



# AGENDA

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## TRAILS AND LANDSCAPING COMMITTEE [CITIZENS OVERSIGHT COMMITTEE]

**Monday, April 15, 2019**

**7:00 p.m.**

**Hoyer Hall**

**Clayton Community Library City Hall**

*6125 Clayton Road  
Clayton, CA 94517*

### COMMITTEE MEMBERS

Maryann Carroll-Moser  
Carin Kaplan  
William Wiggins

Howard Kaplan, Chair  
Ted Sudderth  
Doris Ward

*Vice Mayor Julie Pierce  
(Ex-Officio)*

*Mayor Tuija Catalano  
(Ex-Officio Alternate)*

Staff: Laura Hoffmeister, Asst. to the City Manager  
Jim Warburton, Maintenance Supervisor  
Juan Gonzalez, Senior Maintenance Worker

- A complete packet of information containing staff reports and exhibits related to each item is available for public review in City Hall located at 6000 Heritage Trail on Monday prior to the Committee meeting or on the City Website at [www.cityofclayton.net](http://www.cityofclayton.net).
- 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.cityofclayton.net](http://www.cityofclayton.net)
- Any writings or documents provided to a majority of the Committee 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.

# \* TRAILS AND LANDSCAPING COMMITTEE \*

April 15, 2019

## 1. CALL TO ORDER & ROLL CALL –Chair H. Kaplan

## 2. PUBLIC COMMENTS ON NON-AGENDA ITEMS

*Any member **from the audience** may address the Committee on items within the Committee's jurisdiction, (which are not on the agenda) by completing a speaker card and forwarding it to the Chair. To assure an orderly meeting and an equal opportunity for everyone, each speaker is limited to 3 minutes, enforced at the Chair's discretion. When one's name is called by the Chair, the speaker shall advance to 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 Committee may respond to statements made or questions asked, or may request Staff to report back at a future meeting concerning the matter.*

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

## 3. CONSENT CALENDAR

*Consent Calendar items are typically routine in nature and **all items are considered together for approval by the Committee with one single motion.** Members of the Committee, Audience, or Staff may remove an item from the Consent Calendar for purpose of public comment; question or input may request so through the Chair. After discussion of the item the entire Consent Calendar can be approved together in one single motion.*

- (a) Minutes of the January 28, 2019 Trails and Landscape Committee meeting.
- (b) Landscape Maintenance District Staff Activity Report for Jan. 29, 2018 to April 15, 2019.
- (c) Status of Landscape Maintenance District Projects.

Recommended Action: Approve the Consent Calendar.

## 4. BUSINESS ITEMS

- (a) Review of the Landscape Maintenance District proposed budget, including CPI adjustment, for FY 19-20 as the Citizens Oversight Committee for Measure H. (Asst. to the City Manager Hoffmeister and Maintenance Supervisor Warburton)

Recommended Action: Hear report, provide comments, and make recommendation to the City Council regarding the proposed budget for FY 19-20.

## 5. CORRESPONDENCE – review of incoming and outgoing correspondence **- Informational Only- No Action**

None

## 6. COMMITTEE ITEMS – limited to requests and directives for future meetings:

- (a) Selection of Committee member to Report to the City Council at its April 16<sup>th</sup> 2019 meeting. If no member is available to report the Council Liaison can provide update to the City Council.

- (b) Future Agenda Items and dates: (all future agendas will include minutes; Maintenance staff Activity Report for the District; LMD Projects status report as applicable; latest FY to date budget expenses)
- April 23, 2019 City Council Budget Subcommittee meeting
  - **May 13, 2019 – possible additional TLC meeting** for proposed LMD budget for FY 19-20 if needed
  - May 21, 2019 – City Council meeting for proposed budget for FY 19-20
  - June 4, 2019 City Council adoption of budget
  - **Sept. 2019 - TLC meeting** for FY 2018-19 actual year-end review and select Committee Member(s) to prepare draft FY 17-18 Annual Report
  - **Nov./Dec. 2019 - TLC meeting** FY 2018-19 TLC prepared Annual Report review
  - **January 2020 – TLC meeting for mid-year FY 19-20 budget review.**
  - February 2020 – City Council mid-year budget Review for FY 2019-20
- (c) Committee Member communications – general information not requiring any action by the TLC

7. **ADJOURNMENT** – Upon call by the Chair the meeting shall be adjourned.

The Committee's next regularly-scheduled meeting is will be called as needed. At 7:00 p.m. in Hoyer Hall, Clayton Community Library. Please contact the City Clerk at 673-7300 to verify actual date/and location.



Agenda Date: 4-15-19

Agenda Item: 3a

**ACTION MINUTES**  
**OF THE**  
**REGULAR MEETING**  
**TRAILS AND LANDSCAPING COMMITTEE**  
**[Citizens Oversight Committee]**

**January 28, 2019**

**1. CALL TO ORDER & ROLL CALL – Chair Howard Kaplan**

Chair H. Kaplan called the meeting to order at 7:05 p.m. at Hoyer Hall 6125 Clayton Road, Clayton CA .

Committee Members Present: Howard Kaplan, Carin Kaplan, Ted Sudderth, Doris Ward, Bill Wiggins; Maryann Carroll-Moser; Vice- Mayor Julie Pierce Ex-Officio

Committee Members Absent: None

Staff Present: Assistant to the City Manager Laura Hoffmeister; Maintenance Supervisor Jim Warburton.

a) Selection of Chair – Howard Kaplan volunteered, and by consensus of the Committee Howard Kaplan was selected Chair.

b) Selection of Vice- Chair – Ted Sudderth volunteered, and by consensus of the Committee was selected as Vice- Chair.

**2. PUBLIC COMMENTS ON NON-AGENDA ITEMS**

No public comments.

**3. CONSENT CALENDAR**

- (a) *Minutes of the December 10, 2018 Trails and Landscape Committee meeting.*
- (b) *Landscape Maintenance District Staff Activity Report for December 11, 2018 to January 28, 2019.*
- (c) *Status of Landscape Maintenance District Projects.*

Motion by Committee member Wiggins, seconded by Committee member Carroll-Moser, to approve the consent calendar. ***Motion passed 6-0.***

#### 4. BUSINESS ITEMS

- (a) *Review of the status of Landscape Maintenance District FY 18/19 budget expenses/revenues for July 1, 2018-December 31 2018.*

The Committee reviewed the information provided in the Agenda packet.

Staff provided an overview of the mid-year budget and items recommended by staff for consideration by the TLC to recommend to the City Council for mid-year adjustments. Expenses at mid-year were noted to be as anticipated at mid-year and staff does not foresee any issues at this time.

Water expenses are likely to be more with recent increase of water district rates and new zone rates. However it is not possible until next year has concluded to know how much as the bills are on a two month cycle, after usage from June through November. Overall it is expected that a 6% increase minimum could occur, however since the billing is done every two months and the irrigation is currently not running, most of the irrigation bills will come in next FY 19-20, and staff will adjust the water line item as part of the FY 19-20 budget, which the TLC will review when available mid-May or sooner.

A minimum of \$400,000 is needed fund balance as the initial property tax revenues are not received until late December. The funds used to arrive in November – now mid to late December. The projected fund balance at the end of FY 18-19 is anticipated \$764,455, this is slightly lower than what was in the adopted budget, as the year end close the projected fund balance was slightly higher than the actual and the attached budget numbers have been adjusted to account for the updated fund balance carry forward from FY 17-18. After accounting for \$400,000 needed for the reserve minimum, there is about \$350,000 remaining fund balance available for the use of one time project or needs – non recurring needs.

Maintenance Supervisor Jim Warburton has assessed the District status and recommends the following one time higher priority projects be added to the list at mid-year:

Street Tree trimming: [\$100,000] – Clayton Road, Marsh Creek Road, Oakhurst Blvd, Clayton Road. Branches are getting loopy and can break off, additionally the canopy needs lifting in areas as trucks are hitting and breaking off branches, which can impact the health of the tree, as well as cause vehicle damage.

Removal of dead trees, stump grind and replant trees, and replace irrigation: [\$100,000] – Marsh Creek Road median from Diablo View Lane to Regency Drive.

Clear dead brush, trim/thin brush along creek areas and trails: [\$100,000]

New replacement Irrigation controllers: [\$50,000]

Motion by Committee member C. Kaplan, seconded by Committee member Carroll-Moser, to forward to the city council the recommendations contained in the staff report and outlined above for mid –year budget adjustments to the LMD as proposed by City staff. **Motion passed 6-0.**

- (b) *Discussion of the fire suppression activities with regards to the open space and trails – Note there were not written materials with the Agenda Packet. This was a discussion item the Chair requested to be placed on the Agenda.*

*This item was introduced by Chair H. Kaplan, the objective was to have a discussion and to understand what the LMD does related to fire suppression activities with regards to the open space areas and trails.*

Maintenance Supervisor Warburton stated that the City conducts weed abatement in the open space 1x per year. This is done mostly by outside contractor which either weed whacks in the steeper areas, and uses a tractor and cuts the larger areas. This past season late rains caused the ground to continue to be too soft in the open areas that the tractor is used and thus longer to complete. The Contra Costa Fire Protection District sets forth the requirements and the City weed abatement for fire suppression is in accordance with their standards. Maintenance Supervisor Warburton stated he monitors the CCFPD website for their compliance requirements, as the CCFPD no longer sends out notices, but posts information so that as circumstances change it can be quickly updated. Changes can include later rains which then push the weed abatement time frames out, as the vegetation has high moisture content. The timing of weed abatement is to provide optimal one time fuel load reduction, and is typical of most communities' fire suppression activities for open space. Large areas of open space have fire breaks cut or disked 30 feet behind the property lines/fences. The break along the top of the ridge behind Keller Ridge (where the power tower is above the golf course to the water tank) is done by CCFPD. They did not complete until late in the year as they were doing other higher priority areas, and open grassland is a low priority as it is a low fuel load. The area between Peacock Creek and the Middle School has fire breaks done by the cattle rancher pursuant to the cattle grazing lease with the City. The areas beside the Cardinet trail about 24" feet back on either side are cut 2x a year, once in mid-late April depending on weather, and again late summer.

Chair H. Kaplan and the Committee thanked Maintenance Supervisor Warburton for the overview and felt they now had a better understanding of the overall program for the City's and the LMD fire suppression activities with regards to the open space and trails.

This was an informational item only – No Action taken.

- (c) *Review of the City Council approved Donor/Memorial Program for trash/recycling containers and doggie mitt stations.*

Asst. to the City Manager Hoffmeister reviewed the City Council approved Donor/Memorial Program for trash/recycling and doggie mitt stations. The City

Council has established this for the community. Benches, trash/recycling containers and doggie mitt stations are included in the Program with the City Council approved locations. All that someone needs to do is to provide the funding donation as noted in the program to the City with a letter indicating what it is they are donating and which pre-approved location, their contact information and what they would like the plaque to state, if desired, with about 3 lines of text.

Vice Chair Sudderth stated that he had received this information from staff and wanted the TLC to also know about the Program, and he is working with the CBCA President and CBCA to obtain from them donations for two doggie mitt stations. It is likely that CBCA would donate one this year and one next year. It was clarified the Vice-Chair Sudderth is doing this as an individual and CBCA member not in his capacity as a TLC member since this program is not a TLC program but a City Program approved by the City Council.

The Committee members thanked Vice Chair Sudderth for his personal interest in this item and keeping them updated.

This was an informational item only – No Action taken.

5. **CORRESPONDENCE** – *review of incoming and outgoing correspondence*

6. **COMMITTEE ITEMS** – *limited to requests and directives for future meetings:*

(a) *Selection of Committee member to Report to the City Council at its December 18, 2018 meeting.*

No Committee member would be available to report. Committee Ex-Officio Pierce stated that she would be able to convey any information to the Council from the TLC meeting at the City Council December 18, 2018 meeting.

(b) *Future tentative meeting dates/Agenda Items: (all future agendas will include minutes; Maintenance staff Activity Report for the District; LMD Projects status report as applicable; latest FY to date budget expenses. -- These dates may be adjusted due to timing of information and quorum availability.*

- *February 19, 2019 City Council mid-year budget review (including LMD mid-year budget)*
- *May 13, 2019 – TLC meeting for review of proposed LMD FY 19-20 Budget introduction to City Council June 4, 2019; and City Council adoption of budget June 18, 2019)*
- *May 21, 2019 – City Council meeting for the proposed budget for FY 19-20*
- *June 4, 2019 – City Council adoption of the Budget*
- *Sept. 2019 - TLC meeting for FY 2018-19 actual year-end review and select Committee Member to prepare draft Annual Report for FY 17-18*

- **Nov./Dec. 2019 - TLC meeting FY 2018-19** TLC prepared Annual Report review

The Committee stated it was important to meet prior to the City Council considering the first review and introduction of the budget and determined that they would tentatively plan for May 13<sup>th</sup> meeting, however if the budget numbers were available sooner they would be interested in meeting sooner. Asst. to the City Manager Hoffmeister stated that she would keep in touch with the Committee and as soon as there was more definitive timing from the Finance Manager, the committee would be contacted to determine a mutually agreeable meeting date; however to hold the May 13<sup>th</sup> date at this time.

- (c) *Committee Member communications – general information not requiring any action by the TLC*

None.

- (d) *Staff Communications/Announcements – general information not requiring any action by the TLC*

None

## **8. ADJOURNMENT –**

Upon call by Chair H. Kaplan the meeting was adjourned at 8:15 pm

Minutes prepared by:

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Laura Hoffmeister, Asst. to the City Manager

APPROVED BY THE COMMITTEE

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Howard Kaplan, Chair





Agenda Date: 4-15-19

Agenda Item: 3b

## TRAILS & LANDSCAPING MAINTENANCE DISTRICT

### ACTIVITY REPORT

1/29/2019 to 4/15/2019

- Weeds on edges of trails are being cut back apx. 24 inches on both sides
- Glyphosate spraying is ongoing throughout the city with signage as appropriate depending on areas being applied
- Storm drains and catch basins throughout the City have been cleaned
- Along sections of the Cardinet trail east of Lydia Park bicycle jumps removed
- There was a small mud slide on Clayton Road next to the large Eucalyptus tree across from city Hall. City staff had the tree inspected by certified arborist McNeil Arboriculture Consultants LLC and found the tree to be in good health with minimal risk of falling
- A small slide was reported in the creek on the Cardinet Trail near the golf course maintenance yard. The cause was determined to be excess water running off the asphalt on the golf course property. City staff reported this to the golf course Superintendent and he was quick to correct the issue.
- Several trees were removed during the storm season due to high winds and soggy soils causing them to fail.
- Our creeks were constantly monitored for blockage and several inlet pipes were cleared from obstruction to keep them flowing during major storms.
- City staff received bids (2) for annual weed abatement for fire breaks in open space and the contract to award to Apex Grading and Disking is going to the City Council at their April 16<sup>th</sup> meeting. Three other companies declined to submit proposals due to work load. The contract is for a three year period with an option to renew if mutually agreed to for another three years. This will allow the City to have work scheduled to comply with Fire District requirements – as yet the Fire District has not advised as to the time frame to do as the weather has just started to dry out. We will keep monitoring the District Web site where they post this information usually posted by May 10<sup>th</sup> but then subject to change (dates pushed out) if wet weather returns.
- A report to award bid to Envirotech Environmental to continue with the annual non-native invasive weeds (start thistle and wild artichoke) is also on the City Council April 16<sup>th</sup> agenda for a three year contract with option for three one year extensions.



Agenda Date: 4-15-19

Agenda Item: 3c

## Memo

**To:** Trail and Landscape Committee  
**From:** Maintenance Supervisor, Jim Warburton  
**Date:** April 15, 2019  
**Re:** Landscape Maintenance District Project Updates

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The following is the status of Landscape District approve projects

- The Eucalyptus trees removal project is has been completed.
- The downtown Planter Boxes are still in progress the construction plans are being updated by the City Engineer for putting out to bid end of this month or early May, bids are planned to be due in May. The construction will be timed to occur after 4<sup>th</sup> of July parade and complete prior to Oktoberfest. So construction would be in July/August/September.
- The second phase of the Clayton Road median east of Lydia Lane replanting has been delayed due to weather and other priorities and need to hire up seasonal workers. The plants will continue with the same general types that were used in the first phase: purple fountain grass; red carpet roses, and Armeria Maritima; and 2" of mulch top dressing.
- The trees on the major arterial have been inspected and are scheduled to be thinned and raised to 15 feet for City standards in April and May, depending on contracting procedure and timing related thereto for bidding, etc.
- A pet waste station donation is being worked on by CBCA president for one of the already city council approved locations. After receipt of the funds it will be ordered and installed. CBCA president has indicated that they would likely purchase a second one later on.
- Deodar Cedar trees on the Corner of Mitchel Canyon and Clayton Rd. were raised to elevate large trucks from hitting lower branches and causing damage to trucks and the trees. These trees were trimmed in cooperation with the property owners. It was determined the trees are half City and half homeowners trees. The city paid half and the home owners also paid half for the trimming.
- The irrigation system central controller will have the new Laguna software installed within the month of April to upgrade the systems capabilities.



Agenda Date: 4-15-19

Agenda Item: 4a

# Memo

To: Trails and Landscape Committee  
From: Assistant to the City Manager and Maintenance Staff  
Meeting Date: April 15, 2019  
Re: Proposed Landscape Maintenance District (LMD) Budget FY 19-20  
Citywide Landscape Maintenance District – Fund No. 210

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## Background:

In June 2007, Clayton voters approved a replacement real property special tax to continue funding the operation and maintenance of its citywide public landscaped areas. This voter action created the City of Clayton Landscape Maintenance Community Facility District 2007-1 (LMD). This annual tax is restricted to landscape costs associated with: arterial and specified roadway medians and parkways, the trails system, the annual open space non-native (exotic) invasive weed abatement in city-owned open space of the area hills, the annual open space and trails weed abatement for fire and public safety, landscape and turf irrigation and the monthly maintenance and special occasion/holiday operation of the “Clayton Fountain”. Operations for the LMD are separately accounted for by the City in a restricted special revenue fund.

Measure B, the 2007 ballot measure, expired June 30, 2017. Given this is the only source of funds for the maintenance and operation of the LMD, in order continue this sole funding a special parcel tax, “Measure H” was placed before the voters on the June 7, 2016 ballot needing two-thirds (66.67%) voter approval. In June 2016, the voters overwhelmingly elected (77.1% positive vote) to extend the LMD special parcel tax for an additional 10 years.

Maintenance of City Parks *is not* included as an authorized expense under the LMD Act; park maintenance obligations fall to the City’s General Fund. *Citywide public landscaping services have always been funded by a special revenue tax levied on private properties throughout the City.* The LMD has now completed its second year of operation under Measure H. The Landscape Maintenance District has trails and landscaping citizens’ oversight committee (TLC) that meets periodically to ensure the promised maintenance standards are being achieved and reviews the budget ensuring these special-purpose tax revenues are used for their intended purpose as established under the previous ballot measure for the LMD.

The TLC also independently prepares the Annual Citizens Oversight Report regarding the collection and use of the funds and the Landscape Maintenance District Activities. All funds and expenses are documented in a special fund held separate from the City's overall operational budget; the Landscape Maintenance District is specified as Fund 210 in the City's overall budget.

**Discussion:**

Pursuant to the terms of voter-approved H, the special tax rate may be modified annually by the change in the CPI from April to April. In no event shall the tax rate be increased by more than 3.0% each year. Given the CPI change (from April 2018 to April 2019) is scheduled to be released on May 10, 2019, the Finance Manger has assumed a CPI increase of 3% for revenue projections in the proposed budget. Last year the CPI was 3.22 % however pursuant to Measure H the special parcel tax growth factor must be capped at 3.0%. Accordingly, the LMD'S projected revenues are proposed to be increased by 3.0% to a total of \$1,155,398 for FY 2019-20. This results in a modest increase to LMD special parcel tax revenues of \$33,652 over the prior year adopted budget. The capped CPI growth adjustment will result in an increase of \$7.68 per residential parcel over the prior year rate (last year's single family rate was \$255.86; including the capped CPI adjustment factor the new single-family parcel rate will be \$263.54).

The TLC budget recommendation must be adopted by motion to recommend it to the City Council, including the CPI annual rate adjustment. The Committee can recommend the CPI be established at whatever the actual is, and if higher than 3% to use the 3% cap.

Since 2008, through FY 18-19 the LMD has used approximately \$1.8 million of these special tax funds for public landscape and irrigation and trail system improvements. When including an additional \$538,000 of prior-approved projects and new projects planned for FY 19-20, the LMD will have invested over \$2.3 million into landscape related capital improvements in addition to maintaining current landscaping.

For FY 2019-20, the LMD has budgeted to carry forward five projects unspent funds for prior-approved landscape improvement projects that are not yet completed and one new project for FY 19-20:

Main Street Planter Boxes Replacement Project (LMD 2015-1)	\$ 245,157
Clearing Dead Brush (LMD 2019-3)	\$ 10,000
Upgrade/Replace Irrigation Controllers (LMD 2019-4)	\$ 20,000
Clayton Rd. median Replanting Improvements (LMD 2019-5)	\$ 56,000
Subdivision/City Entry Sign Replacement Contingency	\$ 2,000
<u>Irrigation Controller Upgrade (LMD 2020-1) (new)</u>	<u>\$ 30,000</u>
	\$ 363,157

The proposed LMD budget is a balanced operational budget, utilizing fund balance to undertake non-annual capital improvement projects. This practice is consistent with prior year budgets as the LMD is pay-as-you-go for such improvements, responsibly drawing on fund balance as needed. The budget expenses are primarily adjusted for increased costs from outside agencies as well as for fuel, fertilizer, water, etc.

Prior year's City Council adopted budget included the Downtown Planters (Main Street) replacement project at an estimated \$300,000. Of this amount \$30,000 for plans/specs, and \$270,000 estimated for construction). To date \$20,413 has been spent on plan preparation and specifications (\$19,069 in FY 16-17, and \$ 1,344 FY 17- 18, and \$35,000 is projected for FY 18-19). For FY 19-20 a budget estimate of \$245,157 is being set aside for construction. The City Engineer is undertaking plan and specification updates and anticipates going out to bid in May. The lowest bidder would then be recommended directly to the City Council for action (re-bid the project, augment funding from the LMD reserve or reprioritize other LMD project funds). The work for this project is anticipated to be done between July 5<sup>th</sup> and September 30<sup>th</sup> 2019. If project bid comes in higher than budget staff would obtain direction from the City Council. This project has been delayed due to other work items such as street repair and repaving projects, El Molino Sewer Line replacement, utility company upgrades and repairs. Therefore the funding will roll forward to allow this project continue into FY 19-20.

During FY 18-19 the 18 large Eucalyptus trees (\$185,000) in the open space near Regency Drive/El Molino and along a portion of the Cardinet Trail behind the homes on Rachel Ranch project was completed.

Two years ago the adopted budget included a city wide subdivision entry re-landscaping project at \$300,000. Although concept plans were approved, outside Landscape Architect services were needed to survey all utilities/irrigation and prepare construction level plans and specifications for public bidding. Staff has not been able to locate a qualified Landscape Architect that has the time or interest to undertake providing a proposal for this work. Therefore last year (FY 17-18) the City Council put a hold on the project, and the allocated funds were returned to the fund balance in FY 17-18. There are still no plans to move forward with this project at this time, and the fund balance is insufficient to undertake this project.

## **Discussion**

Attached is the proposed budget for the LMD for fiscal year 19-20 which begins July 1, 2019. The FY 17 -18 actual as well as current fiscal year, FY 19-20, information is also provided as comparisons. The proposed budget is a balanced budget, with the use of the LMD fund balance, which has been done in the past in order to undertake certain replacement or repair projects as the LMD is a pay as you go system drawing on the fund balance as needed. The budget expenses are adjusted mostly for increased costs from outside agencies as well as for fuel, fertilizer etc.

Measure H approved by the voters, (Landscape Maintenance District tax) included annual levy increase of CPI, with a maximum rate not to exceed 3% annually, and the TLC recommended and City Council approved the 3% CPI adjustments. The CPI figures for April

2018-2019 will not be released until May 10<sup>th</sup>. The CPI change from April 2016 to April 2017 was 3.8%, and the April 2017 to April 2018 was 3.2%. Unfortunately with CPI being higher than that which can be increased city costs do not keep pace with inflation. For the two years above the City is now 1% less in revenue receipts than inflation. The proposed budget uses a 3.00% CPI increase in the tax levy revenues, which would result in a small increase of special parcel tax revenues of \$33,652 over the prior year adopted budget. The capped CPI growth adjustment will result in an increase of \$7.68 per residential parcel over the prior year rate (last year's single family rate was \$255.86; including the capped CPI adjustment factor the new single-family parcel rate will be \$263.54).

The District over the past year has generated a sufficient reserve balance to allow the consideration of new landscaping projects to be undertaken. Although ending fund balance of \$449,620 is projected, staff is not proposing additional capital project beyond that described above in FY 19-20, in order to allow time to complete prior approved projects, and to have sufficient funds for cash flow timing -between the time revenues are received and expenses occur.

An enormous impact on LMD operations from FY 12-13 through FY 16-17 was the declared drought conditions and the severe water conservation reductions imposed by Contra Costa Water District (CCWD) as directed by the Governor's Executive Order Emergency declaration. While homeowners were placed under a 25% reduction plan, city and commercial irrigation water consumers were set at a massive 45% mandatory water reduction order. With irrigation cutbacks of that magnitude the LMD suspended irrigation water to turf and bushes, reserving restricted water supplies to irrigate public trees. The LMD also halted all operation of the Clayton Fountain (even though it is a recirculating fountain) and reduced outside watering to two days per week. This action plan impacted some of the water intensive landscape in order to sustain the more valuable plants and mature signature trees in the LMD. Capital improvement projects engaged during the drought were hardscape-only oriented.

Although the state of California and CCWD relaxed water restrictions, allowing more additional outdoor water irrigation uses than in the prior year, there are still reductions needed to balance against water cost increases. Furthermore changes in state regulations for Water Districts required changes in their rate structure, and areas that they have to pump water further out pay higher rates. Clayton's location resulted in a rate increase by the Water District in January of 6%. The proposed budget for LMD water irrigation supply service incorporates a large projected water cost increase of \$45,300 over the prior year budget, bringing the total budgeted water supply expenditure to \$202,300. The increases over the last two years are actually a normalization of water irrigation costs back to pre-drought periods, and the 6% rate increase for FY 19-20 by CCWD.

Personnel services for this labor-intensive work effort account for 32.98% of the LMD budget in FY 2019-20 (\$500,700). Whenever possible, tasks within the LMD are assigned to temporary seasonal personnel that are less expensive labor (e.g. trimming), allowing full-time permanent City maintenance personnel (typically four) to focus on tasks

requiring journeyman-level experience (e.g. irrigation line and system repairs). The LMD has only one full time dedicated staff person.

As approved by Measure H voters, the LMD'S budget includes a recurring line item (account 7316) for the purchase of replacement plants, budgeted at \$20,000 in FY 2018-19. The LMD further contributes an annual allocation to the City's Capital Equipment Replacement Fund (CERF) for its shared cost of utilizing city Maintenance Department vehicles for LMD operations budgeted at \$30,000 in FY 19-20. An expense of \$38,570 (3.28% of annual LMD revenue) is transferred to the City's General Fund to pay for the LMD's share of administrative and overhead activities provided by the City (e.g. telephones; payroll processing; accounts payable; management).

With all of these actions, the LMD's ending fund balance on June 30, 2018 is projected to be **\$449,620**. The LMD's healthy reserve position is evidence the City does not siphon "surplus" monies into its General Fund but uses the special tax revenues for its intended voter purposes. Its monetary existence will be crucial once the drought is over and the LMD re-examines priorities to replace landscape lost (including adding in more hardscape treatments) from the extreme water conservation measures.

The City Council will have the initial public meeting on the proposed budget at their May 21<sup>st</sup> meeting and the City Council final public meeting and adoption of the budget will occur on June 4, 2019. The recommendation action of the TLC will be forwarded to the Council Budget subcommittee which will meet on April 23<sup>rd</sup> and to the City Council for their consideration at their May 21<sup>st</sup> meeting.

**Staff Recommendation:**

1. Trails and Landscape Committee by motion recommend to the City Council approval of a CPI adjustment of the actual posted CPI or the 3.00% cap whichever is less.
2. Trails and Landscaping Committee by motion recommend to the City Council approval of the proposed Landscape Maintenance District Budget for FY 2019-2020.

**Attachments:**

- 1 > Proposed Landscape Maintenance District Budget FY 2019-20
- 2 > LMD Levy History Summary
- 3 > LMD Project History Summary

City of Clayton													
Landscape Maintenance District Fund 210 (CFD 2007-1)													
Proposed Budget 19-20													
Account Number	Account Name	2017-18 Actual	2018-19 Adopted Budget	2018-19 YTD 4/2/2019	2018-19 Projected	2019-20 Proposed Budget	notes						
7111	Salaries/Regular	182,771	211,000	150,156	206,000	220,000							
7112	Temporary Help	126,722	46,000	3,104	5,000	-	moved to 7345						
7113	Overtime	575	1,000	2,056	3,000	2,000							
7218	LTD/STD Insurance	2,034	2,400	1,754	2,400	2,500							
7220	PERS Retirement - Normal Cost	21,034	25,200	15,494	21,000	23,000							
7221	PERS Retirement - Unfunded Liability	24,124	28,290	19,792	27,000	32,000							
7231	Workers Comp Insurance	12,175	11,600	14,257	14,300	12,000							
7232	Unemployment Insurance	3,969	2,900	1,293	3,500	2,000							
7233	FICA Taxes	4,596	6,600	2,452	3,400	3,200							
7246	Benefit Insurance	38,425	43,400	31,658	43,000	44,000	\$500,700 (32.93%) total labor and % of budget						
7301	Recruitment/Pre-employment	393	1,000	5	500	500							
7306	Trail Fixture Repairs/Replacement	-	-	-	-	5,000	new line item acct number						
7307	Irrigation Supplies and Materials	-	-	-	-	15,000	new line item acct number						
7308	Weed Abatement Supplies and Materials	-	-	-	-	10,000	new line item acct number						
7309	Plant Nutrition Supplies and Materials	-	-	-	-	15,000	new line item acct number						
7311	General Supplies	27,807	50,000	27,463	42,000	5,000	See breakdown below						
7316	Replacement Plants (Shrubs, Trees, etc.)	2,517	40,000	6,216	20,000	20,000							
7335	Gas & Electric Service	26,981	29,600	20,661	32,200	34,400							
7338	Water Service	161,261	157,000	127,168	190,800	202,300	6% increase per CCWD = \$45,300						
7341	Buildings/Grounds Maintenance	8,921	20,000	8,878	12,800	17,000	See breakdown below						
7342	Machinery/Equipment Maint.	6,761	12,000	5,124	12,000	12,000	See breakdown below						
7343	Vehicle Maintenance	17,310	20,000	7,598	11,000	20,000							
7344	Vehicle Gas, Oil, and Supplies	12,641	13,000	11,360	15,200	17,000							
7381	Property Tax Admin Cost	3,735	4,000	2,057	3,900	4,000							
7382	Election Services	-	-	-	-	-							
7411	Professional Services Retainer (Legal)	-	2,000	-	-	-							
7419	Other Prof. Services	5,670	7,000	5,702	6,750	7,000	See breakdown below						
7429	Animal/Pest Control Services	1,075	5,000	-	2,000	5,000							
7435	Contract Seasonal Labor	-	100,000	97,758	141,000	160,000							
7440	Tree Trimming Services	50,205	60,000	15,605	60,000	60,000							
7445	Weed Abatement Services	119,088	128,100	14,398	128,100	134,600	See breakdown below						
7486	CERF Charges/Depreciation	14,500	20,070	20,070	20,070	30,000	Per CERF allocation spreadsheet						
7520	Project/Program costs	69,328	487,157	197,012	482,339	363,157	See breakdown below						
7615	Property Taxes	2,791	2,900	2,874	2,874	3,000							
8101	Fund Admin - Transfer to GF	36,095	37,258	37,258	37,258	38,570	3.28% of total revenue						
8113	Transfer to Stormwater Fund	1,008	1,050	1,050	1,050	1,090							
	<b>Total Expenditures</b>	<b>984,512</b>	<b>1,575,525</b>	<b>850,272</b>	<b>1,550,441</b>	<b>1,520,317</b>							
4604	Clayton LMD Special Parcel Tax	1,089,074	1,121,746	616,956	1,121,746	1,155,398	\$33,652 increase assuming 3% CPI						
5601	Interest	18,836	15,000	11,554	20,000	20,000							
5606	Unrealized Inv Gain/Loss	(16,247)	-	-	-	-							
	<b>Total Revenue</b>	<b>1,091,663</b>	<b>1,136,746</b>	<b>628,510</b>	<b>1,141,746</b>	<b>1,175,398</b>							
	<b>Increase (Decrease) in Fund Balance</b>	<b>107,151</b>	<b>(438,779)</b>	<b>(221,763)</b>	<b>(408,695)</b>	<b>(344,919)</b>							
	<b>Beginning Fund Balance</b>	<b>1,096,083</b>	<b>1,231,798</b>	<b>1,203,234</b>	<b>1,203,234</b>	<b>794,539</b>							
	<b>Ending Fund Balance</b>	<b>1,203,234</b>	<b>793,019</b>	<b>981,471</b>	<b>794,539</b>	<b>449,620</b>							



Account Number	Account Name	2017-18 Actual	2018-19 Adopted Budget	2018-19 YTD 4/2/2019	2018-19 Projected	2019-20 Proposed Budget	notes
<b>7311</b>	<b>General Supplies</b>						
	Bay Area Barricade (Work signs, etc.)	5,014	4,000	1,037	4,000	1,000	
	Trash Liners (Cole Supply Co.)	520	-	-	500	1,000	
	Garden Equipment	235	500	-	-	-	Moved to 7342
	Plant Nutrients - Topsoil (Contra Costa Topsoil)	1,310	1,500	-	1,500	-	Moved to 7309
	Plant Nutrients - Fertilizer	-	5,000	-	5,000	-	Moved to 7309
	Grainger (Work safety equipment)	317	-	-	500	500	
	Weed Control (Nutrien AG, etc.)	6,810	13,000	7,061	8,000	-	Moved to 7308
	Irrigation supplies (Calcard - US Bank)	-	7,500	7,365	7,500	-	Moved to 7307
	Ross Recreation (Trash receptal/benches)	779	8,000	-	1,000	-	Moved to 7306
	Turf Star - Irrigation Supplies	-	-	107	200	-	Moved to 7307
	Site One Landscape (Irrigation)	7,491	8,000	7,727	8,000	-	Moved to 7307
	Safety Medical Supply Equipment	-	-	138	300	500	
	Misc Supplies (Calcard - US Bank)	5,331	2,500	4,028	5,000	2,000	
		<b>27,807</b>	<b>50,000</b>	<b>27,463</b>	<b>41,500</b>	<b>5,000</b>	
		-	-	-	-	-	
<b>7341</b>	<b>Building/Grounds Maintenance</b>						
	Martell Water Systems (Well pump repairs)	-	5,000	1,996	2,000	5,000	
	Misc Supplies (Calcard - US Bank)	-	-	69	500	-	
	Pond M Solutions (\$650x12 water feature maintenance)	7,800	8,000	5,200	7,800	8,000	
	Pond M Solutions (extra repairs)	-	5,000	866	1,000	2,000	
	Spraytec Maintenance (wastewater)	1,121	2,000	747	1,500	2,000	
		<b>8,921</b>	<b>20,000</b>	<b>8,878</b>	<b>12,800</b>	<b>17,000</b>	
		-	-	-	-	-	
<b>7342</b>	<b>Machinery/Equipment Maintenance</b>						
	Garden Equip Maintenance & Supplies	3,635	5,000	-	2,000	4,000	
	Trailer World	800	2,000	-	1,000	1,000	
	Contra Costa Tractor	687	2,000	1,692	2,000	2,000	
	Site One Landscape	538	1,000	-	-	-	moved to 7311
	Lawnmower service	-	-	1,248	3,000	3,000	
	US Bank (Calcard) - Machinery/Equipment M	1,101	2,000	2,184	4,000	2,000	
		<b>6,761</b>	<b>12,000</b>	<b>5,124</b>	<b>12,000</b>	<b>12,000</b>	
		-	-	-	-	-	
<b>7419</b>	<b>Other Professional Services</b>						
	CCC Fire Protection - Operation Permit	-	1,000	-	1,000	1,000	
	EBRCSA-Radio Mtn PW radio's	1,300	1,500	1,450	1,450	1,400	
	NBS Admin Fees+Del letters	4,370	4,500	4,252	4,300	4,600	
		<b>5,670</b>	<b>7,000</b>	<b>5,702</b>	<b>6,750</b>	<b>7,000</b>	
		-	-	-	-	-	
<b>7445</b>	<b>Weed Abatement Services</b>						
	Environtech Enterprises (non-native invasive weed abatement - Oakhurst Mitigation EIR)	64,088	65,100	-	65,100	68,400	
	Waraner Bros Svc 1 x per yr+2 x trails (Fire Protection)	55,000	63,000	14,398	63,000	66,200	
		<b>119,088</b>	<b>128,100</b>	<b>14,398</b>	<b>128,100</b>	<b>134,600</b>	
		-	-	-	-	-	
<b>7520</b>	<b>Project/Program costs</b>						
	Upgrade irrigation controllers (annual until all complete)	27,614	20,000	18,672	20,000	-	
	Sub Division/City Entry Signs (contingency)	-	2,000	-	-	2,000	
	LMD2015-1 - Downtown Planters (\$35,000 increased to \$300,000)	1,344	280,157	-	35,000	245,157	
	LMD2015-2 - Jeffrey Ranch Relandscaping (\$6,000)	3,273	-	-	-	-	Finished FY 2018
	LMD 2018-1 - Removal of 18 Eucalyptus trees in Open Space Hills (\$185,000)	9,333	185,000	178,339	178,339	-	Finished FY 2019
	LMD 2018-2 - Cardinet Trail Repairs Behind Westwood (\$20,000)	27,764	-	-	-	-	
	LMD 2019-1 - Arterial Road Tree Trimming (\$100,000)	-	-	-	100,000	-	
	LMD 2019-2 - Marsh Creek Rd. Median Work (\$100,000)	-	-	-	100,000	-	
	LMD 2019-3 - Clearing trail dead brush	-	-	-	-	10,000	
	LMD 2019-4 - Expanded irrigation controller replacement (\$50,000)	-	-	-	30,000	20,000	
	LMD 2019-5 - Clayton Rd. Median Improvement (\$75,000/4 Medians)	-	-	-	19,000	56,000	
	LMD 2020-1 (2020 Irrigation Controller)	-	-	-	-	30,000	
		<b>69,328</b>	<b>487,157</b>	<b>197,012</b>	<b>482,339</b>	<b>363,157</b>	
	<b>Notes:</b>						
	Extra to run pump for fountain						
	Per City Council adopted Policy August 21, 2018 the Clayton Fountain will operate on the following selected days to recognize City-sponsored events or functions and Federal Holidays as established by law (5 U.S.C. 6103)						
	Martin Luther King Jr. Birthday, Presidents Day Weekend, Art and Wine Weekend, Annual Garden Tour Weekend, Memorial Day Weekend, 4th of July, BBQ Cook Off, Labor Day Weekend, Oktoberfest Weekend, Columbus Day, Veterans Day,						
	Holiday Tree Lighting, Christmas, New Years Eve and Day.						
	14 events (25 days @ est. cost of \$400/day = \$10,000.)						

Landscape Maintenance District Levy History CFD 2007-1 (approved Nov 2007 for 10 yrs 2007/08-2016/17; renewed by voters for 2017/18-2026/27)														
Year	close out of old CFD	Measure B												Measure H tax renewed 2017/18
		start new CFD 2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2018/19	2019/20	
levy amount (per res parcel and non res per acre or fraction thereof)		\$ 196.76	\$ 202.44	\$ 204.06	\$ 207.56	\$ 213.42	\$ 217.86	\$ 223.04	\$ 229.29	\$ 234.84	\$ 241.18	\$ 248.42	\$ 255.86	\$ 263.54
actual cpi		n/a	2.88%	0.8%	1.72%	2.82%	2.08%	2.38%	2.78%	2.44%	2.70%	3.78%	3.22%	posted on May 10
cpi amount increase		n/a	2.88%	0.8%	1.72%	2.82%	2.08%	2.38%	2.78%	2.44%	2.70%	3.00%	3.00%	3.00%
\$ amount increase		n/a	\$ 5.68	\$ 1.62	\$ 3.50	\$ 5.86	\$ 4.44	\$ 5.18	\$ 6.22	\$ 5.58	\$ 6.34	\$ 7.24	\$ 7.44	\$ 7.68

*note: levy limited to annual increase of CPI not to exceed 3%*

Replacement Projects Landscape Maintenance District (Measure B 2007-08 through 2016-17; Measure H 2017-18 through 2026-27)	amount -apx.	year -apx
<b>Completed:</b>		
<b>Landscaping</b>		
mediain tree replacement clayton road mitchell cyn to Atchinson stage (14 sycamore trees) donations paid for these	\$ 2,500	2008
Oakhurst Drive decorative pavers in narrow median noses, redo irrigation and replanting	\$ 70,000	2010
Clayton Water Feature replanting/redo irrigation	\$ 114,000	2010
March Creek Circle landscape berm mitigation irrigation upgrades replanting	\$ 19,400	2011
Clayton Road median (Oakhurst to Mitchell Cyn) and retaining wall from CVS to Daffodil Hill irrigation installation and new landscaping	\$ 328,011	2012
Daffodil Hill new irrigation and new planting (\$27,500 donated by CBCA)	\$ 29,000	2012
Tree Trimming City Wide - Account 7440 (\$20,000 annually, 2010-2017; \$50,205 in 2017/18)	\$ 170,000	2010-2017/18
Peacock Creek Dr. Median Tree replacment (partial cost of LMD remainder from traffic accident/insurance recovery fund)	\$ 2,000	2016
Keller Ridge Drive street tree replacements	\$ 58,670	2016
Peacock Creek entry sign replanting project	\$ 11,100	2016
Jeffry Ranch/Caulfield Ct island replant/hardscape	\$ 3,273	2018
Replant and irrigation on Clayton Road median near Lydia Lane (Clayton Rd Median Improvment LMD 2019-5)	\$ 19,000	2018/19
General plant replating (Account 7316)	\$ 2,517	2017/18
	subtotal \$829,471	
<b>Trails:</b>		
Peacock Creek install new headboards, apply new 1/4 x dust gravel and compact, install waterboard weir drainage	\$ 20,000	2008
Upper Easley - Bruce Lee - Trail from old Marsh Ck to Center Street ; and Lower Easley - El Molino- from old Marsh Ck rd to Weatherly_	\$ 60,000	2013
trail crack sealing/repair	\$ 10,000	2013
Lower Easley old Marsh Ck to Village Oaks	\$ 30,000	2015
Mt Diablo Elem School Hill Trail	\$ 19,800	2015
pedestrial Trail Bridge surface replacement	\$ 79,000	2015
Cardinet Trail erosion repair	\$ 75,000	2016
Cardient asphalt Trail Repair Asphalt behind Westwood (LMD 2018-1)	\$ 27,764	2017/18
	subtotal \$ 321,564	
<b>Other:</b>		
Purchase New Irrigation Control Vehicle (Capital Equipment and Replacement Fund)	\$ 35,000	2007/08
open space tree canopy trim and lifting	\$ 30,000	2012/13-15
Purchase new Tractor \$75,000 (with 50% from LMD)	\$ 37,500	2016
Master Remote Computer Controller for all Irrigation Systems	\$ 30,000	2012/13
replace irrigation system central control field panel	\$ 20,000	2016
replace irrigation system central control field panel	\$ 20,000	2017
replace irrigation system central control field panel (LMD 2018-3)	\$ 27,614	2017/18
replace irrigation system central control field panel (LMD 2018-3)	\$ 20,000	2018/19
Euclyptus tree removal in various open space	\$ 187,672	2018/19
	subtotal \$ 407,786	
<b>Adopt a Trail (from donations only) project suspended by TLC in July 2017</b>		
trail sponsorship signs and plaques (incl posts/signs and installation)	\$ 3,827	2009
installation of new uplights and electrical at oak trees - cardinet trail east side of library	\$ 4,400	2011/12
	subtotal \$ 8,227	
<b>To be done FY 18/19:</b>		
<b>Landscaping</b>		
various subdivision entry redesign relandscape including hardscape	\$ -	project postponed
Arterial Road Tree Trimming (LMD 2019-1)	\$ 100,000	2018/19
Tree Trimming City Wide 2018-19 - Accounty 7440	\$ 60,000	2018/19
general various replacement planting (Account 7316)	\$ 20,000	2018/19
<b>Other:</b>		
replace irrigation system central control field panel (LMD 2019-4)	\$ 30,000	2018/19
	subtotal \$ 210,000	
<b>To be done FY 19/20:</b>		
<b>Landscaping</b>		
general various replacement planting (Account 7316)	\$ 20,000	2019/20
Clayton Rd Median Improvement replanting 3 medians	\$ 56,000	2019/20
Marsh Creek Road median work - remove dead trees	\$ 100,000	2019/20
downtown Main St planter boxes	\$ 300,000	2019/20
<b>Trails</b>		
Clear dead brush (LMD 2019-3)	\$ 10,000	2019/20
<b>Other:</b>		
replace irrigation system central control field panel (LMD 2019-4)	\$ 20,000	2019/20
Irrigation controller upgrade (LMD 2020-1)	\$ 30,000	2019/20
replace subdivision/city entry sign if needed (contingency)	\$ 2,000	
	subtotal \$ 538,000	
<b>total reinvestment to Landscape Maintenance District through 6/30/18</b>	\$ 1,777,048	
<b>total additional reinvestment planned through 2019/20</b>	\$ 538,000	
<b>total est reinvestment through 6/30/2020</b>	\$ 2,315,048	