required	\$ 174,783.23

Attachments:

Cash Requirements reports, dated 02/15/19 (4 pages)

Paychex Cash Requirements (2 pages)

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Advanced Elevator Solutions, Inc								
Advanced Elevator Solutions, Inc	2/19/2019	2/19/2019	34580	Elevator maintenance	\$119.00	\$0.00		\$119.00
				<i>Totals for Advanced Elevator Solutions, Inc:</i>	<i>\$119.00</i>	<i>\$0.00</i>		<i>\$119.00</i>
All City Management Services, Inc.								
All City Management Services, Inc.	2/19/2019	2/19/2019	59157	School crossing guard svcs 1/13/19-1/26/19	\$535.14	\$0.00		\$535.14
All City Management Services, Inc.	2/19/2019	2/19/2019	58867	School crossing guard svcs 12/30/18-1/12/19	\$237.84	\$0.00		\$237.84
				<i>Totals for All City Management Services, Inc.:</i>	<i>\$772.98</i>	<i>\$0.00</i>		<i>\$772.98</i>
Bay Area Barricade Serv.								
Bay Area Barricade Serv.	2/19/2019	2/19/2019	272	Street signs	\$114.19	\$0.00		\$114.19
Bay Area Barricade Serv.	2/19/2019	2/19/2019	252	Sign for CCP	\$163.13	\$0.00		\$163.13
Bay Area Barricade Serv.	2/19/2019	2/19/2019	226	LED bulbs	\$181.26	\$0.00		\$181.26
Bay Area Barricade Serv.	2/19/2019	2/19/2019	163	"Pesticide Appl." signs	\$199.02	\$0.00		\$199.02
				<i>Totals for Bay Area Barricade Serv.:</i>	<i>\$657.60</i>	<i>\$0.00</i>		<i>\$657.60</i>
CalPERS Retirement								
CalPERS Retirement	2/19/2019	2/19/2019	CC022419	City council retirement ending 2/24/19	\$75.62	\$0.00		\$75.62
CalPERS Retirement	2/19/2019	2/19/2019	021019	Retirement PPE 2/10/19	\$15,568.86	\$0.00		\$15,568.86
				<i>Totals for CalPERS Retirement:</i>	<i>\$15,644.48</i>	<i>\$0.00</i>		<i>\$15,644.48</i>
Caltronics Business Systems, Inc								
Caltronics Business Systems, Inc	2/19/2019	2/19/2019	2696323	Copier contract coverage 12/30/18-1/29/19	\$353.42	\$0.00		\$353.42
				<i>Totals for Caltronics Business Systems, Inc:</i>	<i>\$353.42</i>	<i>\$0.00</i>		<i>\$353.42</i>
Thomas Castle								
Thomas Castle	2/19/2019	2/19/2019	020219	HH deposit refund 2/2/19	\$200.00	\$0.00		\$200.00
				<i>Totals for Thomas Castle:</i>	<i>\$200.00</i>	<i>\$0.00</i>		<i>\$200.00</i>
CCWD								
CCWD	2/19/2019	2/19/2019	H series	Water 12/4/18-2/1/19	\$4,521.84	\$0.00		\$4,521.84
				<i>Totals for CCWD:</i>	<i>\$4,521.84</i>	<i>\$0.00</i>		<i>\$4,521.84</i>
Cintas Corporation								
Cintas Corporation	2/19/2019	2/19/2019	38K205569	PW uniforms through 2/7/19	\$42.48	\$0.00		\$42.48
				<i>Totals for Cintas Corporation:</i>	<i>\$42.48</i>	<i>\$0.00</i>		<i>\$42.48</i>
Clean Street								
Clean Street	2/19/2019	2/19/2019	92914	Street sweeping for January	\$4,500.00	\$0.00		\$4,500.00
				<i>Totals for Clean Street:</i>	<i>\$4,500.00</i>	<i>\$0.00</i>		<i>\$4,500.00</i>
CME Lighting Supply, Inc								
CME Lighting Supply, Inc	2/19/2019	2/19/2019	230723	CH parking lot bulbs	\$154.71	\$0.00		\$154.71
				<i>Totals for CME Lighting Supply, Inc:</i>	<i>\$154.71</i>	<i>\$0.00</i>		<i>\$154.71</i>
Comcast Business (PD)								
Comcast Business (PD)	2/19/2019	2/19/2019	76300016	PD Cabinet 11/30/18-1/31/19	\$1,833.99	\$0.00		\$1,833.99

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
<i>Totals for Comcast Business (PD):</i>					\$1,833.99	\$0.00		\$1,833.99
Comcast Business Installation								
Comcast Business Installation	2/19/2019	2/19/2019	1982390	Internet project completion payment, PD	\$4,000.00	\$0.00		\$4,000.00
<i>Totals for Comcast Business Installation:</i>					\$4,000.00	\$0.00		\$4,000.00
Comcast Business								
Comcast Business	2/19/2019	2/19/2019	020119	Internet 2/10/19-3/9/19	\$386.08	\$0.00		\$386.08
<i>Totals for Comcast Business:</i>					\$386.08	\$0.00		\$386.08
Contra Costa County Clerk Elections Division								
Contra Costa County Clerk Elections Di	2/19/2019	2/19/2019	1803	11/6/18 Elections fee	\$8,575.85	\$0.00		\$8,575.85
<i>Totals for Contra Costa County Clerk Elections Division:</i>					\$8,575.85	\$0.00		\$8,575.85
Contra Costa Powersports								
Contra Costa Powersports	2/19/2019	2/19/2019	173642	Sales tax for PD motorcycle service	\$8.51	\$0.00		\$8.51
<i>Totals for Contra Costa Powersports:</i>					\$8.51	\$0.00		\$8.51
Dept of Motor Vehicles								
Dept of Motor Vehicles	2/19/2019	2/19/2019	2019	Vehicle code books (3)	\$58.22	\$0.00		\$58.22
<i>Totals for Dept of Motor Vehicles:</i>					\$58.22	\$0.00		\$58.22
Dillon Electric Inc								
Dillon Electric Inc	2/19/2019	2/19/2019	3829	Streetlight repairs 1/30/19	\$1,471.27	\$0.00		\$1,471.27
<i>Totals for Dillon Electric Inc:</i>					\$1,471.27	\$0.00		\$1,471.27
Geoconsultants, Inc.								
Geoconsultants, Inc.	2/19/2019	2/19/2019	18993	Well monitoring for January	\$1,546.50	\$0.00		\$1,546.50
Geoconsultants, Inc.	2/19/2019	2/19/2019	18986	Well monitoring for December	\$1,546.50	\$0.00		\$1,546.50
<i>Totals for Geoconsultants, Inc.:</i>					\$3,093.00	\$0.00		\$3,093.00
Alyssa Griffith								
Alyssa Griffith	2/19/2019	2/19/2019	020319	EH deposit refund for 2/3/19	\$500.00	\$0.00		\$500.00
<i>Totals for Alyssa Griffith:</i>					\$500.00	\$0.00		\$500.00
Michael Johnson								
Michael Johnson	2/19/2019	2/19/2019	120818	Refund alcohol permit for HH 12/8/18	\$61.00	\$0.00		\$61.00
<i>Totals for Michael Johnson:</i>					\$61.00	\$0.00		\$61.00
Bruce Kahl								
Bruce Kahl	2/19/2019	2/19/2019	020219	EH deposit refund for 02/02/19	\$500.00	\$0.00		\$500.00
<i>Totals for Bruce Kahl:</i>					\$500.00	\$0.00		\$500.00
LarryLogic Productions								
LarryLogic Productions	2/19/2019	2/19/2019	1786	City council meeting production 2/5/19	\$510.00	\$0.00		\$510.00
<i>Totals for LarryLogic Productions:</i>					\$510.00	\$0.00		\$510.00

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
League of CA cities								
League of CA cities	2/19/2019	2/19/2019	189186	Member dues for 2019	\$5,990.00	\$0.00		\$5,990.00
				<i>Totals for League of CA cities:</i>	<u>\$5,990.00</u>	<u>\$0.00</u>		<u>\$5,990.00</u>
Jonathan Lopez								
Jonathan Lopez	2/19/2019	2/19/2019	050419	Cancellation refund for EH 5/4/19	\$561.00	\$0.00		\$561.00
				<i>Totals for Jonathan Lopez:</i>	<u>\$561.00</u>	<u>\$0.00</u>		<u>\$561.00</u>
Matrix Association Management								
Matrix Association Management	2/19/2019	2/19/2019	9117	Diablo Estates management for February	\$4,532.50	\$0.00		\$4,532.50
				<i>Totals for Matrix Association Management:</i>	<u>\$4,532.50</u>	<u>\$0.00</u>		<u>\$4,532.50</u>
Mt Diablo Landscape Centers Inc								
Mt Diablo Landscape Centers Inc	2/19/2019	2/19/2019	532874	Track fines for CCP	\$1,947.42	\$0.00		\$1,947.42
				<i>Totals for Mt Diablo Landscape Centers Inc:</i>	<u>\$1,947.42</u>	<u>\$0.00</u>		<u>\$1,947.42</u>
NBS Govt. Finance Group								
NBS Govt. Finance Group	2/19/2019	2/19/2019	1018000122	Disclosures for 2007 Bonds	\$1,929.64	\$0.00		\$1,929.64
				<i>Totals for NBS Govt. Finance Group:</i>	<u>\$1,929.64</u>	<u>\$0.00</u>		<u>\$1,929.64</u>
Neopost (add postage)								
Neopost (add postage)	2/19/2019	2/19/2019	020819	Postage added 2/8/19	\$300.00	\$0.00		\$300.00
				<i>Totals for Neopost (add postage):</i>	<u>\$300.00</u>	<u>\$0.00</u>		<u>\$300.00</u>
Paysafe Payment Processing								
Paysafe Payment Processing	2/19/2019	2/19/2019	Jan2018	Bankcard fees for January	\$208.61	\$0.00		\$208.61
Paysafe Payment Processing	2/19/2019	2/19/2019	Jan2018	Online bankcard fees for January	\$123.76	\$0.00		\$123.76
				<i>Totals for Paysafe Payment Processing:</i>	<u>\$332.37</u>	<u>\$0.00</u>		<u>\$332.37</u>
Raney Planning & Management, Inc.								
Raney Planning & Management, Inc.	2/19/2019	2/19/2019	1836E-4	Senior housing proj mgmt for December	\$150.00	\$0.00		\$150.00
				<i>Totals for Raney Planning & Management, Inc.:</i>	<u>\$150.00</u>	<u>\$0.00</u>		<u>\$150.00</u>
Riso Products of Sacramento								
Riso Products of Sacramento	2/19/2019	2/19/2019	192157	Copier lease pmt 23 of 60	\$106.09	\$0.00		\$106.09
				<i>Totals for Riso Products of Sacramento:</i>	<u>\$106.09</u>	<u>\$0.00</u>		<u>\$106.09</u>
Site One Landscape Supply, LLC								
Site One Landscape Supply, LLC	2/19/2019	2/19/2019	88958152-001	Installation high-gain antenna for irrigation	\$569.90	\$0.00		\$569.90
				<i>Totals for Site One Landscape Supply, LLC:</i>	<u>\$569.90</u>	<u>\$0.00</u>		<u>\$569.90</u>
Sprint Comm (PD)								
Sprint Comm (PD)	2/19/2019	2/19/2019	703335311-206	Cell phones 12/26/18-1/25/19	\$646.22	\$0.00		\$646.22
				<i>Totals for Sprint Comm (PD):</i>	<u>\$646.22</u>	<u>\$0.00</u>		<u>\$646.22</u>
Stacey Fassl								
Stacey Fassl	2/19/2019	2/19/2019	050419	EH deposit refund	\$375.00	\$0.00		\$375.00

City of Clayton Cash Requirements Report

Vendor Name	Due Date	Invoice Date	Invoice Number	Invoice Description	Invoice Balance	Potential Discount	Discount Expires On	Net Amount Due
Stacey Fassl	2/19/2019	2/19/2019	050419	EH cancellation refund	\$838.00	\$0.00		\$838.00
				<i>Totals for Stacey Fassl:</i>	<i>\$1,213.00</i>	<i>\$0.00</i>		<i>\$1,213.00</i>
Staples Business Credit								
Staples Business Credit	2/19/2019	2/19/2019	1622720668	Office supplies for January	\$296.42	\$0.00		\$296.42
				<i>Totals for Staples Business Credit:</i>	<i>\$296.42</i>	<i>\$0.00</i>		<i>\$296.42</i>
Verizon Wireless								
Verizon Wireless	2/19/2019	2/19/2019	9823292802	Cell phones 1/2/19-2/1/19	\$152.48	\$0.00		\$152.48
				<i>Totals for Verizon Wireless:</i>	<i>\$152.48</i>	<i>\$0.00</i>		<i>\$152.48</i>
Wally's Rental Center, Inc.								
Wally's Rental Center, Inc.	2/19/2019	2/19/2019	195634-3	Dehumidifier rental	\$280.69	\$0.00		\$280.69
				<i>Totals for Wally's Rental Center, Inc.:</i>	<i>\$280.69</i>	<i>\$0.00</i>		<i>\$280.69</i>
Waraner Brothers Tree Service								
Waraner Brothers Tree Service	2/19/2019	2/19/2019	14543	Grind stumps @ Lydia Lane	\$1,300.00	\$0.00		\$1,300.00
Waraner Brothers Tree Service	2/19/2019	2/19/2019	14544	Remove eucalyptus @ Diablo Trail	\$20,866.66	\$0.00		\$20,866.66
				<i>Totals for Waraner Brothers Tree Service:</i>	<i>\$22,166.66</i>	<i>\$0.00</i>		<i>\$22,166.66</i>
Western Exterminator								
Western Exterminator	2/19/2019	2/19/2019	6723902	Pest control for January	\$409.50	\$0.00		\$409.50
				<i>Totals for Western Exterminator:</i>	<i>\$409.50</i>	<i>\$0.00</i>		<i>\$409.50</i>
Workers.com								
Workers.com	2/19/2019	2/19/2019	124070	Seasonal workers week end 2/3/19	\$2,953.64	\$0.00		\$2,953.64
Workers.com	2/19/2019	2/19/2019	124015	Seasonal workers week end 1/27/19	\$2,338.60	\$0.00		\$2,338.60
				<i>Totals for Workers.com:</i>	<i>\$5,292.24</i>	<i>\$0.00</i>		<i>\$5,292.24</i>
GRAND TOTALS:					\$94,840.56	\$0.00		\$94,840.56

PPE 2/10/19

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 02/13/19: \$80,517.59

TRANSACTION SUMMARY

SUMMARY BY TRANSACTION TYPE -		
TOTAL ELECTRONIC FUNDS TRANSFER (EFT)		79,942.67
TOTAL NEGOTIABLE CHECKS		574.92
CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT		80,517.59
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES		12,086.31
CASH REQUIRED FOR CHECK DATE 02/13/19		92,603.90

TRANSACTION DETAIL

ELECTRONIC FUNDS TRANSFER - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

TRANS. DATE	BANK NAME	ACCOUNT NUMBER	PRODUCT	DESCRIPTION		BANK DRAFT AMOUNTS & OTHER TOTALS
02/12/19	BANK OF AMERICA, NA	xxxxxx4799	Direct Deposit	Net Pay Allocations	63,133.27	
02/12/19	BANK OF AMERICA, NA	xxxxxx4799	Direct Deposit	Deductions with Direct Deposit	543.50	63,676.77
02/12/19	BANK OF AMERICA, NA	xxxxxx4799	Readychex@	Check Amounts	826.67	826.67
02/12/19	BANK OF AMERICA, NA	xxxxxx4799	Garnishment	Employee Deductions	47.20	47.20
				EFT FOR 02/12/19		64,550.64
02/13/19	BANK OF AMERICA, NA	xxxxxx4799	Taxpay@	Employee Withholdings		
				Social Security	157.90	
				Medicare	1,262.23	
				Fed Income Tax	8,675.72	
				CA Income Tax	3,292.24	
				Total Withholdings	13,388.09	
				Employer Liabilities		
				Social Security	157.90	
				Medicare	1,262.28	
				Fed Unemploy	64.86	
				CA Unemploy	508.08	
				CA Emp Train	10.82	
				Total Liabilities	2,003.94	15,392.03
				EFT FOR 02/13/19		15,392.03
				TOTAL EFT		79,942.67

CASH REQUIREMENTS

CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 02/13/19: \$80,517.59

NEGOTIABLE CHECKS - Check amounts will be debited when payees cash checks. Funds must be available on check date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
02/13/19	BANK OF AMERICA, NA	xxxxxx4799	Payroll	Check Amounts	574.92	
TOTAL NEGOTIABLE CHECKS						574.92

REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
02/13/19	Refer to your records for account	Information	Payroll	Employee Deductions		
				1959 Surv. Ben.	11.16	
				414h2 EE PD ER Cont.	71.24	
				414h2 Pretax	5,685.77	
				457b EE Pretax	103.85	
				DC ICMA Pretax	2,029.80	
				FSA Dep Care Pretax	441.90	
				Health Prem Pretax	2,779.40	
				Nationwide Pretax	720.00	
				Supp Ins Post Tax	127.95	
				Supplemental Ins	115.24	
				Total Deductions	12,086.31	
TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES						12,086.31

PAYCHEX WILL MAKE THESE TAX DEPOSIT(S) ON YOUR BEHALF - This information serves as a record of payment.

<u>DUE DATE</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>	
02/21/19	Taxpay@	FED IT PMT Group	11,516.03
02/21/19	Taxpay@	CA IT PMT Group	3,292.24

Agenda Date: 2-19-2019

Agenda Item: 3c



Approved:

Gary A. Napper
City Manager

AGENDA REPORT

To: HONORABLE MAYOR AND COUNCIL MEMBERS
From: JIM WARBURTON, MAINTENANCE SUPERVISOR
Date: FEBURARY 19, 2019
Subject: DECLARATION OF EQUIPMENT SURPLUS TO THE CITY'S NEEDS

RECOMMENDATION

By Resolution declare the following equipment and assets as property surplus to the City's needs:

1. Vermeer Chipper (license number E325257);
2. Back Hoe attachment;
3. Husky Hauler trailer with fixed portable toilet (license number E329004; serial number 1VRC11155H1000228); and
4. LeRoi Crack Sealer (purchased used; serial number S-0JK-120-67)

and authorize the City Manager to dispose of the surplus and unused equipment for its economic value via public auction with proceeds to be deposited into the City's Capital Equipment Replacement Fund (CERF).

DISCUSSION

The four items listed in the Recommendation above have been evaluated for continued utility to the operations of the City and the City Maintenance Department. Each has been deemed to be of no further use or benefit to the Maintenance Department due to the fact each piece of equipment is old, obsolete for parts, and/or in a state of disrepair. The cost to repair these items is too great and the amount of use each would provide outweighs the cost of repair. Premium storage area in the City's Corporation Yard would be recovered by the elimination of these unused assets from occupying space.

FISCAL IMPACT

Surplus equipment is typically disposed of at public auction. Many factors impact what the equipment will sell for. It is unknown at this time what any offers will generate.

All proceeds from the sale of this surplus equipment belong to the Clayton taxpayers and will be placed in the City's Capital Equipment Replacement Fund (CERF).

RESOLUTION NO. - 2019

**A RESOLUTION DECLARING A VERMEER BRUSH CHIPPER,
AN OUT-HOUSE TRAILER, A BACKHOE ATTACHMENT AND A
CRACK SEALER AS PROPERTY SURPLUS TO THE CITY'S NEEDS
AND AUTHORIZATION TO SELL AT PUBLIC AUCTION**

**THE CITY COUNCIL
CITY OF CLAYTON CALIFORNIA**

WHEREAS, the City of Clayton Maintenance Department uses equipment to perform various duties within the city and provide public services to and for the community; and

WHEREAS, the City Maintenance Department has evaluated and determined it no longer has a need for certain and specified pieces of antiquated equipment due to their age and/or the expense to repair them; and

WHEREAS, since the City Maintenance Department now contracts the majority of its tree work to Waraner Brothers Tree Service and can obtain wood chips from that contractor, it no longer has a need for a hazardous brush chipper; the Maintenance Department also no longer performs its own street crack sealing due to the City's Pavement Management Program; the Maintenance Department has not used and no longer has a need for a portable restroom fixed onto the bed of a small trailer; and the Maintenance Department no longer needs a back hoe attachment due to the purchase of a mini excavator in 2015; and

WHEREAS, this specified City equipment has now become unnecessary and obsolete, and is therefore proposed for surplus to be sold at public auction.

NOW, THEREFORE, IT BE RESOLVED that the City Council of Clayton California does hereby approve as follows:

Section 1. Does herewith declare the Vermeer Brush Chipper (license number E325257), a back hoe attachment, a small Husky Hauler trailer with a portable restroom fixed to its bed (license number E329004, serial number 1VRC11155H1000228), and a LeRoi Crack Sealer (serial number S-0JK-120-67) as property surplus to the City's operational needs.

Section 2. Does herein authorize its City Manager to dispose of said equipment by public auction with any proceeds thereof to be deposited in the City's Capital Equipment Replacement Fund (CERF).

PASSED, APPROVED AND ADOPTED by the City Council of the City of Clayton, California at a regular public meeting thereof held the 19th day of February 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON

Tuija Catalano, Mayor

ATTEST:

Janet Calderon, City Clerk



Agenda Date: 2-19-2019

Agenda Item: 7a

STAFF REPORT

Approved:

Gary A. Napper
City Manager

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: KEVIN MIZUNO, FINANCE MANAGER, CPA

DATE: FEBRUARY 19, 2019

**SUBJECT: PUBLIC HEARING ON THE MID-YEAR BUDGET REPORT AND REVIEW
(THROUGH DECEMBER 31, 2018)**

RECOMMENDATION

Following staff report and presentation, staff recommends the following actions:

1. Adopt the attached Resolution amending the annual operating budget of the City of Clayton for mid-year adjustments in the General Fund and Landscape Maintenance District for the 2018-2019 fiscal year commencing July 1, 2018, and
2. By motion, provide direction to staff on the Council Budget Sub-Committee's proposed use of FY 2017-18 General Fund excess reserves to augment the City's Pension Rate Stabilization Fund by \$100,000.

BACKGROUND

Following a Public Hearing, on June 5, 2018 the City's Budget for fiscal year 2018-19 was adopted by the City Council on June 19, 2018. The adopted budget for the City's General Fund was a balanced budget with projected revenues of \$4,689,190 and total appropriations of \$4,587,220. This resulted in an initial General Fund budgetary excess of **\$101,970**.

Fiscal Year-to-Date Budgetary Changes

For the six months ended December 31, 2018, there has been only one budgetary action authorized by the City Council impacting the fiscal year 2018-19 budget which has been included within the scope of this mid-year budgetary analysis. This budget amendment was an increase within the "Budget" column in the Mid-Year Budget-to-Actual Report (Attachment 1).

On June 19, 2018, in a separate action from the adoption of the FY 2018-19 budget, the City Council approved a three (3) year collective bargaining agreement with the Clayton Police Officers' Association (CPOA) covering the timeframe July 1, 2018 through June 30, 2021. The revised labor agreement, covering the City's ten (10) sworn police officers, included an annual 4.5% cost of living adjustment in members' base salaries and increased the employee pension contribution requirements for Tier I and II "Classic" CalPERS participants to include employer-rate paid portions.

Since the CPOA labor agreement was presented to the City Council for approval on the same day as the adoption of the FY 2018-19 budget, the fiscal impact of this agreement was not incorporated in the FY 2018-19 adopted budget schedules. Pursuant to this budgetary action, total FY 2018-19 appropriations of the General Fund Police Department were amended and increased by \$46,609, which resulted in a decrease to the General Fund's anticipated excess to **\$55,361** (1% of General Fund reserves).

DISCUSSION

The revenue and expenditure figures for the first half of fiscal year 2018-19 are now compiled, offering a view of the fiscal picture for one half of the operating year. The mid-year General Fund revenue and expenditure budget-to-actual report is included on pages 1-5 of Attachment 1.

1. **General Fund Revenues**

General Fund revenues for mid-year are at 51.65% of budget compared to 53.09% in the prior fiscal year (2017-18) Mid-Year Budget Review. The following table summarizes significant revenue sources compared with results from the past two mid-year budget review reports:

Description	2018-19	2017-18	2016-17
Total <u>Mid-Year</u> Revenue	\$ 2,421,780	\$ 2,371,114	\$ 2,424,477
Property Taxes	1,048,001	1,069,176	1,021,540
Franchise Fees	215,114	220,737	217,324
RPTTF Distrib. (former RDA increment)	210,220	203,475	185,822
Sales and Use Tax	268,080	219,681	232,037
Business Licenses	108,573	121,949	109,878
Inter Fund Transfers	57,528	55,732	53,700
Building Permit Fees	28,438	32,295	36,655
Real Property Transfer Tax	39,483	34,221	41,607
Planning Fees and Services	22,706	23,303	34,209
Mid-Year Actual to Projected Revenue	51.65%	53.09%	56.38%

Overall, General Fund revenues at the mid-year point are on target and no budgetary action on revenue projections contained in the original adopted budget is necessary at this time. The table above shows that the General Fund's percentage of actual to budgeted revenues at mid-year decreased slightly by 1.44% from 53.09% to 51.65% in the current year. This decrease is primarily attributable to a timing issue that occurred in the first half of the prior year. Last year, the Contra Costa County Auditor-Controller's Office experienced operational difficulties in calculating the first installment of property taxes due to local agencies which resulted in an under-allocation of property taxes due in December 2017. Accordingly, a "true up" payment was issued by the County resulting in the City receiving a larger than normal proportion for the first installment (63% versus the normal 55%). This revenue anomaly is only observed when comparing mid-year General Fund revenues and is eliminated when making the same comparison using complete fiscal years.

Consistent with the Contra Costa County Office of Assessor's June 28, 2018 press release on the delivery of the FY 2018-19 county assessment rolls to the County Auditor-Controller, the City of Clayton's assessed value growth was 4.67%. This figure, unknown during FY 2018-19 budget preparations, exceeds the cautionary growth predicted in the adopted budget for secured property taxes by 2.67%. The revenue line items benefiting most from this favorable variance, which are coincidentally the City's largest two revenue sources, include: (1) property tax in-lieu of vehicle license fees (VLF) from the State of California, and (2) local secured property taxes. This higher than projected assessed value growth is a direct result of local sales arising in change in ownership reassessments.

In regards to sales & use tax revenue, at the mid-year point this line item also appears to be coming in slightly higher than projected in the FY 2018-19 adopted budget. On September 14, 2018 the California Department of Tax and Fees Administration (CDTFA), the state entity responsible for collecting and allocating sales & use taxes, issued a letter to local agencies providing an explanation for unusual revenue variances local agencies would likely observe. The letter clarified that as a direct result of setbacks experienced during CDTFA's implementation of its new automation system in May 2018, many returns pertaining to the 4th quarter of FY 2017-18 would end up rolling into the 1st quarter of FY 2018-19. Accordingly, many local agencies, including the City of Clayton, should expect to receive slightly less than expected sales & use tax revenues in FY 2017-18, while receiving slightly higher than expected sales & use tax revenues in FY 2018-19. This phenomenon appears to have come to fruition, evidenced by the sales & use taxes already covering 56.20% of the budgeted line item by the mid-year point of FY 2018-19.

2. General Fund Expenditures

General Fund operational expenditures for mid-year are at \$2,548,450 (55.00% of budget) compared to \$2,461,621 (55.13% of budget) in the prior fiscal year's Mid-Year Budget Review. The table below summarizes departmental expenditures compared with results from the past two Mid-Year Budget Reviews:

<u>Description</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>
Legislative	\$ 45,523	\$ 32,224	\$ 30,536
Administration, Finance & Legal	566,942	540,892	512,778
Public Works	86,387	53,960	71,674
Planning and Community Development	189,923	165,789	150,921
General Services	150,249	113,020	105,301
Police	1,247,602	1,304,328	1,081,869
Library	61,956	63,164	51,850
Engineering	60,905	71,393	50,479
Clayton Community Park	138,963	116,851	92,577
Total	<u>\$ 2,548,450</u>	<u>\$ 2,461,621</u>	<u>\$ 2,147,985</u>

An analysis of mid-year General Fund budget-to-actual expenditures supports operations are progressing on target overall with only two exceptions at the line item level. Typically, expenditures of the General Fund slightly exceed 50% of the adopted budget by the mid-year

point, which is attributable to significant and often one-time operational costs being incurred solely in the first half of the year. Such costs include annual insurance premium payments to the Municipal Pooling Authority of Northern California and the statutory unfunded actuarial liability employer pension contribution made to CalPERS. Each of these budgeted costs is spread in a rational and justifiable manner amongst General Fund departments as well as other cost-driving restricted-use funds.

Expenditure Trends and Proposed Amendments

The first of two noteworthy negative expenditure variances was identified in the Public Works Department pertaining to overages associated with the replacement of City Hall's HVAC system. On July 18, 2017 the City Council awarded a low-bid contract budget in the amount of \$255,198 to Servi-Tech Controls, Inc. (Servi-Tech) for the inspection and replacement the failing and largely inoperable original City Hall HVAC system. The project entailed the installation of a new boiler, air handler, air conditioning units, controls, and associated equipment as well as disassembly and removal of the old equipment. On December 18, 2018 the City Council accepted the HVAC replacement project (CIP 10444) as significantly complete pursuant to the design specs compiled by the independent contracted project engineer. Following Servi-Tech's installation of the HVAC and boiler system, which constituted the bulk of the project, the City contracted Marken Mechanical to address a few urgent control system issues that were not sufficiently addressed in the project's bid specifications. Staff recommends the City Council adopt a budget amendment to increase the City Hall HVAC Maintenance line item by \$25,000 to cover these unforeseen and unbudgeted costs. This appropriation increase would be funded by a portion of the General Fund's budgeted FY 2018-19 operating excess of \$55,361 and increase the respective budget line item to \$35,000.

The second negative expenditure variance was identified in the Community Development Department. In the first half of the fiscal year, this department conducted a complex code enforcement case necessitating the contracting of an independent third party hearing officer as well as the incurrence of additional special legal service costs not covered under the City's legal retainer with contract City Attorney firm, Best, Best & Krieger. Due to the limited resources of the City's Community Development Department, the code enforcement cases are generally handled on a complaint-driven basis, with this case being no exception. Complex (and costly) code enforcement cases such as these are both infrequent and generally unforeseeable; therefore it is difficult, if not impossible, to incorporate adequate appropriations for the needed consultant services in the already constrained General Fund operating budget.

In consideration of the operational challenges encountered in the Community Development Department this year, staff recommends the City Council adopt a budget amendment to increase appropriations of this department of the General Fund by \$18,000 to cover unbudgeted costs associated with this irregular (and hopefully non-recurring) code enforcement case. This appropriation increase would be funded by a portion of the General Fund's budgeted FY 2018-19 operating excess and increase the General Fund Community Development Department's Special Legal Services and Other Professional Services line items to \$11,000 and \$7,000 respectively.

Should the City Council approve the budget amendments being recommendation herein, the amended FY 2018-19 General Fund budget would still be balanced with a revised budgeted operating excess of **\$12,361**.

3. Other Governmental Fund Revenues and Expenditures

The following is a mid-year budget-to-actual revenue comparison table of the City's most operationally significant restricted-use governmental funds:

Fund Description	Budgeted Revenue FY 2018-19	Mid-Year Actual Revenue	% Realized
HUTA Gas Tax Fund	\$ 293,004	\$ 144,778	49.4%
RMRA Gas Tax Fund	189,383	100,916	53.3%
Landscape Maintenance District	1,136,746	628,510	55.3%
The Grove Park District	140,490	77,706	55.3%
Neighborhood Streetlight District	126,991	70,264	55.3%
Stormwater Assessment District	147,027	34,077	23.2%
Measure J Fund	318,676	33,710	10.6%
Grants Fund	121,500	111,021	91.4%
Successor Housing Agency Fund	106,400	107,194	100.7%
Capital Improvement Program Fund	2,487,405	1,549,667	62.3%
Oakhurst GHAD	41,265	22,879	55.4%

Annual revenues of the funds shown above appear to be on target as budgeted. Consistent with prior years, revenues of the Measure J Fund and Stormwater Assessment District are unsurprisingly under budget at mid-year as allocations from the County are annually received subsequent to mid-year. The following is a mid-year budget-to-actual expenditure comparison table of the same governmental funds outlined previously:

Fund Description	Budgeted Expenditures FY 2018-19	Mid-Year Actual Expenditures	% Realized
HUTA Gas Tax Fund	\$ 613,905	\$ 185,541	30.2%
RMRA Gas Tax Fund	254,238	64,355	25.3%
Landscape Maintenance District	1,575,525	527,609	33.5%
The Grove Park District	132,164	53,259	40.3%
Neighborhood Streetlight District	151,592	73,039	48.2%
Stormwater Assessment District	192,907	79,974	41.5%
Measure J Fund	937,294	899,475	96.0%
Grants Fund	230,262	102,233	44.4%
Successor Housing Agency Fund	58,355	12,183	20.9%
Capital Improvement Program Fund	2,746,513	1,568,113	57.1%
Oakhurst GHAD	37,094	20,910	56.4%

Overall, annual expenditures of the City's most important governmental funds also appear to be on target with no budgetary action being recommended for these funds at this time. Both the Measure J and Capital Improvement Program Funds have expenditures exceeding 50% of adopted appropriations resulting from the City completing two large street repaving projects in the first half of FY 2018-19.

Street Projects (CIP)

The Keller Ridge Collector Street Rehabilitation Project (CIP No. 10425), focusing on the rehabilitation of Keller Ridge Drive between Eagle Peak and the first intersection with Kelok Way, incurred expenditures of \$769,865 by the six month period ended December 31, 2018. During this six month timeframe and pursuant to the adopted budget, these expenditures were funded by a Local Streets & Roads Shortfall federal grant with the (50.0%), transfers of "Local Streets Maintenance" monies from the Measure J Fund (31.4%), transfers from the HUTA Gas Tax Fund (15.3%), and a CalRecycle Rubberized Surface grant (3.3%). The federal and state grants providing partial funding for this project operate on a reimbursement basis and monies have not yet been received by the City. The City Engineer is in the process of finalizing the final reimbursement claims with the appropriate federal and state agencies and reimbursement is expected to be received prior to the end of the fiscal year.

Similarly, the 2018 Neighborhood Streets Project (CIP No. 10436), with the objective of elevating all of Clayton's local roads to a Pavement Condition Index of 80 or greater, incurred expenditures of \$755,761 by the six month period ended December 31, 2018. During this six month timeframe and pursuant to the adopted budget, these expenditures were funded by transfers of "Local Streets Maintenance" monies from the Measure J Fund (83.4%), transfers of SB1 monies from the RMRA Gas Tax Fund (8.5%), and a CalRecycle Rubberized Surface grant (8.1%). The state grant providing partial funding for this project operates on a reimbursement basis and monies have not yet been received by the City. The City Engineer is in the process of finalizing the final reimbursement claim with the appropriate state agency and reimbursement is expected to be received prior to the end of the fiscal year.

Landscape District (LMD)

Expenditures of the Landscape Maintenance District are considerably under budget as significant large-scale projects remain in the planning and design phases. Significant projects still in the planning phase during the first six months of the FY 2018-19 include the Downtown Planters Replacement Project and the Eucalyptus Tree Removal Project, with project budgets of \$300,000 and \$185,000 respectively. The City Engineer is currently reviewing and finalizing construction plans for the Downtown Planters Replacement Project to put the project out to public bid in the coming months. On December 4, 2018 the City Council awarded a low-bid contract to Waraner Bros. Tree Service for removal of seventeen (17) eucalyptus tree within the scope of the project. Tree removal work began in January 2019 immediately following the mid-year point of FY 2018-19. The Trails and Landscape Committee (TLC) of the Landscape Maintenance District met on January 28, 2019 to review the mid-year budget results and unanimously (6-0) recommends the City Council consider the mid-year approval of four (4) new landscaping projects.

The following is a summary of projects recommended to be added to the Landscape Maintenance District budget for FY 2018-19:

- An additional \$100,000 for tree trimming beyond the scope of work planned in the current year's adopted budget including trimming on Clayton Road, Marsh Creek Road, and Oakhurst Drive., which are the City's three arterial roads. The TLC's basis for this recommendation included considerations of branches getting heavy resulting in hazardous conditions as well as canopies needing lifting in areas where trucks are hitting or breaking off branches causing damage to the tree and potential vehicle damage.
- \$100,000 for the median island of Marsh Creek Rd. from Diablo View Ln. to Regency Dr. for the removal of dead trees, stump grinding and replanting of trees as well as replacement of the underlying irrigation system.
- \$100,000 for clearing of dead brush as well as trimming and thinning of brush along the creek areas and trails within the boundaries of the Landscape District.
- \$50,000 for further replacement of the LMD's antiquated irrigation controllers to provide wireless remote control (to adjust for weather).

Each of these four new projects would be funded by uncommitted reserves of the Landscape Maintenance District and would necessitate a budgetary amendment to increase appropriations in this restricted-use fund's budget by \$350,000. As supported by the prior year's audited financial statements, the Landscape Maintenance District opened the current fiscal year with total fund balance available for appropriation of \$764,455, which would be the sufficient funding source for the four projects outlined above.

4. City Council Direction on Use of FY 2017-18 General Fund Excess

On November 20, 2018 the Finance Manager and City's independent auditors, Cropper Accountancy Corporation, presented the City's audited CAFR for fiscal year 2017-18. In this presentation it was highlighted that when backing out non-operational special project expenditures funded by prior City Council approved earmarks of excess reserves, the General Fund reported a FY 2017-18 operating excess of **\$181,500**.

Consistent with policy direction in recent years, following the presentation of the audited CAFR City staff compiled a list of specific unmet financial needs of each department that could not be sustained within the operating budget, but may be addressed through City Council's earmark of excess General Fund reserves. Following review of these department-level requests as well as consideration of entity-wide fiscal needs, a list outlining three (3) different options was compiled for consideration by the City Council (Attachment 3).

Upon presentation of this preliminary list to the City Council Budget Sub-Committee on February 11, 2019, its desired action was a \$100,000 transfer of the excess to the City's Pension Rate Stabilization Fund. This internal service fund acts as an internal buffer to volatile CalPERS employer pension contributions and has a current restricted reserve balance of

approximately \$168,000. This proposed action would result in the residual amount FY 2017-18 operating excess (\$81,500) staying in fund balance resulting in an unallocated positive reserve of **\$5,202,751**, or 1.12 times the City Council approved FY 2018-19 General Fund operating budget.

5. Budget Sub-Committee Review

On February 11, 2019 the City Manager and the Finance Manager met with Council Members Jim Diaz and Jeff Wan to review the FY 2018-19 Mid-Year Budget results. The Council Budget Sub-Committee supports the analysis and recommendation herein. As outlined previously, at this meeting the Sub-Committee provided input on a proposed use of FY 2017-18 General Fund excess reserves. At this point staff seeks City Council direction on the one-time unmet needs summarized in Attachment 3.

FISCAL IMPACT

The actions recommended to the City Council by staff as outlined above will have the following fiscal impacts, if any:

A. ***Recommendation #1***

Open the Public Hearing and receive public comments; Close the Public Hearing; Provide any final budget modifications, and then by motion adopt the attached Resolution amending the annual operating budget of the City of Clayton for mid-year adjustments in the General Fund and Landscape Maintenance District for the 2018-2019 fiscal year commencing July 1, 2018.

Fiscal Impacts:

- 1) Increases appropriations of the HVAC Maintenance & Repairs expenditure line item (101-7346-03) of the General Fund Facility and Neighborhood Parks Maintenance Department by \$25,000 resulting in a revised and amended appropriations line item of \$35,000. The funding source for this proposed appropriation increase is the estimated General Fund operating excess per the FY 2018-19 adopted budget.
- 2) Establishes a one-time Special Legal Services expenditure line item (101-7413-04) in the General Fund Community Development Department of \$11,000. The funding source for this proposed appropriation increase is the estimated General Fund operating excess per the FY 2018-19 adopted budget.
- 3) Establishes an Other Professional Services expenditure line item (101-7419-04) in the General Fund Community Development Department of \$7,000. The funding source for this proposed appropriation increase is the estimated General Fund operating excess per the FY 2018-19 adopted budget.
- 4) Increases appropriations of the Landscape Projects expenditure line item (210-7520-00) of the Landscape Maintenance District Fund by \$350,000 resulting in a revised and amended appropriations line item of \$837,157. The funding source for this

proposed appropriation increase is uncommitted reserves of the Landscape Maintenance District

B. Recommendation #2

By motion, provide direction to staff on the proposed uses of FY 2017-18 General Fund excess reserves.

Fiscal Impact: Contingent on direction from the City Council, FY 2017-18 General Fund excess reserves up to, but not to exceed, \$181,500 may be earmarked and assigned for specific unmet financial needs. Assignment of the full FY 2017-18 General Fund operating excess would result in an unallocated positive General Fund reserve of \$5,121,251, which is 1.10 times the size of the City Council approved General Fund operating budget for FY 2018-19.

- Attachment 1: Resolution No. __-2019 – A Resolution Amending the Annual Operating Budget of the City of Clayton for the 2018-2019 Fiscal Year Commencing July 1, 2018 [3 pp.]
- Exhibit A – Fiscal Year 2018-19 Budget Amendment Detail
- Attachment 2: Mid-Year Budget-to-Actual Schedules [16 pp.]
- Attachment 3: Options for Use of FY 2017-18 General Fund Excess [1 p.]

RESOLUTION NO. __ - 2019

**A RESOLUTION AMENDING
THE ANNUAL OPERATING BUDGET OF
THE CITY OF CLAYTON FOR THE 2018-2019 FISCAL YEAR
COMMENCING JULY 1, 2018**

THE CITY COUNCIL
City of Clayton, California

WHEREAS, on June 5, 2018 the City Manager and the Finance Manager did prepare, submit and present to the Clayton City Council the proposed budgets for operation of the City of Clayton in Fiscal Year 2018-19 commencing July 1, 2018; and

WHEREAS, on June 19, 2018, a Public Hearing was set and duly held on the proposed budgets whereat opportunities were provided accordingly for members of the public to offer comments and provide input on the fiscal plans presented; and

WHEREAS, on June 19, 2018, following Public Hearing the City Council did adopt a Resolution approving the budget for operation of the City of Clayton in Fiscal Year 2018-19; and

WHEREAS, following the Finance Manager's Mid-Year Budget Report, the City Manager has recommended amendments to the City of Clayton Adopted Budget for Fiscal Year 2018-19; and

WHEREAS, the amendments reflect the updated fund balances available as determined in audited comprehensive annual financial report of the City of Clayton for the prior fiscal year ended June 30, 2018; and

NOW, THEREFORE, BE IT RESOLVED the City Council of Clayton, California does hereby resolve as follows:

Section 1. Approves the recommendations of the City Manager with regard to amendments to the City's Budget for Fiscal Year 2018-19, as shown in Exhibit A.

Section 2. This Resolution shall become effective immediately upon its passage and adoption.

PASSED, APPROVED AND ADOPTED by the City Council of Clayton, California during a public hearing at a regular public meeting thereof held on the 19th day of February 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

THE CITY COUNCIL OF CLAYTON, CA

Tuija Catalano, Mayor

ATTEST:

Janet Calderon, City Clerk

Exhibit A

Fiscal Year 2018-19 City Budget Amendment Detail

STAFF RECOMMENDATIONS

General Fund Appropriations

1. HVAC Maintenance & Repairs (101-7346-03): \$25,000
2. Special Legal Services (101-7413-04): \$11,000
3. Other Professional Services (101-7419-04): \$7,000

Landscape Maintenance District Fund Appropriations

1. Landscape Projects (210-7520-00): \$350,000

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
101 - General Fund					
Revenues					
101-4100-00	Property Taxes In-Lieu of VLF	\$ 505,473	\$ 985,000	(479,527)	51.32%
101-4101-00	Property Taxes - Secured	489,828	887,000	(377,172)	56.50%
101-4102-00	Property Taxes - Unsecured	38,884	41,600	(1,716)	95.88%
101-4103-00	Property Taxes - Unitary Tax	8,430	15,000	(6,570)	56.20%
101-4104-00	Property Taxes - Supplemental	4,388	35,700	(31,314)	12.29%
101-4106-00	Property Taxes - Other	-	10,200	(10,200)	0.00%
101-4108-00	Redevelopment Property Tax Trust Fund Alloc.	210,220	414,000	(203,780)	50.78%
101-4301-00	Sales & Use Tax	268,080	477,000	(208,920)	56.20%
101-4502-00	Real Property Transfer Tax	39,483	76,300	(36,817)	51.75%
101-5101-00	Business Licenses	108,573	146,000	(37,427)	74.37%
101-5103-00	Building Permit Surcharge	28,438	72,000	(43,562)	39.50%
101-5108-00	Engineering Regulatory Fees	3,588	9,700	(6,112)	36.99%
101-5201-00	Public Safety Allocation	35,989	87,700	(51,711)	41.04%
101-5202-00	Abandoned Veh Abate (AVA)	2,721	5,080	(2,359)	53.56%
101-5203-00	Motor Vehicle In Lieu	-	6,050	(6,050)	0.00%
101-5205-00	Other In-Lieu	82,165	164,330	(82,165)	50.00%
101-5214-00	Post Reimbursements	-	2,380	(2,380)	0.00%
101-5217-00	State Mandated Cost Reimbursement	5,453	5,000	453	109.06%
101-5301-00	Planning Regulatory Fees	5,116	14,600	(9,484)	35.04%
101-5302-00	Police Service Fees	8,925	12,110	(3,185)	73.70%
101-5303-00	City Hall Rental Fees	189	200	(11)	94.50%
101-5304-00	Planning Service Charges	17,590	28,400	(10,810)	61.94%
101-5306-00	Well Water Usage Charge	18,734	30,600	(11,866)	61.22%
101-5319-00	Miscellaneous City Services	2,762	750	2,012	368.27%
101-5322-00	City Fiduciary Fund Overhead Recovery	135,054	254,827	(119,773)	53.00%
101-5401-00	Franchises - Comcast Cable	102,412	221,000	(118,588)	46.34%
101-5402-00	Franchises - Garbage Fees	96,850	194,400	(97,550)	49.82%
101-5403-00	Franchises - PG&E	-	129,900	(129,900)	0.00%
101-5404-00	Franchises - Equilon Pipe	15,772	15,370	402	102.62%
101-5405-00	AT&T Mobility Franchise Fees	80	230	(150)	34.78%
101-5501-00	Fines and Forfeitures	10,304	28,200	(17,896)	36.54%
101-5601-00	Interest	57,079	88,200	(31,121)	64.72%
101-5602-00	Park Use Fees	5,186	33,130	(27,944)	15.65%
101-5603-00	Meeting Room Fees	2,800	4,370	(1,570)	64.07%
101-5608-00	Cattle Grazing Lease Rent	10,156	10,150	6	100.06%
101-5609-00	Cell Tower Lease Rent	17,641	35,560	(17,919)	49.61%
101-5613-00	Community Gym Facility Use Rent	16,800	33,600	(16,800)	50.00%
101-5701-00	Reimbursements/Refunds	-	5,500	(5,500)	0.00%
101-5790-00	Other Revenues	5,965	5,500	465	108.45%
101-5791-00	Overhead Cost Recovery	2,126	7,500	(5,374)	28.35%
101-6002-00	Transfer From Measure J Fund	2,320	4,639	(2,319)	50.01%
101-6004-00	Transfer From HUTA Gas Tax Fund	3,873	7,745	(3,872)	50.01%
101-6005-00	Transfer From Neighborhood Streetlights Fund	5,956	11,912	(5,956)	50.00%
101-6006-00	Transfer From GHAD Fund	3,739	7,478	(3,739)	50.00%
101-6007-00	Transfer From Landscape Maint. Dist. Fund	18,629	37,258	(18,629)	50.00%
101-6011-00	Transfer From Grove Park Fund	3,787	7,574	(3,787)	50.00%
101-6016-00	Transfer From Stormwater Asses. Fund	19,224	38,447	(19,223)	50.00%
Total Revenues		2,421,780	4,689,190	(2,267,410)	51.65%

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
Operating Expenses					
101-7115-01	City Council Compensation	14,100	28,200	14,100	50.00%
101-7220-01	PERS Retirement	667	1,380	713	48.33%
101-7221-01	PERS Retirement - Unfunded Liability	3,793	3,800	7	99.82%
101-7231-01	Workers' Compensation	1,280	1,280	-	100.00%
101-7232-01	Unemployment Compensation	780	1,750	970	44.57%
101-7233-01	FICA Taxes	632	1,460	828	43.29%
101-7321-01	Printing and Binding	-	300	300	0.00%
101-7324-01	Dues and Subscriptions	6,503	13,300	6,797	48.89%
101-7362-01	City Promotional Activity	2,892	4,500	1,608	64.27%
101-7363-01	Business Meeting Expense	-	250	250	0.00%
101-7372-01	Conferences/Meetings	1,646	1,600	(46)	102.88%
101-7382-01	Election Services	8,693	10,000	1,307	86.93%
101-7419-01	Other Professional Services	4,537	8,000	3,463	56.71%
	<i>Legislative Department Subtotal:</i>	<u>45,523</u>	<u>75,820</u>	<u>30,297</u>	<u>60.04%</u>
101-7111-02	Regular Salaries	299,215	609,000	309,785	49.13%
101-7218-02	Long/Short Term Disability Insurance	3,237	6,700	3,463	48.31%
101-7220-02	PERS Retirement	34,328	68,400	34,072	50.19%
101-7221-02	PERS Retirement - Unfunded Liability	81,747	81,900	153	99.81%
101-7231-02	Workers' Compensation	27,500	27,500	-	100.00%
101-7232-02	Unemployment Compensation	1,204	2,700	1,496	44.59%
101-7233-02	FICA Taxes	4,478	8,900	4,422	50.31%
101-7241-02	Auto Allowance/Mileage	5,370	10,740	5,370	50.00%
101-7246-02	Benefit Insurance	40,333	94,000	53,667	42.91%
101-7324-02	Dues and Subscriptions	-	2,000	2,000	0.00%
101-7332-02	Telecommunications	3,781	7,180	3,399	52.66%
101-7371-02	Travel	-	100	100	0.00%
101-7372-02	Conferences/Meetings	-	500	500	0.00%
101-7373-02	Education & Training	1,105	1,500	395	73.67%
101-7411-02	Legal Services Retainer	32,242	61,200	28,958	52.68%
101-7413-02	Special Legal Services	4,307	5,000	693	86.14%
101-7414-02	Audit & Financial Reporting Services	23,095	24,300	1,205	95.04%
101-7415-02	Computer/IT Services	-	10,200	10,200	0.00%
101-7419-02	Other Professional Services	5,000	6,000	1,000	83.33%
	<i>Administrative/Finance/Legal Department Subtotal:</i>	<u>566,942</u>	<u>1,027,820</u>	<u>460,878</u>	<u>55.16%</u>

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
101-7111-03	Regular Salaries	8,750	26,300	17,550	33.27%
101-7112-03	Temporary Salaries	364	2,500	2,136	14.56%
101-7113-03	Overtime	1,135	-	(1,135)	100.00%
101-7218-03	Long/Short Term Disability Insurance	86	300	214	28.67%
101-7220-03	PERS Retirement	725	3,200	2,475	22.68%
101-7221-03	PERS Retirement - Unfunded Liability	1,025	3,600	2,575	28.47%
101-7231-03	Workers' Compensation	1,300	1,300	-	100.00%
101-7232-03	Unemployment Compensation	120	270	150	44.44%
101-7233-03	FICA Taxes	82	600	518	13.67%
101-7246-03	Benefit Insurance	1,592	5,500	3,908	28.95%
101-7301-03	Recruitment/Pre-employment	270	500	230	54.00%
101-7311-03	General Supplies	1,881	5,000	3,119	37.62%
101-7332-03	Telecommunications	1,630	2,090	460	77.99%
101-7335-03	Gas & Electricity	21,469	40,000	18,531	53.67%
101-7338-03	Water Services	6,107	12,000	5,893	50.89%
101-7341-03	Buildings/Grounds Maintenance	4,513	14,000	9,487	32.24%
101-7342-03	Machinery/Equipment Maintenance	24	3,500	3,476	0.69%
101-7343-03	Vehicle Maintenance	392	2,000	1,608	19.60%
101-7344-03	Vehicles: Gas, Oil & Supplies	583	1,500	937	37.53%
101-7346-03	HVAC Mtn & Repairs	22,803	10,000	(12,803)	228.03%
101-7373-03	Education & Training	120	2,500	2,380	4.80%
101-7411-03	Legal Services Retainer	-	2,550	2,550	0.00%
101-7417-03	Janitorial Service	3,962	9,000	5,038	44.02%
101-7429-03	Animal/Pest Control Services	474	7,300	6,826	6.49%
101-7440-03	Tree Trimming Services	-	6,000	6,000	0.00%
101-7486-03	CERF Charges	7,000	7,000	-	100.00%
<i>Facility and Park Maintenance Department Subtotal:</i>		86,387	168,510	82,123	51.27%
101-7111-04	Regular Salaries	94,997	191,000	96,003	49.74%
101-7115-04	Planning Commission Compensation	1,680	7,200	5,520	23.33%
101-7218-04	Long/Short Term Disability Insurance	996	2,200	1,204	45.27%
101-7220-04	PERS Retirement	8,690	18,600	9,910	46.72%
101-7221-04	PERS Retirement - Unfunded Liability	25,852	25,700	48	99.81%
101-7231-04	Workers' Compensation	8,700	8,700	-	100.00%
101-7232-04	Unemployment Compensation	401	900	499	44.56%
101-7233-04	FICA Taxes	1,141	2,800	1,659	40.75%
101-7241-04	Auto Allowance/Mileage	2,089	4,240	2,151	49.27%
101-7246-04	Benefit Insurance	14,279	36,400	22,121	39.23%
101-7323-04	Books/Periodicals	-	200	200	0.00%
101-7324-04	Dues and Subscriptions	715	700	(15)	102.14%
101-7332-04	Telecommunications	323	700	377	46.14%
101-7371-04	Travel	30	100	70	30.00%
101-7372-04	Conferences/Meetings	-	500	500	0.00%
101-7373-04	Education & Training	225	2,000	1,775	11.25%
101-7380-04	Recording Fees	645	-	(645)	100.00%
101-7384-04	Legal Notices	710	3,000	2,290	23.67%
101-7411-04	Legal Services Retainer	16,281	20,400	4,119	79.81%
101-7413-04	Special Legal Services	5,417	500	(4,917)	1083.40%
101-7419-04	Other Professional Services	6,952	-	(6,952)	100.00%
<i>Community Development Department Subtotal:</i>		189,923	325,840	135,917	58.29%

City of Clayton
Budget-to-Actual Report
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Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
101-7247-05	OPEB Contributions (Health Plan)	7,182	14,750	7,568	48.69%
101-7301-05	Recruitment/Pre-employment	-	1,000	1,000	0.00%
101-7312-05	Office Supplies/Expense	2,333	8,000	5,667	29.16%
101-7314-05	Postage	1,857	4,500	2,643	41.27%
101-7321-05	Printing and Binding	58	1,250	1,192	4.84%
101-7331-05	Rentals/Leases	5,946	12,180	6,234	48.82%
101-7332-05	Telecommunications	2,316	5,100	2,784	45.41%
101-7351-05	Insurance Premiums	114,832	114,780	(52)	100.05%
101-7364-05	Employee Recognition	143	1,800	1,657	7.94%
101-7381-05	Property Tax Admin. Costs	289	8,700	8,411	3.32%
101-7415-05	Computer/IT Services	8,000	8,000	-	100.00%
101-7419-05	Other Professional Services	5,201	9,000	3,799	57.79%
101-7420-05	Administrative Costs	2,092	4,300	2,208	48.65%
<i>General Services Department Subtotal:</i>		150,249	193,360	43,111	77.70%
101-7111-06	Regular Salaries	512,829	1,044,648	531,819	49.09%
101-7113-06	Overtime	66,590	100,000	33,410	66.59%
101-7116-06	Part-time Salaries	2,499	4,500	2,001	55.53%
101-7218-06	Long/Short Term Disability Insurance	5,404	12,137	6,733	44.53%
101-7219-06	Deferred Compensation Retirement	1,350	2,710	1,360	49.82%
101-7220-06	PERS Retirement	67,484	149,137	81,653	45.25%
101-7221-06	PERS Retirement - Unfunded Liability	138,585	143,100	4,515	96.84%
101-7231-06	Workers' Compensation	45,700	47,356	1,656	96.50%
101-7232-06	Unemployment Compensation	2,453	5,500	3,047	44.60%
101-7233-06	FICA Taxes	8,748	17,031	8,283	51.37%
101-7241-06	Auto Allowance/Mileage	2,220	4,440	2,220	50.00%
101-7242-06	Uniform Allowance	4,500	9,000	4,500	50.00%
101-7246-06	Benefit Insurance	66,605	151,700	85,095	43.91%
101-7301-06	Recruitment/Pre-employment	4,287	5,400	1,113	79.39%
101-7311-06	General Supplies	12,013	13,000	987	92.41%
101-7312-06	Office Supplies/Expense	1,067	7,000	5,933	15.24%
101-7314-06	Postage	9	500	491	1.80%
101-7323-06	Books/Periodicals	-	250	250	0.00%
101-7324-06	Dues and Subscriptions	8,774	9,700	926	90.45%
101-7325-06	EBCRSA System Subscription	9,668	10,080	412	95.91%
101-7332-06	Telecommunications	8,094	13,350	5,256	60.63%
101-7342-06	Machinery/Equipment Maintenance	347	2,500	2,153	13.88%
101-7343-06	Vehicle Maintenance	6,326	24,000	17,674	26.36%
101-7344-06	Vehicles: Gas, Oil & Supplies	20,345	30,000	9,655	67.82%
101-7345-06	Office Equip-Maint/Repairs	1,179	3,000	1,821	39.30%
101-7363-06	Business Meeting Expense	-	200	200	0.00%
101-7364-06	Employee Recognition	58	1,000	942	5.80%
101-7365-06	CC Volunteer Recognition	-	500	500	0.00%
101-7371-06	Travel	245	-	(245)	100.00%
101-7373-06	Education & Training	7,751	12,000	4,249	64.59%
101-7408-06	Crossing guard services	4,876	10,710	5,834	45.53%
101-7411-06	Legal Services Retainer	396	15,300	14,904	2.59%
101-7413-06	Special Legal Services	-	6,000	6,000	0.00%
101-7417-06	Janitorial Service	1,350	3,000	1,650	45.00%
101-7419-06	Other Professional Services	1,388	7,500	6,112	18.51%
101-7424-06	Dispatch Services	120,537	265,800	145,263	45.35%
101-7425-06	Crime Lab	3,483	25,000	21,517	13.93%
101-7426-06	Jail Booking Fee	-	5,500	5,500	0.00%
101-7427-06	CAL ID	12,199	13,000	801	93.84%
101-7429-06	Animal/Pest Control Services	34,473	70,450	35,977	48.93%
101-7433-06	Integrated Justice System	8,770	12,200	3,430	71.89%
101-7486-06	CERF Charges	55,000	55,000	-	100.00%
<i>Police Department Subtotal:</i>		1,247,602	2,313,199	1,065,597	53.93%

City of Clayton
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Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
101-7111-07	Regular Salaries	1,865	6,600	4,635	29.77%
101-7112-07	Temporary Salaries	-	200	200	0.00%
101-7218-07	Long/Short Term Disability Insurance	23	80	57	28.75%
101-7220-07	PERS Retirement	213	800	587	26.63%
101-7221-07	PERS Retirement - Unfunded Liability	271	900	629	30.11%
101-7231-07	Workers' Compensation	400	400	-	100.00%
101-7232-07	Unemployment Compensation	45	100	55	45.00%
101-7233-07	FICA Taxes	11	200	189	5.50%
101-7246-07	Benefit Insurance	427	1,400	973	30.50%
101-7332-07	Telecommunications	1,003	2,500	1,497	40.12%
101-7335-07	Gas & Electricity	26,908	53,000	26,092	50.77%
101-7338-07	Water Services	567	2,410	1,843	23.53%
101-7341-07	Buildings/Grounds Maintenance	5,309	13,000	7,691	40.84%
101-7343-07	Vehicle Maintenance	144	700	556	20.57%
101-7344-07	Vehicles: Gas, Oil & Supplies	166	500	334	33.20%
101-7346-07	HVAC Mtn & Repairs	2,932	8,400	5,468	34.90%
101-7417-07	Janitorial Service	14,668	29,100	14,432	50.41%
101-7423-07	Library Additional Hours	6,412	13,000	6,588	49.32%
101-7429-07	Animal/Pest Control Services	492	1,400	908	35.14%
101-7440-07	Tree Trimming Services	-	2,000	2,000	0.00%
<i>Library Department Subtotal:</i>		61,956	136,690	74,734	45.33%
101-7324-08	Dues and Subscriptions	509	1,800	1,291	28.28%
101-7410-08	Professional Engineering Services	59,406	115,020	55,614	51.85%
101-7411-08	Legal Services Retainer	990	5,000	4,010	19.80%
101-7412-08	Engineering Inspection Service	-	500	500	0.00%
<i>Engineering Department Subtotal:</i>		60,905	122,320	61,415	49.79%
101-7111-09	Regular Salaries	20,588	40,000	19,412	51.47%
101-7112-09	Temporary Salaries	2,655	9,000	6,345	29.50%
101-7113-09	Overtime	87	1,000	913	8.70%
101-7218-09	Long/Short Term Disability Insurance	231	500	269	46.20%
101-7220-09	PERS Retirement	2,095	4,800	2,705	43.65%
101-7221-09	PERS Retirement - Unfunded Liability	2,895	5,400	2,705	49.91%
101-7231-09	Workers' Compensation	2,200	2,200	-	100.00%
101-7232-09	Unemployment Compensation	245	550	305	44.55%
101-7233-09	FICA Taxes	912	1,300	388	70.15%
101-7246-09	Benefit Insurance	4,237	8,200	3,963	51.67%
101-7311-09	General Supplies	2,606	14,000	11,394	18.61%
101-7331-09	Rentals/Leases	-	500	500	0.00%
101-7335-09	Gas & Electricity	948	1,720	772	55.12%
101-7338-09	Water Services	82,717	118,000	35,283	70.10%
101-7341-09	Buildings/Grounds Maintenance	2,049	5,000	2,951	40.98%
101-7343-09	Vehicle Maintenance	1,392	3,500	2,108	39.77%
101-7344-09	Vehicles: Gas, Oil & Supplies	1,632	2,500	868	65.28%
101-7417-09	Janitorial Service	6,978	13,500	6,522	51.69%
101-7429-09	Animal/Pest Control Services	-	5,600	5,600	0.00%
101-7435-09	Contract Seasonal Labor	4,696	30,000	25,304	15.65%
101-7440-09	Tree Trimming Services	-	3,000	3,000	0.00%
<i>Community Park Department Subtotal:</i>		138,963	270,270	131,307	51.42%
Total Operating Expenses		2,548,450	4,633,829	2,085,379	55.00%
Beginning Fund Balance - Audited Actual		5,666,471	5,666,471		
Net Increase/(Decrease) in Fund Balance		(126,670)	55,361		
Ending Fund Balance - At Mid Year		5,539,801	5,721,832		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
201 - HUTA Gas Tax Fund					
Revenues					
201-4101-00	Property Taxes - Secured	19,645	33,830	(14,185)	58.07%
201-4102-00	Property Taxes - Unsecured	18	1,180	(1,162)	1.53%
201-4103-00	Property Taxes - Unitary Tax	284	500	(216)	56.80%
201-4104-00	Property Taxes - Supplemental	135	900	(765)	15.00%
201-4106-00	Property Taxes - Other	-	290	(290)	0.00%
201-5209-00	State Gasoline 2105	31,851	66,026	(34,175)	48.24%
201-5210-00	State Gasoline 2106	23,078	46,302	(23,224)	49.84%
201-5211-00	State Gasoline 2107	38,201	81,964	(43,763)	46.61%
201-5212-00	State Gasoline 2107.5	3,000	3,000	-	100.00%
201-5216-00	State Gasoline 2103	25,234	43,184	(17,950)	58.43%
201-5219-00	State Gasoline HUTA Loan Repayments	-	12,828	(12,828)	0.00%
201-5601-00	Interest	3,332	3,000	332	111.07%
Total Revenues		144,778	293,004	(148,226)	49.41%
Operating Expenses					
201-7111-00	Regular Salaries	11,767	24,200	12,433	48.62%
201-7112-00	Temporary Salaries	-	1,100	1,100	0.00%
201-7113-00	Overtime	87	2,000	1,913	4.35%
201-7218-00	Long/Short Term Disability Insurance	126	300	174	42.00%
201-7220-00	PERS Retirement	1,180	2,900	1,720	40.69%
201-7221-00	PERS Retirement - Unfunded Liability	1,460	3,300	1,840	44.24%
201-7231-00	Workers' Compensation	1,232	1,200	(32)	102.67%
201-7232-00	Unemployment Compensation	94	210	116	44.78%
201-7233-00	FICA Taxes	72	440	368	16.36%
201-7246-00	Benefit Insurance	2,307	5,000	2,693	46.14%
201-7311-00	General Supplies	6,133	12,000	5,867	51.11%
201-7324-00	Dues and Subscriptions	-	3,000	3,000	0.00%
201-7327-00	Arterial Street Light Supplies	-	1,500	1,500	0.00%
201-7335-00	Gas & Electricity	25,138	54,000	28,862	46.55%
201-7340-00	Traffic Safety Supplies	373	500	127	74.60%
201-7343-00	Vehicle Maintenance	839	2,500	1,661	33.56%
201-7344-00	Vehicles: Gas, Oil & Supplies	919	2,000	1,081	45.95%
201-7349-00	Traffic Signal Maintenance	7,376	20,000	12,624	36.88%
201-7350-00	Pavement Repairs/Maintenance	74	20,000	19,926	0.37%
201-7381-00	Property Tax Admin. Costs	-	500	500	0.00%
201-7419-00	Other Professional Services	1,250	1,550	300	80.65%
201-7450-00	Street Light Maintenance	1,284	2,000	716	64.20%
201-7486-00	CERF Charges	2,310	2,310	-	100.00%
201-8101-00	Transfer To General Fund	3,873	7,745	3,872	50.01%
201-8111-00	Transfer to CIP Fund	117,647	443,650	326,003	26.52%
Total Operating Expenses		185,541	613,905	428,364	30.22%
Beginning Fund Balance - Audited Actual		312,553	312,553		
Net Increase/(Decrease) in Fund Balance		(40,763)	(320,901)		
Ending Fund Balance - At Mid Year		271,790	(8,348)		

City of Clayton
Budget-to-Actual Report
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Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
202 - RMRA Gas Tax Fund					
Revenues					
202-5218-00	State Gasoline 2030 (RMRA)	100,425	187,383	(86,958)	53.59%
202-5601-00	Interest	491	2,000	(1,509)	24.55%
Total Revenues		100,916	189,383	(88,467)	53.29%
Operating Expenses					
202-8111-00	Transfer to CIP Fund	64,355	254,238	189,883	25.31%
Total Operating Expenses		64,355	254,238	189,883	25.31%
Beginning Fund Balance - Audited Actual		51,602	51,602		
Net Increase/(Decrease) in Fund Balance		36,561	(64,855)		
Ending Fund Balance - At Mid Year		88,163	(13,253)		

City of Clayton
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Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
210 - Landscape Maintenance District (CFD 2007-1)					
Revenues					
210-4604-00	Clayton LMD Special Parcel Tax	616,956	1,121,746	(504,790)	55.00%
210-5601-00	Interest	11,554	15,000	(3,446)	77.03%
Total Revenues		628,510	1,136,746	(508,236)	55.29%
Operating Expenses					
210-7111-00	Regular Salaries	102,105	211,000	108,895	48.39%
210-7112-00	Temporary Salaries	2,879	46,000	43,121	6.26%
210-7113-00	Overtime	605	1,000	395	60.50%
210-7218-00	Long/Short Term Disability Insurance	1,159	2,400	1,241	48.29%
210-7220-00	PERS Retirement	10,650	25,200	14,550	42.26%
210-7221-00	PERS Retirement - Unfunded Liability	13,483	28,290	14,807	47.66%
210-7231-00	Workers' Compensation	14,257	11,600	(2,657)	122.91%
210-7232-00	Unemployment Compensation	1,293	2,900	1,607	44.59%
210-7233-00	FICA Taxes	1,216	6,600	5,384	18.42%
210-7246-00	Benefit Insurance	21,238	43,400	22,162	48.94%
210-7301-00	Recruitment/Pre-employment	5	1,000	995	0.50%
210-7311-00	General Supplies	23,975	50,000	26,025	47.95%
210-7316-00	Landscape Replacement	6,216	40,000	33,784	15.54%
210-7335-00	Gas & Electricity	15,331	29,600	14,269	51.79%
210-7338-00	Water Services	118,202	157,000	38,798	75.29%
210-7341-00	Buildings/Grounds Maintenance	6,859	20,000	13,141	34.30%
210-7342-00	Machinery/Equipment Maintenance	3,976	12,000	8,024	33.13%
210-7343-00	Vehicle Maintenance	7,282	20,000	12,718	36.41%
210-7344-00	Vehicle Gas, Oil, and Supplies	8,296	13,000	4,704	63.82%
210-7381-00	Property Tax Admin. Costs	2,057	4,000	1,943	51.43%
210-7411-00	Legal Services Retainer	-	2,000	2,000	0.00%
210-7419-00	Other Professional Services	3,518	7,000	3,482	50.26%
210-7429-00	Animal/Pest Control Services	-	5,000	5,000	0.00%
210-7435-00	Contract Seasonal Labor	90,218	100,000	9,782	90.22%
210-7440-00	Tree Trimming Services	7,405	60,000	52,595	12.34%
210-7445-00	Weed Abatement Services	4,089	128,100	124,011	3.19%
210-7486-00	CERF Charges/Depreciation	20,070	20,070	-	100.00%
210-7520-00	Landscape Projects	18,672	487,157	468,485	3.83%
210-7615-00	CCC Property Tax	2,874	2,900	26	99.10%
210-8101-00	Transfer To General Fund	18,629	37,258	18,629	50.00%
210-8113-00	Transfer to Stormwater Fund	1,050	1,050	-	100.00%
Total Operating Expenses		527,609	1,575,525	1,047,916	33.49%
Beginning Fund Balance - Audited Actual		1,203,234	1,203,234		
Net Increase/(Decrease) in Fund Balance		100,901	(438,779)		
Ending Fund Balance - At Mid Year		1,304,135	764,455		

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Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
211 - The Grove Park District (CFD 2006-1)					
Revenues					
211-4613-00	Clayton Grove Park Special Parcel Tax	73,850	134,190	(60,340)	55.03%
211-5801-00	Interest	3,204	3,800	(596)	84.32%
211-5802-00	Park Use Fee	652	2,500	(1,848)	26.08%
Total Revenues		77,706	140,490	(62,784)	55.31%
Operating Expenses					
211-7111-00	Regular Salaries	5,848	19,000	13,152	30.78%
211-7112-00	Temporary Salaries	2,638	11,200	8,562	23.55%
211-7113-00	Overtime	-	500	500	0.00%
211-7218-00	Long/Short Term Disability Insurance	64	220	156	29.09%
211-7220-00	PERS Retirement	656	2,300	1,644	28.52%
211-7221-00	PERS Retirement - Unfunded Liability	714	2,600	1,886	27.46%
211-7231-00	Workers' Compensation	1,438	1,400	(38)	102.71%
211-7232-00	Unemployment Compensation	210	470	260	44.68%
211-7233-00	FICA Taxes	720	1,200	480	60.00%
211-7246-00	Benefit Insurance	1,148	3,900	2,752	29.44%
211-7311-00	General Supplies	495	6,000	5,505	8.25%
211-7331-00	Rentals/leases	-	500	500	0.00%
211-7335-00	Gas & Electricity	837	1,800	963	46.50%
211-7338-00	Water Services	13,834	30,000	16,166	46.11%
211-7341-00	Buildings/Grounds Maintenance	1,635	6,000	4,365	27.25%
211-7342-00	Machinery/Equipmt Maintenance	404	1,000	596	40.40%
211-7343-00	Vehicle Maintenance	561	1,500	939	37.40%
211-7344-00	Vehicle Gas, Oil and Supplies	513	1,000	487	51.30%
211-7381-00	Property Tax Admin. Costs	2,059	3,800	1,741	54.18%
211-7413-00	Special Legal Services	-	1,000	1,000	0.00%
211-7417-00	Janitorial Services	6,009	14,000	7,991	42.92%
211-7419-00	Other Professional Services	2,298	4,730	2,432	48.58%
211-7429-00	Animal/Pest Control Services	216	650	434	33.23%
211-7435-00	Contract Seasonal Labor	4,863	5,000	137	97.26%
211-7440-00	Tree Trimming Services	-	2,500	2,500	0.00%
211-7486-00	CERF Charges	1,800	1,800	-	100.00%
211-7615-00	CCC Property Tax	512	520	8	98.46%
211-8101-00	Transfer To General Fund	3,787	7,574	3,787	50.00%
Total Operating Expenses		53,259	132,164	78,905	40.30%
Beginning Fund Balance - Audited Actual		313,848	313,848		
Net Increase/(Decrease) in Fund Balance		24,447	8,326		
Ending Fund Balance - At Mid Year		338,295	322,174		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
212 - Oakhurst GHAD					
Revenues					
212-4606-00	Oakhurst GHAD Assessment	22,585	41,065	(18,480)	55.00%
212-5601-00	Interest	294	200	94	147.00%
Total Revenues		22,879	41,265	(18,386)	55.44%
Operating Expenses					
212-7314-00	Postage	749	750	1	99.87%
212-7351-00	Liability Insurance	7,000	7,000	-	100.00%
212-7381-00	Property Tax Admin. Costs	571	1,200	629	47.58%
212-7384-00	Legal Notices	-	100	100	0.00%
212-7389-00	Misc. Expense	19	300	281	6.33%
212-7411-00	Legal Services Retainer	1,092	-	(1,092)	#DIV/0!
212-7412-00	Engineering/Inspection Service	6,992	8,000	1,008	87.40%
212-7413-00	Special Legal Services	-	1,000	1,000	0.00%
212-7520-00	Projects	-	50,642	50,642	0.00%
212-8101-00	Transfer To General Fund	3,739	7,478	3,739	50.00%
Total Operating Expenses		20,162	76,470	56,308	26.37%
Beginning Fund Balance - Audited Actual		34,038	34,038		
Net Increase/(Decrease) in Fund Balance		2,717	(35,205)		
Ending Fund Balance - At Mid Year		36,755	(1,167)		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
214 - Neighborhood Street Lighting Assessment					
Revenues					
214-4607-00	Neighborhood Street Light Assessment	69,295	125,991	(56,696)	55.00%
214-5601-00	Interest	969	1,000	(376)	96.90%
Total Revenues		70,264	126,991	(57,072)	55.33%
Operating Expenses					
214-7113-00	Overtime	156	-	(156)	100.00%
214-7311-00	General Supplies	-	500	500	0.00%
214-7335-00	Gas & Electricity	57,524	118,000	60,476	48.75%
214-7381-00	Property Tax Admin. Costs	2,024	3,600	1,576	56.22%
214-7389-00	Misc. Expense	-	330	330	0.00%
214-7412-00	Engineering/Inspection Service	760	1,000	240	76.00%
214-7419-00	Other Professional Services	250	250	-	100.00%
214-7450-00	Street Light Maintenance	6,369	16,000	9,631	39.81%
214-8101-00	Transfer To General Fund	5,956	11,912	5,956	50.00%
Total Operating Expenses		73,039	151,592	78,553	48.18%
Beginning Fund Balance - Audited Actual		101,524	101,524		
Net Increase/(Decrease) in Fund Balance		(2,775)	(24,601)		
Ending Fund Balance - At Mid Year		98,749	76,923		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
216 - Stormwater Assessment					
Revenues					
216-4602-00	Stormwater Assessment	-	86,627	(86,627)	0.00%
216-4603-00	Stormwater O&M Annual Fee	5,903	4,360	1,543	135.39%
216-5324-00	Street Sweeping Fees	27,417	54,000	(26,583)	50.77%
216-5601-00	Interest	757	1,000	(243)	75.70%
216-6007-00	Transfer From Landscape Mtrnce.	-	1,040	(1,040)	0.00%
Total Revenues		34,077	147,027	(112,950)	23.18%
Operating Expenses					
216-7111-00	Regular Salaries	10,541	24,700	14,159	42.68%
216-7112-00	Temporary Salaries	23	5,800	5,777	0.40%
216-7218-00	Long/Short Term Disability Insurance	101	290	189	34.83%
216-7220-00	PERS Retirement	967	3,000	2,033	32.23%
216-7221-00	PERS Retirement - Unfunded Liability	1,159	3,400	2,241	34.09%
216-7231-00	Workers' Compensation	1,438	1,400	(38)	102.71%
216-7232-00	Unemployment Compensation	156	350	194	44.57%
216-7233-00	FICA Taxes	10	810	800	1.23%
216-7246-00	Benefit Insurance	1,839	5,100	3,261	36.06%
216-7311-00	General Supplies	1,529	4,000	2,471	38.23%
216-7341-00	Buildings/Grounds Maintenance	3,358	15,500	12,142	21.66%
216-7343-00	Vehicle Maintenance	725	2,500	1,775	29.00%
216-7344-00	Vehicle Gas, Oil and Supples	755	2,000	1,245	37.75%
216-7373-00	Education & Training	-	500	500	0.00%
216-7409-00	Street Sweeping	27,000	54,000	27,000	50.00%
216-7412-00	Engineering/Inspection Service	-	2,000	2,000	0.00%
216-7419-00	Other Professional Services	250	1,750	1,500	14.29%
216-7435-00	Contract Seasonal Labor	-	14,000	14,000	0.00%
216-7481-00	Permit Fees	8,539	10,000	1,461	85.39%
216-7486-00	CERF Charges	2,360	2,360	-	100.00%
216-7520-00	Projects	-	1,000	1,000	0.00%
216-8101-00	Transfer To General Fund	19,224	38,447	19,223	50.00%
Total Operating Expenses		79,974	192,907	112,933	41.46%
Beginning Fund Balance - Audited Actual		89,910	89,910		
Net Increase/(Decrease) in Fund Balance		(45,897)	(45,880)		
Ending Fund Balance - At Mid Year		44,013	44,030		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
220 - Measure J Fund					
Revenues					
220-5223-00	Measure J Funds	-	285,000	(285,000)	0.00%
220-5225-00	Measure J Program 28a	32,023	32,676	(653)	98.00%
220-5601-00	Interest	1,687	1,000	687	168.70%
Total Revenues		33,710	318,676	(284,966)	10.58%
Operating Expenses					
220-7324-00	Dues and Subscriptions	-	2,000	2,000	0.00%
220-7385-00	TRANSPAC Fees	25,084	30,000	4,916	83.61%
220-8101-00	Transfer To General Fund	2,320	4,639	2,319	50.01%
220-8111-00	Transfer to CIP Fund	872,071	900,655	28,584	96.83%
Total Operating Expenses		899,475	937,294	37,819	95.97%
Beginning Fund Balance - Audited Actual		656,889	656,889		
Net Increase/(Decrease) in Fund Balance		(865,765)	(618,618)		
Ending Fund Balance - At Mid Year		(208,876)	38,271		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
230 - Restricted Grants					
Revenues					
230-5222-00	Avoid the 25 Grant	-	2,000	(2,000)	0.00%
230-5250-00	Public Education Government (PEG)	5,298	15,500	(10,202)	34.18%
230-5260-00	Suppl. Law Enforcement Services Fund (SLESF)	101,841	100,000	1,841	101.84%
230-5601-00	Interest Income	3,882	4,000	(118)	97.05%
Total Revenues		111,021	121,500	(10,479)	91.38%
Operating Expenses					
230-7111-00	Regular Salaries	28,455	66,300	37,845	42.92%
230-7113-00	Overtime	35,251	18,000	(17,251)	195.84%
230-7218-00	Long/Short Term Disability Insurance	374	800	426	46.75%
230-7220-00	PERS Retirement	3,915	8,100	4,185	48.33%
230-7231-00	Workers' Compensation	3,081	3,000	(81)	102.70%
230-7232-00	Unemployment Compensation	196	440	244	44.55%
230-7233-00	FICA Taxes	486	1,000	514	48.60%
230-7242-00	Uniform Allowance	710	900	190	78.89%
230-7246-00	Benefit Insurance	471	2,000	1,529	23.55%
230-7311-00	General Supplies	14,809	5,000	(9,809)	296.18%
230-7332-00	Telecommunications	2,864	7,000	4,136	40.91%
230-7415-00	Computer/IT Support	2,540	-	(2,540)	100.00%
230-7419-00	Other Professional Services	450	-	(450)	100.00%
230-7485-00	Capital Equipment	8,631	107,152	98,521	8.06%
230-7520-00	Projects	-	10,570	10,570	0.00%
Total Operating Expenses		102,233	230,262	128,029	44.40%
Beginning Fund Balance - Audited Actual		398,979	398,979		
Net Increase/(Decrease) in Fund Balance		8,786	(108,762)		
Ending Fund Balance - At Mid Year		407,767	290,217		

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
616 - Successor Housing Agency					
Revenues					
616-4110-00	Program Revenue	96,400	96,400	-	100.00%
616-5601-00	Interest	10,794	10,000	(794)	107.94%
Total Revenues		107,194	106,400	(794)	100.75%
Operating Expenses					
616-7411-00	Legal Services Retainer	-	500	500	0.00%
616-7413-00	Special Legal Services	-	10,000	10,000	0.00%
616-7419-00	Other Professional Services	12,183	47,855	35,672	25.46%
Total Operating Expenses		12,183	58,355	46,172	20.88%
Beginning Fund Balance - Audited Actual		4,765,562	4,765,562		
Net Increase/(Decrease) in Fund Balance		95,011	48,045		
Ending Fund Balance - At Mid Year		4,860,573	4,813,607		

*This fund balance is largely comprised of long-term and non-cash notes and equity-share receivables.

City of Clayton
Budget-to-Actual Report
For Six Month Period Ending December 31, 2018

Line Item No.	Line Item Description	Actual	Budget	Variance (\$)	Variance (%)
303 - Capital Improvement Program Fund					
Revenues					
303-5230-00	Measure J Grant	-	50,000	(50,000)	0.00%
303-5240-00	CalRecycle Grant	86,553	86,553	-	100.00%
303-5281-00	Federal Grant - Local Streets & Roads Shortfall	385,000	385,000	-	100.00%
303-5801-00	Interest	17,486	-	17,486	100.00%
303-8002-00	Transfer from Measure J Fund	872,071	900,655	(28,584)	96.83%
303-6004-00	Transfer from HUTA Gas Tax Fund	117,647	480,842	(363,195)	24.47%
303-6031-00	Transfer from HUTA Gas Tax Fund	64,355	64,355	-	100.00%
303-6100-00	Intergovernmental Capital Contributions (Sewer)	6,555	520,000	(513,445)	1.26%
Total Revenues		1,549,667	2,487,405	(937,738)	62.30%
Operating Expenses					
303-7520-00	Project Expenses	2,524	-	(2,524)	100.00%
303-7551-00	Project Costs - Planning/Design	7,769	50,000	42,231	15.54%
303-7552-00	Project Costs - Construction/Execution	1,511,500	2,551,513	1,040,013	59.24%
303-7553-00	Project Costs - Monitoring/Inspections	20,980	125,000	104,020	16.78%
303-7554-00	Project Costs - Close-out/Punch List	25,340	20,000	(5,340)	126.70%
Total Operating Expenses		1,568,113	2,746,513	1,178,400	57.09%
Beginning Fund Balance - Audited Actual		1,850,852	1,850,852		
Net Increase/(Decrease) in Fund Balance		(18,446)	(259,108)		
Ending Fund Balance - At Mid Year		1,832,406	1,591,744		

OPTIONS FOR USE OF FY 18 GENERAL FUND EXCESS

Council Sub-Committee Meeting

11 Feb 2019

\$181,500

OPTION A

Leave monies in General Fund Reserve.

- ▶ General Fund reserve equity is: \$5,302,751 [as of 01 July 2018]

OPTION B

Supplement Internal Service Funds.

- ▶ \$50,000 transfer to Self-Insurance Internal Service Fund
Current balance is \$37,500. Covers self-insurance claims deductibles (up to \$5k), uninsured losses, and annual premiums for City' Employee Assistance Program. Draw down averages approximately \$6,250 per year. Fund generates no revenue.
- ▶ \$50,000 transfer to Pension Rate Stabilization Fund
Internal buffer to major fluctuations in CalPERS employer pension rates. Acts as Section 115 Pension Trust without the use restrictions.
Existing balance is \$168k.
- ▶ \$81,500 Leave in General Fund Reserve
Revised balance is \$5,202,751.

OPTION C

List of Department requests for one-time expenditures to choose from:

Police

- ▶ Repaint interior of Police Station \$ 8,200
- ▶ AED installed in Hoyer Hall \$ 2,100

Finance

- ▶ Tax Forecasting Consultant Services on property and sales taxes \$ 8,000
- ▶ Consultant Services on City Fees/Indirect Costs \$ 25,000

City Clerk

- ▶ Augment Electronic Records Retention Archiving \$ 50,000

Community Development

- ▶ Consultant Services to implement SB 743 \$ 75,000
[traffic intersection CEQA analyses; change from LOS to VTM Circulation Element of GP]
- ▶ Consultant Services to implement SB 35 (Weiner) \$ 35,000
[draft/adopt objective standards for ministerial (staff) approval of new multi-family housing developments for permit streamlining of qualifying affordable housing projects, as mandated by state law]

Sub-Total: \$203,300