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CITY COUNCIL

Roy Swearingen, Mayor
Norma Martinez-Rubin, Mayor Pro Tem
Peter Murray, Council Member
Vincent Salimi, Council Member
Anthony Tave, Council Member

**PINOLE CITY COUNCIL
MEETING AGENDA**

**TUESDAY
NOVEMBER 17, 2020
VIA ZOOM TELECONFERENCE**

6:00 P.M.

**The public portion of the agenda will be heard immediately following
the conclusion of the Closed Session items.**

**DUE TO THE STATE OF CALIFORNIA'S DECLARATION OF EMERGENCY – THIS
MEETING IS BEING HELD PURSUANT TO AUTHORIZATION FROM GOVERNOR
NEWSOM'S EXECUTIVE ORDERS – CITY COUNCIL AND COMMISSION MEETINGS ARE
NO LONGER OPEN TO IN-PERSON ATTENDANCE.**

SUBMIT PUBLIC COMMENTS TO CITY CLERK BEFORE OR DURING THE MEETING VIA EMAIL

hiopu@ci.pinole.ca.us

Comments received before the close of the public comment period for that item will be read into the record and limited to 3 minutes. Please include your full name, city of residence and agenda item you are commenting on. Any comments received after the close of the public comment period will be distributed to Council and relevant staff after the meeting and filed with the agenda packet.

WAYS TO WATCH THE MEETING

LIVE ON CHANNEL 26. They are retelecast the following Thursday at 6:00 p.m. The Community TV Channel 26 schedule is published on the city's website at www.ci.pinole.ca.us.

VIDEO-STREAMED LIVE ON THE CITY'S WEBSITE, www.ci.pinole.ca.us. and remain archived on the site for five (5) years.

If none of these options are available to you, or you need assistance with public comment, please contact the City Clerk, Heather Iopu at (510) 724-8928 or hiopu@ci.pinole.ca.us.

Americans With Disabilities Act: In compliance with the Americans With Disabilities Act of 1990, if you need special assistance to participate in a City Meeting or you need a copy of the agenda, or the agenda packet in an appropriate alternative format, please contact the City Clerk's Office at (510) 724-8928. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Note: Staff reports are available for inspection on the City Website at www.ci.pinole.ca.us. You may also contact the City Clerk via e-mail at hiopu@ci.pinole.ca.us.

Ralph M. Brown Act. Gov. Code § 54950. In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly. The people of this State do not yield their sovereignty to the agencies, which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

An official who has a conflict must, prior to consideration of the decision: (1) publicly identify in detail the financial interest that causes the conflict; (2) recuse himself /herself from discussing and voting on the matter; and (3) leave the room until after the decision has been made, Cal. Gov't Code § 87105.

3. CONVENE TO A CLOSED SESSION

Citizens may address the Council regarding a Closed Session item prior to the Council adjourning into the Closed Session, by first providing a speaker card to the City Clerk.

A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Gov. Code § 54956.9(d)(2) or (d)(3)

Number of Potential Cases: 1

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Gov. Code § 54956.8

Property: 401-120-035 for 2100 San Pablo Avenue, The Faria House

Agency negotiator: City Manager Andrew Murray and Assistant City Manager

Hector De La Rosa,

Negotiating parties: Pinole History Museum

Under negotiation: Terms

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

5. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes, and is subject to modification by the Mayor. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting.

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

B. Presentations / Recognitions

7. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine and noncontroversial. These items will be enacted by one motion and without discussion. If, however, any interested party or Council member(s) wishes to comment on an item, they may do so before action is taken on the Consent Calendar. Following comments, if a Council member wishes to discuss an item, it will be removed from the Consent Calendar and taken up in order after adoption of the Consent Calendar.

A. Approve the Minutes of the Meeting of September 15, 2020

B. Receive the October 31, 2020 – November 13, 2020 List of Warrants in the Amount of \$581,934.04 and the November 13, 2020 Payroll in the Amount of \$407,166.63

- C. Confirm Existence of Continued Local Emergency **[Action: Adopt Resolution per Staff Recommendation (Casher)]**
- D. Receive The Fiscal Year (FY) 2020-21 First Quarter Financial Report And Adopt A Resolution Approving Budget Adjustments **[Action: Receive Report and Adopt Resolution per Staff Recommendation (Murray)]**
- E. Receive The Quarterly Investment Report For The Quarter Ending September 30, 2020 **[Action: Receive and File Report (Murray)]**
- F. Adopt A Resolution Approving A Compensation And Benefits Plan For Management And Confidential Employees **[Action: Adopt Resolution per Staff Recommendation (Murray)]**
- G. Exclusive Negotiating Rights Agreement With Satellite Affordable Housing Associates To Develop Affordable Housing At 811 San Pablo Avenue **[Action: Adopt Resolution per Staff Recommendation (De La Rosa)]**
- H. Adopt A Resolution Authorizing Adoption of The California Department Of Transportation (Caltrans) "Local Assistance Procedures Manual (LAPM) Chapter 10 – Consultant Selection" And Amending The Procurement Policy To Incorporate This Requirement **[Action: Adopt Resolution per Staff Recommendation (Miller)]**

8. PUBLIC HEARINGS

Citizens wishing to speak regarding a Public Hearing item should fill out a speaker card prior to the completion of the presentation, by first providing a speaker card to the City Clerk. An official who engaged in an ex parte communication that is the subject of a Public Hearing must disclose the communication on the record prior to the start of the Public Hearing.

- A. Hazel Street Subdivision, Design Review, And Development Agreement **[Action: Conduct Public Introduce Ordinance on First Reading, and Adopt Resolution per Staff Recommendation]**

9. OLD BUSINESS

- A. Recommendations Of The Faria House Ad Hoc Committee And Consideration Of A Memorandum Of Understanding (MOU) Regarding The Renovation Of The Faria House And Lease To The Pinole History Museum **[Action: Receive Report and Consider Adoption of Resolution per Staff Recommendation (Murray)]**

10. NEW BUSINESS

NONE

11. REPORTS & COMMUNICATIONS

- A. Mayor Report
 - 1. Announcements
- B. Mayoral & Council Appointments
- C. City Council Committee Reports & Communications

- D. Council Requests For Future Agenda Items
- E. City Manager Report / Department Staff
- F. City Attorney Report

12. ADJOURNMENT to the Regular City Council Meeting of December 1, 2020 In Remembrance of Amber Swartz.

I hereby certify under the laws of the State of California that the foregoing Agenda was posted on the bulletin board at the main entrance of Pinole City Hall, 2131 Pear Street Pinole, CA, and on the City's website, not less than 72 hours prior to the meeting date set forth on this agenda.

POSTED: November 12, 2020 at 6:00 P.M

Heather Iopu, CMC
City Clerk

CITY COUNCIL MEETING
MINUTES
September 15, 2020

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

The City Council Meeting was held via Zoom videoconference and broadcast from the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Swearingen called the Regular Meeting of the City Council to order **5:01** p.m. and led the Pledge of Allegiance.

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

A. COUNCILMEMBERS PRESENT

Roy Swearingen, Mayor
 Norma Martinez-Rubin, Mayor Pro Tem
 Peter Murray, Councilmember (5:03 p.m.)
 Vincent Salimi, Councilmember
 Anthony Tave, Councilmember

B. STAFF PRESENT

Andrew Murray, City Manager
 Hector De La Rosa, Assistant City Manager
 Heather Iopu, City Clerk
 Eric Casher, City Attorney
 Tamara Miller, Development Services Director/City Engineer
 Neil Gang, Police Chief
 Chris Wynkoop, Fire Chief

City Clerk Iopu announced the agenda was posted on September 10, 2020 at 5:00 p.m. All legally required notice was provided.

Following an inquiry to the Council, the Council reported there were no conflicts with any items on the agenda.

3. CONVENE TO A CLOSED SESSION

Citizens may address the Council regarding a Closed Session item prior to the Council adjourning into the Closed Session, by first providing a speaker card to the City Clerk.

A. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Gov. Code § 54957.6

Agency designated representatives: City Manager Andrew Murray
 Employee organizations: Unrepresented positions - Assistant City Manager, Development Services Director/City Engineer, Finance Director, Fire Chief, Police Chief, Fire Battalion Chief, Human Resources Specialist, Planning Manager, Police Lieutenant, Public Works Manager, Recreation Manager, & WWTP Manager

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Gov. Code § 54956.8

Property: APNs: 402-230-015, 402-230-016, 402-230-017, 402-230-018, 402-230-020 and 402-230-022

Agency negotiator: City Manager Andrew Murray, Assistant City Manager Hector De La Rosa, Legal Counsel Stephanie Downs

Negotiating parties: General Realty CE, LLC

Under negotiation: Price and terms

At 5:02 p.m. Mayor Swearingen convened the meeting to a closed session.

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

At 6:24 p.m. Mayor Swearingen reconvened the meeting to open session and announced that there was no reportable action from the closed session.

Mayor Swearingen gave a report highlighting the impacts of COVID-19 in the Pinole community and information relating to CA wildfires.

5. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes, and is subject to modification by the Mayor. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting.

The following speakers submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Rafael Menis, David Ruport, Sal Spataro, Ivette Ricco**

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

B. Presentations / Recognitions

1. Proclamation Honoring Wastewater Treatment Plant Manager, Ron Tobey, on the Occasion of His Retirement

Mayor Swearingen read a Proclamation honoring Ron Tobey for his dedication to Pinole serving as Wastewater Treatment Plant Manager. Mayor and Council members thanked Mr. Tobey for his years of service. Community Services Director/City Engineer Tamara Miller recognized Ron Tobey's many successes and thanked him for his service. Mr. Tobey thanked staff and Council.

7. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine and noncontroversial. These items will be enacted by one motion and without discussion. If, however, any interested party or Council member(s) wishes to comment on an item, they may do so before action is taken on the Consent Calendar. Following comments, if a Council member wishes to discuss an item, it will be removed from the Consent Calendar and taken up in order after adoption of the Consent Calendar.

The following speaker submitted written comments relating to Item 7D that were read aloud and will be filed with the agenda packet for this meeting: **Irma Ruport**

City Attorney Casher responded to the questions raised in the public comment.

- A. Approve the Minutes of the Meeting of July 7, 2020
- B. Receive the August 29, 2020 – September 11, 2020 List of Warrants in the Amount of \$365,499.09 and the September 4, 2020 Payroll in the Amount of \$453,402.96.
- C. Resolution Confirming Continued Local Emergency [Action: Adopt Resolution per Staff Recommendation (Casher)]
- D. Amendment to the City of Pinole Conflict of Interest Code [Action: Adopt Resolution per Staff Recommendation (Iopu)]

ACTION: Motion by Councilmembers Murray/Tave to Approve Consent Calendar Items 7A-7D

Vote:	Passed	5-0
	Ayes:	Swearingen, Murray, Martinez-Rubin, Salimi, Tave
	Noes:	None
	Abstain:	None
	Absent:	None

8. PUBLIC HEARINGS

Citizens wishing to speak regarding a Public Hearing item should fill out a speaker card prior to the completion of the presentation, by first providing a speaker card to the City Clerk. An official who engaged in an ex parte communication that is the subject of a Public Hearing must disclose the communication on the record prior to the start of the Public Hearing.

- A. Approve The City Of Pinole Fiscal Year (FY) 2020-21 Through 2024-25 Five-Year Capital Improvement Plan And Adopt The FY 2020-21 Capital Budget [Action: Conduct Public Hearing and Adopt Resolution per Staff Recommendation (Miller)]

Community Development Services Director/City Engineer made a presentation highlighting the details of the CIP.

At 7:18 p.m. Mayor Swearingen opened the public hearing.

The following speaker submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Ivette Ricco**

At 7:20 p.m Mayor Swearingen closed the public hearing.

Council members asked questions. Staff responded to questions.

ACTION: Motion by Councilmembers Salimi/Tave to Approve The City Of Pinole Fiscal Year (FY) 2020-21 Through 2024-25 Five-Year Capital Improvement Plan And Adopt The FY 2020-21 Capital Budget

Vote:	Passed	5-0
	Ayes:	Swearingen, Murray, Martinez-Rubin, Salimi, Tave
	Noes:	None

Abstain: None
Absent: None

- B. Amendment To Chapter 15.54 Water Efficient Landscape Ordinance (WELO) Of The Pinole Municipal Code [**Action: Conduct Public Hearing on First Reading of Ordinance per Staff Recommendation (Hanham)**]

Planning Manager Hanham presented a report to the Council detailing the proposed ordinance amendment.

At 7:58 p.m. Mayor Swearingen opened and closed the public hearing. There were no public speakers.

Council members asked questions of staff regarding the details of the report. Staff responded to questions.

ACTION: Motion by Councilmembers Tave/Murray to Approve Amendment To Chapter 15.54 Water Efficient Landscape Ordinance (WELO) Of The Pinole Municipal Code on First Reading

Vote: Passed 5-0
Ayes: Swearingen, Murray, Martinez-Rubin, Salimi, Tave
Noes: None
Abstain: None
Absent: None

9. OLD BUSINESS

- A. Direction To The City's Voting Delegate To The League Of California Cities Annual Conference Regarding The Resolution Being Considered By The League's Members [**Action: Discuss and Provide Direction (Murray)**]

City Manager Murray presented a report. City Council members held discussion. There were concerns expressed regarding the potential implications of the resolution including outsourcing of social media platforms to other countries, and impact on 1st amendment and 4th amendment constitutional rights.

ACTION: Motion by Councilmembers Salimi/Murray to Support the Resolution Being Considered By The League of CA Cities and Direct Staff to Draft A Letter Outlining Considerations of the Council to Be Presented at the League of CA Cities Annual Conference

Vote: Passed 5-0
Ayes: Swearingen, Murray, Martinez-Rubin, Salimi, Tave
Noes: None
Abstain: None
Absent: None

- B. Urgency Ordinance Amending Ordinance No. 2020-03 Of The City Of Pinole Authorizing The Zoning Administrator To Issue Temporary Use Permits To Waive Requirements Of Title 17 Of The Pinole Municipal Code And Permit The Use Of Public Property To Facilitate Business Operations Impacted By Novel Coronavirus (Covid-19) **[Action: Adopt Urgency Ordinance per Staff Recommendation (Casher)]**

City Attorney Casher presented a report to the Council and provided an overview of the recommendation. Council members asked questions. Staff responded to questions.

The following speaker submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Ivette Ricco**

Council members made comments and asked questions. City Attorney Casher responded to comments.

ACTION: Motion by Councilmembers Murray/Tave to Approve Urgency Ordinance Amending Ordinance No. 2020-03 Of The City Of Pinole Authorizing The Zoning Administrator To Issue Temporary Use Permits To Waive Requirements Of Title 17 Of The Pinole Municipal Code And Permit The Use Of Public Property To Facilitate Business Operations Impacted By Novel Coronavirus (Covid-19)

Vote:	Passed	5-0
	Ayes:	Swearingen, Murray, Martinez-Rubin, Salimi, Tave
	Noes:	None
	Abstain:	None
	Absent:	None

10. NEW BUSINESS

- A. Receive Old Town Pinole Parking And Pedestrian Safety Study **[Action: Receive and File Report (Hanham)]**

Planning Manager Hanham presented a brief introduction to the item. Consultant Brett Hondorf presented a summary of the Old Town Pinole Parking and Pedestrian Safety Study. Council members asked questions. Mr. Hondorf and staff responded to questions.

- B. Approve A Policy To Permit The Installation Of Lights On City Trees In The Old Town Business District By Business Owners **[Action: Approve Policy per Staff Recommendation (Miller)]**

Community Development Services Director/City Engineer presented a report to the Council detailing the proposed policy.

The following speakers submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Irma Ruport, Bill & Lisa Ancira**

ACTION: Motion by Councilmembers Martinez-Rubin/Tave Approve A Policy To Permit The Installation Of Lights On City Trees In The Old Town Business District By Business Owners, With the Amendment that the City Will Pay the Costs for the Lights and Installation

Vote:	Passed	5-0
	Ayes:	Swearingen, Murray, Martinez-Rubin, Salimi, Tave

Noes: None
Abstain: None
Absent: None

Council members held discussion regarding options for tree lighting for the holiday season as well as the full year. Council gave its consensus to direct staff to bring back cost information and possible proposal at a future meeting for the City to pay for the installation and maintenance of lights as well as a possible expansion of the area being lit for the full year.

- C.** Receive The Fiscal Year (FY) 2019-20 Fourth Quarter Financial Report (Unaudited) And Adopt A Resolution Approving Budget Adjustments [**Action: Adopt Resolution per Staff Recommendation (G. Rocha)**]

Finance Consultant Rocha presented an overview of the report to the Council.

At 10:58 p.m. Mayor Swearingen called a short recess.

At 11:02 p.m. Mayor Swearingen reconvened the meeting.

The following speaker submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Rafael Menis**

Finance Consultant Rocha and City Manager Murray answered the questions raised during the public comment.

ACTION: Motion by Councilmembers Swearingen/Murray to continue the meeting to 11:30 p.m.

Vote: **Passed** **5-0**
 Ayes: **Swearingen, Murray, Martinez-Rubin, Salimi, Tave**
 Noes: **None**
 Abstain: **None**
 Absent: **None**

Council members asked questions regarding the details of the report. Finance Consultant Rocha and City Manager Murray answered questions from Council.

11. REPORTS & COMMUNICATIONS

- A.** Mayor Report
 1. Announcements

Mayor Swearingen and Council member Murray announced the Fernandez Park Basketball court is being redone in honor of David Patrick Underwood and that the project is well underway.

Mayor Swearingen announced the ballot box at City Hall that is available for Vote by Mail ballots. Asked Assistant City Manager to provide an update about the Senior Center. Assistant City Manager De La Rosa announced that recreation staff is working to reopen the Senior

Center and to improve the communication to its members. He provided updates regarding programs being offered.

- B. Mayoral & Council Appointments
- C. City Council Committee Reports & Communications

Mayor Swearingen attended the Mayor's Conference and he announced a presentation and discussion held regarding mental health considerations in emergency calls to law enforcement. Mayor Pro Tem provided additional details regarding solutions that are being discussed across cities in the County.

Mayor Pro Tem Martinez-Rubin announced the status of the Census 2020 and encouraged the public to respond if they haven't already.

Council member Tave provided additional context regarding the Mayor's Conference meeting and discussions of mental health. He is working with city staff and other local legislators to continue dialogue on the topic and will report back. Provided an update regarding the Faria House Reuse Ad Hoc Committee. The work of the Committee is making progress and there will be a report to the full Council soon.

Council member Salimi asked for more of an update regarding the Faria House Ad Hoc Committee. Council member Tave and Council Member Murray restated that progress is being made and that the committee is going to be able to bring back a full report, soon.

- D. Council Requests For Future Agenda Items

Mayor Pro Tem Martinez-Rubin asked for a future agenda item to discuss improved wayfinding signage in the City of Pinole, particularly downtown. Consensus given.

- E. City Manager Report / Department Staff
- F. City Attorney Report

City Attorney Casher announced that there was a meeting of the Municipal Code Subcommittee to discuss the Historical Preservation Ordinance. There will be a report back to the Council at an upcoming meeting.

12. ADJOURNMENT to the Regular City Council Meeting of October 6, 2020 In Remembrance of Amber Swartz.

At 12:01 p.m. Mayor Swearingen adjourned the meeting in honor of C. B Williams and Amber Swartz.

Heather Iopu, CMC
City Clerk



City of Pinole, CA

7B

WARRANT LISTING

By Vendor Name

Payment Dates 10/31/2020 - 11/13/2020

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: ALH01 - ALHAMBRA & SIERRA SPRINGS					
19593757102920	95149	11/13/2020	100-222-42201	PD WATER	224.02
Vendor ALH01 - ALHAMBRA & SIERRA SPRINGS Total:					224.02
Vendor: AME41 - AMERICAN LEGAL PUBLISHING					
3748	95150	11/13/2020	100-112-42101	CITY CLERK MUNICIPAL CODE BOOK EDITS	1,136.62
Vendor AME41 - AMERICAN LEGAL PUBLISHING Total:					1,136.62
Vendor: AME52 - AMERICAN MESSAGING SERVICE, LLC					
W4102378UK	95151	11/13/2020	525-118-43101	FIRE PROFESSIONAL SERVICES	43.55
Vendor AME52 - AMERICAN MESSAGING SERVICE, LLC Total:					43.55
Vendor: 2005 - ANIMAL DAMAGE MANAGEMENT, INC					
3547C	95152	11/13/2020	100-345-42108	CY PEST CONTROL	250.00
Vendor 2005 - ANIMAL DAMAGE MANAGEMENT, INC Total:					250.00
Vendor: ARA01 - ARAMARK UNIFORM SERVICES					
000705096111	95153	11/13/2020	100-343-44410	CORP YARD UNIFORM LAUNDRY SERVICE	290.15
705070394	95153	11/13/2020	100-221-44410	PD UNIFORM SERVICE	14.22
705078967	95153	11/13/2020	100-221-44410	PD UNIFORM SERVICE	9.58
705087552	95153	11/13/2020	100-222-44410	PD UNIFORM SERVICE	9.58
705096115	95153	11/13/2020	100-222-44410	PD UNIFORM SERVICE	9.58
705104734	95153	11/13/2020	100-343-44410	CORP YARD UNIFORM LAUNDRY SERVICE	290.15
705104737	95153	11/13/2020	100-222-44410	PD UNIFORM SERVICE	9.58
705113283	95153	11/13/2020	100-343-44410	CORP YARD LAUNDRY SERVICE	290.15
705113287	95153	11/13/2020	100-222-44410	PD UNIFORM SERVICE	9.58
705121689	95153	11/13/2020	100-222-44410	PD UNIFORM SERVICE	9.58
705151686	95153	11/13/2020	100-343-44410	CORP YARD UNIFORM LAUNDRY SERVICE	290.15
Vendor ARA01 - ARAMARK UNIFORM SERVICES Total:					1,232.30
Vendor: ARM04 - ARMOR LOCKSMITH SERVICES					
73462	95154	11/13/2020	100-343-42108	CORP YARD KEYS	39.75
73480	95154	11/13/2020	100-343-42108	CORP YARD KEYS FOR DOG POUND BUILDING	39.20
73517	95154	11/13/2020	100-345-42108	COPR YARD KEYS FOR RESTROOMS	52.33
73522	95154	11/13/2020	100-343-42108	CORP YARD KEYS	22.87
Vendor ARM04 - ARMOR LOCKSMITH SERVICES Total:					154.15
Vendor: ARM09 - ARMOUR PETROLEUM SVC/EQUP					
WO-19583	95155	11/13/2020	100-343-42108	COPR YARD GAS PUMP REPAIR	650.53
Vendor ARM09 - ARMOUR PETROLEUM SVC/EQUP Total:					650.53
Vendor: 1320 - BADAWEI & ASSOCIATES					
931	95156	11/13/2020	100-115-42101	FINANCE 2020 AUDIT	18,393.75
Vendor 1320 - BADAWEI & ASSOCIATES Total:					18,393.75
Vendor: ESP01 - BELINDA ESPINOSA					
10282020	95157	11/13/2020	100-117-41101	MEDICARE RETIREE REIMBURSEMENT	550.00
Vendor ESP01 - BELINDA ESPINOSA Total:					550.00
Vendor: BOU01 - BOUND TREE MEDICAL, LLC					
83822207	95132	11/06/2020	100-231-42104	FIRE MEDICAL SUPPLIES	158.31
83827462	95132	11/06/2020	100-231-42104	FIRE MEDICAL SUPPLIES	78.93
Vendor BOU01 - BOUND TREE MEDICAL, LLC Total:					237.24

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: CAL20 - CALIFORNIA ASSOCIATION OF PROFESSIONAL FIREFIGHTERS					
102020 NOV	95133	11/06/2020	100-231-41008	FIRE LTD NOVEMBER BILLING	324.50
Vendor CAL20 - CALIFORNIA ASSOCIATION OF PROFESSIONAL FIREFIGHTERS Total:					324.50
Vendor: PER03 - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTM					
100000016223637	95158	11/13/2020	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY	96,163.89
100000016223647	95158	11/13/2020	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY	108,287.08
100000016223662	95158	11/13/2020	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY	184.47
100000016223674	95158	11/13/2020	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY	445.96
100000016223683	95158	11/13/2020	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY	294.19
Vendor PER03 - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTM Total:					205,375.59
Vendor: CCP03 - CCP INDUSTRIES					
IN02639983	95159	11/13/2020	500-641-42107	WPCP EYE WASH EYE CUP EMERGENCY SUPPLIES	245.63
Vendor CCP03 - CCP INDUSTRIES Total:					245.63
Vendor: COL02 - COLE-PARMER INSTRUMENT CO					
2419885	95160	11/13/2020	500-641-44305	WPCP BURETTE CLASS NIST CAL	587.00
Vendor COL02 - COLE-PARMER INSTRUMENT CO Total:					587.00
Vendor: CON93 - CONCORD UNIFORMS LLC					
17580	95161	11/13/2020	100-221-44410	PD CLUTCH BACK NAME TAG	15.17
Vendor CON93 - CONCORD UNIFORMS LLC Total:					15.17
Vendor: CON44 - CONTINENTAL ELECTRIC					
CEI11367	95162	11/13/2020	200-342-42108	PW FOUNDATION REPAIR LUMINAIRES	7,636.00
CEI11368	95162	11/13/2020	200-342-42108	PW FOUNDATION REPAIR FOR LUMINAIRES	8,071.50
CEI11369	95162	11/13/2020	200-342-42108	PW LUMINAIRES	8,088.00
Vendor CON44 - CONTINENTAL ELECTRIC Total:					23,795.50
Vendor: CCC13 - CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT					
703477	95134	11/06/2020	200-342-42101	SIGNAL MAINTENANCE	5,052.58
703477	95134	11/06/2020	310-347-42101	SIGNAL MAINTENANCE	766.30
703477	95134	11/06/2020	310-348-42101	SIGNAL MAINTENANCE	158.26
Vendor CCC13 - CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT Total:					5,977.14
Vendor: CON54 - CONTRA COSTA COUNTY TAX COLLECTOR					
20-290067	95163	11/13/2020	100-345-43201	SECURED PORPERTY TAXES PARCEL 401-080-058-1	52.00
20-290068	95163	11/13/2020	100-345-43201	SECURED PROPERTY TAXES PARCEL 401-080-059-9	52.00
20-290069	95163	11/13/2020	100-345-43201	SECURED PROPERTY TAXES PARCEL 401-080-060-7	52.00
Vendor CON54 - CONTRA COSTA COUNTY TAX COLLECTOR Total:					156.00
Vendor: CONA7 - CONTRA COSTA FAMILY JUSTICE ALLIANCE					
2020PIN-04	95164	11/13/2020	100-222-42101	PD ASSOCIATION CONTRIBUTION	536.44
Vendor CONA7 - CONTRA COSTA FAMILY JUSTICE ALLIANCE Total:					536.44
Vendor: DEP03 - DEPARTMENT OF TRANSPORTATION					
SL210073	95165	11/13/2020	200-342-42101	PW SIGNAL MAINTENANCE	1,557.48
SL210073	95165	11/13/2020	310-347-42101	PW SIGNAL MAINTENANCE	296.89
SL210073	95165	11/13/2020	310-348-42101	PW SIGNAL MAINTENANCE	409.51
Vendor DEP03 - DEPARTMENT OF TRANSPORTATION Total:					2,263.88
Vendor: DOL01 - DOLAN'S LUMBER					
PININV100420081	95166	11/13/2020	500-641-42108	WPCP 5/8 X 12 GALFOUND BOLT W/NUT	29.06

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
PNINV100422474	95166	11/13/2020	500-641-42108	WPCP LUMBER PRODUCTS	165.87
Vendor DOL01 - DOLAN'S LUMBER Total:					194.93
Vendor: 1779 - D-TAC K9 LLC					
2045	95167	11/13/2020	100-221-42514	PD POLICE DOG TRAINING	700.00
Vendor 1779 - D-TAC K9 LLC Total:					700.00
Vendor: 1634 - EAGLE EYE ENGRAVING					
2020-0548	95168	11/13/2020	500-641-42108	WPCP 24X24 CAST ALUMINUM PLAQUE	1,793.99
Vendor 1634 - EAGLE EYE ENGRAVING Total:					1,793.99
Vendor: EBM01 - EBMUD					
231771-102620	95169	11/13/2020	100-343-43102	2691 APPALOOSA TRAIL-IRRIGATION USE ONLY	155.36
231772-102620	95169	11/13/2020	100-343-43102	2785 SIMAS AVE--IRRIGATION USE ONLY	155.36
464589-102620	95169	11/13/2020	100-345-43102	659 Tennent Ave--Parks & Gardens--Blackies Storage	55.74
464595-102720	95169	11/13/2020	209-554-43102	635 Tennent Ave--Pinole Youth Center/CTV	60.76
464595-102720	95169	11/13/2020	505-119-43102	635 Tennent Ave--Pinole Youth Center/CTV	60.76
46519-102620	95169	11/13/2020	201-343-43102	813 Fernandez Ave--Irrigation Use Only	55.74
465395-102720	95169	11/13/2020	100-345-43102	1095 Nob Hill Ave--Parks & Gardens--Meadow Park	1,370.92
465422-102720	95169	11/13/2020	500-641-43102	80 TENNENT AVE--WASTE WATER TREATMENT PLANT	802.82
465569-102620	95169	11/13/2020	209-558-43102	601 Tennent Ave--Memorial Hall	84.20
465922-102620	95169	11/13/2020	100-343-43102	636 Tennent Ave--Irrigation Use Only	55.74
465923-102720	95169	11/13/2020	100-231-43102	880 Tennent Ave--Public Safety Facility/Building	565.60
465924-102620	95169	11/13/2020	100-222-43102	880 Tennent Ave--Public Safety Facility/Building	1,606.94
465924-102620	95169	11/13/2020	100-223-43102	880 Tennent Ave--Public Safety Facility/Building	357.10
465924-102620	95169	11/13/2020	100-231-43102	880 Tennent Ave--Public Safety Facility/Building	1,606.94
46596-102720	95169	11/13/2020	100-345-43102	2310 Park St--Fernandez Park Baseball Field	6,507.74
466363-102720	95169	11/13/2020	100-345-43102	1818 Canyon Dr--Irrigation Use Only	773.94
4665183-102720	95169	11/13/2020	201-343-43102	2361 San Pablo Ave--Old Bank Building	61.72
466531-102620	95169	11/13/2020	100-343-43102	800 PINOLE SHORES DR-IRRIGATION USE ONLY	155.36
466536-102720	95169	11/13/2020	100-343-43102	2401 Del Monte Way--Irrigation Use Only	55.74
466643-10262020	95169	11/13/2020	100-343-43102	2000 San Pablo Ave--Irrigation Use Only	84.20
524589-102720	95169	11/13/2020	100-345-43102	592 Marlesta Rd--Irrigation Use Only	1,817.80
529821-102720	95169	11/13/2020	209-552-43102	2500 Charles St--Senior Center	897.10
529852-102720	95169	11/13/2020	209-552-43102	2500 Charles St--Senior Center	960.70
53200-102720	95169	11/13/2020	201-343-43102	2361 San Pablo Ave--Offices--Old Bank Building	565.60
532187-102620	95169	11/13/2020	100-343-43102	2601 Charles St--Irrigation Use Only	55.74
540499-102620	95169	11/13/2020	100-343-43102	1230 Pinole Valley Rd--Irrigation Use Only	55.74
540787-102620	95169	11/13/2020	201-343-43102	2361 San Pablo Ave--Irrigation Use Only	55.74

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
541397-102620	95169	11/13/2020	100-343-43102	1601 Marlesta Rd--Irrigation Use Only	55.74
544461-102720	95169	11/13/2020	100-110-43102	2131 Pear St--Offices--City Hall	2.37
544461-102720	95169	11/13/2020	100-111-43102	2131 Pear St--Offices--City Hall	5.74
544461-102720	95169	11/13/2020	100-112-43102	2131 Pear St--Offices--City Hall	5.26
544461-102720	95169	11/13/2020	100-115-43102	2131 Pear St--Offices--City Hall	15.59
544461-102720	95169	11/13/2020	100-116-43102	2131 Pear St--Offices--City Hall	5.26
544461-102720	95169	11/13/2020	100-117-43102	2131 Pear St--Offices--City Hall	42.07
544461-102720	95169	11/13/2020	100-343-43102	2131 Pear St--Offices--City Hall	74.97
544461-102720	95169	11/13/2020	200-342-43102	2131 Pear St--Offices--City Hall	13.39
544461-102720	95169	11/13/2020	212-461-43102	2131 Pear St--Offices--City Hall	5.07
544461-102720	95169	11/13/2020	212-462-43102	2131 Pear St--Offices--City Hall	13.48
544461-102720	95169	11/13/2020	285-464-43102	2131 Pear St--Offices--City Hall	4.02
544461-102720	95169	11/13/2020	505-119-43102	2131 Pear St--Offices--City Hall	4.02
545474-102720	95169	11/13/2020	100-110-43102	2131 Pear St--Offices--City Hall	7.07
545474-102720	95169	11/13/2020	100-111-43102	2131 Pear St--Offices--City Hall	16.97
545474-102720	95169	11/13/2020	100-112-43102	2131 Pear St--Offices--City Hall	15.55
545474-102720	95169	11/13/2020	100-115-43102	2131 Pear St--Offices--City Hall	46.10
545474-102720	95169	11/13/2020	100-116-43102	2131 Pear St--Offices--City Hall	15.55
545474-102720	95169	11/13/2020	100-117-43102	2131 Pear St--Offices--City Hall	124.43
545474-102720	95169	11/13/2020	100-343-43102	2131 Pear St--Offices--City Hall	221.72
545474-102720	95169	11/13/2020	200-342-43102	2131 Pear St--Offices--City Hall	39.59
545474-102720	95169	11/13/2020	212-461-43102	2131 Pear St--Offices--City Hall	14.99
545474-102720	95169	11/13/2020	212-462-43102	2131 Pear St--Offices--City Hall	39.87
545474-102720	95169	11/13/2020	285-464-43102	2131 Pear St--Offices--City Hall	11.88
545474-102720	95169	11/13/2020	505-119-43102	2131 Pear St--Offices--City Hall	11.88
554625-102720	95169	11/13/2020	209-558-43102	601 Tennent Ave--Memorial Hall	289.34
565167-102720	95169	11/13/2020	201-343-43102	2100 San Pablo Ave--Offices--Faria House	354.74
565168-102620	95169	11/13/2020	201-343-43102	2100 San Pablo Ave--Irrigation Use Only	55.74
565169-102720	95169	11/13/2020	201-343-43102	2100 San Pablo Ave--Offices--Faria House	101.46
570108-102820	95169	11/13/2020	310-347-43102	1303 Pinole Valley Rd--Irrigation Use Only	725.50
571919-102620	95169	11/13/2020	100-343-43102	2329 Orleans Dr--Irrigation Use Only	55.74
EBM-BDO-01384	95172	11/13/2020	500-641-44304	BACWA MEMBERSHIP SPECIAL PROGRAMS	15,124.50
Vendor EBM01 - EBMUD Total:					36,560.70
Vendor: ELE01 - ELECTRONIC INNOVATIONS, INC.					
41674	95135	11/06/2020	100-343-42108	CITY HALL SERVICE CALL FOR COUNCIL ENTRY	175.00
Vendor ELE01 - ELECTRONIC INNOVATIONS, INC. Total:					175.00
Vendor: FAS02 - FASTENAL					
CAS1719845	95173	11/13/2020	500-641-42108	WPCP S/S TRUBOLT CABINET	353.48
Vendor FAS02 - FASTENAL Total:					353.48
Vendor: FLA09 - FLAGTIME, USA					
1440	95174	11/13/2020	100-343-42108	COPR YARD USA CALIFORNIA OUTDOOR FLAGS	220.55
Vendor FLA09 - FLAGTIME, USA Total:					220.55
Vendor: FOR02 - FORENSIC SERVICES DIVISION					
PINPD-2009	95175	11/13/2020	100-222-42101	PD ALCOHOL UNIT AND FINGERPRINT	300.00
Vendor FOR02 - FORENSIC SERVICES DIVISION Total:					300.00
Vendor: 1979 - GALAXY PRESS					
33798	95176	11/13/2020	100-222-42201	PD BUSINESS CARDS DELGADO	63.09
Vendor 1979 - GALAXY PRESS Total:					63.09

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: GRA03 - GRAINGER					
9693950306	95177	11/13/2020	500-641-42107	WPCP DRAIN CLEANING CABLE	196.52
9695107632	95177	11/13/2020	500-641-42107	WPCP BEAM CLAMP DRAIN CLEANING TOOL	71.04
Vendor GRA03 - GRAINGER Total:					267.56
Vendor: HAC01 - HACH COMPANY					
12099677	95136	11/06/2020	500-641-42107	WPCP LAB SUPPLIES AMMONIA, NITRATE COLORIMETER	2,048.06
12180057	95136	11/06/2020	500-641-44305	WPCP FILTER GLASS FBR BOD STD DILUTION	815.85
12183497	95178	11/13/2020	500-641-42107	WPCP OXYGEN, STARCH, PAO LAB SUPPLIES	380.36
12183503	95178	11/13/2020	500-641-42107	WPCP AMMONIA	167.12
CM0000576	95136	11/06/2020	500-641-44305	WPCP CREDIT BUFFER SOLN RED PH 20 LITER	-171.52
Vendor HAC01 - HACH COMPANY Total:					3,239.87
Vendor: HAR01 - HARRINGTON INDUSTRIAL PLASTIC, LLC					
006M1078	95179	11/13/2020	500-641-42107	WPCP PUMP STRAINER	159.94
006M1254	95179	11/13/2020	500-641-42107	WPCP GAUGE DIGITAL PRESS SUPPLIES	1,807.62
Vendor HAR01 - HARRINGTON INDUSTRIAL PLASTIC, LLC Total:					1,967.56
Vendor: HEA01 - HEALTH CARE DENTAL TRUST					
10082020 STATEMENT	95137	11/06/2020	100-110-41002	CARE DENTAL BENEFITS	552.64
10082020 STATEMENT	95137	11/06/2020	100-111-41002	CARE DENTAL BENEFITS	574.70
10082020 STATEMENT	95137	11/06/2020	100-112-41002	CARE DENTAL BENEFITS	149.19
10082020 STATEMENT	95137	11/06/2020	100-113-41002	CARE DENTAL BENEFITS	127.13
10082020 STATEMENT	95137	11/06/2020	100-115-41002	CARE DENTAL BENEFITS	298.38
10082020 STATEMENT	95137	11/06/2020	100-116-41002	CARE DENTAL BENEFITS	59.17
10082020 STATEMENT	95137	11/06/2020	100-221-41002	CARE DENTAL BENEFITS	208.36
10082020 STATEMENT	95137	11/06/2020	100-221-41002	CARE DENTAL BENEFITS	1,414.40
10082020 STATEMENT	95137	11/06/2020	100-222-41002	CARE DENTAL BENEFITS	335.49
10082020 STATEMENT	95137	11/06/2020	100-222-41002	CARE DENTAL BENEFITS	59.17
10082020 STATEMENT	95137	11/06/2020	100-223-41002	CARE DENTAL BENEFITS	1,589.96
10082020 STATEMENT	95137	11/06/2020	100-231-41002	CARE DENTAL BENEFITS	1,395.93
10082020 STATEMENT	95137	11/06/2020	100-341-41002	CARE DENTAL BENEFITS	335.49
10082020 STATEMENT	95137	11/06/2020	100-343-41002	CARE DENTAL BENEFITS	1,022.27
10082020 STATEMENT	95137	11/06/2020	100-465-41002	CARE DENTAL BENEFITS	127.13
10082020 STATEMENT	95137	11/06/2020	105-221-41002	CARE DENTAL BENEFITS	761.00
10082020 STATEMENT	95137	11/06/2020	105-231-41002	CARE DENTAL BENEFITS	59.17
10082020 STATEMENT	95137	11/06/2020	106-222-41002	CARE DENTAL BENEFITS	171.25
10082020 STATEMENT	95137	11/06/2020	106-231-41002	CARE DENTAL BENEFITS	127.13
10082020 STATEMENT	95137	11/06/2020	204-227-41002	CARE DENTAL BENEFITS	149.19
10082020 STATEMENT	95137	11/06/2020	209-551-41002	CARE DENTAL BENEFITS	149.19
10082020 STATEMENT	95137	11/06/2020	209-552-41002	CARE DENTAL BENEFITS	97.63
10082020 STATEMENT	95137	11/06/2020	209-554-41002	CARE DENTAL BENEFITS	134.27
10082020 STATEMENT	95137	11/06/2020	212-461-41002	CARE DENTAL BENEFITS	149.19
10082020 STATEMENT	95137	11/06/2020	212-462-41002	CARE DENTAL BENEFITS	230.42
10082020 STATEMENT	95137	11/06/2020	500-641-41002	CARE DENTAL BENEFITS	1,015.26
10082020 STATEMENT	95137	11/06/2020	500-642-41002	CARE DENTAL BENEFITS	267.53
10082020 STATEMENT	95137	11/06/2020	505-119-41002	CARE DENTAL BENEFITS	298.38
10082020 STATEMENT	95137	11/06/2020	998-20105	CARE DENTAL BENEFITS	298.38
10082020 STATEMENT	95137	11/06/2020	998-20105	CARE DENTAL BENEFITS	393.18
Vendor HEA01 - HEALTH CARE DENTAL TRUST Total:					12,550.58
Vendor: HIL03 - HILLTOP FORD					
FOCS339709	95138	11/06/2020	100-221-42107	SERVICE ON PATROL CAR	3,080.97
Vendor HIL03 - HILLTOP FORD Total:					3,080.97

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: IED02 - IEDA, INC.					
23193	95180	11/13/2020	100-116-42101	LABOR RELATIONS PROFESSIONAL SERVICES	2,274.00
Vendor IED02 - IEDA, INC. Total:					2,274.00
Vendor: IMA01 - IMAGE SALES, INC.					
0069152-IN	95181	11/13/2020	100-222-42201	PD BADGE FOR JOSHUA SHAVIES	20.76
Vendor IMA01 - IMAGE SALES, INC. Total:					20.76
Vendor: KEL09 - KELLER CANYON LANDFILL					
4212-000029599	95182	11/13/2020	500-641-44302	WPCP SLUDGE REMOVAL	6,044.84
Vendor KEL09 - KELLER CANYON LANDFILL Total:					6,044.84
Vendor: CUR03 - LN CURTIS & SONS					
INV434459	95183	11/13/2020	100-221-44410	PD SERGEANT LOPEZ BODY ARMOR	1,195.51
Vendor CUR03 - LN CURTIS & SONS Total:					1,195.51
Vendor: 1566 - MANAGEMENT PARTNERS, INC.					
INV08930	95139	11/06/2020	100-110-42101	ANALYSIS	5,090.00
Vendor 1566 - MANAGEMENT PARTNERS, INC. Total:					5,090.00
Vendor: MEY01 - MEYERS,NAVE,RIBACK,SILVER					
2020070410	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	20,726.08
2020070411	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	2,418.00
2020070412	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES PUBLIC RECORDS REQUEST	390.00
2020070413	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES RISK MANAGEMENT	810.00
2020070414	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES SALE OF PINOLE SENIOR VILLAGE	3,697.50
2020070415	95140	11/06/2020	100-114-42102	CITY ATTORNEY PINOLE SHORES II	607.50
2020070416	95140	11/06/2020	100-114-42102	CITY ATTORNEY BALLOT MEASURE FIRE	769.50
2020070417	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	1,214.00
2020070418	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	210.00
2020070419	95140	11/06/2020	100-114-42102	CITY ATTORNEY GENERAL SERVICES PW	540.00
2020070420	95140	11/06/2020	100-114-42102	CITY ATTORNEY CLAIM AGAINST PGE FOR DELAYS ON PROJ	474.00
2020070421	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	942.00
2020070422	95140	11/06/2020	100-114-42102	CITY ATTORNEY GENERAL MATTER WPCP	1,053.00
2020070423	95140	11/06/2020	100-114-42102	CITY ATTORNEY GENERAL SERVICES POLICE	2,374.34
2020070424	95140	11/06/2020	100-114-42102	CITY ATTORNEY GENERAL SERVICES LABOR AND EMPLOY	28,513.54
2020070425	95140	11/06/2020	100-114-42102	CITY ATTORNEY GENERAL SERVICES CODE ENFORCEMENT	1,002.00
2020070426	95140	11/06/2020	100-114-42102	CITY ATTORNEY GENERAL SERV COMMUNITY DEVELOP	7,215.00
2020070427	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	590.00
2020070428	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	463.00
2020070429	95140	11/06/2020	100-114-42102	CITY ATTORNEY FEES	1,809.00
Vendor MEY01 - MEYERS,NAVE,RIBACK,SILVER Total:					75,818.46
Vendor: 1708 - NUTRIENT AG SOLUTIONS, INC.					
43867968	95184	11/13/2020	106-345-47203	CORP YARD TRILOGY RYEGRASS	3,244.74
Vendor 1708 - NUTRIENT AG SOLUTIONS, INC. Total:					3,244.74

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: OLI01 - OLIVERS TOWING INC					
20-7085	95185	11/13/2020	200-342-47205	PW TOWING DURING SLURRY PROJECT	255.75
Vendor OLI01 - OLIVERS TOWING INC Total:					255.75
Vendor: O'R01 - O'REILLY AUTOMOTIVE, INC					
102820STATEMENT	95142	11/06/2020	100-221-42107	CITY WIDE PARTS/SUPPLIES	7.60
102820STATEMENT	95142	11/06/2020	100-231-42107	CITY WIDE PARTS/SUPPLIES	288.48
102820STATEMENT	95142	11/06/2020	100-343-42107	CITY WIDE PARTS/SUPPLIES	158.97
102820STATEMENT	95142	11/06/2020	100-343-42107	CITY WIDE PARTS/SUPPLIES	30.57
102820STATEMENT	95142	11/06/2020	207-344-42107	CITY WIDE PARTS/SUPPLIES	50.22
102820STATEMENT	95142	11/06/2020	500-642-42107	CITY WIDE PARTS/SUPPLIES	39.32
102820STATEMENT	95142	11/06/2020	500-642-42107	CITY WIDE PARTS/SUPPLIES	44.39
102820STATEMENT	95142	11/06/2020	500-642-42107	CITY WIDE PARTS/SUPPLIES	144.24
2833-274975	95186	11/13/2020	100-343-42107	COPR YARD DEGREASER AND FOAMING SPRAY	61.16
Vendor O'R01 - O'REILLY AUTOMOTIVE, INC Total:					824.95
Vendor: PAC41 - PACIFIC ECORISK					
16912	95187	11/13/2020	500-641-44305	WPCP TOXICITY TESTING	1,046.00
16913	95187	11/13/2020	500-641-44305	WPCP TOXICITY TESTING	1,046.00
Vendor PAC41 - PACIFIC ECORISK Total:					2,092.00
Vendor: CLA17 - PAUL CLANCY					
11022020	95143	11/06/2020	100-117-41101	2020 RETIREE MEDICAL REIMB	123.46
11022020-2	95143	11/06/2020	100-117-41101	NOVEMBER RETIREE MEDICAL REIMB	123.46
Vendor CLA17 - PAUL CLANCY Total:					246.92
Vendor: PGE01 - PG&E					
1093-610302020	95188	11/13/2020	500-642-43103	W END/HAZEL AVE SEWAGE PLANT	728.93
2222-910262020	95188	11/13/2020	100-343-44410	MONTHLY STATEMENT-VEHICLE MAINTENANCE	14,650.39
4256-110282020	95188	11/13/2020	500-641-43103	11 TENNANT AVE	63,546.86
4430-410272020	95188	11/13/2020	100-345-43103	S/O MARLESTA 1ST POLE-SPRINKLER CONTROLLER	10.71
58511-9102620	95188	11/13/2020	100-345-43103	W/S PINOLE SHORES DR-SPRINKLER CONTROLLER	12.48
6521-110282020	95188	11/13/2020	200-342-43103	IFO 971 SAN PABLO AVE-TRAFFIC SIGNAL CONTROL	102.17
6747-310302020	95188	11/13/2020	200-342-43103	RAMONA & PINOLE VALLEY-TRAFFIC SIGNAL & ST LIGHT	175.23
6897-010282020	95188	11/13/2020	200-342-43103	PINOLE VALLEY RD & ESTATES AVE-TRAFFIC LIGHT CTRL	58.18
7547-810272020	95188	11/13/2020	100-222-43103	880 Tennent Ave-Public Safety Facility	8,498.74
7547-810272020	95188	11/13/2020	100-223-43103	880 Tennent Ave-Public Safety Facility	1,699.75
7547-810272020	95188	11/13/2020	100-231-43103	880 Tennent Ave-Public Safety Facility	6,799.00
9929-4102620	95188	11/13/2020	201-343-43103	790 PINOLE SHORES DR-NEW METAL BUILDING	36.14
9961-710282020	95188	11/13/2020	209-552-43103	2500 CHARLES ST-SENIOR CENTER	2,161.90
Vendor PGE01 - PG&E Total:					98,480.48
Vendor: JAR01 - PINOLE GOODYEAR					
025366	95189	11/13/2020	100-343-42107	CORP YARD SCRAP TIRE DISPOSAL	6.00
026425	95189	11/13/2020	100-343-42107	CORP YARD TIRE DISPOSAL	28.00
026594	95189	11/13/2020	100-343-42108	COPR YARD SCRAP TIRE DISPOSAL	98.00
026913	95189	11/13/2020	100-231-42107	FIRE OIL CHANGE TO FIRE CHIEF VEHICLE	63.00

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
027076	95189	11/13/2020	100-343-42107	CORP YARD VEHICLE MAINTENANCE	918.95
027082	95189	11/13/2020	100-343-42107	COPR YARD VEHICLE MAINTENANCE	1,202.63
027144	95189	11/13/2020	100-343-42107	CORP YARD VEHICLE MAINTENANCE	61.00
Vendor JAR01 - PINOLE GOODYEAR Total:					2,377.58
Vendor: 1009 - PRECISION IT CONSULTING					
11155	95190	11/13/2020	525-118-42105	IT SOPHOS 1 YEAR RENEWAL SOFTWARE	2,143.43
Vendor 1009 - PRECISION IT CONSULTING Total:					2,143.43
Vendor: 2042 - RECORDS SYSTEMS ASSOCIATES, INC.					
20-6	95191	11/13/2020	100-112-42101	CITY CLERK RECORDS RETENTION MANAGEMENT	6,399.20
Vendor 2042 - RECORDS SYSTEMS ASSOCIATES, INC. Total:					6,399.20
Vendor: SQU00 - SQUARE DEAL GARAGE					
33142	95192	11/13/2020	100-221-42107	PD BATTERY FOR PATROL CAR	231.32
Vendor SQU00 - SQUARE DEAL GARAGE Total:					231.32
Vendor: STA56 - STAILING S&S RV REPAIRS					
6528	95193	11/13/2020	100-221-42107	PD REPLACE REAR BRAKE BLEED BRAKES PAD	438.83
Vendor STA56 - STAILING S&S RV REPAIRS Total:					438.83
Vendor: STA42 - STAPLES BUSINESS CREDIT					
102520STATEMENT	95194	11/13/2020	100-115-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	90.61
102520STATEMENT	95194	11/13/2020	100-117-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	283.93
102520STATEMENT	95194	11/13/2020	100-222-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	1,584.26
102520STATEMENT	95194	11/13/2020	100-231-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	44.76
102520STATEMENT	95194	11/13/2020	100-341-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	143.09
102520STATEMENT	95194	11/13/2020	212-461-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	52.88
102520STATEMENT	95194	11/13/2020	212-461-42201	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	73.69
102520STATEMENT	95194	11/13/2020	525-118-47102	VARIOUS DEPARTMENTS OFFCIE SUPPLIES	131.07
Vendor STA42 - STAPLES BUSINESS CREDIT Total:					2,404.29
Vendor: STE20 - STERICYCLE, INC.					
3005304628	95195	11/13/2020	100-222-42101	PD MEDICAL WASTE SERVICE	55.44
Vendor STE20 - STERICYCLE, INC. Total:					55.44
Vendor: OFF11 - THE OFFICE CITY					
IN-1665169	95144	11/06/2020	500-641-42201	WPCP OFFICE SUPPLIES	172.18
Vendor OFF11 - THE OFFICE CITY Total:					172.18
Vendor: UNI38 - UNIVAR USA INC					
48688987	95145	11/06/2020	500-641-44303	WPCP HYPO CHLOR	3,316.86
48738634	95145	11/06/2020	500-641-44303	WPCP HYPO CHOLR	3,318.56
48743995	95145	11/06/2020	500-641-44303	WPCP BISULFITE LIQ	5,339.48
48792476	95145	11/06/2020	500-641-44303	WPCP HYPO LIQ	3,648.49
48807261	95196	11/13/2020	500-641-44303	WPCP BISULFITE	5,960.77
Vendor UNI38 - UNIVAR USA INC Total:					21,584.16
Vendor: UNIO7 - UNIVERSAL BUILDING SVCS.					
258631	95197	11/13/2020	100-222-42108	POLICE DEPT JANITORIAL SUPPLIES	222.36
258632	95197	11/13/2020	100-343-42108	CITY HALL JANITORIAL SUPPLIES	188.59
481954	95197	11/13/2020	100-343-42108	CITY HALL JANITORIAL SERVICE	1,070.00

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
481955	95197	11/13/2020	100-222-42108	PD AND FIRE JANITORIAL SERVICES	1,176.00
481955	95197	11/13/2020	100-223-42108	PD AND FIRE JANITORIAL SERVICES	1,176.00
481956	95197	11/13/2020	209-557-42108	SWIM CENTER JANITORIAL SERVICES	914.00
481961	95197	11/13/2020	500-641-42108	WPCP JANITORIAL SERVICES	508.00
Vendor UNIO7 - UNIVERSAL BUILDING SVCS. Total:					5,254.95
Vendor: USB06 - US BANK					
102220STATEMENT	95146	11/06/2020	100-20018	CITY CREDIT CARDS	11,633.00
Vendor USB06 - US BANK Total:					11,633.00
Vendor: VER02 - VERIZON WIRELESS					
9864988464	95147	11/06/2020	525-118-43101	CELL PHONE CITYWIDE	4,747.04
Vendor VER02 - VERIZON WIRELESS Total:					4,747.04
Vendor: VIS01 - VISION SERVICE PLAN					
810708320	95148	11/06/2020	100-110-41003	VISION BENEFITS CITYWIDE	74.44
810708320	95148	11/06/2020	100-111-41003	VISION BENEFITS CITYWIDE	74.44
810708320	95148	11/06/2020	100-112-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	100-113-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	100-115-41003	VISION BENEFITS CITYWIDE	37.22
810708320	95148	11/06/2020	100-116-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	100-221-41003	VISION BENEFITS CITYWIDE	279.15
810708320	95148	11/06/2020	100-222-41003	VISION BENEFITS CITYWIDE	55.83
810708320	95148	11/06/2020	100-223-41003	VISION BENEFITS CITYWIDE	241.93
810708320	95148	11/06/2020	100-231-41003	VISION BENEFITS CITYWIDE	204.71
810708320	95148	11/06/2020	100-341-41003	VISION BENEFITS CITYWIDE	55.83
810708320	95148	11/06/2020	100-343-41003	VISION BENEFITS CITYWIDE	130.27
810708320	95148	11/06/2020	100-465-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	105-221-41003	VISION BENEFITS CITYWIDE	111.66
810708320	95148	11/06/2020	105-231-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	106-222-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	106-231-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	204-227-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	209-551-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	209-552-41003	VISION BENEFITS CITYWIDE	37.22
810708320	95148	11/06/2020	209-554-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	212-461-41003	VISION BENEFITS CITYWIDE	18.61
810708320	95148	11/06/2020	212-462-41003	VISION BENEFITS CITYWIDE	37.22
810708320	95148	11/06/2020	500-641-41003	VISION BENEFITS CITYWIDE	130.27
810708320	95148	11/06/2020	500-642-41003	VISION BENEFITS CITYWIDE	55.83
810708320	95148	11/06/2020	505-119-41003	VISION BENEFITS CITYWIDE	37.22
810708320	95148	11/06/2020	998-20106	VISION BENEFITS CITYWIDE	55.83
Vendor VIS01 - VISION SERVICE PLAN Total:					1,823.78
Vendor: WIL52 - WILLDAN FINANCIAL SERVICES					
010-46090	95198	11/13/2020	500-641-42101	WPCP SEWER CHARGES	3,463.14
Vendor WIL52 - WILLDAN FINANCIAL SERVICES Total:					3,463.14
Grand Total:					581,934.04

Report Summary

Fund Summary

Fund	Payment Amount
100 - General Fund	403,378.15
105 - Measure S -2006	950.44
106 - MEASURE S-2014	3,580.34
200 - Gas Tax Fund	31,049.87
201 - Restricted Real Estate Maintenance Fund	1,286.88
204 - Police Grants	167.80
207 - NPDES Storm Water Fund	50.22
209 - Recreation Fund	5,823.53
212 - Building & Planning	635.42
285 - Housing Land Held for Resale	15.90
310 - Lighting & Landscape Districts	2,356.46
500 - Sewer Enterprise Fund	124,414.29
505 - Cable Access TV	412.26
525 - Information Systems	7,065.09
998 - Payroll Clearing	747.39
Grand Total:	581,934.04

Account Summary

Account Number	Account Name	Payment Amount
100-110-41002	Emp Benefits/Dental	552.64
100-110-41003	Emp Benefits/Vision Care	74.44
100-110-42101	Prof Svcs/Professional Ser...	5,090.00
100-110-43102	Utilities/Water	9.44
100-111-41002	Emp Benefits/Dental	574.70
100-111-41003	Emp Benefits/Vision Care	74.44
100-111-43102	Utilities/Water	22.71
100-112-41002	Emp Benefits/Dental	149.19
100-112-41003	Emp Benefits/Vision Care	18.61
100-112-42101	Prof Svcs/Professional Ser...	7,535.82
100-112-43102	Utilities/Water	20.81
100-113-41002	Emp Benefits/Dental	127.13
100-113-41003	Emp Benefits/Vision Care	18.61
100-114-42102	Prof Svcs/Attorney Servic...	75,818.46
100-115-41002	Emp Benefits/Dental	298.38
100-115-41003	Emp Benefits/Vision Care	37.22
100-115-42101	Prof Svcs/Professional Ser...	18,393.75
100-115-42201	Office Expense	90.61
100-115-43102	Utilities/Water	61.69
100-116-41002	Emp Benefits/Dental	59.17
100-116-41003	Emp Benefits/Vision Care	18.61
100-116-42101	Prof Svcs/Professional Ser...	2,274.00
100-116-43102	Utilities/Water	20.81
100-117-41004	Emp Benefits/PERS Retir...	205,375.59
100-117-41101	Retiree Benefits/Medical-...	796.92
100-117-42201	Office Expense	283.93
100-117-43102	Utilities/Water	166.50
100-20018	Accounts Payable/CalCard	11,633.00
100-221-41002	Emp Benefits/Dental	1,622.76
100-221-41003	Emp Benefits/Vision Care	279.15
100-221-42107	Prof Svcs/Equipment Mai...	3,758.72
100-221-42514	Admin Exp/Special Depart	700.00
100-221-44410	Safety Clothing	1,234.48
100-222-41002	Emp Benefits/Dental	394.66
100-222-41003	Emp Benefits/Vision Care	55.83
100-222-42101	Prof Svcs/Professional Ser...	891.88
100-222-42108	Prof Svcs/Building-Structu...	1,398.36
100-222-42201	Office Expense	1,892.13

Account Summary

Account Number	Account Name	Payment Amount
100-222-43102	Utilities/Water	1,606.94
100-222-43103	Utilities/Electricity & Pow...	8,498.74
100-222-44410	Safety Clothing	47.90
100-223-41002	Emp Benefits/Dental	1,589.96
100-223-41003	Emp Benefits/Vision Care	241.93
100-223-42108	Prof Svcs/Building-Structu...	1,176.00
100-223-43102	Utilities/Water	357.10
100-223-43103	Utilities/Electricity & Pow...	1,699.75
100-231-41002	Emp Benefits/Dental	1,395.93
100-231-41003	Emp Benefits/Vision Care	204.71
100-231-41008	Emp Benefits/Long Term ...	324.50
100-231-42104	Prof Svcs/Paramedic Servi...	237.24
100-231-42107	Prof Svcs/Equipment Mai...	351.48
100-231-42201	Office Expense	44.76
100-231-43102	Utilities/Water	2,172.54
100-231-43103	Utilities/Electricity & Pow...	6,799.00
100-341-41002	Emp Benefits/Dental	335.49
100-341-41003	Emp Benefits/Vision Care	55.83
100-341-42201	Office Expense	143.09
100-343-41002	Emp Benefits/Dental	1,022.27
100-343-41003	Emp Benefits/Vision Care	130.27
100-343-42107	Prof Svcs/Equipment Mai...	2,467.28
100-343-42108	Prof Svcs/Building-Structu...	2,504.49
100-343-43102	Utilities/Water	1,181.41
100-343-44410	Safety Clothing	15,810.99
100-345-42108	Prof Svcs/Building-Structu...	302.33
100-345-43102	Utilities/Water	10,526.14
100-345-43103	Utilities/Electricity & Pow...	23.19
100-345-43201	Taxes/Property Tax	156.00
100-465-41002	Emp Benefits/Dental	127.13
100-465-41003	Emp Benefits/Vision Care	18.61
105-221-41002	Emp Benefits/Dental	761.00
105-221-41003	Emp Benefits/Vision Care	111.66
105-231-41002	Emp Benefits/Dental	59.17
105-231-41003	Emp Benefits/Vision Care	18.61
106-222-41002	Emp Benefits/Dental	171.25
106-222-41003	Emp Benefits/Vision Care	18.61
106-231-41002	Emp Benefits/Dental	127.13
106-231-41003	Emp Benefits/Vision Care	18.61
106-345-47203	Improvements/Parks	3,244.74
200-342-42101	Prof Svcs/Professional Ser...	6,610.06
200-342-42108	Prof Svcs/Building-Structu...	23,795.50
200-342-43102	Utilities/Water	52.98
200-342-43103	Utilities/Electricity & Pow...	335.58
200-342-47205	Improvements/Streets	255.75
201-343-43102	Utilities/Water	1,250.74
201-343-43103	Utilities/Electricity & Pow...	36.14
204-227-41002	Emp Benefits/Dental	149.19
204-227-41003	Emp Benefits/Vision Care	18.61
207-344-42107	Prof Svcs/Equipment Mai...	50.22
209-551-41002	Emp Benefits/Dental	149.19
209-551-41003	Emp Benefits/Vision Care	18.61
209-552-41002	Emp Benefits/Dental	97.63
209-552-41003	Emp Benefits/Vision Care	37.22
209-552-43102	Utilities/Water	1,857.80
209-552-43103	Utilities/Electricity & Pow...	2,161.90
209-554-41002	Emp Benefits/Dental	134.27
209-554-41003	Emp Benefits/Vision Care	18.61

Account Summary

Account Number	Account Name	Payment Amount
209-554-43102	Utilities/Water	60.76
209-557-42108	Prof Svcs/Building-Structu...	914.00
209-558-43102	Utilities/Water	373.54
212-461-41002	Emp Benefits/Dental	149.19
212-461-41003	Emp Benefits/Vision Care	18.61
212-461-42201	Office Expense	126.57
212-461-43102	Utilities/Water	20.06
212-462-41002	Emp Benefits/Dental	230.42
212-462-41003	Emp Benefits/Vision Care	37.22
212-462-43102	Utilities/Water	53.35
285-464-43102	Utilities/Water	15.90
310-347-42101	Prof Svcs/Professional Ser...	1,063.19
310-347-43102	Utilities/Water	725.50
310-348-42101	Prof Svcs/Professional Ser...	567.77
500-641-41002	Emp Benefits/Dental	1,015.26
500-641-41003	Emp Benefits/Vision Care	130.27
500-641-42101	Prof Svcs/Professional Ser...	3,463.14
500-641-42107	Prof Svcs/Equipment Mai...	5,076.29
500-641-42108	Prof Svcs/Building-Structu...	2,850.40
500-641-42201	Office Expense	172.18
500-641-43102	Utilities/Water	802.82
500-641-43103	Utilities/Electricity & Pow...	63,546.86
500-641-44302	Other Materials Supp/Slu...	6,044.84
500-641-44303	Other Materials Supp/Ch...	21,584.16
500-641-44304	Other Materials Supp/Pe...	15,124.50
500-641-44305	Other Materials Supp/Lab...	3,323.33
500-642-41002	Emp Benefits/Dental	267.53
500-642-41003	Emp Benefits/Vision Care	55.83
500-642-42107	Prof Svcs/Equipment Mai...	227.95
500-642-43103	Utilities/Electricity & Pow...	728.93
505-119-41002	Emp Benefits/Dental	298.38
505-119-41003	Emp Benefits/Vision Care	37.22
505-119-43102	Utilities/Water	76.66
525-118-42105	Prof Svcs/Network Maint...	2,143.43
525-118-43101	Utilities/Telephone	4,790.59
525-118-47102	FF&E/Computer Equipme...	131.07
998-20105	Sal & Ben Payable/Dental ...	691.56
998-20106	Sal & Ben Payable/Vision ...	55.83
Grand Total:		581,934.04

Project Account Summary

Project Account Key	Payment Amount
None	581,934.04
Grand Total:	581,934.04

Approved by:  Date: 11/12/2020



CITY COUNCIL REPORT

7C

DATE: NOVEMBER 17, 2020

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: ERIC CASHER, CITY ATTORNEY

BY: ALEX MOG, ASSISTANT CITY ATTORNEY

SUBJECT: RESOLUTION CONFIRMING CONTINUED EXISTENCE OF LOCAL
EMERGENCY

RECOMMENDATION

Staff recommends that the City Council adopt a resolution confirming the continued existence of a local emergency.

BACKGROUND & DISCUSSION

On March 18, 2020, the City Manager, acting as Director of Emergency Services, proclaimed a local emergency pursuant to California Government Code Section 8630 and Pinole Municipal Code Chapter 2.32. The emergency declaration was based on public health and safety concerns for persons and property within the City as a consequence of the global spread of novel coronavirus 2019 ("COVID-19"), including confirmed cases in Contra Costa County, as well as, the Contra Costa County Department of Health's shelter in place order dated March 16, 2020. The City Council subsequently adopted a resolution affirming the City Manager's emergency declaration.

The California Emergency Services Act requires the City Council to review the need for continuing the local emergency at least once every 60 days. Although the local emergency does not end until terminated by the City Council, the Pinole Municipal Code requires the City Council to periodically review the need for continuing the local emergency. The City Council has confirmed the continued existence of the local emergency multiple times since the emergency was first declared, most recently on November 17, 2020.

Community transmission of COVID-19 continues to occur, and the number of cases within Contra Costa County has continued to rise. There have now been approximately 20,500 cases of COVID-19 within the County and approximately 253 deaths. There have been over 1,000 new cases in the last 2 weeks alone. The rate of positive tests is increasing in the County, as well as throughout California. In Pinole, the rate of new cases over the last 14 days is approximately 143 new cases per 100,000 people. Although Contra Costa County was briefly in the "moderate" tier

in the State's four tier blueprint for a safer economy, it has been reclassified as being within the "substantial" tier due to the increasing prevalence of COVID-19. The "substantial" tier, also known as the red tier, is the second strictest tier. This means that the State still considers COVID-19 to be a serious risk to public safety. There is a concern among medical professionals that new cases of COVID-19 may be surging as colder weather makes outdoor activities harder.

Public health and safety concerns for persons and property within the City as a consequence of the global spread of novel coronavirus 2019 continue to exist.

If the proposed resolution is adopted, the City Council will confirm the continued existence of the local emergency. In accordance with state law and the Municipal Code, the City Council will review the emergency declaration periodically until the conditions warrant a termination of the emergency declaration.

FISCAL IMPACT

There is no direct fiscal impact from the adoption of the resolution ratifying a local emergency. However, the City will consider all options available to seek reimbursement for indirect expenses and fiscal impacts through the appropriate authorities.

ATTACHMENTS

- A. Resolution Confirming Continued Existence of Local Emergency

RESOLUTION NO. 2020-XX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE CONFIRMING
THE CONTINUED EXISTENCE OF A LOCAL EMERGENCY DUE TO COVID-19**

WHEREAS, Government Code Section 8630 and Pinole Municipal Code Section 2.32.060 authorize the Director of Emergency Service to proclaim a local emergency when conditions of disaster or extreme peril to the safety of persons and property within the territorial limits of a city exist if the City Council is not in session and provides that the City Council shall ratify the proclamation within seven days thereafter; and

WHEREAS, in accordance with Government Code Section 8630 and Pinole Code Section 2.32.060, the Director of Emergency Services proclaimed the existence of a local emergency caused by the Novel Coronavirus (COVID-19), a respiratory disease first identified in China that may result in serious illness or death that is easily transmissible from person to person, on March 18; and

WHEREAS, on March 24, the City Council ratified and confirmed the proclamation of the existence of a local emergency issued by the Director of Emergency Services; and

WHEREAS, pursuant to Government Code Section 8630 and Pinole Municipal Code Section 2.32.060, the City Council must periodically review the need for continuing the local emergency; and

WHEREAS, the conditions that prompted the original declaration of a local emergency continue to exist; and

WHEREAS, the recitals contained in Resolution No. 2020-13, adopted by the City Council on March 24, are incorporated into this Resolution as if stated herein; and

WHEREAS, there have now been approximately 20,500 cases of COVID-19 and approximately 253 deaths within the County, and over 1,000 cases in the last 2 weeks alone; and

WHEREAS, the rate of new cases in Pinole over the last 14 days is approximately 143 per 100,000 people, which is one of the highest rates among cities in Contra Costa County; and

WHEREAS, although Contra Costa County was briefly in the “moderate” tier in the State’s four tier blueprint for a safer economy, it has been reclassified as being within the “substantial” tier due to the increasing prevalence of COVID-19; and

WHEREAS, positivity rates for COVID-19 appear to be increasing significantly throughout California; and

WHEREAS, the public health and safety concerns for persons and property within the City as a consequence of the global spread of COVID-19 continue to exist; and

WHEREAS, in order to prevent the spread of COVID-19, the City and its residents must continue to take serious precautions; and

WHEREAS, the health, safety, and welfare of Pinole residents, businesses, visitors, and staff is of utmost importance to the City and additional future measures may be needed to protect the community; and

WHEREAS, the City may require additional assistance in the future, and a formal declaration of emergency allows the City to access resources in a timely manner in a timely fashion; and

WHEREAS, the City Council finds that conditions of extreme peril to the safety of persons and property within the territorial limits of the City related to COVID-19 pandemic continue in existence; and

WHEREAS, the City Council finds that extraordinary measures are required to protect the public health, safety, and of persons and property within the City that are or are likely to be beyond the control or capability of the services, personnel, equipment, and facilities of the City; and

WHEREAS, the City Council have continued existence of a local emergency periodically since it was first declared on March 18, 2020; and

WHEREAS, the City Council desires to confirm the continued existence of a local emergency within Pinole due to COVID-19.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Pinole hereby declares as follows:

1. The local emergency declared by Resolution No. 2020-13 due to the COVID-19 Pandemic continues to exist within the City of Pinole.
2. During the existence of the declared local emergency, the powers, functions, and duties of the City Manager, acting as Director of Emergency Services, and the emergency organization of this City shall be those prescribed by State law and by ordinances and resolutions of the City of Pinole.
3. The declaration of local emergency shall remain in effect until such time that the Council determines that the emergency conditions have been abated.

PASSED AND ADOPTED by the City Council of the City of Pinole on this 17th day of November 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Heather Iopu, City Clerk



CITY COUNCIL REPORT

7D

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER

**SUBJECT: RECEIVE THE FISCAL YEAR (FY) 2020-21 FIRST QUARTER
FINANCIAL REPORT AND ADOPT A RESOLUTION APPROVING
BUDGET ADJUSTMENTS**

RECOMMENDATION

City staff recommends that the City Council receive the Fiscal Year (FY) 2020-21 First Quarter Financial Report and adopt a resolution approving related budget adjustments.

BACKGROUND

The City operates on an annual budget cycle. Through the budget, the City Council approves revenue estimates and authorizes City staff to expend the City's limited financial resources. As one of the many activities that the City undertakes to help ensure its financial soundness, staff provides quarterly financial reports on the City's budget condition.

Staff has reviewed the first quarter financial performance for the City's FY 2020-21 budget. Based on the actual revenue and expenditures of the first quarter, the City is on track to receive the amount of revenue budgeted for the year for most operating funds. Expenditures have been reviewed and variances have been evaluated for spending within the approved budgeted levels. Both revenues and expenditures will be further reviewed with the mid-year budget process when additional year to date information is available and adjustments will be recommended as warranted.

Pinole, like other communities, has been impacted by the shelter-in-place (SIP) order resulting from COVID-19. Fiscal impacts of the SIP have been identified and noted.

REVIEW & ANALYSIS

General Fund Analysis

The FY 2020-21 budget originally adopted on June 16, 2020 included the use of General Fund balance, in part for the purchase of a new fire engine, for a net deficit of \$2,002,577. Below is a summary of the first quarter General Fund actual revenue and expenditures.

General Fund	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	FY 2020-21 YTD Actuals w/ Encumb.	% of Budget
Revenues	\$ 15,606,351	\$ 15,606,351	\$ 1,782,589	\$ 1,782,589	11%
Expenditures	17,608,928	17,636,828	5,091,152	5,105,440	29%
Net surplus/deficit	(2,002,577)	(2,030,477)	\$ (3,308,562)	\$ (3,322,850)	
Beginning Fund Balance	6,620,900	6,620,900			
Ending Fund Balance	\$ 4,618,323	\$ 4,590,423			

General Fund Revenue

General Fund revenue for the first quarter was \$1.78 million, or 11% of budget. General Fund revenues are not received evenly throughout the year, so first quarter revenue is not expected to be 25% of the annual budget. For comparison, the General Fund revenue for the first quarter of FY 2019-20 was 12% of the annual budget.

	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	% of Budget
Property Taxes	\$ 4,146,109	\$ 4,146,109	\$ 7,041	0%
Sales and Use Taxes	3,345,879	3,345,879	639,588	19%
Utility Users Tax	1,896,000	1,896,000	447,554	24%
Franchise Taxes	750,000	750,000	87,807	12%
Other Taxes: TOT	410,000	410,000	120,989	30%
Other Taxes: Business License	375,000	375,000	10,956	3%
Intergovernmental Taxes	2,006,163	2,006,163	-	0%
Public Safety Charges	1,306,115	1,306,115	327,515	25%
Total Other Revenue	489,072	489,072	141,140	29%
Revenue Total:	14,724,338	14,724,338	1,782,589	12%
Transfer In from Section 115 Trust	882,013	882,013		0%
Revenue/Sources Total:	\$ 15,606,351	\$ 15,606,351	\$ 1,782,589	11%

Property Tax

Property tax is received in December, April, and June of each year. The projected revenue for FY 2020-21 is \$4.15 million. Property tax revenue includes the basic 1% property tax of \$2.85 million and the Redevelopment Property Tax Trust Fund (RPTTF) of \$1.29 million. This is revenue that has resulted from the dissolution of the former Pinole Redevelopment Agency and represents the shift from the Agency receiving tax increment revenue to the various taxing entities receiving the tax revenue. The RPTTF revenue will convert to "normal" property tax revenue when all of the former Agency's outstanding debt is paid off and the Successor Agency is formally dissolved. Dissolution is currently expected to occur sometime after the final debt service payment in FY 2023-24.

Sales Tax

For FY 2020-21, sales tax for the General Fund is budgeted at \$3.35 million. First quarter revenue received through September 30, 2020 totaled \$639,588 (19% of the annual budget) but did not include the final payment for the first quarter, which is received in late November. Actual revenue is on track with the amount included in the budget. In anticipation of lower revenue due to COVID-19, the FY 2020-21 budget included a 11% reduction in first quarter sales tax compared to the first quarter of FY 2019-20. Staff will monitor this revenue and will present further analysis with the Second Quarter Financial Report in February 2021.

All Other General Fund Revenue

Utility Users Tax (UUT) and Franchise Tax revenue, which is derived from utility customers, are trending at 24% and 12%, respectively, and are consistent with projected revenues based on when payments are received throughout the year.

Transient Occupancy Tax (TOT) is trending higher than anticipated at 30% for the quarter. Business License revenues are primarily received in December and January based on the annual renewal process which is initiated in December of each year.

Intergovernmental taxes include the Property Tax In-Lieu of Motor Vehicle License Fee (VLF) of \$1.98 million and Homeowner Property Tax Relief of \$31,000. These funds are primarily received in January and April of each year.

Public safety charges, including police dispatch services for Hercules and San Pablo, are billed on a quarterly basis and are at 25% of budget for the year.

Other General Fund revenues include Coronavirus Relief Funds in the amount of \$120,415.

A transfer from the City's Section 115 Pension Trust to the General Fund was budgeted for FY 2020-21 in the amount of \$882,013. The transfer amount will be determined at the end of the fiscal year based on the actual pension costs incurred for the year.

General Fund Expenditures

The City Council authorized expenditures in the amount \$17.64 million in the FY 2020-21 General Fund budget. General Fund actual expenditures for the first quarter of FY 2020-21 totaled \$5.09 million, which was 29% of budget.

Department	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	Encumb.	Actuals w/ Encumb.	% of Budget
City Council	\$ 145,482	\$ 173,382	\$ 40,343		\$ 40,343	23%
City Manager	437,043	437,043	147,884		147,884	34%
City Clerk	250,145	250,145	44,288		44,288	18%
City Treasurer	6,779	6,779	1,988		1,988	29%
City Attorney	149,136	149,136	95,282		95,282	64%
Finance Department	510,212	510,212	165,509		165,509	32%
Human Resources	276,434	276,434	38,668		38,668	14%
Non-Departmental	1,701,069	1,701,069	364,009		364,009	21%
Police Department	7,249,344	7,249,344	1,545,519		1,545,519	21%
Fire Department	4,471,322	4,471,322	1,711,459		1,711,459	38%
Public Works	926,807	926,807	204,177	14,286	218,464	24%
Community Development	227,201	227,201	36,862		36,862	16%
Debt Service	555,000	555,000	556,107		556,107	100%
Transfers Out	702,955	702,955	139,058		139,058	20%
Expenditure Total:	\$ 17,608,928	\$ 17,636,828	\$ 5,091,152	\$ 14,286	\$ 5,105,440	29%

Overall, department spending is trending as expected and variances exceeding 25% are explained below.

- City Manager department budget at 34% due to spending for consultant study of City's organization structure and operations.
- City Attorney department budget at 64% due to some one-time labor and employment related expenses. These expenses are related to the conclusion of two investigations and completion of the Management and Confidential Employees Compensation Plan, as well as continued yet modest expenses related to COVID impacts. This budget will be reviewed in detail at mid-year as part of the Second Quarter Financial Report process.
- Finance department budget at 32% due to a vacation payout and audit contract costs.
- Fire department budget at 38% of budget due to the expenditure of \$920,000 for the new fire truck in the first quarter.
- Debt Service budget at 100% as the result of the annual payment for Pension Obligation Bond debt service paid in the first quarter.

Other Funds Analysis

Measure S 2006 Fund (Fund 105) and Measure S 2014 Fund (Fund 106)

Measure S 2006 is a voter-approved general purpose use tax levied at 0.5% on all retail sales. Revenue from Measure S 2006 has historically been allocated by the City Council to fund public safety programs. Measure S 2006 revenues include tax revenues projected at \$1.83 million in FY 2020-21 and interest revenue of \$20,000 on fund balance. Tax revenues are trending at 19% based on the timing of sales tax payments to the City.

Measure S 2006	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	% of Budget
Revenues	\$ 1,845,669	\$ 1,845,669	\$ 351,441	19%
Expenditures	2,165,524	2,165,524	456,960	21%
Net surplus/deficit	(319,855)	(319,855)	\$ (105,517)	
Beginning Fund Balance	1,785,877	1,785,877		
Ending Fund Balance	\$ 1,466,022	\$ 1,466,022		

Measure S 2014 is a voter-approved general purpose use tax also levied at 0.5% on all retail sales. Revenue from Measure S 2014 has historically been allocated by the City Council to address some of the City's operational and deferred capital improvement needs. Measure S 2014 projected revenues include tax revenue of \$1.83 million in FY 2020-21 and interest revenue of \$30,000 on fund balance. Tax revenues are trending at 19% based on the timing of sales tax payments to the City. Expenditures are trending lower due to the timing of spending for capital projects.

Measure S 2014	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	% of Budget
Revenues	\$ 1,855,669	\$ 1,855,669	\$ 353,602	19%
Expenditures	3,672,274	3,672,274	136,144	4%
Net surplus/deficit	(1,816,605)	(1,816,605)	\$ 217,458	
Beginning Fund Balance	3,760,830	3,760,830		
Ending Fund Balance	\$ 1,944,225	\$ 1,944,225		

Gas Tax Fund (Fund 200)

The Gas Tax Fund accounts for revenue from State excise taxes on gasoline and diesel fuel sales (referred to as the Highway Users Tax Account (HUTA)) as well as revenue from the Road Repair and Accountability Act of 2017 (SB1) (referred to as the Road Maintenance and Rehabilitation Account (RMRA)). Gas Tax Fund resources are restricted for use in the construction and maintenance of public streets. These funds support both annual operating and capital projects. Revenues are trending in line with the timing of receipt of funds from the State. The expenditures are trending lower due to the timing of road maintenance projects.

Gas Tax	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	FY 2020-21 YTD Actuals w/ Encumb.	% of Budget
Revenues	\$ 866,465	\$ 866,465	\$ 182,703	\$ 182,703	21%
Expenditures	1,568,570	1,568,570	56,380	88,231	4%
Net surplus/deficit	(702,105)	(702,105)	\$ 126,323	\$ 94,472	
Beginning Fund Balance	927,444	927,444			
Ending Fund Balance	\$ 225,339	\$ 225,339			

Public Safety Augmentation Fund (Fund 203)

The Public Safety Augmentation Fund (PSAF) accounts for monies allocated by the County Auditor-Controller under Proposition 172 from the statewide 0.5% sales tax based on a share of statewide taxable sales. These funds are used exclusively for public safety. The receipt of these funds is conditioned on Maintenance of Effort using base year FY 1992-93. The expenditures in this fund are trending much lower than budget due to the temporary vacancy of a public safety position during the first quarter.

Police Grants Fund (Fund 204)

The Police Grants Fund accounts for grants received and used exclusively for public safety. Funding for school resource officers received from West Contra Costa Unified School District (WCCUSD) and Alcoholic Beverage Control (ABC) grant funding is recorded in this fund. WCCUSD determined not to provide the City with a grant of \$150,000 for one school resource officer in FY 2020-21. This grant had been assumed in the City's FY 2020-21 adopted budget. This Fund has available fund balance of \$125,498 that can be used to offset this loss of revenue for the time being. Staff will reevaluate this budget as part of the mid-year budget review and recommend budget adjustments at that time.

NPDES Storm Water Fund (Fund 207)

The NPDES Storm Water Fund accounts for assessments collected by the County via property tax bills pursuant to the National Pollutant Discharge Elimination System (NPDES) regulations, a federally mandated program. Assessments are levied at \$35 per Equivalent Runoff Unit (ERU). Revenue estimates are based on the number of ERU's multiplied by the adopted rate.

NPDES Storm Water revenue is projected at \$266,449 and revenue is received after February of each year.

Recreation Department Fund (Fund 209)

The Recreation Department was dramatically impacted by the SIP order, which has required closing in-person recreation programs. Revenues are at 13% of budget and include program fees at 3% and Operating Transfers In from the General Fund and Measure S Fund at 23% to support the expenditures. The budget for this department will be reviewed with the Second Quarter Financial Report and staff will present recommendations for budget revisions at that time.

Recreation	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	% of Budget
Revenues				
Program Revenue	\$ 634,989	\$ 634,989	\$ 16,208	3%
Transfers In	651,831	651,831	150,307	23%
Total Revenues	1,286,820	1,286,820	166,515	13%
Expenditures	1,298,524	1,298,524	165,619	13%
Net surplus/deficit	(11,704)	(11,704)	\$ 896	
Beginning Fund Balance	58,143	58,143		
Ending Fund Balance	\$ 46,439	\$ 46,439		

Building & Planning Fund (Fund 212)

The Building & Planning Fund's FY 2020-21 adopted budget projected a net \$490,638 use of fund balance to achieve a balanced budget. First quarter revenue totaled \$164,032 for 20% of projected budget and expenditures totaled \$170,907 for 13% of budget. Note that expenditures are not reflective of a full quarter since some invoices for professional services that support the Development Services Department were still pending at the time of the completion of this report. Staff will review this budget with the mid-year budget process to further evaluate expenditures versus the revenues for this activity.

Solid Waste Fund (Fund 214)

The Solid Waste Fund accounts for funds received from Republic Services, Inc. from a surcharge is assessed on customer rates for solid waste services. These funds are set aside for future solid waste capital projects and for a rate stabilization fund. Revenue projections are \$368,000 and funds are received after each quarter. As of September 30, 2020, no payments have been received.

Measure J Fund (Fund 215)

The Measure J Fund accounts for special sales tax revenues collected by the Contra Costa Transportation Authority (CCTA) and reapportioned to the cities for local street projects. The City must submit a checklist each year to confirm compliance with a Growth Management Program in order to receive these funds. Estimates of annual funding are provided by the CCTA, and jurisdiction allocations are based on a formula that considers both population and road mileage. Revenues are projected at \$388,000 and revenues are received in June of each year.

Spending of these funds is dependent on the timing of capital projects.

Lighting and Landscape District Fund (Fund 310)

The Lighting and Landscape District Fund accounts for assessments to property owners to maintain median lighting and landscaping within the Pinole Valley Road

North and South areas. Revenue is received in December, April and June with property tax payments.

Sewer Enterprise Fund (Fund 500)

The Sewer Enterprise Fund accounts for fees charged to residents and businesses for sewer utilities. Fees are used to operate the Pinole-Hercules Wastewater Treatment Plant, which serves the Pinole and Hercules areas. Revenues are received with the property tax payments in December, April and June.

Sewer	FY 2020-21 Original Budget	FY 2020-21 Current Budget	FY 2020-21 YTD Actuals	% of Budget
Revenues	\$ 7,648,971	\$ 7,648,971	\$ 499,106	7%
Expenditures	8,232,681	8,232,681	2,538,122	31%
Net surplus/deficit	(583,711)	(583,710)	\$ (2,039,016)	
Beginning Fund Balance	19,784,826	19,784,826		
Ending Fund Balance	\$ 19,201,116	\$ 19,201,116		

A budget adjustment of \$1,089,104 is recommended for the annual principal and interest payment related to the treatment plant upgrade project, which was completed at the end of FY 2019-20. The Clean Water State Revolving Fund program provided funding for the City's 50% share of the upgrades to the treatment plant. The first annual debt service payment was made in July 2020.

Cable Access TV Fund (Fund 505)

This Fund accounts for revenue received from cable franchise fees, video production and broadcast charges, and Public, Educational, and Governmental (PEG) access fees. PEG access fees are designated for equipment purchases. Transfers from the General Fund also help support the operating costs. Staff will review this budget in further detail with the Second Quarter Financial Report process.

Information Systems Fund (Fund 525)

The Information Systems Fund is an internal service fund used to account for activities that provide technology goods or services to other City funds and departments on a cost-reimbursement basis. Expenditures at the end of the first quarter are at 20% of budget.

FISCAL IMPACT

In this FY 2020-21 First Quarter Financial Report, staff recommends a budget adjustment for the Sewer Fund as noted Attachment A.

ATTACHMENTS

- A – FY 2020-21 First Quarter Financial Report Summary by Fund
- B – Resolution Adjusting Fiscal Year 2020-21 Budget



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City of Pinole, CA

ATTACHMENT A

For FY2020-21 Period Ending: 9/30/20

	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 100 - General Fund									
Revenue									
Property Taxes	4,146,109	4,146,109		4,146,109	7,041		7,041	(4,139,068)	0%
Sales and Use Taxes	3,345,879	3,345,879		3,345,879	639,588		639,588	(2,706,291)	19%
Utility Users Tax	1,896,000	1,896,000		1,896,000	447,554		447,554	(1,448,446)	24%
Franchise Taxes	750,000	750,000		750,000	87,807		87,807	(662,193)	12%
Other Taxes: TOT	410,000	410,000		410,000	120,989		120,989	(289,011)	30%
Other Taxes: Business License	375,000	375,000		375,000	10,956		10,956	(364,044)	3%
Intergovernmental Taxes	2,006,163	2,006,163		2,006,163	-		-	(2,006,163)	0%
Public Safety Charges	1,306,115	1,306,115		1,306,115	327,515		327,515	(978,600)	25%
Total Other Revenue	489,072	489,072		489,072	141,140		141,140	(347,932)	29%
Revenue Total:	14,724,338	14,724,338	-	14,724,338	1,782,589		1,782,589	(12,941,749)	12%
Penison Trust 115 Transfer	882,013	882,013		882,013					
Sources Total	15,606,351	15,606,351		15,606,351	1,782,589	-	1,782,589	(12,941,749)	11%
Expenditures									
City Council Total:	145,482	173,382		173,382	40,343		40,343	133,039	23%
City Manager Total:	437,043	437,043		437,043	147,884		147,884	289,159	34%
City Clerk Total:	250,145	250,145		250,145	44,288		44,288	205,857	18%
City Treasurer Total:	6,779	6,779		6,779	1,988		1,988	4,791	29%
City Attorney Total:	149,136	149,136		149,136	95,282		95,282	53,854	64%
Finance Department Total:	510,212	510,212		510,212	165,509		165,509	344,703	32%
Human Resources Total:	276,434	276,434		276,434	38,668		38,668	237,766	14%
Non-Departmental Total:	1,701,069	1,701,069		1,701,069	364,009		364,009	1,337,060	21%
Total Administrative:	3,476,300	3,504,200	-	3,504,200	897,970	-	897,970	2,606,230	26%
Police Department Total:	7,249,344	7,249,344		7,249,344	1,545,519		1,545,519	5,764,820	21%
Fire Department Total:	4,471,322	4,471,322		4,471,322	1,711,459		1,711,459	2,876,865	38%
Total Public Safety:	11,720,666	11,720,666	-	11,720,666	3,256,978	-	3,256,978	8,463,688	28%
Public Works Total:	926,807	926,807		926,807	204,177	14,286	218,463	708,344	24%
Community Development Total:	227,201	227,201		227,201	36,862		36,862	192,404	16%
Total Development Services:	1,154,008	1,154,008	-	1,154,008	241,039	14,286	255,325	898,682	22%
Debt Service:	555,000	555,000		555,000	556,107		556,107		100%
Operating Transfer Out:	702,955	702,955		702,955	139,058		139,058		20%
General Fund Total:	17,608,928	17,636,828		17,636,828	5,091,152	14,286	5,105,439	(12,531,390)	29%
General Fund Net Results	(2,002,577)	(2,030,477)	-	(2,030,477)	(3,308,563)	(14,286)	(3,322,850)	(410,359)	-18%
Fund Balance July 1, 2020	6,620,901	6,620,901		6,620,901					
Estimated Fund Balance June 30, 2021	4,618,324	4,590,424		4,590,424					
Fund: 105 - Measure S -2006									
Revenue									
Sales and Use Taxes	1,825,669	1,825,669		1,825,669	352,715		352,715	(1,472,954)	19%
Interest and Investment Income	20,000	20,000		20,000	(1,273)		(1,273)	(21,273)	-6%
Revenue Total:	1,845,669	1,845,669		1,845,669	351,441		351,441	(1,494,228)	19%
Expenditures									
Finance Department Total:	2,433	2,433		2,433	-		-	2,433	0%
Police Department Total:	1,402,432	1,402,432		1,402,432	345,711		345,711	1,056,721	25%
Fire Department Total:	760,659	760,659		760,659	111,249		111,249	649,410	15%
Expenditures Total:	2,165,524	2,165,524	-	2,165,524	456,960		456,960	1,708,565	21%
Measure S -2006 Net Results:	(319,855)	(319,855)		(319,855)	(105,518)		(105,518)	214,337	
Fund Balance July 1, 2020	1,785,877	1,785,877		1,785,877					
Estimated Fund Balance June 30, 2021	1,466,022	1,466,022		1,466,022					



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For FY2020-21 Period Ending: 9/30/20

	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 106 - Measure S-2014									
Revenue									
Sales and Use Taxes	1,825,669	1,825,669		1,825,669	354,090		354,090	(1,471,579)	19%
Interest and Investment Income	30,000	30,000		30,000	(1,488)		(1,488)	(31,488)	-5%
Reimbursements	-	-		-	1,000		1,000	1,000	0%
Revenue Total:	1,855,669	1,855,669		1,855,669	353,602		353,602	(1,502,067)	19%
Expenditures									
Finance Department Total:	2,433	2,433		2,433	-		-	2,433	0%
Non-Departmental Total:	693,000	693,000		693,000	11,250		11,250	681,750	2%
Information Systems Total:	42,600	42,600		42,600	-		-	42,600	0%
Police Department Total:	193,641	193,641		193,641	20,982		20,982	172,659	11%
Fire Department Total:	444,489	444,489		444,489	62,275		62,275	382,214	14%
Public Works Total:	2,272,561	2,272,561		2,272,561	41,637		41,637	2,230,924	2%
Recreation Total:	23,550	23,550		23,550	-		-	23,550	0%
Expenditures Total:	3,672,274	3,672,274		3,672,274	136,144		136,144	3,536,130	4%
Measure S-2014 Net Results:	(1,816,605)	(1,816,605)		(1,816,605)	217,458		217,458	2,034,063	-12%
Fund Balance July 1, 2020	3,760,830	3,760,830		3,760,830					
Estimated Fund Balance June 30, 2021	1,944,225	1,944,225		1,944,225					
Fund: 150 - General Reserve									
Revenue Total:	-	-		-	30,021		30,021	30,021	0%
General Reserve Net Results:	-	-		-	30,021		30,021	30,021	0%
Fund Balance July 1, 2020	7,457,116	7,457,116		7,457,116					
Estimated Fund Balance June 30, 2021	7,457,116	7,457,116		7,457,116					
Fund: 160 - Equipment Reserve									
Revenue									
Public Works Total:	80,000	80,000		80,000	-		-	(80,000)	0%
Community Development Total:	5,000	5,000		5,000	-		-	(5,000)	0%
Revenue Total:	85,000	85,000		85,000	-		-	(85,000)	0%
Expenditures									
Public Works Total:	80,000	80,000		80,000	-		-	80,000	0%
Community Development Total:	5,000	5,000		5,000	-		-	5,000	0%
Expenditures Total:	85,000	85,000		85,000	-		-	85,000	0%
Equipment Reserve Net Results:	0	0		0	0			0	0
Fund Balance July 1, 2020	114,949	114,949		114,949					
Estimated Fund Balance June 30, 2021	114,949	114,949		114,949					
Fund: 700 - Pension Fund									
Revenue									
Interest and Investment Income	-	-		-	599,770		599,770	599,770	0%
Revenue Total:	-	-		-	599,770		599,770	599,770	0%
Expenditures									
425 - Administrative Expenses	-	-		-	21,215		21,215	(21,215)	-
Expenditures Total:	-	-		-	21,215		21,215	(21,215)	-
Pension Fund Net Results:	-	-		-	578,554		578,554	578,554	-
Fund Balance July 1, 2020	18,088,811	18,088,811		18,088,811					
Estimated Fund Balance June 30, 2021	18,088,811	18,088,811		18,088,811					
Fund: 200 - Gas Tax Fund									
Revenue Total:	866,465	866,465		866,465	182,703		182,703	683,762	21%
Expenditures Total:	1,568,570	1,568,570		1,568,570	56,380	31,850	88,231	1,480,339	6%
Gas Tax Fund Net Results:	(702,105)	(702,105)		(702,105)	126,323	31,850	158,173	860,278	-23%
Fund Balance July 1, 2020	927,444	927,444		927,444					
Estimated Fund Balance June 30, 2021	225,339	225,339		225,339					



	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 201 - Restricted Real Estate Maintenance									
Revenue Total:	39,991	39,991		39,991	475		475	(39,516)	1%
Expenditures Total:	37,175	37,175		37,175	4,049		4,049	33,126	11%
Restricted Real Estate Maint Fund Net Results:	2,816	2,816		2,816	(3,574)		(3,574)	(6,390)	-127%
Fund Balance July 1, 2020	166,676	166,676		166,676					
Estimated Fund Balance June 30, 2021	169,492	169,492		169,492					
Fund: 203 - Public Safety Augmentation Fund									
Revenue Total:	172,766	172,766		172,766	29,687		29,687	(143,079)	17%
Expenditures Total:	189,512	189,512		189,512	2,302		2,302	187,210	1%
Public Safety Augmentation Fund Net Results:	(16,746)	(16,746)		(16,746)	27,385		27,385	(44,131)	-164%
Fund Balance July 1, 2020	365,840	365,840		365,840					
Estimated Fund Balance June 30, 2021	349,094	349,094		349,094					
Fund: 204 - Police Grants									
Revenue Total:	150,000	150,000		150,000	-		-	(150,000)	0%
Expenditures Total:	152,305	152,305		152,305	37,486		37,486	114,819	25%
Police Grants Net Results:	(2,305)	(2,305)		(2,305)	(37,486)		(37,486)	(35,181)	1626%
Fund Balance July 1, 2020	125,498	125,498		125,498					
Estimated Fund Balance June 30, 2021	123,193	123,193		123,193					
Fund: 205 - Traffic Safety Fund									
Revenue Total:	46,500	46,500		46,500	4,936		4,936	(41,564)	11%
Expenditures Total:	19,719	19,719		19,719	447		447	19,272	2%
Traffic Safety Fund Net Results:	26,781	26,781		26,781	4,489		4,489	(22,292)	17%
Fund Balance July 1, 2020	207,302	207,302		207,302					
Estimated Fund Balance June 30, 2021	234,083	234,083		234,083					
Fund: 206 - Supplemental Law Enforcement Svc									
Revenue Total:	101,600	101,600		101,600	85,333		85,333	(16,267)	84%
Expenditures Total:	97,897	97,897		97,897	18,700		18,700	79,197	19%
Sup Law Enforce Svc Fund Net Results:	3,703	3,703		3,703	66,633		66,633	62,930	1799%
Fund Balance July 1, 2020	269,337	269,337		269,337					
Estimated Fund Balance June 30, 2021	273,040	273,040		273,040					
Fund: 207 - NPDES Storm Water Fund									
Revenue Total:	266,620	266,620		266,620	194		194	(266,426)	0%
Expenditures Total:	377,717	377,717		377,717	63,009		63,009	314,708	17%
NPDES Storm Water Fund Net Results:	(111,097)	(111,097)		(111,097)	(62,815)		(62,815)	48,282	57%
Fund Balance July 1, 2020	16,432	16,432		16,432					
Estimated Fund Balance June 30, 2021	(94,665)	(94,665)		(94,665)					
Fund: 209 - Recreation Fund									
Revenue Total:	1,286,820	1,286,820		1,286,820	166,515		166,515	(1,120,305)	13%
Expenditures Total:	1,298,524	1,298,524		1,298,524	165,619		165,619	1,132,905	13%
Recreation Fund Net Results:	(11,704)	(11,704)		(11,704)	896		896	12,600	-8%
Fund Balance July 1, 2020	58,144	58,144		58,144					
Estimated Fund Balance June 30, 2021	46,440	46,440		46,440					
Fund: 212 - Building & Planning									
Revenue Total:	820,700	820,700		820,700	164,032		164,032	(656,668)	20%
Expenditures Total:	1,311,338	1,311,338		1,311,338	170,907		170,907	1,140,431	13%
Building & Planning Net Results:	(490,638)	(490,638)		(490,638)	(6,875)		(6,875)	483,763	1%
Fund Balance July 1, 2020	158,389	158,389		158,389					
Estimated Fund Balance June 30, 2021	(332,249)	(332,249)		(332,249)					



	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 213 - Refuse Management Fund									
Revenue Total:	66,060	66,060		66,060	15,219		15,219	(50,841)	23%
Expenditures Total:	126,417	126,417		126,417	22,649		22,649	103,768	18%
Refuse Management Fund Net Results:	(60,357)	(60,357)		(60,357)	(7,430)		(7,430)	52,927	12%
Fund Balance July 1, 2020	335,177	335,177		335,177					
Estimated Fund Balance June 30, 2021	274,820	274,820		274,820					
Fund: 214 - Solid Waste Fund									
Revenue Total:	368,000	368,000		368,000	(422)		(422)	(368,422)	0%
Expenditures Total:	20,000	20,000		20,000	-		-	20,000	0%
Solid Waste Fund Net Results:	348,000	348,000		348,000	(422)		(422)	(348,422)	0%
Fund Balance July 1, 2020	1,558,131	1,558,131		1,558,131					
Estimated Fund Balance June 30, 2021	1,906,131	1,906,131		1,906,131					
Fund: 215 - Measure C and J Fund									
Revenue Total:	388,000	388,000		388,000	(114)		(114)	(388,114)	0%
Expenditures Total:	780,598	780,598		780,598	74,503		74,503	706,095	10%
Measure C and J Fund Net Results:	(392,598)	(392,598)		(392,598)	(74,617)		(74,617)	317,981	19%
Fund Balance July 1, 2020	1,821,573	1,821,573		1,821,573					
Estimated Fund Balance June 30, 2021	1,428,975	1,428,975		1,428,975					
Fund: 225 - Asset Seizure-Adjudicated Fund									
Revenue Total:	-	-		-	(91)		(91)	(91)	0%
Expenditures Total:	-	-		-	-		-	-	0%
Asset Seizure-Adjudicated Fund Net Results:	0	0		0	(91)		(91)	(91)	0%
Fund Balance July 1, 2020	86,562	86,562		86,562					
Estimated Fund Balance June 30, 2021	86,562	86,562		86,562					
Fund: 226 - CASp Certification and Training Fun									
Revenue Total:	-	-		-	476		476	476	0%
Expenditures Total:	-	-		-	-		-	-	0%
CSp Certification and Training Fund Net Results:	-	-		-	476		476	476	0%
Fund Balance July 1, 2020	20,749	20,749		20,749					
Estimated Fund Balance June 30, 2021	20,749	20,749		20,749					
Fund: 275 - Parkland Dedication Fund									
Revenue Total:	-	-		-	(12)		(12)	(12)	0%
Expenditures Total:	-	-		-	-		-	-	0%
Parkland Dedication Fund Net Results:	-	-		-	(12)		(12)	(12)	0%
Fund Balance July 1, 2020	88,070	88,070		88,070					
Estimated Fund Balance June 30, 2021	88,070	88,070		88,070					
Fund: 276 - Growth Impact Fund									
Revenue Total:	-	-		-	9,953		9,953	9,953	0%
Expenditures Total:	8,000	8,000		8,000	-		-	8,000	0%
Growth Impact Fund Net Results:	(8,000)	(8,000)		(8,000)	9,953		9,953	17,953	-124%
Fund Balance July 1, 2020	108,925	108,925		108,925					
Estimated Fund Balance June 30, 2021	100,925	100,925		100,925					



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City of Pinole, CA

For FY2020-21 Period Ending: 9/30/20

	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 277 - Development Services									
Revenue Total:	-	-		-	(42)		(42)	(42)	0%
Expenditures Total:	-	-		-	-		-	-	0%
Development Services Net Results:	-	-		-	(42)		(42)	(42)	0%
Fund Balance July 1, 2020	(665)	(665)		(665)			(665)		
Estimated Fund Balance June 30, 2021	(665)	(665)		(665)			(708)		
Fund: 285 - Housing Land Held for Resale									
Revenue Total:	105,000	105,000		105,000	(1,086)		(1,086)	(106,086)	-1%
Expenditures Total:	174,903	174,903		174,903	20,780		20,780	154,123	12%
Housing Land Held for Resale Net Results:	(69,903)	(69,903)		(69,903)	(21,866)		(21,866)	48,037	31%
Fund Balance July 1, 2020	7,819,515	7,819,515		7,819,515					
Estimated Fund Balance June 30, 2021	7,749,612	7,749,612		7,749,612					
Fund: 310 - Lighting & Landscape Districts									
Revenue Total:	42,780	42,780		42,780	-		-	(42,780)	0%
Expenditures Total:	42,780	42,780		42,780	2,439		2,439	40,341	6%
Lighting & Landscape Districts Net Results:	-	-		-	(2,439)		(2,439)	(2,439)	0%
Fund Balance July 1, 2020	32,188	32,188		32,188					
Estimated Fund Balance June 30, 2021	32,188	32,188		32,188					
Fund: 316 - Pinole Valley Park									
Revenue Total:	-	-		-	2		2	2	0%
Expenditures Total:	-	-		-	-		-	-	0%
Pinole Valley Park Net Results:	-	-		-	2		2	(2)	0%
Fund Balance July 1, 2020	(621)	(621)		(621)					
Estimated Fund Balance June 30, 2021	(621)	(621)		(621)					
Fund: 317 - Pinole Valley Caretaker Fund									
Revenue Total:	15,000	15,000		15,000	3,750		3,750	(11,250)	25%
Expenditures Total:	14,867	14,867		14,867	4,127		4,127	10,740	28%
Pinole Valley Caretaker Fund Net Results:	133	133		133	(377)		(377)	(510)	-284%
Fund Balance July 1, 2020	(309)	(309)		(309)					
Estimated Fund Balance June 30, 2021	(176)	(176)		(176)					
Fund: 324 - Public Facilities Fund									
Expenditures Total:	70,000	70,000		70,000	-		-	70,000	0%
Public Facilities Fund Net Results:	(70,000)	(70,000)		(70,000)	-		-	70,000	0%
Fund Balance July 1, 2020	545,005	545,005		545,005					
Estimated Fund Balance June 30, 2021	475,005	475,005		475,005					
Fund: 325 - City Street Improvements									
Revenue Total:	250,000	250,000		250,000	-		-	(250,000)	0%
Expenditures Total:	3,114,801	3,114,801		3,114,801	-		-	3,114,801	0%
City Street Improvements Net Results:	(2,864,801)	(2,864,801)		(2,864,801)	-		-	2,864,801	0%
Fund Balance July 1, 2020	1,294,914	1,294,914		1,294,914					
Estimated Fund Balance June 30, 2021	(1,569,887)	(1,569,887)		(1,569,887)					



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City of Pinole, CA

For FY2020-21 Period Ending: 9/30/20

	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 327 - Park Grants (Measure WW)									
Revenue Total:	-	-		-	(12)		(12)	(12)	0%
Expenditures Total:	189,758	189,758		189,758	-		-	189,758	0%
Park Grants (Measure WW) Net Results:	(189,758)	(189,758)		(189,758)	(12)		(12)	189,746	0%
Fund Balance July 1, 2020	25,437	25,437		25,437					
Estimated Fund Balance June 30, 2021	(164,321)	(164,321)		(164,321)					
Fund: 377 - Arterial Streets Rehabilitation Fund									
Revenue Total:	250,000	250,000		250,000	-		-	(250,000)	0%
Expenditures Total:	1,439,281	1,439,281		1,439,281	-	219,733	219,733	1,219,548	15%
Arterial Streets Rehabilitation Fund Net Results:	(1,189,281)	(1,189,281)		(1,189,281)	-	219,733	219,733	969,548	-18%
Fund Balance July 1, 2020	774,582	774,582		774,582					
Estimated Fund Balance June 30, 2021	(414,699)	(414,699)		(414,699)					
Fund: 500 - Sewer Enterprise Fund									
Revenue Total:	7,648,971	7,648,971		7,648,971	499,106		499,106	(7,149,864)	7%
Expenditures Total:	8,232,681	8,232,681	1,089,104	9,321,785	2,538,122		2,538,122	6,783,663	27%
Sewer Enterprise Fund Net Results:	(583,711)	(583,710)	(1,089,104)	(1,672,814)	(2,039,016)		(2,039,016)	(366,202)	122%
Fund Balance July 1, 2020	19,784,826	19,784,826		19,784,826					
Estimated Fund Balance June 30, 2021	19,201,116	19,201,116		18,112,012					
Fund: 503 - Plant Expansion Fund									
Revenue Total:	-	-		-	56		56	56	0%
Expenditures Total:	-	-		-	7,790		7,790	(7,790)	0%
Plant Expansion Fund Net Results:	-	-		-	(7,734)		(7,734)	(7,734)	0%
Fund Balance July 1, 2020	2,911,107	2,911,107		2,911,107					
Estimated Fund Balance June 30, 2021	2,911,107	2,911,107		2,911,107					
Fund: 505 - Cable Access TV									
Revenue Total:	512,419	512,419		512,419	33,364		33,364	(479,056)	7%
Expenditures Total:	539,309	539,309		539,309	95,116		95,116	444,194	18%
Cable Access TV Net Results:	(26,890)	(26,890)		(26,890)	(61,752)		(61,752)	(34,862)	230%
Fund Balance July 1, 2020	(35,235)	(35,235)		(35,235)					
Estimated Fund Balance June 30, 2021	(62,126)	(62,126)		(62,126)					
Fund: 525 - Information Systems									
Expenditures Total:	802,890	802,890		802,890	157,939		157,939	644,951	20%
Indirect cost allocations Total:	(802,890)	(802,890)		(802,890)	(157,939)		(157,939)	(644,951)	20%
Information Systems Net Results:	0	0			-		-	0	0%
Fund Balance July 1, 2020	(196,169)	(196,169)		(196,169)					
Estimated Fund Balance June 30, 2021	(196,169)	(196,169)		(196,169)					
Fund: 704 - Asset Seizure-Unadjudicated									
Revenue Total:	-	-		-	(12)		(12)	(12)	0%
Total Expenditures	-	-		-	-		-	-	0%
Asset Seizure-Unadjudicated Net Results:	-	-		-	(12)		(12)	(12)	0%
Fund Balance July 1, 2020	13,350	13,350		13,350					
Estimated Fund Balance June 30, 2021	13,350	13,350		13,350					



	Original Budget	Current Budget	Proposed Adjustments	Amended Budget	YTD Actual	Encumbrances	Total	Variance Favorable (Unfavorable)	Percent Used
Fund: 716 - Pinole Public School									
Revenue Total:	-	-		-	(1)		(1)	(1)	0%
Total Expenditures:	-	-		-	-		-	-	0%
Pinole Public School Net Results:	-	-		-	(1)		(1)	(1)	0%
Fund Balance July 1, 2020	1,738	1,738		1,738					
Estimated Fund Balance June 30, 2021	1,738	1,738		1,738					
Fund: 723 - Police Evidence Trust									
Revenue Total:	-	-		-	3		3	3	0%
Expenditures Total:	-	-		-	-		-	-	0%
Police Evidence Trust Net Results:	-	-		-	3		3	3	0%
Fund Balance July 1, 2020	189	189		189					
Estimated Fund Balance June 30, 2021	189	189		189					
Fund: 750 - Recognized Obligation Retirement I									
Revenue Total:	250,000	250,000		250,000	(1,716)		(1,716)	(251,716)	-1%
Expenditures Total:	250,000	250,000		250,000	3,270,031		3,270,031	(3,020,031)	1308%
Recognized Obligation Retirement Fund Net Results:	-	-		-	(3,271,747)		(3,271,747)	(3,271,747)	0%
Fund Balance July 1, 2020	6,289	6,289		6,289					
Estimated Fund Balance June 30, 2021	6,289	6,289		6,289					

RESOLUTION NO. 2020-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, MODIFYING THE CITY BUDGET FOR FISCAL YEAR 2020-21

WHEREAS, the City Council did adopt a Budget for City Operations by Resolution number 2020-58 on June 16, 2020; and

WHEREAS, the City Manager has presented proposed recommendations for modification of the adopted budget and programs of service for the City of Pinole Operations for fiscal year 2020-21 as part of a First Quarter Financial Report at the regular City Council Meeting held on November 17, 2020; and

WHEREAS, the City Council has considered these recommended changes, as to the matter of the City budget; and

WHEREAS, the City Council has solicited public input on the proposed modifications to the FY 2020-21 Operations Budget.

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

Modifications to the budget, including any requisite use of appropriate Fund Balance, for the City of Pinole for Fiscal Year 2020-21 commencing July 1, 2020 and ending June 30, 2021 are hereby approved and adopted as follows:

FY 2020-21 Budget Adjustments

Sewer Fund (500):

Expenditures - Principal and Interest \$1,089,184

PASSED AND ADOPTED this 17th day of November 2020, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this **17th** day of **November, 2020**.

Heather Iopu, CMC
City Clerk



CITY COUNCIL REPORT

7E

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

**FROM: GENIE ROCHA, FINANCE CONSULTANT
DEBBIE LONG, CITY TREASURER**

**SUBJECT: RECEIVE THE QUARTERLY INVESTMENT REPORT FOR THE
QUARTER ENDING SEPTEMBER 30, 2020**

RECOMMENDATION

Receive the Quarterly Investment Report for the quarter ending September 30, 2020.

BACKGROUND

The City of Pinole Investment Policy requires that a Quarterly Investment Report be submitted to the City Council. The attached Investment Report for the quarter ended September 30, 2020 conforms to the City's Investment Policy as well as all applicable State and federal requirements, particularly California Government Code Section 53646.

The funds that the City invests, and which are reported in the Quarterly Investment Report, are comprised of cash and investment balances across all City funds. For example, the City's General Fund (Fund 100) has cash and investments of \$2,220,427 which is part of the total General Fund fund balance. (In addition to cash and investments, fund balance also includes receivables.) The Sewer Funds (Fund 500 and 503) have cash and investments of \$15,166,466. The cash and investment balances across all City funds are "pooled" for investment purposes, with the exception of the General Reserve, which is discussed further below. Interest earned on investments is allocated to the various funds based on the cash balances of those funds.

REVIEW AND ANALYSIS

All investments held at September 30, 2020 conform to the City's Investment Policy and all applicable State and federal requirements.

Investment Instruments

The City Treasurer and Finance Director select the instruments in which to invest the City's funds in order to best meet the objectives laid out in the City's Investment Policy. The balances held in different investment instruments at September 30, 2020 are noted in Attachment A and summarized in the table below. The bulk of the City's investment funds are invested in the State of California's Local Agency Investment Fund (LAIF),

because of the safety and liquidity of the investment pool. LAIF and other pooled funds (CalTrust) make up 73.5% of the City's investment portfolio. Money Market and mutual funds comprise 9.37% and are maintained for cashflow purposes. Long-term investments (those with maturities greater than one year, such as Certificates of Deposit, Medium-Term Corporate Notes, and Federal Agency Securities) make up 17.13% of the City's portfolio. These long-term investments yield greater interest earnings for funds that are not needed for short-term cash flow purposes.

Funds in the City's General Reserve are maintained in an account that is separate from the rest of the pooled funds. This enables the Finance Director to implement a directed investment plan for the General Reserve funds. The City's practice has been to invest these funds in instruments with longer duration, thereby yielding greater investment earnings.

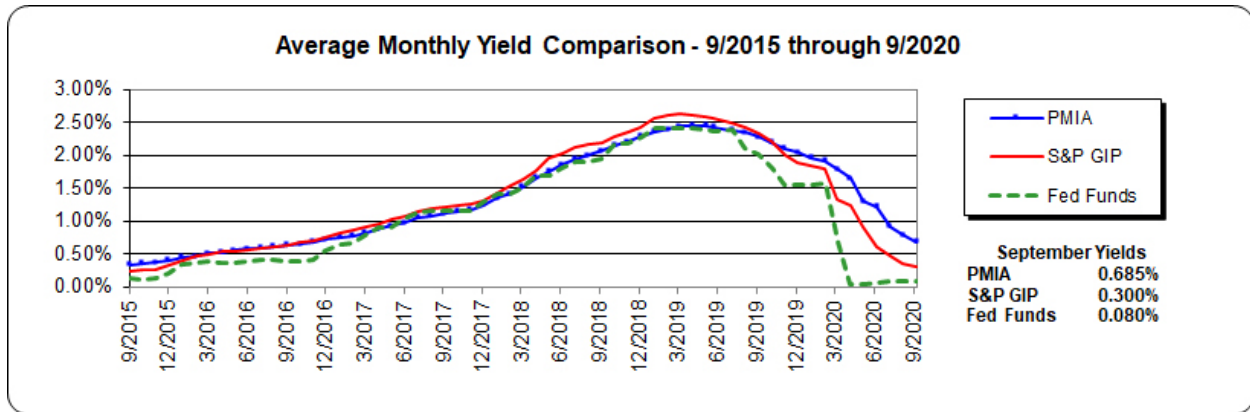
Investments	Market Value	% of Portfolio
Investment Pool - LAIF	27,308,413	65.44%
Investment Pool - CalTrust	3,364,117	8.06%
Money Market Savings	3,580,954	8.58%
Mutual Funds	328,110	.79%
Certificates of Deposit	4,337,880	10.39%
Medium-Term Corporate Notes	2,312,150	5.54%
Federal Agency Securities	500,900	1.20%
Investment Total	\$ 41,732,525	100.00%

Investment Yield and Duration

The aggregate yield of the City's investment portfolio for the quarter ended September 30, 2020 was 1.053%, summarized in the table below. LAIF yields have decreased over the past year and are lower than long-term investment yields in most cases. Money market savings accounts earned 0.040% interest. Long-term investments yielded 1.605% on average. Earnings on investments held until maturity typically fluctuate with market conditions and are considered "unrealized" prior to maturity. The City expects to yield a gain on all investments at maturity.

Investments	September 30, 2020 Yield	September 30, 2019 Yield
Investment Pool - LAIF	0.685	2.390
Investment Pool - CalTrust	0.365	1.940
Money Market Savings	0.040	0.063
Mutual Funds	0.995	1.750
Certificates of Deposit	1.621	2.032
Medium-Term Corporate Notes	2.513	2.710
Federal Agency Securities	0.680	2.015
Average Yield	1.053	1.777

The Federal Reserve has kept interest rates unchanged since March 2020. The Federal Funds yield has historically been similar to LAIF's yield (Pooled Money Investment Account (PMIA)) (see chart below). Currently the Federal Funds yield is below LAIF.



Cash Flows

The funds held in investments, as well as the very small amount of funds that the City maintains in traditional bank savings accounts with Mechanics Bank and which are not reported in the Quarterly Investment Report, provide the working capital for the City's operations. There are sufficient funds as of September 30, 2020 to cover anticipated expenditures through the next six months.

Investment Strategy

The City utilizes a passive investment management approach by buying and holding securities until maturity. A "laddered maturity" investment strategy is applied to the long-term portion of our investment portfolio. A laddered portfolio is structured with securities that have different maturity dates. As securities are called or mature, proceeds are reinvested in a new security with another long term at the end of the ladder. Laddering helps to minimize interest-rate risk, increase liquidity, and diversify credit risk.

Staff continues to monitor rates of return on City funds invested and make modifications to best achieve the objectives laid out in the Investment Policy.

FISCAL IMPACT

There is no fiscal impact from receiving the Quarterly Investment Report.

ATTACHMENTS

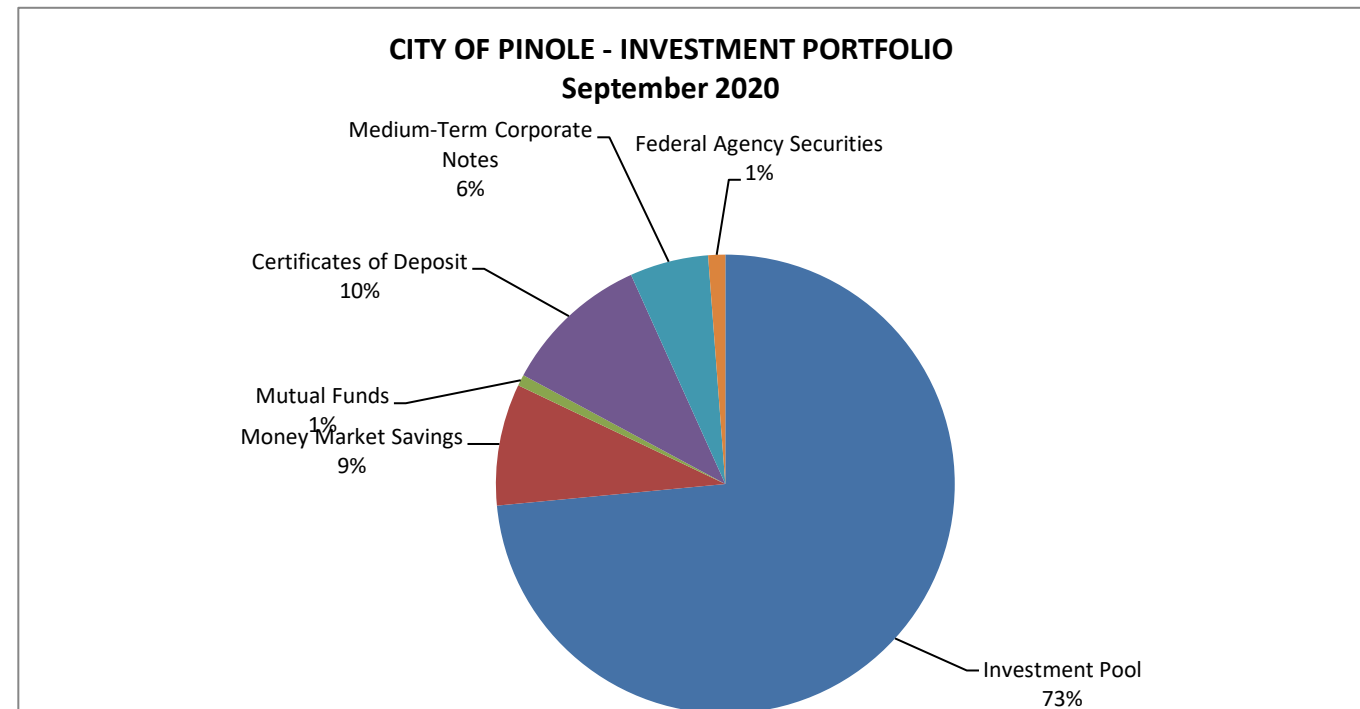
A –Investment Report - Quarter Ending September 30, 2020

**CITY OF PINOLE
INVESTMENT REPORT SEPTEMBER 2020
PORTFOLIO SUMMARY**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Days to Maturity	Yield	Weighted Average Maturity
Investment Pool - LAIF	27,308,413	27,308,413	27,308,413	65.44%	1	0.685	1
Investment Pool - CalTrust	3,364,117	3,364,117	3,364,117	8.06%	1	0.365	0
Money Market Savings	3,580,954	3,580,954	3,580,954	8.58%	1	0.040	0
Mutual Funds	328,110	328,110	328,110	0.79%	1	0.995	0
Certificates of Deposit	4,215,000	4,337,880	4,337,880	10.39%	872	1.621	5
Medium-Term Corporate Notes	2,250,000	2,312,150	2,312,150	5.54%	477	2.513	7
Federal Agency Securities	500,000	500,900	500,900	1.20%	1,714	0.680	21
Subtotal Investments	\$ 41,546,594	\$ 41,732,525	41,732,525	100.00%	511	1.053	6
Average Years:							1.4
Cash							
Mechanics Bank - Vendor Checking *	1,545,532	1,545,532	1,545,532		1		
Bank of the West - Payroll Checking *	931,612	931,612	931,612		1		
Bank of the West - Checking (Credit Card Clearing) *	171,718	171,718	171,718		1		
Subtotal Cash	2,648,862	2,648,862	2,648,862		1		
Total Cash and Investments	\$ 44,195,456	\$ 44,381,386	\$ 44,381,386				

*Not included in yield calculations

The above investments are consistent with the City's Investment Policy and allowable under current legislation of the State of California. Investments were selected using safety, liquidity and yield as the criteria. The source of the market values for the investments are provided by US Bank in accordance with the California Government Code requirement. The City has sufficient cash flow to cover anticipated expenditures through the next six months.



CITY OF PINOLE
INVESTMENT REPORT SEPTEMBER 2020
PORTFOLIO DETAILS

Type / Account Number	CUSIP	Issuer	Investment Description	Manager	GL Acct #	Par Value	Market Value	Book Value	Rate	Yield	Days to Maturity	S&P Rating	Maturity Date	Weighted Average Maturity
Investment Pool														
		Local Agency Investment Fund (LAIF)	Pooled Treasury - State of California	LAIF	999-10201	27,308,413	27,308,413	27,308,413	0.685	0.685	1	N/A		1
		CalTrust - Short Term Fund (City)	Pooled Treasury - Joint Power Financing Authority	CalTrust	999-10202	24,488	24,488	24,488	0.390	0.390	1	N/A		0
		CalTrust - Medium Term Fund (City)	Pooled Treasury - Joint Power Financing Authority	CalTrust	999-10203	3,339,629	3,339,629	3,339,629	0.340	0.340	1	N/A		0
			Subtotal and Average			30,672,529	30,672,529	30,672,529	0.472	0.472	1			0
Money Market Savings														
		Mechanics Bank	Money Market Savings (City)	City	999-10102	1,632,490	1,632,490	1,632,490	0.080	0.080	1	N/A		0
		Bank of the West	Money Market Savings - Police Evidence Trust	City	999-10104	107,758	107,758	107,758	0.010	0.010	1	N/A		0
84501100	999491905	Wells Fargo Bank	Money Market - WPCP Escrow	Wells Fargo	503-10302	1,840,707	1,840,707	1,840,707	0.030	0.030	1	N/A		0
			Subtotal and Average			3,580,954	3,580,954	3,580,954	0.040	0.040	1			0
Mutual Funds														
19-516680		U.S. Bank	Accrued Income - City Reserve	US Bank	150-10110	25,713	25,713	25,713	1.980	1.980	1	N/A		0
19-516680	31846V203	1st American Government Obligation Fund	Mutual Fund Shares - Class "D" - City Reserve	US Bank	150-10110	302,398	302,398	302,398	0.010	0.010	1	N/A		0
			Subtotal and Average			328,110	328,110	328,110	0.995	0.995	1			0
Certificates of Deposit														
19-516680	02007GLR2	Ally Bank	Certificates of Deposit - City Reserves	US Bank	150-10110	247,000	254,983	254,983	1.800	1.740	712	N/A	9/12/2022	4
19-516680	02587DJ90	American Express Centurion	Certificates of Deposit - City Reserves	US Bank	150-10110	247,000	248,030	248,030	2.250	2.240	70	N/A	12/9/2020	0
19-516680	064520BG3	Bank of Princeton	Certificates of Deposit - City Reserves	US Bank	150-10110	250,000	251,898	251,898	0.500	0.500	1,552	N/A	12/30/2024	9
19-516680	05580ATL8	Bmw Bank North America	Certificates of Deposit - City Reserves	US Bank	150-10110	247,000	255,944	255,944	1.800	1.740	804	N/A	12/13/2022	5
19-516680	140420A59	Capital One Bank	Certificates of Deposit - City Reserves	US Bank	150-10110	248,000	250,879	250,879	1.600	1.580	307	N/A	8/3/2021	2
19-516680	29976DQ86	Everbank Jacksonville FL	Certificates of Deposit - City Reserves	US Bank	150-10110	125,000	126,550	126,550	1.500	1.480	316	N/A	8/12/2021	1
19-516680	38149MAY9	Goldman Sachs BK USA New York	Certificates of Deposit - City Reserves	US Bank	150-10110	246,000	261,946	261,946	2.600	2.440	978	N/A	6/5/2023	6
19-516680	58404DFE6	Medallion Bk Salt Lake City	Certificates of Deposit - City Reserves	US Bank	150-10110	249,000	256,624	256,624	1.700	1.650	719	N/A	9/19/2022	4
19-516680	59013KCZ7	Merrick Bank	Certificates of Deposit - City Reserves	US Bank	150-10110	249,000	259,851	259,851	1.650	1.580	1,094	N/A	9/29/2023	7
19-516680	61690UGW4	Morgan Stanley Bank Na	Certificates of Deposit - City Reserves	US Bank	150-10110	246,000	261,960	261,960	2.600	2.440	979	N/A	6/6/2023	6
19-516680	61760AF46	Morgan Stanley Private Bk Natlassn	Certificates of Deposit - City Reserves	US Bank	150-10110	246,000	261,960	261,960	2.600	2.440	979	N/A	6/6/2023	6
19-516680	70212VAB4	Partners Bk helena Ark	Certificates of Deposit - City Reserves	US Bank	150-10110	247,000	249,994	249,994	0.600	0.590	1,734	N/A	6/30/2025	10
19-516680	795450XM2	Sallie Mae Bank	Certificates of Deposit - City Reserves	US Bank	150-10110	125,000	125,573	125,573	2.200	2.190	77	N/A	12/16/2020	0
19-516680	84223QAN7	Southern Bankcorp Bank	Certificates of Deposit - City Reserves	US Bank	150-10110	250,000	251,900	251,900	0.500	0.500	1,486	N/A	10/25/2024	9
19-516680	856285QG9	State Bk Indiana New York N Y	Certificates of Deposit - City Reserves	US Bank	150-10110	250,000	254,030	254,030	1.000	0.980	1,730	N/A	6/26/2025	11
19-516680	85916VDN2	Sterling Bank of Poplar Bluff	Certificates of Deposit - City Reserves	US Bank	150-10110	247,000	257,663	257,663	1.650	1.580	1,083	N/A	9/18/2023	7
19-516680	9497485W3	Wells Fargo Bank	Certificates of Deposit - City Reserves	US Bank	150-10110	249,000	251,704	251,704	1.750	1.730	260	N/A	6/17/2021	2
19-516680	949495AF2	Wells Fargo Bank Natl Bk West	Certificates of Deposit - City Reserves	US Bank	150-10110	247,000	256,391	256,391	1.850	1.780	821	N/A	12/30/2022	5
			Subtotal and Average			4,215,000	4,337,880	4,337,880	1.675	1.621	872			5
Medium-Term Corporate Notes														
19-516680	037833BS8	Apple Inc.	2.25% Corporate MTN 02/23/2021 - City Reserves	US Bank	150-10110	500,000	503,520	503,520	2.250	2.230	146	AA+	2/23/2021	2
19-516680	478160BT0	Johnson Johnson	2.05% Corporate MTN 3/1/23 - City Reserves	US Bank	150-10110	750,000	779,205	779,205	2.050	1.970	882	AAA	3/1/2023	16
19-516680	594918BW3	Microsoft Corp	2.40 % Corporate MTN 02/06/22- City Reserves	US Bank	150-10110	500,000	513,870	513,870	2.400	2.330	494	AAA	2/6/2022	6
19-516680	94988J5T0	Wells Fargo Bank Na	3.625 % Corporate MTN 10/22/21- City Reserves	US Bank	150-10110	500,000	515,555	515,555	3.625	3.520	387	A+	10/22/2021	5
			Subtotal and Average			2,250,000	2,312,150	2,312,150	2.581	2.513	477			7
Federal Agency Securities														
19-516680	3133ELH80	Federal Farm Credit Bks	.680% Agency Bond 6/10/25	US Bank	150-10110	500,000	500,900	500,900	0.680	0.680	1,714	AA+	6/10/2025	21
			Subtotal and Average			500,000	500,900	500,900	0.680	0.680	1,714			21

Investment Portfolio Total and Average

\$	41,546,594	\$	41,732,525	\$	41,732,525	1.074	1.053	511	6
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Average Years :	1.4
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CITY COUNCIL REPORT

7F

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER

SUBJECT: ADOPT A RESOLUTION APPROVING A COMPENSATION AND BENEFITS PLAN FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES

RECOMMENDATION

City staff recommends that the City Council adopt a resolution approving a Compensation and Benefits Plan for Management and Confidential Employees ("Plan").

BACKGROUND

City staff in the following management and confidential job classifications are currently employed under individual employment agreements (IEAs, sample attached):

- Assistant City Manager
- Development Services Director / City Engineer
- Finance Director
- Fire Battalion Chief
- Fire Chief
- Human Resources Specialist
- Planning Manager
- Police Chief
- Police Lieutenant
- Public Works Manager
- Recreation Manager
- Wastewater Treatment Plant Manager

The use of IEAs for these classifications is an arrangement that has provided the City with flexibility because, through IEAs, the City has been able to set specific, individualized salary, benefits, and other provisions for each employee. However, having IEAs with differing provisions has created an administrative burden and resulted in inconsistency in how different employees are treated.

REVIEW AND ANALYSIS

City staff has prepared a Compensation and Benefits Plan for Management and Confidential Employees ("Plan") for Council's consideration based on commonalities among the current IEAs, best practices, current legal requirements, and input from affected employees. It addresses the following common terms and conditions of employment, which have historically been addressed for Pinole's management and confidential employees in IEAs:

- Salary, potential cost of living adjustments (COLA), performance evaluation, and merit increases;
- Severance;
- Leaves;
- Medical, retirement, and other miscellaneous benefits; and
- Special compensation and allowances.

Although the Plan is based in large part on the commonalities among the current IEAs, it does differ from current IEAs in some regards. Whereas IEAs provide COLAs to management and confidential employees equivalent to that provided to City employees in another bargaining unit, the Plan establishes that the City Council will determine a COLA specifically for management and confidential employees, which provides the City Council with more flexibility. And, whereas IEAs do not specify salary ranges, the Plan contains salary ranges for each classification, comparable in breadth to the five-step range of other City employees. The salary range for each classification in the Plan was established based on Pinole's historic practice regarding salaries for different classifications, employees' current salaries, common practice among peer jurisdictions, internal equity considerations, and other common practices. The Plan also specifies a framework for performance evaluation and the consideration of merit increases, which is not addressed in IEAs. Finally, the current IEAs of management and confidential employees are limited term, whereas employment under the Plan will not be limited term.

Although one goal of the Plan is to simplify personnel administration by establishing a standard set of terms and conditions for employment of management and confidential employees, there are some special terms and conditions that apply to specific classifications with unusual work circumstances. For example, some employees are entitled in the Plan to take-home vehicles and uniform allowance. In addition, the Fire Battalion Chief classification is unique among the classifications covered by the Plan in that it does shift work, meaning that it works a specific shift (56 hours, in the Battalion 7 arrangement), which someone must cover, and that is outside of the standard Monday through Friday daytime schedule that all other management and confidential employees work. Because the Fire Battalion Chief does shift work, it does not have the same flexibility to have holidays off or take leave that the other employees covered by the Plan have. To address this, the Plan contains a provision that the Fire Battalion Chief be paid for holidays in lieu of taking them off and receive overtime when they are required to backfill for a shift in the Battalion 7 arrangement that would normally be covered by another Battalion 7 agency (either Confire or Rodeo-Hercules).

If the Plan is adopted by the City Council, the City will allow employees with IEAs to transition to the Plan immediately, or when their current IEAs expire.

Note that the City Manager and City Clerk, which are the only two management classifications that report directly to the City Council, are currently employed under IEAs.

FISCAL IMPACT

City staff do not expect there to be any significant fiscal impact due to transitioning from IEAs to the Plan. The Plan is intended to simplify and standardize the terms and conditions of employment for management and confidential employees.

ATTACHMENTS:

- A. Resolution
- B. Sample Individual Employment Agreement (IEA)
- C. Compensation and Benefits Plan for Management and Confidential Employees

RESOLUTION NO. 2020-____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, APPROVING A COMPENSATION AND BENEFITS PLAN FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES

WHEREAS, City staff in management and confidential job classifications are currently employed under individual employment agreements (IEAs); and

WHEREAS, although the use of IEAs for these classifications is an arrangement that has provided the City with flexibility, having IEAs with differing provisions has created an administrative burden and resulted in inconsistency in how different employees are treated; and

WHEREAS, having IEAs with differing provisions has resulted in an issue regarding pension benefits; and

WHEREAS, City staff has prepared a Plan for Council's consideration based on commonalities among the current IEAs, best practices, current legal requirements, and input from affected employees;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Pinole does hereby approve the City of Pinole Compensation and Benefits Plan for Management and Confidential Employees.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 17th day of November 2020 by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

Heather Iopu, CMC
City Clerk

AGREEMENT FOR EMPLOYMENT OF
XXXXXX

This Agreement is made and entered into by and between the City of Pinole (“the City”), a general law city, and XXXXXX (“XXXXXX” or “Employee”). This Agreement (“Agreement”) will become effective as specified herein.

1. Appointment of XXXXXX as XXXXXX Director:

The City Manager is authorized to negotiate the terms of an agreement with XXXXXX for his/her services. The City Manager and XXXXXX have engaged in such negotiations, and XXXXXX and the City now desire to agree in writing to the terms and conditions of XXXXXX’s employment as XXXXXX Director.

2. Term of Agreement:

This Agreement will become effective on the date executed by the City Manager, and will continue for a term of four (4) years. The parties to this Agreement may terminate this Agreement pursuant to the provisions of paragraph 5.

3. At-Will Employment:

XXXXXX is an “at will” employee who shall serve at the pleasure of the City Manager. Accordingly, the City Manager may terminate XXXXXX’s employment at any time, with or without cause. This provision may not be altered except by a written instrument executed by XXXXXX and the City Manager, which specifically references this Agreement and section.

4. Duties and Responsibilities:

a. XXXXXX shall commence his/her duties as XXXXXX Director effective XXXXX, 20XX.

b. XXXXXX shall serve as the XXXXXX Director for the City subject to the terms and conditions set forth herein. XXXXXX shall also perform the functions and duties specified under the laws of the State of California; the Municipal Code of the City; the Ordinances and Resolutions of the City; the job description for the XXXXXX Director position; and such other duties and functions as the City Manager may from time-to-time assign under the periodic performance evaluations anticipated under Section 11 of this Agreement.

c. XXXXXX agrees to devote his/her productive time, ability and attention to the City’s business. For the duration of this Agreement, XXXXXX shall not hold secondary employment, and shall be employed exclusively by the City, subject to any exceptions approved in writing by the City Manager. As an exempt employee, XXXXXX shall not receive overtime or extra compensation for work performed outside normal business hours.

5. Termination of Employment and Severance:

a. XXXXXX may terminate this Agreement with or without cause, by giving the City Manager thirty (30) days written notice in advance of termination. During the notice period, all the rights and obligations of the parties under this Agreement shall remain in full force and effect.

b. The City Manager may terminate this Agreement with or without cause, subject to any limitations in the Municipal Code at the time of termination.

c. In the event the City terminates XXXXXXXX's employment without cause after the first twelve (12) months of employment, the City shall pay XXXXXXXX severance in a sum equal to one (1) month base salary and the value of continuation of all medical benefits for a period of one (1) month, for every year of service, up to a maximum of six (6) months base salary and the value of continuation of all medical benefits for a period of six (6) months (collectively "Severance") under this Agreement. Such severance is contingent upon XXXXXXXX signing and delivering a general release of all claims against the City (including without limitation its former and current elected officials, employees, officers and agents). Any severance amount paid pursuant to this Agreement shall be subject to the restrictions set forth in California Government Code § 53260. If XXXXXX retires within 120 days after separation, and becomes eligible for coverage under the City's retiree health plan, XXXXXX shall reimburse the City the full value of the health premium portion of the severance payment.

d. If XXXXXX is terminated for "cause," the City shall not owe any severance under this Agreement. The determination of whether there is "cause" for termination shall include but not be limited to those items listed in the Personnel Rules.

6. Compensation:

a. Effective XXXXX, 20XX, XXXXXX shall be paid an annual base salary of \$XXXXXX, less all applicable federal, state and local withholding. XXXXXX shall be considered for a merit increase annually in conjunction with the completion of his performance evaluation, as outlined in paragraph 11. Merit increases shall subject to the City's ability to pay for a salary increase.

b. XXXXXX shall receive cost of living salary increases equal to that provided to the AFSCME bargaining unit.

c. XXXXXX shall receive the benefits identified in Exhibit A to this Agreement.

7. Hours of Work:

XXXXXX may work under a “flexible” time schedule, in consultation with the City Manager.

8. Indemnification:

The City shall defend, hold harmless and indemnify XXXXXX against any lawsuit pursuant and subject to the provisions and limitations of California Government Code section 825, provided such lawsuit is against XXXXXX for acts within the course and scope of his employment. The City may decline to defend and/or indemnify only as permitted by the California Government Code. The City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment therefrom.

9. Notices:

Notices pursuant to this Agreement shall be in writing given by deposit in the custody of the United States Postal Service, first class postage prepaid, addressed as follows:

- a. The City:
City Manager
2131 Pear Street
Pinole, CA 94564
- b. XXXXXX:
To the address shown as current in the payroll system

Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial process. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice, postage prepaid, with the United States Postal Service.

10. Arbitration:

a. Any controversy or claim arising out of or relating to this Agreement or the breach thereof, or arising out of or relating to XXXXXX's employment or termination thereof, including but not limited to claims of employment discrimination based on federal and state law, which cannot be resolved among the parties themselves, shall, on the written request of either party served on the other within the applicable statute of limitations, be submitted and resolved by final and binding arbitration in a manner consistent with the Federal Arbitration Act, if applicable, or the California Code of Civil Procedure (including CCP Section 1283.05). Service of the written request shall be made only by certified mail, with a return receipt requested. Time is of the essence; if the request is not served within a one-year period for claims arising out of this Agreement, or within the applicable statute of limitations for the alleged federal and state law claims, the complaining party's claim(s) shall be forever waived and barred before any and all forums, including, without limitation, arbitration or judicial forums.

b. The Arbitrator shall have no authority to alter, amend, modify or change any of the terms of this Agreement unless a provision expressly conflicts with applicable federal or state laws. Any arbitrator selected under this provision shall have the express authority to consider statutory violations of federal and state law in addition to disputes involving this Agreement. The decision of the Arbitrator shall be final and binding and judgment therein may be entered in any court having jurisdiction over the dispute.

c. The Arbitration shall be conducted under the National Rules ("Rules") for the Resolution of Employment Disputes of the American Arbitration Association ("AAA") current at the time of the dispute. In the event that any of the above Rules are determined to be in conflict with federal or state law, then the arbitrator shall have the authority to amend the Rules accordingly. The City shall be responsible for paying all the AAA's administrative and arbitrator's fees. In all other respects, the parties shall bear their own attorneys' fees and costs except as otherwise required by law. The parties shall have the right to conduct discovery which provides them with access to documents and witnesses that are essential to the dispute, as determined by the arbitrator. The arbitrator's written award shall include the essential findings and conclusions upon which the award is based.

d. The parties intend that this arbitration procedure is mandatory and shall be the exclusive means of resolving all disputes whether founded in fact or law between Employee and the City and/or its employees, elected officials, directors, agents, officers or managers arising out of or relating to this Agreement, the parties' employment relationship and/or the termination of that relationship, including, but not limited to, any controversies or claims pertaining to wrongful or constructive discharge, violations of the covenant of good faith and fair dealing, implied contracts, public policies, anti-discrimination statutes or any employment-related statutes. THE PARTIES EXPRESSLY WAIVE ANY CONSTITUTIONAL OR STATUTORY RIGHT TO HAVE ANY SUCH DISPUTE DECIDED IN A COURT OF LAW AND/OR BY A JURY IN A COURT PROCEEDING.

11. Performance Evaluations:

The City Manager shall review and evaluate the performance of XXXXXX every twelve (12) months, or on any other schedule deemed appropriate by the City Manager. At the time of each evaluation, performance goals shall be discussed that will be used to assist in the evaluation of XXXXXX's performance in the future. The performance evaluation shall be documented in memo form and shall address the ongoing role of XXXXXX, an evaluation of past performance and mutual expectations of future performance. These memos shall further define the role and performance expectations of XXXXXX.

12. Dues and Subscriptions:

The City shall pay for the professional dues and subscriptions of XXXXXX necessary for his continuation and full participation in appropriate professional organizations, subject to available budgeted funds.

13. Professional Development:

At the time of the execution of this Agreement, the parties acknowledge that XXXXXX is, or will be, a member of various professional and service organizations. In addition, other organizations sponsor and offer short courses, institutes, seminars, and the like, which would be beneficial to XXXXXX's professional development.

XXXXXX is permitted, encouraged, and in some instances, required by the City, to attend such meetings, activities, seminars, courses, institutes, and the like, as deemed appropriate by the City Manager. XXXXXX's travel, subsistence, and other related expenses shall be reimbursed consistent with applicable City policy and available budgeted funds.

14. Miscellaneous:

a. The text herein shall constitute the entire agreement between the parties. This Agreement may not be modified, except by written agreement executed by both parties.

b. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

c. This Agreement shall be governed by the laws of the State of California.

d. This Agreement may be executed in counterparts containing original signatures.

XXXXXX

DATED:

CITY

XXXXXXXXXX, City Manger

DATED:

ATTEST:

APPROVED AS TO FORM:

XXXXXXXXXX
City Clerk

XXXXXXXXXX
City Attorney

EXHIBIT A

▪ **Health, Vision, Dental, Retirement Benefits**

XXXXXX shall receive the same health, vision, dental, retirement, life insurance (\$40,000), long-term disability and other benefits, including PERS that are provided to all other Miscellaneous City employees.

Premium Contributions: The City's contribution toward XXXXXX's health insurance premium shall be based on the Kaiser XXXX rates, based on family status (single = \$XXXX, 2-party = \$XXXXX, or family = \$XXXXXX). If XXXXXX elects to participate in the medical in-lieu benefit, the amount provided to XXXXXX shall be \$225, \$450, or \$600 per month, depending on the family status.

▪ **Retiree Medical**

XXXXXXX and his/her spouse at the time of retirement shall be eligible to enroll on the City's retiree medical plan, in accordance with the provisions of the CalPERS Health Plans and the CalPERS Health Vesting Schedule.

The City shall make contributions toward XXXXXXX's retiree health insurance premium in accordance with the CalPERS Health Vesting Schedule.

Upon XXXXXXX's death, his/her spouse shall continue to be eligible for enrollment on the City's plan, in accordance with the CalPERS Health Plan eligibility requirements and restrictions.

▪ **Retirement Plan**

Classic Employees:

The City currently participates in a retirement system through a contract with the California Public Employees Retirement System (CALPERS). For the Miscellaneous Employees, including XXXXXX, the CALPERS contract offers the following options:

- 3% @ 55 Retirement Plan
- Military Buy Back
- Third Level Survivors Benefit
- Single Highest Year Compensation Formula
- Service for Unused Sick Leave

XXXXXXX agrees to pay the full Employee Contribution to CalPERS (8%).

New Employees:

The City currently participates in a retirement system through a contract with the California Public Employees Retirement System (CALPERS). Effective January 1, 2013, new employees falling under the PEPRA law shall pay 50% of the Normal Cost: For the Safety Employees, including XXXXXX, the CALPERS contract offers the following options:

- Third Level 1959 Survivors Benefits
- Average of the three highest years of compensation
- Service Credit for Unused Sick Leave
- 2.7% at 57 Retirement Plan

▪ **Auto Allowance**

[Insert applicable language, if negotiated]

▪ **Cell Phone/PDA Stipend**

If XXXXXXXX obtains a personal Cell Phone/PDA and wishes to utilize the device for business purposes, in lieu of a City issued PDA, the City shall provide XXXXXX with a \$60 monthly stipend. This stipend shall be payable on one pay period each month and be subject to all federal and state withholding and tax laws.

XXXXXXX hereby acknowledges and agrees that receipt of this stipend means that any voice-mail, text or e-mail messages received on his/her personal device that are related to City business are property of the City and are subject to disclosure in accordance with the Public Records Act and applicable case law. XXXXXXX further hereby confirms that he/she will provide authorization for the City to obtain such records from his/her service provider.

▪ **Deferred Compensation – 457 Plan**

The City makes a 457 plan available for XXXXXXXX to contribute to through payroll deduction.

▪ **Vacation**

XXXXXXX shall accrue vacation leave at a rate of 96 hours per year, accrued incrementally each pay period. Upon separation from the City, XXXXXXXX shall be paid for all unused accrued vacation leave based upon his base salary on the date of separation. At the beginning of XXXXXXXX's fifth (5th) year of employment his accrual rate will increase to 144 hours per year. At the beginning of XXXXXXXX's tenth (10th) year of employment his accrual rate will increase to 160 hours per year. At the beginning of XXXXXXXX's sixteenth (16th) year of employment his accrual rate will increase to 192 hours per year.

XXXXXX may cash out up to 52 hours of vacation annually, provided that he has a minimum of 20 days (160 hours) accumulated.

▪ **Administrative Leave**

In addition to vacation leave, XXXXXX shall also accrue ninety-six (96) hours of administrative leave per year, accrued incrementally each pay period. XXXXXX may cash out this leave at any time during the calendar year. Any balance remaining at the end of each calendar year will automatically be paid to XXXXXX at his hourly base pay in effect on that date.

▪ **Sick Leave**

XXXXXX shall accrue ninety-six (96) hours of sick leave per year, accrued incrementally each pay period. In addition, XXXXXX shall receive an additional four (4) hours of vacation accrual twice a year (8 hours total per year) if he does not use any sick leave during the six months of January-June and July-December each year.

▪ **Other Leaves**

XXXXXX shall receive all other leaves, (Bereavement, Family and Medical, Jury Duty, Military, etc.) as provided to other Miscellaneous City employees.

▪ **Holidays**

XXXXXX shall receive the following legal paid holidays:

- | | |
|-------------------------------|-------------------------------|
| ▪ January 1 | New Year's Day |
| ▪ Third Monday in January | Martin Luther King's Birthday |
| ▪ Third Monday in February | Washington's Birthday |
| ▪ Last Friday in March | Caesar Chavez Day |
| ▪ Last Monday in May | Memorial Day |
| ▪ July 4 | Independence Day |
| ▪ First Monday in September | Labor Day |
| ▪ November 11 | Veteran's Day |
| ▪ Fourth Thursday in November | Thanksgiving |
| ▪ Fourth Friday in November | Day after Thanksgiving |
| ▪ December 25 | Christmas |

In the event that any of the aforementioned days falls on a Saturday, the preceding Friday shall be considered a holiday for pay purposes. In the event that any of the aforementioned days falls on a Sunday, the following Monday shall be considered a holiday for pay purposes.

Every day proclaimed by the President or the Governor as a public fast, Thanksgiving, day of mourning, or holiday shall be observed as a holiday for pay purposes.

In addition, XXXXXX shall receive twelve (12) hours of floating holiday each fiscal year. These hours are not vested and must be taken by June 30th of each year or they will be lost. These hours may not be cashed out.

CITY OF PINOLE

COMPENSATION AND BENEFITS PLAN

FOR

MANAGEMENT AND CONFIDENTIAL

EMPLOYEES

Effective November 17, 2020

**CITY OF PINOLE
COMPENSATION AND BENEFITS PLAN
MANAGEMENT AND CONFIDENTIAL EMPLOYEES**

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**CITY OF PINOLE
MANAGEMENT AND CONFIDENTIAL EMPLOYEES
COMPENSATION AND BENEFITS PLAN**

ARTICLE ONE: INTRODUCTION

SECTION 1. ESTABLISHMENT AND PURPOSE

The City of Pinole (“City”) wishes to establish and maintain a plan of compensation and benefits for management and confidential personnel of the City. Accordingly, the City sets forth this “Management and Confidential Employees Compensation and Benefits Plan” (also known as the “Plan”).

The purpose of this Plan is to establish the compensation and benefits applicable to the City’s management and confidential employees beyond those already approved in the Personnel Rules or other legislative actions of the City Council. Should there be any conflicting provisions between this Plan and the Personnel Rules, the Plan shall supersede.

SECTION 2. ADMINISTRATION OF THE PLAN

The Management and Confidential Employees Compensation and Benefits Plan shall be administered by the City Manager or his/her designee. The City Manager shall have the authority to establish and revise policies and procedures to ensure fair and equitable administration of the Plan.

SECTION 3. CLASSIFICATIONS

The following management and confidential classifications are covered by this Plan.

- Assistant City Manager
- Development Services Director / City Engineer
- Finance Director
- Fire Battalion Chief
- Fire Chief
- Human Resources Specialist
- Planning Manager
- Police Chief
- Police Lieutenant
- Public Works Manager
- Recreation Manager
- Wastewater Treatment Plant Manager

SECTION 4. AT-WILL STATUS

All employees covered by this Plan are employed on an “at will” basis. Accordingly, both the City and the employee have the right to terminate the employment relationship at any time, with or without advance notice, and with or without cause.

SECTION 5. TRANSITION TO THE PLAN

The terms and conditions regarding compensation and benefits for the employees in classifications covered under this Plan are currently set forth in individual employment agreements (“IEA”). This Plan and the provisions herein shall replace any and all IEAs upon the expiration of the IEAs. Conversely, employees may elect to voluntarily transition to the Plan prior to the expiration of their IEA, and may do so in a written document signed by both the employee and the City Manager. The written document will state that the employee has voluntarily terminated their IEA and will be covered under the Plan going forward. When an employee transitions from an IEA to the Plan, the City Manager shall set the employee’s initial salary under the Plan based on the employee’s attainment of the knowledge and skills required by the classification and the employee’s performance to-date in carrying out the duties of the classification. If an employee’s salary under the IEA is less than the minimum annual salary in the Plan, upon transitioning, the employee’s salary shall be at least the minimum annual salary reflected in the Plan. The salaries of all employees in classifications covered under this Plan shall adhere to the ranges for the employee’s respective classification as set by the Plan regardless of whether or not the employee is covered by an IEA or has transitioned to the Plan.

SECTION 6. EFFECTIVE DATE

This Plan will become effective on November 17, 2020, and will continue to be in effect unless otherwise modified by the City Council.

ARTICLE TWO: COMPENSATION

SECTION 7. MANAGEMENT SALARY RANGES

A. Initial Salary

For new employees, the City Manager, or their designee, shall set the salary for individual employees covered by this Plan at the time of their initial appointment, within the established salary range for their classification. New hires may be appointed anywhere within the salary range for their classification.

B. Base Compensation Structure

As provided in Exhibit A, this Plan sets forth the base salary ranges for all classifications covered by this Plan. There shall be no specified or pre-determined “steps” within the salary ranges for employees covered by this Plan. Rather, each classification under this Plan shall be assigned an open salary range containing a 21.6% spread between the minimum and maximum points of the range.

SECTION 8. COST OF LIVING AND PAY RANGE ADJUSTMENTS

At least annually, the City Council will consider a cost of living adjustment to the salary ranges for all classifications covered by this Plan that considers inflationary increases in the cost of living.

SECTION 9. MERIT INCREASES AND PERFORMANCE EVALUATIONS

A. Basis for Merit Increases

In addition to the cost of living adjustment discussed above, an employee covered by this Plan may receive a merit increase, once per year in relation to their anniversary and annual performance appraisal. Merit increases will be based upon the quality of the employee’s performance in the preceding twelve (12) months. Merit increases shall result in an employee advancing within the established salary range for their classification by the amount of the merit increase.

B. Performance Evaluation Process

Performance evaluations for all employees covered under this Plan are the responsibility of the City Manager, who normally will delegate the responsibility of performance reviews to the covered employee’s department head. The process for performance evaluations shall be conducted in accordance with Section 14 in the Personnel Rules, unless expressly provided otherwise below.

A performance evaluation shall be prepared at least annually on each employee’s anniversary date.

The evaluation process shall begin with each employee preparing a self-evaluation of their own performance during the prior year. In addition, the employee shall draft proposed goals and objectives for the coming year.

The employee's supervisor shall then evaluate the employee's performance for the prior year. The evaluations of both the employee and supervisor shall focus on:

- (1) the employee's performance of their regular duties and responsibilities; and
- (2) the employee's attainment of specific goals and objectives established for the employee at the beginning of the review period (i.e. one year earlier).

Following completion of the written evaluations, the employee and their supervisor shall meet to discuss both the quality of the employee's performance of their regular duties and responsibilities and the employee's degree of success in accomplishing the specific goals and objectives set for them the previous year. They shall also review the employee's proposed goals and objectives for the coming year.

C. Merit Adjustment Guidelines

Employees may be granted a merit adjustment of up to five percent each year (5.0%) for exemplary performance.

D. Cap on Merit Increases

If an employee's salary is at the top of the salary range for their classification, the employee shall not be eligible for a merit increase.

If an employee's salary is below the top of the salary range for their classification, the employee may receive a merit increase in accordance with the provisions set forth above. If the amount of the merit increase awarded would cause the employee's salary to exceed the top of his/her salary range, then the employee shall receive as a merit increase only that portion of the merit increase that will bring his/her salary to the top of his/her range.

SECTION 10. EQUITY ADJUSTMENTS

The City Manager may authorize an increase to an individual employee's salary to address internal or external salary equity issues. Any equity adjustment shall consider relevant internal and external equity data in order to effectuate the intent of this section. Any adjusted salary must adhere to the minimum and maximum amounts of the employee's classification range.

SECTION 11. SEVERANCE PAY

Except as specifically noted otherwise, this section shall apply to all employees covered under this Plan.

In the event that the City terminates the employment of any employee covered by the Plan without cause after the first twelve (12) months of employment, the City shall pay the employee severance, in a sum equal to one (1) month base salary and the value of continuation of health insurance coverage for a period of one (1) month for every year of service, up to a maximum of six (6) months base salary and the value of continuation of health insurance coverage for a period of six (6) months (collectively "Severance"). Such severance is contingent upon the employee signing and delivering a general release of all claims against the City (including without limitation its former and current elected officials, employees, officers and agents). If the employee retires subsequent to separation and receives coverage under the City's retiree health plan within six months of separation, the employee shall reimburse the City for the portion of the Severance associated with the value of continuation of health insurance coverage attributable to post-employment months after which the employee had coverage through the City's retiree health plan. If the employee is terminated for "cause," the City shall not owe any severance under this Plan. The determination of whether there is "cause" for termination shall include but not be limited to those items listed in the Personnel Rules. The term "cause" only relates to the potential to receive severance, and has no bearing on an employee's at-will status.

ARTICLE THREE: BENEFITS

SECTION 12. SICK LEAVE

A. Rate of Sick Leave Earned

Employees covered under this Plan shall accrue ninety-six (96) hours of sick leave per year, accrued incrementally each pay period.

B. Sick Leave Incentive

An employee's sick leave use shall be reviewed by the City at the end of each calendar year. Employees who do not use any sick leave for six (6) consecutive months within the calendar year shall receive an additional four (4) hours of accrued vacation time.

Employees who do not use any sick leave for the entire calendar year (12 months) will receive an additional eight (8) hours of vacation time.

C. Other Use of Sick Leave

All other conditions regulating sick leave accruals, usage, and family leave contained within the City's duly adopted Personnel Rules shall apply to all employees covered under this Plan.

SECTION 13. HOLIDAYS

Employees that do not perform public safety shift work shall receive the following legal paid holidays:

- | | |
|-------------------------------|-------------------------------|
| • January 1 | New Year's Day |
| • Third Monday in January | Martin Luther King's Birthday |
| • Third Monday in February | Washington's Birthday |
| • Last Friday in March | Caesar Chavez Day |
| • Last Monday in May | Memorial Day |
| • July 4 | Independence Day |
| • First Monday in September | Labor Day |
| • November 11 | Veteran's Day |
| • Fourth Thursday in November | Thanksgiving |
| • Fourth Friday in November | Day after Thanksgiving |
| • December 25 | Christmas |

In the event that any of the aforementioned days falls on a Saturday, the preceding Friday shall be considered a holiday for pay and leave purposes. In the event that any of the aforementioned days falls on a Sunday, the following Monday shall be considered a holiday for pay and leave purposes. Every day proclaimed by the President or the Governor as a public fast, Thanksgiving, day of mourning, or holiday shall be observed as a holiday for pay purposes.

In addition, employees covered under this Plan shall receive twelve (12) hours of floating holidays each fiscal year. These hours are not vested and must be taken by June 30th of each year or they will be lost. These hours may not be cashed out.

Employees that perform public safety shift work shall receive 11.2 hours of straight time pay for each holiday listed above in lieu of receiving paid time off.

SECTION 14. ADMINISTRATIVE LEAVE

A. Department Heads

The following classifications shall be entitled to receive administrative leave at an accrual rate of ninety-six (96) hours per year, accrued incrementally each pay period, and may cash out no more than sixty-four (64) hours each year. Any balance remaining at the end of each calendar year will automatically be paid out at the employees' hourly base pay in effect on that date.

- Assistant City Manager
- Development Services Director/City Engineer
- Finance Director
- Fire Chief
- Police Chief

B. All Other Classifications

Unless otherwise provided under this section, all other classifications covered by this Plan shall be entitled to receive administrative leave at an accrual rate of sixty (60) hours per year, accrued incrementally each pay period, and may cash out no more than forty (40) hours each year. Any balance remaining at the end of each calendar year will automatically be paid out at the employees' hourly base pay in effect on that date.

SECTION 15. OTHER LEAVES

Employee covered by this Plan shall receive all other leaves (Bereavement, Family and Medical, Jury Duty, Military, etc.) as provided to other Miscellaneous City employees.

SECTION 16. VACATION

A. Rate of Vacation Earned

Employees shall accrue vacation at the following rates, up to the following maximums, for continuous years of service performed:

<u>Years of Service</u>	<u>Hours Accrued Per Year</u>	<u>Maximum Accrual (Hours)</u>
0 – 4	96	192
5 – 9	144	288
10 – 15	160	320
16+	192	384

The City Manager may grant a new employee a higher initial rate of annual accrual based on years of public service with other agencies or other appropriate factors. If a new employee is granted a higher initial rate of annual accrual, the employee's rate will stay the same until the employee advances, based on the years of City service, to the higher accrual step.

Employees covered by the Plan may cash out up to 52 hours of vacation annually, provided that he/she has a minimum of 20 days (160 hours) accumulated.

Employees that transition from IEAs to the Plan shall accrue vacation at the rate that the employee receives under their IEA at the time of transition. The employee's rate will stay the same until the employee advances, based on the years of City service, to the higher accrual step per the table above. Employees that transition from IEAs to the Plan shall not have any cap on maximum accrual.

SECTION 17. MEDICAL BENEFITS

A. Health Insurance

The City shall make the following contributions toward the employee's health premium:

- Effective January 1, 2020, the City's contribution toward the employee's health premium will equal the 2019 Kaiser rate at each level of coverage.
- Effective January 1, 2021, and every January 1 thereafter, the City's contribution toward the employee's health premium will equal the Kaiser rate for the prior calendar year at each level of coverage.

B. Retiree Medical Insurance

The City will contribute toward retiree health premiums, at the retiree's preferred family status, as follows:

- Employees hired before July 1, 2010 shall be:
 - eligible to continue in the CalPERS Health Plan and receive a City contribution toward their retiree health premium equal to that provided to current active employees, in accordance with Government Code Section 22892
 - offered the option to elect to participate in the vesting program as defined below (described by Government Code Section 22893) as soon after the program implementation as allowed per CalPERS regulations
- Employees hired on or after July 1, 2010 shall receive a City contribution toward their retiree health premium in an amount as described by Government Code Section 22893 (the PERS vesting schedule).

The percentage of employer contribution toward retiree health premiums is determined annually by CalPERS and shall be based on the member's completed years of credited service (excluding any purchased service credits) at retirement as shown in the table below. Employees must have a minimum of five (5) years of service with the City of Pinole and 10 years of total CalPERS service credit to be eligible for this benefit.

Credited Years of Service	Percentage of Employer Contribution
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

C. Medical In-Lieu

Eligible full-time employees with alternate medical insurance shall be allowed to receive payment in lieu of medical insurance as follows:

- One-party coverage: \$225
- Two-party coverage: \$450
- Family coverage: \$600

An employee must show proof of adequate medical insurance coverage under another health plan before the benefit may be received, and annually thereafter. Employees will be subject to provisions of the City's health plans in the event termination of in-lieu benefits and resumption of medical coverage is desired.

Employees electing the medical in-lieu option shall be entitled to an adjustment in the amount received for this option should their coverage status change. It is the duty of the employee to notify Human Resources of any such changes.

SECTION 18. DENTAL INSURANCE

A. Dental Insurance Provided

The City shall pay for the dental insurance premiums for employees covered by this Plan and their eligible dependents, if desired. Selection of the carrier shall be at the discretion of the City.

The City-provided dental insurance plan provides for a maximum annual dental payout of \$1,500 total for each employee and their eligible dependents.

B. Orthodontic Insurance Provided

The City shall pay for the orthodontic insurance premiums for employees covered by this Plan and their eligible dependents, if desired. Selection of the carrier shall be at the discretion of the City.

The City-provided orthodontic insurance plan provides for a lifetime maximum orthodontic payout of \$1,500 for each employee and for each employee's eligible dependents.

SECTION 19. VISION INSURANCE

A. Vision Insurance Provided

The City agrees to pay the premium for full family vision care coverage that provides for one examination, one set of lenses, and one frame per year. Selection of the carrier shall be at the discretion of the City. The City provided plan shall provide for a \$20 co-payment for examination and a \$20 co-payment for materials.

SECTION 20. LIFE INSURANCE

A. Life Insurance Provided

The City agrees to provide term life insurance and accidental death and dismemberment insurance in the amount of \$40,000 each per year/per employee. Selection of the carrier shall be at the discretion of the City.

SECTION 21. DISABILITY INSURANCE

A. Disability Insurance Provided

The City agrees to provide the State Disability Insurance program to employees covered by this Plan.

B. Disability Insurance Premium Rates

- **Short Term Disability Rates**

The City shall provide, at its own expense, short-term disability insurance of two-thirds of salary (\$463 per week maximum benefit) with a 29-day waiting period.

- **Long Term Disability Rates**

The City shall provide, at its own expense, long term disability insurance of two-thirds of salary up to \$3,000 per month (\$2,001 maximum benefit) with a 90-day waiting period.

C. Disability Insurance Option for Upgrade

Employees have the option to upgrade the plan to provide two-thirds of salary up to \$5,000 per month at employee expense provided that all employees covered under this Plan opt for this upgraded coverage with said expense taken as a payroll deduction and provided the selected carrier agrees to this change.

SECTION 22. DOMESTIC PARTNER MEDICAL COVERAGE

A. Domestic Partnership and Coverage Defined

A Domestic Partnership is defined pursuant to the California Family Code. The City, in accordance with CalPERS regulations, will allow coverage for registered domestic partners of employees, as qualified dependents, under the medical, dental, and vision health care plans. Prior to any coverage being provided, the employee must provide proof of domestic partnership registration with the California Secretary of State.

SECTION 23. INCENTIVE BENEFITS

A. Educational Degree

During the term of this Plan, the City will pay those employees who have earned degrees from accredited college institutions, additional pay as follows:

- | | |
|-----------------------------------|--------------------|
| • Associate of Art/Science Degree | \$ 75.00 per month |
| • Bachelor of Art/Science Degree | \$150.00 per month |
| • Master of Art/Science Degree | \$225.00 per month |

An employee is only eligible to receive Educational Degree Pay under this section for one degree. An employee is not eligible to receive this pay for multiple degrees and/or disciplines.

This Educational Degree Pay shall only be paid to employees holding a degree beyond that which is required for their classification, as outlined in the classification description, and if a higher degree is determined to be beneficial by the City Manager, which shall not unreasonably be withheld.

SECTION 24. RETIREMENT PLAN FOR EMPLOYEES**A. Retirement Plan Defined**

The City shall contract with the California Public Employees Retirement System (CalPERS) for the purpose of allowing employees to earn retirement benefits.

B. CalPERS Contract Benefits – Classic Employees

For “Classic” Public Safety (3% @ 55 Plan) and Miscellaneous (2.5% @ 55 Plan) Members, the contract offers the following options:

- Military Buy Back - The choice to participate in the CalPERS Military Buy Back program is solely at the discretion and cost of the employee.
- Third Level 1959 Survivors Benefits
- Single Highest Year Compensation Formula
- Service Credit for Unused Sick Leave

C. CalPERS Employer Contribution Rate Sharing Formula for Classic Employees

The total amount owed by the City to CalPERS related to retirement benefits of City employees and annuitants is composed of the plan total normal cost and the plan total amortized cost, which together are the “Plan Total Cost”. City employees pay an “expected” employee contribution toward the plan total normal cost. Unless otherwise established between the City and employees, the City pays to CalPERS the plan total cost less the expected employee contribution, which is paid to CalPERS by the employee through payroll deduction.

Employees covered under the Plan will pay an amount above the expected employee contribution, calculated as described below.

Public Safety Employees

Employees covered by this Plan that participate in CalPERS as public safety plan Tier 1 (“Classic”) employees will contribute 9% of salary (expected employee contribution) and an additional 12.935% of salary (employee’s share of City rate). In the event the Plan Total Cost for the City’s Tier 1 public safety plan employees, when expressed as a percentage of payroll, increases in excess of 5.0% over the prior year’s contribution rate, the additional amount above the 5.0% increase shall be shared equally between the City and the employee. For example, if the employer contribution rate increases from one year to the next by 7%, then the City will pay 5% of that increase. For the remaining 2%, the City will pay 1% and the employee will pay 1%.

Miscellaneous Employees

Employees covered by this Plan that participate in CalPERS as Tier 1 (“Classic”) employees will contribute 8% of salary (expected employee contribution) and an additional 8.388% of salary (employee’s share of City rate). In the event the Plan Total

Cost for the City's Tier 1 employees, when expressed as a percentage of payroll, increases in excess of 4.0% over the prior year's contribution rate, the additional amount above the 4.0% increase shall be shared equally between the City and the employee. For example, if the employer contribution rate increases from one year to the next by 6%, then the City will pay 4% of that increase. For the remaining 2%, the City will pay 1% and the employee will pay 1%.

D. CalPERS Contract Benefits – PEPRAs Employees

Individuals first employed by the City on or after January 1, 2013 who are defined as “new members” by the Public Employees’ Pension Reform Act (PEPRA) of 2013, shall be enrolled in the CalPERS.

Employees classified as PEPRA Public Safety members will be enrolled in a 2.7% @ 57 plan. Employees designated as Local Miscellaneous PEPRA members will be enrolled in a 2% @ 62 plan. Employees covered by the Plan enrolled in CalPERS as PEPRA Public Safety or Local Miscellaneous members will be responsible to pay a contribution to CalPERS equal to 50% of the total normal cost for their defined Plan as determined by CalPERS.

SECTION 25. DEFERRED COMPENSATION – 457 PLAN

The City shall make a 457 plan available for employees covered by the Plan to contribute to through payroll deduction.

SECTION 26. CLOTHING AND EQUIPMENT ALLOWANCE

A. Uniform and Safety Equipment Allowance for Public Safety Employees

Public safety employees covered by this Plan shall receive an annual uniform allowance of \$1,000 for the purchase and maintenance of uniforms and accessories.

The uniform allowance will be paid twice annually, one-half (1/2) in June and one-half (1/2) in December. Newly hired employees shall be eligible for a pro-rated start-up allowance.

Police employees covered by this Plan shall receive an annual safety equipment allowance of \$255 for the purchase of equipment such as a weapon, holster, duty belt, handcuffs, baton, flashlight, etc. The safety equipment allowance shall be paid in the same fashion as the uniform allowance described above.

B. Safety Shoe Allowance

The classifications listed under this section shall receive a safety shoe allowance in the amount of \$200 per year.

- Public Works Manager
- Wastewater Treatment Plant Manager

The allowance provided under this section will be paid twice annually, one-half (1/2) in June and one-half (1/2) in December.

SECTION 27. AUTO ALLOWANCE

A. Police and Fire

The City shall provide the following classifications with a city-owned automobile for use in discharging their duties, subject to all federal and state tax laws. The City shall also provide all expenses related to gasoline, maintenance and insurance of said vehicle. The classifications covered under this subsection shall have the unrestricted use of said vehicle within the State of California and shall not drive outside the state unless receiving prior approval from the City Manager.

- Police Chief
- Police Lieutenant
- Fire Chief
- Fire Battalion Chief

B. All Other Employees

The City shall provide employees with an automobile allowance in the form of a per mile reimbursement per IRS-approved mileage rates. These payments shall be made in conjunction with the City's normal payroll periods and subject to all federal and state withholding and tax laws.

C. Elimination of Auto Allowance

All employees hired on or after November 17, 2020 will not receive an automobile allowance.

SECTION 28. CELLPHONE ALLOWANCE

An employee covered under this Plan has the option to obtain a City-issued cellphone for business purposes. If the employee does not elect to receive a City-issued cellphone, the City shall provide the employee with a \$65 monthly stipend. This stipend shall be payable on one pay period each month and be subject to all federal and state withholding and tax laws.

The employee hereby acknowledges and agrees that receipt of this stipend means that any voicemail, text, or e-mail messages received on his or her device that are related to City business are the property of the City and are subject to disclosure in accordance with the Public Records Act and applicable case law. The employee further hereby confirms that he or she will provide authorization for the City to obtain such records from his or her service provider.

SECTION 29. FIRE BATTALION CHIEF BACKFILL FOR PARTNER AGENCY

The Fire Battalion Chief classification is distinct among the classifications covered by the Plan in that it performs shift work. The City of Pinole is a party, with the Rodeo-Hercules Fire District and the Contra Costa County Fire Protection District, to the Battalion 7 agreement, through which, among other things, each party provides a Fire Battalion Chief on a rotating shift basis to cover the needs of the entire Battalion 7. From time to time, the Pinole Fire Battalion Chief is required to cover a shift as Battalion Chief for Battalion 7 that is additional to the City's normal shifts. When the City's Fire Battalion Chief covers the Battalion Chief duties for another agency, the Fire Battalion Chief shall receive compensation at a rate of one and one-half times his or her basic hourly salary for the hours worked, not to exceed the amount reimbursed by the other agencies.

EXHIBIT “A”**MANAGEMENT GROUP SALARY RANGES
EFFECTIVE NOVEMBER 17, 2020**

Classification	Minimum Annual Salary	Maximum Annual Salary
Assistant City Manager	\$192,893	\$234,463
Police Chief	\$192,893	\$234,463
Development Services Director/City Engineer	\$183,708	\$223,298
Finance Director	\$167,007	\$202,999
Fire Chief	\$167,007	\$202,999
Fire Battalion Chief	\$144,517	\$175,661
Planning Manager	\$144,517	\$175,661
Police Lieutenant	\$131,379	\$159,692
Wastewater Treatment Plant Operator	\$119,436	\$145,174
Public Works Manager	\$106,165	\$129,044
Recreation Manager	\$106,165	\$129,044
Human Resources Specialist	\$67,280	\$81,779



CITY COUNCIL REPORT

7G

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCILMEMBERS

FROM: HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT WITH
SATELLITE AFFORDABLE HOUSING ASSOCIATES TO DEVELOP
AFFORDABLE HOUSING AT 811 SAN PABLO AVENUE

RECOMMENDATION

It is recommended that the City Council adopt a resolution approving an Exclusive Negotiating Rights Agreement ("ENA") with Satellite Affordable Housing Associates ("SAHA") to develop affordable housing on vacant land owned by the City at 811 San Pablo Avenue (APN 402-166-030).

BACKGROUND

The City of Pinole ("City") is the Housing Successor Agency ("Housing Successor") to the former Pinole Redevelopment Agency ("Former Agency"). Following the statewide dissolution of California redevelopment agencies in 2012, the Former Agency transferred a 0.60-acre vacant lot at 811 San Pablo Avenue ("Site") to the Housing Successor. State law requires the Site to be sold or developed with affordable housing by February 15, 2023.

The City also has over \$2 million in Low and Moderate Income Housing Asset Funds ("Housing Asset Funds") that must be spent on affordable housing development. If Housing Asset Funds are not spent within the next two years, the City risks having to transfer underutilized Housing Asset Funds (called "excess surplus") to the State Department of Housing and Community Development ("HCD").

The City issued a Request for Proposals ("RFP") in January 2020 to develop the Site with Housing Asset Fund assistance. The RFP stated a preference for housing that serves veterans based on prior direction from the City Council. The City received two proposals by the April 30, 2020 deadline from: 1) Satellite Affordable Housing Associates ("SAHA") and 2) Power Community Development Systems, Inc. ("PCDSI"). SAHA submitted a detailed proposal that met all RFP requirements. PCDSI submitted a brief letter of interest that failed to meet RFP requirements and did not demonstrate strong experience with affordable housing development.

City Council directed staff to commence negotiations with SAHA. After conducting a detailed review of SAHA's qualifications and proposed development, staff recommends entering into an ENA that will give SAHA exclusive negotiating rights to negotiate Disposition Agreements if certain conditions are met within 240 to 360 days.

REVIEW AND ANALYSIS

Proposed Project and Developer Qualifications

City staff and consultants completed a thorough review of SAHA's qualifications and proposed development. The review determined that SAHA is a reputable and financially solvent developer proposing a quality affordable housing project. A detailed evaluation of the proposal is provided as Attachment A. SAHA's proposal is provided as Attachment B.

SAHA is proposing a three-story, 32-unit affordable housing complex that serves veterans ("Project"). The building will include 1 studio, 26 one-bedroom, and 5 two-bedroom units affordable for extremely low to low income residents. One unit will be reserved for an on-site manager. The remaining 31 units will be restricted to veterans, of which 15 would be supportive housing units for formerly homeless veterans. The units would be restricted for veterans by State and Federal funding sources proposed to finance the project. SAHA's operating budget includes funding for supportive housing services for its formerly homeless veterans, both through its own staff and third-party services. SAHA has an extensive track record serving this population at other properties in nearby cities such as American Canyon, Antioch, Berkeley, and Walnut Creek.

The proposed Project would help fulfill the City's Regional Housing Needs Allocation ("RHNA"). At the end of 2019, the City had a remaining need for 283 housing units (80 very low, 48 low, 42 moderate, and 113 above moderate income). The Project would provide 14 extremely low, 9 very low, and 8 low income units.

ENA

The Developer anticipates expending funds to prepare architectural designs and conduct certain studies that are needed to construct affordable housing on the Property. The ENA provides assurance to the Developer that the City will not entertain and negotiate other proposals during a 240-day feasibility period for the parties to negotiate Disposition Agreements for the Project on 811 San Pablo Ave. The ENA also allows for an option to extend the agreement for an additional 120 days (360 days total) in case of an unforeseen circumstance, as long as SAHA is performing its due diligence.

The ENA deal points have been negotiated and are now in a form for City Council consideration. The ENA has been drafted with the following key points:

- Agreement to enter into a 240-day negotiation period to negotiate the terms of Disposition Agreements, including but not limited to: (i) the purchase price for the sale of, or ground lease terms for, the Property; (ii) the proposed Project to be constructed on the Property; and (iii) the schedule of performance for the construction of the Project. The Agreement may be extended for up to a maximum of 120 additional days upon the mutual written agreement of Developer and City, if the Developer illustrates progress and compliance with the terms of the Agreement.
- Requires Developer to provide monthly progress reports on the status of the project.
- Requires Developer to provide the proposed methods of financing to be used in the acquisition and development of the properties.
- Requires a Deposit of \$10,000 to reimburse staff for costs incurred in the negotiations of Disposition Agreements and to ensure that the Purchaser will proceed diligently and in good faith to negotiate Disposition Agreements to develop the property.
- Requires Developer submit a Final Development Package to the City within 90 days of the approval of the ENA, which includes but is not limited to final site plans, proposed methods of financing, an updated pro forma, and updated development timeline.

Once the City Council approves the ENA, staff, our consultant, and representatives from SAHA will immediately commence negotiating the terms and conditions of the Disposition Agreements. The Disposition Agreements will be presented to the City Council for consideration and approval at a future meeting.

FISCAL IMPACT

None, the Developer will be required to submit \$10,000 to the City, which will be applied to staff, consultant, and attorney costs required for negotiating the ENA and the Agreements.

ATTACHMENTS

- A Resolution
- B Exclusive Negotiating Agreement
- C Proposal Evaluation by RSG
- D SAHA Proposal

RESOLUTION NO. 2020-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE ADOPTING A
RESOLUTION APPROVING AN EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT
WITH SATELLITE AFFORDABLE HOUSING ASSOCIATES TO DEVELOP
AFFORDABLE HOUSING AT 811 SAN PABLO AVENUE**

WHEREAS, the City, as the Housing Successor, is the owner of the Property located at 811 San Pablo Avenue in the City of Pinole, County Assessor's Parcel Number 402-166-030, (the "811 San Pablo Ave"); and

WHEREAS, the Property was purchased by the Redevelopment Agency of the City of Pinole (the "Agency") with Redevelopment funds; and

WHEREAS, pursuant to the Dissolution Law, the Agency was dissolved on February 1, 2012 and the Property were transferred to the City as the Housing Successor by operation of law; and

WHEREAS, the Property is currently vacant and zoned as Commercial Mixed use (CMU) but allows for 100% housing development along this portion of the San Pablo Avenue Corridor; and

WHEREAS, The City issued a Request for Proposals ("RFP") in January 2020 to develop the Site with Housing Asset Fund assistance; and

WHEREAS, Satellite Affordable Housing Associates ("SAHA") submitted a detailed proposal that met all of the City's RFP requirements; and

WHEREAS, SAHA is interested in purchasing and developing the Property for affordable housing; and

WHEREAS, the City desires to sell the Property for development of affordable housing; and

WHEREAS, SAHA anticipates expending funds to prepare architectural and design drawings and conduct certain studies that are needed to assess the feasibility of the development and construction of affordable housing on the Property; and

WHEREAS, City staff and SAHA have negotiated the terms of an Exclusive Negotiating Agreement, substantially in the form attached hereto as Exhibit A, (the "Exclusive Negotiating Agreement"), for the negotiation of the purchase and development of the Property.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pinole:

Section 1. The above recitals are true and correct and incorporated by this reference.

Section 2. City Council hereby approves the Exclusive Negotiating Agreement with SAHA, for a two hundred and forty (240) day term with the ability to extend the term for an additional one hundred and twenty (120) days.

Section 3. The City Manager or his designated representative, is hereby authorized and directed, on behalf of the City, to execute the Exclusive Negotiating Agreement with such non-substantive changes that may be needed, as approved by the City Attorney, and to make all approvals and take all actions necessary or appropriate to carry out and implement the terms of the Exclusive Negotiating Agreement and to administer the City's obligations, responsibilities and duties to be performed under the Exclusive Negotiating Agreement.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the 17th day of November 2020 by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 17th day of November, 2020.

Heather Iopu, CMC
City Clerk

EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT

by and among

SATELLITE AFFORDABLE HOUSING ASSOCIATES

and

THE CITY OF PINOLE, CALIFORNIA

DATED _____

THIS EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT (this “**Agreement**”) is entered into by and between the City of Pinole, a California municipal corporation (the “**City**”) and Satellite Affordable Housing Associates, a California non-profit corporation (the “**Developer**”) dated as of _____, 2020 (the “**Effective Date**”). The City and the Developer are each referred to herein as “**Party**” or collectively referred to as the “**Parties**.”

WHEREAS, the City is the owner of certain property (the “**Property**”) located at 811 San Pablo Ave. in the City of Pinole, California, known as County Assessor’s Parcel Number 402-166-030, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference; and

WHEREAS, the Property was originally purchased by the Redevelopment Agency of the City of Pinole (the “**Former Agency**”) with funds from the Former Agency’s low- and moderate-income housing fund; and

WHEREAS, on June 29, 2011 the legislature of the State of California adopted Assembly Bill x1 26 (as amended by AB 1484 and SB 107, the “**Dissolution Law**”), which amended provisions of the redevelopment law; and

WHEREAS, pursuant to the Dissolution Law the Former Agency was dissolved on February 1, 2012 and the housing assets owned by the Former Agency were transferred to the City as housing successor to the Former Agency; and

WHEREAS, the Developer proposes to build a 32-unit affordable rental housing project affordable to households earning sixty percent (60%) or less of area median income (the “**Project**”); and

WHEREAS, the intent of both City and Developer under this Agreement is to establish a specific, limited period of time to negotiate mutually acceptable governing documents for the potential disposition of the Property and undertaking of the Project on the Property by the Developer; and

WHEREAS, the City desires to negotiate a disposition and development agreement, an affordable housing agreement, and a financial assistance agreement (the “**Disposition Agreements**”) for the Project with Developer; and

WHEREAS, pursuant to Government Code Section 54221(f)(1)(H), the Property is not subject to the State Lands Act because it is required to be used for affordable housing, which is a condition established by statute.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

1. Good Faith Efforts to Negotiate. The Parties will use their best efforts to successfully negotiate Disposition Agreements and any other documents required by the City for the

Property that will describe the terms and conditions governing the purchase of the Property by Developer. The Parties will diligently and in good faith pursue such negotiations. Furthermore, the Parties will use their best efforts to obtain any third-party consent, authorization, approval, or exemption required in connection with the transactions contemplated hereby. This Agreement does not impose a binding obligation on City to convey any interest in the Property to Developer, nor does it obligate City to grant any approvals or authorizations required for the Property or any project or improvements constructed thereon.

- a.** If Developer has not continued to negotiate diligently and in good faith, City will give written notice thereof to Developer who will then have ten (10) business days to commence negotiating in good faith. Following the failure of Developer to thereafter commence negotiating in good faith within such ten (10) business day period, this Agreement may be terminated by City. If this Agreement is terminated by City pursuant to the above sentence, Developer acknowledges and agrees that City will suffer damages, including lost opportunities to pursue other development alternatives for the Property and delayed receipt of property tax revenues from the Property, and that it is impracticable and infeasible to fix the actual amount of such damages. Therefore, the Parties agree that if this Agreement is terminated as provided above, City will retain the Deposit (as defined in Section 5 of this Agreement, *infra*), plus any interest thereon, as fixed and liquidated damages and not as a penalty, and following such termination neither Party will have any further rights against or liability to the other under this Agreement.
- b.** If City has not continued to negotiate diligently and in good faith, Developer will give written notice thereof to City which will then have ten (10) business days to commence negotiating in good faith. Following the failure of City to thereafter commence negotiating in good faith within such ten (10) business-day period, this Agreement may be terminated by Developer. In the event of such termination by Developer, City will return the Deposit to Developer in accordance with the provisions of Section 5 of this Agreement and neither Party will have any further rights against or liability to the other under this Agreement.
- c.** If, notwithstanding City's and Developer's mutual diligent, good faith negotiations, the Parties have not entered into at least one Disposition Agreement on or before expiration of the Term of this Agreement (as defined in Section 3 of this Agreement) or any extension thereof, City will return the Deposit after taking into account any expenditures made for costs incurred by the City pursuant to this Agreement, and neither Party will have any further rights against or liability to the other under this Agreement.
- d.** If performance of this Agreement results in execution of Disposition Agreements, the remaining Deposit will be transferred to the Reimbursement Agreement to be negotiated in conjunction with the Disposition Agreements.

2. Developer's Exclusive Right to Negotiate With City. City agrees that it will not, during the term of this Agreement, directly or indirectly, through any officer, employee, agent, or otherwise, solicit, initiate or encourage the submission of bids, offers or proposals by any person or entity with respect to the acquisition of any interest in the Property or the development of the Property, and City will not engage any broker, financial adviser or consultant to initiate or encourage proposals or offers from other parties with respect to the disposition or development of the Property or any portion thereof.

Furthermore, City will not, directly or indirectly, through any officer, employee, agent or otherwise, engage in negotiations concerning any such transaction with, or provide information to, any person other than Developer and its representatives with a view to engaging, or preparing to engage, that person with respect to the disposition or development of the Property or any portion thereof.

3. Term.

- a. The term of this Agreement ("**Term**") commences on the Effective Date and will terminate two hundred forty (240) days thereafter, unless extended or earlier terminated as provided herein.
- b. The Term of this Agreement may be extended for up to a maximum of one hundred twenty (120) additional days upon the mutual written agreement of Developer and City acting through and in the discretion of its City Manager, or their designee ("**City Manager**").

4. Relationship of the Parties. Nothing in this Agreement creates between the Parties the relationship of lessor and lessee, of buyer and seller, or of partners or joint venturers.

5. Deposit for City Costs.

- a. In consideration for this Agreement and the costs the City has and will incur in furtherance of this Agreement and the negotiation of the Disposition Agreements, Developer will, within five (5) days of the Effective Date, submit to City a good faith deposit ("**Deposit**") in the amount of Ten Thousand Dollars (\$10,000) in immediately available funds. City will deposit the Deposit in a non-interest bearing account, when received by City.
- b. On or before expiration of the Term of this Agreement, the City may, in accordance with the provisions of Section 1(c) of this Agreement, draw on the Deposit to reimburse the City's cost for third-party assistance and staff time in the negotiations for any of the Disposition Agreements. The City will provide Developer a written account of such reimbursement.

6. Terms and Conditions of the Disposition Agreements. The Parties agree to use their best efforts to successfully negotiate the terms of the Disposition Agreements including, but not limited to (i) the purchase price for the sale of, or ground lease terms for, the Property;

(ii) the proposed Project to be constructed on the Property; and (iii) the schedule of performance for the construction of the Project.

7. Developer's Studies; Right of Entry.

- a. During the Term of this Agreement, Developer will use its best efforts to prepare, at Developer's expense, any studies, surveys, plans, specifications and reports ("**Developer's Studies**") that the Developer deems necessary or desirable in Developer's sole discretion, to complete its due diligence for the Property. Developer's Studies may include, without limitation, title investigation, relocation analyses, marketing, feasibility, soils, seismic and environmental studies, financial feasibility analyses and design studies. The Developer will have rights of access to the Property to prepare the Developer's Studies.
- b. Developer hereby agrees to notify the City twenty-four (24) hours in advance of its intention to enter the Property.
- c. Developer will provide the City with workplans, drawings, and descriptions of any intrusive sampling it intends to do and any additional items stated in this section. Developer must keep the Property in a safe condition during its entry. Developer shall repair, restore and return the Property to its condition immediately preceding Developer's entry thereon at Developer's sole expense.
 - i. On January 31, 2020, the City released a RFP to solicit proposals from qualified developers for the development of the Project. On March 31, 2020, in response to the RFP, the Developer submitted a "Preliminary Development Package," consisting of the following:
 - (1) Cover letter providing a general overview of the Project including details on the management and operation of the Project;
 - (2) Design concept narrative including the proposed improvements, target population, supportive services, and other onsite amenities;
 - (3) Developer team breakdown identifying the members of the team, the team's experience, including the Developer's organizational documents;
 - (4) Project cutsheets for developments that the Developer has completed in the past; and
 - (5) The Developer's financial capacity consisting of the financing plan for the project, the Developer's financials, and the proposed Project's pro forma.
 - ii. Within ninety (90) days from the Effective Date, Developer shall submit to the City "Final Development Package," consisting of the following:

- (1) Fully updated information in each category and every item set forth under the heading “Preliminary Development Package”;
 - (2) A well-defined site plan generally describing the Project using schematic drawings, and which depicts in detail the proposed design, density, and configuration thereof;
 - (3) Square footages of all improvements; total gross building area (GBA) of the Proposed Project, with the GBA of the affordable units, with size and floor plan/configuration of each of the affordable units;
 - (4) The circulation areas and GBA thereof;
 - (5) Description of the common area amenities and common areas and GBA thereof;
 - (6) Configuration of onsite parking, including residents’, guests’ and handicapped users’ parking spaces with number and type of parking spaces;
 - (7) A detailed and updated pro forma for the Project that identifies all sources and uses of funds including but not limited to design of the Project and supporting infrastructure, along with initial estimates of development costs, including hard and soft construction and non-construction costs, and the remediation costs, if any, for development of the Property for rental housing;
 - (8) Proposed identification of all sources of financing, including predevelopment, construction, and permanent financing with a description of the terms and conditions of such financings; and
 - (9) An updated timeline that includes, based upon consultation with City staff, as well as the best professional judgment of Developer, the provision of necessary onsite and offsite improvements for the Project.
- d. If upon expiration of the Term of this Agreement and or any extensions, the Parties have not successfully negotiated the Disposition Agreements, Developer will provide City within fifteen (15) days following said date of expiration, electronic copies of the Developer’s Studies completed by such date. Developer will also provide City with copies of any Developer’s Studies completed after the expiration of the Term within fifteen (15) days following completion of such studies, or if Developer intends not to complete any Developer Studies, Developer will provide City with copies of such uncompleted studies.
8. City’s Reports and Studies. Within ten (10) days following the Effective Date, City will make available to Developer for review or copying at Developer’s expense all

nonprivileged studies, surveys, plans, specifications, reports, and other documents with respect to the Property that City has in its possession or control, which have not already been provided. Studies or documents prepared by City and its agents solely for the purpose of negotiating the terms of Disposition Agreements are not required to be provided by City to Developer and are excluded from this requirement.

9. Developer's Pro Forma and Evidence of Financing. Prior to the execution of the Disposition Agreements contemplated by this Agreement, Developer will provide City with a pro forma for the Project that confirms the financial feasibility of Developer's proposed development of the Property. The pro forma shall include the names and amounts from each funding source. Developer will provide monthly progress reports to the City on the status of preparing the Final Development Package and general progress on the Project. City is not obligated to seek approval of Disposition Agreements from the City Council unless and until the documents required by this Section have been provided.
10. Full Disclosure. Developer is required to make full disclosure to City of its principals; officers; major stockholders, partners or members; joint venturers; negotiators; development managers; consultants and directly involved managerial employees, if any, (collectively, "**Developer Parties**"); and all other material information concerning Developer. Any change in the identity of the Developer Parties will be subject to the approval of City, which will not be unreasonably withheld. Developer will make and maintain full disclosure to City of its methods of financing to be used in the acquisition and development of the Property.
11. Expenses. Except as otherwise expressly provided herein, third-party costs and expenses (including, without limitation, all legal fees and expenses) incurred in connection with this Agreement and the activities contemplated hereby will be paid by the Party incurring the same.
12. Confidentiality; Dissemination of Information. To the extent permitted by law, during the term of this Agreement, each Party will obtain the consent of the other Party prior to issuing or permitting any of its officers, employees or agents to issue any press release or other information to the press with respect to this Agreement; provided however, no Party will be prohibited from supplying any information to its representatives, agents, attorneys, advisors, financing sources and others to the extent necessary to accomplish the activities contemplated hereby so long as such representatives, agents, attorneys, advisors, financing sources and others are made aware of the terms of this Section. Nothing contained in this Agreement will prevent either Party at any time from furnishing any required information to any governmental entity or authority pursuant to a legal requirement or from complying with its legal or contractual obligations.
13. Execution of Disposition Agreements. If the Parties successfully negotiate Disposition Agreements, City agrees to comply with all applicable federal and state legal requirements, including the California Environmental Quality Act ("**CEQA**"). The City has no legal obligation to grant any approvals or authorizations for the sale of the Property or any development thereon until the Disposition Agreements have been approved by the City Council.

14. Termination.

- a.** This Agreement may be terminated at any time by mutual consent of the Parties.
- b.** City will have the right to terminate this Agreement upon its good faith determination that Developer is not proceeding diligently and in good faith to carry out its obligations pursuant to this Agreement. City will exercise such right in accordance with the provisions set forth in Section 1 of this Agreement.
- c.** Developer will have the right to terminate this Agreement, in accordance with the provisions set forth in Section 1 of this Agreement, if the results of its investigation of the Property are unsatisfactory, in Developer's sole and absolute discretion, with respect to Developer's desired development activities or if Developer is unable to obtain other necessary approvals, rights or interests.
- d.** Neither Party will have the right to seek an award of damages as a result of the termination of this Agreement pursuant to this Section.

15. Effect of Termination. Upon termination as provided herein, or upon the expiration of the Term and any extensions thereof without the Parties having successfully negotiated Disposition Agreements, this Agreement will forthwith be void, and there will be no further liability or obligation on the part of either of the Parties or their respective officers, employees, agents or other representatives; provided however, the provisions of Section 11 (Expenses), Section 12 (Confidentiality; Dissemination of Information), Section 17 (Indemnification), and Section 21 (Brokers) will survive such termination. Provided further, that upon termination or expiration of this Agreement without the Parties having successfully negotiated Disposition Agreements, Developer will deliver to City all of the Developer's Studies pursuant to the provisions of Section 7 of this Agreement.

16. Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement will be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other parties in accordance with this Section. All such notices will be sent by:

- a.** Personal delivery, in which case notice is effective upon delivery;
- b.** Certified or registered mail, return receipt requested, in which case notice will be deemed delivered on receipt if delivery is confirmed by a return receipt;
- c.** Nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;
- d.** Electronic transmission, in which case notice will be deemed delivered upon transmittal, provided that duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery.

City: City of Pinole
2131 Pear Street
Pinole, Ca 94564
Attn: City Manager
Tel (510) 724-9000
Fax (510) 724-9826

with a copy to: Meyers Nave
555 – 12th Street, Suite 1500
Oakland, Ca 94564
Attn: Pinole City Attorney
Tel (510) 808-2000
Fax (510) 444-1108

Developer: Satellite Affordable Housing Associates
1835 Alcatraz Ave.
Berkeley, Ca 94703
Attn: Chief Executive Officer
Tel (510) 647-0700
Fax (510) 647-0820

17. Indemnification. Developer hereby covenants, on behalf of itself and its permitted successors and assigns, to indemnify, hold harmless and defend the City and its elected and appointed officials, officers, agents, representatives and employees (“**Indemnitees**”) from and against all claims, costs (including without limitation reasonable attorneys’ fees and litigation costs) and liability, arising out of or in connection with this Agreement and/or arising out of or in connection with claims resulting from or arising in connection with Developer or Developer’s agents, employees, consultants, contractors or subcontractors access to and entry on the Property pursuant to Section 7 of this Agreement; provided however, Developer will have no indemnification obligation with respect to the gross negligence or willful misconduct of any Indemnitee.
18. Severability. If any term or provision of this Agreement or the application thereof will, to any extent, be held to be invalid or unenforceable, such term or provision will be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions of this Agreement or the application of such terms and provisions to circumstances other than those as to which it is held invalid or unenforceable unless an essential purpose of this Agreement would be defeated by loss of the invalid or unenforceable provision.
19. Entire Agreement; Amendments In Writing; Counterparts. This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings, oral and written, between the Parties with respect to such subject matter. This Agreement may be amended only by a written instrument executed by the Parties or their successors in

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

20. Successors and Assigns; No Third-Party Beneficiaries. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided however, that neither Party will transfer or assign any of such Party's rights hereunder by operation of law or otherwise without the prior written consent of the other Party, and any such transfer or assignment without such consent will be void. Subject to the immediately preceding sentence, this Agreement is not intended to benefit, and will not run to the benefit of or be enforceable by, any other person or entity other than the Parties and their permitted successors and assigns.
21. Brokers. Each Party warrants and represents to the other that no brokers have been retained or consulted in connection with this transaction. Each Party agrees to defend, indemnify and hold harmless the other Party from any claims, expenses, costs or liabilities arising in connection with a breach of this warranty and representation. The terms of this Section will survive the expiration or earlier termination of this Agreement.
22. Approvals. Unless otherwise provided in this Agreement, the City Manager will be authorized to enter into all written approvals, consents or waivers by the City without further authorization by the City Council. Nothing herein, however, will be deemed to prevent the City Manager from requesting formal approval by the City Council if the City Manager, in their sole discretion, determines to seek such approval.
23. Captions. The captions of the sections and articles of this Agreement are for convenience only and are not intended to affect the interpretation or construction of the provisions hereof.
24. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.

SIGNATURES ON FOLLOWING PAGE

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

CITY

By: _____
Andrew Murray
City Manager

ATTEST:

By: _____
Heather Iopu, CMC
City Clerk

APPROVED AS TO FORM:

By: _____
Eric S. Casher
City Attorney

DEVELOPER

By: _____
Susan Friedland
Chief Executive Officer

Exhibit A

811 San Pablo Avenue

Legal Description

3603254.1



17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

Via Electronic Mail

To: Andrew Murray, City Manager
Hector De La Rosa, Assistant City Manager
CITY OF PINOLE

From: Tara Matthews, Principal
Suzy Kim, Senior Associate
Kyle Westra, Analyst
RSG, INC.

Date: October 22, 2020

**SUBJECT: REVIEW OF 811 SAN PABLO AVENUE DEVELOPMENT PROPOSALS
RECEIVED APRIL 30, 2020**

The City of Pinole ("City") serves as the Housing Successor Agency to the former Pinole Redevelopment Agency ("Former Agency"). Four properties were transferred from the former Agency to the City as housing successor:

1. Grove Vacant Land (Samuel Street)
2. Faria House Vacant Land (2100 San Pablo Ave)
3. Collins House (612 Tennent Ave); and
4. Vacant Land (811 San Pablo Ave).

The Grove and Faria House parcels of vacant land are restricted as open space and cannot be developed. State law requires the remaining two properties at 612 Tennent Avenue and 811 San Pablo Avenue to be developed for affordable housing purposes or sold by February 15, 2023. If the properties are sold, any sales proceeds must be deposited into a Low and Moderate Income Housing Asset Fund ("Housing Asset Fund") to fund other affordable housing efforts. The Collins House is in the process of being sold (along with three other non-Housing Successor Agency properties).

The City currently has over \$2 million in Housing Asset Funds that must be spent to develop affordable housing within the next two years to avoid giving up funds to the State as excess surplus. City Council directed staff to issue a Request for Proposals to develop 811 San Pablo Avenue ("Site") with affordable housing paired with Housing Asset Fund assistance.

The City issued an RFP in June 2018 and received two proposals. The City initially selected Housing Consortium of the East Bay ("HCEB") to develop affordable housing for residents with special needs. The City and HCEB entered into an Exclusive Negotiating Agreement ("ENA")

that was terminated in November 2019 after HCEB failed to secure additional gap financing and meet ENA requirements.

The City issued a second RFP in January 2020 for the Site. The RFP identified a preference for housing restricted to veterans based on City Council's earlier direction in 2018. The City received two proposals by the April 30, 2020 deadline from: 1) Satellite Affordable Housing Associates ("SAHA") and 2) Power Community Development Systems, Inc. ("PCDSI"). SAHA is an affordable housing developer based in Berkeley with over 50 years of experience developing and operating affordable housing. SAHA submitted a detailed proposal that met all RFP requirements and demonstrates strong affordable housing development experience. PCDSI, based in San Jose, specializes in green building products. PCDSI submitted a very limited letter of interest that failed to meet RFP requirements and did not demonstrate significant experience with affordable housing. Attachments A-1 and A-2 present checklists detailing how SAHA and PCDSI met RFP submittal requirements.

After reviewing the two proposals, City Council directed staff to move forward with conducting a detailed evaluation of SAHA's development cost estimates to confirm the financial feasibility of the proposed project and the reasonableness of contributing the Site plus \$2 million in Housing Asset Funds toward the proposed development.

The following table summarizes key findings from RSG's evaluation of SAHA's proposal and development cost estimates.

SAHA PROPOSAL EVALUATION	
Development Type	Multifamily rental housing for veterans
Number of Units	32 (SAHA has consulted with the City Planning Department and confirmed that the proposed number of units is permitted with a density bonus)
Bedroom Mix	1 Studio 26 One-Bedroom 5 Two-Bedroom
Income Levels	14 Extremely Low Income (45%) 9 Very Low Income (29%) 8 Low Income (26%) 1 Manager Unit

SAHA PROPOSAL EVALUATION	
Veteran & Supportive Housing Services	31 units are restricted for veterans, of which 15 would be supportive housing units for formerly homeless veterans. The units would be restricted by State and Federal funding sources proposed to finance the project: HCD Veterans Housing and Homeless Prevention (“VHHP”) and HUD Veterans Affairs Supportive Housing (“VASH”) Vouchers. SAHA would provide supportive housing services through a part-time service coordinator and third-party service provision for its formerly homeless veterans. The 15 units receiving HUD VASH vouchers would also have case management and supportive services as provided from the Veterans Administration. SAHA has an extensive track record serving this population at other properties in nearby cities such as American Canyon, Antioch, Berkeley, and Walnut Creek.
Estimated Project Completion Timeline	Negotiate ENA – Summer and Fall 2020 Planning Application Submittal – February or March 2020 (90 days from ENA execution) Community Engagement – Spring to Summer 2020 Negotiate and Execute Developer Agreements – by June 2021 Begin Construction – September 2022 Complete Construction – January 2024 <i>Estimated dates; subject to change pending necessary City approvals and HCD financing application review timelines.</i>
Total Development Cost	\$22 million (\$681,828 per unit). Includes prevailing wage. RSG scrutinized SAHA’s assumptions to ensure that the estimated costs (including but not limited to construction, design, financing, insurance, and legal costs), revenues, and operating and replacement reserves are realistic and not over/understated. We also prepared our own pro forma to compare to the developer’s and evaluate any discrepancies. RSG determined that SAHA’s total development cost estimate is within a reasonable range based on our experience, industry construction cost standards, and research of comparable projects. RSG’s cost estimate was 1.9% lower than SAHA, which is a nominal difference. SAHA’s total development cost of \$681,828 per unit is slightly lower than the median for the region (\$685,000) based on recent comparable projects in Contra Costa and Alameda Counties.

SAHA PROPOSAL EVALUATION																	
Requested City Contribution	\$2,000,000 residual receipt loan plus land. SAHA typically structures deals with a long-term lease with low rent (i.e. \$1/year). Of the \$2 million requested, \$500,000 for predevelopment costs would be helpful but not required.																
City Contribution per Unit	\$142,857 per unit if City agreement limits assistance to the 14 Extremely Low Income units to comply with Housing Asset Fund legal requirements. \$62,500 per unit for all 32 units. RSG performed a gap analysis to ensure that the developer's financing assumptions are reasonable and the request for City gap financing is reasonable. The proposed City contribution per unit is reasonable considering the amount of gap financing required for the project (\$20 million) and the average amount of gap financing provided by other cities in comparable projects. A review of 8 comparable projects in the region found that the median City financing contribution was \$108,500 per unit based on the total number of units in the project, with a low of \$20,000 and a high of \$148,000.																
Estimated Residual Receipt Payments (55 Years)	The City's \$2 million residual receipt loan would be repaid based on net cash flow available after paying priority obligations. Residual receipt payments vary based on several conditions that impact available net cash flow, such as vacancies, rent limits, and changes in operating expenses. RSG estimates that approximately \$75,000 in principal and interest could be repaid between 2042 and 2052 based on a 55-year cash flow projection. For budgeting purposes, the City should conservatively assume that \$0 residual receipt payments will be received due to the unpredictable nature of residual receipt loans.																
Proposed Gap Financing (Permanent)	<table> <tr> <td>4% Federal Tax Credit Equity</td><td>\$8,218,964</td></tr> <tr> <td>Federal Home Loan Bank AHP</td><td>\$310,000</td></tr> <tr> <td>City of Pinole</td><td>\$2,000,000</td></tr> <tr> <td>County HOME</td><td>\$2,200,400</td></tr> <tr> <td>Deferred Fee / GP Equity</td><td>\$700,000</td></tr> <tr> <td><u>HCD VHHP</u></td><td><u>\$7,360,690</u></td></tr> <tr> <td>Total</td><td>\$20,790,054</td></tr> <tr> <td>% of Total Development Cost</td><td>95%</td></tr> </table>	4% Federal Tax Credit Equity	\$8,218,964	Federal Home Loan Bank AHP	\$310,000	City of Pinole	\$2,000,000	County HOME	\$2,200,400	Deferred Fee / GP Equity	\$700,000	<u>HCD VHHP</u>	<u>\$7,360,690</u>	Total	\$20,790,054	% of Total Development Cost	95%
4% Federal Tax Credit Equity	\$8,218,964																
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Total	\$20,790,054																
% of Total Development Cost	95%																

SAHA PROPOSAL EVALUATION	
CDLAC QRRP Self-Score	120 out of 150 (estimated by SAHA). Minimum of 45 required for 4% Federal Tax Credit Equity.
Operating Cash Flow	RSG reviewed SAHA's projected 30-year cash flow and prepared our own 55-year cash flow projections. We determined that SAHA's estimated operating revenues and expenses are reasonable and meet State guidelines based on the proposed financing sources. SAHA's operating budget includes \$125,000 per year to provide supportive services to its residents who are formerly homeless veterans. This covers a part-time SAHA service coordinator for all residents and third party service provision for the supportive housing units.
Housing Asset Fund Compliance	Housing Asset Funds must assist at least 30% Extremely Low Income units and no more than 20% Low Income units between FYs 2019-20 through 2023-24. Of the proposed \$2 million Housing Asset Fund contribution, 100% may be applied toward funding the 14 Extremely Low Income rental units proposed by SAHA, exceeding minimum requirements. The 14 Extremely Low Income units have an estimated \$9.5 million development funding gap per unit when considering the project's capitalized cash flow.
Design Concept & Amenities	Design – A single three-story building with an elevator and high quality materials. Scale and details consider Pinole's historic streetscapes and the Three Corridors Specific Plan to fit into the surrounding neighborhood. Sustainable design – LEED Silver minimum goal. Community Amenities – Outdoor terrace, community multi-purpose room, on-site management, maintenance, and resident services coordinator. Resident Services – Supportive services, community meals, computer training, tutoring, fitness classes, and other recreational activities. COVID-19 Design Considerations – Large outdoor gathering space, touchless controls for common doors, temperature screening, and other formal policies in place ensure resident safety.

SAHA PROPOSAL EVALUATION		
Developer & Capacity	Experience	Over 50 years experience in the Bay Area. Own, develop, operate, and manage model. Have developed over 65 affordable communities. Currently house over 4,000 residents, including 400 units set aside for permanent supportive housing. Assembled an experienced team. Will partner with Studio T Square for design work. SAHA provides its own property management and resident services. Extensive experience securing affordable housing gap financing from public and private funding sources. Low debt ratio, indicating that organization is not over leveraged. High asset coverage ratio, indicating that organization can cover its debt obligations. Appears to have excellent financial capacity and is solvent.
Community Process	Outreach	SAHA conducts its own community outreach process to: • Identify community-wide stakeholders (residents, businesses, community leaders) • Meet one-on-one or in small groups with neighboring residents and businesses directly impacted by the development • Hold an initial community-wide open house to introduce SAHA and the property management team. SAHA shares images demonstrating how the project fits in with the scale of the surrounding neighborhood, invites community leaders who can vouch for the importance of affordable housing in the locality, and shares its extensive track record operating affordable housing and serving target populations such as formerly homeless veterans. SAHA Project Management and Resident Services leadership participate in the community meetings to address any questions regarding operations and support from community members.

SAHA PROPOSAL EVALUATION	
Strengths	Met all RFP requirements. Requested City contribution is on par with comparable projects. Proposed income levels meet Housing Asset Fund expenditure requirements. 100% of Housing Asset Funds loaned may be used to fund Extremely Low Income rental units, exceeding minimum legal requirements. Willing to self-fund entire predevelopment cost estimated at \$1.2 million. Short development timeline (proposed completion by August 2023).
Weaknesses	It is unlikely that the City's \$2 million residual receipt loan will be significantly repaid based on projected net cash flows over a 55-year period.
Other Considerations	If veterans are no longer a desired target population, SAHA could consider a senior or special needs project based on the project's current design and available gap financing. However, this would result in an additional \$2.2 million funding gap. Additionally, Pinole Housing Asset Funds may not be spent on senior-restricted units until Fiscal Year 2021-22 to comply with legal restrictions. Housing that is not restricted to veterans, seniors, or special needs (i.e. housing for teachers) would not be financially feasible with available gap financing sources unless the project had larger units and went up to five stories. Although SAHA has confirmed that the proposed density and height is permitted by the City's development standards with a density bonus, if for some reason 32 units are not permitted during the entitlement process the project will not be feasible. If construction costs end up being much less than estimated, language could be included in the City loan documents that require project savings to flow back to the City at the end of construction.
Recommendations	Enter into an ENA with SAHA. To encourage timeliness in the predevelopment phase, the City could consider breaking up its \$2 million assistance into multiple payments as follows: 1. \$250,000 after obtaining entitlements 2. \$250,000 after obtaining building permits 3. \$1.5 million upon closing of construction loans

RSG's review has determined that SAHA is an experienced developer proposing a quality project. SAHA has sound financials and a proven track record of successfully obtaining gap financing to develop and operate affordable housing projects. The total development cost estimates and proposed City contribution of \$2 million is reasonable based on recent comparable projects in the region. The proposed mix of units by income levels will meet Housing Asset Fund legal requirements. RSG recommends entering into an ENA with SAHA that identifies development requirements and milestones. The ENA will legally commit Housing Asset Funds to avoid an excess surplus, while allowing more time to negotiate specific deal points such as loan terms and a land contribution via donation or long-term lease.

ATTACHMENT A-1: PROPOSAL EVALUATION CHECKLIST - SAHA

Evaluation Requirement	Relevant Proposal Location	Strength of Submission Item	Comments
Application Checklist			
Initial Design Concept			
Site Development Concept	1- Proposal Overview & Initial Development Concept- Pages 5-14	5	Well thought out initial concept. 32 units serving Veterans @ 60% AMI (1 Studio, 26 1BR, 5 2BR). Considers City development standards and requires density bonus. LEED Silver goal. Tentative completion Aug. 2023.
Firm's vision for development and how it fits firm's overall business strategy	1- Proposal Overview & Initial Development Concept- Pages 5-14	5	
Illustrate firm's understanding of Pinole, the local community, and the importance of a development project at the Site	1- Proposal Overview & Initial Development Concept- Page 9	4	Strong knowledge of Bay Area. Outlines community engagement plan for specific development.
Comply with City approved Building Code and applicable local modifications	1- Proposal Overview & Initial Development Concept- Page 10	4	Need density bonus concessions for parking, maybe open space
Developer's Identification			
Entity's name, street address, mailing address, phone number, facsimile number, and e-mail address	2- Developer Identification- Page 16	5	All info included
Legal form of the organization	Cover Letter; 2- Developer Identification- Page 16	5	California 501(c)3 public benefit corporation
Narrative that details whether firm develops, or develops and operates, affordable housing complexes. Describe Firm's specialization	2- Developer Identification- Pages 15-51	5	Extensive Bay Area experience developing and operating affordable housing.
Identify other key members of development team and relevant experience for each team member	2- Developer Identification- Pages 18-51	5	Identifies specific SAHA staff members, legal counsel, and architects

Evaluation Requirement	Relevant Proposal Location	Strength of Submission Item	Comments
Application Checklist			
Developer Experience and Qualifications			
Descriptions for 3 previously completed projects	3- Developer Experience and Qualifications Pages 42-51	5	Profile five recent projects
Previous project timelines	3- Developer Experience and Qualifications Pages 42-51	5	Included in project profiles
Previous funding sources each project	3- Developer Experience and Qualifications Pages 42-51	5	Included in project profiles
References for each project	3- Developer Experience and Qualifications Pages 42-51	5	Included in project profiles
Financial Structure and Financial Capacity of Developer			
Identify firm's capacity to secure the equity and financing required to construct and operate this development (Including developer's financials and holdings)	4- Financial Capacity of the Developer & Proposed Financial Structure Pages 52-184	5	Extensive experience obtaining gap financing. Strong financials. Manage multi-million dollar budget and assets.
Pro forma and identify potential amount of gap financing required, and gap financing resources related to underwriting the cost of development and operations.	4- Financial Capacity of the Developer & Proposed Financial Structure Page. 185-188	5	All info included
Identify amount of Housing Asset Fund assistance requested from City	4- Financial Capacity of the Developer & Proposed Financial Structure Page. 185-188	4	Proposal initially requested \$3 million City contribution. SAHA since confirmed that \$2 million is sufficient.
Define firm's experience with securing other sources of gap financing that may be used for the project	3- Developer Experience and Qualifications Pages 42-51	5	Extensive experience obtaining gap financing.
Statement detailing whether development entity, or any of the named individuals on the development team, have ever filed for bankruptcy or had projects that have been foreclosed (If yes, list of dates and circumstances)	3- Developer Experience and Qualifications Page 54	5	Never filed for bankruptcy or foreclosure

ATTACHMENT A-2: PROPOSAL EVALUATION CHECKLIST – PCDSI

Evaluation Requirement	Relevant Proposal Location	Strength of Submission Item	Comments
Application Checklist			
Developer Experience and Qualifications			
Descriptions for 3 previously completed projects	N/A	0	Not provided
Previous project timelines	N/A	0	Not provided
Previous funding sources each project	N/A	0	Not provided
References for each project	N/A	0	Not provided
Financial Structure and Financial Capacity of Developer			
Identify firm's capacity to secure the equity and financing required to construct and operate this development (Including developer's financials and holdings)	"SCDP OSCS Overview 2020"	1	Provides credit line flowchart with little information
Pro forma and identify potential amount of gap financing required, and gap financing resources related to underwriting the cost of development and operations.	N/A	0	Not provided
Identify amount of Housing Asset Fund assistance requested from City	N/A	0	Not provided
Define firm's experience with securing other sources of gap financing that may be used for the project	N/A	0	Not provided. Did not respond to RSG e-mail asking about experience.
Statement detailing whether development entity, or any of the named individuals on the development team, have ever filed for bankruptcy or had projects that have been foreclosed (If yes, list of dates and circumstances)	N/A	1	Not provided

Evaluation Requirement	Relevant Proposal Location	Strength of Submission Item	Comments
Application Checklist			
Initial Design Concept			
Site Development Concept	N/A	0	Not provided
Firm's vision for development and how it fits firm's overall business strategy	N/A	0	Not provided
Illustrate firm's understanding of Pinole, the local community, and the importance of a development project at the Site	N/A	0	Not provided
Comply with City approved Building Code and applicable local modifications	N/A	0	Not provided
Developer's Identification			
Entity's name, street address, mailing address, phone number, facsimile number, and e-mail address	"PCDSI & Susana Memo"	3	Name, address, and phone number in letter. Email addresses only available through submission email.
Legal form of the organization	N/A	0	Not addressed. For-profit organization based on website.
Narrative that details whether firm develops, or develops and operates, affordable housing complexes. Describe Firm's specialization.	"PCDSI & Susana Memo"	1	Very briefly states they build green affordable housing and other uses but does not give qualifications. RSG sent follow-up e-mail asking about affordable housing experience.
Identify other key members of development team and relevant experience for each team member	"PCDSI & Susana Memo"	1	Provides contractor name and address but no details about team structure or experience.

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Development Proposal

submitted by **Satellite Affordable Housing Associates**

April 30, 2020



Development of 811 San Pablo Avenue Pinole, California

submitted to:

City of Pinole

2131 Pear Street

Pinole, CA 94564

Attn: Mr. Hector De La Rosa



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April 30, 2020

Hector De La Rosa
Assistant City Manager
City of Pinole
2131 Pear Street
Pinole, CA 94564
HDeLaRosa@ci.pinole.ca.us

RE: Affordable Housing Development RFP (811 San Pablo Avenue)

Dear Mr. De La Rosa:

On behalf of Satellite Affordable Housing Associates (SAHA), I am pleased to present our qualifications to develop 811 San Pablo Avenue in partnership with the City. This RFP presents an exciting opportunity to make an important contribution toward the City's affordable housing needs; we would be honored to be selected.

SAHA is a nonprofit housing development corporation with over 50 years of experience in the field of developing and managing affordable housing. SAHA specializes in creating residential and mixed-use developments throughout the Bay Area for low and very low income families, seniors, and people with special needs including veterans and those experiencing homelessness.

SAHA begins from the idea that every person deserves a home. Our work is inspired by a belief that quality homes and empowering services should be in reach for all members of our community and that despite the many obstacles to providing housing for people with low-incomes and special needs, this goal is possible. Currently we provide housing for more than 4,000 residents and our portfolio includes approximately 400 units set-aside for permanent supportive housing.

With a commitment to high-quality design and thoughtful, ongoing supportive services, we empower our residents to build better lives and create healthier, safer neighborhoods. With 65 affordable communities completed in the Bay Area and a pipeline of new projects in development, SAHA is one of the most impactful community-based nonprofit housing organizations in the region.



1835 Alcatraz Avenue
Berkeley, CA 94703
P 510.647.0700
F 510.647.0820
WWW.SAHAHOMES.ORG

At 811 San Pablo Avenue, SAHA envisions a vibrant community where veterans and members of their households have the opportunity to access high-quality affordable housing & services. The initial development concept proposes 32 units of affordable housing and incorporates universal design, shared open space for all units, and numerous common area amenities. Veterans are a population that City Council has identified as a priority, and one that SAHA has extensive experience serving. Housing veterans is also a state priority, so the project can leverage additional funding via the Veterans Housing and Homelessness Prevention (VHHP) program, an important consideration in the current affordable housing financing climate, which is highly competitive. If the City decides that veterans are not the City's priority in terms of target population, our proposal can easily be modified to serve a different population.

We believe we are exceptionally qualified to assist you as a result of our extensive experience developing and managing affordable infill housing for seniors and special needs groups as well as our long history of collaborative partnerships with Cities and Counties to develop on public land. The attached materials describe in detail SAHA's experience and capabilities.

If you have questions about our proposal during the RFP review and selection process, please direct them to Eve Stewart, VP of Real Estate Development. Eve can be reached by phone 510-809-2754 or email estewart@sahahomes.org.

As the authorized signer for SAHA, any contractual issues should be directed to me:

Susan Friedland, Executive Director
Satellite Affordable Housing Associates
1835 Alcatraz Avenue
Berkeley, CA 94703
510-809-2763 (phone); 510-647-0820 (fax)
sfriedland@sahahomes.org

Sincerely,

A handwritten signature in blue ink, appearing to read "Susan Friedland".

Susan Friedland
Chief Executive Officer

SECTION 1: PROPOSAL OVERVIEW & INITIAL DEVELOPMENT CONCEPT

SECTION 1: PROPOSAL OVERVIEW & INITIAL DEVELOPMENT CONCEPT

SAHA envisions a vibrant, resilient development that creates 32 new affordable apartment homes. As proposed, all of the homes will be affordable to households earning 60% of the area median income and below. The preliminary site plan and massing have been designed in such a way as to create feasible housing project while balancing quality of life amenities such as open space and community rooms, and complementing the surrounding neighborhood design character. Based on our understanding of the City's priorities, we propose a target population of veteran households, some of whom would be formerly homeless. The proposed mix of studios, one-bedroom, and two-bedroom units provides for flexibility for a variety of non-age restricted populations and we look forward to working with the City to refine the target population as needed.

Please note that we offer this initial design concept as a starting point for conversation with City staff, elected officials, neighbors, and other community stakeholders regarding the scale, massing, and design direction of the development and to demonstrate the site's capacity. We look forward to community dialogue and design process that we anticipate will guide and shape the evolution of the site plan, floor plans, building elevations, and programming.

a. Design Concept

The proposed project will provide high quality, affordable housing to the City of Pinole. The proposed development plan consists of one three-story building that achieves 32 apartment homes (26 1-bedroom apartments, one (1) studio apartment, and five (5) 2-bedroom units, one of which will be for the manager.) A context plan, site and floor plans, and a San Pablo Avenue elevation are included at the end of this section for illustrative purposes. As the floor plans demonstrate, the first floor will feature the property management office, lobby, services office. The ground floor also features a large multi-purpose community room adjacent to a path leading to the outdoor community terrace. The building would be staffed with an on-site property manager, maintenance, and resident services coordinator.

The San Pablo Avenue elevation enclosed in this section presents a front façade in a traditional design with residential character by the inclusion of residential scale bay windows on the upper floors, a trellis at the first floor, and a hip roof over the entrance. A lower roof and defined

entrance create a connection at the street level to encourage pedestrian activity to lend to the walkability of the site. The scale and details of the building were designed to coincide with historic Pinole streetscapes. Ground street level offices are carefully placed to ensure unit privacy and given a commercial storefront appeal to blend into the diversity of services provided along San Pablo Avenue. To activate the San Pablo corridor in keeping with priorities and principles set forth in Pinole's Three Corridors Specific Plan, the design places the lobby and entrance, services office, and property management office along the project frontage, featuring storefront windows and a minimal setback. The building entrance and lobby will provide a welcoming and secure point-of-entrance for residents and visitors alike. A spacious multi-purpose community room is located just off of the lobby, which in turn is connected via an outdoor pathway to a large patio terrace/courtyard in the rear of the property to facilitate indoor/outdoor activities. Residential units are located on the first through third floors; the upper floors are fully accessible and served by an elevator.

Generous landscaping will be incorporated to create a sense of being built into the surroundings and allow a softer transition from the heavier street traffic. In order to achieve the character built within Pinole we have laid out the building to ensure the parking and many of the units are tucked behind the main façade. This allows the parking to be entirely concealed from the main street front view. The engaging street frontage façade then becomes the feature to assist in defining the project and achieving the goal to fit into the distinct identity of Pinole. The proposed site plan includes a large green space at the south ends of the site that potentially could be designed for shared community use and programmed with amenities such as a children's play area, community garden beds, or picnic seating. In addition, there is some space above the lobby on the second floor that could be used as a smaller lounge, library, or exercise room. The community space on the ground floor could be made available for use by community groups and neighbors in coordination with our building staff. We look forward to engaging with neighbors, City staff and other stakeholders to investigate how to incorporate community-serving amenities while addressing security and maintenance concerns.

As at all of our buildings, SAHA will staff a Resident Services Coordinator on-site to assist residents in meeting their individual needs and to promote community-building at the property. In addition to one-on-one supports, the Resident Services Coordinators will also develop a robust calendar of activities based on tenant interests such as gardening, farm-to-table cooking classes,

community meals, computer training, tutoring, movie nights, yoga & exercise classes. Services programming will be tailored to meet the residents' needs and interests.

b. Parking

The proposal includes 16 surface parking spaces. This number provides a .5 parking ration per unit. While this is less than zoning code requires for a project of this density, parking could be one of the concessions granted via California's recently updated State Density Bonus, (AB 1763, approved October 9, 2019.) The property is just steps away from the bus stop at San Pablo Ave and Meadow Ace, which is serviced by several fixed public transportation routes—WestCAT Route 17, C3, and Jr/JL which service Pinole, Richmond BART, Richmond Parking Transit Center, Hercules, and El Sobrante. This ensures several transportation options for households without cars. If the City prefers to increase the number of parking spaces, the project could accommodate more parking by building an additional story.

c. Mitigating Impact, Architectural Style & Materials

The proposed site plan has been carefully designed to minimize impacts to the neighborhood. The parking lot and open spaces are used as a buffer to the adjacent single-family homes behind the project site. The building is situated at the front of the site, minimizing the setback with San Pablo Avenue. This placement helps to knit together the long streetscape, creates continuity with the existing neighborhood and commercial uses, and activates the street. Every effort will be made to preserve existing mature and healthy trees in the rear of the site. Additional trees will be planted to provide shade and to activate the streetscape.

SAHA will perform Phase I environmental studies after entering into agreements with the City to develop the site and begin due diligence investigations.

With regard to architectural style and materials, the design team will incorporate high quality materials and detailing, and utilize an articulated and varied façade to contribute to design quality. While economical and readily available materials like stucco and siding may be used to contain costs and construction time, they will be deployed in a thoughtful way. The building massing also will be varied to ensure that it is sensitive to the context and does not overwhelm the neighborhood. The

design team is eager to work with key members of the surrounding community to develop a building concept that is contextual and reflects local design aesthetics. The current proposed massing and siting are flexible enough to accommodate an evolving process without sacrificing overall unit or parking counts.

d. Green Building & Sustainable Design

Over the past 15+ years, SAHA has made substantial investments in green building technologies at our housing developments and within our organization. Since 2003, the majority of SAHA's developments have incorporated renewable energy systems (photovoltaics and/or solar thermal) and we have recently upgraded our older buildings with PV systems using an incentive program from the State's California Solar Initiative. Our projects have been featured on the Build It Green Home tours and guidebook since 2005 and we have been called upon to set regional standards for green building through participation in pilot programs with Build It Green, HUD EnergyStar Midrise, and Bay-friendly Landscaping Coalition. We have set an internal goal of achieving a minimum of LEED Silver on all new construction projects and several of our newest developments have earned LEED Platinum accreditation.

Sustainable design will be integrated into each design decision, from building orientation to material selection. We will manage indoor air quality by paying special attention to the sustainable elements of the heating, air conditioning, and water heating systems that are installed. Additional details that produce a more comfortable living space are efficient windows, increased ventilation, and avoiding the presence of Volatile Organic Compounds. Stormwater management will be integrated into the landscape design via; the use of drought tolerant landscape program will give the site a sustainable landscape identity.

The building is a strong candidate for progressive sustainability measures. An all-electric building will be considered for this site. Going all-electric would avoid the need for fossil fuels at the property and provide the opportunity to meet all energy needs through renewable sources generated either onsite from photovoltaic arrays and/or through community power contracts. Additionally, a high-performing building envelope could add another layer of resiliency to the building by providing a slow rate of heat or cold loss in the event of an emergency power outage. A tight envelope, on-site power

generation, and battery storage allow buildings to be self-sustaining, without the use of a back-up generator, for a longer period of time following a natural disaster.

e. Community Engagement

As a local non-profit, SAHA is deeply committed to working with local stakeholders during the planning and design process in order to ensure our buildings are consistent with the vision and needs of the community. SAHA completed its first affordable development in Contra Costa County in 1989 and since then has developed 10. SAHA has an established and portfolio of affordable housing developments in the East Bay that have been built in partnership with local agencies and with substantial community input. Over the years, we have developed a highly participatory approach that includes the following:

- **Identify community-wide stakeholders** and leaders representing different sectors including local businesses, the faith community, sustainability advocates, economic development, social service agencies, and neighborhood leaders.
- **Meet one-on-one or in small groups** with neighboring residents and merchants who will be directly impacted by the development and construction of the project.
- **Hold an initial community-wide open house** to familiarize stakeholders with SAHA's organization, completed projects, and property management team. The open house is also an opportunity to orient participants to the site and how it relates to the surrounding uses. We begin to collect feedback on community preferences, hear participants' hopes for the project, and listen to concerns. At this time we also solicit potential volunteers for the Community Advisory Committee (CAC).
- **Convene a Community Advisory Committee – *Optional Step*.** For certain projects, SAHA has found it very constructive to convene a small Community Advisory Committee (CAC) comprised of local stakeholders from different segments of the community to work in a more hands-on capacity with the development team to shape the project design. Under this approach, a group of 6-10 stakeholders is asked to meet three to four times over a series of months to consider design options, evaluate trade-offs, and to review site planning and architectural details. For example for one recent project, our CAC consisted of three neighbors, a social service provider, a local real estate broker, and a local design professional. On another, our CAC included several neighbors, a member of the clergy, and a senior executive from the local hospital. In conversation

with City staff and through initial feedback gathered during one-one-one conversations and the initial community open house described above, SAHA will evaluate the benefits of convening a CAC for this project.

- **Prepare schematic drawings** incorporating design feedback gathered. Before permit submittal, the development team and the CAC (if applicable) will present the preferred design concept at a second community open house. Depending on feedback received, additional design work and community sessions may be warranted to fine-tune the design prior to submitting a permit application.

Once we have fully vetted the proposed schematic design, the team will submit for project-level approvals. SAHA will provide project information and meeting notices in English, Spanish, and Asian languages and will provide translation services at all community meetings.

Please note that the sudden arrival of Covid-19 is prompting us to plan for a future where in-person meetings and large group gatherings may not be possible. We are in the process of developing and honing our digital toolkit so that we can continue to foster dialogue and input from stakeholders. Options that we are exploring include pre-recorded video materials, real time digital presentations (using tools such as Zoom and WebEx), input gathering via Google forms and interactive platforms such as [thoughtexchange.com](https://www.thoughtexchange.com).

f. Zoning and Entitlements

We anticipate submitting a planning application by December 2020, allowing time to complete a meaningful and robust community engagement process. The project will need to comply with the California Environmental Quality Act (CEQA) or be approved via SB35. SAHA will work with the City to hire a consultant to prepare an Initial Study to determine the level of environmental review required of the project. The development, assuming the use of federal funds, will also need to comply with the National Environmental Policy Act (NEPA), with which SAHA has extensive experience.

The site is currently zoned with a General Plan Designation of Commercial Mixed Use and may be used 100% for residential purposes with an affordable housing agreement. The site also lies in the San Pablo Avenue Land Use Plan section of the City's Three Corridors Specific Plan. Based on the City's Zoning Code, General Plan Designation, and density bonus, we will build 32 units affordable units. As an affordable development with 100% of units being income restricted at or below 60% of the Area

Median Income, the project would be eligible for a density bonus up to 80% and up to four zoning concessions, if needed, under State density bonus law. We propose using one concession for parking, as our initial site plan includes 16 parking spaces, significantly less than what would be required per the multifamily dwelling parking standards. Another concession may need to be used for private open space requirements for ground floor units. Our analysis indicates that the proposed project is consistent with the setbacks, stories and heights allowed by the Development Code.

g. Timeline for Development

SAHA fully understands the housing crisis that exists throughout the entire Bay Area. More specific to this site, SAHA understands that the City of Pinole has obligations to utilize the land and financing associated with the former Redevelopment Agencies. An expedited timeline for developing new affordable housing throughout the region is vital. We anticipate being able to complete the project in approximately 3 years, a full schedule is detailed below. The design for entire development is to be built in one single phase. We are assuming a 16-month construction schedule.

<i>Proposed Timeline</i>	
Milestone	Date
Developer Selection	June 2020
Negotiate Development Agreement	July - August 2020
Begin Design & Community Engagement	September - October 2020
Planning Application Submittal	December 2020
Planning Approval	April 2021
Secure Project Funding	January 2021 – October 2021
Design Development, CDs, Submit Bldg Permit	September 2021
Start Construction	April 2022
Complete Construction	August 2023



[Return to Agenda](#)

San Pablo

811

Office & Services

Entry

Office

Community

Parking

Terrace

N



STUDIO
T SQUARE

Architecture
Planning
Urban Design

1970 Broadway, Suite 500
Oakland, California 94612
(510) 451 - 2850

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PINOLE VETERAN HOUSING
811 SAN PABLO AVENUE, PINOLE, CA

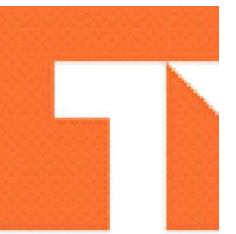
Sheet Title:
Conceptual
Design

Job No.
Date: 04/24/2020
Scale: 1" = 30'
Drawn By:

Sheet No:

1

126 of 611



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: (510) 451 - 2850

PINOLE VETERAN HOUSING
811 SAN PABLO AVENUE, PINOLE, CA

Sheet Title:

Conceptual Design

Sheet No:

2

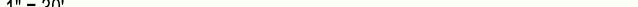
27 of 611



UNIT MIX		BLDG. AREA	PARKING
5 @	2 Bedroom	10,200 sf / floor	16 cars (2 accessible)
26 @	1 Bedroom	30,600 sf total	32 bikes
1 @	Studio		
32	Total units		



30' 0 30' 60' 90'



SCALE: 1" = 30'



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Drawn By:

Sheet No:

3



Conceptual San Pablo Frontage Elevation

SECTION 2: DEVELOPER IDENTIFICATION

SECTION 2: DEVELOPER IDENTIFICATION:

For the development of 811 San Pablo Avenue, SAHA has assembled an experienced and resourceful team. Satellite Affordable Housing Associates (SAHA) will be the Developer and Owner (through a Limited Partnership structure) and will also provide Property Management and Resident Services coordination. Studio T Square, a firm with which SAHA has previously partnered on Veterans Square (a 30 unit, 100% supportive housing project in Pittsburg, CA) will be the architects for the project. Other team members, described below, include Gubb & Barshay (attorney). The engineering team will be selected at a later date. Both SAHA and Studio T Square have worked extensively with wide variety of capable civil, electric, structural, and MEP engineers in the Bay Area.

Satellite Affordable Housing Associates

Street and Mailing Address: 1835 Alcatraz Avenue, Berkeley CA 94703

Telephone: (510) 647-0700

Fascimile: (510) 647-0820

Email: info@sahahomes.org

Satellite Affordable Housing Associates (SAHA) will serve as the Developer, Owner, Property Manager, and Resident Services provider for the proposed development at 811 San Pablo Avenue. SAHA is a California 501(c)3 public benefit corporation with over 50 years of experience developing, owning, and managing affordable housing in the Bay Area. Over the years, SAHA has developed over 65 affordable apartment communities to serve families, seniors, and special needs groups. We specialize in high-density infill development and work closely with the local community to plan and design buildings that are contextual and that will meet the needs of neighborhood stakeholders as well as future residents. We have also developed over 40,000 square feet of retail/commercial space, with the majority located in mixed-used residential buildings.

As a mid-sized non-profit with a focus on Bay Area counties, SAHA is able to respond to local housing needs by creating beautiful, efficient, and affordable developments that serve households who would otherwise face limited or dire alternatives. Our residents are able to thrive and achieve goals around health, education, and employment once they are stably housed. Currently we provide housing for more than 4,000 residents including 400 units of supportive housing for people with special needs who were previously homeless.

We are proud that year after year our developments win national recognition for quality and innovation. A complete list of awards is provided in Supplemental Materials.

SAHA is led by CEO Susan Friedland and is overseen by a volunteer Board of Directors recruited from a diversity of professional and personal backgrounds. Susan Friedland has the authority to represent and make legally binding commitments for the development entity. SAHA is a HUD-approved Community Housing Development Organization (CHDO) with one-third of our Board of Directors comprised of low-income members. We also have a goal of significant resident representation on the Board and currently three seats are filled by SAHA residents. A Board list is included in Section 5, Supplemental Information. Our Board meets regularly on the second Tuesday of every month to provide strategic direction and fiduciary oversight for the organization and its assets. We employ over 200 highly skilled and committed full-time staff.

Our organization supports three primary program areas: real estate development, property management, and resident services. By acting as owner, developer, property manager and services coordinator, SAHA is deeply committed to the long-term health, maintenance, and quality of each of our properties and our residents.

SAHA Real Estate Development

The SAHA Real Estate Development team is highly skilled in all phases of project development including site acquisition, managing design and entitlements, securing project financing, and overseeing construction completion. Each potential development site is evaluated closely to ensure it is located near quality-of-life amenities; is eligible and feasible in the current funding environment; and is reflective of community needs and priorities. On every project, the architectural team is carefully selected to ensure it has the right design aesthetic for the surrounding neighborhood as well as the appropriate experience. As a result of our early and rigorous analysis, we have an outstanding legacy of completed projects. A complete project list is included in Section 5 and profiles for recent, comparable projects are included in Section 3.

We especially enjoy working in partnership with local governments and community members to plan and design housing communities that meet local affordable housing needs, integrate into the existing architectural context, minimize energy and water consumption, and contribute to the community at-

large. We work with stakeholders very early in the site planning and design process to ensure that their voices are heard. Much of our new construction work involves close partnership with local agencies on publicly owned parcels that are being leased or sold for the purpose of meeting community housing needs. We are currently working with the cities of Oakland, Albany, Pleasanton, Livermore, Napa and Sonoma County to develop affordable housing on public land.

The following key SAHA Real Estate Development staff will be assigned to the project. Brief descriptions of their professional experience as well as their role in this project are provided below. We have also resumes for these team members at the end of this section, and for other essential SAHA leaders in Section 5.

Eve Stewart, VP of Real Estate Development

(510) 809-2754

estewart@sahahomes.org

Eve Stewart has nearly 20 years of experience in real estate finance and development and has been with SAHA since 2003. During her tenure, Eve has directly managed or overseen the completion of more than 1,400 housing units and 21,000 square feet of commercial space. Currently, Eve is responsible for over 1200 units in SAHA's predevelopment pipeline.

Eve oversees all aspects of SAHA's work in Real Estate Development. Eve will be the County's direct point of contact during the selection process and will work closely with County staff to negotiate the development agreement. Eve will actively lead the community engagement process with neighbors and stakeholders and will be closely involved in the project-level design and entitlement approvals.

Carrie Lutjens, Project Manager

(510) 809-2728

clutjens@sahahomes.org

Carrie will carry out day-to-day project management work including managing the design & entitlements process and securing financing for the project. Carrie has been at SAHA since 2014 and has managed complex developments such as Valley View Senior Homes, which utilized the same state Veterans Housing and Homelessness Prevention (VHHP) program funds as we propose using for 811 San Pablo. Carrie is currently managing two developments in Berkeley, California—one new

construction community for 35 affordable senior housing households, and the refinance and renovation of Ashby Lofts, a 54-unit family affordable housing development.

Alex Lee, Associate Project Manager

(510) 809-2772

alee@sahahomes.org

Alex will be fully involved in the community engagement process and will provide key support for the entitlements process, funding applications, and financing closing. Alex joined SAHA in January 2020 with over three years of experience in affordable housing services, urban planning consulting, and nonprofit administration. Alex is currently involved in the construction of 117 affordable units across Alameda County, supporting construction supervision, project closing, and financing applications for projects in various stages of completion.

SAHA Property Management & Operations

SAHA's track record for providing professional, high-quality property management stretches back to 1971 and across seven Northern California counties. We currently manage 67 properties (including two, third-party management contracts) serving low-income families, seniors, and people with special needs with the goal of ensuring a high quality of life for our residents and strong property stewardship.

The property management staff of SAHA, led by Angela Cavanaugh VP of Property Management, is highly skilled and experienced in the affordable housing field. SAHA property management employs 125 full time staff including supervisors, site managers, maintenance and janitorial staff. Staff are responsible for providing a wide range of services including responding to resident requests and concerns, carrying out day-to-day maintenance, and coordinating capital improvements such as roof replacements. Property Managers monitor property waiting lists, fill vacancies promptly when they occur, perform tenant screening, and carry out annual income certifications.

SAHA has created and implemented preventative maintenance programs, management control systems, and emergency preparedness programs for all of our properties.

The many buildings in SAHA's portfolio represent a tremendous community asset, one that staff has pledged to protect. This commitment and care is evident in the excellent condition of SAHA's properties, including those that have been in operations for four decades or more.

During predevelopment, key SAHA staff from Property Management include **Angela Cavanaugh, VP of Property Management, and Daniel Ponce, Regional Property Supervisor**. Angela and Daniel will prepare operating budgets, participate in community outreach activities, and provide guidance of fair housing practices and marketing strategies. Resumes for Daniel and Angela are included later in Section 5.

SAHA Resident Services

As a housing provider for over 40 years, SAHA has seen the tremendous impact that our services program has made in lives of our residents, helping them to achieve their life goals and maintain stable housing. Our program provides personalized, supportive services to all families and individuals living in our housing communities. Currently, SAHA employs thirty full time services staff and conducts a robust volunteer program that incorporates over 250 volunteers per year.

Each of our properties is staffed with resident service coordinators who provide one-to-one individualized case management for residents who need additional support. In addition, SAHA delivers a comprehensive array of programs designed to help families and individuals form and strengthen social connections, develop new skills, and maintain the best possible physical, emotional, and cognitive health. These programs include social and recreational activities, community gardening, exercise and health classes, civic engagement opportunities, after-school activities, intergenerational interaction, and service linkages.

SAHA's team of Resident Services Coordinators (overseen by a licensed clinical social worker) work on-site at our properties to support our residents' social, emotional, cognitive, and physical well-being by providing case management, coordination & referrals to community-based services and providers, and through community building activities.

Resident Services begin with case management and meeting basic needs through meal programs, public benefits access, health screening and access to care, and transportation services. From there

we address a wide variety of individual needs including help with immigration and naturalization, medical-related planning and services, legal assistance and mediation, and financial education.

Activities include a wide variety of on-site classes and groups including exercise classes, quilting and embroidery, drum circles, choirs, dancing, walk groups, book clubs, meditation, Feldenkrais, intercultural potlucks, men's groups and ESL classes. Tenants Associations provide a vehicle for socializing as well as advocacy and communication between management and residents. For family buildings, on-site youth programs provide young people a safe and supportive environment to build skills and resilience. Our youth development staff and volunteers provide structured, engaging programming that focuses on social-emotional learning skills, homework assistance, and positive role models from the community. SAHA uses the School Age Program Quality Assessment to guide staff training, curriculum and the physical environment. Youth programming includes a range of activities including homework help, tutoring, art projects, gardening, cooking, dance, and storytelling. In addition, SAHA's services team organizes a back-to-school supplies drive and holiday toys drive annually. This year, we distributed over 300 backpacks with school supplies to children living in our properties and in the community at-large.

During predevelopment, key SAHA staff from Resident Services include **Cristi Ritschel, VP of Resident Services**. Cristi will prepare services plans & budgets, participate in community outreach activities, assist with preparing competitive funding applications and involve strategic service partners, such as a third party services provider for the potential veteran and formerly homeless households, as needed to best serve our target tenant population. Cristi's resume is provided in Section 5.

Studio T Square

Studio T Square (STS) is an architecture, planning, and urban design firm located in Oakland that creates acclaimed buildings in urban and suburban environments. STS specializes in creating vibrant and diverse community destinations, working with project stakeholders to guide community consensus, and bringing to life sustainable public spaces. Their architectural team has completed over 1,000 units of affordable housing for families, seniors, veterans, and people with special needs, and currently have 7 additional communities that are actively underway. Key STS staff during predevelopment, particularly the schematic design and entitlement phases, include **Robert Lindley, Principal Architect** and **Maren Moegel, Director of Design**. Mark Stepan, Project Architect and

Director of Construction Documents, and Beau Hale (Program architect and director of Construction Administration) would play key roles in the construction documents and development phases. A profile of the firm, its comparable project experience, and resumes of these key staff are enclosed at the end of this section.

Gubb & Barshay

Gubb & Barshay LLP, established in 1993 by Natalie Gubb (1948-2016) and Scott Barshay, is widely-known as one of the top law firms specializing in the field of affordable housing. Based in Oakland, California, the firm is recognized nationally for its expertise in the low income housing tax credit program and in other affordable housing finance programs. Gubb & Barshay LLP has been involved in the structuring and closing of over 500 low income housing tax credit program transactions in California and other states on behalf of affordable housing developers. The firm has worked on projects with a wide variety of direct and syndicated investors and negotiated transactions involving nearly every major lender and investor in the area. They have extensive experience on both new construction and acquisition/rehabilitation developments, with a particular expertise in resyndications of existing LIHTC developments. In addition to their thorough review of the syndication documents, they also closely review the financial projections to structure the transaction to maximize syndication proceeds. They provide all certifications required by tax credit allocating agencies and have acted as special tax counsel on highly specialized tax credit issues. They also represent developers in limited partner investor buyout transactions.

Scott Barshay, Partner & founder, will be the attorney for the project. Scott will lead all transactional legal aspects of the project (loan documents, DDA, syndication etc). Mr. Barshay specializes in affordable housing, real estate and tax matters, syndications, and nonprofit law. He has assisted lenders in analyzing underwriting risks, documenting transactions and negotiating favorable loan provisions. He also has been involved in structuring numerous syndications and advising clients on tax, fair housing, and relocation matters.

Scott graduated from Duke University in 1981, summa cum laude with an B.A. degree in Economics. Member of Phi Beta Kappa. He received his J.D. from Harvard University Law School in 1985, cum laude.



EVE CARLISLE STEWART

VICE PRESIDENT OF REAL ESTATE DEVELOPMENT

510-809-2754

estewart@sahahomes.org

Eve Stewart has nearly 20 years of experience in real estate development and finance and has been with SAHA since 2003. During her tenure, Eve has directly managed or overseen the completion of 1,800 housing units, financed primarily using low-income housing tax credits (LIHTC) combined with additional State and local funding programs. Eve oversees SAHA's Real Estate Development team and activities. She is responsible for 1,100 units in SAHA's predevelopment pipeline and is a member of SAHA's executive team charged with broader organizational leadership functions including strategic planning and budgeting. Eve is a former board member of East Bay Housing Organizations (EBHO), a nonprofit advocacy and policy group and has held leadership roles with EveryOne Home, Alameda County's initiative to end homelessness. Eve holds a Masters degree in City & Regional Planning from the UNC -Chapel Hill and graduated magna cum laude from Harvard.

PROFESSIONAL EXPERIENCE

2003-present	SAHA / Affordable Housing Associates, Berkeley, CA Vice President of Real Estate Development
2000-2003	Economic & Planning Systems, Inc. Senior Associate
2000	Dept. of City & Regional Planning, UNC Teaching Assistant, Real Estate Investment & Affordable Housing Finance (graduate level)

REPRESENTATIVE PROJECTS

The Savoy

101 units | Permanent housing for homeless and special needs; mixed use

Lakeside Senior Housing

92 units | Permanent supportive housing for chronically homeless

Strawberry Creek Lodge

150 units | Senior housing

Ashby Lofts

54 units | Mixed-use family housing

Carmen Avenue Apartments

30 units | Supportive & Special Needs family housing

Harmon Gardens

16 units | Supportive housing units for transition-age youth

EDUCATION

2000	University of North Carolina at Chapel Hill Master of City & Regional Planning, Real Estate and Housing Development
1995	Harvard University Bachelor of Arts, Anthropology/Archaeology, magna cum laude



CARRIE LUTJENS

PROJECT MANAGER

510-809-2728

clutjens@sahahomes.org

Carrie joined Satellite Affordable Housing Associates (SAHA) in February 2014. With more than 10 years of work experience in the housing field, Carrie came to real estate development with a strong commitment to community engagement and advancing opportunities for low-income people. Prior to working at SAHA, Carrie implemented a Rapid-Rehousing program in Philadelphia, PA and conducted Fulbright research on urban redevelopment in Mumbai, India. Carrie has a Master's in City & Regional Planning from UC Berkeley and a Bachelor's degree from Brown University in Urban Studies.

PROFESSIONAL EXPERIENCE

2014-present

SAHA, Berkeley, CA

Project Manager

Oversees and coordinates all stages of affordable housing development including site research and acquisition, feasibility analysis, pre-development, design, project financing, construction, loan close-out and transition to property management.

2010-2013

Women Against Abuse, Philadelphia, PA

Housing Coordinator

Developed and implemented a rental subsidy program for individuals fleeing domestic violence by soliciting referrals, screening intakes, processing payments with Accounting, writing policies and documenting electronically to comply with government standards. Advocated for clients with local landlords, performed home inspections, and represented agency at city provider meetings.

2009- 2010

U.S. India Educational Foundation, Mumbai, India

Fulbright Research Scholar in Urban Planning

Analyzed the role of community organizing in Mumbai's urban redevelopment process by reviewing literature and interviewing 50+ residents of informal settlements, developers, bureaucrats, academics and NGO staff to assess the efficacy of organizing for redevelopment under supervision of faculty at Tata Institute of Social Sciences in Mumbai.

EDUCATION

2017

University of California, Berkeley
 Masters of City & Regional Planning

2008

Brown University
 Bachelors of Arts in Urban Studies



ALEX (JINWOO) LEE

ASSOCIATE PROJECT MANAGER

510-809-2772

alee@sahahomes.org

Alex joined Satellite Affordable Housing Associates (SAHA) in January 2020 and has over 3 years of experience in affordable housing services, urban planning consulting, and nonprofit administration. Prior to SAHA, Alex piloted the creation of data dashboards and systems which supported resident service administration at BRIDGE Housing. Alex also managed the drafting of numerous Environmental Impact Reports (EIR) in the Greater Los Angeles Area for developers, local cities/jurisdictions, and public agencies. Alex holds a BS in Environmental Policy Analysis and Planning from the University of California, Davis and a Masters of City and Regional Planning from the University of California, Berkeley.

PROFESSIONAL EXPERIENCE

- | | |
|--------------|---|
| 2020-present | Satellite Affordable Housing Associates; Berkeley, CA
<i>Associate Project Manager</i>
Manages the development of affordable housing through a wide variety of tasks directly related to planning, development and financing of projects from acquisition through construction and occupancy. Currently working through the construction of 117 affordable units in the City of Berkeley and Pleasanton. |
| 2018 | BRIDGE Housing; San Francisco, CA
<i>Resident Services Neighborhood Portfolio Assessment Fellow</i>
Created data dashboards and visualizations from resident surveys in BRIDGE Housing properties. Piloted an outreach program to solicit larger response rates from residents using existing resident services strategies and workflow. |
| 2018 | Beneficial State Foundation; Oakland, CA
<i>Impact Assessment Fellow</i>
Analyzed CDFI loan lending data for Beneficial State Bank's 2017 FY to track lending performance, sector-specific metrics, and alignment with mission. |
| 2016-2017 | Impact Sciences Inc.; Pasadena, CA
<i>Planner</i>
Managed the drafting of Environmental Impact Reports, Initial Studies, and related environmental review documentation for clients across the greater Los Angeles area. |

EDUCATION

- | | |
|------|--|
| 2019 | Masters of City and Regional Planning
University of California, Berkeley |
| 2016 | Bachelor of Science, Environmental Policy Analysis and Planning
University of California, Davis |



**ARCHITECTURE
INTERIORS
URBAN DESIGN
PLANNING**

-
- Oakland Local Business Enterprise, Est. 2010 (LBE)
 - Certified Minority Business Enterprise (MBE)
 - Full time employees: 46
 - Number of licensed architects: 14
-

studiot-sq.com

FIRM PROFILE

Studio T-Square (STS) specializes in creating vibrant and diverse community destinations, working with project stakeholders to guide community consensus, and bringing to life sustainable and artistic public spaces. As architects and planners, we work together to create a team of qualified and experienced sub-consultants and engineers, guide the vision, manage each phase of design and construction, ensure quality deliverables, and exceed project goals.

This proposal comes at an opportune time for STS as we have formally merged with YHLA Architects, a well-respected bay area architecture and urban design firm. Established in Oakland in 1982, YHLA has a 38-year history providing exceptional design and service to its clients and the greater bay area community. YHLA principals Yui Hay Lee and Robert Lindley were actively involved in affordable housing design as early as 1983, with projects in Menlo Park, Sausalito, Pt. Reyes Station and Richmond, all serving low-income families and seniors. YHLA's entire management, design and production team joined STS and brought a deep understanding of the needs of marginalized communities and the importance of good place-making. We are excited by the infusion of experience and creative energy this merger has brought to our team.

Studio T-Square is a full-service architecture, urban design, and planning firm based in Oakland, California. The Studio T-Square team works under the direction of veteran architects Chek F. Tang AIA, NCARB, Chris Lee, AIA, LEED AP, Seema Mhaskar, AIA, LEED AP, and William (Bill) Williams, AIA who bring over 100 years of collective professional experience to the firm. By joining forces with YHLA we have created a commitment to doing our part to solve the Bay Area's housing crisis. The YHLA team has brought decades of local experience, and a well-regarded reputation for design excellence, development knowledge, and client service.

Our proposed architectural team has completed over 1,000 units of affordable housing, and currently have more than 300 units in construction and on-the-boards. Together we have completed over 15 affordable communities for families, seniors, veterans, and people with special needs, and currently have 7 additional communities that are actively underway. We have enclosed several project references that demonstrate our experience specific to affordable housing.



VETERANS SQUARE Pittsburg, CA – In Development

The project consists of a three-story residential building with 27 one-bedroom units, one two-bedroom unit, and one two-bedroom managers unit. Common areas for residents include a large main entrance lounge, a community room with kitchen and storage, bike storage in a separate building on site and exterior gathering and gardening areas. The building is equipped with a laundry facility and tenant storage on each floor.



TYLER COURT El Monte, CA – 2014

A 20 unit affordable senior housing project located on an in-fill site along a major artery. The project is close to services and community amenities, which provides seniors a chance to live within walking distance of many of their daily needs. The Craftsman inspired design disguises a highly energy efficient building that includes a roof-top solar photovoltaic array to provide site and common area lighting and power. The project was awarded LEED Platinum certification.



KINGS BEACH FAMILY HOUSING Kings Beach, CA – 2012

77 units of workforce housing for the Lake Tahoe area. As the first-ever affordable housing project built in the Tahoe basin, the project successfully resolved a host of challenging environmental, community, and logistical constraints. Four of the five sites consist of small, clustered two and three story “chalet” style buildings. The fifth and largest site features a “resort-lodge” inspired LEED Silver four-story complex that has become a symbolic gateway to the Kings Beach area. Notable awards include U.S. Green Building Council Green Building Super Heroes Award and AIA/HUD Secretary’s Housing & Community-Informed Design Award.



KELSEY VILLAGE Sacramento, CA – 2013

A 20 unit affordable housing project that includes 10 much needed independent living apartments for tenants with physical and mental disabilities under the HUD 811 Program. Carefully designed to ensure that 100% of all interior spaces and outdoor amenities are fully accessible, the building and grounds provide an environment that enables a rich, integrated and independent lifestyle. In addition to well-appointed apartments, the project features a community center with kitchen, a beautiful landscaped terrace, and generous community garden space with raised planters.



LA VALENTINA NORTH Sacramento, CA - 2012

A small in-fill lot provides 18 units of affordable family housing. The project was the 2013 EPA award winner for Smart Growth as the project illustrated exemplary transit-oriented design, as well as cutting edge energy conservation design to achieve an 80% level of energy independence. Promoted by the Sacramento Municipal Utility District as a model project for net-zero design in multi-family housing as it incorporates a highly efficient envelope, mechanical system, and roof-top photovoltaic panels. The three-story buildings surround a central court linking the project with the historic context of the existing neighborhood.



SIENA COURT Pittsburg, CA - 2012

A full-city-block senior housing / retail mixed-use project with three individual buildings on one master-planned property. The main building has 95 residential units, a full community center, management office, lounges and laundry. The second building, sited on a revitalized commercial street is a mixed-use with 16 residential units, lobby, lounges and laundry on two floors above ground level retail spaces. The third building is a two-level parking structure with a "living" green roof above, providing a beautiful visual amenity as well as storm water management.



CURTIS PARK COURT Sacramento, CA - 2017

A three-story residential building with associated on-site parking. The project provides 91 units of affordable apartments for seniors along with an administrative office, community rooms, central laundry rooms, and informal lounges. The site incorporates a large terrace for outdoor activities, a vegetable garden for tenants' use, and extensive landscaping.



Studio T-Square has a talented roster of qualified architects, designers, and support team members to ensure that all assignments are properly staffed. We have assembled a specific team that is highly experienced in the successful design and delivery of affordable communities. The Affordable Housing project team will be led by Principal-in-Charge, Robert Lindley; Director of Design, Maren Moegel; Project Architect/Director of Construction Documents, Mark Steppan; Project Architect/Director of Construction Administration, Beau Hale; and additional team members will be pulled from a pool of talented designers. Each of the selected team members bring decades of experience to the team in both public and private sector assignments. Detailed resumes for each of these team members are included on the following pages.

Robert Lindley | PRINCIPAL-IN-CHARGE

Robert Lindley has over 36 years' experience in a wide range of project types including residential, office, commercial, industrial, research laboratory, educational, recreational and historic preservation / adaptive re-use. He has led architecture and design teams on more than a dozen affordable communities throughout Northern California, and is currently in development on an affordable veteran's housing development in Pittsburg, CA. Robert is a registered architect in California. He was a founding board member of the San Francisco Bay Area Chapter of A.D.P.S.R. (Architects, Designers and Planners for Social Responsibility), and a member of the California Emergency Design Assistance Team which provided pro-bono design assistance following the Oakland Hills Fire. He has served as president of the Davis Village Homes Architectural Review Board and currently serves as a member of the City of Davis Building Code Board of Appeals.

Maren Moegel | DIRECTOR OF DESIGN

Maren Moegel is an urban and architectural designer and master planner with broad international experience, with a passion for the diversity and vibrancy of dense urban environments. Her emphasis is on strategy and concept development for urban redevelopment, mixed-use, residential and transit-oriented districts, and creating high-quality designs that are ecological, economic and social sustainability. Maren has designed and managed multiple complex teams and projects from initiation to Entitlement approval, while balancing zoning requirements, design quality, and stakeholders' goals and interests.

Mark Steppan | PROJECT ARCHITECT AND DIRECTOR OF CONSTRUCTION DOCUMENTS

Mark is a licensed architect with over 40 years of experience in design and construction of a wide variety of project types including educational, institutional, civic, commercial, and student housing, with much of his career focusing on multi-family and mixed-use residential projects. Mark's responsibilities include managing projects from conception through construction, on both renovation and new construction projects. As Director of Architecture, Mark has authored Office Production Standards, QA/QC Process/Plan Guidelines and oversees the QA/QC and Risk Management processes for Studio T-Square. He has led office seminars on housing accessibility, construction defects and how to improve documentation to minimize the potential construction issues.

Beau Hale | PROJECT ARCHITECT AND DIRECTOR OF CONSTRUCTION ADMINISTRATION

Raymond (Beau) Hale is the Director of Construction Administration and a senior project architect at Studio T-Square. With over 20 years of industry experience, Beau has led project teams on a variety of complex assignments, including multi-family residential, mixed-use, resort, institutional, and education projects. He plays a key role in the management and influence of design, delivery, and construction, collaborates with owners, consultants, officials, and contractors to deliver quality buildings both on time and on budget.



ROBERT LINDLEY

AIA, NCARB

PRINCIPAL-IN-CHARGE

Robert Lindley has over 36 years' experience in a wide range of project types including residential, office, commercial, industrial, research laboratory, educational, recreational and historic preservation / adaptive re-use. Joining YHLA in 1985 and Studio T-Square in 2019, Robert has been the pivotal force behind many of YHLA's award winning projects and has designed some of the firm's most prominent and distinguished projects including Ultimar, a 400 unit coastal high-rise housing community in Clearwater Florida, Frank H. Ogawa City Hall Plaza at the Oakland Civic Center and Swan's Marketplace in Old Oakland, a project which has won numerous awards.

EDUCATION

Bachelor of Arts in Architecture
with High Honors
University of California, Berkeley

LICENSES & CERTIFICATIONS

Registered Architect in
California: C-18214
Hawaii: 16612

NCARB Certificate Holder

PROFESSIONAL AFFILIATIONS

- American Institute of Architects (AIA)
- National Council Architectural Registration Boards (NCARB)
- City of Davis Handicap Access Standards Board of Appeals
- City of Davis Building Board of Appeals
- Village Homes Architectural Review Board (past president), Davis, California
- Bay Area Chapter A.D.P.S.R. (Founding Member), San Francisco Bay Area, California
- AIA California Emergency Design Assistance Team (C.E.D.A.T.), Oakland, California

Robert has designed and directed the completion of a variety of projects in the Sacramento Region including the award-winning Sacramento Natural Foods Coop Market and 4-level Parking Structure, Curtis Park Court Senior Affordable Housing and the Del Rio Live-Work Lofts. A trio of innovative urban in-fill mixed-use buildings, the McCormick and Roe Buildings in Davis and the Sutter Court Building in Old Town Folsom, carefully integrate housing, commercial and office components into established downtown redevelopment districts and represent exemplary prototypes for green, transit-oriented development. Recently completed projects include a number of sustainable affordable housing and mixed use projects in Sacramento, El Monte, Pittsburg and Kings Beach Lake Tahoe, continuing a commitment to quality design and energy-efficient, environmentally appropriate development. New work in progress includes a 380 unit residential high rise in Oakland Chinatown, a 111 unit "affordable-by-design" work-live complex in West Oakland and a 63 unit senior affordable housing project with adjacent senior community center for the City of Winters.

Selected Project Experience

- Curtis Park Court – Senior Affordable Housing, Sacramento, CA
- Independence Plaza – Senior Affordable Housing ADA Rehab, Alameda, CA
- Sutter Place – Affordable Housing Rehabilitation, Carmichael, CA
- Tyler Court – Senior Affordable Housing, El Monte, CA
- Garden Village – Family Affordable Housing, Sacramento County, CA
- Siena Court – Senior Affordable Housing, Pittsburg, CA
- Santa Fe Commons – Family Affordable Housing, Pittsburg, CA
- Garvey Court – Senior Affordable Housing, El Monte, CA
- La Valentina North – Family Affordable Housing, Sacramento, CA
- Kings Beach Housing – Family Affordable Housing, Kings Beach, CA
- Alta Manor – Assisted Living Center, Roseville, CA
- Ping Yuen Center – Senior Affordable Housing, Sacramento, CA
- Bellagio Gardens – Residential Apartments, San Jose, CA
- Bee Street – Senior Affordable Housing, Sausalito, CA
- Kelsey Village – Developmentally Disabled Housing, Sacramento, CA
- Del Rio Live-Work – Market Rate Housing, Davis, CA
- 23rd and Valley – Market Rate Housing, Oakland, CA
- Arbor Building – Residential and Office Mixed-Use, Davis, CA
- Temple Art Lofts – Historic Adaptive Re-Use Mixed-Use, Vallejo, CA
- Alta Manor II – Assisted Living Center Expansion, Roseville, CA
- Berryessa Villas – Market Rate Residential Townhouses, San Jose, CA
- Murphy Villas – Market Rate Residential Townhouses, San Jose, CA
- Gateway Housing – Family Affordable Housing, Menlo Park, CA
- West Marin Senior Housing – Sr. Affordable Housing, Point Reyes Station, CA



MAREN MOEGEL

LEED AP

URBAN DESIGNER, DIRECTOR OF DESIGN

EDUCATION

Master of Urban Design,
University California, Berkeley;

Master in Architecture and
Planning, TU Karlsruhe,
Germany

LICENSES & CERTIFICATIONS

LEED AP

PROFESSIONAL AFFILIATIONS

- US Green Building Council
- AIA San Francisco
- San Francisco Planning and Urban Research Association

SELECT AWARDS:

- LEED Neighborhood Development selected project
- Pacific Coast Builders Conference
- Koerber Stiftung, Transatlantic Idea Contest Usable Award

Maren Moegel is an urban and architectural designer and master planner with broad international experience, and a passion for the diversity and vibrancy of dense urban environments. Her emphasis is on strategy and concept development for urban redevelopment, mixed-use, residential and transit-oriented districts, and creating high-quality designs that are ecological, economic and social sustainability. Maren has designed and managed multiple complex teams and projects from initiation to Entitlement approval, while balancing zoning requirements, design quality, and stakeholders' goals and interests.

Projects include the master plan for a 28-acre Warm Springs mixed-use district in Fremont, CA, near BART and Tesla; and subsequent project entitlement for high-density apartments and affordable housing; Urban design and project management for Gateway at Millbrae mixed-use district, on the San Francisco Peninsula; and various urban mixed-use projects throughout the San Francisco Bay Area.

Selected Project Experience

- Old Warm Spring Boulevard South Master Plan, Fremont, CA. Valley Oak Partners. 28-acre Urban Mixed-Use district including market-rate housing and office, as well as a co-working space, 100 affordable residential units, and public amenities. Master Plan Adopted in Spring 2016. Subsequent project approvals in 2018. Under construction.
- Broadway Plaza: Entitlement for 11-acre mixed use development in Redwood City for The Sobrato Organization and MidPen Housing; with 400 apartment units, three office buildings, a public park, childcare, and 120-unit affordable housing units. Building permits are in process.
- Gateway at Millbrae mixed-use district: urban design and team coordination for transit-oriented mixed use district, including Veterans-preferred housing, office, retail, hotel, and a pedestrian paseo. Republic Urban. Groundbreaking in 2019
- Aster Avenue: Master Planning and Entitlement approval for 17-acre Transit-Oriented Multi-Family development at the Lawrence Caltrain Station in Sunnyvale, CA. Land-owner client and Olympic Residential Group. Under construction in 2020
- Ohlone Mixed-Use Development, San Jose, CA. 8-acre Planned Development Permit, Green Republic LLLP, 2015
- 9-km long Sanya master plan in Hainan, China, with subsequent sub-district plans and residential high-rise and villa development.

Other Engagements

- Teaching workshop on Community Engagement at Bauhaus School Weimar, Germany – Summer 2019
- SPUR Task Force, Regional Planning Strategy 2019, Urban Design



EDUCATION

Bachelor of Arts in Architecture,
University of California, Berkeley

LICENSES & CERTIFICATIONS

Registered Architect in California,
Nevada, and New Jersey

PROFESSIONAL AFFILIATIONS

- American Institute of Architects (AIA), Board of Directors of AIA East Bay Chapter (AIAEB)
- Construction Specifications Institute (CSI)
- National Council of Architectural Registration Boards (NCARB)



MARK B. STEPPAN

AIA, CSI, NCARB

DIRECTOR OF ARCHITECTURE, CONSTRUCTION DOCUMENTS

Mark is a licensed architect with over 40 years of experience in the design and construction of a wide variety of project types including educational, institutional, civic, commercial, and student housing, with much of his career focusing on multi-family and mixed-use residential projects. Mark's responsibilities include managing projects from conception through construction, on both renovation and new construction projects.

As Director of Architecture, Mark has authored Office Production Standards, QA/QC Process/Plan Guidelines and is overseeing the QA/QC and Risk Management processes for Studio T-SQ. He has led office seminars on housing accessibility, construction defects and how to improve documentation to minimize the potential construction issues.

Mark was the chair of the Professional Practice Forum at the East Bay Chapter of the AIA and has been sitting on the Board of Directors for the last 7 years and in previous years was leading the chapter as President focusing on the practice of architecture and how the AIA can further assist the profession and the public.

Selected Project Experience

- VASF: Restrooms renovations, SF, CA
- VASF: Seismic Study 2 Bldgs, SF, CA
- North 4th Street Apartments, San Jose, CA
- Villa Montgomery, Redwood City, CA
- Dana Point Senior Housing, Dana Point, CA
- Villa Vasona Senior Apartments, Los Gatos, CA
- Kaiser Permanente Foundation Health System, Oakland, CA
- Sutter Health System, San Mateo, CA
- John Muir Health System, Walnut Creek, CA
- Santa Clara Square, Phases 3 & 4, Santa Clara, CA
- 1 AMD Place, Sunnyvale, CA
- Park Place, Mountain View, CA
- Las Palmas, San Jose, CA
- Wingfield Towers, Reno, NV
- Almaden Lake Village, San Jose
- Silverado Park, Long Beach, CA
- Admiral Kidd Park, Long Beach, CA
- 29 Palms Marine Corps Base, Twenty-Nine Palms, CA
- Lawrence Livermore National Lab, Livermore, CA



RAYMOND (BEAU) HALE

AIA, CSI, CDT

PROJECT ARCHITECT, DIRECTOR OF CONSTRUCTION ADMINISTRATION

Raymond (Beau) Hale is the Director of Construction Administration and a senior project architect at Studio T-Square. With over 20 years of industry experience, Beau has led project teams on a variety of complex assignments, including multifamily residential, mixed-use, resort, institutional, and education projects. He plays a key role in the management and influence of design, delivery, and construction, collaborates with owners, consultants, officials, and contractors to deliver quality buildings both on time and on budget.

In addition to substantial multifamily and residential expertise, Beau has experience in leading multi-building campus projects, school projects, and retail assignments. He plays a key role in the development of new programs and standards of practice which are adopted company wide.

EDUCATION

Bachelor of Architecture,
Temple University Philadelphia,
Pennsylvania

LICENSES & CERTIFICATIONS

Registered Architect in California,
C-28091

PROFESSIONAL AFFILIATIONS

- American Institute of Architects (AIA)
- Construction Specifications Institute (CSI)
- Construction Documents Technician (CDT)

Selected Project Experience

- The Huxley, Redwood City, CA
- Franklin 299, Redwood City, CA
- The Cardinal Apartments, Redwood City, CA
- The Reserve, San Jose, CA
- Santa Clara Square, Santa Clara, CA
- Brooklyn Basin Parcel 3, Oakland, CA
- Ironworks Apartments, Sunnyvale, CA
- 100 Moffett, Mountain View, CA
- 311 Matilda, Sunnyvale, CA
- North Foothill Townhomes, Fremont, CA
- 98th & Bigge Convenience Plaza, Oakland, CA
- Holy Trinity School, Sunnyvale, CA
- St. Patrick's School, San Jose, CA
- Catholic Academy of Sunnyvale, Sunnyvale, CA
- Roosevelt Elementary School, San Francisco, CA
- Caldwell Performing Arts Center, Mill Valley, CA
- Eckerd Drugstores, Various Cities, CO
- Carneros Inn and Spa Hilltop Building, Napa, CA

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Education: Graduated from Macalester College in 1999 with a B.A. in Economics and Urban Studies. Received J.D. from Georgetown University Law Center in 2003, magna cum laude. Member of The State Bar of California.

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GUBB & BARSHAY LLP
REPRESENTATIVE LIST OF PROJECTS

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A COMMUNITY OF FRIENDS	Avalon Apartments Berendos + Osborne Place Vendome Willis Avenue
AFFORDABLE HOUSING CDC, INC.	McCoy Plaza Pittsburg 3 LLC Tulare
ALLIED HOUSING	Bridgeway East LP Fremont Mission Bell
BRIDGE HOUSING CORPORATION	Foothill Farms Pottery Court St. Josephs Family Tobria Terrace
BURBANK HOUSING DEVELOPMENT CORPORATION	Amarosa Village I & II Fife Creek Commons Gray's Meadow + Hendley Circle Sea Ranch
CABRILLO ECONOMIC DEVELOPMENT CORPORATION	Montgomery Oaks
CATHOLIC CHARITIES OF SANTA CLARA	Archer Kings Crossing
CENTURY HOUSING CORPORATION	Family Shelter
CHINATOWN COMMUNITY DEVELOPMENT CENTER	Broadway Family Broadway Sansome Mary H. Rogers Otis
CLIFFORD BEERS HOUSING, INC.	The Courtyards NoHo Senior Villas YMCA
COMMUNITY HOUSING IMPROVEMENT PROGRAM	Linden Housing Murphy Commons Orland
COACHELLA VALLEY HOUSING COALITION	Brisas de Paz Khav 72 Rancho las Flores Paseo de los Heroes
COMMUNITY HOUSING PARTNERSHIP	Edward II San Cristina
DOMUS DEVELOPMENT	Kings Beach La Valentina Lincoln Court Siena Court South Court

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EAST BAY ASIAN LOCAL DEVELOPMENT CORPORATION	California Hotel + Coliseum Phases I – IV * Drasnin Manor Fruitvale Station * Hismen Garvey *
EDEN HOUSING, INC.	Arroyo Ashland Village Eden Lodge Lafayette Senior Peralta Seniors Warner Creek
HUMANGOOD NORCAL (fka ABHOW)	Amberwood Pacific Meadows + Valley Vista
L.A. FAMILY HOUSING CORPORATION	Day Street Glenoaks
LTSC COMMUNITY DEVELOPMENT CORPORATION	Menlo Family Housing PHD Apartments
MERCY HOUSING CALIFORNIA	7 th & H Arlington Boulevard Caroline Severance
MID-PENINSULA HOUSING CORPORATION	Fair Oaks I & II South City I & II Union City I & II
MISSION HOUSING DEVELOPMENT CORPORATION	Mission Bay Third Street Valencia Gardens
MUTUAL HOUSING CALIFORNIA	Highlands Shasta Hotel Spring Lake TRIO +
NAPA VALLEY COMMUNITY HOUSING	Arroyo Grande
PEOPLE'S SELF-HELP HOUSING CORPORATION	Cambria Dahlia Court II El Patio Rolling Hills
PETALUMA ECUMENICAL PROJECTS	Acacia Lane Casa Grande Toussin

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SELF-HELP ENTERPRISES	New Goshen Village II Rancho Linda
SINGLE ROOM OCCUPANCY HOUSING	Ford Hotel Gateways Rosslyn
SKIDROW HOUSING TRUST	Abbey Apartments Charles Cobb Apartments New Carver Apartments New Genesis Apartments
TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION	5 th & Howard 8 th & Howard Aarti Mosaica
VISIONARY HOME BUILDERS	8 th Street Development Villa Monterey Vintage Plaza
WEST HOLLYWOOD COMMUNITY HOUSING CORPORATION	Hayworth House

SECTION 3:

DEVELOPER EXPERIENCE & QUALIFICATIONS

SECTION 3: DEVELOPER EXPERIENCE AND QUALIFICATIONS

As described in Section 2, SAHA has assembled an experienced and resourceful team for the development of 811 San Pablo in Pinole. Satellite Affordable Housing Associates (SAHA) will be the Developer and Owner (through a Limited Partnership structure) and will also provide Property Management and Resident Services coordination. This section focuses on SAHA's development experience and qualifications in particular. Descriptions for three previously completed projects similar to what we propose for 811 San Pablo are included at the end of this section (Tabora, Valley View, and Redwood Townhomes.) We have included an additional two profiles of comparable projects that are just now starting in construction—Manzanita in Napa, California, and Veterans Square in Pittsburg, California. The profiles include project timelines, funding sources, and project references.

Satellite Affordable Housing Associates

Satellite Affordable Housing Associates (SAHA) will serve as the Developer, Owner, Property Manager, and Resident Services provider for the proposed development at 811 San Pablo Avenue. By acting as owner, developer, property manager and services coordinator, SAHA is deeply committed to the long-term health, maintenance, and quality of each of our properties and our residents. As described in Section 2, SAHA is a California 501(c)3 public benefit corporation with over 50 years of experience developing, owning, and managing affordable housing in the Bay Area. Over the years, SAHA has developed over 65 affordable apartment communities to serve families, seniors, and special needs groups. We specialize in high-density infill development and work closely with the local community to plan and design buildings that are contextual and that will meet the needs of neighborhood stakeholders as well as future residents. We are proud that year after year our developments win national recognition for quality and innovation. A complete list of awards, a list of our board, and our organizational structure is provided in Section 5.

SAHA Real Estate Development

The SAHA Real Estate Development team is highly skilled in all phases of project development including site acquisition, managing design and entitlements, securing project financing, and overseeing construction completion. Each potential development site is evaluated closely to ensure

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SECTION 3: DEVELOPER EXPERIENCE & QUALIFICATIONS

it is located near quality-of-life amenities; is eligible and feasible in the current funding environment; and is reflective of community needs and priorities. On every project, the architectural team is carefully selected to ensure it has the right design aesthetic for the surrounding neighborhood as well as the appropriate experience. As a result of our early and rigorous analysis, we have an outstanding legacy of completed projects. A complete project list is included in Section 5 and profiles for recent, comparable projects are included in this section.

We especially enjoy working in partnership with local governments and community members to plan and design housing communities that meet local affordable housing needs, integrate into the existing architectural context, minimize energy and water consumption, and contribute to the community at-large. We work with stakeholders very early in the site planning and design process to ensure that their voices are heard. Much of our new construction work involves close partnership with local agencies on publicly owned parcels that are being leased or sold for the purpose of meeting community housing needs. We are currently working with the cities of Oakland, Albany, Pleasanton, Livermore, Napa and Sonoma County to develop affordable housing on public land.

The key SAHA Real Estate Development staff were identified in Section 2 (Developer Identification.) Brief descriptions of their professional experience, their role in this project, and their resumes were included in that section.

ACQUISITION DATE

January 26, 2010

ENTITLEMENT DATE

November 8, 2011

CONSTRUCTION DURATION

September 2016 — March 2018

LEASE UP DATE

March 2018

TOTAL COST

\$33,700,000

DENSITY

27 units per acre

NUMBER OF UNITS

85 Total

INCOME LEVELS

50% AMI & Below

ARCHITECT

Pyatok Architects

GENERAL CONTRACTOR

Sunseri Construction

FINANCING PARTNERS

City of Antioch
Contra Costa County
HCD VHHP, MHP
4% Tax Credits
Wells Fargo

PROPERTY MANAGER

SAHA PM

SERVICE COORDINATOR

SAHA and Shelter Inc.

TABORA GARDENS SENIOR APARTMENTS

3701 TABORA DRIVE, ANTIOCH



Tabora Gardens Senior Apartments is the new construction of an 85 unit affordable housing community for people aged 55 and above. Overlooking a quiet open space preserve, yet with neighborhood amenities in close proximity, the site is ideally located for senior housing. It includes 84 one-bedroom apartments and an on-site manager's unit. A surface parking lot includes 59 parking spaces for residents. Resident amenities include a 1,066 square foot community room with kitchen, a smaller 541 square foot activity room with five computer stations along one wall, and an exercise room. The community room opens to the central garden which includes a meandering path, several seating areas, and wheelchair accessible vegetable planters in a sunny spot.

Over half the apartments are set aside for special needs populations. 33 are re-served for military veterans -- 12 of those for individuals who have been chronically homeless. An additional five are set aside for those with HIV or AIDS; five more units are for the disabled. Resident services include SAHA van transportation and a contract with Shelter Inc. to provide case management to the formerly homeless residents. The project also has project-based rental assistance from the Housing Authority of the County of Contra Costa and through HUD 811 program.



TABORA GARDENS SENIOR APARTMENTS

3701 TABORA DRIVE, ANTIOCH

PROJECT REFERENCES:

Dan Wendle

VP—Director of Acquisitions, West
Raymond James Tax Credit Funds, Inc.
880 Carillon Parkway
St. Petersburg, FL 33716
Phone: 503-675-3933
Email: Dan.Wendle@RaymondJames.com

John S. Kauh

Senior Vice President / Office Manager
Wells Fargo Bank
Community Lending & Investments
333 Market Street, 18th Floor
MAC A0119-183
San Francisco, CA 94105
Phone: 415-801-8523
Email: kauhj@wellsfargo.com

Teri House

CDBG/Housing Consultant
City of Antioch
Community Development Department
200 H Street, 2nd Floor
Antioch, CA 94509
Phone: 925-779-7037
Email: CDBG@ci.antioch.ca.us

ACQUISITION DATE

March 29, 2013

ENTITLEMENT DATE

November 20, 2013

CONSTRUCTION DURATION

June 2017— January 2019

LEASE UP DATE

February 2019

TOTAL COST

\$26,600,000

DENSITY

19 units per acre

NUMBER OF UNITS

70 Total

INCOME LEVELS

30% - 60% AMI

ARCHITECT

McCamant & Durrett
Architects

GENERAL CONTRACTOR

Midstate Construction

FINANCING PARTNERS

City of American Canyon
HCD VHHP
FHLB AHP
State CDBG
City of Napa Housing
Authority
HUD-VASH
4% tax credit equity

PROPERTY MANAGER

SAHA PM

SERVICE COORDINATOR

SAHA



VALLEY VIEW SENIOR HOMES

1 NATALIE LANE, AMERICAN CANYON



SAHA's American Canyon project presents a special opportunity to realize the City of American Canyon's goals of creating a senior community that will offer a high level of amenities as well as on-site services for older adults with modest financial means. Valley View Senior Homes offers 70 cottage-style units on the site, all of which are affordable to very low and extremely low-income seniors. Twenty-two of the units are set-aside for veterans with incomes at 50% of the area median income or below and of those, 17 units serve homeless veterans through the HUD-VASH program. The City of Napa Housing Authority provides a total of 34 project-based vouchers through HUD-VASH and Section 8 rental assistance programs. Valley View was envisioned as a vibrant community that complements the character of the existing single-family neighborhood while achieving a density that promotes financial feasibility and long-term operational sustainability. The result is a hillside development of charming cottages, centralized parking, meandering paths, active recreation, and a community clubhouse. Residents will enjoy a beautifully landscaped community that incorporates the highest standards of green building and sustainable design as well as a robust selection of on-site services and activities to support wellness, independent living, and aging-in-place.



VALLEY VIEW SENIOR HOMES

1 NATALIE LANE, AMERICAN CANYON

PROJECT REFERENCES:

Charles R. Anderson

Senior Vice President

Wells Fargo Bank, N.A.

Community Lending and Investment

125 High Street, 15th Floor

MAC J9226-150

Boston, MA 02110

Phone: 617-603-4226

Email: Charles.r.anderson@wellsfargo.com

Fiona Hsu

Manager, Community Development Finance

Silicon Valley Bank

505 Howard Street, 3rd Floor

San Francisco, CA 94105

Phone: 415-764-3125

Email: fhsu@svb.com

Brent Cooper

Community Development Director

City of American Canyon

4381 Broadway Street, Suite 201

American Canyon, CA 94503

Phone: 707-647-4335

Email: bcooper@cityofamericancanyon.org

ACQUISITION DATE

August 9, 2013

ENTITLEMENT DATE

February 17, 2011

CONSTRUCTION DURATION

May 2017 – May 2019

LEASE UP DATE

June 2019

TOTAL COST

\$26,000,000

DENSITY

40 units per acre

NUMBER OF UNITS

28 Total

INCOME LEVELS

30% - 50% AMI

ARCHITECT

BDE Architecture, Inc

GENERAL CONTRACTOR

J.H. Fitzmaurice, Inc.

FINANCING PARTNERS

Citibank

U.S. Bancorp

City of Oakland

County of Alameda

Oakland Housing Authority

California Department of

Housing & Community

Development

4% Tax Credits

PROPERTY MANAGER

SAHA PM

SERVICE COORDINATOR

SAHA



REDWOOD HILL TOWNHOMES

4868 CALAVERAS AVENUE, OAKLAND



With the support of the City of Oakland and Alameda County, SAHA developed Redwood Hill Townhomes, a 28-unit affordable family housing community. The City of Oakland is in need of affordable housing that is suitable for large families and located in areas with low poverty levels. Redwood Hill Townhomes provides an opportunity for low-income families to live in the desirable Upper Laurel neighborhood and contributes to geographic equity in the city.

Located on a 0.71 acre lot, the development features 12 two-bedroom and 16 three-bedroom units, providing a total of 72 bedrooms of permanent affordable rental housing. Rents will range from 30%-50% AMI. Eleven units will be set-aside for individuals and families that have experienced domestic violence, of which seven will be reserved for households who are at-risk of or experiencing homelessness. The Oakland Housing Authority will provide a total of 27 project-based vouchers through the Section 8 rental assistance program, enabling SAHA to serve households with incomes even lower than the restricted incomes.

Redwood Hill Townhomes features a four-story, U-shaped building oriented around a large interior courtyard complete with a landscaped seating areas and playground. Twenty-eight parking spaces are located in a ground-floor podium parking garage. Community features include a spacious community room with a full kitchen and dining area, a resident lounge, a landscaped community porch, a resident garden and bay-friendly landscaping.

REDWOOD HILL TOWNHOMES

4868 CALAVERAS AVENUE, OAKLAND

PROJECT REFERENCES:

Anne Sodergren

Assistant Vice President, Citi Community
Capital
Greenwich Street Community Capital, LLC
5500 Maryland Way, Suite 350
Brentwood, TN 37027
Phone: 615-372-6155
Email: anne.sodergren@citi.com

Jennifer Pearce

Housing Development Manager, Community
Development Agency
County of Alameda
224 West Winton Avenue, Room 108
Hayward, CA 94544
Phone: 510-670-6474
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Sebastian Glowacki

Vice President
U.S. Bancorp Community Development
Corporation
950 17th Street, 3rd Floor
Denver, CO 80202
Phone: 303-349-4132
Email: sebastian.glowacki@usbank.com

ACQUISITION DATE

June 23, 2016

ENTITLEMENT DATE

September 2017

CONSTRUCTION DURATION

May 2020–October 2021
(anticipated)

TOTAL COST

\$34,000,000

DENSITY

27.6 units per acre

NUMBER OF UNITS

51 Total

INCOME LEVELS

30% - 60% AMI

ARCHITECT

Dahlin Group Architects

GENERAL CONTRACTOR

Sunseri Construction

FINANCING PARTNERS

City of Napa
County of Napa
4% Tax Credits
FHLB AHP

PROPERTY MANAGER

SAHA PM

SERVICE COORDINATOR

SAHA

MANZANITA FAMILY APARTMENTS

2951 SOSCOL AVENUE, NAPA



In the fall of 2015, the City of Napa selected SAHA through a competitive RFP process to develop a 100% affordable rental housing development, and in May 2016, the City approved a formal development agreement with SAHA. The property will be targeted to families and SAHA has committed to make its best efforts to reserve two units for currently or formerly homeless individuals.

The development consists of 51 units (including one manager's unit) within a single three-story building. The completed structure will be on grade with conventional foundation. Building construction will be Type V (primarily wood) and carport parking will include 85 spaces.

The property is well located with respect to local services, amenities and public transit, with a grocery store, pharmacy (CVS) and park within walking distance (0.5 miles), a major regional hospital and shopping center, with three major grocery chains, and a Target within 1.5 miles of the site, and bus service to Downtown Napa located within easy walking distance.

SAHA completed the entitlements process in September 2017, and began to secure soft financing commitments at that time. Groundbreaking is targeted for 2020, with estimated completion in 2021.

MANZANITA FAMILY APARTMENTS

2951 SOSCOL AVENUE, NAPA

PROJECT REFERENCES:

Todd Fabian

Vice President, Regional Manager
National Equity Fund, Inc.
500 S. Grand Avenue, Suite 2300
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Email: tfabian@nefinc.org

Lark Ferrell

Housing Manager,
Housing Division, City of Napa
1115 Seminary Street
Napa, CA 94559
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Email: lferrell@cityofnapa.org

Fiona Hsu

Manager, Community Development Finance
Silicon Valley Bank
505 Howard Street, 3rd Floor
San Francisco, CA 94105
Phone: 415-764-3125
Email: fhsu@svb.com

ACQUISITION DATE

May & July 2019

ENTITLEMENT DATE

March 11, 2019

CONSTRUCTION DURATION

Oct. 2020 — Nov. 2021
(anticipated)

TOTAL COST

\$18,000,000

DENSITY

38 units per acre

NUMBER OF UNITS

30 Total

INCOME LEVELS

30% - 50% AMI

ARCHITECT

Studio T-Square

GENERAL CONTRACTOR

Brown Construction

FINANCING PARTNERS

City of Pittsburgh
Contra Costa County
4% Tax Credits
HCD No Place Like Home
HUD VASH
Further soft financing to
be determined

PROPERTY MANAGER

SAHA PM

SERVICE COORDINATOR

SAHA



VETERANS SQUARE

901 LOS MEDANOS STREET, PITTSBURG



Veterans Square is the proposed new construction of a 30 unit affordable housing project targeting households earning between 30% to 50% AMI in Old Town Pittsburgh. The project will consist of a 3 story Type V-A building with a unit mix of 28 one-bedrooms and 2 two-bedroom apartments. One two-bedroom apartment will be designated for on-site management. The City of Pittsburgh Housing Authority will provide 29-project based vouchers. Nineteen of the units will serve homeless veterans through the HUD-VASH program. The remaining ten units will be set aside for homeless residents with serious mental illness through HCD's No Place Like Home program. The project will provide 5 parking spaces onsite and 25 additional parking spaces in a gated parking lot across the street from the project. Project amenities include laundry rooms, community room, outdoor courtyard with picnic tables, barbecue grill, and planter boxes for community gardening.



VETERANS SQUARE

901 LOS MEDANOS STREET, PITTSBURG

PROJECT REFERENCES:

Kristen Lackey

Affordable Housing Program Manager
Contra Costa County Department of
Conservation and Development
30 Muir Road
Martinez, CA 94553
Phone: 925-674-7793
Email: Kristen.Lackey@dcd.cccounty.us

Melaine Venenciano

Community Services Department
City of Pittsburg
65 Civic Avenue
Pittsburg, CA 94565
Phone: 925-252-4155
Email: mvenenciano@ci.pittsburg.ca.us

SECTION 4: FINANCIAL CAPACITY OF THE DEVELOPER & PROPOSED FINANCIAL STRUCTURE

* FINANCIAL STATEMENTS PROVIDED UPON REQUEST

SECTION 4: FINANCIAL CAPACITY OF THE DEVELOPER & PROPOSED FINANCIAL STRUCTURE

Satellite Affordable Housing Associates enjoys a strong financial position that ensures our ability to self-fund predevelopment activities, leverage debt and equity investment to our projects, and to sustain our agency operations. Please find enclosed in SAHA's audited financial statements for Fiscal Years 2017, 2018 and 2019.

In addition, SAHA has a strong reputation in the industry as an innovative and capable developer and is highly-regarded by financial partners. SAHA has an excellent record of securing long-term competitive subsidies from local, state, and federal sources as well as private equity and debt. Our projects routinely access funding from the following programs:

- California Tax Credit Allocation Committee (CTAC) 4% and 9% tax credits
- California Debt Limit Allocation Committee (CDLAC) tax exempt bonds
- HCD Multifamily Housing Program (MHP), General and Supportive Housing
- HCD Infill Infrastructure Grants (IIG)
- HCD Transit-Oriented Development (TOD)
- Affordable Housing & Sustainable Communities (AHSC)
- Veterans Housing and Homeless Prevention (VHHP)
- CalHFA construction and perm loan programs
- Mental Health Services Act capital and operating subsidies
- Project Based Section 8
- Project Based Veterans Affairs Supportive Housing (VASH)
- HOPWA funds
- HUD Section 202, 811, 108, and Supportive Housing Programs
- Federal Home Loan Bank AHP Grants
- City and County HOME, CDBG and CHDO funds

Because of our excellent reputation as a developer and property manager, SAHA is able to attract high levels of investment from both tax credit investors and lenders to our projects. In the past five years SAHA has secured construction loans, mortgage financing and/or tax credit investment from the following commercial institutions:

- Wells Fargo
- Bank of America

- Silicon Valley Bank
- National Equity Fund
- Raymond James
- Citibank
- US Bank
- CA Community Reinvestment Corporation (CCRC)

References for several of these financial partners can be found in the Developer Experience (Section 3) with their respective project profiles. The combination of SAHA's strong financial standing, aptitude with public funding sources, and cadre of relationships with institutional lenders puts SAHA in a strong position to carry out the proposed project and imitate development within 12 months of completing the DDA. Finally, neither SAHA nor SAHA staff named on the Real Estate development team, have filed for bankruptcy nor had projects that have experienced foreclosure.

Proposed Financial Structure

SAHA proposes to fund the development of 811 San Pablo Avenue primarily with 4% Low Income Housing Tax Credit equity (38% of development cost), a soft loan from the California Department of Housing and Community Development's Veterans Housing and Homelessness Prevention Program (33% of development cost), a soft loan from the City of Pinole (16% of development cost) and a soft loan from the Contra Costa County's HOME funds (10% of development cost.) The remaining 4% of development cost will be funded by a soft loan from the Federal Home Loan Bank of San Francisco's Affordable Housing Program and deferred developer fee. SAHA projects have utilized all of these gap financing sources before, with the exception of the funds from the City of Pinole, and have sized the awards based on the particular unit mix proposed. A financial proforma detailing this proposed scenario immediately follows this section.

SAHA crafted its financial model by balancing twin goals of maximizing affordability and ensuring long-term financial feasibility. Please find the proposed financial model on the following pages of this section. Use of the state VHHP funds allow the projects to serve 100% veterans, 45% of which would be extremely low-income households of either formerly homeless or disabled veterans. Therefore we propose utilizing HUDVASH project-based Section 8 vouchers to further subsidize those 14 units, allowing the project to serve incomes even lower than 30% of the Area Median Income. While we

find this combination of target population and funding sources to best meld the City of Pinole affordability and target population objectives with the project's financial feasibility, SAHA has served a variety of populations and utilized a variety of gap funding sources that would allow us to adapt this plan if necessary. Lastly, the predevelopment costs for this project are estimated at approximately \$ 1.2 million SAHA is prepared to self-fund all the development costs; however, It would be helpful if the City could allow \$500,000 of its \$3.5 million development loan to be used during predevelopment.

Financing Plan

Construction		Permanent	
Uses		Uses	
\$ 1	Land / Acquisition	\$ 1	Land / Acquisition
\$ 14,505,513	Construction	\$ 14,505,513	Construction
\$ 678,660	Architecture	\$ 678,660	Architecture
\$ 403,355	Survey & Engineering	\$ 403,355	Survey & Engineering
\$ 1,114,519	Construction Interest & Fees	\$ 1,114,519	Construction Interest & Fees
\$ -	Permanent Financing	\$ 10,000	Permanent Financing
\$ 80,000	Legal	\$ 80,000	Legal
\$ 414,100	Reserves	\$ 414,100	Reserves
\$ 2,003,258	Other Costs	\$ 2,003,245	Other Costs
\$ 145,474	Bond Financing Costs	\$ 145,486	Bond Financing Costs
\$ 2,540,000	Developer Costs	\$ 2,540,000	Developer Costs
\$ 106,187	Syndication Costs	\$ 107,187	Syndication Costs
\$ 21,991,066	Total Uses	\$ 22,002,065	Total Uses
Sources		Sources	
\$ 648,020	Federal and State Tax Credit Equity	\$ 8,309,429	Federal and State Tax Credit Equity
\$ 310,000	FHLB AHP	\$ 310,000	FHLB AHP
\$ 3,500,000	Local Funds: City	\$ 3,500,000	Local Funds: City
\$ 2,196,946	Local Funds: County HOME	\$ 2,196,946	Local Funds: County HOME
\$ -	GP / Sponsor Equity	\$ 500,000	GP / Sponsor Equity
\$ -	Other HCD VHHP	\$ 7,185,690	Other HCD VHHP
\$ 15,336,100	Construction Loan	\$ -	
\$ 21,991,066	Total Sources	\$ 22,002,065	Total Sources

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Cash Flow

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income											
Rent	2.5%	\$ 367,836	\$ 377,032	\$ 386,458	\$ 396,119	\$ 406,022	\$ 416,173	\$ 426,577	\$ 437,241	\$ 448,172	\$ 459,377
Section 8 Rental Subsidy	3%	\$ 213,360	\$ 218,694	\$ 224,161	\$ 229,765	\$ 235,510	\$ 241,397	\$ 247,432	\$ 253,618	\$ 259,958	\$ 266,457
POTENTIAL GROSS INCOME:		\$ 581,196	\$ 595,726	\$ 610,619	\$ 625,885	\$ 641,532	\$ 657,570	\$ 674,009	\$ 690,859	\$ 708,131	\$ 725,834
LIHTC Units Vacancy	5%	\$ (18,392)	\$ (18,852)	\$ (19,323)	\$ (19,806)	\$ (20,301)	\$ (20,809)	\$ (21,329)	\$ (21,862)	\$ (22,409)	\$ (22,969)
Section 8 Units Vacancy	7%	\$ (13,868)	\$ (14,215)	\$ (14,570)	\$ (14,935)	\$ (15,308)	\$ (15,691)	\$ (16,083)	\$ (16,485)	\$ (16,897)	\$ (17,320)
Commercial Vacancy		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EFFECTIVE GROSS INCOME:		\$ 548,936	\$ 562,659	\$ 576,726	\$ 591,144	\$ 605,922	\$ 621,070	\$ 636,597	\$ 652,512	\$ 668,825	\$ 685,546
Expenses											
Operating Expenses	3.5%	\$ 427,005	\$ 441,950	\$ 457,418	\$ 473,428	\$ 489,998	\$ 507,148	\$ 524,898	\$ 543,270	\$ 562,284	\$ 581,964
Replacement Reserve Deposits		\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200
TOTAL EXPENSES		\$ 446,205	\$ 461,150	\$ 476,618	\$ 492,628	\$ 509,198	\$ 526,348	\$ 544,098	\$ 562,470	\$ 581,484	\$ 601,164
NET OPERATING INCOME		\$ 102,731	\$ 101,509	\$ 100,107	\$ 98,516	\$ 96,724	\$ 94,722	\$ 92,499	\$ 90,043	\$ 87,341	\$ 84,382
Required Payments											
Bond Monitoring Fee	\$ 4,000.00	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Other: VHHP Required Debt Service	0.42%	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180
CASH FLOW:		\$ 68,551	\$ 67,329	\$ 65,927	\$ 64,336	\$ 62,544	\$ 60,543	\$ 58,319	\$ 55,863	\$ 53,161	\$ 50,202
DSCR:	N/A	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Developer Fee		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investor Fee	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
Asset Management Fee	2% \$ 20,000	\$ 20,000	\$ 20,400	\$ 20,808	\$ 21,224	\$ 21,649	\$ 22,082	\$ 22,523	\$ 22,974	\$ 23,433	\$ 23,902
Residual Receipts											
Soft Lenders: City of Pinole, County	75%	\$ 30,413	\$ 29,197	\$ 27,840	\$ 26,334	\$ 24,672	\$ 22,846	\$ 20,847	\$ 18,667	\$ 16,296	\$ 13,725
Owner	25%	\$ 10,138	\$ 9,732	\$ 9,280	\$ 8,778	\$ 8,224	\$ 7,615	\$ 6,949	\$ 6,222	\$ 5,432	\$ 4,575

Cash Flow

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Income										
Rent	\$ 470,861	\$ 482,633	\$ 494,699	\$ 507,066	\$ 519,743	\$ 532,736	\$ 546,055	\$ 559,706	\$ 573,699	\$ 588,041
Section 8 Rental Subsidy	\$ 273,119	\$ 279,947	\$ 286,945	\$ 294,119	\$ 301,472	\$ 309,009	\$ 316,734	\$ 324,652	\$ 332,769	\$ 341,088
POTENTIAL GROSS INCOME:	\$ 743,980	\$ 762,580	\$ 781,644	\$ 801,185	\$ 821,215	\$ 841,745	\$ 862,789	\$ 884,358	\$ 906,467	\$ 929,129
LIHTC Units Vacancy	\$ (23,543)	\$ (24,132)	\$ (24,735)	\$ (25,353)	\$ (25,987)	\$ (26,637)	\$ (27,303)	\$ (27,985)	\$ (28,685)	\$ (29,402)
Section 8 Units Vacancy	\$ (17,753)	\$ (18,197)	\$ (18,651)	\$ (19,118)	\$ (19,596)	\$ (20,086)	\$ (20,588)	\$ (21,102)	\$ (21,630)	\$ (22,171)
Commercial Vacancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EFFECTIVE GROSS INCOME:	\$ 702,684	\$ 720,251	\$ 738,258	\$ 756,714	\$ 775,632	\$ 795,023	\$ 814,898	\$ 835,271	\$ 856,153	\$ 877,556
Expenses										
Operating Expenses	\$ 602,333	\$ 623,414	\$ 645,234	\$ 667,817	\$ 691,191	\$ 715,382	\$ 740,421	\$ 766,335	\$ 793,157	\$ 820,918
Replacement Reserve Deposits	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200	\$ 19,200
TOTAL EXPENSES	\$ 621,533	\$ 642,614	\$ 664,434	\$ 687,017	\$ 710,391	\$ 734,582	\$ 759,621	\$ 785,535	\$ 812,357	\$ 840,118
NET OPERATING INCOME	\$ 81,152	\$ 77,637	\$ 73,824	\$ 69,697	\$ 65,241	\$ 60,440	\$ 55,278	\$ 49,735	\$ 43,795	\$ 37,439
Required Payments										
Bond Monitoring Fee	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Other: VHHP Required Debt Service	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180	\$ 30,180
CASH FLOW:	\$ 46,972	\$ 43,457	\$ 39,644	\$ 35,517	\$ 31,061	\$ 26,260	\$ 21,098	\$ 15,555	\$ 9,615	\$ 3,259
DSCR:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Developer Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investor Fee	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 3,259
Asset Management Fee	\$ 24,380	\$ 24,867	\$ 25,365	\$ 25,872	\$ 26,361	\$ 26,860	\$ 27,358	\$ 27,855	\$ 28,351	\$ -
Residual Receipts										
Soft Lenders: City of Pinole, County	\$ 10,944	\$ 7,942	\$ 4,709	\$ 1,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Owner	\$ 3,648	\$ 2,647	\$ 1,570	\$ 411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

SECTION 5: SUPPLEMENTAL INFORMATION

SATELLITE AFFORDABLE HOUSING ASSOCIATES AWARDS (SINCE 2006)

2019 AIA COTE® Top Ten Awards: *Lakeside Senior Apartments*

2019 PCBC Golden Nugget Award of Merit - Best Affordable Senior Housing Community On the Boards: *Choice in Aging*

2019 PCBC Golden Nugget Award of Merit - Best Affordable Senior Housing Community: *Tabora Gardens Senior Apartments*

2019 Top 50 Bay Area Developers, San Francisco Business Times Book of Lists

2018 Top 50 Affordable Housing Developers in the US, Affordable Housing Finance

2018 Top 50 Bay Area Developers, San Francisco Business Times Book of Lists

2017 PCBC Golden Nugget Award for Best Affordable Senior Housing Community, *Lakeside Senior Apartments*

2017 Nonprofit Housing Association of Northern CA: *Leadership Award for Resident Services*

2017 Featured article in: AARP's annual "Where We Live: Communities for All Ages" guidebook for seniors

2017 Featured chapter in: "Design for Good: A New Era of Architecture" by Island Press

2017 Top 50 Bay Area Developers, San Francisco Business Times Book of Lists

2016 Sustainable Contra Costa Green Building Award Honoree: *Arboleda*

2016 AHF Reader's Choice Award Winner: *Lakeside Senior Apartments*

2016 AIA/HUD Excellence In Affordable Housing Design: *Lakeside Senior Apartments*

2016 AHF Reader's Choice Award Finalist: *Lakeside Senior Apartments*

2016 PCBC Golden Nugget Award for Best Affordable Housing: *Arboleda Apartments*

2016 PCBC Golden Nugget Award for Best Senior Housing: *Strawberry Creek Lodge*

2015 AIA East Bay: Design Honor Award, *Lakeside Senior Apartments*

2015 Sharing the Benefits Award: The Association of Bay Area Governments, *Jack Capon Villa*

2015 Real Estate Deal of the Year Nominee: San Francisco Business Times, *Lakeside Senior Apartments*

2014 Readers Choice Winner: Affordable Housing Finance, *Valley Oak Homes*

2014 Readers Choice Winner: Affordable Housing Finance, *The Savoy*

2014 Gold Nugget Award of Merit, *Jack Capon Villa*

2014 Gold Nugget Award of Merit, *Valley Oak Homes*

2014 Number 34 of Top 50 Affordable Housing Developers in the US, Affordable Housing Finance

2014 San Francisco Business Times Real Estate Deal of the Year, *The Savoy*

2014 The American Institute of Architects Housing Award for Architecture, *Merritt Crossing*

2013 The American Institute of Architects' Committee on the Environment Top Ten Award, *Merritt Crossing*

2013 Berkeley Design Advocates: Award of Excellence, *Amistad House*

2013 Number 19 of Top 25 Bay Area Developers, San Francisco Business Times Book of Lists

2013 Readers Choice Finalist: Affordable Housing Finance, *Merritt Crossing*

2012 East Bay AIA Chapter: Exceptional Residential Honor Award, *Merritt Crossing*

2012 Gold Nugget Award of Merit, *Valley Vista Senior Homes*

2012 Gold Nugget Award of Merit, *Harmon Gardens*

2012 Aging Services of California, Advocates of the Year

2012 LEED for Homes Platinum Award, *Harmon Gardens*

2011 Enterprise Community Partner of the Year

2011 Gold Nugget Award of Merit, *401 Fairmount Apartments*

2011 Mental Health Community Services Award, Alameda County Mental Health Board

2011 Readers Choice: Affordable Housing Finance, *401 Fairmount Apartments*

- 2011 California Supportive Housing, Quality Award for Achieving Excellence in Design, *Madison at 14th*
- 2011 Community Impact Award, Northern California Community Loan Fund
- 2011 Top 50 Affordable Housing Developers, Affordable Housing Finance Magazine
- 2010 Readers Choice: Affordable Housing Finance, *Petaluma Avenue Homes*
- 2010 Gold Nugget Grand Award, *Petaluma Avenue Homes*
- 2010 Metlife Foundation Award for Excellence in Affordable Housing, *St. Patrick's Terrace*
- 2010 Urban Land Institute's Award of Excellence for the Americas, *Madison at 14th*
- 2009 National Housing Award, American Institute of Architects, *Madison at 14th*
- 2009 Readers Choice: Affordable Housing Finance, *Madison at 14th*
- 2009 Gold Nugget Award of Merit, *Sacramento Senior Homes*
- 2009 Gold Nugget Award of Merit, *Orchards on Foothill*
- 2009 Charles Edson Tax Credit Excellence Award Finalist, *Madison at 14th*
- 2008 I. Don Turner Prize for Innovation and Leadership in Affordable Housing Semifinalist, *Madison at 14th*
- 2008 East Bay AIA Chapter "Best Residential Building," *Madison at 14th*
- 2008 Gold Nugget Award of Merit, *Helios Corner*
- 2008 Environmental Protection Agency Regional Energy Star Award for Excellence in Energy Efficient Affordable Housing
- 2008 Housing Consortium of the East Bay Partnership Award
- 2007 Bank of America Foundation's Neighborhood Excellence Award
- 2006 Berkeley Design Advocates: Award of Excellence, *Sacramento Senior Homes*
- 2006 Action for Beauty Council's Best New Housing Project for a Distinguished Contribution to Beauty of Environment, *Acalanes Court*
- 2006 Readers Choice: Affordable Housing Finance, *Fremont Oak Gardens*

2006 California Housing Consortium, California Housing Hall of Fame Inductee

2006 League of California Cities, Helen Putnam Award for Excellence, *Fremont Oak Gardens*

2006 Enterprise Foundation's Innovative Venture Prize, *University Avenue Apartments*

2006 Charles Edson Tax Credit Excellence Award Finalist, *University Avenue Apartments*

SATELLITE AFFORDABLE HOUSING ASSOCIATES - BOARD OF DIRECTORS



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Vice President, Pacific Merchant
Shipping Association



Raully Butler
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Senior Vice President, The
Mechanics Bank



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Community Leader, Church
Volunteer, SAHA Resident



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Greensfelder Commercial Real
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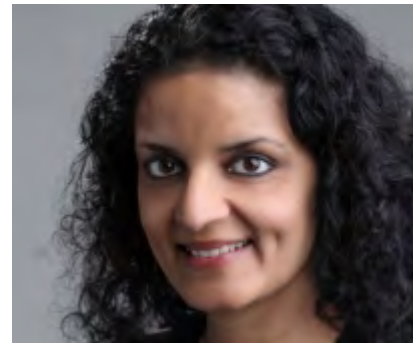
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Board Member
Chief Executive Officer, Angotti
& Reilly General Contractors



Alfred Reynolds
Board Member
Principal, Alton Management
Group



Scott Smith
Board Member
Vice President, CSG Advisors



Smitha Seshadri
Board Member
Senior Vice President of
Development, Bridge Housing
Corporation

SAHA Communities
Meeting local housing needs since 1966

Year of Completion/ Start of Management	Development Name	Address	No. of Units	Population	Development Cost	Role of SAHA
May-19	Redwood Hill	4868 Calaveras Road Oakland, CA	28	Family / Special Needs/ Experiencing Homelessness	\$26.2 M	Developer, Owner, Property Manager, Services Provider
Feb-19	Valley View	1 Natalie Drive American Canyon, CA	70	Seniors/ Veterans/ Experiencing Homelessness	\$26.6 M	Developer, Owner, Property Manager, Services Provider
Mar-18	Tabora Gardens	3701 Tabora Drive Antioch, CA	85	Seniors/ Veterans/Special Needs/ Experiencing Homelessness	\$33.9 M	Developer, Owner, Property Manager, Services Provider
Oct-17	Casa Montego Renovation	1485 Montego Walnut Creek, CA	80	Seniors	\$35.9 M	Developer, Owner, Property Manager, Services Provider
Sept-17	Harper Crossing	3132 MLK Jr. Way Berkeley, CA	42	Seniors	\$16.3 M	Developer, Owner, Property Manager, Services Provider
May-16	Tower Park	17 th & G Street Modesto, CA	50	Seniors	\$14.9 M	Developer, Co-Owner
Jul-15	Strawberry Creek Lodge	1320 Addison Street Berkeley, CA	150	Seniors	\$23.4M	Developer, Owner, Property Manager, Services Provider
Feb-15	Arboleda	1550 Third Ave, Walnut Creek, CA	48	Family / Special Needs/ I/DD	\$25.7M	Developer, Owner, Property Manager, Services Provider
Dec-14	Lakeside Senior Apartments	1507 2nd Ave. Oakland, CA	92	Seniors/Special Needs/ Experiencing Homelessness	\$25.0M	Developer, Owner, Property Manager, Services Provider
April-14	Robin Lane	1149 Meadow Lane & 1890 Robin Lane Concord, CA	16	Family / Special Needs /MHSA	\$2.4M	Developer, Owner, Property Manager, Services Provider
Dec-13	Jack Capon Villa	2216 Lincoln Avenue, Alameda, CA	18	Special Needs/ I/DD	\$13.9M	Developer, Owner, Property Manager, Services Provider
May-13	Rising Oaks	3800 Coolidge Avenue Oakland, CA	31	Transition-Age Youth	\$9.3M	Developer
April-13	Kelsey Village	2830 Stockton Blvd Sacramento, CA	20	Special Needs/ I/DD	\$5.5M	Developer, Co-Owner

April-13	The Savoy	1424 Jefferson Street Oakland, CA	101	Special Needs/Experiencing Homelessness	\$28.0M	Developer, Owner, Property Manager, Services Provider
Mar-13	Valley Oak Homes	875 Lyon Street Sonoma, CA	43	Family	\$17.5M	Developer, Owner and Property Manager
Mar-13	Kenneth Henry Court	6475 Foothill Blvd. Oakland, CA	51	Family	\$12.3M	Developer, Owner, Property Manager, Services Provider
Sept-12	Project Pride	2545 San Pablo Avenue Oakland, CA	20	Special Needs	\$4.2M	Developer
Jun-12	Merritt Crossing	609 Oak St., Oakland, CA	70	Seniors/ Special Needs/Experiencing Homelessness	\$28.4M	Developer, Owner, Property Manager, Services Provider
Aug-11	Harmon Gardens	3240 Sacramento St., Berkley, CA	16	Transition-Age Youth	\$6.3M	Developer, Owner, Property Manager, Services Provider
May-11	Valley Vista	20503 & 20709 San Ramon Valley Boulevard San Ramon, CA	105	Seniors	\$31.2M	Co-Developer
Apr-11	Fairmount	401 Fairmount Ave., Oakland, CA	30	Family/ Special Needs	\$12.2M	Developer, Owner, Property Manager, Services Provider
Mar-11	Amistad House	2050 Delaware Berkeley, CA	60	Seniors	\$8.4M	Developer, Owner, Property Manager, Services Provider
Jan-11	Octavia Court	261 Octavia Boulevard San Francisco, CA	15	Special Needs/ I/DD	\$9.5M	Co-Developer, Co-Owner
Jan-11	Newark Gardens	35300 Cedar Street Newark, CA	150	Seniors/Special needs	\$9.4M	Developer, Owner, Property Manager, Services Provider
Jul-09	St. Patrick's Terrace	1212 Center Street Oakland, CA	66	Seniors	\$8.8M	Developer, Owner, Property Manager, Services Provider

Jun-09	Montego Place	1485 Montego Walnut Creek, CA	33	Seniors	\$8.0M	Developer, Owner, Property Manager, Services Provider
Feb-09	Petaluma Avenue Homes	565-577 Petaluma Ave., Sebastopol, CA	45	Family	\$17.0M	Developer, Owner and Property Manager
Sep-08	Orchards on Foothill	2719 Foothill Blvd., Oakland, CA	65	Seniors	\$18.2M	Developer, Owner, Property Manager, Services Provider
Apr-08	Madison @ 14 th Street Apartments	160 14 th St., Oakland, CA	79	Family/Transition-Age Youth Mixed Use	\$30.9M	Developer, Owner, Property Manager, Services Provider
Jan-08	Carmen Avenue Apartments	2891 Carmen Ave., Livermore, CA	30	Family/Special Needs/ Experiencing Homelessness	\$12.6M	Co-Developer, Co-Owner and Property Manager
Dec-07	Allston House	2121 7 th St., Berkeley, CA	47	Family	\$9.3M	Developer, Owner, Property Manager, Services Provider
Jul-07	Ashby Lofts	1001 Ashby Ave., Berkeley, CA	54	Family/Special Needs Mixed Use	\$21.8M	Developer, Owner, Property Manager, Services Provider
Jul-07	Helios Corner	1531 University Ave Berkeley, CA	80	Seniors/Special Needs Mixed Use	\$22.7M	Developer, Owner, Property Manager, Services Provider
Nov-06	Sacramento Senior Homes	1501 Blake St., Berkeley, CA	40	Seniors Mixed Use	\$12.1M	Developer, Owner, Property Manager, Services Provider
Aug-06	Lincoln Oaks	40852 Lincoln St. Fremont, CA	11	Special Needs	\$4.4M	Co-Developer, Co-Owner

Oct-05	Eastside Arts & Housing	2283 International Blvd., Oakland, CA	19	Family Mixed Use	\$5.0M	Co-Developer, Co-Owner and Property Manager
Jun-05	University Neighborhood Apartments	1725 University Ave., Berkeley, CA	27	Family / Special Needs Mixed Use	\$11.6M	Developer, Co- Owner, Property Manager, Services Provider
Dec-04	Oak Street Terrace	1109 Oak St., Oakland, CA	39	Seniors Mixed Use	\$7.7M	Developer, Owner, Property Manager, Services Provider
Oct-04	Oak Park Apartments	2618 E. 16th Street Oakland, CA	35	Family	\$9.2M	Co-Developer
Mar-04	Acalanes Court	1988 Trinity Ave Walnut Creek, CA	17	Family / Special Needs	\$7.4M	Developer, Owner, Property Manager, Services Provider
Apr-05	Fremont Oak Gardens	2681 Driscoll Road Fremont, CA	51	Seniors	\$19.3M	Developer, Owner, Property Manager, Services Provider
Jan-02	Adeline Lofts	1131 24 th St. Oakland, CA	38	Live Work Artist Housing	\$9.5M	Developer, Owner, Property Manager, Services Provider
Jun-01	Hillegass Avenue Apartments	2500 Hillegass Ave., Berkeley, CA	19	Family	\$2.5M	Developer, Owner, Property Manager, Services Provider
Oct-01	Bancroft Senior Homes	2320 55 th Avenue Oakland, CA	61	Seniors	\$8.9M	Co-Developer and Co-Owner
Oct-01	Tice Oaks	2150 Tice Valley Boulevard Walnut Creek, CA	91	Senior	N/A	Co-Developer
Dec-99	Hookston Senior Homes	80 W. Hookston Rd., Pleasant Hill, CA	100	Seniors	\$8.8M	Developer, Owner, Property Manager, Services Provider

Sep-98	Shattuck Senior Homes	2425 Shattuck Ave., Berkeley, CA	27	Seniors	\$2.7M	Developer, Owner, Property Manager, Services Provider
Aug-98	Ashby Courts Apartments	1222-1228 Ashby Ave., Berkeley, CA	20	Multi-family	\$899,000	Developer, Owner, Property Manager, Services Provider
Sep-97	Prince Street Apartments	1534 Prince Street Berkeley, CA	6	Family	\$307,000	Developer, Owner, Property Manager, Services Provider
Nov-96	Sierra Gardens	150-170 Sierra Dr., Walnut Creek, CA	29	Family	\$2.3M	Developer, Owner, Property Manager, Services Provider
Mar-96	Peter Babcock House	2350 Woolsey St., Berkeley, CA	6	Special Needs	\$512,000	Developer, Owner, Property Manager, Services Provider
Nov-95	Ashby Apartments	1317 Ashby Ave., Berkeley, CA	12	Family	\$485,000	Developer, Owner, Property Manager, Services Provider
Nov-95	Ashby Studios	1303-1311 1/2 Ashby Ave. Berkeley, CA	6	Family	\$485,000	Developer, Owner, Property Manager, Services Provider
Jul-95	Columbia Park Manor	1780 Chester Dr., Pittsburg, CA	79	Seniors	\$7.1M	Developer, Owner, Property Manager, Services Provider
Mar-95	Alcatraz Apartments	1900 Alcatraz St. Berkeley, CA	9	Family	\$500,000	Developer, Owner, Property Manager, Services Provider

Dec-94	Allston Commons	828-836 Allston Way & 2203-2207 6 th St. Berkeley, CA	12	Family	\$625,000	Developer, Owner, Property Manager, Services Provider
Jul-94	Heart Studios	950 Hearst Ave. Berkeley, CA 94710	12	Family	\$360,000	Developer, Owner, Property Manager, Services Provider
Apr-93	Newark Gardens II	35322 Cedar Blvd. Newark, CA	50	Seniors	\$4.7M	Developer, Owner, Property Manager, Services Provider
Jul-87	Casa Montego	1485 Montego, Walnut Creek, CA	80	Seniors	\$3.9M	Developer, Owner, Property Manager, Services Provider
Feb-79	Valdez Plaza	280 - 28th St. Oakland, CA	150	Seniors/Special Needs	\$15.2M	Developer, Owner and Property Manager
Jun-78	Newark Gardens I	35300 Cedar Blvd. Newark, CA	150	Seniors/Special needs	\$8.4M	Developer, Owner and Property Manager
Nov-71	Otterbein Manor	5375 Manila Ave. Oakland, CA	39	Seniors	\$2.2M	Developer, Owner and Property Manager
Jul-71	Lawrence Moore Manor	1909 Cedar St. Berkeley, CA	46	Seniors	\$2.5M	Developer, Owner and Property Manager
Apr-71	Linda Glen	32 Linda Ave. Oakland, CA	42	Seniors	\$2.1M	Developer, Owner, Property Manager, Services Provider
Feb-71	Saint Andrew's Manor	3250 San Pablo Ave. Oakland, CA	60	Seniors	\$3.0M	Developer, Owner, Property Manager, Services Provider

Jan-71	Beth Asher	3649 Dimond Ave Oakland, CA	50	Seniors	\$2.4M	Developer, Owner, Property Manager, Services Provider
Jan-71	Saint Patrick's Terrace	1212 Center St. Oakland, CA	66	Seniors	\$7.3M	Developer, Owner, Property Manager, Services Provider
Apr-69	Park Blvd	4135 Park Blvd. Oakland, CA	42	Seniors	\$2.4M	Developer, Owner, Property Manager, Services Provider
Jan-69	Doh On Yuen	211 Eighth St. Oakland, CA	48	Seniors	\$2.8M	Developer, Owner, Property Manager, Services Provider
Feb-68	Satellite Central	540-21st St. Oakland, CA	152	Seniors	\$8.1M	Developer, Owner, Property Manager, Services Provider
Dec-67	Stuart Pratt Manor	2020 Durant Ave. Berkeley, CA	44	Seniors	\$2.5M	Developer, Owner, Property Manager, Services Provider
Aug-67	Glen Brook Terrace	4030 Panama Ct. Oakland, CA	66	Seniors	\$3.1M	Developer, Owner, Property Manager, Services Provider



SUSAN J. FRIEDLAND

Chief Executive Officer

510-809-2762

sfriedland@sahahomes.org

Susan Friedland was recently named SAHA's Chief Executive Officer after having served as its Executive Director since 2005. Previously, Susan was the Director of Housing Development with Fifth Avenue Committee, a community-based development corporation in Brooklyn, NY. She holds a Masters of City Planning degree from U.C. Berkeley and graduated Phi Beta Kappa with a BA in Urban Studies from Brown University. She received the National Award for Women in Planning from the American Planning Association and was honored by the Girl Scouts for her work promoting green building. Susan was a member of the Board of Directors of the Nonprofit Housing Association of Northern California (NPH), and currently serves on the Board of Directors for Enterprise's Community Leadership Committee and for California Housing Consortium. She supports her local community as Chair of the Albany Music Fund and formerly as a Planning Commissioner..

PROFESSIONAL EXPERIENCE

2004-present

SAHA / Affordable Housing Associates, Berkeley, CA

Chief Executive Officer

Directs regional nonprofit housing development company with 220 employees. Oversees all aspects of affordable housing development and property management of 75 residential buildings across the Bay Area. Implements and maintains fiscal oversight of organizational resources. Establishes and maintains personnel policy. Develops and implements organizational business plan. Actively participates in formulating municipal housing policy to implement goals of general and area plans.

1997-2004

Fifth Avenue Committee, Brooklyn, NY

Director of Housing

Managed all aspects of housing development for nonprofit community development corporation, including project concept development, architectural schematic development, financial feasibility assessment, site selection, identification of funding sources, funding application preparation, selection of contractors and architects, coordination with governmental agencies, creation of necessary documents and coordination of loan closing, oversight of construction, and management of rent-up. Directed the development of 15 multi-unit housing and two community facility projects with over \$75 million total capital budget.

1995-1996

U.S. Agency for International Development, Moscow, Russia

Housing Reform Advisor

1994-1995

Urban Planning Consultant, Berkeley, CA

1991-1992

Coro Fellow, Coro Foundation of Northern California, San Francisco, CA

EDUCATION

Masters of City and Regional Planning, University of California at Berkeley

Bachelors of Arts, Urban Studies (Honors Program), Brown University, Phi Beta Kappa, Magna cum laude



EVE CARLISLE STEWART

VICE PRESIDENT OF REAL ESTATE DEVELOPMENT

510-809-2754

estewart@sahahomes.org

Eve Stewart has nearly 20 years experience in real estate finance and development and has been with SAHA since 2003. During her tenure, Eve has directly managed or overseen the completion of more than 1,500 housing units, primarily using tax credit financing combined with additional State and local funding programs. Currently, Eve is responsible for 1,100 units in SAHA's predevelopment pipeline with total costs exceeding \$430 million. Eve is a former board member of East Bay Housing Organizations (EBHO), a nonprofit advocacy and policy group and has held leadership roles with EveryOne Home, Alameda County's initiative to end homelessness. Eve holds a Masters degree in City & Regional Planning from the UNC -Chapel Hill and graduated magna cum laude from Harvard. Eve is a certified Green Building Professional.

PROFESSIONAL EXPERIENCE

2003-present	SAHA / Affordable Housing Associates, Berkeley, CA Vice President of Real Estate Development
2000-2003	Economic & Planning Systems, Inc. Senior Associate
2000	Dept. of City & Regional Planning, UNC Teaching Assistant, Real Estate Investment & Affordable Housing Finance (graduate level)

REPRESENTATIVE PROJECTS

The Savoy

101 units | Permanent housing for homeless and special needs; mixed use

Strawberry Creek Lodge

150 units | Senior housing

Ashby Lofts

54 units | Mixed-use family housing

Carmen Avenue Apartments

30 units | Supportive & Special Needs family housing

Harmon Gardens

16 units | Supportive housing units for transition-age youth

University Neighborhood Apartments

27 units | Family & disabled housing

EDUCATION

2000	University of North Carolina at Chapel Hill Master of City & Regional Planning, Real Estate and Housing Development
1995	Harvard University Bachelor of Arts, Anthropology/Archaeology, magna cum laude



Angela Cavanaugh

VICE PRESIDENT OF PROPERTY MANAGEMENT

510-809-2751

acavanaugh@sahahomes.org

Ms. Cavanaugh has worked in the Affordable Housing industry for over 17 years. She began on the construction and maintenance team, and quickly became proficient in all aspects of construction rehabilitation. She was then promoted to Property Manager, a position she held for three years. For the next 9 years Ms. Cavanaugh was Director of Property Management, where she oversaw the operations of the entire Property Management department. Currently Ms. Cavanaugh holds the position of Vice President of Property Management, which is focused on property operations and oversight of site staff and commercial spaces.

Ms. Cavanaugh has experience with multiple funding programs such as TCAC, HUD, MHSA and CalHFA, and has extensive knowledge of Berkeley rent board regulations and laws. Over the past nine years Ms. Cavanaugh has developed a keen sense for fair housing practices and works to uphold the mission of Satellite Affordable Housing Associates. Furthermore, Ms. Cavanaugh has mastered the management of affordable housing with all of its intricate human issues and has developed an intuitive sense of which policies and procedures work to maintain livable and desirable housing in diverse communities

PROFESSIONAL EXPERIENCE

2000–Present	SAHA / Affordable Housing Associates Vice President of Property Management / Property Manager
1995-2000	Affordable Housing Associates Construction Worker / Maintenance Supervisor
1989-1995	Landmark Theatre Corporation Manager

ACCREDITATIONS

2004	California Compliance Professional of Occupancy Certificate, National Affordable Housing Management Association
2001	California Tax Credit Compliance Diploma, Elizabeth Moreland Housing Credit College
2000	California HVAC Certification, State of California
1999	California Hazwoper Certification, State of California



Daniel Ponce

Regional Property Director

510-809-2757

dponce@sahahomes.org

Daniel Ponce has over 10 years of affordable housing property management experience and has been with SAHA since 2017. He was promoted to SAHA's Regional Property Director position after having served as Property Supervisor since 2017. Currently, Daniel is responsible for the property management and operations for 27 properties totaling 1,553 affordable housing units. Previously, Daniel worked as a Property Manager for eight years for several different properties in the East Bay. He holds a BA in Business Administration with a focus on Finance from Cal State East Bay University and AA Degree in Business Administration for Contra Costa College. Daniel also has experience with multiple funding programs such as TCAC, HUD, MHSA and CalHFA, and has extensive knowledge of board regulations and laws

PROFESSIONAL EXPERIENCE

2017-present	SAHA / Affordable Housing Associates, Berkeley, CA Regional Property Director
2017-2018	SAHA / Affordable Housing Associates, Berkeley, CA Property Supervisor
2009-2017	Eden Housing Inc., Hayward, CA Property Manager
2007-2009	College is Real, Inc., Richmond, CA Director

EDUCATION

Bachelors of Arts, Business Administration with Focus on Finance, Cal State East Bay University
 AA in Business Administration, Contra Costa College

ACCREDITATION

Certified Occupancy Specialist (COS)
 Tax Credit Specialist (TCS)

AWARDS

PILLAR OF EXCELLENCE, EDEN HOUSING MANAGEMENT, INC.
 MERRIT CAPITAL SCHOLARSHIP AWARD RECIPIENT
 HISPANIC SCHOLARSHIP FUND RECIPIENT
 KENNEDY KING SCHOLARSHIP RECIPIENT



Cristi Ritschel

VICE PRESIDENT OF RESIDENT AND
COMMUNITY SERVICES

510-809-2719

critschel@sahahomes.org

Cristi Ritschel joined SAHA in 2014 as the Associate Director of Resident Services. Prior to SAHA, she served in multiple roles at Human Options, a Southern California non-profit committed to serving victims of domestic violence and elder abuse. Cristi began her career in social work providing counseling, legal advocacy, and intensive case management to seniors who had experienced elder abuse. In addition to the direct service and supervisory roles at Human Options, Cristi developed an expertise in family violence across the lifespan which lead to opportunities to train law enforcement, prosecutors, social workers, faith community leaders, students, and the larger community. Cristi brings to SAHA an expertise on domestic violence in families and in senior populations, clinical social work, and professional development through the training and supervision of staff.

PROFESSIONAL EXPERIENCE

2007-2013

Human Options, Irvine, CA

Program Supervisor - Safe Options for Seniors, Center for Children & Families
Managed day-to-day program operations at multiple sites, including a field-based program for victims of elder abuse, outpatient mental health clinic for children and adult victims of domestic violence, and community based family resource centers. Provided administrative supervision of staff and interns, program development, monitored contracts, wrote grants, provided expertise and consultation, built partnerships and coalitions, and provided direct clinical services.

2013

California State University, Fullerton

Lecturer, Human Services

Taught and developed a curriculum for an upper division undergraduate class, created a positive learning environment, collaborated with colleagues, identified outside learning activities in order for students to earn the 40hr Domestic Violence Advocate Certificate, evaluated student performance, and coached students to support their academic achievement.

2009-2010

University of California, Irvine

Help Central Line Counselor, Student Affairs

Developed a brand new program and services under the direction of the Associate Director, identified community resources, provided social services referrals and resources to support student success.

EDUCATION

2003

Bachelors Degree, Human Development, University of California, San Diego

2008

Masters Degree in Social Work, California State University, Long Beach

2012

Licensed Clinical Social Worker #28301

**TOM EARLEY**

Chief Operating Officer

510-809-2742

tearley@sahahomes.org

Tom Earley joined SAHA in 2014 as Chief Operating Officer, bringing more than 23 years of experience in nonprofit management and community design, planning and development. During his 13 years at the housing developer BRIDGE Housing, Tom worked on a diverse portfolio of mixed-use and mixed-income projects on urban infill sites in the greater Bay Area and took on positions of increasing responsibility. In his most recent role as Officer and Senior Vice President his focus included divisional and organizational platform building and collaborative interdepartmental work models. Tom's early career included work for national homebuilder Richmond American Homes, infill developer Panoramic Interests, and the Office of the City Architect for San Francisco. He holds a Master of Science degree in Engineering/Construction Management and a Bachelor of Arts in Architecture degree, both from the University of California at Berkeley.

PROFESSIONAL EXPERIENCE

2014-present

Satellite Affordable Housing Associates, Berkeley, CA

Chief Operating Officer

Manage the operations of SAHA. Oversee Resident Services, Property Management, Human Resources, Information Technology and Facilities/Operations groups. Lead development and implementation of strategic plan and development of new programs and business opportunities. Responsible for creating and implementing cross-departmental policies and procedures and monitoring effectiveness. Oversee development and monitoring of departmental, project, and program budgets and forecasting in conjunction with the CFO.

2000-2014

BRIDGE Housing Corporation, San Francisco, CA

Senior Vice President

Progressive levels of authority and management responsibilities for one of the country's largest non-profit housing developers and managers. Responsibilities have grown from development project management through group operations management to current role as group head. Part of five member executive team with broader organizational leadership responsibilities including strategic planning, budgeting and forecasting, risk management, information technology and human resources.

1998-2000

Richmond American Homes

Director of Land and Planning

Responsible for land acquisition, due diligence and forward planning for publicly traded homebuilding company. Territory included North Bay, East Bay and Sacramento areas.

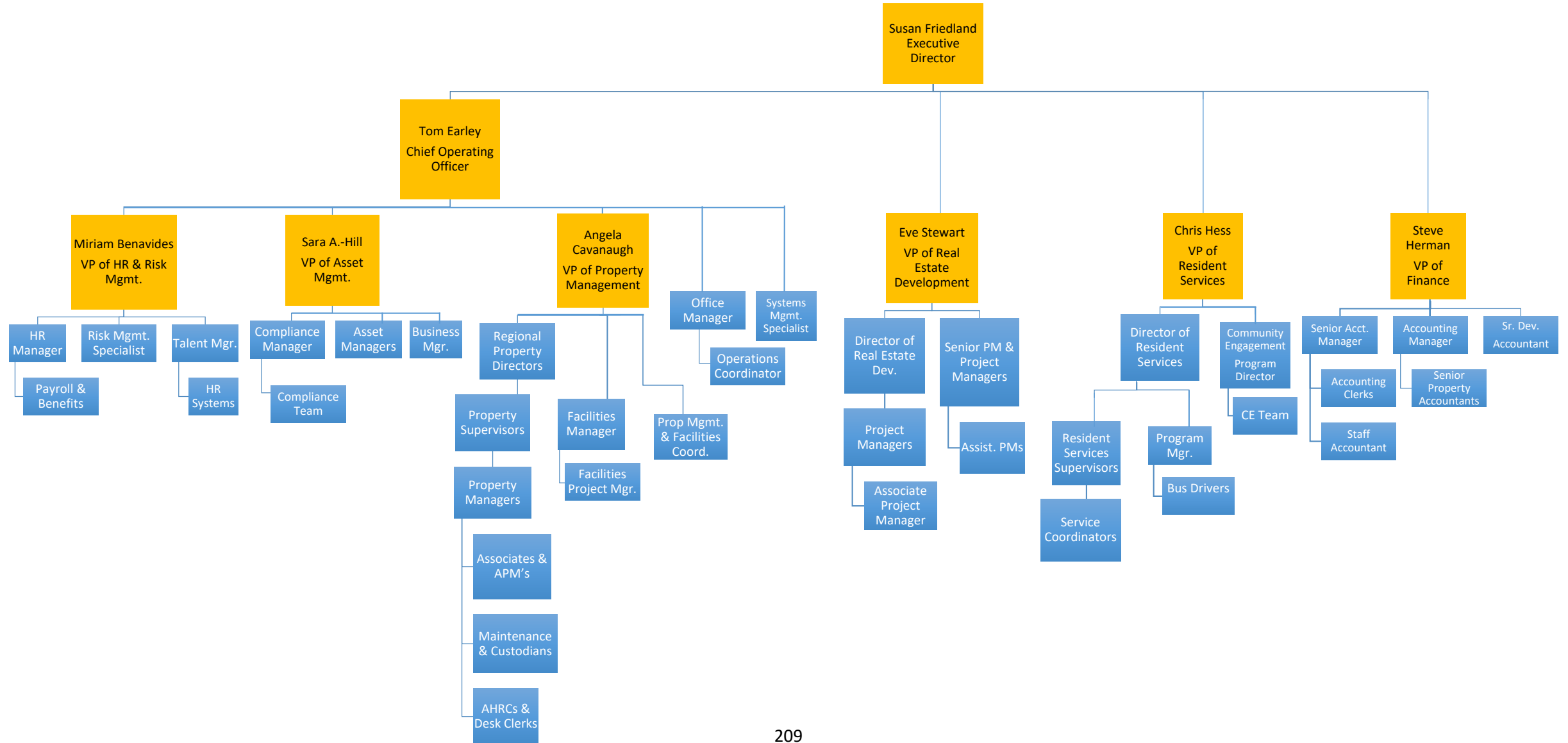
EDUCATION

1994

MS Engineering, Construction Management
 University of California Berkeley

1991

BA Architecture
 University of California Berkeley





CITY COUNCIL REPORT

7H

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: TAMARA MILLER, DEVELOPMENT SERVICES DIRECTOR / CITY ENGINEER
MISHA KAUR, SR. PROJECT MANAGER

SUBJECT: ADOPT A RESOLUTION AUTHORIZING ADOPTION OF THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) "LOCAL ASSISTANCE PROCEDURES MANUAL (LAPM) CHAPTER 10 – CONSULTANT SELECTION" AND AMENDING THE PROCUREMENT POLICY TO INCORPORATE THIS REQUIREMENT

RECOMMENDATION

Staff recommends that the City Council adopt a resolution:

1. Authorizing the adoption of the California Department of Transportation (Caltrans) "Local Assistance Procedures Manual (LAPM) Chapter 10 – Consultant Selection" which describes the consultant selection and procurement process Local Agencies must follow to procure architectural and engineering consultant services related to federal and state funded transportation projects; and
2. Amending the City of Pinole Procurement Policy to incorporate this requirement.

BACKGROUND

The City of Pinole manages capital improvement projects that are funded with federal and state grants and frequently engages consultants to perform Architectural and Engineering (A&E) professional services for such projects. Examples of A&E professional services include field surveying, environmental services for compliance with National Environmental Policy Act (NEPA) and California Environmental Act (CEQA), preliminary and final design, preparation of plans and specifications, construction management and inspection services, and any other consultant services required for state and federal funded projects.

Title 23 of the Code of Federal Regulations section 172.5 (b) requires subrecipients to adopt written policies and procedures prescribed by the state transportation agency for the procurement, management and administration of engineering and design-related

consulting services in accordance with applicable federal and state laws and regulations. The federal government has delegated oversight authority of federal funds to Caltrans. The funds are administered by Caltrans Office of Local Assistance.

As the administering agency of federal and state funds, Caltrans has developed the Local Assistance Procedure Manual (LAPM), Chapter 10, Consultant Selection, which guides, directs, and outlines all the policies and procedures for procurement and management of contracts for engineering and design related consultant services related to transportation projects.

Local agencies must adhere to the selection and contracting procedures described in Chapter 10 – Consultant Selection of the Caltrans LAPM, when state and federal funds are used for procurement of A&E professional services and other consulting services. Chapter 10 of the LAPM sets forth requirements to be included in the Requests for Proposals (RFPs) and consultant agreements.

REVIEW & ANALYSIS

The City has a number of transportation projects in different stages that rely on federal and/or state reimbursement. Some of these projects include, but are not limited to, San Pablo Ave. Bridge Replacement over BNSF Railroad, San Pablo Avenue Rehabilitation, and Local Road Safety Plan. The City followed the Consultant Selection procedures detailed in Chapter 10 of the LAPM to select a consultant for the preliminary design of the San Pablo Ave. Bridge Replacement over BNSF Railroad.

Following the guidelines and adoption of Chapter 10 – Consultant Selection of Caltrans' LAPM allows the City to meet funding eligibility. The LAPM undergoes frequent updates in response to changes in federal law and procedures. The most recent update to the LAPM requires the City to specifically adopt Chapter 10 – Consultant Selection for the procurement of A&E professional services and other consulting services.

Furthermore, the City of Pinole's Procurement Policy has been amended to reference and reflect the City's adoption of the LAPM requirements. This amendment will ensure that the Procurement Policy is in compliance with Federal and State funding source requirements.

FISCAL IMPACT

Adoption of the resolution would allow the City to continue utilizing federal and state reimbursement funds for many transportation projects.

ATTACHMENT(S)

- A. Resolution
- B. Caltrans' Local Assistance Procedure Manual, Chapter 10 – Consultant Selection

RESOLUTION NO. 2020-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNY OF CONTRA COSTA, STATE OF CALIFORNIA, AUTHORIZING ADOPTION OF THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) "LOCAL ASSISTANCE PROCEDURES MANUAL (LAPM) CHAPTER 10 – CONSULTANT SELECTION" AND AMENDING THE PROCUREMENT POLICY TO INCORPORATE THIS REQUIREMENT

WHEREAS, the Pinole City Council through the Development Services Department is responsible for the execution of state and federal funded project(s); and

WHEREAS, the provision of 23 CFR 172.5(b), subrecipients shall develop and sustain organizational capacity and provide the resources necessary for the procurement, management, and administration of engineering and design related consultant services, reimbursed in whole or in part with Federal-Aid Highway Program funding as specified in 23 U.S.C. 106(g)(4)(A); and

WHEREAS, 23 CFR 172.5(b)(1) requires subrecipients to adopt written policies and procedures prescribed by the awarding State Transportation Agency for the procurement, management, and administration of engineering and design related consultant services in accordance with applicable Federal and State laws and regulations; and

WHEREAS, the State of California Department of Transportation (Caltrans) has developed the Local Assistance Procedures Manual (LAPM), Chapter 10, Consultant Selection which sets forth policies and procedures for procurements and managements of contracts for engineering and design related consultant services contracts on federal and state funded transportation projects to ensure compliance with applicable Federal and State laws and regulations; and

WHEREAS, LAPM Chapter 10, Consultant Selection, describes the consultant selection and procurement process local agencies must follow to maintain eligibility for federal and state reimbursement; and

WHEREAS, staff recommends amending the City of Pinole Procurement Policy to reference and reflect the City's adoption of the LAPM requirements as shown in attached Exhibit A to this Resolution, with additions shown in double-underline.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pinole hereby adopts Caltrans LAPM Ch. 10, Consultant Selection, and any updates thereto, in procurement of A&E services for state and federal funded projects and amends the City of Pinole Procurement Policy to reference and reflect the adoption of the LAPM requirements as shown in Exhibit A.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 17th day of November, 2020 by the following vote, to-wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

I, hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on the 17th day of November, 2020

Heather Iopu, CMC
City Clerk

3626667.1

EXHIBIT A

AMENDMENTS TO PINOLE PROCUREMENT POLICY

Section VII(C) of Pinole Procurement Policy shall be amended as follows with additions in double-underline:

A. PURCHASES WITH FEDERAL/STATE FUNDS

When purchasing goods and services involving the use of federal grant funds, the City is required to follow the provisions of 2 CFR Part 200 Subpart A §200.318 General Procurement Standards through §200.326 Contract Provisions. Employees should consult with the City Attorney on any questions regarding application of these requirements to particular purchases.

When purchasing goods and services involving the use of state of California funds and/or federal funds administered by the state of California, the City may be required to follow provisions of state law, regulations, and policy depending upon the specific source of the state funds. The City has adopted the State of California Department of Transportation (Caltrans) Local Assistance Procedures Manual (LAPM), Chapter 10, Consultant Selection, which sets forth policies and procedures for procurements and managements of contracts for engineering and design related consultant services contracts on federal and state funded transportation projects to ensure compliance with applicable Federal and State laws and regulations. The City shall follow applicable LAPM requirements for qualifying transportation projects. Employees should consult with the City Attorney on any questions regarding application of state requirements to particular purchases.

Chapter 10 Consultant Selection

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Exhibits

Exhibits applicable to this chapter can be found at:

<https://dot.ca.gov/programs/local-assistance/forms/local-assistance-procedures-manual-forms>

[Exhibit 10-A: A&E Consultant Financial Document Review Request](#)

[Exhibit 10-B: Suggested Consultant Evaluation Sheet](#)

[Exhibit 10-G: Individual A&E Task Order DBE Utilization \(needs linked\)](#)

[Exhibit 10-H: Sample Cost Proposal \(Example#1 thru #4\)](#)

[Exhibit 10-I: Notice to Proposers DBE Information](#)

[Exhibit 10-K: Consultant Annual Certification of Indirect Costs and Financial Management System](#)

[Exhibit 10-O1: Consultant Proposal DBE Commitment](#)

[Exhibit 10-O2: Consultant Contracts DBE Commitment](#)

[Exhibit 10-Q: Disclosure of Lobbying Activities](#)

[Exhibit 10-R: A&E Sample Contract Language](#)

[Exhibit 10-S: Consultant Performance Evaluation](#)

[Exhibit 10-T: Conflict of Interest & Confidentiality Statement](#)

[Exhibit 10-U: Consultant in Management Support Role Conflict of interest and Confidentiality Statement](#)

SECTION 10.1: FEDERALLY FUNDED A&E CONTRACTS

Procurement Planning		
1	2	3
Local Agency	Local Agency	Local Agency
*Select Project *Set Project Objectives *Determine Project Schedule *Obtain CTC Allocation/Federal Authorization to Proceed prior to beginning reimbursable work *LAPM Exhibit 10-U: Consultant in Management Support Role Conflict of Interest and Confidentiality Statement, if applicable: submit Conflict of Interest (COI) and Scope of Work (SOW) to DLA-HQ prior to contract advertisement.	*Identify Need for Consultant *Appoint Contract Administrator *Segment Project Work *Define SOW of A&E Consultant *Specify Products to be delivered	*Estimate Cost of Consultant Work (independent cost estimate) *Determine Type of Contract (Project Specific or On-Call) *Determine Method of Payment: Lump Sum; Cost-Plus- Fixed-Fee; Cost Per Unit of Work; or Specific Rate of Compensation *Submit Exhibit 9-D to DLAE

A&E = Architectural and Engineering
IOAI = Caltrans Independent Office of Audits and Investigations
CT = Caltrans
DBE = Disadvantaged Business Enterprise
DLA = Division of Local Assistance
DLAE = District Local Assistance Engineer
DLA-HQ = Division of Local Assistance-Headquarters
LAPG = Local Assistance Program Guidelines
LAPM = Local Assistance Procedures Manual
MOP = Method of Payment
RFP = Request for Proposal
RFQ = Request for Qualifications
SOQ = Statement of Qualifications
SOW = Statement/Scope of Work

Figure 10-1: A&E Contract Procurement Process Workflow Diagram

Solicitation Documents and Advertisement		
4	5	6
 	 	 
*Determine Solicitation Document; RFP or RFQ *Appoint Consultant Selection Committee *Collect signed Conflict of Interest forms and Confidentiality Statements (see Exhibit 10-T: Conflict of Interest & Confidentiality Statement) from all members involved in process *Determine Procurement Schedule *Develop Technical Criteria with level of importance (weights) for Evaluation of Proposals or the SOQ	*Prepare RFP or RFQ documents *Include SOW, evaluation process/criteria, DBE goals, MOP and cost proposal format (see Exhibit 10-H: Sample Cost Proposal) minimum requirement of Proposal or SOQ, Notice to Proposers DBE Information (see Exhibit 10-I: Notice to Proposers DBE Information), submittal deadline *Advertise RFP or RFQ on public forum (newspaper, technical publications, Web Hosting Site, other local websites) *Issue RFP or RFQ (direct mailing, web posting)	*Prepare to respond to RFP/RFQ questions *Conduct Proposers Conference, if applicable *Receive Proposals or SOQs

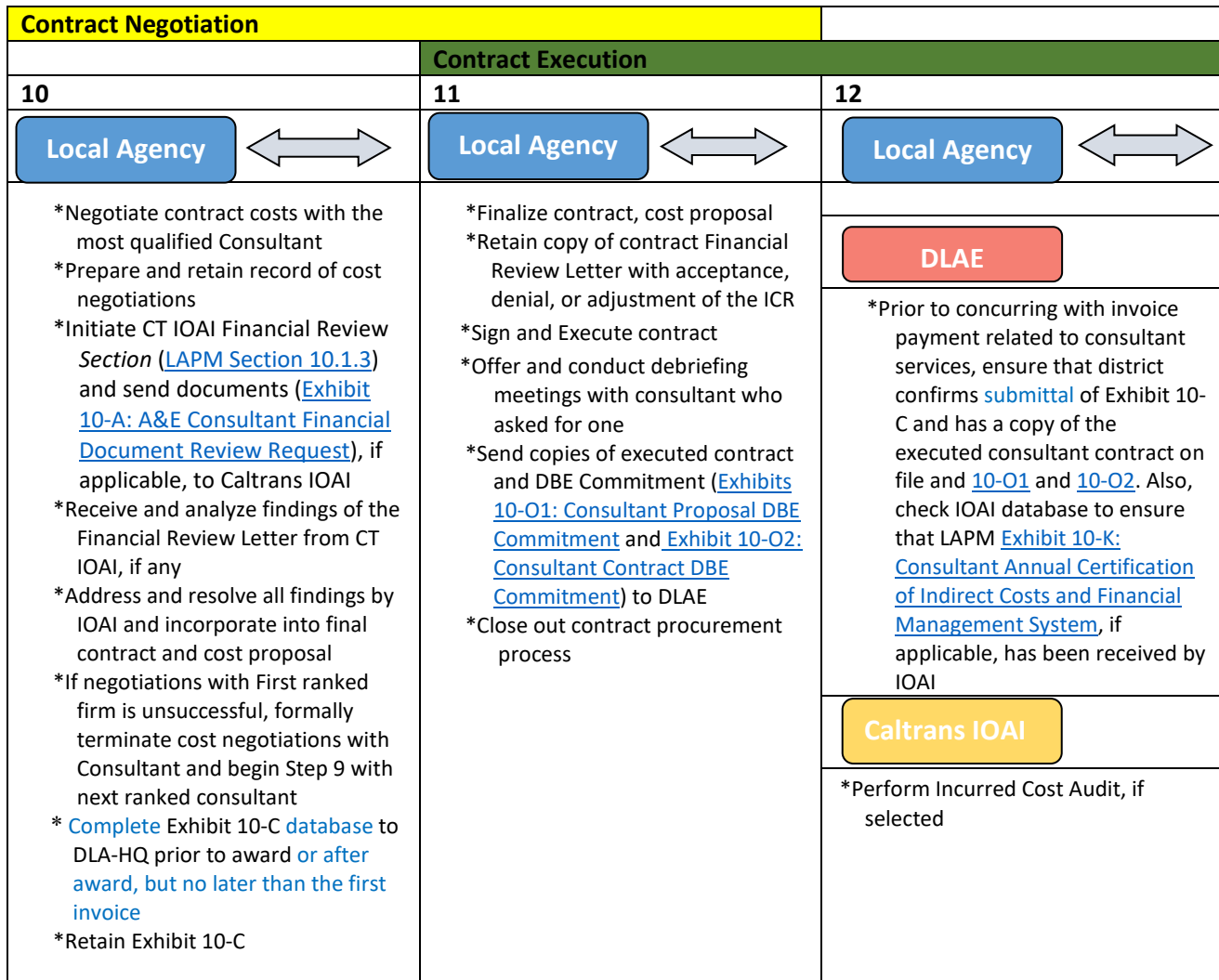
A&E = Architectural and Engineering
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MOP = Method of Payment
RFP = Request for Proposal
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SOQ = Statement of Qualifications
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Figure 10-1: A&E Contract Procurement Process Workflow Diagram- continued

Evaluation and Selection of Consultant		
		Contract Negotiation
7	8	9
Local Agency ↔	Local Agency ↔	Local Agency ↔
*Distribute Proposals or SOQs to Selection Committee members *Ensure Committee members receive the appropriate score sheet to use (see Exhibit 10-B: Suggested Consultant Evaluation Sheet) *Convene Selection Committee and evaluate submittals; Perform reference checks *Develop Final Ranking or Short List *Notify proposers of ranking/Short List *Retain all original score sheets and summaries	*Send out RFPs to Short List (two-step process) *Conduct Interview of Short List (if needed) *Develop Final Ranking of Consultants, and notify all interviewees *Retain all original score sheets and summaries *Provide a copy of Standard Contract language to top ranked consultant and invite for negotiations (see Exhibit 10-R: A&E Sample Contract Language for standard contract language and provisions)	*Open and analyze cost proposal from the Highest Ranked firm Caltrans IOAI *Review and evaluate 10-A package and supporting documents, if applicable *Issue Financial Review Letter, if applicable *Perform contract audits and reviews, if applicable, or review of CPA audited ICR workpapers to issue Cognizant Letter of Approval

A&E = Architectural and Engineering
IOAI = Caltrans Independent Office of Audits and Investigations
CT = Caltrans
DBE = Disadvantaged Business Enterprise
DLA = Division of Local Assistance
DLAE = District Local Assistance Engineer
DLA-HQ = Division of Local Assistance-Headquarters
LAPG = Local Assistance Program Guidelines
LAPM = Local Assistance Procedures Manual
MOP = Method of Payment
RFP = Request for Proposal
RFQ = Request for Qualifications
SOQ = Statement of Qualifications
SOW = Statement/Scope of Work

Figure 10-1: A&E Contract Procurement Process Workflow Diagram- continued



A&E = Architectural and Engineering
IOAI = Caltrans Independent Office of Audits and Investigations
CT = Caltrans
DBE = Disadvantaged Business Enterprise
DLA = Division of Local Assistance
DLAE = District Local Assistance Engineer
DLA-HQ = Division of Local Assistance-Headquarters
LAPG = Local Assistance Program Guidelines
LAPM = Local Assistance Procedures Manual
MOP = Method of Payment
RFP = Request for Proposal
RFQ = Request for Qualifications
SOQ = Statement of Qualifications
SOW = Statement/Scope of Work

Figure 10-1: A&E Contract Procurement Process Workflow Diagram- continued

10.1.1 GENERAL

Introduction

A local agency may engage consultants to perform architectural, engineering, and related services to develop a federal-aid funded project. Local agencies requesting federal funds to reimburse A&E Consultants must follow the selection and contracting procedures detailed in this chapter.

Definition of an Architectural and Engineering Consultant

23 Code of Federal Regulations §172 and CA State Law further defines A&E services and includes those private consulting firms providing architectural, landscape architectural, engineering, environmental, land surveying, construction engineering, or program management are termed Architectural and Engineering (A&E) Consultants.

Architectural and Engineering Consultants

The Brooks Act (40 USC, Section 1104) requires local agencies to award federally funded engineering and design related contracts based on fair and open competitive negotiations, demonstrated competence, and professional qualifications (23 Code of Federal Regulations (CFR), Part 172), at a fair and reasonable price (48 CFR 31.201-3).

Cost proposals submitted to the local agency must be sealed and shall not be included as a criterion for rating such consultants. After ranking, cost negotiations may begin with the most qualified consultant and only their cost proposal will be opened. Should negotiations fail or result in a price that the local agency does not consider fair and reasonable, negotiations must be formally terminated and the local agency must then undertake negotiations with the second most qualified consultant.

If the negotiations with the second most qualified firm are not successful, negotiations must be formally terminated and the local agency must then undertake negotiations with the third most qualified consultant, and so on, until the price is determined to be fair and reasonable by the local agency.

In selecting an A&E consultant, a detailed technical proposal or qualifications proposal, and a proposed contract will be required.

Depending upon the scope of work, the required contract provisions may need to include the California State Prevailing Wages (Federal Payment of Predetermined Minimum Wage applies only to federal-aid construction contracts). Prevailing wages will apply if the services to be performed will involve land surveying (such as flag persons, survey party chief, rodman or chainman), materials sampling and testing (such as drilling rig operators, pile driving, crane operators), inspection work, soils or foundation investigations, environmental hazardous materials and so forth. California State Prevailing Wage information is available through the California Department of Industrial Relations websites below:

Consultants will need to provide their Prevailing Wage Policy if their participation on the project includes prevailing wage work. The policy will include information on the accounting treatment of delta base and delta fringe, and verify the accounting treatment is consistent every year.

- [DIR FAQ website: http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html](http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html)
- [DIR Wage Determination website: http://www.dir.ca.gov/oprl/DPreWageDetermination.htm](http://www.dir.ca.gov/oprl/DPreWageDetermination.htm)
- [Caltrans Prevailing Wage Interpretive Guidance: https://ig.dot.ca.gov/resources/interpretive-guidance](https://ig.dot.ca.gov/resources/interpretive-guidance)

Non-A&E Consultants

Consultants other than A&E consultants may be selected using cost, cost and qualifications (best value) or other critical selection criteria. The procedures outlined in this chapter can be modified for selecting non-A&E consultants by adding a cost item to the contract proposal.

For more details on non-A&E consultants, see Section 10.3: Non-A&E Contracts of this chapter.

Selecting the Project

The local agency is responsible for selecting and initiating a federal-aid financed transportation project. The decision to begin project development is influenced by the project needs, its acceptability, the timing of studies, financing, and construction. The local agency must identify the project's objectives including the general level of improvement or service, operating standards, maximum cost and the target date for project completion before commencing any consultant selection process.

Subcontracted Services

The consultant is responsible for performing the work required under the contract in a manner acceptable to the local agency. The consultant's organization and all associated consultants and subconsultants must be identified in the proposal. If the consultant wishes to use a subconsultant not specified in the proposal, prior written approval must be obtained from the local agency. The subcontract must contain all required provisions of the prime contract. All subawards must include adequate oversight, management, and administration of engineering and design related consultant services and be administered in accordance with State laws and procedures specified in 23 U.S.C.106(g)(4) and 2 CFR 200.331.

Organizational and Consultant Conflicts of Interest

In the procurement of contracts for engineering services by private consulting firms using federal-aid highway funds, local agencies must take all the steps necessary to prevent fraud, waste, and abuse. The local agency must develop and maintain a written code of conduct governing the performance of its employees (including the contract administrator) engaged in the award and administration of federal-aid highway funded contracts, including the prevention of conflicts of interest in accordance with 23 CFR 172.7(b)(4).

A conflict of interest occurs when a public official's private interests and his or her public duties and responsibilities diverge or are not consistent. Conflicts of interest may be direct or indirect (e.g., as result of a personal or business relationship). The appearance of a conflict of interest should be avoided as an apparent conflict may undermine public trust if not sufficiently mitigated.

Federal Regulation Governing Conflict of Interest (23 CFR 172.7(b)(4)) requires that:

- Local agency shall maintain a written code of standards of conduct for employees engaged in the award and administration of engineering and design service contracts;
- No contracting agency employee who participates in the procurement, management, or administration of federal funded contracts or subcontracts shall have, directly or indirectly, any financial or other personal interest in connection with such contract or subcontract;
- No person or entity performing services for a contracting agency in connection with a federal funded project shall have, directly or indirectly, any financial or other personal interest, other than employment or retention by the contracting agency, in any contract or subcontract in connection with such project;
- No person or entity performing services for a contracting agency in connection with a federal-aid highway funded project shall have, directly or indirectly, any financial or other personal interest in any real property acquired for the project;
- No contracting agency employees or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from consultants, potential consultants, or parties to subagreements;
- Local agency shall disclose in writing any potential conflict of interest to FHWA.

Consultants Performing Work on Multiple Phases of Federal-aid Projects

Local agencies sometimes wish to hire the same consultant firm to perform construction engineering and/or inspection services on the same project on which the firm also performed design services. This can cause project delivery efficiencies, as the design firm is well-suited to verify that the project is being constructed in accordance with the design and can resolve issues related to the design on behalf of the contracting agency. However, this may also pose a potential conflict of interest if the firm has a vested financial interest in failing to disclose deficiencies in its design work product and seeks to insulate itself from pecuniary liability in subsequent phases of the project, such as minimizing or ignoring design errors and omissions, rather than serving the best interests of the contracting agency and the public. Procuring a different firm from the design firm to provide the construction engineering and/or inspection services provides another level of review and reduces the risk of, or potential for, a conflict of interest.

Although federal regulations do not expressly prohibit the same firm from providing services on subsequent phases, the local agencies are responsible for ensuring the public interest is maintained throughout the life of a project and that a conflict of interest, real or apparent, does not occur or is sufficiently mitigated by appropriate public agency controls. Prior to allowing a consulting firm to provide services on subsequent phases of the same project, the contracting agency must establish appropriate compensating controls in policies, procedures, practices, and other safeguards to ensure a conflict of interest does not occur in the procurement, management, and administration of consultant services.

When design and construction phase services are procured under a single solicitation, the selection of the consulting firm must be based on the overall qualifications to provide both design and construction phase services, which require different skill sets, experience, and resources. Procuring these services under different solicitations may result in selection of a more qualified firm to perform services in each phase, as the most qualified firm to perform

design phase services may not be the most qualified firm to provide construction phase services. Similarly, the qualifications and capacity of a firm may change over time. As such, it may not be appropriate to contract with a consulting firm to provide construction phase services at the outset of a design phase, knowing that these services may not be needed for an extended period until the preconstruction phase of the project is complete and construction funding authorized. The contract with a consulting firm providing design phase services on a project may not be amended to include construction phase services unless the desired construction phase services were included within the original advertised scope of services and evaluation criteria of the solicitation from which a qualifications based selection was conducted. All consultants acting in a management support role must complete [Exhibit 10-U: Consultant in Management Support Role Conflict of Interest and Confidentiality Statement](#) (see [Section 10.1.9: Miscellaneous Considerations](#) in this chapter) and retain it in the local agency files.

Miscellaneous Considerations Authorization to Proceed

The Federal Highway Administration (FHWA) must give the local agency an Authorization to Proceed (E-76) with the work prior to performing of any work for which federal reimbursement is to be requested, (see the [LAPM Chapter 3: Project Authorization](#)). [Eligible consultant contracts may be procured using local funds prior to receiving the E-76, but reimbursement is for work performed after the E-76 authorization date. If contract is procured using state or local funds, federal procedures must have been followed if seeking federal reimbursement.](#) For state funded projects see [Section 10.2: State-Only Funded A&E Contracts and the Local Assistance Program Guidelines \(LAPG\)](#), [Chapter 23: Local Agency State Transportation Improvement Program Projects](#), for guidance on when work may proceed.

Copies of the Authorization to Proceed and the consultant contract must be retained in the local agency project files for future audit.

10.1.2 IDENTIFYING & DEFINING A NEED FOR CONSULTANTS

The need for a consultant is identified by comparing the project's schedule and objectives with the local agency's capabilities, its staff availability of the required expertise, and its funding resources. If the local agency does not have sufficient staff capabilities, it may solicit assistance from another agency, or use a qualified private consultant to perform the required work.

If the local agency determines that there is a need to solicit assistance from another local agency, or to use a consultant, the District Local Assistance Engineer (DLAE) should be notified if federal-aid funds are to be requested for the project segment to be contracted out.

Appointing the Contract Administrator

The Contract Administrator is responsible for ensuring the quality of consultant contract products or services. The Contract Administrator is appointed as soon as the need for consultant services is identified. The Contract Administrator is involved throughout the development of the selection process and the contract provisions, and in the administration of the consultant's work. The Contract Administrator must be a qualified local agency employee or have staff that is qualified to ensure the consultant's work is complete, accurate, and consistent with the terms and conditions of the consultant contract. On federal-aid contracts, the Contract Administrator or staff members must be a full-time employee and familiar with the work to be contracted out and the standards to be used. The Contract Administrator must also abide by the laws, regulations and policies required as part of accepting federal or state funding for their

project. Non-compliance with the laws, regulations, and policies may result in loss of project funding.

The Contract Administrator's duties are listed in 23 CFR 172.9(d)(1) and include:

- Contract negotiation, contract payment, and evaluation of compliance performance, and quality of services provided by the consultant;
- Being familiar with the contract requirements, scope of services to be performed, and products to be produced by the consultant;
- Being familiar with the qualifications and responsibilities of the consultant's staff and evaluating any requested changes in key personnel;
- Scheduling and attending progress and project review meetings, commensurate with the magnitude, complexity, and type of work, to ensure the work is progressing in accordance with established scope of work and schedule milestones;
- Documenting contract monitoring activities and maintaining supporting contract records as specified in 2 CFR 200.333;
- Provides direction to ensure the proposed work is advertised properly;
- Prepares and distributes the Request for Qualifications (RFQ), description of work, and Request for Proposals (RFP), if used;
- Prepares the draft contract;
- Arranges for preparation before an independent estimate of the value of the work to be contracted out;
- Ensures that the selection procedures are followed;
- Analyzes the selected/best-qualified consultant's cost proposal;
- Ensures contract audit and review procedure is followed;
- Ensures that fee/profit negotiation is conducted and keeps records;
- Serves as the local agency's primary contact person for the successful consultant;
- Monitors the consultant's progress and provides direction;
- Ensuring consultant costs billed are allowable in accordance with the Federal cost principles and consistent with the contract terms as well as the acceptability and progress of the consultant's work;
- Identifies other local agency staff for the consultant to contact, if needed;
- Closes out the contract at completion, by processing the final invoice; completing a mandatory consultant evaluation, and final DBE utilization reports ([Exhibit 17-F: Final Report Utilization of Disadvantaged Business Enterprises \(DBE\) and First-Tier Subcontractors](#)).

Segmenting Consultant Work

Consultant services are most effective when consultant work is segmented appropriately. The extent of segmenting depends upon the type and complexity of the work. Combining preliminary engineering tasks with the preparation of the required environmental analysis is normally desirable. Preparing an Environmental Assessment (EA) or Environmental Impact Statement (EIS) is more than simply writing a report. Assessment and impact reports include preliminary engineering needed to analyze project alternatives and produce an engineering and planning assessment. Initial project studies include only as much traffic and engineering analysis of alternatives, as is needed to produce a sound EA or EIS (see [LAPM Chapter 6 Environmental Procedures](#) and [Standard Environmental Reference \(SER\) Chapters 31: Environmental Assessment \(EA\)/Finding of No Significant Impact \(FONSI\)](#) and [Chapter 32: Environmental Impact Statement \(EIS\)](#)). Final design shall not begin until NEPA environmental approval has been received if federal reimbursement is desired.

Refer to Figure 10-2: Segmenting Consultant Work below, which illustrates several satisfactory ways to segment consultant activities.

	Well-structured Projects With Simple Right of Way Requirements	Well-structured Projects With Complex Right of Way Requirements	More Difficult Projects	Very Complex Projects
Preliminary Engineering				
Environmental Analysis				
Plans, Specifications & Estimates				
Right of Way Activities				
Utility Relocation				
Construction Engineering				

Figure 10-2: Segmenting Consultant Work

Specify Products to be Delivered

The Contract Administrator identifies the products and services to be delivered as a result of consultant contract work, and minimum qualification of consultant professionals and staff. These vary depending upon the type of projects and the phase of project development being addressed.

Scope of Consultant Work

The scope of work, which the contract must include, is a detailed description of the products or services the consultant is to provide. From a detailed scope of work, consultants respond to a project advertisement; determine personnel and time requirements; and develop a technical proposal. Therefore, the scope of work must be clear, concise, complete, and describe the

deliverables, standards for design and other work, quality control measures, acceptance criteria and deadlines.

Non-Discrimination Clause

The Non-Discrimination Clause ([Exhibit 10-R: A&E Boilerplate Agreement Language](#), Article XVI Statement of Compliance) must be included in each consultant contract. The consultant must include the non-discrimination and compliance provisions of the Non-Discrimination Clause in all subcontracts to perform work under the contract.

Disadvantaged Business Enterprise (DBE) Participation

When administering federal-aid projects, federal regulations (49 CFR, Part 26) require a local agency to comply with the DBE program, and take necessary steps to ensure that DBE firms have the opportunity to participate in the projects. Refer to Chapter 9: Civil Rights and Disadvantaged Business Enterprises for DBE requirements for A&E Consultant Contracts.

Estimated Cost of Consultant Work

An independent estimate for cost or price analysis is needed for all consultant contracts (23 CFR 172.7(a)(1)(v)(B)) to ensure that consultant services are obtained at a fair and reasonable price. The estimate is prepared in advance of requesting a cost proposal from the top-ranked consultant, so the local agency's negotiating team has a cost comparison of the project to evaluate the reasonableness of the consultant's cost proposal. The estimate, which is specifically for the use of the local agency's negotiating team, is to be kept confidential and maintained for records.

A good cost estimate can be prepared only if the scope of work is defined clearly. The scope of work must include a list of the products or services which the consultant is required to deliver, and a time schedule of when they must be delivered.

It should be stressed that all work to be derived from the consultant services, such as preliminary design, environmental or final design, must be clearly identified in the solicitation of consultant services (RFQ or RFP) and included in the cost estimate. The addition of work to the original scope by amendment should be avoided whenever possible. Contract modifications are required for any amendments to the terms of the existing contract that change the cost of the contract; significantly change the character, scope, complexity, or duration of the work; or significantly change the conditions under which the work is required to be performed.

Some of the costs estimating techniques are:

Analogous Estimating:

Analogous cost estimating is using the actual cost of a previous, similar contract as the basis for estimating the cost of the current contract. Analogous cost estimating is frequently used to estimate costs when there is a limited amount of detailed information about the project. Analogous cost estimating is generally less accurate and it is most reliable when previous projects are similar in fact, and not just in appearance, and it uses expert judgment.

Parametric Estimating:

Parametric estimating is a technique that uses statistical relationship between historical data and other variables to calculate a cost estimate for an activity resource. This technique can produce a higher level of accuracy depending upon the sophistication, as well as underlying

resource quantity and the cost data. A cost example would involve multiplying the planned quantity of work by the historical cost per unit to obtain the estimated cost of the contract.

Bottom-up Estimating:

This technique involves estimating the cost for individual work in the contract with the lowest level of detail. This detailed cost is then summarized or rolled up to determine a total cost of contract. Cost detail should include estimated hours per task, labor hourly cost for professional and non-professional classifications, subconsultant costs, other project direct costs, and profit. Labor costs should be broken down to direct labor and indirect cost rates, if possible.

If more than one project or phase of work is to be developed within the consultant contract, separate cost estimates are required for each project or phase of work. Separate cost estimates are required for each milestone and portion of the work expected to be subcontracted.

For on-call (as-needed) contracts, the cost estimate/analysis should include at minimum, a historical analysis of annual needs for consultant work, professional labor cost and market analysis, and reasonable profit analysis.

Determine Type of Contract

Types of contracts to be used are described as follows:

- Project-specific contract is between the local agency and consultant for the performance of services and a defined scope of work related to a specific project or projects.
- Multi-phase contract is a project-specific contract where the defined scope of work is divided into phases which may be negotiated and executed individually as the project progresses.
- On-call contract is a contract that may be utilized for a number of projects, under which task or work orders are issued on an as-needed basis, for an established contract period and **maximum total contract dollar amount**. On-call contracts are typically used when a specialized service of indefinite delivery or indefinite quantity is needed for a number of different projects, such as construction engineering, design, environmental analysis, traffic studies, geotechnical studies, and field surveying, etc. Many agencies use these contracts to address peaks in workload of in-house engineering staff and/or to perform a specialized service which the agency does not have. On-call contracts shall specify a reasonable maximum length of contract, not to exceed 5 years, and a maximum total contract dollar amount (23 CFR 172). The maximum dollar amount for all contracts awarded under the solicitation is stated in the solicitation. The maximum dollar amount is the aggregate of the on-call contracts anticipated to be awarded. If the solicitation lists that up to 5 contracts may be awarded, the aggregate amount of these 5 contracts is the maximum contract dollar amount. How many contracts are anticipated to be awarded must be stated in the solicitation. How task orders will be issued must be stated in the solicitation (two options exist: geographically designated areas or additional competitive solicitation to all consultants who provide the same type of service and awarded a contract under the same solicitation).
 - To maintain the intent of the Brooks Act (40 USC 1101-1104) in promoting open competition and selection based on demonstrated competence and qualifications, on-call consultant contracts established through the RFQ process must meet the following requirements:

- Must define a general scope of work, complexity, and professional nature of services.
- Specify a task order procedure the local agency uses to procure project specific work under the contract.
- No task order is valid unless the on-call contract is still enforced. For example, if the on-call contract is expired, all task orders issued after the contract expiration date will become invalid.
- If multiple consultants are to be selected and multiple on-call contracts awarded through a single solicitation for specific services, the number of consultants that may be selected or contracts that may be awarded must be identified.
- Specify procurement procedures in the contracts the local agency will use to award/execute task orders among the consultants:
 - Either through an additional qualification-based selection process (see the Two-Step RFQ/RFP process later in this chapter), OR
 - On regional basis whereby the region is divided into areas identified in the solicitation, and consultants are selected to provide on-call services for assigned areas only. The RFP may list multiple regions that allow consultants to crossover or be a “backup” to other consultants that for specifically documented reasons are not able to perform the work in their assigned region. Per 23 CFR 172.9 (a)(3)(B)(2), the “backup” option needs to be listed in the respective contracts.
- An example of acceptable contract wording in multiple on-call contracts for the same type of service:
 - “Agency has or will enter into three (3) task order contracts for performance of the Scope of Services identified in Exhibit “A”, including this Agreement (“CM Services Task Order Contracts”). The other CM Services Task Order Contracts are [identify other two contracts by agreement numbers and consultant firms]. The total amount payable by Agency for the CM Services Task Order Contracts shall not exceed a cumulative maximum total value of Seven Million, Five Hundred Thousand Dollars (\$7,500,000) (“NTE Sum”). It is understood and agreed that there is no guarantee, either expressed or implied that this dollar amount will be authorized under the CM Services Task Order Contracts through Task Orders. Each time a Task Order is awarded under any of the CM Services Task Order Contracts, the Agency shall send written notification to Consultant and each of the other consultants entering into the CM Services Task Order Contracts. The notice shall identify the total funds allocated under issued Task Orders, and the remaining unencumbered amount of the NTE Sum. Consultant acknowledges and agrees that Agency shall not pay any amount under this Agreement that

would exceed the NTE Sum, and Consultant shall not enter into a Task Order that exceeds the NTE Sum.”

Determining the Project Schedule

The local agency develops a schedule for performance of work and completion of the project. The schedule must include sufficient time to allow for:

- Selecting the consultant;
- Developing the consultant contract;
- Completing the A&E consultant contract audit process;
- Conducting meetings and project reviews.

Determine Method of Payment

The method of payment of contract must be specified. Four methods are permitted depending on the scope of services to be performed reference 23 CFR 172.9(b):

- Cost-Plus-Fixed Fee (see [Exhibit 10-H: Sample Cost Proposal](#), Example #1);
- Cost Per Unit of Work (see [Exhibit 10-H](#), Example #3);
- Specific Rates of Compensation (see [Exhibit 10-H](#), Example #2);
- Lump Sum (see [Exhibit 10-H](#), Example #1).

The method of payment to the consultant shall be set forth in the original solicitation, contract, and in any contract modification thereto. A single contract may contain different payment methods as appropriate for compensation of different elements of work.

The cost plus a percentage of cost and percentage of construction cost methods of payment shall not be used. Both of these methods are explicitly prohibited by Federal Regulations.

Cost-Plus-Fixed Fee

The consultant is reimbursed for costs incurred and receives an additional predetermined amount as a fixed fee (profit). Federal regulations require that profit be separately negotiated from contract costs. The determination of the amount of the fixed fee shall take into account the size, complexity, duration, and degree of risk involved in the work. The fixed fee is not adjustable during the life of the contract. The fixed fee dollar amount must be clearly stated in the contract.

This method of payment is appropriate when the extent, scope, complexity, character, or duration of work cannot be precisely predicted. The fixed fee limit applies to the total direct and indirect costs. Fixed fees in excess of 15 percent of the total direct labor and indirect costs of the contract may be justified only when exceptional circumstances exist. The contract shall specify a reasonable maximum length of contract period and a maximum total contract dollar amount (see [Exhibit 10-H: Sample Cost Proposal Example #1](#) and [Exhibit 10-R: A&E Sample Contract Language](#), Article V, *Option 1* in this chapter). The contract cost proposal must identify all key employees and/or classifications to be billed. New key employees and/or classifications must be approved by the local agency before they incur work on the contract or the costs can

be questioned or disallowed. [Local agencies are not required to update the Exhibit 10-C database. For more details reference Section 10.1.8.](#)

Cost Per Unit of Work

The consultant is paid based on specific item of work performed. The item of work must be similar, repetitious and measurable, such as geotechnical investigation and material testing. This method of payment is appropriate when the cost per unit of work can be determined with reasonable accuracy in advance, but the extent or quantity of the work is indefinite. Contract payment provisions must specify what is included in the price to be paid for each item. Any item of work not identified in the contract cost proposal is not eligible for reimbursement. New items of work (those within the original scope of work only) must be amended into the contract before work is performed. The contract shall also specify a reasonable maximum length of contract period and a maximum total contract dollar amount (see [Exhibit 10-H](#), Example #3 and [Exhibit 10-R](#), Article V Option 2).

Specified Rates of Compensation

The consultant is paid at an agreed and supported specific fixed hourly, daily, weekly or monthly rate, for each class of employee engaged directly in the work. Such rates of pay include the consultant's estimated costs and net fee (profit). Federal regulations require that profit be separately negotiated from contract costs. The specific rates of compensation, except for an individual acting as a sole proprietor, are to include an hourly breakdown, direct salary costs, fringe benefits, indirect costs, and net fee. Other direct costs may be included, such as travel and equipment rentals, if not already captured in the indirect cost rate. [Other direct costs regardless of amount are to be listed on the cost proposal.](#)

This method of payment should only be used when it is not possible at the time of procurement to estimate the extent or the duration of the work, or to estimate costs with any reasonable degree of accuracy. This method should not be used for project specific contracts and is recommended for on-call contracts for specialized or support type services, such as construction engineering and inspection, where the consultant is not in direct control of the number of hours worked, and it also requires management and monitoring of the consultant's level of effort and the classification of employees used to perform the contracted work. The contract shall also specify a reasonable maximum length of contract period and a maximum total contract dollar amount (see [Exhibit 10-H](#), Example #2 and [Exhibit 10-R](#), Article V Option 3).

Lump Sum

The consultant performs the services stated in the contract for an agreed amount as compensation, including a net fee or profit. This method of payment is appropriate only if the extent, scope, complexity, character, duration, and risk of the work have been sufficiently defined to permit fair compensation to be determined and evaluated by all parties during negotiations (see [Exhibit 10-H: Sample Cost Proposal](#), Example #1 and [Exhibit 10-R: A&E Sample Contract Language](#), Article V: Option 4). Normally, a lump sum contract will be paid in full at end of the contract when completed. However, a lump sum contract can be negotiated with progress payment if feasible. The progress payment shall be based on percent of work complete or completion of clearly defined milestones. The contract cost proposal shall document the agreed upon progress payment and include the necessary milestones costs, or the percent work complete schedule.

Changes to Exhibit 10-H requiring resubmittal to Independent Office of Audits and Investigations for review:

- Consultant name change
- New participating subconsultant
- Change in ICR rate

Since these changes require an amendment, local agency is to update the Exhibit 10-C database.

A firm fixed price method of payment is not the same as lump sum. A firm fixed price contract shall not be amended.

10.1.3 A&E CONSULTANT AUDIT AND REVIEW PROCESS

This section outlines the audit and review process for A&E contracts that at any time use state or federal funds. All proposed A&E contracts and supporting documents are subject to audit or review by Caltrans' Independent Office of Audits and Investigations (IOAI), other state audit organizations, or the federal government. Not all proposed contracts will be audited or reviewed; rather, they will be selected on a risk-based approach.

Applicable Standards

State and federal requirements listed below, and specific contract requirements, serve as the standards for audits and reviews performed.

Local agencies, consultants, and subconsultants are responsible for complying with state, federal, and specific contract requirements. Local agencies are responsible for determining the eligibility of costs to be reimbursed to consultants.

Applicable standards include, but are not limited to:

- Caltrans Local Assistance Procedures Manual (LAPM);
- State and Federal agreements between local agencies and Caltrans, (i.e. Master Agreements);
- Project Program Supplemental Agreements;
- 23 United States Code (U.S.C.), Section 112 – Letting of Contracts;
- 40 U.S.C., Chapter 11: the Brooks Act;
- 23 CFR, Chapter 1, Part 172 - Procurement, Management, and Administration of Engineering and Design Related Services;
- 23 CFR, Chapter 1- Federal Highway Administration, Department of Transportation;
- 48 CFR, Federal Acquisition Regulation (FAR), Chapter 1, Part 31- Contract Cost Principles and Procedures;
- 48 CFR, Chapter 99 – Cost Accounting Standards (CAS), Subpart 9900;
- 2 CFR, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;

- United States Government Accountability Office, Government Auditing Standards - Generally Accepted Government Auditing Standards (GAGAS);
- California Government Code sections 4525-4529; and
- Proposed contract terms and conditions.

See Section [10.10: References](#) of this Chapter for links to above referenced standards.

Audit Guidance Available

The American Association of State Highway and Transportation Officials, Uniform Audit & Accounting Guide ([AASHTO Audit Guide](#)), which is referred to frequently in this section, is a valuable tool to guide local agencies, consultants and Certified Public Accountants (CPA) through the requirements for establishing, and audits of FAR compliant Indirect Cost Rates (ICR). The [AASHTO Audit Guide](#) is used extensively as an industry guide in the audit and review process.

Local agencies may seek accounting assistance from internal audit staff and an independent CPA for compliance. The consultant may seek professional guidance in selecting its independent CPA. See also the [AASHTO Audit Guide](#), Ch 2.5C. Selection of CPA Firm as Overhead Auditor for guidance in the selection process. Training is also offered by FHWA's National Highway Institute (see <http://www.nhi.fhwa.dot.gov/default.aspx>). Courses offered include:

- Using the AASHTO Audit Guide for the Procurement and Administration of A&E Contracts (FHWA-NHI-231028)
- Using the AASHTO Audit Guide for the Development of A&E Consultant Indirect Cost Rates (FHWA- NHI-231029)
- Using the AASHTO Audit Guide for the Auditing and Oversight of A&E Consultant Indirect Cost Rates (FHWA-NHI-231030)

For training and additional information provided by Caltrans Local Assistance, visit Caltrans Local Assistance Blog at <http://www.localassistanceblog.com/>. For FHWA's Q&A for ICRs and audits, and A&E related services, visit FHWA at <http://www.fhwa.dot.gov/programadmin/172qa.cfm>.

Allowable Costs

23 USC 112 (b)(2)(B) states that any A&E contract or subcontract awarded, whether funded in whole or in part with Federal-aid highway funds in furtherance of highway construction projects, shall be performed and audited in compliance with the Federal cost principles.

Local agencies are required to perform a cost analysis to ensure all costs are allowable and in compliance with federal and state requirements and retain documentation of negotiation activities and resources. Hourly rate(s) for each key personnel and/or classification of employee(s) proposed in cost proposals must be reasonable for the work performed and actual, allowable, and allocable in accordance with the Federal cost principles. Costs shall be allowable only if the cost is incurred and cost estimates included in negotiated prices are allowable in accordance with the federal and state regulations and procedures, and contract provisions. Examples of Cost Analysis Worksheets are provided at Exhibit 10-H1 through 4.

Local agencies are required to apply Caltrans accepted consultant or subconsultant's ICRs, to contracts. An ICR is valid for the one-year applicable accounting period accepted or

audited by Caltrans. Consultants shall update, on an annual basis, ICRs in accordance with the consultant's annual accounting period and in compliance with the Federal cost principles. For further guidance, refer to 23 CFR Part 172.11(b)(1). If the consultant is subject to Cost Accounting Standards (CAS), the consultant must use the applicable ICR for the contract.

A consultant's accepted ICR for its one-year applicable accounting period shall be applied to contracts; however, once an ICR is established for a contract, it may be extended beyond the one-year applicable period, through the duration of the specific contract, provided all concerned parties agree. Agreement to the extension of the one-year applicable period shall not be a condition or qualification to be considered for the work or contract award. The contract must clearly specify the ICR period if it is beyond the one-year applicable period.

Consultants shall account for costs appropriately and maintain records, including supporting documentation, adequate to demonstrate that costs claimed have been incurred, and are allowable, reasonable, and allocable to the contract, and comply with Federal cost principles.

IOAI and representatives of the Federal Government have the right to conduct an audit of all contract costs. If the costs are subsequently determined to be unallowable, these costs are subject to repayment. For further guidance, refer to 23 CFR Part 172 and 48 CFR Part 31.

Generally, whenever local agencies, consultants and/or contractors are unable to provide requested documentation, it shall be viewed that the services were either not performed or the costs not properly recorded. Retention of all documents is required as it reduces the possibility of audit findings and **disallowed costs**. For more references, refer to Applicable Standards in this chapter.

Approval or Acceptance of Indirect Cost Rates

Cognizant Letters of Approval

A cognizant approved ICR has been audited by a Cognizant agency (a State transportation agency of the State where the consultant's accounting and financial records are located or a State transportation agency to which cognizance for the particular indirect cost rate(s) of a consulting firm has been delegated or transferred to in writing by the State transportation agency where the consultant's accounting and financial records are located) in accordance with generally accepted government auditing standards to test compliance with the requirements of the Federal cost principles (per 48 CFR part 31) and the cognizant agency has either 1) issued an audit report of the consultant's indirect cost rate or 2) conducted a review of an audit report and related workpapers prepared by a certified public accountant and issued a letter of concurrence with the audited indirect cost rate(s). The cognizant agency approves the ICR and a cognizant approval letter is issued.

Caltrans Acceptance of Indirect Cost Rate

When the ICRs have not been established by a cognizant agency, Caltrans shall perform an audit or review of a consultant's and subconsultant's ICR(s) to provide reasonable assurance of compliance with Federal cost principles.

An audit or review of the ICR may consist of one or more of the following:

- Perform a review to determine if the ICR was prepared in accordance with 23 CFR 172, and 48 CFR, Chapter 1, Part 31;
- Perform an audit to determine if the ICR was prepared in accordance with 23 CFR 172,

and 48 CFR, Chapter 1, Part 31; and issue an audit report;

- Review and accept an ICR audit report and related workpapers prepared by a CPA or another State Transportation Agency;

The outcome of an audit or review is for Caltrans to approve or accept the ICR so that it can be relied upon for future contracts with the consultant for a given one-year accounting period and for reliance by other contracting agencies using the same consultant. Local agencies shall ensure that only approved or accepted ICRs of consultants for the applicable one-year accounting period be applied to contracts, if rates are not under dispute. Local agencies may check IOAI's website for consultant's approved or accepted ICRs. All approved or accepted ICRs are issued an Acceptance Identification (ID) number by IOAI that is posted to IOAI's website at <https://ig.dot.ca.gov/audits/>. This ID number should be referenced on all future contracts that use the same fiscal year ICR. ICR can be fixed for the life of the contract in prior written document or annually updated. Once it has been updated, it must be annually updated and the most current fiscal year of ICR must be used.

ICRs that have not been accepted by Caltrans will not be eligible for indirect cost payment. An ICR approved by a cognizant agency may be used across states for the one-year applicable accounting period, but an ICR accepted by Caltrans may **only** be applied to A&E contracts with Caltrans or local agency contracts using pass-through Caltrans funding. Local agencies include Cities, Counties, Metropolitan Planning Organization, Special Districts, and Regional Transportation Planning Agencies.

Financial Review Performed Prior to Contract Execution

All consultants, including prime and subconsultants, on a proposed contract with a dollar value greater than \$150K are subject to an ICR financial review by IOAI. The financial documents required are detailed in Exhibit 10-A, A&E Consultant Financial Document Review Request Letter and Exhibit 10-A Checklist. IOAI will review the ICR financial documents to either accept or adjust the indirect cost rate **prior to contract execution** using a risk-based approach as dictated by factors that include but are not limited to:

- History of satisfactory performance and professional reputation of consultant;
- Prior FAR compliant history and audit frequency;
- Experience of consultant with FAHP contracts;
- General responsiveness and responsibility;
- The approximate contract volume and dollar amount of all A&E contracts awarded to the consultant by Caltrans or a local agency in California within the last three calendar years;
- The number of states in which the consultant does business;
- The type and complexity of the consultant's accounting system;
- The relevant professional experience of any CPA performing audits of the consultants indirect cost rate;
- Assessment of consultant's internal control. Responses to internal control questionnaire, see AASHTO Audit Guide, Appendix B;

- For ICRs that have been adjusted by IOAI, the consultant must provide a revised cost proposal that reflects the adjusted ICR.

Local Agencies' Responsibilities

Local Agencies are responsible for obtaining all required ICR supporting documentation from A&E prime consultants and sub-consultants as outlined in Exhibit 10-A: A&E Consultant Financial Document Review Request and the Exhibit 10-A-Checklist. Local Agencies are responsible for forwarding these documents to IOAI for review. Local agencies are also required to ensure that IOAI has copies of the Exhibit 10-K: Consultant Certification of Contract Costs and Financial Management System and Exhibit 10-H: Cost Proposal for all consultants, both prime and sub-consultants. The ICR included in Exhibit 10-H must match the ICR included in the Exhibit 10-K and the consultant's ICR schedule. The proposed ICR, however, can be lower than ICR in Exhibit 10-K and the consultant's ICR schedule if the consultant elects to propose a lower ICR. For contracts spanning more than one year, local agencies are responsible for ensuring the Exhibit 10-K and cost proposals are updated annually unless all concerned parties agree to fix the ICR for the term of contract, and this is clearly specified in the contract. ICR updates are not required to IOAI if the ICR is fixed for the life of the contract. ICR's are only reviewed for consultants that are being awarded a contract, not consultants on a shortlist or prequalified list.

The Exhibit 10-H: Cost Proposal includes contract costs: direct salary or wage rates, fixed fees, other direct costs, indirect costs, total costs, and certification for the costs. Local agencies must perform and retain documentation of activities and resources used to support that a cost analysis has been performed to establish that costs and elements were determined to be fair and reasonable in accordance with Federal cost principles.

All contract supporting documentation must be retained by the local agency in project files for the required retention period. Unsupported costs may be disallowed and required to be returned to Caltrans. Having proper documentation policy and procedures, trained staff and organized project files are essential for demonstrating that costs claimed and reimbursed have been incurred, are eligible, reasonable, allowable, and allocable to the contract and comply with Federal cost principles.

Contracts below \$150,000 are not subject to the Caltrans Financial Document Review but local agencies are required to establish that all costs are in compliance with the Federal cost principles, 48 CFR, Chapter 1, Part 31, and other applicable requirements are met. All documents listed above and cost analysis documents are required to be retained in the project files to demonstrate compliance.

Instructions are provided in the Exhibit 10-A on the requirements for submitting a complete Financial Review packet. Financial packets can be e-mailed to:
conformance.review@dot.ca.gov.

Alternatively, if you do not have Internet access, you can mail Financial Review packets to:

Department of Transportation
Independent Office of Audits and Investigations
MS 2 Attention: External Audit Manager
P.O. Box 942874
Sacramento, CA 94274-0001

Consultants' Responsibilities (Both prime consultants and subconsultants)

A&E prime consultants and subconsultants in contract with local agencies using state or federal-aid highway funds should refer to Exhibit 10-A and the 10-A Checklist for the ICR financial documents required to be submitted to their local agency. Consultants must complete the "Annual Certification of Indirect Costs and Financial Management System" (Exhibit 10-K) that attests that the ICR rate proposed is in compliance with FAR (48 CFR, Chapter 1, Part 31) and that the consultant's financial management system is adequate to accumulate and segregate, reasonable, allowable, and allocable direct and indirect project costs. The Exhibit 10-A and 10-K should be submitted to the local agency who will forward a copy to IOAI along with all other related and required financial documents. For all future contracts within a same fiscal year, the consultant needs to only provide a copy of the Exhibit 10-K to the Local Agency.

Consultants must follow all the federal, state, and contract requirements outlined above in the Section above, "Applicable Standards". Each contracting consultant must ensure its ICR is not combined with any parent company's or subsidiary's ICR.

ICR schedules for both prime consultants and sub-consultants should be prepared using the accrual basis of accounting and be presented in compliance with the Federal cost principles. Figure 10-3 at the end of this chapter provides an example of a Standard Indirect Cost Rate Schedule that consultants can use when preparing their own.

For public works Prevailing Wage contracts, all workers must be paid the prevailing wage rate determined by the Director of the Department of Industrial Relations according to the type of work and location of the project. <http://www.dir.ca.gov/Public-Works/Prevailing-Wage.html>.

For guidance see Caltrans' Prevailing Wage Interpretive Guidance and webinar on IOAI's website <https://iq.dot.ca.gov/audits>.

When determined necessary, IOAI may request additional information, such as a labor distribution summary and Executive Compensation Analysis (ECA). A consultant's labor distribution summary report is a labor expense report that detail all hours worked (paid and unpaid) for a fiscal year, wages earned, and benefits accrued by all the consultant's employees. The labor summary report should include employee names, salaries, hourly rates, total hours worked segregated by direct hours, indirect hours, paid time off hours, and uncompensated hours and amounts.

An ECA is an evaluation by the consultant to determine the allowability and reasonableness of executive compensation in compliance with Federal cost principles and the AASHTO Audit Guide that can be based on either the National Compensation Matrix or independent compensation surveys.

Independent Office of Audits and Investigations' Responsibilities

After IOAI receives a consultant's complete financial document packet (per Exhibit 10-A and Exhibit 10-A Checklist) from the local agency, IOAI will review the proposed ICR and supporting documents and notify local agencies in writing whether the proposed ICRs are accepted or adjusted.

Contracts will be executed after IOAI either accepts or adjusts the ICR and a revised final cost proposal (if applicable) is received. Correction of the final cost proposal, however, does NOT

need to be cleared through Caltrans IOAI before executing the contract. An email notification from IOAI serves as documentation to support an accepted ICR.

Audits and Reviews to be Performed

After contract execution, a consultant's ICR may be subject to further detailed review or audit by IOAI based on certain risk factors. Costs that are determined to be unallowable as a result of the review or audit will be subject to repayment.

Indirect Cost Rate Audits

During an ICR audit, IOAI or an independent CPA will examine the consultant's proposed ICR for a one-year accounting period to ensure that unallowable costs have been removed from the indirect costs, that allowable costs have been correctly measured and properly charged and allocated, and that the ICR has been developed in accordance with the Federal cost principles (as specified in 23 U.S.C. Section 112(b)(2)(B), 23 CFR Part 172.11, 48 CFR Part 31 and other FAR and State requirements). As a result of the audit, the local agency will work with the consultant to adjust the ICR based on audit recommendations.

For guidance regarding the existing policies and procedures set forth in the federal regulations, and acceptable ICR schedules, refer to the AASHTO Audit Guide, Chapter 5, and Figure 10-3 Standard Indirect Cost Rate Schedule in this Chapter. There is also a review program at Appendix A which serves as a guide for CPAs and IOAI when performing ICR audits and can also be used as a resource for consultants when preparing for an ICR audit.

CPA Workpaper Reviews

During a workpaper review of a CPA audit of an ICR, IOAI will review the CPA's audit workpapers to determine whether to issue a Cognizant Letter of Approval for the ICR. The CPA Workpaper Review determines whether: (a) the CPA's audit of the ICR was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS), (b) the CPA adequately considered the auditee's compliance with the Federal cost principles and related federal and state laws and regulations.

Chapter 11 of the AASHTO Audit Guide provides information to the CPA on the required audit disclosures.

IMPORTANT NOTE FOR CPAs: Contracts receiving state or federal funds are highly scrutinized. Materiality levels tend to be lower and more testing is required. GAGAS provides that auditors may find it appropriate to use lower materiality levels as compared with the materiality levels used in non-GAGAS audits because of the public accountability of government entities and entities receiving government funding, various legal and regulatory requirements, and the visibility and sensitivity of government programs. The AASHTO Audit Guide should be used as a tool for performing audits and attestations of A&E firms.

Contract Audits

During a Contract Audit, auditors will review a consultant's financial management system and contract cost proposal to determine if:

- The consultants' accounting system is adequate to accumulate and segregate costs;
- Costs are reasonable, allowable, allocable and supported adequately;

- The contract contains all required fiscal provisions;
- Proper state and federal procurement requirements were followed.

Incurred Cost Audits

During an Incurred Cost Audit, auditors will review incurred contract costs to determine if:

- Cost data are maintained in an accounting system that adequately gathers, records, classifies, summarizes, and reports accurate and timely financial data for direct and indirect project costs by account;
- Costs are adequately supported, reasonable, allowable, and allocable;
- Costs incurred are in compliance with state and federal laws and regulations;
- Costs incurred are in compliance with the Master Agreement and Supplemental Agreement;
- Costs incurred are in compliance with the fiscal provisions stipulated in the contract; and
- The terms required by the Master Agreement and federal laws and regulations are in the contract.

Audit Findings and Review Deficiencies

If a consultant's ICR is audited or reviewed, local agencies are responsible for ensuring all executed and future contracts reflect the audited and adjusted fiscal year ICR(s). Local agencies should request reimbursement from the consultant for overpayment on rates that were adjusted down.

The local agencies may be subject to sanctions outlined in [LAPM Chapter 20: Deficiencies and Sanctions](#) if the state or federal government determines that any reimbursements to the consultant are the result of lack of proper contract provisions, unallowable charges, unsupported activities, or an inadequate financial management system.

Example of a FAR Compliant Indirect Cost Rate Schedule - Sample Consulting Company**Statement of Direct Labor, Fringe Benefits, and General Overhead for the Year Ended December 31, 20xx**

Description	General Ledger Balance	Unallowable	FAR Reference	Total Proposed	Home Office	Field Office
Direct Labor	\$123,456,789	(\$934,568)	(1)(15)	\$122,522,221	\$85,765,555	\$36,756,666
Fringe Benefits						
Vacation/Paid Leaves	\$17,283,950			\$17,283,950	\$12,098,765	\$5,185,185
Payroll Taxes	\$1,530,864	(\$30,617)	(15)	\$1,500,247	\$1,050,173	\$450,074
Medical Insurance	\$10,864,197			\$10,864,197	\$7,604,938	\$3,259,259
401K Match	\$4,938,272			\$4,938,272	\$3,456,790	\$1,481,481
Incentives and Bonus	\$15,308,642	(\$3,123,456)	(2)	\$12,185,186	\$8,529,630	\$3,655,556
Other Employee Benefits	\$2,515,280	(\$553,433)	(3)	\$1,961,847	\$1,373,293	\$588,554
Total Fringe Benefits	\$52,441,206	(\$3,707,506)		\$48,733,700	\$34,113,590	\$14,620,110
General & Administrative Overhead						
Indirect Overhead Labor	\$72,696,030	(\$4,452,541)	(1)(2)(4)(15)	\$68,243,489	\$65,790,948	\$2,452,541
Purchased Labor/Subconsultants	\$22,433,019	(\$22,433,019)	(5)	\$ -	\$ -	\$ -
Office Rent	\$12,345,679	(\$987,654)	(6)	\$11,358,025	\$11,038,025	\$320,000
Supplies & Utilities	\$5,753,086			\$5,753,086	\$4,027,160	\$1,725,926
Postage and Shipping	\$1,770,000	\$321,456	(5)	\$2,091,456	\$1,464,019	\$627,437
Equipment and Maintenance	\$3,812,346			\$3,812,346	\$2,512,789	\$1,299,557
Depreciation Expense	\$6,202,469	(\$1,345,678)	(7)	\$4,856,791	\$3,205,482	\$1,651,309
Interest	\$123,456	(\$123,456)	(8)	\$ -	\$ -	\$ -
Dues and Subscription	\$123,456	(\$12,345)	(9)	\$111,111	\$77,778	\$33,333
Advertising & Marketing	\$427,406	(\$45,678)	(10)	\$381,728	\$267,210	\$114,518
Vehicles	\$5,896,123	(\$147,403)	(5)(11)(14)	\$5,748,720	\$4,024,104	\$1,724,616
Bad debts	\$12,345	(\$12,345)	(12)	\$ -	\$ -	\$ -
Legal and Accounting Services	\$3,713,580	(\$222,815)	(13)	\$3,490,765	\$3,490,765	\$ -
Fines and Penalties	\$80,000	(\$80,000)	(16)	\$ -	\$ -	\$ -
Total General & Admin. Overhead	\$135,388,995	(\$29,541,478)		\$105,847,517	\$95,898,280	\$9,949,237
Total Indirect Costs				\$154,581,216	\$130,011,870	\$24,569,347
Indirect Cost Rates				126.17%	151.59%	66.84%

Figure 10.3: Standard Indirect Cost Rate Schedule

FAR References:

- (1) FAR 31.202: Uncompensated overtime.
- (2) FAR 31.205-6: Profit distribution and excess of the reasonable compensation.
- (3) FAR 31.205-46, 31.205-14 & 31.205-51: Meals not for valid business purposes and associated with lobbying and lacking adequate support
- (4) FAR 31.201-2: Administrative staff costs billed to projects/clients.
- (5) FAR 31.201-2: Subconsultant labor and other direct costs billed to and paid by contracts/clients.
- (6) FAR 31.205-36 and 31.205-17: Capital lease costs, rent paid in excess of reasonable costs, and idle facilities and capacity costs.
- (7) FAR 31.201-2 & 31.205-6: Costs relates to personal use by employees and luxury vehicles.
- (8) FAR 31.205-20: Interest and other financial costs not allowable.
- (9) FAR 31.201-2: Non-business related dues and subscriptions.
- (10) FAR 31.205-1: Costs for advertisement and public relations costs and trade show expense including labor.
- (11) FAR 31.205-46(d) and 31.205-6(m)(2): Personal use of vehicle and lack of mileage logs and business purpose.
- (12) FAR 31-205-3: Bad debts and collection costs.
- (13) FAR 31.205-27 and 31.205-47: Reorganization and capital raising related costs and costs incurred in connection with violation of a law or regulation by the consultant.
- (14) FAR 31.205-46: Unreasonable costs and costs not supported by documents and lack of business purpose.
- (15) FAR 31.201-6(a) & CAS 405-40: Labor costs associated with unallowable costs.
- (16) FAR 31.205-15: Fines and penalties resulting from violations of laws and regulations.

This section outlines the audit and review process for A&E contracts that at any time use federal and/or state funds. All proposed A&E contracts and supporting documents are subject to audit or review by Caltrans' Independent Office of Audits and Investigations (IOAI), other state audit organizations, or the federal government. Not all proposed contracts will be audited or reviewed; rather, they will be selected on a risk-based approach.

10.1.4 CONSULTANT SELECTION METHODS

Figure 10-4: Consultant Selection Flowchart shows the three methods normally used in selecting a consultant. They are:

- One-Step RFP;
- One-Step RFQ;
- Two-Step RFQ/RFP.

The method used depends upon the scope of work, the services required, the project's complexity, and the time available for selection of the consultant.

Beginning with [Section 10.1.5: Consultant Selection Using the One-Step RFP Method](#), each of the selection methods is explained in detail. Regardless of the method used, the local agency shall retain all consultant selection documentation in their project files as required by 23 CFR Part 172.

One-Step RFP

The One-Step RFP method may be used for Project-specific contracts when the scope of work is well defined or for Multi-phased contracts where the defined scope of work is divided into phases. Other considerations include when the consultant's services are highly specialized and there are few qualified consultants.

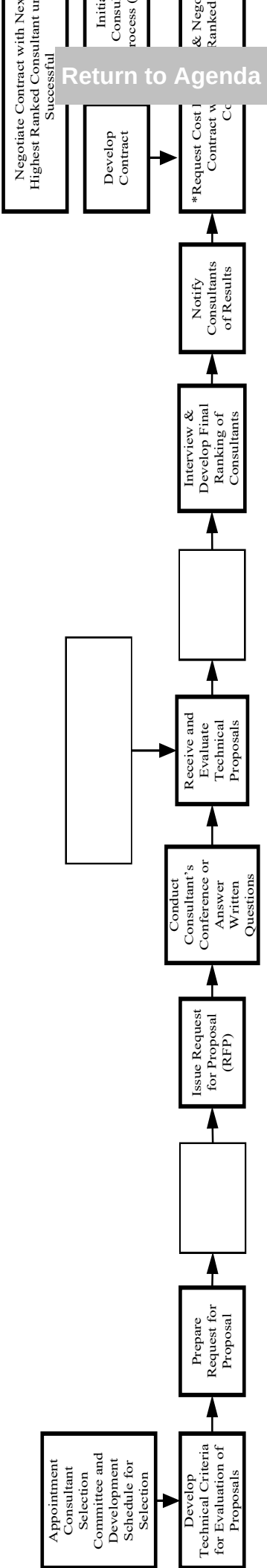
One-Step RFQ

The One-Step RFQ method is used when the requested services are specialized, or the scope of work is defined broadly and may include multiple projects. Typical services are preliminary engineering, surveying, environmental studies, preparation of Plans Specifications and Estimate (PS&E) and environmental documents, or construction management. This method or the two-step selection process is used for procurement of on-call contract(s). Note that specifications and requirements in the RFQ must cover all aspects of the final need. A RFP specific to the project, task, or service must be included in the solicitation for evaluation of a consultant's specific technical approach and qualifications.

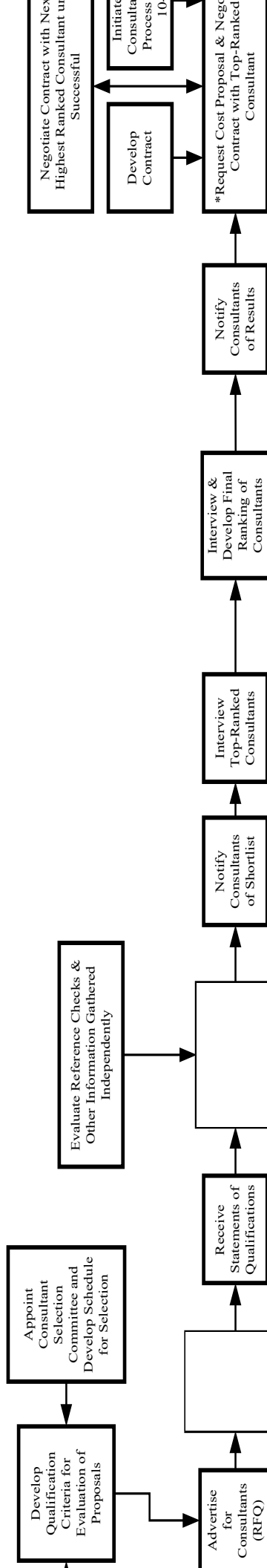
Two-Step (RFQ Followed by RFP)

The Two-Step RFQ/RFP method may be used when the scope of work is complex or unusual. This method also may be preferred by local agencies that are inexperienced about negotiations and procedures for establishing compensation. However, the Two-Step RFQ/RFP method is recommended for procurement of multiple on-call contracts, or on-call list, through a single solicitation. Regardless of any process utilized for prequalification of consultants or for an initial assessment of a consultant's qualifications under a RFQ, a RFP specific to the project, task, or service is required for evaluation of a consultant's specific technical approach and qualifications. For more information, refer to description of on-call contract in [Section 10.1.2: Identifying & Defining a Need for Consultants](#). This method requires substantially more work and time than the other two methods described above.

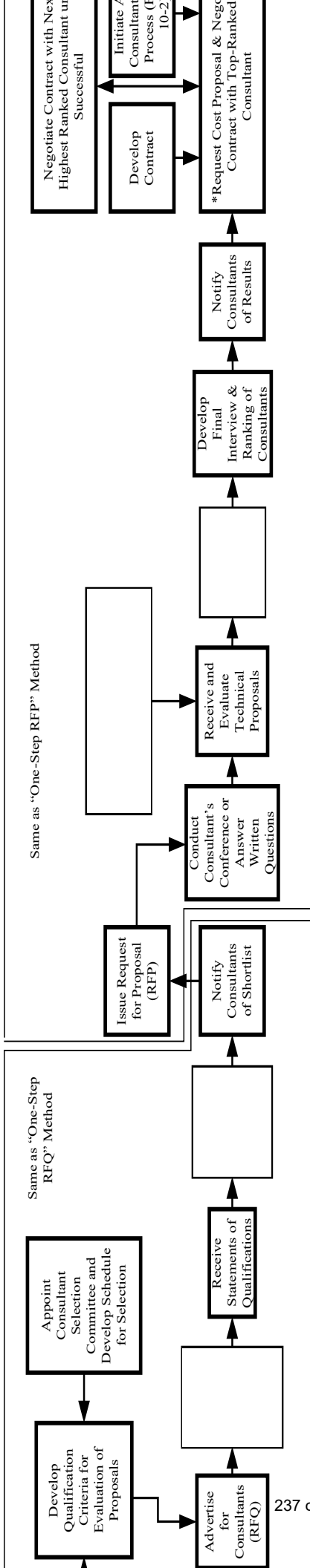
Select Consultants



"One-Step, RFP" Method: Request for Proposal followed by Negotiation
(Use when there are few consultants)



"One-Step, RFQ" Method: Request for Qualifications followed by Interviews and Negotiation
(Use when there are many consultants)



"Two-Step, RFQ/RFPP" Method: Request for Qualifications followed by Request for Proposal and Negotiation
(Use when scope of work is complex)

Figure 10-4: Consultant Selection Flowchart

10.1.5 CONSULTANT SELECTION USING THE ONE-STEP RFP METHOD

Of the three methods discussed, this one is most easily modified for non-A&E consulting contracts. This procurement procedure usually involves a single step process with issuance of a request for proposal (RFP) to all interested consultants. For non-A&E consulting contracts, a cost proposal shall be part of the RFP and the selection criteria. For A&E contracts, the cost proposal is not requested until the consultants have been final ranked based upon their submitted technical proposal.

Appoint Consultant Selection Committee

A consultant selection committee with a minimum of three members is appointed at the beginning of the consultant selection process. The committee reviews materials submitted by consultants, develops a shortlist of qualified consultants, and develops a final ranking of the most qualified proposals. Representation on the committee includes the Contract Administrator and subject matter experts from the project's functional area. The members should be familiar with the project/segment to be contracted out and with the local agency standards that will be used in the contract. Participation by a Caltrans district representative is at the option of the agency and subject to availability of the DLAE staff. Caltrans participation on the interview panel does not relieve the local agency of its responsibility to ensure that proper procurement procedures are followed and all requirements are met.

Local agency Contract Administrator ensures that all committee members meet the conflict of interest requirements (23 CFR 172) by completing and signing a conflict of interest statement prior to selection process initiation. A sample conflict of interest form is provided in [Exhibit 10-T: Panel Member Conflict of Interest & Confidentiality Statement](#).

Develop Technical Criteria for Evaluation of Proposals

The Contract Administrator is responsible for developing the technical criteria, and their relative importance which are used to evaluate and rank the consultant proposals. In-State or local preference shall not be used as factor in the evaluation, ranking, and selection phase. All non-technical evaluation criteria, including DBE participation, shall not exceed 10 percent (23 CFR 172.7(a)(1)(iii)(D)). All price or cost related items which include, but are not limited to, cost proposals, direct salaries/wage rates, indirect cost rates, and other direct costs are prohibited from being used as evaluation criteria.

The criteria and relative weights must be included in the RFP, and the same criteria and relative weights must be used in the evaluation sheets. Failure to include criteria and relative weights and to use the same criteria and weights during the evaluation will result in the contract costs being ineligible for federal or state reimbursement. [Exhibit 10-B: Suggested Consultant Evaluation Sheet](#) is a recommended evaluation sheet with criteria and rating points for A&E consultants, where cost is not used as a rating factor. This format is not mandatory, but it is recommended in the interest of developing consistency among the hundreds of agencies and consultants operating in the state. The local agency should consult with the DLAE before making major changes to the suggested approach.

Develop Schedule for Consultant Selection

Before the contract is advertised, the Contract Administrator completes a contract procurement schedule including key dates for consultant selection activities. The Contract Administrator should confirm key dates with all selection committee members before completing the schedule.

Prepare RFP

The information required in an RFP solicitation includes the following:

- Description of project;
- Clear, accurate, detailed Scope of work, technical requirements, and qualifications;
- Services to be performed;
- Deliverables to be provided;
- Procurement schedule;
- Applicable standards, specifications, and policies;
- Schedule of work (including estimated start and end dates of the contract);
- Method of payment, and cost proposal requirements. The cost proposal is submitted in a separate concealed format. Cost proposals are requested from the highest ranked firm. If these negotiations are formally terminated, the cost proposal is then requested from the next highest ranked firm. See [Exhibit 10-H: Sample Cost Proposal \(Example 3\)](#) for sample cost proposal formats;
- Contract audit and review process requirements (see [Section 10.3: A&E Consultant Audit and Review Process](#));
- Proposal format and required contents;
- Method, criteria and weighting for selection;
- Requirements for any discussions that may be conducted with three or more of the most highly qualified consultants following submission and evaluation of proposals;
- Specify contract type;
- Special provisions or contracts requirements;
- A DBE contract goal is specified in the solicitation (see [Exhibit 10-I: Notice to Proposers DBE Information](#)), if a federal-aid contract;
- Consultants acting in a management support role requirements [Exhibit 10-U: Consultant in Management Support Role Conflict of Interest and Confidentiality Statement](#);
- Protest procedures and dispute resolution process per 2 CFR Part 200.318(k), 2 CFR 172.5(c)(18).

The RFP specifies the content of a proposal, the number of copies required, due date, mailing address, and a physical address where the submittals may be hand delivered if different from the mailing address. A minimum of fourteen (14) calendar days is required between the time the RFP is published and time that proposals must be submitted. More time may be required for complex contracts or projects.

Items typically required in a technical proposal include:

- Work plan (specify what is to be covered);
- Organizational chart;
- Schedule and deadlines;
- Staffing plan;
- Proposed Team—complete for prime consultant and all key subconsultants;
- Key personnel names and classifications—key team members identified in the original proposal/cost proposal shall not change (be different than) in the executed contract;
- Staff resumes;
- Names of consultant's project manager and the individual authorized to negotiate the contract on behalf of the consulting firm;
- Consultant DBE Commitment document, see [Exhibit 10-O1: Consultant Proposal DBE Commitment](#);
- References.

Financial Management and Accounting System Requirements

The local agency must ensure that consultant contract solicitation and advertising documents (RFPs) clearly specify that contracts shall not be awarded to a consultant without an adequate financial management and accounting system as required by 48 CFR Part 16.301-3, 2 CFR Part 200, and 48 CFR Part 31. The local agency must ensure the selected consultants have adequate financial management systems as required by the applicable federal regulations.

Advertise for Consultants

The solicitation process for consultant services shall be by public advertisement, or by any other public forum or method that assures qualified in-State and out-of-State consultants are given a fair opportunity to be considered for award of contract. The minimum length of advertisement is 14 calendar days.

Advertisement of the RFP in a major newspaper of general circulation, technical publications of widespread circulation, professional associations and societies, recognized DBE organizations, web hosting or clearing houses known for posting government contract solicitations such as BidSync, Planetbids, or posting the RFP on the local agency's or other widely used websites are all acceptable methods of solicitation.

To document website postings, the local agency should retain copies of screen shots displaying the posted begin/end dates.

Issue/Publish RFP

The local agency shall publish the RFP on line and also issue the RFP to all consultants responding to newspaper advertisement. The local agency shall keep a record of all consultants that have downloaded RFP on line as well as those receiving an RFP through other means, to ensure that any inquiry responses, addendums, or amendments to the RFP are given to all consultants that received the RFP.

Conduct Proposer's Conference or Answer Written Questions

The local agency may allow for clarification of the RFP by inviting submittal of written questions or by conducting a proposer's conference, or by doing both. The local agency must publish or mail their responses to any written questions to all consultants receiving the RFP. No response should be given to verbal questions. It is important that all competing consultants receive the same information. If a proposer's conference is to be held, the exact time and place must be specified in the RFP. Attendance at a proposer's conference normally is not mandatory. However, consultants not attending the conference do not receive notes from the meeting unless they request the notes.

Receive and Evaluate Technical Proposals

The Contract Administrator must verify that each proposal contains all of the forms and other information required by the RFP. If all required information is not provided, a proposal may be considered nonresponsive and rejected without evaluation. Late submittals, submittals to the wrong location, or submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed.

Documentation of when each proposal was received must be maintained in the project files. Copies of date stamped envelope covers or box tops are recommended. The members of the consultant selection committee must evaluate each proposal according to the technical criteria listed in the RFP. Minimum of three proposals must be received and evaluated. If only two proposals are received, a justification must be documented to proceed with the procurement. The justification should state that the solicitation did not contain conditions or requirements that arbitrarily limited competition per 23 CFR 172(a)(1)(iv) (D) and competition is determined to be inadequate and it is not feasible or practical to re-compete under a new solicitation per 23 CFR 172(a)(3)(iii)(C). If only one proposal is received, a Non-Competitive process must be justified and a Public Interest Finding (PIF) must be documented and signed by the DLAE. In either case, the re-advertisement of the RFP should be considered as an option.

The committee must also evaluate reference checks and other information gathered independently. Reference checks shall be completed and other information gathered before the interviews are conducted. If necessary, the results of the reference checks or other information may be discussed with the highest ranked qualified consultants at the interviews.

Develop Final Ranking and Notify Consultants of Results

The selection committee [evaluates](#) each proposal; interviews the three or more highest ranked consultants (short listed) [if noted in solicitation](#); and develops a final ranking of the highest ranked consultants. All consultants that submitted proposals must be informed about the final ranking of consultants. It is important that all competing consultants receive the same information.

Most consultants will request information as to why they were not the highest ranked. [The local agency may have an established procedure adopted for conducting debriefings but may also consider the following](#): The selection committee should keep notes as to why a particular consultant was not selected. When a consultant requests debriefing, the reasons for not being selected must be objective reasons. The consultant should not be compared to others and should not be provided with information about other consultants during this debriefing. Normally,

the Contract Administrator does the debriefing; however, any member of the selection committee may be designated to do the debriefing.

Negotiate Contract with Top-Ranked Consultant

Cost proposal (for both Prime and all Subconsultant), and contract audit and review documents such as [Exhibit 10-K: Consultant Certification of Contract Costs and financial Management System](#) of Costs and Financial Management System and [Exhibit 10-A: A&E Consultant Financial Document Review Request and Checklist](#), whichever is applicable (see [Section 10.1.3: A&E Consultant Audit and Review Process](#)) should be submitted in a separate sealed envelope. Typically, the cost proposals are submitted by the short listed consultants only, at time of interview. However, if time is of the essence and it can be justified, or if no interviews are planned, the cost proposal can be requested from all consultants with their technical proposal.

The cost proposal for the most qualified consultant will be opened and used to begin negotiations. If agreement cannot be reached, then negotiations proceeds to the next most qualified consultant. Each consultant's cost proposal must remain sealed until negotiations commence with that particular consultant. The goal of negotiations is to agree on a final contract that delivers the services, or products required at a fair and reasonable cost to the local agency. At the completion of successful cost negotiations, all remaining sealed envelopes containing cost proposals shall be returned to consultants.

Cost proposals in electronic form shall be submitted separately from the RFP and contained in a secure database that is inaccessible to the members involved in the A&E consultant contract procurement process. Only the cost proposal of the most qualified consultant will be requested to be sent to the members. Cost proposals of unsuccessful consultants are confidential and shall not be opened by the local agency or any private entity that the local agency uses to store the cost proposals. Any concealed cost proposals of the unsuccessful consultants must be returned unopened or properly disposed of in accordance with the local agency's written policies and procedures.

The independent cost estimate, developed by the local agency in advance of requesting a cost proposal from the top-ranked consultant, is an important basis and tool for negotiations or terminating unsuccessful negotiations with the most qualified consultant. Items necessary for the independent cost estimate include, hours/detailed work, direct labor costs, indirect labor costs, other direct costs, and profit/fee. Agencies must retain documentation of how the cost estimate was developed. It can be revised, if needed, for use in negotiations with the next most qualified consultant. A contract audit and review may be required (see [Section 10.1.3: A&E Consultant Audit and Review Process](#) in this chapter). Local agency Contract Administrator ensures that all required documentations are provided to Caltrans IOAI within 10 days of written request, including all documents for a Financial Review, if applicable. Caltrans IOAI will not proceed with a Financial Document Review until all required documentation is completed correctly and submitted. Negotiations should be finalized after addressing all deficiencies noted in the Caltrans IOAI Financial Review Letter if applicable. An indirect cost audit may be performed within the record retention period of the contract.

Items typically negotiated include:

- Work plan;
- Schedule and deadlines (for deliverables and final duration of contract);

- Products to be delivered;
- Classification, wage rates, and experience level of personnel to be assigned;
- Cost items, payments, and fees. Fee is required to be negotiated as a separate element;
- Hours, level of effort by task and/or classification.

The consultant's ICR is not a negotiable item. A lower rate cannot be negotiated by the local agency. The local agency and the consultant will agree on the final cost proposal and incorporate into final contract. Retain all documentation related to negotiations.

Before executing the consultant contract, the local agency must review contract to ensure that all federal and state requirements have been met (see [A&E Consultant Procurement Checklist: https://dot.ca.gov/programs/local-assistance/environmental-and-other-policy-issues/consultant-selection-procurement](https://dot.ca.gov/programs/local-assistance/environmental-and-other-policy-issues/consultant-selection-procurement)) and adjustment or denial of ICR as identified in the Financial Review Letter has been included in the final cost proposal, if applicable.

Prior to contract award, [or after contract award but no later than the first invoice](#), the local agency must submit a completed Exhibit 10-C for all new or amended federal funded A&E consultant contracts [using the database at http://dlaaeoversight.dot.ca.gov/fmi/webd/Exhibit%2010-C](#) (please use Firefox or Chrome if not supported by your browser).

If there are any changes [requiring an amendment](#) to the contract after [submittal](#) of Exhibit 10-C, the local agency must submit an updated Exhibit 10-C and all contract amendments to <http://dlaaeoversight.dot.ca.gov/fmi/webd/Exhibit%2010-C>. Submission of Exhibit 10-C to Caltrans HQ is not required for non-A&E consultant contracts.

10.1.6 CONSULTANT SELECTION USING THE ONE-STEP RFQ METHOD

The RFQ method is used when the services being procured are specialized, or the scope of work is defined broadly and may include multiple projects.

Appoint Consultant Selection Committee

A consultant selection committee with a minimum of three members is appointed at the beginning of the consultant selection process. The committee reviews and scores the materials submitted by consultants in response to the RFQ, develops a shortlist of qualified consultants, interviews those consultants, and develops a final ranking of the most qualified consultants. Representation on the committee includes the Contract Administrator and subject matter experts from the project's functional area. The members should be familiar with the scope of work to be contracted out and with the local agency standards that will be used in the contract.

Participation by a Caltrans district representative is at the option of the local agency and subject to the availability of the DLAE staff. Caltrans participation on the interview panel does not relieve the local agency of its responsibility to ensure that proper procurement procedures are followed and all requirements are met.

Local agency Contract Administrator ensures that all committee members meet the conflict of interest requirements (23 CFR 172) by completing and signing a conflict of interest statement

prior to selection process initiation. A sample conflict of interest form is provided in [Exhibit 10-T: Panel Member Conflict of Interest & Confidentiality Statement](#).

Develop Technical Criteria for Evaluation of Qualifications

The Contract Administrator is responsible for developing the technical criteria, and their relative importance which are used to evaluate and rank the consultant qualifications. The criteria and relative weights must be included in the RFQ, and the same criteria and relative weights must be used in the evaluation sheets. Failure to include criteria and relative weights and to use the same criteria and weights during the evaluation will result in the contract costs being ineligible for federal or state reimbursement. [Exhibit 10-B: Suggested Consultant Evaluation Sheet](#) is a recommended evaluation sheet with criteria and rating points for A&E consultants, where cost is not used as a rating factor. This format is not mandatory, but it is recommended in the interest of developing consistency among the hundreds of agencies and consultants operating in the state. The local agency should consult with the DLAE before making major changes to the suggested approach.

Develop Schedule for Consultant Selection

Before a contract is advertised, the Contract Administrator completes a contract procurement schedule including key dates for consultant selection activities. The Contract Administrator should confirm target dates with all selection committee members before completing the schedule.

Prepare RFQ

As a minimum, the RFQ generally includes the following:

- General description of the services or project(s);
- Scope of work;
- Schedule of work (including contract begin and end dates);
- Method of payment, and cost proposal requirements. The cost proposal is submitted in a separate sealed envelope. See [Exhibit 10-H: Sample Cost Proposal](#) for sample cost proposal formats;
- Contract audit and review process requirements (see [Section 10.1.3: A&E Consultant Audit and Review Process](#));
- Statement of Qualification (SOQ) format and required content to be submitted;
- Method and criteria and weights for selection;
- A DBE contract goal is specified in the solicitation (see [Exhibit 10-I: Notice to Proposers DBE Information](#)), if a federal-aid contract;
- Consultants acting in a management support role requirements [Exhibit 10-U: Consultant in Management Support Role Conflict of Interest and Confidentiality Statement](#); Protest procedures and dispute resolution process per 2 CFR Part 200.318(k).

The RFQ specifies the content of the SOQ, the number of copies required, due date, mailing address, and a physical address where the submittals may be hand delivered if different from

the mailing address. Two to four weeks is usually allowed between the time the RFQ is published and time that SOQs must be submitted. More time may be required for complex contracts or scope of work.

Items typically required in a statement of qualification include:

- Qualifications of key personnel (including consultant project manager) proposed for the contract. Key team members identified in the original proposal/cost proposal shall not change (be different than) in the executed contract;
- Staff resumes;
- Related projects that key personnel have worked on;
- Qualifications/experience of the firm;
- Organizational chart;
- Forecast or Schedule of work;
- Consultant DBE Commitment document, see [Exhibit 10-O1: Consultant Proposal DBE Commitment](#);
- References.

Financial Management and Accounting System Requirements

The local agency must ensure that Consultant contract solicitation and advertising documents (RFQs) clearly specify that contracts shall not be awarded to a consultant without an adequate financial management and accounting system as required by *48 CFR Part 16.301-3*, *2 CFR Part 200*, and *48 CFR Part 31*. The local agency must ensure the selected consultants have adequate financial management systems as required by the applicable federal regulations.

Advertise for Consultants

The solicitation process for consultant services shall be by public advertisement or any other public forum or method that assures qualified in-State and out-of-State consultant are given a fair opportunity to be considered for award of contract. The RFQ must contain sufficient project work information, so that interested consultants can submit an appropriate SOQ.

Advertisements for RFQ may take one of two approaches. The most common is an advertisement or publication of the RFQ in a major newspaper of general circulation, technical publication of widespread circulation, professional associations and societies, recognized DBE organizations, web hosting or clearing houses known for posting contract solicitations such as Bid Sync, PlanetBids, or posting the RFQ on other widely used websites. To document website postings, the local agency should retain copies of screen shots displaying the posted begin/end dates.

In the second approach, the local agency advertises the availability of the RFQ in a major newspaper of general circulation, technical publications of widespread circulation, professional associations and societies, recognized DBE organizations, or through a web hosting or clearing houses known for posting contract solicitations such as BidSync or PlanetBids, and requests that interested consultants send a letter of interest to the local agency for the RFQ. The RFQs shall then be sent to those firms who indicated interest in the RFQ. In some cases, it may be desirable to advertise nationwide for a particular project or service. This approach provides a

registry for firms who received the RFQ and therefore facilitates the broadcast of any revisions or addenda to the RFQ, if necessary.

Issue/Publish RFQ

The local agency shall publish the RFQ online and also issue the RFQ to all consultants responding to newspaper advertisement. The local agency shall keep a record of all consultants that have downloaded the RFQ on line as well as those receiving an RFQ through other means, to ensure that any inquiry responses, addendums, or amendments to the RFQ are given to all consultants that received the RFQ.

Receive/Evaluate Statements of Qualifications and Develop Shortlist

The first step in the evaluation process is to determine that each SOQ contains all forms and other information required by the RFQ. Otherwise, the submittals may be considered nonresponsive and rejected without evaluation. Late submittals, submittals to the wrong location, and submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed. Documentation of when each proposal was received must be maintained in the project files. Copies of date stamped envelope covers or box tops are recommended.

Minimum of three proposals must be received and evaluated. If only two proposals are received, a justification must be documented to proceed with the procurement. If only one proposal is received, a Non-Competitive process must be justified and a Public Interest Finding (PIF) must be documented and signed by the DLAE. In either case, the re-advertisement of the RFP should be considered as an option.

The consultant selection committee reviews the submitted SOQ according to the published evaluation criteria and weighting factors. The committee makes an independent random check of one or more of the consultant's references. This check applies to major subconsultants also. The committee establishes a shortlist of consultants who are considered to be best qualified to perform the contract work. The shortlist includes enough qualified consultants to ensure that at least three consultants are interviewed.

Notify Consultants of Shortlist

All consultants that submitted an SOQ must be notified of the results of the review. The notification also identifies those consultants (short list) that will be requested to attend interviews [if interviews were an option in the solicitation](#). Most consultants will request information as to why they were not placed on the shortlist. Therefore, the selection committee should keep notes why a particular consultant was not selected for the shortlist. When a consultant requests a debriefing, the reasons given for not being selected must be objective reasons. Consultants should not be compared with each other during the debriefing. Normally, the Contract Administrator does the debriefing; however, any member of the selection committee may be designated to do the debriefing.

Interview Top-Ranked Consultants

Each consultant to be interviewed is given a copy of the draft of the proposed contract, defining the detailed scope of work, and/or description of required services, and other information. This should be sent with the initial notification of the interview.

Between the time of the notification of the shortlist and interviews, the local agency may answer any questions concerning the scope of work to be contracted out, if not done earlier during the solicitation. In addition, the local agency may conduct additional reference checks for each consultant to be interviewed. Consultants should submit their questions about the RFQ and receive their answers from the local agency in writing. It is required that all consultants on the shortlist receive the questions and answers and are given the same information.

The committee should evaluate reference checks and other information that is gathered independently. Reference checks shall be completed and other information gathered before the interviews are conducted. If necessary, the results of the reference checks and other information may be discussed with the consultant at the interview.

Interviews are to be structured and conducted in a formal manner. Each consultant shall be allowed the opportunity to make a presentation if desired; however, a time limit should be specified. Interview questions are prepared in advance.

Two types of questions may be asked:

- Questions that are to be asked of all competing consultants, and
- Questions relating to each specific consultant, based upon the reference checks, and the strengths and weaknesses identified during evaluation of the SOQ

The agency can request competing consultants to bring additional information or examples of their work to the interviews; if the additional information facilitates the interview or evaluation process. Additional information requested should be kept at a minimum, that is, only information required to select the most qualified consultant for the contract. The selection committee or local agency shall not gather additional information concerning the consultants after the interviews are completed.

Develop Final Ranking and Notify Consultants of Results

All consultants interviewed must be informed about the final ranking of consultants. It is important that all competing consultants receive the same information.

Most consultants will request information as to why they were not selected as the most qualified. Therefore, the selection committee should keep notes as to why a particular consultant was not selected. When a consultant requests debriefing, the reasons for not being selected must be objective. Consultants should not be compared with each other or provided with information about other consultants during the debriefing.

Normally, the Contract Administrator does the debriefing; however, any member of the selection committee may be designated to do the debriefing. The next two sections provide guidance when the RFQ is solicited for specialized services and additional information is required prior to cost negotiations with consultant. For on-call contracts, skip the next two sections and begin Negotiation phase.

Conduct Scoping Meeting

The Contract Administrator meets with the first-ranked consultant's project manager to review the project, and to ensure that the consultant has a complete understanding of the work that is

required. The consultant is shown as much material as is available regarding the project. Any technical questions regarding the project are answered for the consultant.

Request Cost Proposal

The first-ranked consultant is asked to provide a cost proposal to perform the work described in the draft contract and discussed at the scoping meeting. The work is to be performed according to the conditions described in the draft contract using the payment method described therein. Alternatively, if time is of the essence and it can be justified, sealed cost proposals may be requested from all of the consultants on the shortlist.

If the contract involves more than one project, the consultant must provide a separate cost proposal for each project in addition to a summary cost proposal for the total contract. If the contract involves milestones, the consultant must furnish a separate cost proposal for each milestone with a summary cost proposal for the total costs. If the contract involves subconsultants, the prime consultant must include a separate cost proposal for each subconsultant. Each subconsultant's cost proposal must follow the same format as the prime consultant's cost proposal.

Negotiate Contract with Top-Ranked Consultant

Cost proposal (for both Prime and all Subconsultant), and contract audit and review documents such as [Exhibit 10-K: Consultant Certification of Contract Costs and Financial Management System](#) and [Exhibit 10-A: A&E Consultant Financial Document Review Request and Checklist](#), whichever applicable (see [Section 10.1.3: A&E Consultant Audit and Review Process](#)) will be submitted in a separate sealed envelope. Typically, the cost proposals are submitted by the short-listed consultants only, at time of interview. However, if time is of the essence and it can be justified, or if no interviews are planned, the cost proposal can be requested from all consultant with their statements of qualification.

After the top-ranked consultant submits a sealed cost proposal, the local agency reviews the cost proposal and compares it with the local agency's confidential detailed independent cost estimate and enters into negotiations. The goal of negotiation is to agree on a final contract that delivers to the local agency the services or products required at a fair and reasonable cost. The independent cost estimate, developed by the local agency in advance of requesting a cost proposal from the top-ranked consultant, is an important basis and tool for negotiations.

Negotiations should commence with the most qualified consultant. If agreement on a fair and reasonable price cannot be reached, negotiations should then be formally terminated. Negotiations then proceed to the next most qualified consultant, and so on. Each consultant's cost proposal must remain sealed until negotiations commence with that particular consultant.

At the completion of successful cost negotiations, all remaining sealed envelopes containing cost proposals shall be returned to consultants.

Cost proposals in electronic form shall be submitted separately from the RFQ and contained in a secure database that is inaccessible to the members involved in the A&E consultant contract procurement process. Only the cost proposal of the most qualified consultant will be requested to be sent to the members. Cost proposals of unsuccessful consultants are confidential and shall not be opened by the local agency or any private entity that the local agency uses to store the cost proposals. Any concealed cost proposals of the unsuccessful consultants must be

returned unopened or properly disposed of by permanently deleting the cost proposals in accordance with local agency's written policies and procedures.

A contract audit and review may be required (see [Section 10.1.3: A&E Consultant Audit and Review Process](#) earlier in this chapter). Local agency Contract Administrator is responsible for the submittal of all required documentations to Caltrans IOAI in a timely fashion, including all documents for a Financial Review, if applicable. Caltrans IOAI will not proceed with a Financial Review until all required documentation is completed correctly and submitted. Negotiations may be completed after receipt of the Caltrans IOAI Financial Review Letter. An indirect cost audit may be performed within the record retention period of the contract.

The items typically negotiated include:

- Work plan;
- Staffing plan;
- Schedule (including contract begin and end dates);
- Products to be delivered;
- Classification, wage rates, and experience level of personnel to be assigned;
- Cost items, payments and fee. Fee is required to be negotiated as a separate element.

The consultant's ICR is not a negotiable item. A lower rate cannot be negotiated by the local agency. For on-call contracts, typically a price agreement is reached based on specific rate of compensation for the term of the contract. The subsequent task orders (or mini agreements for individual project work) is negotiated based on cost plus fee, or lump sum, which is derived from the wage rates agreed upon earlier for the on-call contract.

Before executing the consultant contract, the local agency must review contract to ensure that all federal and state requirements have been met (see [A&E Consultant Procurement Checklist at <https://dot.ca.gov/programs/local-assistance/environmental-and-other-policy-issues/consultant-selection-procurement>](#)), and receive Caltrans IOAI's Financial Review acceptance letter, if applicable.

Prior to contract award, [or after contract award but no later than the first invoice](#), the local agency must submit a completed Exhibit 10-C for all new or amended federal funded A&E consultant contracts [using the database at <http://dlaaeoversight.dot.ca.gov/fmi/webd/Exhibit%2010-C>](#) (please use Firefox or Chrome if not supported by your browser).

If there are any changes to the contract after [submittal](#) of Exhibit 10-C, the local agency must submit an updated Exhibit 10-C and all contract amendments to [http://dlaaeoversight.dot.ca.gov/fmi/webd/Exhibit%2010-C](#). Submission of Exhibit 10-C to Caltrans HQ is not required for non-A&E consultant contracts.

10.1.7 CONSULTANT SELECTION USING THE TWO-STEP RFQ/RFP METHOD

Combined RFQ and RFP

Selecting consultants using the Two-Step RFQ/RFP method requires combining certain steps from each of the other two methods previously described. The consultants are rated based upon both their qualifications and their technical proposals. This procurement procedure involves a [two-step](#) process with issuance of a request for qualifications (RFQ) whereby responding consultants are evaluated and ranked based on qualifications and an RFP is then provided to three or more of the most highly qualified consultants. [The two-step method leads to an executed project specific contract.](#)

A different process may also be used that includes assessing minimum qualifications of consultants to perform services under general work categories or areas of expertise through a prequalification process whereby annual statements of qualifications and performance data are encouraged. These consultants are not ranked, and an RFP must be submitted to the entire list for evaluation and consideration. Regardless of any process utilized for prequalification of consultants or for an initial assessment of a consultant's qualifications under a RFQ, a RFP specific to the project, task, or service is required for evaluation of a consultant's specific technical approach and qualifications.

The initial steps in this method (up to the development and notification of the shortlist) are similar to the steps followed when using the One-Step RFQ method. At this point, the consultants from the shortlist are issued an additional RFP. The remaining steps are the same as the later steps followed in the One-Step RFP method. The combination of these steps is indicated in Figure 10-4: Consultant Selection Flowchart. Because it is a combination of the One-Step RFQ and One-Step RFP methods, this method of consultant selection requires more work and time than the other two methods. Consequently, the combined RFQ/RFP method is recommended for use only when the scope of work is not clearly known, very complex or unusual.

The Two-Step RFQ/RFP is also well suited for procuring multiple on-call contracts through a single solicitation. The outcome of the first step RFQ will be multiple contracts, or on-call list of consultants. For multiple on-call contracts, project work will be procured thru subsequent competition or mini-RFPs amongst the on-call consultants. The mini-RFP or the task order will be negotiated with first ranked firm from each competition. Task order (mini-RFP) cost will be based on wage rates established in the master on-call contract, and the time and deliverable requirements in the task order.

Local agencies may also use this method to:

1. [Develop and maintain a pre-qualified file/list of consultant firms by specific work categories or areas of expertise. This list includes all consultants that meet the minimum published pass/fail requirements. The pre-qualified list can be updated annually or at least every two years and must be maintained by the agency. This list has not gone through the evaluation process.](#)
2. [Create a short list of evaluated and ranked consultants that leads to executed contracts](#)

The mini-RFP contains evaluation criteria that matches the strengths of the qualified firms to the specifics of the known tasks, thereby selecting the most qualified firm for each task. The evaluation can include: availability of personnel, staff capabilities, DBE (10% or less of overall

score), completion time, experience of consultant, specialized expertise, and past performance. The overall DBE goal was established at the master on-call contract.

Because it is a combination of the One-Step RFQ and One-Step RFP methods, this method of consultant selection requires more work and time than the other two methods. Consequently, the combined RFQ/RFP method is recommended for use when the scope of work is very complex or unusual.

Categorize work

Descriptions of the categories of work, deliverables and the minimum qualification standards for each category must be clearly identified.

The local agency may prequalify consulting firms in the following (or more) categories:

- Roadway Design
- Bridge Design
- Bridge Inspection
- Traffic Engineering
- Environmental Services
- Roadway Construction Inspection and Administration
- Landscape Architecture
- Land Surveying
- Intelligent Transportation System (ITS)
- Federal-aid Highway Project Development Support Services

Establish Minimum Qualifications

In an effort to ensure quality performance and results, a consultant should be required to meet certain minimum qualifications to be eligible for consideration in the pre-qualification process.

General criteria guidelines should be established for consultant selection for a pre-qualified list. The criteria may be established by an individual or a panel of subject matter experts for the specific task of developing the criteria. Some agencies also establish appropriate weights for each criterion. It may be necessary to modify the criteria to fit specific cases. When a RFQ is published, it should state the criteria that will be used in the selection process.

Criteria for evaluating statements of qualifications, may include but are not limited to:

- Special expertise and experience of the firm's key employees
- Proposed staffing (include number of licensed and specialized staff) for the project and previous experience of those identified
- Experience of the firm and their personnel on previous projects similar to the one under consideration
- Consultant DBE Commitment document (see Exhibit 10-O1)
- Professional references by the firm with the local agency

- Understanding of the project by the firm as demonstrated by their approach to organizing and management of the work
- Current workload of the firm and their ability to meet the proposed project schedule
- Quality of previous performance by the firm with the local agency
- Use of sub-consultants to accomplish work on the project
- Equipment the firm has available and proposes to use as compatibility with Computer-Aided Drafting and Design (CADD) and other equipment proposed to be used in accomplishing the work
- Familiarity with federal, state, and local codes, requirements, standards, and procedure
- Examples of minimum qualifications for work categories above are provided here based on Caltrans best practices

Issue RFQ

The need for services of a consulting firm may be advertised in appropriate national, state, and local publications and web sites. Notices can also be sent to firms known to be qualified to do specific work, to professional societies, and to recognized Disadvantaged Business Enterprises (DBE) organizations. The advertisements and notices seek statements of interest and qualifications from consultants who are interested in the project. The DBE goal is established at the master on-call contract and included in the solicitation document.

The SOQ should list consulting firm details, names of principals, office locations, personnel by discipline, project experience and examples, current workload, types of service the firms are qualified to perform, and previous performance. Also, resumes of key persons, specialists, and other associates that may be assigned to the project or projects should be included. This information should be the basis for evaluating and placing a consulting firm on a general pre-qualification list.

Federal regulations require that any procedures related to pre-qualifying consultant cannot restrict competition.

Pre-qualification of consultants may be allowed as a condition for submitting a technical proposal for a contract only if the period between the date of the issuance of the RFP and the deadline for submitting a technical proposal affords sufficient time to enable a consultant to obtain pre-qualification status.

Another practice is to qualify consultants on a project-by-project basis. This is accomplished for some agencies by advertising or publishing notices in national, state, and local publications for needed services for specific, individual projects. These notices include a precise project location, a defined preliminary scope of services to be performed, a specific schedule within which the work is to be completed, and a list of products and deliverables to be provided by the consultant. Specific project advertisements usually are published when the proposed project is large and complex, in-house resources are not available, special expertise is required, or the objectivity of an outside authority is desired.

Appropriate Federal-aid requirements should be complied with on Federal-aid projects.

Set-Up Evaluation Process

The first step in the evaluation process is to determine that each SOQ contains all forms, qualifications and other information required by the RFQ. Otherwise, the submittals may be considered nonresponsive and rejected without evaluation. Documentation of when each SOQ was received must be maintained in the project files. Copies of date stamped envelope covers or box tops are recommended.

If all required information is not provided, a SOQ may be considered nonresponsive and rejected without evaluation. Late submittals, submittals to the wrong location, or submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed.

Local agency must establish a process by which SOQs are evaluated and consultants who are deemed meeting the minimum qualifications are accepted and placed on a pre-qualified list. Whether the Local agency has a “committee” of experts evaluating the SOQs or individuals responsible for the evaluation, the process must be well defined, open and transparent. The pre-qualification process must also allow for consultants to be re-evaluated in cases of denials. The local agency must specify how long the pre-qualified list last, not to exceed two years. Federal regulation recommends refreshing the SOQs on an annual basis.

Local agency Contract Administrator ensures that all committee members meet the conflict of interest requirements (23 CFR 172) by completing and signing a conflict of interest statement prior to selection process initiation. A sample conflict of interest form is provided in Exhibit 10-T.

Evaluate Qualifications and Add Firm to List

All SOQs received should first be reviewed for completeness. Each response must contain all required forms and any other information requested in the advertisement. The response may be considered incomplete and rejected without further evaluation if all required information is not provided or if the submittal is late.

The qualifications of all responding firms are then reviewed according to established evaluation criteria or factors. The agency then establishes a short list of at least three consultants that are determined to be the most highly qualified to perform the required work. Firms not selected should be notified in writing.

Maintain List

Pre-qualification of a consultant expires in two years. Pre-qualified consultants must renew their pre-qualification status every two years. Firms can apply to be on the list at any time. After a period of two years, firms should re-apply (repeat the process of submitting SOQs) to be on the list. In addition to the required two-year renewal process, the consultant should also be required to update the firm’s organizational structure within one year when there is a corporate/affiliate change, ownership control, type of work expertise, capacity, or any other major change.

If the consultant does not meet the minimum requirements and their SOQ is rejected, the committee must respond to the consultant explaining the reason for their rejection. The consultant is allowed to reapply to be on the list again provided the reasons for rejection are corrected.

The list of qualified firms can be maintained online through the agency’s website. Firms can also apply to be on the list through the agency website for ease of operation.

Issue RFP to Pre-Qualified Consultants on List

An RFP is sent to the short-listed firms. The RFP should indicate the content of the technical proposal, technical review procedures, anticipated schedule of activities, scope of work, project description, where the technical proposals are to be delivered, the number of copies required, and the due date.

Some agencies receive the technical proposal orally as part of an interview conducted for this purpose. In these cases, written documentation may not be required.

Items typically required in a technical proposal include:

- Work plan
- Organization plan
- Schedule for meeting time frame
- Available computer equipment and programs
- Staffing plan and resumes including sub-consultants
- Pre-award audit/financial package information (if deemed appropriate)
- Examples of similar work previously completed
- Sub-consultants, DBE, their proposed participation, and other related information

Conduct Proposer's Conference or Answer Written Questions

The local agency may allow for clarification of the RFP by inviting submittal of written questions or by conducting a proposer's conference, or by doing both. The local agency must publish or mail their responses to any written questions to all consultants receiving the RFP. No response should be given to verbal questions. It is important that all competing consultants receive the same information. If a proposer's conference is to be held, the exact time and place must be specified in the RFP. Attendance at a proposer's conference normally is not mandatory. However, consultants not attending the conference do not receive notes from the meeting unless they request the notes.

Receive and Evaluate Technical Proposals

The Contract Administrator must verify that each technical proposal contains all forms and other information required by the RFP. If all required information is not provided, a technical proposal may be considered nonresponsive and rejected without evaluation. Late submittals, submittals to the wrong location, or submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed. Documentation of when each technical proposal was received must be maintained in the project files. Copies of date stamped envelope covers or box tops are recommended.

A consultant selection committee with a minimum of three members is appointed at the beginning of the consultant selection process. The members of the consultant selection committee must evaluate each technical proposal according to the technical criteria listed in the RFP. A minimum of three technical proposals must be received and evaluated.

If only two technical proposals are received, a justification must be documented to proceed with the procurement. If only one technical proposal is received, a Non-Competitive process must be

justified and a Public Interest Finding (LAPM Exhibit 12-F) must be documented. In either case, the re-advertisement of the RFP should be considered as an option.

The committee must also evaluate reference checks and other information gathered independently. Reference checks shall be completed and other information gathered before the interviews are conducted. If necessary, the results of the reference checks or other information may be discussed with the highest ranked qualified consultants at the interviews.

Develop Final Ranking and Notify Consultants of Results

The selection committee discusses and documents the strengths and weaknesses of each technical proposal, interviews the three or more highest ranked consultants (shortlisted), and develops a final ranking of the highest ranked consultants. All consultants that submitted technical proposals must be informed about the final ranking of consultants. It is important that all competing consultants receive the same information.

Most consultants will request information as to why they were not the highest ranked. Therefore, the selection committee should keep notes as to why a particular consultant was not selected. When a consultant requests debriefing, the reasons for not being selected must be objective reasons. The consultant should not be compared to others and should not be provided with information about other consultants during this debriefing. Normally, the Contract Administrator does the debriefing; however, any member of the selection committee may be designated to do the debriefing.

Request Cost Proposal and Negotiate Contract with Top-Ranked Consultant

The first-ranked consultant is asked to provide a cost proposal to perform the work described in the draft contract and discussed at the scoping meeting. The work is to be performed according to the conditions described in the draft contract using the payment method described therein. Alternatively, if time is of the essence and it can be justified, sealed cost proposals may be requested from all of the consultants on the shortlist.

If the contract involves more than one project, the consultant must provide a separate cost proposal for each project in addition to a summary cost proposal for the total contract. If the contract involves milestones, the consultant must furnish a separate cost proposal for each milestone with a summary cost proposal for the total costs. If the contract involves subconsultants, the prime consultant must include a separate cost proposal for each subconsultant. Each subconsultant's cost proposal must follow the same format as the prime consultant's cost proposal.

Cost proposal (for both prime and all subconsultants) and contract audit and review documents, such as Exhibit 10-K and Exhibit 10-A, whichever applicable (see Section 10.1.3: A&E Consultant Audit and Review Process), will be submitted in a separate sealed envelope.

After the top-ranked consultant submits a sealed cost proposal, the local agency reviews the cost proposal and enters into negotiations. The goal of negotiation is to agree on a final contract that delivers to the local agency the services or products required at a fair and reasonable cost. The independent cost estimate, developed by the local agency in advance of requesting a cost proposal from the top-ranked consultant, is an important basis and tool for negotiations.

Negotiations should commence with the most qualified consultant. If agreement on a fair and reasonable price cannot be reached, negotiations should then be formally terminated.

Negotiations then proceed to the next most qualified consultant, and so on. Each consultant's cost proposal must remain sealed until negotiations commence with that particular consultant. At the completion of successful cost negotiations, all remaining sealed envelopes containing cost proposals shall be returned to consultants.

A contract audit and review may be required (see Section 10.1.3: A&E Consultant Audit and Review Process). The local agency Contract Administrator is responsible for the submittal of all required documentations to Caltrans IOAI in a timely fashion, including all documents for a Conformance Review, if applicable. Negotiations may be completed after receipt of the Caltrans IOAI Conformance Letter. An indirect cost audit may be performed within the record retention period of the contract.

Items typically negotiated include:

- Work plan
- Schedule and deadlines (for deliverables and final duration of contract)
- Products to be delivered
- Classification, wage rates, and experience level of personnel to be assigned
- Other Direct Cost items, and profit or fee

The consultant's ICR is not a negotiable item. A lower rate cannot be negotiated by the local agency.

The local agency and the consultant will agree on the final cost proposal and incorporate into final contract.

Before executing the consultant contract, the local agency must review contract to ensure that all federal and state requirements have been met (see [A&E Consultant Procurement Checklist at https://dot.ca.gov/programs/local-assistance/environmental-and-other-policy-issues/consultant-selection-procurement](https://dot.ca.gov/programs/local-assistance/environmental-and-other-policy-issues/consultant-selection-procurement)).

10.1.8 COMPLETING THE PROJECT

Develop the Final Contract

The Contract Administrator requests a revised cost proposal from the consultant after: (1) negotiations have been completed, (2) the local agency and consultant have agreed to a fair and reasonable price, and (3) a letter, if applicable, is released by Caltrans IOAI that accepts, denies or makes an adjustment to the proposed ICR. The Contract Administrator should review the revised cost proposal to ensure that all the items and changes discussed during negotiation were included. This revised cost proposal then becomes the final cost proposal, is attached to and made a part of the consultant contract. Sample contract language and format have been included as [Exhibit 10-R: A&E Boilerplate Agreement Language](#).

The Contract Administrator has responsibility to ensure that the final negotiated contract is complete and has verified that all required backup documents have been provided. Copies of the contract are sent to the consultant for signature first.

Review and Approval of Contracts

Proposed contracts for consultant services (including subcontracted work) must be reviewed by the local agency to verify that:

- Compensation is fair and reasonable and includes prevailing wage rates, if applicable;
- Work activities and schedules are consistent with the nature and scope of the project;
- DBE goal Exhibit 10-O2: Consultant Contract DBE Commitment is included for all contracts regardless of goal.;
- [Exhibit 10-K: Consultant Certification of Contract Costs and Financial Management System](#) (for Prime and Subs), and [Exhibit 10-A: A&E Consultant Financial Document Review Request](#) and Checklist and all supporting documents, if applicable (contracts above \$150,000), have been submitted to Caltrans IOAI;
- If applicable, adjustment or denial of the ICR identified in the Financial Review Letter have been included in the final cost proposal;
- [Exhibit 10-C: A&E Consultant Contract Database](#) must be used to ensure that required documentation has been provided;
- A cost proposal (see [Exhibit 10-H: Sample Cost Proposal](#)), must include the costs of materials, direct salaries, payroll additions, other direct costs, indirect costs, fees, and backup calculations.

Before approving a contract for consulting services, the Contract Administrator must be satisfied that the consultant's organization:

- Is qualified to perform the services required;
- Is in a position, considering other work commitments, to provide competent and experienced personnel to perform the services in the time allowed;
- Is fully aware of all applicable federal and state laws including implementing regulations, design standards, specifications, previous commitments that must be incorporated into the design of the project, and administrative controls including those of Caltrans and FHWA.
- Has an adequate financial management system as required by the applicable federal regulations.
- Is not disbarred or suspended from state or federally funded contracts. Per 23 CFR 172.7(b)(3) "A contracting agency shall verify suspension and debarment actions and eligibility status of consultants and subconsultants prior to entering into an agreement or contract in accordance with 2 CFR part 1200 and 2 CFR part 180.

The contract must provide for a defined level of acceptability and a statement to the effect that the consultant may be required to modify its work as necessary; to meet that level of acceptability as defined in the contract. The contract shall provide for local agency reviews at appropriate stages during performance of the work, to determine if any changes or other actions are warranted.

The contract shall provide that the consultant and subconsultants shall maintain all books, documents, papers, accounting records, and other information pertaining to costs incurred. Such materials must be available for inspection and audit by federal, State, and local agency authorized representatives; and copies thereof shall be furnished, if requested.

Following final settlement of the contract accounts with the State or FHWA, such records and documents may be archived at the option of the local agency and shall be retained for a three-year period after processing of the final voucher by FHWA.

Execute Contract and Issue Notice to Proceed to Consultant

The Contract Administrator sends the consultant a fully executed copy of the contract with an original signature and issues a notice to proceed. Funds may not be used to reimburse the agency for any work or costs incurred before the Authorization to Proceed is issued, or for consultant costs incurred prior to the execution of the consultant contract. All executed contracts shall have a begin and end date. Local agency consultant selection and contract execution costs may be reimbursable.

For on-call contracts, a fully executed copy of the contract with original signatures will be send to the consultant. Each subsequent task order (for individual project) will be accompanied with a copy of the signed task order and a Notice to Proceed, once it is negotiated and approved. Task order expiration dates may not exceed the Master On-call agreement end date.

Administer the Contract

Project work begins as specified in the contract after the notice to proceed is issued to the consultant. Thereafter, the local agency manages and administers the contract to ensure that a complete and acceptable product is received on time, within standards, and within budget and terms of the contract.

Contract administration activities help to ensure that contractual obligations are completed satisfactorily. Generally, these activities include:

- Monitoring project progress and compliance with contract requirements;
- Receiving, reviewing and assessing reports, plans, and other required products/deliverables;
- Receiving and reviewing state prevailing wages. (See Department of Industrial Relations websites below.
 - [DIR FAQ](http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html) website: http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html
 - [DIR Wage Determination](http://www.dir.ca.gov/oprl/DPreWageDetermination.htm) website: <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm>
- Reviewing invoices to ensure costs claimed are in accordance to the method of payment and contract cost proposal, approving payments;
- If new consultant personnel are added or substituted, labor rates must be verified prior to approving invoices.
- Record keeping and reporting;
- Controlling costs;

- Identifying changes to the scope of work and preparation of amendments (must ensure that any changes to the scope is within the constraints of the original RFP/RFQ;
- Completing the consultant performance evaluations (see [Exhibit 10-S: Consultant Performance Evaluation](#)).

Substitution of Consultant Personnel and Subconsultants

After contract execution the consultant should not substitute key personnel (project manager and others listed by name in the cost proposal) or subconsultants without prior written approval from the local agency. Refer to LAPM Chapter 9: Civil Rights & Disadvantaged Business Enterprise and Title 49 CFR 26 for DBE substitution requirements. To do so can result in the costs being ineligible for federal or state reimbursement. The consultant must request and justify the need for the substitution and obtain approval from the local agency prior to use of a different subconsultant on the contract.

The proposed substituted person must be as qualified as the original, and at the same or lower cost. For engineering types of consultant contracts, the consultant's project manager must be a registered engineer in the State of California.

Invoicing (or Progress Payments)

The frequency and format of the invoices/progress payments are to be determined by the contract. Program Supplement Agreements (see [LAPM Chapter 3: Project Authorization](#)) need to have been prepared prior to any payments being requested. Payments to the consultant are to be in arrears. In other words, the consultant must have actually incurred and paid the costs before invoicing the local agency.

For federal reimbursement of consultant costs on a project, the local agency must submit the following to the DLAE, for each consultant or consulting firm used on the project (failure to do so will result in the consultant's invoices for reimbursement being returned to the agency unprocessed):

- Copy of Executed Consultant contract;
- [Exhibit 10-O1: Consultant Proposal DBE Commitment](#)
- [Exhibit 10-O2: Consultant Contract DBE Information](#)

DLAE must confirm that the local agency has submitted copies of [Exhibit 10-K: Consultant Certification of Contract Costs and Financial Management System](#) (for Prime and Subconsultants) to Caltrans IOAI and [agency has submitted Exhibit 10-C: Consultant Contract Database](#) to Caltrans.

The local agency is to follow the procedures given in [LAPM Chapter 5: Invoicing](#), to obtain reimbursement of federal or state funds.

Contract Amendments

Contract amendments are required to modify the terms of the original contract for changes such as extra time, added work, or increased costs. Only work within the original advertised scope of services shall be added by amendment to the contract. The addition of work outside the original advertised scope will make that work ineligible for federal or state reimbursement (see [Q&As](#) at: http://www.fhwa.dot.gov/programadmin/172qa_01.cfm).

There is no prescribed format for contract amendments. They may take the form of letter-type agreements meeting the legal requirements of the local agency, clearly outlining the changes and containing a mutually agreed upon method of compensation. Such agreements must conform to the requirements of this manual with regard to payment.

A consultant contract may be amended at any time prior to the expiration date of the original contract. The most common amendment is to extend the ending date of the contract. All contract amendments must be fully executed before the ending date of the contract [by formal amendment](#). Failure to amend a contract prior to the ending date will make the subsequent costs ineligible for federal and state reimbursement. Task orders are not considered an amendment and therefore not appropriate to extend the terms of the contract.

All contract amendments shall be negotiated following the same procedures as the negotiation of the original contract and must be in writing and fully executed by the consultant and local agency before reimbursable work begins on the amendment. For any additional engineering and design related services outside of the scope of work established in the original solicitation, a contracting agency shall either procure the series under a new solicitation, perform the work itself using agency staff, or use a different, existing contract under which the services would be within the scope of work. Overruns in the costs of the work shall not automatically warrant an increase in the fixed fee portion of a cost plus fixed fee reimbursed contract. Permitted changes to the scope of work or duration may warrant consideration for adjustment of the fixed fee portion of cost plus fixed fee or lump sum reimbursed contracts. If an emergency exists of such magnitude that a delay cannot be tolerated, the local agency and the consultant may agree on an amendment initiating the work, so that reimbursable work may begin. The initiating amendment is then followed by a final amendment once the full scope of the emergency work is known and agreed to by both parties. In both cases, sufficient funding should be included in the amendments to pay for all work to be performed by the consultant. The final amendment must be executed as quickly as possible. Failure to fully comply with this section may result in the loss of local agency funding. [Section 10.1.3: A&E Consultant Audit and Review Process](#) of this chapter shall apply to the entire contract and must be completed prior to execution of the contract amendment. All amendments shall incorporate any current requirements of the federal regulations including the federal fiscal provisions and submit [Exhibit 10-C: Consultant Contract Reviewers Checklist Database](#) to <http://dlaaeoversight.dot.ca.gov/fmi/webd/Exhibit%2010-C> (please use Firefox or Chrome if not supported by your browser).

Performance Evaluation

Pursuant to 23 CFR §172.9(d)(2) agencies are required to prepare an evaluation of the consultant when the project has been completed. The Contract Administrator evaluates the consultant's performance after the consultant's final report has been submitted, and the Contract Administrator has conducted a detailed evaluation with the consultant's project manager. See [Exhibit 10-S: Consultant Performance Evaluation](#) for a suggested format for use by the local agency.

Project Records

Federal-Aid Highway Program funding recipients and sub-recipients must maintain adequate and readily accessible project performance and financial records, supporting documents, and other records considered pertinent to the grant agreement and in compliance with Federal laws and regulations (e.g., 23 USC 112; 40 USC 1101-1104, 23 CFR 172, 48 CFR 31, and 2 CFR

Part 200). These records shall be maintained for a minimum of three (3) years following issuance of the final voucher from FHWA (forwarded by Caltrans) and the closure of all other pending matters (*2 CFR Part 200.333*).

For audit purposes, project records and documentation shall be kept for three (3) years after payment of the final federal or state voucher. Among the records to be retained are as follows (not an all-inclusive list):

- Copies of RFPs and RFQs, changes, addendums, etc. and bidder's list;
- Documentation of DBE participation (including [Exhibit 10-O1: Consultant Proposal DBE Commitment](#), [Exhibit 10-O2: Consultant Contract DBE Commitment](#)), [Exhibit 10-G: Individual A&E Task Order DBE Tracking Sheet](#), [Exhibit 17-F: Final Report – Utilization of DBE and First-Tier Subcontractors](#), and [Exhibit 17-O: DBE Certification Status Change](#)).
- Solicitation and advertisement records;
- Identification of selection committee members;
- Record of receiving proposals, statement of qualifications;
- Evaluation and ranking records such as original score sheets from all panel members, short list questions and other documentation (see [Exhibit 10-B: Suggested Consultant Evaluation Sheet](#));
- Independent cost estimate (prepared in advance of requesting a cost proposal from the top-ranked consultant);
- Record of negotiations (to include a separate negotiation of profit in accordance with federal guidelines);
- Financial Review Letter and Cognizant Agency Letter, when applicable;
- CPA-audited ICR Audit Report or Approved State DOT Cognizant Indirect Rate Letter, if any;
- Consultant Certification of Costs and Financial Management ([Exhibit 10-K: Consultant Certification of Contract Costs and Financial Management System](#)) for contracts over \$150,000 or more;
- A&E Consultant Audit Request Letter and Checklist ([Exhibit 10-A: A&E Consultant Audit Request Letter and Checklist](#)) for contracts over \$150,000 and all supporting documentation.
- Executed consultant contracts, cost proposals and amendments (see [Exhibit 10-R: A&E Boilerplate Agreement Language](#) and [Exhibit 10-H: Sample Cost Proposal](#));
- Contract oversight and progress meeting documents;
- Progress and final payments, and supporting documentation;
- Performance evaluation (see [Exhibit 10-S: Consultant Performance Evaluation](#));
- Consultant contract checklists (see [Exhibit 10-C: A&E Consultant Contract Database](#));

- Accounting records documenting compliance with State and federal administrative requirements;
- Certifications and Conflict of Interest forms ([Exhibit 10-T: Conflict of Interest & Confidentiality Statement](#), all personnel involved in the procurement of the agreement should complete Exhibit 10-T [Exhibit 10-U: Consultant in Management Support Role Conflict of Interest and Confidentiality Statement](#) and [Exhibit 10-Q: Disclosure of Lobbying Activities](#), as appropriate). Exhibit 10-Q is included in the solicitation and shall be completed if the consultant needs to disclose any lobbying activities.

Retention Clauses

At the option of the local agency, a retention clause may be included in the consultant contract. A retention clause in the consultant contract is recommended (see [Exhibit 10-R: A&E Boilerplate Agreement Language](#), Article XXXI).

Review of Local Agency Actions

Federal-aid or state reimbursement is contingent on meeting the federal or state requirements and can be withdrawn, if these procedures are not followed and documented. The local agency files are to be maintained in a manner to facilitate future FHWA or Caltrans process reviews and audits. As specified in the Review and Approval of Contracts above, the Contract Administrator must review the proposed consultant contract before execution.

[Exhibit 10-C: A&E Consultant Contract Database](#) is to be completed prior to award, [or after contract award but no later than the first invoice](#). A copy of Exhibit 10-C must be retained in the local agency project files.

10.1.9 MISCELLANEOUS CONSIDERATIONS

Agreements with Other Governmental Agencies

Intergovernmental or inter-entity agreements are encouraged if appropriate. If another governmental agency is requested to do work or provide services to an agency, an interagency agreement is needed. See 2 CFR 200 and CA Government Codes 10340 and 11256.

Small Purchase Contracts

Contracts that are less than \$250,000 are considered small contracts in accordance with federal regulations. However, within the State of California, there is not a recognized small purchase [procedure and all A&E contracts are procured using qualifications based selection and not cost](#). For federal contracts that are less than \$250,000 and are not anticipated to exceed this amount, the agency shall use Section 10.2: State-Only Funded A&E Contracts [or the federal guidance for contracts greater than \\$250,000](#). If the contract is anticipated to exceed \$250,000, use one of the accepted procurement procedures listed in the previous sections. Small contracts using the simplified acquisition procedure ([State-Only funded section](#)) shall not exceed \$250,000 or the additional costs are considered not reimbursable. The entire contract could also be considered ineligible by FHWA depending on circumstances. The scope of work, project phases, and contract requirements shall not be broken down into smaller components to permit the use of small purchase procedure. DBE requirements apply for all federally funded projects.

Noncompetitive Negotiated Contracts (Sole-Source)

Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under sealed bids or competitive proposals (23 CFR 172.7(a)(3)).

FHWA considers these types of contracts as Sole Source contracts and should be used only in very limited circumstances. A Public Interest Finding prepared by the local agency and approved by Caltrans is required before establishing these services (23 CFR 172.7(a)(3); also see [Exhibit 12-F: Cost-Effectiveness/Public Interest Finding](#)).

Conditions under which noncompetitive negotiated contracts may be acceptable include:

- Only one organization is qualified to do the work;
- An emergency exists of such magnitude that cannot permit delay;
- Competition is determined to be inadequate after solicitation of a number of sources.

The local agency shall:

- Follow its defined process for noncompetitive negotiation;
- Develop an adequate scope of work, evaluation factors, and cost estimate before solicitation;
- Conduct negotiations to ensure a fair and reasonable cost.

The local agency must carefully document details of the special conditions, obtain Caltrans approval on a Public Interest Finding and retain all documents in the project files for future Caltrans' or FHWA's review.

Retaining a Consultant as an Agency Engineer or in Management Support Role

A local agency may retain qualified consultants in a management support role on its staff in professional capacities for federal-aid projects such as:

- A City Engineer (or equivalent) who manages the engineering unit for the city, providing oversight of a project, series of projects, managing or directing work of other consultants or contractors on behalf of the City.
- A County Engineer (or equivalent) who manages the engineering unit for the county such as duties described above.
- A Project Manager (or equivalent) who manages and oversees a project, series of projects or the work of other consultants and contractors on behalf of the public agency.
- A Program Manager (or equivalent) who manages and oversees an element of a highway program, function, or service on behalf of the public agency.

However, typically a consultant in a management support role is not:

- A consultant engineer performing project-specific design, and/or construction contract administration and construction engineering for the public agency.
- A consultant providing support to administrative duties such as federal authorization process, labor compliance activities, and other management and administrative tasks.

The use of a consultant in a management support role should be limited to unique or very unusual situations. These situations require a thorough justification as to why the local agency cannot perform the management. Consultants used in management support roles must be selected using the same procedures as those for other consultants specified in this chapter. Consultants in a Management Support Role funded by local or state funds must have approval from FHWA to be considered qualified to manage federal projects or consultants providing services on federal projects.

Eligibility for federal or state reimbursement for a consultant in a management support role requires the following:

- Compliance with the selection procedures specified in this chapter;
- Existence of a contract between the local agency and the consultant specifying the local agency engineering services to be performed;
- Written designation by the local agency of the responsibilities and authority of the consultant as an agency engineer;
- For a federal-aid project, completion of [Exhibit 10-T: Conflict of Interest & Confidentiality Statement](#) by all members (both consultants and employees) prior to participating in the Architect & Engineering (A&E) Selection Panel pertaining to the specific selection process and the firms being considered;
- Selection of consultants for A&E management positions shall be by the use of qualification based selection procedures on an open and competitive basis resulting in a contract with defined beginning and ending dates not to exceed five (5) years;
- For a federal-aid project, a local agency consultant in a management support role shall not:
 - Participate in, or exercise authority over the A&E selection process, if that consultant's firm is one of the proposing firms, or subconsultant to a proposing firm;
 - Participate in, or exercise authority over management of work performed by the consultant's firm, or to a consultant's firm of which the local agency consultant firm is a subconsultant. This would include, but not be limited to, managing or directing the work, approving changes in the schedule, scope, or deliverables; and approving invoices.
 - Apply for or receive reimbursement of federal-aid funds for the local agency's federal-aid project if either of the foregoing has occurred. However, reimbursement for the construction contract portion of the project will still be allowed provided all other federal-aid requirements have been met.
 - Where benefiting more than a single federal-aid project, allocability of consultant contract costs for services related to a management support role shall be distributed consistent with the cost principles applicable to the contracting agency in 23 CFR 172.7(b)(5).

If engineering services for a project are within the scope of the services described in the retained consultant's contract, these services may be performed by the person or firm designated as an agency engineer. If the services are not within the scope, eligibility for federal

reimbursement for these services require a new consultant contract to be developed using the selection procedures in this chapter. Retained consultants involved in the preparation of the RFP or RFQ shall not be considered in the selection of consultants for the resulting project specific work.

When engineering or architectural consultants in a management support role are procured with federal-aid funds, the local agency (subgrantee) shall fully comply with the following:

- Subparagraphs of 2 CFR 200.318 maintain a contract administration system and maintain a written code of standards. No employee, officer or agent of the subgrantee shall participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved.
- Subparagraph of 23 CFR §172.7(b) requires that the local agency shall receive approval from FHWA. In addition, any federal-aid projects designated as Projects of Division Interest may also need approval from FHWA.
- Liability insurance should normally be required from the consultant (errors and omissions, etc.).

For federally funded projects, local agencies that solicit to hire A&E consultant(s) in a management support role must obtain FHWA approval prior to contract execution.

In order for a contract for a consultant in a management support role to be federally eligible, the following are required prior to contract execution:

- The local agency shall submit a request for approval via email, the Scope of Work (SOW) and Conflict of Interest (COI) Policy to the Division of Local Assistance-Headquarters (DLA-HQ) at aeoversight@dot.ca.gov, prior to solicitation.
- Once the local agency receives FHWA's written response, the local agency may need to revise the documents reflecting FHWA's opinions and can proceed with the RFQ.
- After consultant selection, the local agency shall submit the completed [Exhibit 10-U: Consultant in Management Support Role Conflict of Interest and Confidentiality Statement](#) to the DLA-HQ at aeoversight@dot.ca.gov. Local agency will receive FHWA's approved [Exhibit 10-U](#) via email.

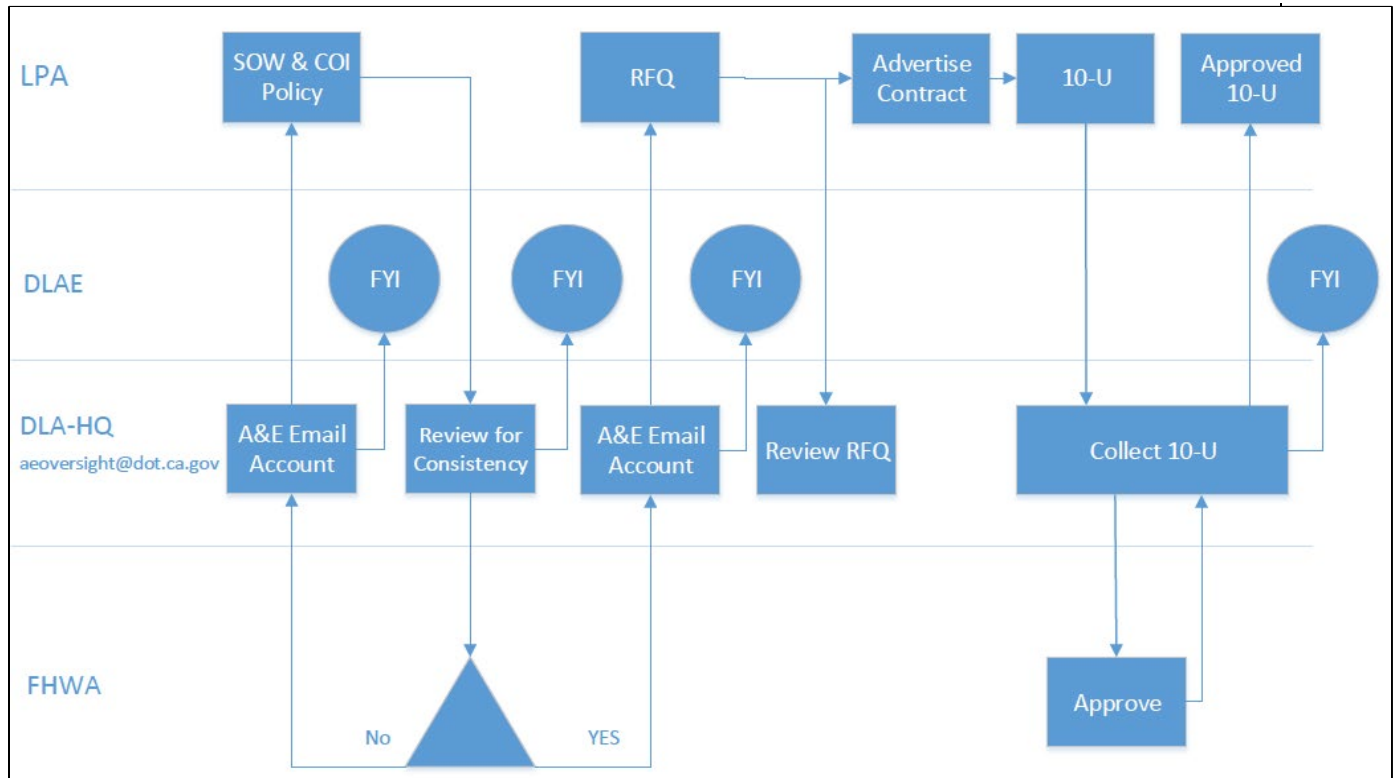


Figure 10-5: Consultant in a Management Support Role Flowchart

Construction Engineering Services

Under federal-aid regulations and state policy, the primary responsibility for general supervision of construction must remain with the local agency. The local agency must also ensure that the work is performed in accordance with the approved plans and specifications, by employing or retaining as a consultant a registered engineer for construction engineering services on the project.

All construction engineering activities performed by a consultant must be under the overall supervision of a full-time employee of the agency who is in responsible charge. These activities may include preparation of contract change orders, construction surveys, foundation investigations, measurement, and computation of quantities, testing of construction materials, checking of shop drawings, preparation of estimates, reports, and other inspection activities necessary to ensure that the construction is being performed in accordance with the plans and specifications. The construction engineering consultant's contract defines the relative authorities and responsibilities of the full-time employee of the local agency in charge of the project and the consultant's construction engineering staff.

If a technical inspection consultant is to provide professional assistance to the local agency, a formal consultant contract must be executed which follows this chapter's requirements. The contract shall provide for reviews at appropriate stages during performance of the work to determine if any changes or other actions are warranted. These reviews are to be made by the local agency.

10.1.10 PROGRAM MANAGEMENT

According to 23 CFR §172.5, local agencies are required to adopt written policies and procedures prescribed by Caltrans. The local agency shall adopt Caltrans Local Assistance Chapter 10: Consultant Selection. Local agencies are responsible for providing all resources necessary for the procurement, management, and administration of A&E consultant contracts including subcontracts. Ensuring consultant costs billed are allowable in accordance with the Federal cost principles and consistent with the contract terms as well as the acceptability and progress of the consultant's work;

- Monitoring the consultant's work and compliance with the terms, conditions, and specifications of the contract;
- Preparing a consultant's performance evaluation when services are completed and using such performance data in future evaluation and ranking of consultant to provide similar services;
- Closing-out a contract;
- Retaining supporting programmatic and contract records, as specified in 2 CFR 200.333 and the requirements of this part;
- Determining the extent to which the consultant, which is responsible for the professional quality, technical accuracy, and coordination of services, may be reasonably liable for costs resulting from errors and omissions in the work furnished under its contract;
- Assessing administrative, contractual, or legal remedies in instances where consultants violate or breach contract terms and conditions, and providing for such sanctions and penalties as may be appropriate; and
- Resolving disputes in the procurement, management, and administration of engineering and design related consultant services.

An example resolution is located at: <https://dot.ca.gov/programs/local-assistance/environmental-and-other-policy-issues/consultant-selection-procurement>.

10.1.11 REFERENCES

23 CFR, Part 172 Administration of Engineering and Design Related Service Contracts

<http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=23:1.0.1.2.3>

40 USC, Section 1104 Brooks Act

<http://www.fhwa.dot.gov/programadmin/121205.cfm>

41 CFR Public Contracts and Property Management

http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title41/41tab_02.tpl

41 USC Public Contracts

<http://law.onecle.com/uscode/41/index.html>

23 USC Letting of Contracts

<http://www.fhwa.dot.gov/map21/docs/title23usc.pdf>

48 CFR, Chapter 1, Part 15.404

<https://www.acquisition.gov/far/html/FARTOCP15.html>

48 CFR, Chapter 1, Part 31

<https://www.acquisition.gov/far/html/FARTOCP15.html>

Title 48, Part 16 – Types of Contracts

<http://www.elaws.us/subscriber/signin?returnurl=http://federal.elaws.us/cfr/title/4/10/2013/title48/chapter1/part16&IsHistory=1&AspxAutoDetectCookieSupport=1>

48 CFR 27, Subpart 27.3 – Patent Rights under Government Contracts

<https://www.law.cornell.edu/cfr/text/48/part-27/subpart-27.3>

48 CFR 31.201-3

<https://www.gpo.gov/fdsys/pkg/CFR-2011-title48-vol1/pdf/CFR-2011-title48-vol1-sec31-201-6.pdf>

48 CFR, Chapter 99 – Cost Accounting Standards, Subpart 9900

<https://www.gpo.gov/fdsys/granule/CFR-2002-title48-vol7/CFR-2002-title48-vol7-chap99>

2 CFR Part 200

http://www.ecfr.gov/cgi-bin/text-idx?SID=eb0db4a32ce93fdc5815e6fe58791d9d&mc=true&tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

49 CFR, Part 26 Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs

http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title49/49cfr26_main_02.tpl

American Association of State Highway and Transportation Officials (AASHTO) Uniform Audit and Accounting Guide

<http://audit.transportation.org/Pages/default.aspx>

Caltrans Division of Procurement and Contracts Website

<http://www.dot.ca.gov/dpac/index.html>

California Labor Code, Section 1775

<http://law.onecle.com/california/labor/1775.html>

Government Auditing Standards (GAS) issued by the United States Government Accountability Office

<http://www.gao.gov/yellowbook/overview>

Government Code Sections 4525 through 4529.5

<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=04001-05000&file=4525-4529.5>

OMB Circular A-110 Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations

https://www.whitehouse.gov/omb/circulars_a110

Standard Environmental Reference (SER)

<http://www.dot.ca.gov/ser/>

10.2: STATE-ONLY FUNDED A&E CONTRACTS

A&E State-Only	<i>Division of Local Assistance Minimum Requirements for State-only funded A&E Contracts</i>
	A. Written Procedures
	B. Conflict of Interest
	C. Records
	D. Full & Open Competition
	E. Selection Basis
	F. Publication
	G. Solicitation
	H. Cost Analysis
	I. Negotiations
	J. Audit and Review Process
	K. Exhibit 10-C: A&E Consultant Contracts Database

10.2.1 GENERAL

Local Agencies are required to follow all applicable local and state regulations including those listed in LAPM Chapter 10 in accordance with their State Master Agreement. Although the requirements listed in this section are minimum requirements, the local agency shall use good engineering judgment and best practices to document their processes and procedures when procuring A&E contracts utilizing qualifications based selections.

All consultants must comply with 48 Code of Federal Regulations (CFR) Part 31: Contract Cost Principles and Procedures. Also, consultants and Local Agencies must comply with 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, excluding sections §200.318-200.326 Procurement Standards (reference Federal Highway Administration December 4, 2014 Memorandum Action: 2 CFR 200 Implementation Guidance).

Agency state-only funded (SOF) agreements must contain the required federal fiscal provisions from 2 CFR 200 in all Division of Local Assistance funded agreements. Exhibit 10-R: A&E Boilerplate Agreement Language contains 2 *CFR 200* requirements and may also be used in SOF agreements. Depending upon the scope of work, the required contract provisions may need to include the California State Prevailing Wages.

All proposed A&E contracts and supporting documents (including state-only funded) are subject to audit or review by Caltrans' Independent Office of Independent Office of Audits and Investigations (IOAI), other state audit organizations, or the federal government and required to follow LAPM Section 10.1.3 A&E Consultant Audit and Review Process.

For consultant contracts, procured with local or state funds, to provide services for federal-aid projects, or to oversee or manage other consultants providing these services, the Consultant in Management Support Role process must be completed to be eligible for reimbursement. Refer to Chapter 10.1.9 Miscellaneous Considerations: Retaining a Consultant as an Agency Engineer or in a Management Support Role.

DBE contract goals are not required for state-only funded contracts.

This guidance is for contracts utilizing state funds only. If any federal funds are added or reimbursed, the federal process must be followed.

Non-A&E consultant contracts reference LAPM Section 10.3: Non-A&E Contracts.

Reference: California Government Code Title 1, Division 5, Chapter 10, Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms §4525-4529.5.

10.2.2 DEFINITION OF A&E

Architectural, landscape architectural, engineering, environmental, and land surveying services includes those professional services of an architectural, landscape architectural, engineering, environmental, or land surveying nature as well as incidental services that members of these professions and those in their employ may logically or justifiably perform.

Construction project management means those services provided by a licensed architect, registered engineer, or licensed general contractor. Any individual or firm proposing to provide construction project management services shall provide evidence that the individual or firm and its personnel carrying out onsite responsibilities have expertise and experience in construction project design review and evaluation, construction mobilization and supervision, bid evaluation, project scheduling, cost-benefit analysis, claims review and negotiation, and general management and administration of a construction project.

Environmental services mean those services performed in connection with project development and permit processing in order to comply with federal and state environmental laws.

Reference: California Government Code §4527

10.2.3 MINIMUM AUDIT REQUIREMENTS

A. Written Procedures

Local agencies shall follow the minimum requirements listed below in addition to any local laws and regulations.

Reference: California Government Code §4526

B. Conflict of Interest

The local agency must develop and maintain a written code of conduct governing the performance of its employees engaged in the award and administration of state funded contracts, including the prevention of conflicts of interest.

References:

California Government Code §4526

California Government Code §1090

California Government Code §4529.12

C. Records

Local agencies shall keep adequate records of all contracts including the procurement, project management, accounting and financial administration.

References:

California Government Code §4529.14

California Government Code §4006

D. Full & Open competition

All A&E contracts shall be procured through a qualifications based selection utilizing open and fair competition. Evaluate at least three consultants using published evaluation criteria and rank these firms in order of preference. **If less than three consultants are evaluated, provide justification for agency file.**

References:

California Government Code §4526

California Government Code §4527

E. Selection Basis

Selection of a firm shall be based on qualifications and the order of ranked preference.

References:

California Government Code §4526

California Government Code §4527

F. Publication

Solicitations for A&E contracts shall be in a manner that is open and competitive.

Reference: California Government Code §4527

G. Solicitation

The solicitations shall include published evaluation criteria to rank in order of preference. Clearly define expectations in the solicitation in order to evaluate firms.

Reference: California Government Code §4527

H. Cost Analysis

An independent cost comparison to the consultant's cost proposal shall be done in order to ensure the contract is negotiated at a fair and reasonable price.

Reference: California Government Code §4528

I. Negotiations

Negotiations must be documented to verify a fair and reasonable contract has been executed using public funds.

Reference: California Government Code §4528

J. Audit and Review Process

A&E contracts procured by public agencies shall be subject to standard accounting practices and may require financial and performance audits. All agencies shall follow the Audit and Review Process as stated in LAPM Section 10.3: A&E Consultant Audit and Review Process.

<http://www.dot.ca.gov/hq/LocalPrograms/lam/LAPM/ch10.pdf>

<http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/chapter10/10a.pdf>

Reference: California Government Code §4529.14

K. Exhibit 10-C: A&E [Consultant Contract Database](#)

Exhibit 10-C: A&E Consultant Contract [Database](#) must be completed at <http://dlaaeoversight.dot.ca.gov/fmi/webd/Exhibit%2010-C> (please use Firefox or Chrome if not supported by your browser) prior to contract award, or after contract award but no later than the first invoice.

CA Government Code References

California GOV §1090

(a) Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Nor shall state, county, district, judicial district, and city officers or employees be purchasers at any sale or vendors at any purchase made by them in their official capacity.

(b) An individual shall not aid or abet a Member of the Legislature or a state, county, district, judicial district, or city officer or employee in violating subdivision (a).

(c) As used in this article, "district" means any agency of the state formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries.

California GOV §4006

Plans, specifications, work authorizations describing work to be performed, and all other information referred to in this chapter are open to inspection and examination as a public record.

California GOV §4525

For purposes of this chapter, the following terms have the following meaning:

(a) "Firm" means any individual, firm, partnership, corporation, association, or other legal entity permitted by law to practice the profession of architecture, landscape architecture, engineering, environmental services, land surveying, or construction project management.

(b) "State agency head" means the secretary, administrator, or head of a department, agency, or bureau of the State of California authorized to contract for architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services.

(c) "Local agency head" means the secretary, administrator, or head of a department, agency, or bureau of any city, county, city and county, whether general law or chartered, or any district which is authorized to contract for architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services.

(d) "Architectural, landscape architectural, engineering, environmental, and land surveying services" includes those professional services of an architectural, landscape architectural, engineering, environmental, or land surveying nature as well as incidental services that members of these professions and those in their employ may logically or justifiably perform.

(e) "Construction project management" means those services provided by a licensed architect, registered engineer, or licensed general contractor which meet the requirements of Section 4529.5 for management and supervision of work performed on state construction projects.

(f) "Environmental services" means those services performed in connection with project development and permit processing in order to comply with federal and state environmental laws. "Environmental services" also includes the processing and awarding of claims pursuant to Chapter 6.75 (commencing with Section 25299.10) of Division 20 of the Health and Safety Code.

California GOV §4526

Notwithstanding any other provision of law, selection by a state or local agency head for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required. In order to implement this method of selection, state agency heads contracting for private architectural, landscape architectural, professional engineering, environmental, land surveying, and construction project management services shall adopt by regulation, and local agency heads contracting for private architectural, landscape architectural, professional engineering, environmental, land surveying, and construction project management services may adopt by ordinance, procedures that assure that these services are engaged on the basis of demonstrated competence and qualifications for the types of services to be performed and at fair and reasonable prices to the public agencies. Furthermore, these procedures shall assure maximum participation of small business firms, as defined by the Director of General Services pursuant to Section 14837.

In addition, these procedures shall specifically prohibit practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration, and shall specifically prohibit government agency employees from participating in the selection process when those employees have a relationship with a person or business entity seeking a contract under this section which would subject those employees to the prohibition of Section 87100.

California GOV §4527

In the procurement of architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services, the state agency head shall encourage firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data.

(a) When the selection is by a state agency head, statewide announcement of all projects requiring architectural, landscape architectural, engineering, environmental, land surveying, or construction project management services shall be made by the agency head through publications of the respective professional societies. The agency head, for each proposed project, shall evaluate current statements of qualifications and performance data on file with the agency, together with those that may be submitted by other firms regarding the proposed project, and shall conduct discussions with no less than three firms regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services and then shall select therefrom, in order of preference, based upon criteria established and published by him or her, no less than three of the firms deemed to be the most highly qualified to provide the services required.

(b) When the selection is by a local agency head, the agency head may undertake the procedures described in subdivision (a). In addition, these procedures shall specifically prohibit practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration, and shall specifically prohibit government agency employees from participating in the selection process when these employees have a relationship with a person or business entity seeking a contract under this section.

California GOV §4528

(a) When the selection is by a state agency head the following procedures shall apply:

(1) The state agency head shall negotiate a contract with the best qualified firm for architectural, landscape architectural, engineering, environmental, land surveying, and construction project management services at compensation which the state agency head determines is fair and reasonable to the State of California or the political subdivision involved.

(2) Should the state agency head be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price the agency head determines to be fair and reasonable to the State of California or the political subdivision involved, negotiations with that firm shall be formally terminated. The state agency head shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, the state agency head shall terminate negotiations. The state agency head shall then undertake negotiations with the third most qualified firm.

(3) Should the state agency head be unable to negotiate a satisfactory contract with any of the selected firms, the state agency head shall select additional firms in order of their competence and qualification and continue negotiations in accordance with this chapter until an agreement is reached.

(b) When the selection is by a local agency head, the local agency head may undertake the procedures described in subdivision (a).

California GOV §4529

This chapter shall not apply where the state or local agency head determines that the services needed are more of a technical nature and involve little professional judgment and that requiring bids would be in the public interest.

California GOV §4529.12

All architectural and engineering services shall be procured pursuant to a fair, competitive selection process which prohibits governmental agency employees from participating in the selection process when they have a

financial or business relationship with any private entity seeking the contract, and the procedure shall require compliance with all laws regarding political contributions, conflicts of interest or unlawful activities.

California GOV §4529.14

Architectural and engineering services contracts procured by public agencies shall be subject to standard accounting practices and may require financial and performance audits as necessary to ensure contract services are delivered within the agreed schedule and budget.

California GOV §4529.20

This act seeks to comprehensively regulate the matters which are contained within its provisions. These are matters of statewide concern and when enacted are intended to apply to charter cities as well as all other governmental entities.

Federal Highway Administration Memorandum 2 CFR 200 Implementation Guidance 12/4/2014

Attachment A: FHWA 2 CFR 200 Uniform Guidance – Questions and Answers

Question 21: "Will the FHWA/USDOT provide a waiver of the requirements in 2 CFR 200.317 for subrecipients to comply with State procurement requirements or other policies and procedures approved by the State (200.317)?"

Answer: Yes. The USDOT requested and received an OMB waiver of the requirements in 2 CFR 200.317 concerning procurement by subrecipients. This waiver provides an exception to the requirement for all subrecipients of a state to follow the procurement requirements in Sections 200.318 through 200.326. The waiver will allow States and subrecipients to continue to use state-approved procurement procedures as they did under part 18 prior to the adoption of the Uniform Guidance.

Figure 10.2 State-Only Funded Procurement Criteria

To comply with CA Government Code (GC) 4525-4529.5, 48 Code of Federal Regulations (CFR) Part 31: Contract Cost Principles and Procedures, 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (excluding sections 200.318-200.326), Caltrans Local Assistance Procedures Manual (LAPM) and other applicable STATE and FEDERAL regulations.

A&E Consultants		
Requirements for LGAs that use State funding		Use State requirements below
A.	Written Procedures	GC 4526
B.	Conflict of Interest	GC 1090, GC 4527(b), GC 4529.12
C.	Records	GC 4529.14, 4006
D.	Full & Open Competition	GC 4526, GC 4527, GC 4529.12
E.	Selection Basis	GC 4526*, 4527
F.	Publication	GC 4527
G.	Solicitation	GC 4527
H.	Cost Analysis	GC 4528
I.	Negotiations	GC 4528
J.	A&I Audit & Review Process	GC 4529.14, LAPM Ch. 10, 2 CFR 200
K.	Exhibit 10-C: A&E Consultant Contract Database	LAPM Ch. 10.2

*Mini Brooks Act - State regulation requiring the initial selection of engineering and architecture firms be based upon qualifications and experience rather than by price. Price is then later negotiated.

10.3: NON-A&E CONTRACTS

Scope

This section covers the procurement requirements for the services that are not included in Section 10.1 Federal and Section 10.2 State-Only. This guidance is for contracts utilizing federal-aid funds and state funds. Federal regulations refer to state and local regulations for non-A&E type contracts. Although local agencies are required to follow 2 CFR 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for all contracts, the Procurement Standards section §200.318-200.326 is exempt. The guidance in this section follows the established regulations in the California Public Contract Code. Depending upon the scope of work, the required contract provisions may need to include the California State Prevailing Wages.

Local agency shall designate one person within the local agency as a contract manager.

(PCC 10348.5)

Determining Non-A&E

After identifying that there is a need for consulting services, the local agency shall determine that the services needed are more of a technical nature and involve minimal professional judgement and that requiring a cost proposal would be in the public's best interest. These type of consultant services that are not directly related to a highway construction project or that are not included in the definition of engineering and design related services are considered non-A&E. The services must not be included in Section 10.2.2 Definition of A&E.

The determining factor is whether the services being procured are related to a specific construction project and whether the services require work to be performed, provided by, or under the direction of a registered engineer or architect.

Example of Determining Non-A&E

Material testing has been requested to ensure quality assurance on a construction project. The service includes only performing the material test and providing material test data. Although the service is related to a construction project, the overall service did not provide an evaluation or a discipline report. In this example, the local agency can determine that the service provided is more of a technical nature and is therefore a non-A&E service.

The following is a list of the more common non-A&E services:

- Right-of-Way Appraisal
- Right-of Way acquisition activities
- Conducting public outreach during environmental clearance or construction
- Active Transportation Program educational and outreach activities
- Intelligent Transportation System (ITS)
- Non-Infrastructure

Intelligent Transportation System (ITS) Projects

Intelligent Transportation System (ITS) means electronic, communications, or information processing used singly or in combination to improve the efficiency or safety of a surface transportation system. ITS projects are those that in whole or in part, funds the acquisition of technologies or systems of technologies that provide significant contributions to the provision of one or more ITS user services as defined in the National ITS Architecture.

The federal-aid procurement regulations identify three possible contract procurement procedures for ITS projects including engineering and design related services (A&E), construction, and non-engineering/non-architectural (non-A&E).

If ITS projects include physical installation of field devices and/or communications infrastructure, such as new traffic signals, new controller cabinets, changeable message signs, radio and computers, vehicle detectors, and conduits for cabling in the roadway, then that work and required equipment usually meets the definition of construction. The construction contract must be procured based on competitive bidding. If the ITS project involves software development, system integration, hiring engineers and specialists for ITS design and installation support, inspection, design documentation, training and deployment, it may be considered an engineering and design services contract and the contract must be procured as an A&E consultant contract. If the scope of work is unclear as to whether it is an A&E type of work, contact aeoversight@dot.ca.gov for assistance.

However, if an ITS project does not meet either the definition of construction or engineering and design services, then the contract may be considered to be a non-A&E consultant contract.

Examples of non-A&E consultant contracts are:

- The procurement of hardware and software associated with incident management system;
- Software systems for arterial and freeway management systems;
- Operating the 511 traveler information service;
- Nonprofessional services for system support such as independent validation and verification, testing and specification development;

For more information regarding Intelligent Transportation Systems (ITS) Program procurement requirements, refer to LAPG, Chapter 13 LAPG Chapter 13: Intelligent Transportation Systems.

Non-Infrastructure Projects

Non-infrastructure (NI) projects are those transportation-related projects that do not involve either engineering design, Right-of-Way acquisition (for additional guidance refer to LAPM Chapter 13), or the eventual physical construction of transportation facilities.

Procurement of non-A&E consultant contracts associated with non-infrastructure projects must follow Non-A&E procurement procedures described in this chapter. For more information on NI projects, refer to LAPM Chapter 3: Project Authorization.

Governing Regulations and Codes for Non-A&E

When procuring non-A&E services with federal-aid funds, Local agencies must comply with 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, excluding sections §200.318-200.326 Procurement Standards (reference Federal Highway Administration December 4, 2014 Memorandum Action: 2 CFR 200 Implementation Guidance, Attachment A). Local agencies must follow the same policies and procedures that the State uses for procurement with its non-Federal funds. When procuring non-A&E services with federal-aid and state-only funds, the governing procurement code is Public Contract Code 10335-10381.

Procurement of Non-A&E Consultant Contracts

All non-A&E procurements contracts must be conducted in a manner providing full and open competition consistent with federal and state standards. Local agency must meet the code of conduct governing the performance of its employees engaged in the award and administration of federal-aid and state-funded contracts, including the preventions of conflict of interest in PCC 10410.

The following are the fundamental rules when procuring a non-A&E consultant contract.

1. The request for proposal (RFP) shall not limit the competition directly or indirectly to any one consultant. The RFP must be publicized and all evaluation factors and their relative importance identified. (PCC 10339)
2. Splitting a single transaction into a series of transactions for the purpose of evading the procurement requirements is not allowed. (PCC 10329)
3. Local agency shall secure at least three competitive proposals for each contract. (PCC 10340) When receiving less than three proposals, refer to the Cost-Effective/Public Interest Finding in this section as an alternative to re-advertisement.
4. No proposals shall be considered which have not been received at the place, and prior to the closing time as stated in the RFP. (PCC 10344(a))
5. Local agency must have a written procedure for evaluating proposals. (PCC 10344)

RFP Basic Requirements

- A. There are two general types of consulting service contract solicitations:
- B. Request for Proposal using Cost only
- C. Request for Proposal using Cost and Qualifications

The local agency must include the following in the request for proposal:

- A. A clear, precise description of the work to be performed or services to be provided.
- B. Description of the format that proposals shall follow and the elements they shall contain.
- C. The standards the agency will use in evaluating proposals. This includes qualifications and certifications if applicable.
- D. The date the proposals are due.

- E. The procurement schedule that the local agency will follow in reviewing and evaluating the proposals.

(PCC 10344)

Additional Requirements and Evaluation Criteria

Additional Requirements for Request for Proposal using Cost only

- A. Local agency must require consultants to submit their proposals and cost in a separate, sealed envelope.
- B. Local agency shall determine those that meet the format requirements and the standards specified in the request for proposal.
- C. The sealed envelopes containing the price and cost information for those proposals that meet the format requirements and standards shall then be publicly opened and read.
- D. Contract must be awarded to the lowest responsible consultant meeting the standards.

(PCC 10344(b))

Additional Requirements for Request for Proposal using Cost and Qualifications

- A. Local agency must include in the proposal the description of the evaluation and scoring method. Substantial weight in relationship to all other criteria utilized shall be given to the cost amount proposed by the consultant.
- B. Local agency shall determine those that meet the format requirements specified in the RFP.
- C. Local agency evaluation committee must evaluate and score the proposals using the methods specified in the RFP. All evaluation and scoring sheets shall be available for public inspection after the committee scoring process. Evaluation committee should comply to the prevention of conflict of interest in PCC 10410.
- D. The non-A&E contract shall be awarded to the consultant whose proposal is given the highest score by the evaluation committee.

(PCC 10344(c))

When using RFP (Cost and Qualifications), the criteria used to evaluate the consultant's proposals must have a logical foundation within the scope of work or within other technical requirements contained in the RFP. Each criterion must have a weight or level of importance, and it is recommended that total possible score for the evaluation criteria be one hundred (100) points. The proposed cost should be at least thirty percent (30%) of total points in evaluation criteria.

An example RFP for non-A&E is provided on the Local Assistance website at <https://dot.ca.gov/-/media/dot-media/programs/local-assistance/documents/ae/files/rfp-example-non-ae.docx> and may be modified.

Submission of Exhibit 10-C: Consultant Contract [Database](#) to Caltrans HQ is not required for non-A&E consultant contracts.

Consultant's Proposal

The consultant's proposal should include the following information:

- Consultant Project Manager – qualifications, roles and responsibilities.
- Methodology - description of work and overall approach, specific techniques that will be used and specific administrative and operations expertise to be used.
- Workplan and Work Schedule - the technical proposal should include activities and tasks, and their delivery schedule.
- Personnel - List of personnel who will be working on the project, and their resumes.
- Facilities and resources (If applicable) - Explanation of where the services will be provided and what type of equipment is needed to perform services.
- Sub-contracts - Identify all sub-contracts that are to be used, description of each and the work by each sub-consultant/sub-contractor. No work shall be subcontracted unless listed in the technical proposal. Sub-consultant resumes should be provided.
- References - The technical proposal should provide at least three (3) clients for whom the proposer has performed work of similar nature to the request.

Cost Proposal Worksheet

The RFP should provide a standard format for cost proposal that all proposers must include in their proposal. The cost proposal format can be broken down by specific tasks, showing hourly labor rates, level of effort and material, and/or by milestones and deliverables.

Local agency is not required to award a contract if it is determined that the contract price is not reasonable. (PCC 10340(c))

DBE Consideration

DBE consideration is required on all federal-aid funded contracts including non-A&E.

Administrative Requirements

Advertisement for RFPs may be through the local agency website, local publications, and national publications. Minimum solicitation time is 14 calendar days. The solicitation should inform potential qualified consultants that questions must be submitted in writing to the Agency Contract Manager/Administrator by a specified date and time. All pertinent technical information and answers to consultant's questions shall be provided to all potential consultants. Written responses to all questions will be collectively compiled and provided as an addendum.

A proposal may be considered nonresponsive and rejected without evaluation if all required information is not provided. Proposals without information regarding, or not meeting, the required DBE utilization goal or without a Good Faith Effort documentation, late submittals, submittals to the wrong location, or submittals with inadequate copies are considered nonresponsive and shall be rejected. Submittal of additional information after the due date shall not be allowed. Documentation of when each proposal was received must be maintained in the project files. Copies of date stamped envelope covers or box tops are recommended.

No consultant who has been awarded a consulting service contract may be awarded a subsequent contract for the services or goods which are required as an end product of the consulting service contract, unless the subcontract is no more than 10 percent of the total monetary value of the consulting services contract. Excludes A&E contracts.

(PCC 10365.5)

Contracts may be modified or amended only if the contracts so provide. Amendments must be requested and executed prior to the termination date of the most recently approved original or amended contract. All records of contract activities shall be kept for three years after federal final voucher E-76 or state final voucher for State-Only funds. Costs are reimbursable after state allocation by the California Transportation Commission (CTC) and/or the issuance of the federal E-76. The per diem rate shall not exceed the state rate. Contract Managers are responsible for monitoring expenditures on all contracts and verifying categories of work that require prevailing wage. A person in Responsible Charge of contract management is required for all federally funded projects.

Oral Presentations Optional

When oral presentations are required by the local agency, the evaluation criteria must include factors/sub-factors and weights used to score the proposers performance at the oral presentation. The evaluation committee will only be able to score each proposer based upon these criteria. The Contract Manager/Administrator should develop a set of questions related to the scope of work or the project to be asked during the evaluation committee question and answer (Q & A) section of the oral presentations. All proposers are asked the same questions for consistency.

The committee must also evaluate reference checks and other information gathered independently. Reference checks shall be completed and other information gathered before the interviews are conducted. If necessary, the results of the reference checks or other information may be discussed with the highest ranked qualified consultants at the interviews.

Cost-Effective / Public Interest Finding

A minimum of three proposal must be evaluated to establish effective competition. Any agency that has received less than three proposals on a contract shall document the names and addresses of the firms or individuals it solicited for proposals. Prepare an explanation as to why less than three proposals were received. When only two proposals are received, a justification must be documented to proceed with the procurement. When only one proposal is received, a Non-Competitive process must be justified and a Public Interest Finding (PIF) (LAPM Exhibit 12-F: Cost-Effective/Public Interest Finding) must be documented. In either case, the re-advertisement of the RFP should be considered as an option. Retain document as supporting documentation in the contract file.

(PCC 10340(c))

Protest / Appeals / Reinstatement Procedures

Both state and federal regulations require well-defined protest/reinstatement procedures. It is essential that the procedures include a reasonable opportunity for the prospective consultant to present his/her case. The appeals procedures strengthen the process by which the contracting agency reaches its ultimate goal and helps defends its action against a claim of lack of due process. A termination clause and a provision for settlement of contract disputes are required. Protest procedures and dispute resolution processes should be in accordance with PCC 10345.



CITY COUNCIL REPORT

8A

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: DAVID HANHAM, PLANNING MANAGER

SUBJECT: HAZEL STREET SUBDIVISION, DESIGN REVIEW, AND DEVELOPMENT AGREEMENT

RECOMMENDATION

City staff recommends that the City Council adopt a resolution approving a four-lot subdivision and conduct a public hearing to introduce an ordinance approving a development agreement.

BACKGROUND

The proposed project would occur at the south side of the western terminus of Hazel Street. This project has had many iterations over the course of the last 10-12 years. At the Planning Commission meeting of July 9, 2007, the Planning Commission denied the project over concerns regarding the configuration of lots, infrastructure timing, tree protection, and the creation of a pedestrian pathway. The applicant filed an appeal that the City Council heard on August 21, 2007. The members of the City Council remanded the project back to the Planning Commission with three criteria for the applicant to meet:

1. Present a three-lot subdivision;
2. Ensure that the private road is at least 28 feet wide; and
3. Provide a development standard document for the parcel.

In July 2017, the applicant applied for a four-lot parcel map, design review of four houses, and a development agreement to accommodate infrastructure needs that are a part of this project.

The property owner wishes to subdivide two lots consisting of approximately 33,830 square feet into four lots. The proposed minor subdivision would occur at a property that is located on the south side of the western terminus of Hazel Street, Pinole, CA, 94564 (APNs 402-013-060 & 061). The proposed four parcels would each have single-family residences developed on them, all requiring design review approval and building permits. The area of the proposed parcels is as follows:

Parcel	Area
Parcel A	6001 sq. ft.
Parcel B	6001 sq. ft.
Parcel C	6001 sq. ft.
Parcel D	6569 sq. ft

The remaining area of 9,258 sq. ft will be converted into road right-of-way, and the applicant will be responsible for constructing the roadway to connect the two existing sections of Hazel Street. Also, as a part of this project, the City is contributing new storm drain infrastructure.

The subject property is currently undeveloped and is relatively flat along the northern portion of the project site. The southern portion of the site has a significant existing upslope. To address this issue, significant grading as well as the addition of a retaining wall is proposed along the bottom of this slope on parcels A and B. In addition, none of the proposed single-family structures would be constructed on this hillside area.

The project would also include dedication of an “L” shaped parcel to the City for the extension of Hazel Street, as well as curb, gutter and the sidewalk along the south side of the street. These improvements will be constructed by the applicant. This dedicated parcel is currently located on the eastern end of the existing northern parcel. If the subdivision is approved, the dedicated parcel would be located along the northern end of the east property line of Parcel “C”.

With the current proposal, both the existing Coast live Oak and the Walnut trees on the property are preserved.

A sewer pump station currently exists near the northwest corner of the project site. This pump station would remain. However, if the subdivision is approved, the applicant would be required to make specific improvements related to this facility. A more detailed discussion of the required roadway and sewer improvements is provided under the Department and Agency Comments Section of this report.

Finally, the applicant has submitted Development Standards for the project. Please see Attachment 5. In the standards, the applicant has identified setbacks, future design information, and the maximum footprint of future dwellings. These criteria presented meet or surpass the Single-Family Residential Standards (R-1).

DEPARTMENT AND AGENCY COMMENTS

Police Department

The Pinole Police Department has offered standard comments pertaining to construction of the future dwellings. These comments include adequate security lighting, low landscaping near the

front doors, the need for safely constructed doors at both the front entry and if the garage is attached, at the main door for the garage as well.

Fire Department

No comments have been received.

Public Works

Hazel Avenue will be put through so that that you will be able to drive from Sunnyview Drive all the way to Pinon Avenue. Hazel Avenue will meet local street standards.

Pump Station

The existing sewer pump station on the northwest corner of the project site currently receives electrical service from an overhead electrical line. The proposed project would remove this overhead line and provide electric service to the pump station and the proposed single-family homes via underground electric transmission lines. Prior to any construction, the applicant must provide a detailed plan to the Public Works Department of how the existing sewer pump station would be converted from being served by an overhead electrical line to an underground service. The plan must include details of how this change will be completed without an interruption of existing sewer service.

Grading and Drainage

As a part of this project, the Applicants will be paying into the storm drain fee for the undergrounding and realignment of the Storm Drain line and vault. As a part of the Development Agreement, the City will be planning and building the storm drain infrastructure for the regional storm drain system.

The developer paying storm drain fees. must also include an all-weather roadway from the proposed Hazel Avenue to the existing pump station.

REVIEW & ANALYSIS

General Plan Goals and Policies

Policies

The proposed project meets the following goals from the General Plan:

LU1.1 Variety of Land Uses

Maintain land use designations for a variety of residential, commercial, light industrial, recreational, open space and public purposes which: 1) protect environmental resources; 2) provides a mix of housing types, density, and tenure; 3) ensure that a variety of commercial and industrial goods, services and employment opportunities area available; and 4) offer a range of recreational and public facilities to meet the needs of residents.

LU1.2 General Plan Land Uses and the Zoning Ordinance

Require all proposed projects to be consistent with the General Plan and other applicable development standards established by the City's Zoning Ordinance.

LU 3.1 Site Planning and Design

Ensure high quality site planning, architecture, and landscaping for all new development, renovation or remodeling.

LU3.4 Design Review of Residential Projects. Require design review of residential projects to ensure compatibility with adjacent or nearby land uses, including architectural style, mass, bulk, color, materials, lot coverage and setbacks.

LU4.1 Quality of Pinole's Residential Neighborhoods. Assure all new development, renovation or remodeling preserves and strengthens Pinole's residential neighborhoods by requiring projects to be harmoniously designed and integrated with the existing neighborhood.

Inclusionary Housing Ordinance Compliance

Chapter 17.32 of the City of Pinole Zoning Code establishes policies and incentives, design standards, and alternative methods of meeting the City's affordable housing needs. This chapter determines the minimum standards and identifies the administrative procedures related to affordable housing.

The Project is proposing to construct four (4) single-family residential units. Section 17.32.020 (A) states that all residential development of 4 or more dwelling units located in the City at least 15% of the total units must be constructed as affordable housing units, rounded up to the nearest whole number. One (1) of the single-family residences constructed as part of the project will be restricted as affordable to meet this provision of the code.

Table 17.32.020-1 of the Pinole Zoning Code specifies the level of affordability based on whether the affordable unit is a rental or ownership unit. For units that will be owner-occupied, the unit must be sold to and affordable to moderate income households (defined as households with an income of 120% of the Area Median Income). Section 17.32.050 of the Pinole Zoning Code defines the affordable housing development requirements. Those requirements include, design, size, availability, affordable housing agreement, and the duration of the affordability requirement. Staff is working with the Dhaliwal Family to fulfill these requirements. All of the proposed houses meet the design, size, availability requirements. An affordable housing agreement will be signed by the City and applicant and recorded on the Property prior to the construction of the first house, to restrict occupancy of the affordable unit in accordance with the requirements of Chapter 17.32 for a term of 45 years.

Pursuant to Section 17.12.050 of the Pinole Zoning Ordinance requires that we make four (4) findings to approve the comprehensive design review. I have listed the findings below:

1. The proposed project is consistent with the objectives of the general plan and complies with applicable zoning regulations, planned development, master plan or specific plan provisions, improvement standards, and other applicable standards and regulations adopted by the city;

As stated above, this project is consistent with the General Plan and all the applicable plans and zoning regulations.

Staff deemed that this finding has been met.

2. The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation;

This project will connect Hazel Avenue into one roadway, which includes the construction of curb, gutter, and sidewalk. By connecting these two pieces, conflicts will be minimized.

Staff deemed that this finding has been met.

3. The site layout (orientation and placement of buildings and parking areas), as well as the landscaping, lighting, and other development features, are compatible with and complement the existing surrounding environment and ultimate character of the area under the general plan and applicable specific plans; and

The development of this project will be compatible and complement the existing surrounding single-family residential area.

Staff deemed that this finding has been met.

4. Qualifying single-family residential, multi-family residential, and residential mixed-use projects shall comply with all relevant standards and guidelines in the city's currently adopted design guidelines for residential development.

Staff reviewed the Residential Guidelines and found that the single-family residential units that are being proposed complies with all the relevant standards and guidelines base on what has been proposed.

Staff deemed that this finding has been met.

PLANNING COMMISSION REVIEW

The Planning Commission reviewed this project at their regular meetings of September 28, 2020 and October 26, 2020. At that meeting there was a lot of discussion regarding the size of the lots as well as the size of the houses. Based on the deliberations of the Planning Commission, the Commission voted to modify Condition 11 (note: Staff highlighted the change in the Conditions of Approval in the Council packet. The Commission voted 4-0-1 with one abstention due to the proximity of one Commissioner's residence to the project.

FISCAL IMPACT

There will not be any significant fiscal impact from the project. The City will receive building fees from the four houses, and there will be an incremental increase of property taxes with the reassessment of lots.

ATTACHMENT(S)

- A. Draft City Council Resolution for the Design Review and Tentative Map w/Attachment A – Conditions of Approval
- B. Draft City Council Ordinance for the Development Agreement, w/Exhibit A Development Agreement
- C. Parcel Map MS-652-20
- D. Lot 1 Elevations
- E. Lot 2 Elevations
- F. Lot 3 Elevations
- G. Lot 4 Elevations
- H. Environmental Memo Dated September 20, 2020
- I. Resale Restriction Agreement

RESOLUTION NO. 2020-XX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE APPROVING A TENTATIVE PARCEL MAP (TSM 17-01), COMPREHENSIVE DESIGN REVIEW (DR 17-10) FOR A FOUR-LOT RESIDENTIAL DEVELOPMENT LOCATED AT SOUTH SIDE OF THE WESTERN TERMINUS OF HAZEL AVENUE (APN 402-013-060 & 061)

WHEREAS, Baljit Dhaliwal has filed an application for a Tentative Parcel Map (TSM 17-01), Comprehensive Design Review (DR17-10), and a Development Agreement (DA 17-01) for a four-lot residential development located on south side of the western terminus of Hazel Avenue (the “Project”); and

WHEREAS, the City Council of the City of Pinole has considered a Minor Subdivision 652-20, the applicant is Baljit Dhaliwal, 1068 Turquoise Drive, Hercules, CA 94547; and

WHEREAS, the City Council considered the site layout, the orientation of and location of the four (4) homes and other pertinent development features in relation to the physical characteristics, zoning, and land use of the site and surrounding properties; and

WHEREAS, the City Council considered traffic, safety, and traffic congestion, including the effect of the proposed project on traffic conditions abutting streets, the layout of the site with respect to driveways and walkways; and

WHEREAS, the City Council considered the availability of city services and adequacy based upon City Standards; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), the City of Pinole City Council has determined that approval of the Project is Categorical Exempt from CEQA pursuant to Sections 15315, Minor Land Subdivision and 15332 In-fill Developments, and that none of the exceptions specified in CEQA Guidelines section 15300.2 are applicable to the Project; and

WHEREAS, the Planning Commission held a duly noticed public hearing related to the proposed Project on October 26, 2020, and voted 4-0-1 to recommend the City Council approve the Tentative Parcel Map and Comprehensive Design Review; and

WHEREAS, the City Council held a duly noticed public hearing related to the proposed Project, including the project design components and the draft development agreement,

on November 17, 2020 at which time all interested parties has the opportunity to be heard; and

WHEREAS, after the close of public hearing, the City Council considered all public comments received both before and during the public hearing, the presentation by City Staff, the Staff Report, and all other pertinent documents regarding the proposed development.

NOW, THEREFORE, the City Council hereby finds that:

1. Approval of the Project is Categorical Exempt from CEQA pursuant to Sections 15315, Minor Land Subdivision and 15332 In-fill Developments, and that none of the exceptions specified in CEQA Guidelines section 15300.2 are applicable to the Project.
2. The tentative parcel map is consistent with the City of Pinole General Plan in that the subdivision of the lots does not change the uses on site and is consistent with General Plan Goals and Policies found in the Land Use and Community Character Elements.
3. The project complies with applicable regulatory requirements for a minor subdivision, and all four proposed parcels will have sufficient access to a public street.
4. The tentative parcel map, as conditioned is consistent with the Zoning Code, in that the zoning designation for the parcels remains unchanged and the current allowable uses remains unchanged.
5. The Design Review is consistent with the applicable polices of the General Plan and complies with standards as conditioned. The proposed project will not create conflicts with vehicular, bicycle, or pedestrian transportation modes of circulation;
6. The site layout including the orientation of the buildings and parking areas, as well as landscaping, lighting, and other development features are compatible with and complement the existing surrounding environment and ultimate character of the area under the General Plan.
7. Based on the depth and variety of architectural components, including colors and materials, the proposed designs as conditioned will not be unsightly, obnoxious or undesirable in appearance, and will not hinder the harmonious development of the area, impair the desirability of the area for the uses permitted, nor limit the opportunity to

attain optimum use and value of the land and improvements ,or otherwise adversely affect the general public.

8. The proposed development as conditioned creates a well-composed urban design harmoniously related to the other existing development within the immediate area and is consistent with the City's currently adopted design guidelines for residential development.

9. The proposed development as conditioned will not be detrimental to health, safety, and general welfare of the City.

10. Recommends that the City Council approves Design Review DR 17-10 and Tentative Parcel Map TSM17-01 as provided in the staff report, and subject to the Conditions of Approval attached as Exhibit A to this Resolution.

11. Chapter 17.32 of the City of Pinole Zoning Code requires one of the four homes to be built as part of the Project to be sold to and affordable to a moderate income household (defined as households with an income of 120% of the Area Median Income). The City Manager is authorized and directed to execute the Resale Restriction Agreement attached to the staff report dated November 17, 2020, in a form approved by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Pinole on this 17th day of November 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Roy Swearingen , Mayor 2019-2020

ATTEST:

Heather Iopu, City Clerk

APPROVED AS TO FORM:

Eric S. Casher, City Attorney



Exhibit A
CITY COUNCIL RESOLUTION 2020-XX EXHIBIT A
CONDITIONS OF APPROVAL: TENTATIVE MAP 17-01 & DESIGN REVIEW 17-10

		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
1.	The project shall be constructed in substantial compliance with the approved Design Review, Tentative Parcel Map, and Development Agreement request for the subdivision and four-lot residential development project at Hazel Street (APN 402-013-060 and -061), approved by the City Council as shown on the project plans date-stamped received June 20, 2018, unless otherwise conditioned. The proposed project shall be built in a manner consistent with all applicable federal, State, and local regulations.	On-Going	Development Services Department	
2.	The Applicant shall hold harmless the City, its Council Members, its Planning Commission, officers, agents, employees, and representatives from liability for any award, damages, costs and fees incurred by the City and/or awarded to any plaintiff in an action challenging the validity of this permit or any environmental or other documentation related to approval of this permit. Applicant further agrees to provide a defense for the City in any such action.	On-Going	Development Services Department	
3.	All building permit drawings and subsequent construction shall substantially conform to the approved planning application drawings and application materials. Any modifications must be reviewed by the Planning Manager who shall determine whether the modification requires additional approval of the Planning Commission.	On-Going	Development Services Department	

As Recommended by Planning Commission
November 17, 2020

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Four-Lot Subdivision and Residential Development
Design Review (DR) 17-10, Tentative Subdivision Map (TSM) 17-01 &
Development Agreement (DA) 17-01



Exhibit A
CITY COUNCIL RESOLUTION 2020-XX EXHIBIT A
CONDITIONS OF APPROVAL: TENTATIVE MAP 17-01 & DESIGN REVIEW 17-10

		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	Prior to Issuance of Building Permits			
4.	CONDITIONS ON PLANS - These project conditions of approval shall appear on the project building plans.	Prior to Issuance of Building Permits	Development Services Department	
5.	FINAL PARCEL MAP - The applicant shall have a Final Parcel Map, prepared by a person authorized to practice land surveying in California, delineating all parcels created or deleted and all changes in lot lines (as per Section 16.12.190 of the Municipal Code). The Final Parcel Map shall be submitted for review and approval by the City Engineer. The Final Parcel Map shall be recorded with the County after City Engineer approval.	Prior to Issuance of Building Permits; and Prior to Building Permit Final	Development Services Department	
6.	CULTURAL RESOURCES - Prior to the issuance of any construction permit, construction plans shall include a requirement (via notation) indicating that if historic and/or cultural resources or human remains are encountered during construction or other site work, all such work shall be halted immediately within the area of discovery and the contractor shall immediately notify the City of the discovery. In such case, the applicant shall retain, at their own cost, the services of a qualified archaeologist for the purpose of recording, protecting, or curating the discovery as appropriate. The archaeologist shall be required to submit to the City for review and approval a report of the findings and method of curation or	Prior to Issuance of Building Permits	Development Services Department	

As Recommended by Planning Commission
November 17, 2020

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Four-Lot Subdivision and Residential Development
Design Review (DR) 17-10, Tentative Subdivision Map (TSM) 17-01 &
Development Agreement (DA) 17-01



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CITY COUNCIL RESOLUTION 2020-XX EXHIBIT A
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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	protection of the resources. Further construction work within the vicinity of the discovery, as identified by the qualified archaeologist, shall not be allowed until the preceding steps have been taken.			
7.	PLAN SET REVISIONS – The applicant shall make the following revisions to the building permit plan set prior to issuance of building permits: <u>General</u> - On Sheet A5, include a partial outline of the neighboring residences for lots east and west of the project site and their window locations to show that window placement of proposed residences would not have a straight view into the windows of neighboring residences. - In the landscape plan, provide a calculation showing that the front yard area (the area 20 feet back from the front property line) is not covered by impervious surfaces for more than 40% of this front yard area. <u>Lot #3</u> - Reduce the front porch projection into the foot front yard area, or shift the residence back, so that a minimum 18-foot separation is maintained between the front property line and any point along the	Prior to Issuance of Building Permits	Development Services Department	



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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	porch, including the eaves and overhangs of the porch area. - The eave over the garage needs to maintain a minimum 18-foot separation from the front property line. Show the measurement on Sheet A1.1 Site Plan. - Ensure the front yard setback is consistent on all applicable plan sheets, including the site plan and landscape plan. <u>Lot #4</u> - Identify the separation distance between the rear deck and the retaining wall.			
8.	GEOTECHNICAL AND SOILS REPORT – The applicant shall re-submit the geotechnical and soils report prepared by GeoEngineering Consultants, dated February 17, 2017, and R.A. McGuire Civil/Environmental Engineering, dated October 4, 2006, to the Building Division as part of the Building Permit application. The project shall implement the recommendations of the report, in compliance with all current building code standards. Required modifications to the recommendations and the plans may be identified through the Building Permit plan check process.	Prior to Issuance of Building Permits	Development Services Department	



Exhibit A
CITY COUNCIL RESOLUTION 2020-XX EXHIBIT A
CONDITIONS OF APPROVAL: TENTATIVE MAP 17-01 & DESIGN REVIEW 17-10

		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
9.	LANDSCAPE PLAN – The applicant shall prepare and submit a full detailed landscape and irrigation plan for review and approval by the Development Services Department prior to issuance of building permits. The landscape and irrigation plan shall include the number, type, and size of all proposed new trees, shrubs, and groundcover specimens. All proposed plantings shall be drought-tolerant and well-suited to the City's climate zone. The landscape plan shall reflect the latest approved site plan. The detailed landscape plan and irrigation plan shall be consistent with all applicable requirements of the Municipal Code including Chapter 17.44. The detailed landscape plan shall ensure that: a. All shrubs shall be a minimum 5-gallon size. b. Light-colored, high albedo materials or vegetation shall be installed for at least fifty percent of all sidewalks, patios, and driveways. Specific design material information and specifications for the permeable pavers and crushed rock shall be included within the final landscape plan. c. High water use turf grasses and other similar plantings shall only be utilized in high-use areas with high visibility or functional	Prior to Issuance of Building Permits	Development Services Department	

As Recommended by Planning Commission
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Four-Lot Subdivision and Residential Development
Design Review (DR) 17-10, Tentative Subdivision Map (TSM) 17-01 &
Development Agreement (DA) 17-01



Exhibit A
CITY COUNCIL RESOLUTION 2020-XX EXHIBIT A
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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	needs. When only drought-tolerant turf grasses are used, the turf area shall be limited to twenty-five percent (25%) of all irrigated, landscaped areas. When non-drought-tolerant turf grasses or a combination of non-drought-tolerant and drought-tolerant turf grasses is used, the turf area shall be limited to fifteen percent (15%) of all irrigated, landscaped areas. d. At least twenty-five percent (25%) of the lot area and no more than forty percent (40%) of the front yard area shall be non-pervious surface. Additionally, at least ninety percent (90%) of the plants selected in non-turf areas shall be well suited to the climate of the region and require minimal water once established. Up to ten percent (10%) of the plants may be of a non-drought-tolerant variety, provided they are grouped together and can be irrigated separately e. Tree protection measures provided by a certified arborist shall be included in the landscape plan, if applicable.			
10.	WATER EFFICIENT LANDSCAPING – The landscape plans shall identify the total landscaped area for each of the lots and demonstrate compliance with the State Water Efficient Landscape Ordinance requirements (California Code of Regulations Title 23, Division 2, Chapter 2.7), including any required documentation based on the Ordinance. Projects with an aggregate landscape area of 2,500 square feet or less	Prior to Issuance of Building Permits	Development Services Department	



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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	may show compliance by conforming to the requirements of and completing Appendix D under California Code of Regulations Title 23, Division 2, Chapter 2.7. The landscape plans shall also include a table showing proposed plants and their water use designation based on the Water Use Classification of Landscape Species (WUCOLS) database.			
11.	TREE PROTECTION - The applicant shall implement the recommended tree protection measures in the arborist reports prepared by Arborwell, dated January 14, 2016 and April 18, 2018. Any revisions to tree protection and tree removal details described in the arborist reports shall be submitted to the Planning Manager for review prior to work affecting trees in the field consistent with Pinole Municipal Code Chapter 17.96	Prior to Issuance of Building Permits	Development Services Department	
12.	LIGHTING PLAN - The applicant shall prepare and submit a lighting plan for review and approval to the Development Services Department prior to the issuance of the building permit. The lighting plan shall include specifications for all proposed exterior light fixtures. Light fixtures selected shall include shields to project light downward and to prevent light spill-over onto adjacent properties. All proposed exterior lighting specifications and cut sheet details and finishes shall be included on the building plans. The Lighting Plan shall include the road and 100 ft in each direction to determine if a streetlight is warranted.	Prior to Issuance of Building Permits	Development Services Department	



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CONDITIONS OF APPROVAL: TENTATIVE MAP 17-01 & DESIGN REVIEW 17-10

		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
13.	DRAINAGE PLANS - The applicant shall prepare a construction drainage plan and final drainage plan for Development Services Department review and approval. The construction drainage plan will show how drainage will be handled during construction. The final drainage plan will show how drainage will be handled from impervious surfaces after construction is completed.	Prior to Issuance of Building Permits	Development Services Department	
14.	UNDERGROUNDING UTILITIES – The developer shall underground all utility services, if feasible, including telephone facilities, electric power, fire alarm conduits, street lighting wiring, cable television and other wiring conduits, and similar facilities, as per Chapter 17.50 of the Municipal Code. Undergrounding utilities shall be acknowledged in the plan set prior to building permit issuance and completed during construction/prior to occupancy.	Prior to Issuance of Building Permits; and During Construction	Development Services Department	
15.	PERMITS REQUIRED BY OTHER AGENCIES - The applicant shall obtain all permits that may be required by any other agencies, which may include pipeline and utility companies. If the project is within jurisdiction of any of these agencies, verification of permit or waiver of permit must be given to the Development Services Department prior to issuance of any City permits. If the City is required to be party to the permit and an application and fee is required, the applicant shall reimburse the City for its cost.	Prior to Issuance of Building Permits	Development Services Department	



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CONDITIONS OF APPROVAL: TENTATIVE MAP 17-01 & DESIGN REVIEW 17-10

		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
16.	STAGING PLAN - Prior to the issuance of a construction permit, the applicant shall submit staging plan detailing how the applicant shall comply with storage of all materials, truck deliveries and all other appropriate sections of the Pinole Municipal Code and conditions of approval, as appropriate. This plan shall be submitted to the Planning Manager for review and approval.	Prior to Issuance of a Construction Permit	Development Services Department	
17.	PRE-CONSTRUCTION WASTE MANAGEMENT PLAN - The applicant shall complete a pre-construction waste management plan prior to the issuance of the building permit.	Prior to Issuance of Building Permits	Development Services Department	
18.	MATERIAL HAULING - The applicant shall submit a proposed material hauling route and schedule, if needed, for City Engineer review and approval. The hauling route shall be included on the building construction plans. The City Engineer prior to issuance of a building or site development permit shall review and approve said submittal. All material hauling activities including, but not limited to, adherence to approved route, hours of operation, dust control and street maintenance shall be the responsibility of the applicant (as per Section 15.36.080 of the Municipal Code). Violation of the applicable may be cause for suspension of work.	Prior to Issuance of Building Permits	Development Services Department	



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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
19.	PERMITS, BONDS, AND INSURANCE - The applicant shall obtain an encroachment permit, posting the required bonds and insurance, for any work to be done in the City's right-of-way. This encroachment permit shall be obtained prior to the issuance of a building permit and prior to any work being done in the City's right-of-way.	Prior to Issuance of Building Permits	Development Services Department	
20.	WATER SUPPLY SYSTEM - Prior to issuance of a building permit there shall be an approved and tested water supply system capable of supplying the required fire flow as determined by the Fire Chief or Fire Marshall. Water supply system for staged construction, if applicable, shall provide required fire flows at all stages.	Prior to Issuance of Building Permits	Fire Department	
21.	DEVELOPMENT IMPACT FEES AND SCHOOL FEES- The applicant shall pay all applicable development impact fees and show payment of school fees to the school district, prior to issuance of the building permit.	Prior to Issuance of Building Permits	Development Services Department	
22.	INFRASTRUCTURE WORK - Prior to the issuance of the first building permit for a new dwelling, the plans for infrastructure improvements, including road and utility work, shall be reviewed and approved by the City Engineer.	Prior to Issuance of Building Permits	Development Services Department	
23.	PUMP STATION - Prior to the approval of a Final Parcel Map, the applicant shall submit to the Development Service Director, a detailed plan as to how the existing sewer pump station will be converted from	Prior to Final Parcel Map	Development Services	

As Recommended by Planning Commission
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Four-Lot Subdivision and Residential Development
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CONDITIONS OF APPROVAL: TENTATIVE MAP 17-01 & DESIGN REVIEW 17-10

		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	being served from an overhead electrical line to an underground service. The plan shall include details of how this change over and all site construction will be completed without an interruption of sewer service.	Approval	Department	
	During Construction and Prior to Occupancy			
24.	CONSTRUCTION CONTACT – A construction contact person's name, mobile phone number, and email address shall be posted on the project site during the duration of construction.	During Construction	Development Services Department	
25.	ADDRESS MARKING - The property address shall be clearly marked during the project construction process.	During Construction	Development Services Department	
26.	INSPECTIONS - The applicant shall notify the Development Services Department at least forty-eight (48) hours prior to starting any work pertaining to on-site drainage facilities, grading, or paving, as well as any work in the City's right-of-way as per Section 15.36.230 of the Municipal Code. The applicant shall arrange all inspections with the Building Division, Fire Department, and Public Works Division. All Building Division inspection requests shall be made at least 24 hours in advance.	During Construction	Development Services Department	



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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
27.	CERTIFIED GRADED PAD - A California-Licensed Engineer shall certify that the graded construction pad for the proposed dwelling unit has been adequately compacted and designed to support the proposed dwelling unit to the satisfaction of the City Engineer.	During Construction	Development Services Department	
28.	CONSTRUCTION SITE MANAGEMENT - The building permit holder shall ensure the following provisions to control noise, dust, and construction debris nuisance occur during construction: A. Building construction activities shall occur only between 7:00A.M. and 5:00 P.M., Monday through Friday on non-federal holidays. Interior construction work may occur between 9:00A.M. and 6:00P.M. on weekends if requested and approved by the City as allowed under Chapter 15.02 of the City Municipal Code. B. All construction vehicles shall be properly maintained and equipped with exhaust mufflers and meet State and Federal standards. C. Newly disturbed soil surfaces shall be watered down regularly throughout the day and any construction grading activity shall be discontinued in wind conditions greater than 10 miles per hour. D. Construction activities shall be scheduled so that paving and foundation placement begin immediately upon completion of grading	During Construction	Development Services Department	

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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
	operation. E. All excavated or silty materials shall be covered with a tarp during transit to and from the site. F. All construction debris shall be covered with a tarp during transit from the site. G. The construction site shall be maintained in an orderly fashion and litter shall be contained and properly disposed of on a daily basis.			
29.	SITE MAINTENANCE - The construction site shall be cleaned of garbage and debris on a daily basis and maintained in an orderly fashion. All construction equipment shall be secured at the end of each day of construction.	During Construction	Development Services Department	
30.	ACCESS TO HAZEL STREET - Project construction vehicles and vehicles belonging to construction workers shall not block access to Hazel Street or any other public roadway.	During Construction	Development Services Department	
31.	POST-CONSTRUCTION WASTE MANAGEMENT Report - The applicant shall complete a post-construction waste management report prior to issuance of a certificate of occupancy.	Prior to Occupancy	Development Services Department	



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		<u>Timing/ Implementation</u>	<u>Monitoring Department / Division</u>	<u>Verification (date and sign)</u>
32.	FIRE PROTECTION - Prior to issuance of a "Certificate of Occupancy" or final building inspection, approved fire prevention features shall be installed as required by the Fire Prevention Bureau.	Prior to Occupancy	Fire Department	
33.	FIRE PREVENTION FEES AND INSPECTION - Prior to issuance of a "Certificate of Occupancy" or final building inspection, the applicant shall pay all applicable fees in accordance with the Master Fee Schedule adopted by the City of Pinole and obtain all required inspections from the Fire Prevention Bureau.	Prior to Occupancy	Fire Department	
34.	ADDRESSING - Prior to issuance of a "Certificate of Occupancy" or final building inspection approved illuminated numbers and addresses shall be installed on the new residence in compliance with Section 15.02.050 of the Municipal Code.	Prior to Occupancy	Development Services Department	
35.	SIDEWALK, CURB AND GUTTER REPAIR - The applicant shall repair and replace to existing City standards, any sidewalk, curb and gutter abutting the project site.	Prior to Occupancy	Development Services Department	
36.	Timing of construction shall be coordinated with City off-site drainage improvement. Such improvements must be completed prior to building of applicant furnished infrastructure			

ORDINANCE NO. 2020-XX

CITY COUNCIL, CITY OF PINOLE
STATE OF CALIFORNIA

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PINOLE APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PINOLE AND BALJIT & ANAND DHALIWAL, RELATIVE TO THE USE AND DEVELOPMENT OF PROPERTY LOCATED IN THE CITY OF PINOLE (APN 402-013-059 & 060)

WHEREAS, Baljit Dhaliwal has filed an application for a Tentative Parcel Map (TSM 17-01), Comprehensive Design Review (DR17-10), and a Development Agreement (DA 17-01) for a four-lot residential development located on south side of the western terminus of Hazel Avenue (the "Project"); and

WHEREAS, the lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development, and discourage investment in and commitment to comprehensive planning that would make maximum efficient utilization of resources at the least economic cost to the public; and

WHEREAS, in order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic costs and risk of development, the Legislature of the State of California enacted Section 65864 *et seq.* of the Government Code (the "**Development Agreement Legislation**"), which authorizes City to enter into a development agreement for real property with any person having a legal or equitable interest in such property in order to establish certain development rights in the property; and

WHEREAS, in compliance with California Environmental Quality Act ("**CEQA**"), the City retained Raney Planning and Management Inc. to prepare a categorical exemption memorandum regarding the Project. Based on this memorandum, the City of Pinole City Council has determined that approval of the Project is Categorical Exempt from CEQA pursuant to Sections 15315, Minor Land Subdivision and 15332 In-fill Developments, and that none of the exceptions specified in CEQA Guidelines section 15300.2 are applicable to the Project.

WHEREAS, as part of the Project, the City and Developer have negotiated a draft Development Agreement in accordance with Government Code section 65864 *et seq.* and Pinole Municipal Code section 17.12.160, which agreement is attached as Exhibit A and incorporated herein by reference; and

WHEREAS, Government Code section 65867 and Pinole Municipal Code Section 17.12.160.C require the Planning Commission to hold a public hearing on the proposed development agreement and make a recommendation to the City Council; and

WHEREAS, a staff report, dated October 26, 2020 and incorporated herein by reference, described and analyzed the Project, including the Development Agreement,

for the Planning Commission. Pursuant to Government Code section 65867.5(b), the Development Agreement must be found consistent with the City's general plan and any applicable specific plan, which includes the Three Corridors Specific Plan; and

WHEREAS, the Planning Commission held a duly noticed public hearing related to the proposed Project, including the Development Agreement, on October 26, 2020, at which time all interested parties had the opportunity to be heard; and

WHEREAS, following the public hearing, the Planning Commission adopted Resolution 20-18 recommending approval of the Development Agreement, and

WHEREAS, on November 17, 2020, the City Council held a duly noticed public hearing to consider the Development Agreement, at which time all interested parties had the opportunity to be heard. The City Council considered the CEQA memorandum prepared by Raney Planning & Management, Inc., the staff report, the Planning Commission recommendation, the presentation by city staff, all public comments received, and all other pertinent documents regarding the Development Agreement, prior to taking action on the Development Agreement; and

WHEREAS, City has determined that by entering into the proposed Development Agreement: (1) City will ensure the productive use of property and foster orderly growth and quality development in City; (2) development will proceed in accordance with the goals and policies set forth in the City of Pinole General Plan (the "**General Plan**") and the Three Corridors Specific Plan (the "**Specific Plan**") will implement City's stated General Plan policies;

NOW, THEREFORE, the City Council of the City of Pinole does hereby ordain as follows:

SECTION 1. Findings.

That based on the entirety of the record before it the City Council of the City of Pinole hereby finds as follows:

A. The foregoing Recitals are true and correct and made a part of this Ordinance.

B. Approval of the Project and Development Agreement is Categorical Exempt from CEQA pursuant to Sections 15315, Minor Land Subdivision and 15332 In-fill Developments, and that none of the exceptions specified in CEQA Guidelines section 15300.2 are applicable to the Project.

C. The proposed Development Agreement (attached as Exhibit A), is incorporated by reference and made a part of this Ordinance, as if set forth fully herein.

D. The documents and other material constituting the record for these proceedings are located at the Planning Division for the City of Pinole, 2131 Pear Street, Pinole, CA 94564.

E. The proposed Project, including the Development Agreement, is consistent and compatible with all elements in the General Plan and the Specific Plan. The land uses, development standards, densities and intensities, buildings and structures proposed for the Project are compatible with the goals, policies, and land use designations established in the General Plan,

F. The City Council has independently reviewed the proposed Development Agreement, the General Plan, the Pinole Municipal Code, and applicable state and federal law, including Government Code section 65864, *et seq.*, and has determined that the proposed Development Agreement complies with all applicable zoning, subdivision, and building regulations and with the General Plan. This finding is based upon all evidence in the record as a whole, including, but not limited to: the City Council's independent review of these documents, oral and written evidence submitted at the public hearings on the Project, including advice and recommendations from City staff.

G. The Development Agreement is consistent with the objectives, policies, and general land uses specified in the general plan and any applicable specific plans; is compatible and in conformity with public convenience, general welfare, and good land use and zoning practice; will not be detrimental to health, safety, and general welfare of the city; and will not adversely affect the orderly development of property or the preservation of property values.

SECTION 2. Approval of Development Agreement.

A. The City Council of the City of Pinole hereby approves the proposed Development Agreement with Baljit and Anand Dhaliwal, attached hereto as Exhibit A and incorporated herein by reference.

B. The City Council further authorizes the City Manager to execute the Development Agreement, on behalf of the City, in substantially the form attached as Exhibit A, and to make revisions to such Agreement, subject to the approval of the City Attorney, which do not materially or substantially increase the City's obligations thereunder.

SECTION 3. Severability.

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid or unconstitutional, the remainder of this Ordinance, including the application of such part or provision to other persons or circumstances shall not be affected thereby and shall continue in full force and effect. To this end, provisions of this Ordinance are severable. The City Council of the City of Pinole hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause,

or phrase hereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be held unconstitutional, invalid, or unenforceable.

SECTION 4. Publication and Effective Date.

Pursuant to the provisions of Government Code Section 36933, a summary of this Ordinance shall be prepared by the City Attorney. At least five (5) days prior to the Council meeting at which this Ordinance is scheduled to be adopted, the City Clerk shall (1) publish the Summary, and (2) post in the City Clerk's Office a certified copy of this Ordinance. Within fifteen (15) days after the adoption of this Ordinance, the City Clerk shall (1) publish the summary, and (2) post in the City Clerk's Office a certified copy of the full text of this Ordinance along with the names of those City Council members voting for and against this Ordinance or otherwise voting. This Ordinance shall become effective no sooner than thirty (30) days from and after its adoption, and only after the LRPMP has been approved by the Department.

Introduced at a regular meeting of the City Council of the City of Pinole, held the 17th day of November, 2020.

Adopted as an Ordinance of the City of Pinole at a regular meeting of the City Council held the _____ day of _____, 2020, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

Heather Iopu, CMC
City Clerk

Exhibit A

Development Agreement

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Pinole
2131 Pear Street
Pinole, CA 94564
Attn: City Manager

Exempt from Recording Fees
Pursuant to Government
Code Sections 6103 and 27383

APN: 402-013-060

(Space Above This Line Reserved for Recorder's Use Only)

DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF PINOLE

AND

BALJIT DHALIWAL

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this “**Development Agreement**” or this “**Agreement**”) is entered into as of _____, 2020 (the “**Agreement Date**”) by and between the City of Pinole, a municipal corporation (“**City**”), and Bajit Dhaliwal, an individual (“**Developer**”). City and Developer are referred to individually as “**Party**,” and collectively as the “**Parties**.”

RECITALS

This Agreement is entered upon the basis of the following facts, understandings and intentions of City and Developer.

A. The lack of certainty in the approval of development projects can result in a waste of resources, escalate the cost of housing and other development, and discourage investment in and commitment to comprehensive planning that would make maximum efficient utilization of resources at the least economic cost to the public.

B. In order to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic costs and risk of development, the Legislature of the State of California enacted Section 65864 *et seq.* of the Government Code (the “**Development Agreement Legislation**”), which authorizes City to enter into a development agreement for real property with any person having a legal or equitable interest in such property in order to establish certain development rights in the property.

C. The Developer is the owner of certain property located in the City, known as County Assessor’s Parcel Numbers 402-013-060 and 402-013-061_(the “**Property**”), as more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

D. Developer intends to construct four (4) homes on the Property (the “**Project**”). Construction of the Project includes construction of a number of public improvements, including but not limited to design and construction of a new vault and pump station, the extension of Hazel Street, storm drain construction and curb and gutter improvements.

E. The complexity, magnitude and long-range nature of the Project would be difficult for Developer to undertake if City had not determined, through this Development Agreement, to inject a sufficient degree of certainty in the land use regulatory process to justify the substantial financial investment associated with development of the Project. As a result of the execution of this Development Agreement, both Parties can be assured that the Project can proceed without disruption caused by a change in City planning and development policies and requirements, which assurance will thereby reduce the actual or perceived risk of planning, financing and proceeding with construction of the Project.

F. City has determined that by entering into this Development Agreement: (1) City will ensure the productive use of property and foster orderly growth and quality development in City; (2) development will proceed in accordance with the goals and policies set forth in the City of Pinole General Plan (the “**General Plan**”) and will implement City’s stated General Plan

policies; (3) City will receive increased property tax revenues; and (4) City will benefit from increased housing for residents of City that are created by the Project.

G. Developer has applied for, and City has granted, the Project Approvals (as defined in Section 1.6) in order to protect the interests of its citizens in the quality of their community and environment.

City has also undertaken, pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*, hereinafter “**CEQA**”), the required analysis of the environmental effects that would be caused by the Project and has determined that the Project is categorically exempt from CEQA pursuant to CEQA Guidelines section 15332, and that none of the exceptions to this exemption specified in CEQA Guidelines section 15300.2 are applicable to the Project.

H. In addition to the Project Approvals, the Project may require various additional land use and construction approvals, termed Subsequent Approvals (as defined in Section 1.6.4), in connection with development of the Project.

I. City has given the required notice of its intention to adopt this Development Agreement and has conducted public hearings thereon pursuant to Government Code Section 65867. As required by Government Code Section 65867.5, City has found that the provisions of this Development Agreement and its purposes are consistent with the goals, policies, standards and land use designations specified in City’s General Plan.

J. On _____, 2020, the City of Pinole’s Planning Commission (the “**Planning Commission**”), the initial hearing body for purposes of development agreement review, recommended approval of this Development Agreement pursuant to Resolution No. ____.

K. On _____, 2020, the City of Pinole City Council (the “**City Council**”) adopted its Ordinance No. ____ (the “**Approving Ordinance**”) approving this Development Agreement and authorizing its execution. The Approving Ordinance will take effect on _____, 2020 (the “**Effective Date**”).

L. For the reasons recited herein, City and Developer have determined that the Project is a development for which this Development Agreement is appropriate. This Development Agreement will eliminate uncertainty regarding Project Approvals (including the Subsequent Approvals), thereby encouraging planning for, investment in and commitment to develop the Property in a manner beneficial to the City and surrounding properties. Continued use and development of the Property will in turn provide substantial employment and property tax benefits, and contribute to the provision of needed infrastructure enhancements and public benefits, thereby achieving the goals and purposes for which the Development Agreement Legislation was enacted and ensuring consistency with the City’s General Plan.

M. The terms and conditions of this Development Agreement have undergone extensive review by City staff, the Planning Commission and the City Council at publicly noticed meetings and have been found to be fair, just and reasonable and in conformance with the City General Plan and the Development Agreement Legislation, and, further, the City

Council finds that the economic interests of City's residents and the public health, safety and welfare will be best served by entering into this Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, City and Developer agree as follows:

ARTICLE 1.
GENERAL PROVISIONS

1.1. Parties.

1.1.1. City. City is a California municipal corporation, with offices located at 2131 Pear Street, Pinole, CA 94564. "**City**," as used in this Development Agreement, includes the City of Pinole and any assignee of or successor to its rights, powers and responsibilities.

1.1.2. Developer. Developer is an individual located at 1068 Turquoise Drive, Hercules, CA 94547. "**Developer**," as used in this Development Agreement, includes any permitted assignee or successor-in-interest as herein provided.

1.2. Property Subject to this Development Agreement.

The Property known as APN 402-013-060 and 402-013-061, as more particularly described in Exhibit A, is subject to this Development Agreement.

1.3. Term of the Agreement.

The term ("**Term**") of this Development Agreement will commence upon the Effective Date and shall continue in full force and effect for a period of ten (10) years, unless earlier terminated as provided in this Agreement. The Term has been established by the Parties as a reasonable estimate of the time required to develop the Project and obtain the benefits of the Project.

1.4. The Project.

1.4.1. General. Developer intends to subdivide the Property and construct four (4) homes on the Property (the "**Project**"). Construction of the Project includes construction of a number of public improvements, including but not limited to design and construction of a new vault and pump station, the extension of Hazel Street, storm drain construction and curb and gutter improvements and other ancillary improvements described in this Section 1.4.

1.4.2. Improvements.

a. Homes. The Project consists of subdividing that portion of the Property known as Contra Costa APN 402-013-060 into four (4) parcels and constructing one (1) single family homes on each of the four (4) lots. The four single family homes will range in size from 2,000 square feet to 2,600 square feet. The homes will be constructed in accordance with the Project Approvals. In accordance with the City's inclusionary housing ordinance, Pinole Municipal Code Chapter 17.32, one (1) of the homes shall be deed restricted as an affordable

unit to be sold to a moderate-income household restricted to sale at a price affordable to households earning up to 120% of the Area Median Income. Prior to the issuance of a building permit for any of the homes, the Developer shall execute and record on the one of the newly created parcels a resale restriction agreement, in substantially the form contained in Exhibit C, attached hereto and incorporated herein, to ensure the affordability of the home built on that parcel. Developer agrees that the affordable home shall be no later than the third of the four homes built on the Property, and Developer agrees that City may refuse to issue building permits that would result in the affordable unit not being the third home built.

b. Vault and Pump Station. There is an existing sewer pump station vault located on the northwest corner of the Property. The sewer pump station currently receives electric service from an overhead electrical line. As part of the Project, the Developer will be responsible for, with the approval of the relevant utility companies, removing this overhead electrical line and replacing it with underground electric service serving the sewer pump station.

c. Storm Drain. On the northwest corner of the property there is currently an open-air ditch that collects storm water and channels it into the City's storm water system. The City will replace these existing storm drain facilities with an underground storm drainpipe that is located underneath the future Hazel Street extension described below. In addition, the City will install a surface level storm drain inlet located on Hazel Street.

d. Hazel Street Extension. Hazel Street is a public road located near the Property. Hazel Street currently terminates just east of Woy Circle and just west of Hazel Lane, resulting in no direct access to the Property from Hazel Street, or any other public road. At its sole cost and expense, Developer will design and construct, in accordance with City standards, a road, with curb, gutter, and sidewalk, to connect the two existing sections of Hazel Street and provide direct access to the Property. These improvements will be located on that portion of the Property commonly known as 402-013-061. Upon completion of these improvements, the Developer will dedicate the Improvements, and the property on which they are located, to the City. A portion of the Developer's cost to construct the improvements described in this Section 1.4.2 (d) shall be \$9,937.33 per single-family unit against the transportation development impact mitigation fee..

e. Landscaping. There is no public landscaping associated with this Project. Developer will be required to install landscaping when constructing the new single-family homes in accordance with the Project Approvals.

1.4.3. Nuisance. Developer shall not use or permit the use of any portion of the Project for any offensive, noisy or dangerous trade, business manufacturing activity or occupation; for any activity which constitutes a nuisance or violated public policy; in violation of any law, ordinance rule or regulation of any governmental authority with jurisdiction over any portion of the Project.

1.5. RESERVED.

1.6. Project Approvals.

Developer has applied for and obtained various environmental and land use approvals and entitlements related to the development of the Project, as described below. For purposes of this Development Agreement, the term “**Project Approvals**” means all of the approvals, plans and agreements described in this Section 1.6 and shall include all Project Approvals to (i) subdivide that portion of the Property known as Contra Costa APN 402-013-060 into four (4) parcels (ii) construct four (4) new single-family homes on such newly created parcels, (iii) construct certain infrastructure improvements to serve the four (4) new single-family residences, and (iv) construct those other improvements as more fully set forth and described in that certain City of Pinole Development Application submitted by Developer to the City on July 17, 2017, together with those plans and other information approved by the City Council on _____, 2020 by Resolution No. _____. City and Developer agree to work diligently and in good faith toward appropriate planning entitlements and building permit approvals for each phase of construction.

1.6.1. CEQA Exemption. The City Council determined that the Project is categorically exempt from CEQA pursuant to CEQA Guidelines section 15332, and that none of the exceptions to this exemption specified in CEQA Guidelines section 15300.2 are applicable to the Project, on _____, 2020 by Resolution No. _____.

1.6.2. Development Agreement. On _____, 2020, following Planning Commission review and recommendation, and after a duly noticed public hearing, the City Council, by Ordinance No. _____, approved this Development Agreement and authorized its execution.

1.6.3. Other Concurrent Project Approvals. In order to develop the Project as contemplated in this Development Agreement, the following land use approvals shall be required

a. Tentative Parcel Map. A tentative parcel map will be required for the creation of the new parcels. The tentative parcel map shall be approved by the City Council and the Final Parcel Map shall be reviewed and approved by the City Engineer and City Surveyor pursuant Sections 16.12.220 and 16.12.280 of the City of Pinole Municipal Code;

b. Comprehensive Design Review. Comprehensive Design Review is required for the construction of the four (4) single family residences pursuant to Section 17.12.150 of the City of Pinole Zoning Code; .

1.6.4. Subsequent Approvals. In order to develop the Project as contemplated in this Development Agreement, the Project may require land use approvals, entitlements, development permits, and use and/or construction approvals other than those listed in Section 1.6 above, which may include, without limitation: development plans, amendments to applicable conditional use permits, variances, subdivision approvals, street abandonments, design review approvals, demolition permits, improvement agreements, infrastructure agreements, grading permits, building permits, right-of-way permits, lot line adjustments, design review, lot line adjustments, site plans, sewer and water connection permits, certificates of occupancy, parcel maps, lot splits, landscaping plans, master sign programs, transportation demand management

programs, encroachment permits, and amendments thereto and to the Project Approvals (collectively, “**Subsequent Approvals**”). At such time as any Subsequent Approval applicable to the Property is approved by the City, then such Subsequent Approval shall become subject to all the terms and conditions of this Development Agreement applicable to Project Approvals and shall be treated as a “Project Approval” under this Development Agreement.

ARTICLE 2.
DEVELOPMENT OF THE PROPERTY

2.1. Project Development.

Developer shall have a vested right to develop the Project on the Property, in accordance with the Vested Elements (defined in Section 2.2).

2.2. Vested Elements.

The permitted uses of the Property, the minimum and maximum density, number of commercial and retail square footage, the intensity of use, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, the conditions, terms, restrictions, and requirements for subsequent discretionary actions, the provisions for public improvements and financing of public improvements, and the other terms and conditions of development applicable to the Property are as set forth in:

- a. The City of Pinole General Plan as of the Effective Date, including any General Plan Amendments (“**Applicable General Plan**”);
- b. The Zoning Ordinance of City on the Effective Date (“**Applicable Zoning Ordinance**”);
- c. Other rules, regulations, ordinances and policies of City applicable to development of the Property on the Effective Date, except for any and all fees applicable to the development, which shall be vested as set forth in Section 2.6.3 of this Agreement, (collectively, together with the Applicable General Plan and the Applicable Zoning Ordinance, the “**Applicable Rules**”); and
- d. The Project Approvals, as they may be amended from time to time with Developer’s consent;

and are hereby vested in Developer, subject to, and as provided in, the provisions of this Development Agreement (the “**Vested Elements**”). City hereby agrees to be bound with respect to the Vested Elements, subject to Developer’s compliance with the terms and conditions of this Development Agreement.

2.3. Development Construction Completion.

2.3.1. Timing of Development; Pardee Finding. Because the California Supreme Court held in *Pardee Construction Co. v. City of Camarillo*, 37 Cal.3d 465 (1984), that the failure of the parties therein to provide for the timing of development resulted in a later-

adopted initiative restricting the timing of development to prevail over the parties' agreement, it is the Parties' intent to cure that deficiency by acknowledging and providing that, subject to any infrastructure phasing requirements that may be required by the Project Approvals, Developer shall have the right (without obligation) to develop the Property in such order and at such rate and at such times as Developer deems appropriate within the exercise of its subjective business judgment.

2.3.2. Moratorium. No City-imposed moratorium or other limitation (whether relating to the rate, timing or sequencing of the development or construction of all or any part of the Property, whether imposed by ordinance, initiative, resolution, policy, order or otherwise, and whether enacted by the City Council, an agency of City, the electorate, or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative or final), building permits, occupancy certificates or other entitlements to use or service (including, without limitation, water and sewer) approved, issued or granted within City, or portions of City, shall apply to the Property to the extent such moratorium or other limitation is in conflict with this Development Agreement; provided, however, the provisions of this Section 2.3.2 shall not affect City's compliance with moratoria or other limitations mandated by other governmental agencies or court-imposed moratoria or other limitations.

2.3.3. No Other Requirements. Nothing in this Development Agreement is intended to create any affirmative development obligations to develop the Project at all, or liability in Developer under this Development Agreement if the development fails to occur.

2.4. Effect of Project Approvals and Applicable Rules; Future Rules.

2.4.1. Governing Rules. Except as otherwise explicitly provided in this Development Agreement, development of the Property shall be subject to (a) the Project Approvals and (b) the Applicable Rules.

2.4.2. Changes in Applicable Rules; Future Rules.

a. To the extent any changes in the Applicable Rules, or any provisions of future General Plans, Specific Plans, Zoning Ordinances or other rules, regulations, ordinances or policies (whether adopted by means of ordinance, initiative, referendum, resolution, policy, order, moratorium, or other means, adopted by the City Council, Planning Commission, or any other board, commission, agency, committee, or department of City, or any officer or employee thereof, or by the electorate) of City (collectively, "**Future Rules**") are not in conflict with the Vested Elements, such Future Rules shall be applicable to the Project.

b. To the maximum extent permitted by law, City shall prevent any Future Rules from invalidating or prevailing over all or any part of this Development Agreement, and City shall cooperate with Developer and shall undertake such actions as may be necessary to ensure this Development Agreement remains in full force and effect. City shall not support, adopt or enact any Future Rule, or take any other action which would violate the express provisions or spirit and intent of this Development Agreement or the Project Approvals. Developer reserves the right to challenge in court any Future Rule that would conflict with the

Vested Elements or this Development Agreement or reduce the development rights provided by this Development Agreement.

c. A Future Rule that conflicts with the Vested Elements shall nonetheless apply to the Property if, and only if (i) consented to in writing by Developer; (ii) it is determined by City and evidenced through findings adopted by the City Council confirming that the change or provision is reasonably required in order to prevent a condition dangerous to the public health or safety, that there are no feasible alternatives to the imposition of such change or provision and how such change or provision would alleviate the dangerous condition; (iii) it is required by changes in State or Federal law as set forth in Section 2.4.3 below; (iv) it consists of changes in, or new fees permitted by, Section 2.6; or (v) it is otherwise expressly permitted by this Development Agreement.

d. Prior to the Effective Date, the Parties shall have prepared two (2) sets of the Project Approvals and Applicable Rules, one (1) set for City and one (1) set for Developer. If it becomes necessary in the future to refer to any of the Project Approvals or Applicable Rules, the contents of these sets are presumed for all purposes of this Development Agreement, absent clear clerical error or similar mistake, to constitute the Project Approvals and Applicable Rules.

2.4.3. Changes in State or Federal Laws. In accordance with California Government Code Section 65869.5, in the event that state or federal laws or regulations enacted after the Effective Date (“**State or Federal Law**”) prevent or preclude compliance with one or more provisions of this Development Agreement, the Parties shall meet in good faith to determine the feasibility of any modification or suspension of this Development Agreement that may be necessary to comply with such State or Federal Law and to determine the effect such modification or suspension would have on the purposes and intent of this Development Agreement and the Vested Elements. Following the meeting between the Parties, the provisions of this Development Agreement may, to the extent feasible, and upon mutual agreement of the Parties, be modified or suspended, but only to the minimum extent necessary to comply with such State or Federal Law. In such an event, this Development Agreement, together with any required modifications, shall continue in full force and effect. In the event that the State or Federal Law operates to frustrate irremediably and materially the vesting of development rights to the Project as set forth in this Agreement, Developer may terminate this Agreement. In addition, Developer shall have the right to challenge (by any method, including litigation) the State or Federal Law preventing compliance with, or performance of, the terms of this Development Agreement and, in the event that such challenge is successful, this Development Agreement shall remain unmodified and in full force and effect, unless (i) Developer fails to commence construction under valid permits within two (2) years of the commencement of the Term of this Development Agreement, or (ii) Developer fails to submit a written request to City prior to the expiration date of any construction permits for an extension of time as allowed under the Zoning Ordinance.

2.4.4. Conflicts. In the event of an irreconcilable conflict between the provisions of the Project Approvals (on the one hand) and the Applicable Rules (on the other hand), the provisions of the Project Approvals shall apply. In the event of a conflict between the Project

Approvals (on the one hand) and this Development Agreement, in particular, (on the other hand), the provisions of this Development Agreement shall control.

- 2.5. Processing Subsequent Approvals. City will accept, make completeness determinations, and process, promptly and diligently, to completion all applications for Subsequent Approvals for the Project, in accordance with the terms of this Development Agreement.

2.5.2. Scope of Review of Subsequent Approvals. By approving the Project Approvals, City has made a final policy decision that the Project is in the best interests of the public health, safety and general welfare. Accordingly, City shall not use its authority in considering any application for a discretionary Subsequent Approval to change the policy decisions reflected by the Project Approvals or otherwise to prevent or delay development of the Project as set forth in the Project Approvals. Instead, the Subsequent Approvals shall be deemed to be tools to implement those final policy decisions. The scope of the review of applications for Subsequent Approvals shall be limited to a review of substantial conformity with the Vested Elements and the Applicable Rules (except as otherwise provided by Section 2.4), and compliance with CEQA. Where such substantial conformity/compliance exists, City shall not deny an application for a Subsequent Approval for the Project.

- 2.6. Development Fees, Exactions; and Conditions.General. All fees, exactions, dedications, reservations or other impositions to which the Project would be subject, but for this Development Agreement, are referred to in this Development Agreement either as “**Processing Fees**” (as defined in Section 2.6.2) or “**Impact Fees**” (as defined in Section 2.6.3).

2.6.2. Processing Fees. “**Processing Fees**” mean fees charged on a citywide basis to cover the cost of City review of applications for any permit or other review by City departments. Applications for Subsequent Approvals for the Project shall be charged Processing Fees to allow City to recover its actual and reasonable costs of processing Developer’s Subsequent Approvals with respect to the Project.

2.6.3. Impact Fees. “**Impact Fees**” means monetary fees, exactions or impositions, other than taxes or assessments, whether established for or imposed upon the Project individually or as part of a class of projects, that are imposed by City on the Project in connection with any Project Approval for the Project for any purpose, including, without limitation, defraying all or a portion of the cost of public services and/or facilities construction, improvement, or operation and maintenance attributable to the burden created by the Project. Any fee, exaction or imposition imposed on the Project which is not a Processing Fee is an Impact Fee. Subject to the Impact Fee credits provided to Developer in Section 1.4, the Developer agrees to pay the specific Impact Fees listed in Exhibit B, attached hereto and incorporated herein.

2.6.4. Conditions of Subsequent Approvals. In connection with any Subsequent Approvals, City shall have the right to impose reasonable conditions including, without limitation, normal and customary dedications for rights of way or easements for public access, utilities, water, sewers, and drainage necessary for the Project; provided, however, such

conditions and dedications shall not be inconsistent with the Applicable Rules or Project Approvals, nor inconsistent with the development of the Project as contemplated by this Agreement.

b. No conditions imposed on Subsequent Approvals shall require dedications or reservations for, or construction or funding of, public infrastructure or public improvements beyond those already included in the Project Approvals. In addition, any and all conditions imposed on Subsequent Approvals for the Project must comply with Sections 2.6.2 and 2.6.3 herein.

2.7. Life of Project Approvals and Subdivision Maps.

2.7.1. Life of Tentative Map. The terms of any tentative map for the Property, any amendment or reconfiguration thereto, or any subsequent tentative map, shall be automatically extended such that such tentative maps remain in effect for a period of time coterminous with the Term of this Development Agreement.

2.7.2. Life of Other Project Approvals. The term of all other Project Approvals, shall be automatically extended such that these Project Approvals remain in effect for a period of time at least as long as the Term of this Development Agreement.

2.7.3. Termination of Agreement. In the event that this Development Agreement is terminated prior to the expiration of the Term of the Development Agreement, the term of any tentative map or any other Project Approval and the vesting period for any final subdivision map approved as a Project Approval shall be the term otherwise applicable to the approval (including any extensions), which shall commence to run on the date that the termination of this Development Agreement takes effect.

2.8. Further CEQA Environmental Review.

~~2.8.1.~~ Reliance on CEQA Exemption. The City has determined that the Project is categorically exempt from CEQA pursuant to CEQA Guidelines section 15332. It is agreed that, in acting on any discretionary Subsequent Approvals for the Project, City will rely on this exemption to satisfy the requirements of CEQA to the fullest extent permissible by CEQA and City will not require a new initial study, negative declaration, EIR or subsequent or supplemental EIR unless required by CEQA.

2.8.2. Subsequent CEQA Review. In the event that any additional CEQA documentation is legally required for any discretionary Subsequent Approval for the Project, then the scope of such documentation shall be focused, to the extent possible consistent with CEQA, on the specific subject matter of the Subsequent Approval, and the City shall conduct such CEQA review as expeditiously as possible.

2.9. Developer's Right to Rebuild. Developer may renovate or rebuild the Project within the Term of this Agreement should it become necessary due to natural disaster, changes in seismic requirements, or should the buildings located within the Project become functionally outdated, within Developer's sole discretion, due to changes in technology. Any such renovation or rebuilding shall be subject to

the Vested Elements, shall comply with the Project Approvals, the building regulations existing at the time of such rebuilding or reconstruction, and the requirements of CEQA.

ARTICLE 3.
ANNUAL REVIEW

3.1. Annual Review. The annual review required by California Government Code Section 65865.1 will be conducted for the purposes and in the manner stated in those laws as further provided herein. As part of that review, City and Developer shall have a reasonable opportunity to assert action(s) that either Party believes have not been undertaken in accordance with this Development Agreement, to explain the basis for such assertion, and to receive from the other Party a justification for the other Party's position with respect to such action(s), and to take such actions as permitted by law. The procedure set forth in this Article shall be used by Developer and City in complying with the annual review requirement. The City and Developer agree that the annual review process will review compliance by Developer and City with the obligations under this Development Agreement but will not review compliance with other Project Approvals or other agreements between City and Developer.

3.2. Intentionally omitted.

3.3. Commencement of Process; Developer Compliance Letter.

At least fifteen (15) days prior to the anniversary of the Effective Date each year, Developer shall submit a letter to the Director of City's Development Services Director/City Engineer demonstrating Developer's good faith compliance with the material terms and conditions of this Development Agreement and shall include in the letter a statement that the letter is being submitted to City pursuant to the requirements of Government Code Section 65865.1.

3.4. Development Services Director/City Engineer Review.

Within thirty (30) days after the receipt of Developer's letter, the Development Services Director/City Engineer shall review Developer's submission and determine whether Developer has, for the year under review, demonstrated good faith compliance with the material terms and conditions of this Development Agreement. If Developer has demonstrated good faith compliance, then the Development Services Director/City Engineer shall make such a finding and send a letter back to Developer describing the Development Services Director/City Engineer's finding and any comments.

3.5. Development Services Director/City Engineer Noncompliance Finding.

If the Development Services Director/City Engineer finds and determines that there is substantial evidence that Developer has not complied in good faith with the material terms and conditions of this Development Agreement and that Developer is in material breach of this Development Agreement for the year under review, the Development Services Director/City

Engineer shall issue and deliver to Developer a written “**Notice of Default**” specifying in detail the nature of the failures in performance that the Development Services Director/City Engineer claims constitutes material noncompliance, all facts demonstrating substantial evidence of material noncompliance, and the manner in which such noncompliance may be satisfactorily cured in accordance with the Development Agreement. In the event that the material noncompliance is an Event of Default pursuant to ARTICLE 5 herein, the Parties shall be entitled to their respective rights and obligations under both ARTICLE 3 and 5 herein, except that the particular entity allegedly in default shall be accorded only one of the 60-day cure periods referred to in Sections 3.6 and 5.1 herein.

3.6. Cure Period.

If the Development Services Director/City Engineer finds that Developer is not in compliance, the Development Services Director/City Engineer shall grant a reasonable period of time for Developer to cure the alleged noncompliance. The Development Services Director/City Engineer shall grant a cure period of at least sixty (60) days and shall extend the sixty (60) day period if Developer is proceeding in good faith to cure the noncompliance and additional time is reasonably needed. At the conclusion of the cure period, the Development Services Director/City Engineer shall either (i) find that Developer is in compliance; or (ii) find that Developer is not in compliance.

3.7. Referral of Noncompliance to City Council.

The Development Services Director/City Engineer shall refer the alleged default to the City Manager or her designee who then shall discuss the matter with the City Council. If Developer fails to cure the alleged noncompliance to the Development Services Director/City Engineer’s reasonable satisfaction during the prescribed cure period and any extensions thereto. The Development Services Director/City Engineer shall refer the alleged noncompliance to the City Manager who shall forward to the City Council if Developer requests a hearing before the City Council. The Development Services Director/City Engineer shall prepare a staff report to the City Council which shall include, in addition to Developer’s letter, (i) demonstration of City’s good faith compliance with the terms and conditions of this Development Agreement; (ii) the Notice of Default; and (iii) a description of any cure undertaken by Developer during the cure period.

3.8. Delivery of Documents.

At least five (5) days prior to any City hearing regarding Developer’s compliance with this Development Agreement, City shall deliver to Developer all staff reports and all other relevant documents pertaining to the hearing.

3.9. City Council Compliance Finding.

If the City Council, following a noticed public hearing pursuant to Section 3.7, determines that Developer is in compliance with the material terms and conditions of this Development Agreement, the annual review shall be deemed concluded. City shall, at Developer’s request, issue and have recorded a Certificate of Compliance indicating Developer’s compliance with the terms of this Development Agreement.

3.10. City Council Noncompliance Finding.

If the City Council, at a properly noticed public hearing pursuant to Section 3.7, finds and determines, on the basis of substantial evidence, that Developer has not complied in good faith with the material terms or conditions of this Development Agreement and that Developer is in material breach of this Development Agreement, Developer will have a reasonable time determined by the City Council to meet the reasonable terms of compliance approved by the City Council, which time shall be not less than fifteen (15) days. If Developer does not complete the terms of compliance within the time specified, the City Council shall hold a public hearing regarding termination or modification of this Development Agreement. Notification of intention to modify or terminate this Development Agreement shall be delivered to Developer by certified mail containing: (i) the time and place of the City Council hearing; (ii) a statement as to whether City proposes to terminate or modify this Development Agreement and the terms of any proposed modification; and (iii) any other information reasonably necessary to inform Developer of the nature of the proceedings. At the time of the hearing, Developer shall be given an opportunity to be heard. The City Council may impose conditions to the action it takes as necessary to protect the interests of City; provided that any modification or termination of this Development Agreement pursuant to this provision shall bear a reasonable nexus to, and be proportional in severity to the magnitude of, the alleged breach, and in no event shall termination be permitted except in accordance with ARTICLE 5 herein.

3.11. Relationship to Default Provisions.

The above procedures supplement and do not replace that provision of Section 5.1 of this Development Agreement whereby either City or Developer may, at any time, assert matters which either Party believes have not been undertaken in accordance with this Development Agreement by delivering a written Notice of Default and following the procedures set forth in Section 5.1.

3.12. Reimbursement of City's Costs Incurred in Bringing About Cure.

Developer shall be obligated to reimburse to City all costs, expenses, damages and attorneys' fees incurred as a result of any Developer default including all costs incurred in bringing about Developer's cure of any such default.

ARTICLE 4.
AMENDMENTS

4.1. Amendments to Development Agreement Legislation.

This Development Agreement has been entered into in reliance upon the provisions of the Development Agreement Legislation as those provisions existed at the Effective Date. No amendment or addition to those provisions or any other federal or state law and regulation that would materially adversely affect the interpretation or enforceability of this Development Agreement or would prevent or preclude compliance with one or more provisions of this Development Agreement shall be applicable to this Development Agreement unless such amendment or addition is specifically required by the change in law, or is mandated by a court of competent jurisdiction. In the event of the application of such a change in law, the Parties shall

meet in good faith to determine the feasibility of any modification or suspension that may be necessary to comply with such new law or regulation and to determine the effect such modification or suspension would have on the purposes and intent of this Development Agreement and the Vested Elements. Following the meeting between the Parties, the provisions of this Development Agreement may, to the extent feasible, and upon mutual agreement of the Parties, be modified or suspended but only to the minimum extent necessary to comply with such new law or regulation. If such amendment or change is permissive (as opposed to mandatory), this Development Agreement shall not be affected by same unless the Parties mutually agree in writing to amend this Development Agreement to permit such applicability. Developer and/or City shall have the right to challenge any new law or regulation preventing compliance with the terms of this Development Agreement, and in the event such challenge is successful, this Development Agreement shall remain unmodified and in full force and effect. The Term of this Development Agreement may be extended for the duration of the period during which such new law or regulation precludes compliance with the provisions of this Development Agreement.

4.2. Amendments to or Cancellation of Development Agreement.

This Development Agreement may be amended from time to time or canceled in whole or in part by mutual consent of both Parties in writing in accordance with the provisions of the Development Agreement Legislation. Review and approval of an amendment to this Development Agreement shall be strictly limited to consideration of only those provisions to be added or modified. No amendment, modification, waiver or change to this Development Agreement or any provision hereof shall be effective for any purpose unless specifically set forth in a writing that expressly refers to this Development Agreement and signed by the duly authorized representatives of both Parties. All amendments to this Development Agreement shall be recommended for approval by the Planning Commission and approved by the City Council and, upon such approval, will become part of the Project Approvals.

4.3. Operating Memoranda.

The provisions of this Development Agreement require a close degree of cooperation between City and Developer and development of the Property hereunder may demonstrate that refinements and clarifications are appropriate with respect to the details of performance of City and Developer. If and when, from time to time, during the Term of this Development Agreement, City and Developer agree that such clarifications are necessary or appropriate, City and Developer shall effectuate such clarifications through operating memoranda approved by City and Developer, which, after execution, shall be attached hereto as addenda and become a part hereof, and may be further clarified from time to time as necessary with future approval by City and Developer. No such operating memoranda shall constitute an amendment to this Development Agreement requiring public notice or hearing. The City Manager, in consultation with the City Attorney, shall make the determination on behalf of City whether a requested clarification may be effectuated pursuant to this Section 4.3 or whether the requested clarification is of such a character to constitute an amendment hereof pursuant to Section 4.2 above. The City Manager shall be authorized to execute any operating memoranda hereunder on behalf of City.

4.4. Amendments to Project Approvals.

Notwithstanding any other provision of this Development Agreement, Developer may seek and City may review and grant amendments or modifications to the Project Approvals (including the Subsequent Approvals) subject to the following (except that the procedures for amendment of this Development Agreement are set forth in Section 4.2 herein).

4.4.1. Amendments to Project Approvals. Project Approvals (except for this Development Agreement the amendment process for which is set forth in Section 4.2) may be amended or modified from time to time, but only at the written request of Developer or with the written consent of Developer (at its sole discretion) and in accordance with Section 2.4. All amendments to the Project Approvals shall automatically become part of the Project Approvals, except to the extent such amendments are considered by the Development Services Director/City Engineer, in his or her sole discretion, to constitute a major amendment. In such case, Developer consents to any major amendment's review before the Planning Commission for approval or recommendation to the City Council, whose review and approval or denial shall be final. The permitted uses of the Property, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, the conditions, terms, restrictions and requirements for subsequent discretionary actions, the provisions for public improvements and financing of public improvements, and the other terms and conditions of development as set forth in all such amendments, except those considered by the Development Services Director/City Engineer to be a major amendment, shall be automatically vested pursuant to this Development Agreement, without requiring an amendment to this Development Agreement. Amendments to the Project Approvals shall be governed by the Project Approvals and the Applicable Rules, subject to Section 2.4. City shall not request, process or consent to any amendment to the Project Approvals that would affect the Property or the Project without Developer's prior written consent unless a Project Approval has not been activated within two (2) years of commencement of the Term of this Development Agreement or a Project Approval has expired.

4.4.2. Administrative Amendments. Upon the request of Developer for an amendment or modification of any Project Approval, the Development Services Director/City Engineer or his/her designee shall determine: (a) whether the requested amendment or modification is minor when considered in light of the Project as a whole; and (b) whether the requested amendment or modification substantially conforms with the material terms of this Development Agreement and the Applicable Rules. If the Development Services Director/City Engineer or his/her designee finds that the requested amendment or modification is both minor and substantially conforms with the material terms of this Development Agreement and the Applicable Rules, the amendment or modification shall be determined to be an "**Administrative Amendment**," and the Development Services Director/City Engineer or his or her designee may approve the Administrative Amendment, without public notice or a public hearing. Without limiting the generality of the foregoing, lot line adjustments, minor alterations in vehicle circulation patterns or vehicle access points, variations in the location of structures that do not substantially alter the design concepts of the Project, substitution of comparable landscaping for any landscaping shown on any development plan or landscape plan, variations in the location or installation of utilities and other infrastructure connections and facilities that do not substantially alter design concepts of the Project, and minor adjustments to the Property legal description shall

be deemed to be minor amendments or modifications. Any request of Developer for an amendment or modification to a Project Approval that is determined not to be an Administrative Amendment as set forth above shall be subject to review, consideration and action pursuant to the Applicable Rules and this Agreement.

ARTICLE 5.
DEFAULT, REMEDIES AND TERMINATION

5.1. Events of Default.

Subject to any extensions of time by mutual consent of the Parties in writing, and subject to the provisions of Section 9.2 hereof regarding permitted delays and a Mortgagee's right to cure pursuant to Section 8.3 hereof, any failure by either Party to perform any material term or provision of this Development Agreement (not including any failure by Developer to perform any term or provision of any other Project Approvals) shall constitute an **"Event of Default,"** (i) if such defaulting Party does not cure such failure within sixty (60) days (such sixty (60) day period is not in addition to any (60) day cure period under Section 3.7, if Section 3.7 is applicable) following written notice of default from the other Party, where such failure is of a nature that can be cured within such sixty (60) day period, or (ii) if such failure is not of a nature which can be cured within such sixty (60) day period, the defaulting Party does not within such sixty (60) day period commence substantial efforts to cure such failure, or thereafter does not within a reasonable time prosecute to completion with diligence and continuity the curing of such failure.

Any notice of default given hereunder shall specify in detail the nature of the failures in performance that the noticing Party claims constitutes the Event of Default, all facts constituting substantial evidence of such failure, and the manner in which such failure may be satisfactorily cured in accordance with the terms and conditions of this Development Agreement. During the time periods herein specified for cure of a failure of performance, the Party charged therewith shall not be considered to be in default for purposes of (a) termination of this Development Agreement, (b) institution of legal proceedings with respect thereto, or (c) issuance of any approval with respect to the Project. The waiver by either Party of any default under this Development Agreement shall not operate as a waiver of any subsequent breach of the same or any other provision of this Development Agreement.

5.2. Meet and Confer.

During the time periods specified in Section 5.1 for cure of a failure of performance, the Parties shall meet and confer in a timely and responsive manner, to attempt to resolve any matters prior to litigation or other action being taken, including without limitation any action in law or equity; provided, however, nothing herein shall be construed to extend the time period for this meet and confer obligation beyond the 60-day cure period referred to in Section 5.1 (even if the 60-day cure period itself is extended pursuant to Section 5.1) unless the Parties agree otherwise in writing.

5.3. Remedies and Termination.

If, after notice and expiration of the cure periods and procedures set forth in Sections 5.1 and 5.2, the alleged Event of Default is not cured, the non-defaulting Party, at its option, may institute legal proceedings pursuant to Section 5.4 of this Development Agreement and/or terminate this Development Agreement pursuant to Section 5.5 herein. In the event that this Development Agreement is terminated pursuant to Section 5.5 herein and litigation is instituted that results in a final decision that such termination was improper, then this Development Agreement shall immediately be reinstated as though it had never been terminated.

5.4. Legal Action by Parties.

5.4.1. Remedies. Either Party may, in addition to any other rights or remedies, institute legal action to cure, correct or remedy any default, enforce any covenant or agreement herein, enjoin any threatened or attempted violation thereof, enforce by specific performance the obligations and rights of the Parties hereto or to obtain any remedies consistent with the purpose of this Development Agreement. All remedies shall be cumulative and not exclusive of one another, and the exercise of any one or more of these remedies shall not constitute a waiver or election with respect to any other available remedy. Without limiting the foregoing, Developer reserves the right to challenge in court any Future Rules that would conflict with the Vested Elements or the Subsequent Approvals for the Project or reduce the development rights provided by the Project Approvals.

5.4.2. No Damages. In no event shall either Party, or its boards, commissions, officers, agents or employees, be liable in damages for any default under this Development Agreement, it being expressly understood and agreed that the sole legal remedy available to either Party for a breach or violation of this Development Agreement by the other Party shall be an action in mandamus, specific performance or other injunctive or declaratory relief to enforce the provisions of this Development Agreement by the other Party, or to terminate this Development Agreement. This limitation on damages shall not preclude actions by a Party to enforce payments of monies or the performance of obligations requiring an obligation of money from the other Party under the terms of this Development Agreement including, but not limited to obligations to pay attorneys' fees and obligations to advance monies or reimburse monies. In connection with the foregoing provisions, each Party acknowledges, warrants and represents that it has been fully informed with respect to, and represented by counsel of such Party's choice in connection with, the rights and remedies of such Party hereunder and the waivers herein contained, and after such advice and consultation has presently and actually intended, with full knowledge of such Party's rights and remedies otherwise available at law or in equity, to waive and relinquish such rights and remedies to the extent specified herein, and to rely to the extent herein specified solely on the remedies provided for herein with respect to any breach of this Development Agreement by the other Party.

5.5. Termination.

5.5.1. Expiration of Term. Except as otherwise provided in this Development Agreement, this Development Agreement shall be deemed terminated and of no further effect upon the expiration of the Term of this Development Agreement as set forth in Section 1.3.

5.5.2. Survival of Obligations. Upon the termination or expiration of this Development Agreement as provided herein, neither Party shall have any further right or obligation with respect to the Property under this Development Agreement except with respect to any obligation that is specifically set forth as surviving the termination or expiration of this Development Agreement. The termination or expiration of this Development Agreement shall not affect the validity of the Project Approvals (other than this Development Agreement) for the Project.

5.5.3. Termination by City. Notwithstanding any other provision of this Development Agreement, City shall not have the right to terminate this Development Agreement with respect to all or any portion of the Property before the expiration of its Term unless City complies with all termination procedures set forth in the Development Agreement Legislation and there is an alleged Event of Default by Developer and such Event of Default is not cured pursuant to ARTICLE 3 herein or this ARTICLE 5 and Developer has first been afforded an opportunity to be heard regarding the alleged default before the City Council and this Development Agreement is terminated only with respect to that portion of the Property to which the default applies.

ARTICLE 6. COOPERATION AND IMPLEMENTATION

6.1. Further Actions and Instruments.

Each Party to this Development Agreement shall cooperate with and provide reasonable assistance to the other Party and take all actions necessary to ensure that the Parties receive the benefits of this Development Agreement, subject to satisfaction of the conditions of this Development Agreement. Upon the request of any Party, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Development Agreement to carry out the intent and to fulfill the provisions of this Development Agreement or to evidence or consummate the transactions contemplated by this Development Agreement.

6.2. Regulation by Other Public Agencies.

Other public agencies not within the control of City may possess authority to regulate aspects of the development of the Property separately from or jointly with City, and this Development Agreement does not limit the authority of such other public agencies. Nevertheless, City shall be bound by, and shall abide by, its covenants and obligations under this Development Agreement in all respects when dealing with any such agency regarding the Property. To the extent that City, the City Council, the Planning Commission or any other board, agency, committee, department or commission of City constitutes and sits as any other board, agency, commission, committee, or department, it shall not take any action that conflicts with City's obligations under this Agreement unless required to by any State or Federal law.

6.3. Other Governmental Permits and Approvals; Grants.

Developer shall apply in a timely manner in accordance with Developer's construction schedule for the permits and approvals from other governmental or quasi-governmental agencies having jurisdiction over the Project as may be required for the development of, or provision of services to, the Project. Developer shall comply with all such permits, requirements and approvals. City shall cooperate with Developer in its endeavors to obtain (a) such permits and approvals and (b) any grants for the Project for which Developer applies.

6.4. Cooperation in the Event of Legal Challenge.

6.4.1. The filing of any third party lawsuit(s) against City or Developer relating to this Agreement, the Project Approvals or other development issues affecting the Property shall not delay or stop the development, processing or construction of the Project or approval of any Subsequent Approvals, unless the third party obtains a court order preventing the activity. City shall not stipulate to or cooperate in the issuance of any such order.

6.4.2. In the event of any administrative, legal or equitable action instituted by a third party challenging the validity of any provision of this Development Agreement, the procedures leading to its adoption, the Project Approvals for the Project or the portions of the LRPMP applicable to the Property and this Project ("**Initial Litigation Challenge**"), Developer and City each shall have the right, in its sole discretion, to elect whether or not to defend such action, to select its own counsel, and to control its participation and conduct in the litigation in all respects permitted by law. If an Initial Litigation Challenge is filed, upon receipt of the petition, the Parties will have 20 days to meet and confer regarding the merits of such Initial Litigation Challenge and to determine whether to defend against the Initial Litigation Challenge, which period may be extended by the Parties' mutual agreement so long as it does not impact any litigation deadlines.

If, after meeting and conferring, the Parties mutually agree to defend against the Initial Litigation Challenge, then the following shall apply: (i) the Parties hereby agree to affirmatively cooperate in defending said action and to execute a joint defense and confidentiality agreement in order to share and protect information, under the joint defense privilege recognized under applicable law; (ii) for the purposes of cost-efficiency and coordination, the Parties shall first consider defending the Initial Litigation Challenge jointly, with counsel and under terms of joint representation mutually acceptable to the City and Developer (each in its sole discretion), at the Developer's sole cost and expense; and (iii) if the Parties cannot reach timely and mutual agreement on a joint counsel, and Developer continues to elect (in its sole discretion) to defend against the Initial Litigation Challenge, then Developer shall take the lead role defending such Initial Litigation Challenge and may, in its sole discretion, elect to be represented by the legal counsel of its choice, in which case, City, at its expense, may elect to be separately represented by the outside legal counsel of its choice in any such action or proceeding. The City Manager is authorized to negotiate and enter into a joint defense agreement in a form acceptable to the City Attorney. Such joint defense agreement shall also provide that any proposed settlement of an Initial Litigation Challenge shall be subject to City's and Developer's approval, each in its reasonable discretion.

As part of the cooperation in defending an action, City and Developer shall coordinate their defense in order to make the most efficient use of legal counsel and to share and protect information. Developer and City shall each have sole discretion to terminate its defense at any time. If Developer elects, in its sole and absolute discretion, not to defend against the Initial Litigation Challenge, it shall deliver written notice to the City regarding such decision. If Developer elects not to defend, the City has the right, but not the obligation, to proceed to defend against the Initial Litigation Challenge and shall take the lead role defending such Initial Litigation Challenge and may, in its sole discretion, elect to be represented by the legal counsel of its choice, at its sole cost and expense. If Developer elects not to defend, the City has the right, but not the obligation, to terminate this Agreement and consider the Developer's application for any related Project Approvals withdrawn. The City shall not settle any third party litigation of Project Approvals without Developer's consent, which consent shall not be unreasonably withheld, conditioned or delayed.

6.5. Revision to Project.

In the event of a court order issued as a result of a successful legal challenge, City shall, to the extent permitted by law or court order, in good faith seek to comply with the court order in such a manner as will maintain the integrity of the Project Approvals and avoid or minimize to the greatest extent possible (i) any impact to the development of the Project as provided for in, and contemplated by, the Vested Elements, or (ii) any conflict with the Vested Elements or frustration of the intent or purpose of the Vested Elements.

6.6. State, Federal or Case Law.

Where any state, federal or case law allows City to exercise any discretion or take any act with respect to that law, City shall, in an expeditious and timely manner, at the earliest possible time, (a) exercise its discretion in such a way as to be consistent with, and carry out the terms of, this Development Agreement and (b) take such other actions as may be necessary to carry out in good faith the terms of this Development Agreement.

6.7. Defense of Agreement.

City shall take all actions that are necessary or advisable to uphold the validity and enforceability of this Development Agreement. If this Development Agreement is adjudicated or determined to be invalid or unenforceable, City agrees, subject to all legal requirements, to consider modifications to this Development Agreement to render it valid and enforceable to the extent permitted by applicable law. Developer shall pay all of City's costs, including attorneys' fees and experts' costs, incurred to modify or defend this Development Agreement.

ARTICLE 7.
TRANSFERS AND ASSIGNMENTS

7.1. Right to Assign.

Provided City or Successor Agency is the owner of the Property, Developer may not sell, assign or transfer ("**Transfer**") in whole or in part its rights, duties and obligations under this Development Agreement, to any person or entity at any time during the Term of this

Development Agreement without the prior consent of City, which consent shall not be unreasonably withheld. If Developer has exercised its option to purchase, and owns the Property in fee, Developer may Transfer its rights, duties and obligations under this Development Agreement without the prior consent of City; provided, however, in no event shall the rights, duties and obligations conferred upon Developer pursuant to this Development Agreement be at any time so transferred except through a transfer of the Property. In the event of a transfer of a portion of the Property, Developer shall have the right to Transfer its rights, duties and obligations under this Development Agreement that are applicable to the transferred portion, and to retain all rights, duties and obligations applicable to the retained portions of the Property. Upon Developer's request, City shall cooperate with Developer and any proposed transferee to allocate rights, duties and obligations under this Development Agreement and the Project Approvals among the transferred Property and the retained Property.

7.2. Release upon Transfer.

Upon the Transfer of Developer's rights and interests under this Development Agreement pursuant to Section 7.1, Developer shall automatically be released from its obligations and liabilities under this Development Agreement with respect to that portion of the Property transferred, and any subsequent default or breach with respect to the transferred rights and/or obligations shall not constitute a default or breach with respect to the retained rights and/or obligations under this Development Agreement, provided that (i) Developer has provided to City written notice of such Transfer, and (ii) the transferee executes and delivers to City a written agreement in which (a) the name and address of the transferee is set forth and (b) the transferee expressly and unconditionally assumes all of the obligations of Developer under this Development Agreement with respect to that portion of the Property transferred. Upon any transfer of any portion of the Property and the express assumption of Developer's obligations under this Development Agreement by such transferee, City agrees to look solely to the transferee for compliance by such transferee with the provisions of this Development Agreement as such provisions relate to the portion of the Property acquired by such transferee. A default by any transferee shall only affect that portion of the Property owned by such transferee and shall not cancel or diminish in any way Developer's rights hereunder with respect to any portion of the Property not owned by such transferee. The transferor and the transferee shall each be solely responsible for the reporting and annual review requirements relating to the portion of the Property owned by such transferor/transferee, and any amendment to this Development Agreement between City and a transferor or a transferee shall only affect the portion of the Property owned by such transferor or transferee. Failure to deliver a written assumption agreement hereunder shall not affect the running of any covenants herein with the land, as provided in Section 7.3 below, nor shall such failure negate, modify or otherwise affect the liability of any transferee pursuant to the provisions of this Development Agreement.

7.3. Covenants Run with the Land.

All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Development Agreement shall be binding upon the Parties and their respective successors (by merger, reorganization, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all of the persons or entities acquiring the Property or any portion thereof, or any interest therein, whether by operation of law or in any

manner whatsoever, and shall inure to the benefit of the Parties and their respective successors (by merger, consolidation or otherwise) and assigns. All of the provisions of this Development Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law, including but not limited to, Section 1468 of the Civil Code of the State of California. Each covenant to do, or refrain from doing, some act on the Property hereunder (i) is for the benefit of such Property and is a burden upon such Property, (ii) runs with such Property, (iii) is binding upon each Party and each successive owner during its ownership of such Property or any portion thereof, and (iv) each person or entity having any interest therein derived in any manner through any owner of such Property, or any portion thereof, and shall benefit the Property hereunder, and each other person or entity succeeding to an interest in such Property.

ARTICLE 8.

MORTGAGEE PROTECTION; CERTAIN RIGHTS OF CURE

8.1. Mortgagee Protection.

This Development Agreement shall not prevent or limit Developer in any manner, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property ("**Mortgage**"). This Development Agreement shall be superior and senior to any lien placed upon the Property or any portion thereof after the date of recording this Development Agreement, including the lien of any Mortgage. Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Development Agreement shall be binding upon and effective against and inure to the benefit of any person or entity, including any deed of trust beneficiary or mortgagee ("**Mortgagee**") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

8.2. Mortgagee Not Obligated.

Notwithstanding the provisions of Section 8.1 above, no Mortgagee shall have any obligation or duty under this Development Agreement to perform Developer's obligations or other affirmative covenants of Developer hereunder; provided, however, that a Mortgagee shall not be entitled to devote the Property to any uses or to construct any improvements thereon other than those uses or improvements provided for or authorized by this Development Agreement, or by the Project Approvals and Applicable Rules.

8.3. Notice of Default to Mortgagee; Right of Mortgagee to Cure.

If City receives a notice from a Mortgagee requesting a copy of any Notice of Default given to Developer hereunder and specifying the address for service thereof, then City shall deliver to such Mortgagee, concurrently with service thereon to Developer, any notice given to Developer with respect to any claim by City that Developer has committed a default, and if City makes a determination of noncompliance hereunder, City shall likewise serve notice of such noncompliance on such Mortgagee concurrently with service thereof on Developer. Each

Mortgagee shall have the right (but not the obligation) during the same period available to Developer to cure or remedy, or to commence to cure or remedy, the Event of Default claimed or the areas of noncompliance set forth in City's notice.

8.4. No Supersedure.

Nothing in this ARTICLE 8 shall be deemed to supersede or release a Mortgagee or modify a Mortgagee's obligations under any subdivision improvement agreement or other obligation incurred with respect to the Project outside this Development Agreement, nor shall any provision of this ARTICLE 8 constitute an obligation of City to such Mortgagee, except as to the notice requirements of Section 8.3.

8.5. Technical Amendments.

City agrees to reasonably consider and approve interpretations and/or technical amendments to the provisions of this Agreement that are required by lenders for the acquisition and construction of the improvements on the Property or any refinancing thereof and to otherwise cooperate in good faith to facilitate Developer's negotiations with lenders.

ARTICLE 9.
MISCELLANEOUS PROVISIONS

9.1. Limitation on Liability.

Notwithstanding anything to the contrary contained in this Development Agreement, in no event shall any member, officer, agent or employee of City be personally liable for any breach of this Development Agreement by City or for any amount which may become due to Developer under the terms of this Development Agreement.

9.2. Force Majeure.

The Term of this Development Agreement and the Project Approvals and the time within which Developer shall be required to perform any act under this Development Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably and beyond the reasonable control of the Party seeking the delay by strikes, lock-outs and other labor difficulties, Acts of God, inclement weather, failure or inability to secure materials or labor by reason of priority or similar regulations or order of any governmental or regulatory body, changes in local, state or federal laws or regulations, any development moratorium or any action of other public agencies that regulate land use, development or the provision of services prevents, prohibits or delays construction of the Project, enemy action, civil disturbances, wars, terrorist acts, fire, unavoidable casualties, litigation involving this Agreement or the Project Approvals, or any other cause beyond the reasonable control of Developer which substantially interferes with carrying out the development of the Project. Such extension(s) of time shall not constitute an Event of Default and shall occur at the request of any Party. In addition, the Term of this Development Agreement and any subdivision map or any of the other Project Approvals shall not include any period of time during which (i) a development moratorium including, but not limited to, a water or sewer moratorium, is in effect; (ii) the actions of public agencies that regulate land use, development or the provision of services

to the Property prevent, prohibit or delay either the construction, funding or development of the Project; or (iii) there is any mediation, arbitration, litigation or other administrative or judicial proceeding pending involving the Vested Elements, or Project Approvals. The Term of the Project Approvals shall therefore be extended by the length of any development moratorium or similar action; the amount of time any actions of public agencies prevent, prohibit or delay the construction, funding or development of the Project; or the amount of time to finally resolve any mediation, arbitration, litigation or other administrative or judicial proceeding involving the Vested Elements, or Project Approvals. Furthermore, in the event the issuance of a building permit for any part of the Project is delayed as a result of Developer's inability to obtain any other required permit or approval, then the Term of this Development Agreement shall be extended by the period of any such delay.

9.3. Notices, Demands and Communications Between the Parties.

Formal written notices, demands, correspondence and communications between City and Developer shall be sufficiently given if delivered personally (including delivery by private courier), dispatched by certified mail, postage prepaid and return receipt requested, or delivered by nationally recognized overnight courier service, or by electronic facsimile transmission followed by delivery of a "hard" copy to the offices of City and Developer indicated below. Such written notices, demands, correspondence and communications may be sent in the same manner to such persons and addresses as either Party may from time-to-time designate in writing at least fifteen (15) days prior to the name and/or address change and as provided in this Section 9.3.

City:	City of Pinole 2131 Pear Street Pinole, CA 94564 Attn: City Manager
with copies to:	City of Pinole 2131 Pear Street Pinole, CA 94564 Attn: City Attorney
Developer:	Baljit Dhaliwal 1068 Turquoise Drive Hercules, CA 94547

Notices personally delivered shall be deemed to have been received upon delivery. Notices delivered by certified mail, as provided above, shall be deemed to have been given and received on the first to occur of (i) actual receipt by any of the addresses designated above as the Party to whom notices are to be sent, or (ii) within five (5) days after a certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. Notices delivered by overnight courier service as provided above shall be deemed to have been received twenty-four (24) hours after the date of deposit. Notices delivered by electronic

facsimile transmission shall be deemed received upon receipt of sender of electronic confirmation of delivery, provided that a “hard” copy is delivered as provided above.

9.4. Project as a Private Undertaking; No Joint Venture or Partnership. The Project constitutes private development, neither City nor Developer is acting as the agent of the other in any respect hereunder, and City and Developer are independent entities with respect to the terms and conditions of this Agreement. Nothing contained in this Development Agreement or in any document executed in connection with this Development Agreement shall be construed as making City and Developer joint venturers or partners.

9.5. Severability.

If any terms or provision(s) of this Development Agreement or the application of any term(s) or provision(s) of this Development Agreement to a particular situation, is (are) held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Development Agreement or the application of this Development Agreement to other situations, shall remain in full force and effect unless amended or modified by mutual consent of the Parties. Notwithstanding the foregoing, if any material provision of this Development Agreement, or the application of such provision to a particular situation, is held to be invalid, void or unenforceable, Developer (in its sole and absolute discretion) may terminate this Development Agreement by providing written notice of such termination to City.

9.6. Section Headings.

Article and Section headings in this Development Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants or conditions of this Development Agreement.

9.7. Construction of Agreement.

This Development Agreement has been reviewed and revised by legal counsel for both Developer and City, and no presumption or rule that ambiguities shall be construed against the drafting Party shall apply to the interpretation or enforcement of this Development Agreement.

9.8. Entire Agreement.

This Development Agreement, including the Recitals, and exhibits attached hereto and incorporated by reference herein, together with the Project Approvals, constitutes the entire understanding and agreement of the Parties and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. The exhibits and appendices are as follows:

- | | |
|-----------|-----------------------------------|
| Exhibit A | Legal Description of the Property |
| Exhibit B | Impact Fees |
| Exhibit C | Resale Restriction Agreement |

9.9. Estoppel Certificates.

Either Party may, at any time during the Term of this Development Agreement, and from time to time, deliver written notice to the other Party requesting such Party to certify in writing that, to the knowledge of the certifying Party, (i) this Development Agreement is in full force and effect and a binding obligation of the Parties, (ii) this Development Agreement has not been amended or modified either orally or in writing, or if amended; identifying the amendments, (iii) the requesting Party is not in default in the performance of its obligations under this Development Agreement, or if in default, to describe therein the nature and amount of any such defaults, and (iv) any other information reasonably requested. The Party receiving a request hereunder shall execute and return such certificate or give a written, detailed response explaining why it will not do so within twenty (20) days following the receipt thereof. The failure of either Party to provide the requested certificate within such twenty (20) day period shall constitute a confirmation that this Agreement is in full force and effect and no modification or default exists. Either the City Manager or her designee shall have the right to execute any certificate requested by Developer hereunder. City acknowledges that a certificate hereunder may be relied upon by transferees and Mortgagees.

9.10. Recordation.

Pursuant to California Government Code Section 65868.5, within ten (10) days after the later of the Parties' execution of this Development Agreement or the Effective Date, the City Clerk shall record this Development Agreement with the Contra Costa County Recorder. Thereafter, if this Development Agreement is terminated, modified or amended, the City Clerk shall record notice of such action with the Contra Costa County Recorder.

9.11. No Waiver.

No delay or omission by either Party in exercising any right or power accruing upon noncompliance or failure to perform by the other Party under any of the provisions of this Development Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either Party of any of the covenants or conditions to be performed by the other Party shall be in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought, and any such waiver shall not be construed as a waiver of any succeeding breach or non-performance of the same or other covenants and conditions hereof.

9.12. Time Is of the Essence.

Time is of the essence for each provision of this Development Agreement for which time is an element.

9.13. Applicable Law.

This Development Agreement shall be construed and enforced in accordance with the laws of the State of California.

9.14. Attorneys' Fees.

Should any legal action be brought by either Party because of a breach of this Development Agreement or to enforce any provision of this Development Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and such other costs as may be found by the court.

9.15. Third Party Beneficiaries.

Except as otherwise provided herein, City and Developer hereby renounce the existence of any third party beneficiary to this Development Agreement and agree that nothing contained herein shall be construed as giving any other person or entity third party beneficiary status.

9.16. Constructive Notice and Acceptance.

Every person who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Development Agreement is contained in the instrument by which such person acquired an interest in the Property.

9.17. Counterparts.

This Development Agreement may be executed by each Party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

9.18. Authority.

The persons signing below represent and warrant that they have the authority to bind their respective Party and that all necessary board of directors', shareholders', partners', city councils' or other approvals have been obtained.

IN WITNESS WHEREOF, City and Developer have executed this Development Agreement as of the date first set forth above.

DEVELOPER:

BAJIT DHALIWAL
an individual

By: _____

Name: Bajit Dhaliwal

Title: _____

CITY:

CITY OF PINOLE

a municipal corporation

By: _____

Name: _____

Title: _____

ATTESTATION:

By: _____

City Clerk

APPROVED AS TO FORM:

By: _____

Eric S. Casher

City Attorney

SIGNATURES MUST BE NOTARIZED

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

~~ORDER NO. 0190005162 BM~~

EXHIBIT A

The land referred to is situated in the County of Contra Costa, City of Pinole, State of California, and is described as follows:

Parcels B and C, designated on the Parcel Map filed December 19, 1974, in Book 36 of Parcel Maps, Page 16, Contra Costa County Records.

APN: 402-013-060
402-013-061

EXHIBIT B
IMPACT FEES



City of Pinole Master Fee Schedule

Copying & Imaging

Photocopies	\$1 per page
Microfilm retrieval	\$2 per page
Imaging Fee	\$3 per page

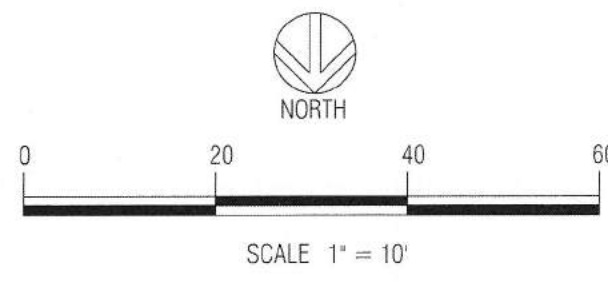
Development Impact Fees (Resolution No. 2018-29/4-3-2018)

Facility Category	Single Family	Multi-Family	Office	Commercial	Industrial	Institutional
Fee per Dwelling Unit			Fee per 1,000 Building Square Feet			
Police	\$1,148.95	\$870.42	\$435.21	\$139.27	\$348.17	\$34.82
Fire Protection	\$1,468.25	\$1,112.31	\$556.16	\$177.97	\$444.92	\$44.49
Public Facilities & Equipment	\$1,981.29	\$1,500.98	\$750.49	\$240.16	\$600.39	\$60.04
Wastewater	\$4,943.00	\$3,707.00	\$2,296.00	\$2,296.00	\$1,879.00	\$1,252.00
Transportation	\$414.83	\$294.53	\$555.87	\$1,389.68	\$365.05	\$1,053.67
Drainage	\$1,104.82	\$66.29	\$162.32	\$162.32	\$321.27	\$380.45
Growth Impact Total	\$11,061.14	\$7,551.53	\$4,756.05	\$4,405.40	\$3,958.80	\$2,825.47
Parks and Recreation	\$8,013.78	\$6,071.05	N/A	N/A	N/A	N/A
Subtotal	\$19,074.92	\$13,622.58	\$4,756.05	\$4,405.40	\$3,958.80	\$2,825.47
Administration 3%	\$572.25	\$408.68	\$142.68	\$132.16	\$118.76	\$84.76
Total	\$19,647.17	\$14,031.26	\$4,898.73	\$4,537.56	\$4,077.56	\$2,910.23
* Note: Hourly fee is the burdened building inspector labor rate plus 35% for budgeted operational expenses (e.g. administrative support, utilities, training, equipment etc.) plus on call building consulting services. **Note: Building Valuation shall be based on the higher of 1) the applicant's estimated valuation or 2) the most current Building Valuation as printed and published by the International Code Council and adjusted using the most current City Cost Index as printed and published by R.S Means Building Construction Cost Data, or as shown on the "Building Valuation Supplement" for items not covered in the International Code Council Building Valuation Data.						

EXHIBIT C
RESALE RESTRICTION

[Return to Agenda](#)

3598308.1



ATTACHMENT C

ENGINEER
KLC CONSULTING ENGINEERS
1100 SAN PABLO AVENUE, SUITE 207, EL CERRITO, CA 94530
TEL: (510) 232-0300
FAX: (510) 232-0303

OWNER / APPLICANT
BALJIT DHALIWAL
1068 TORQUISE DRIVE, HERCULES, CA 94547

PROPERTY ADDRESS
HAZEL STREET, PINOLE, CA

ASSESSORS PARCEL NO.
402-013-060

EXISTING AND PROPOSED ZONING
RESIDENTIAL

SANITARY SEWER
WEST COUNTY WASTE WATER DISTRICT

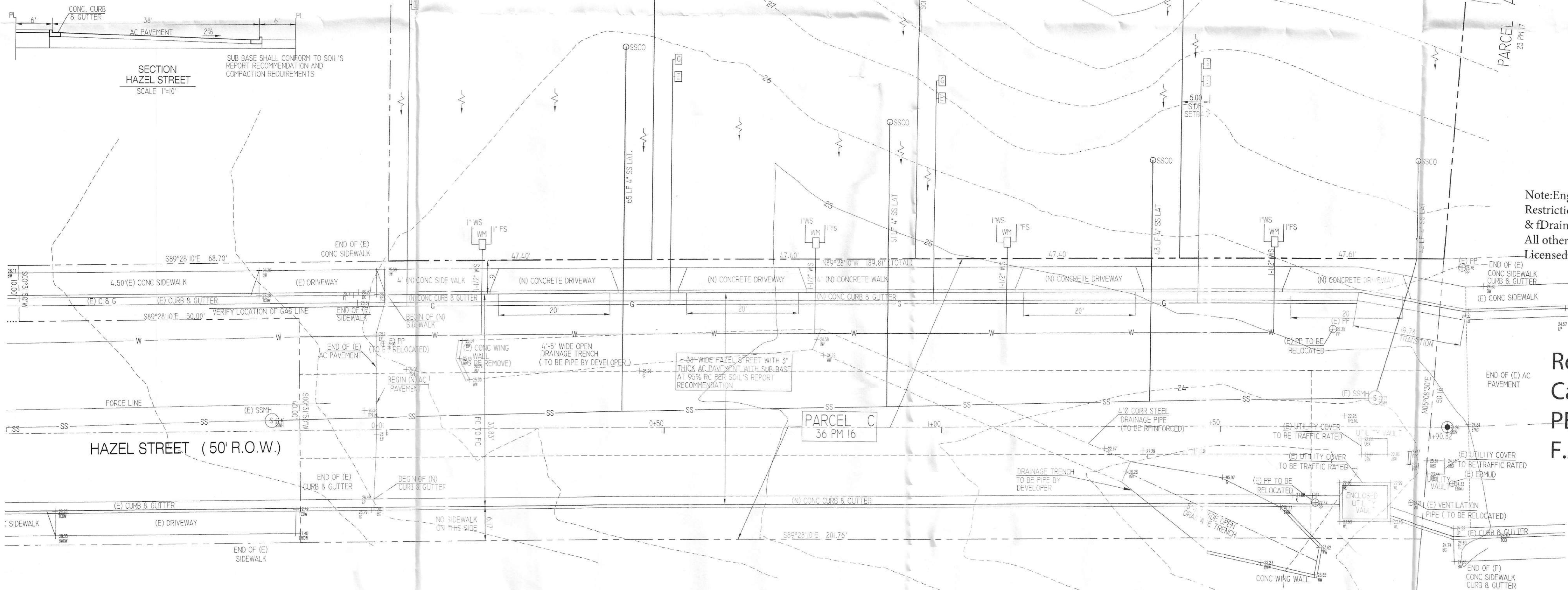
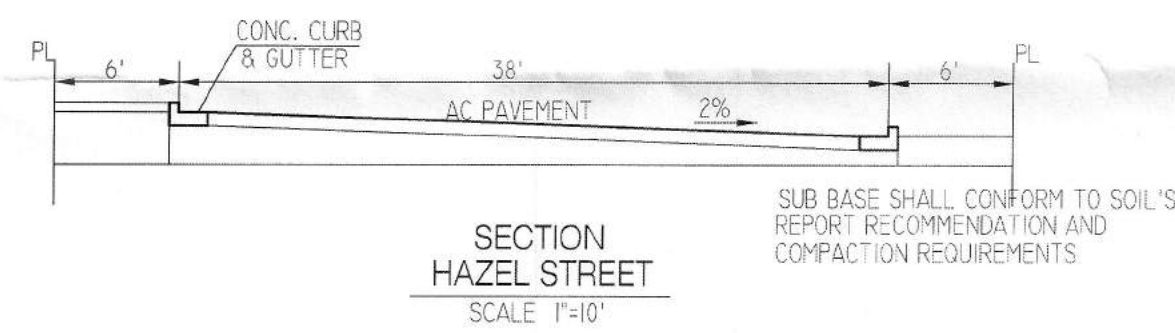
WATER SERVICE
EAST BAY MUNICIPAL DISTRICT

GAS AND ELECTRIC
PACIFIC GAS AND ELECTRIC

FIRE PROTECTION
PINOLE FIRE DEPARTMENT

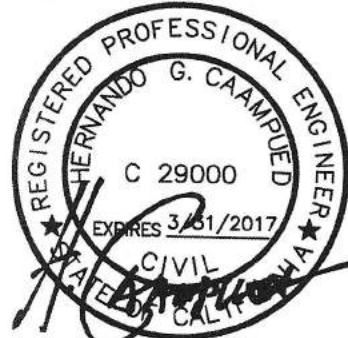
TOTAL AREA TO BE DIVIDED
PARCEL B (36 PM 16) A = 24,572 SF

LEGEND :
----- PROPERTY LINE
----- MONUMENT LINE
----- ADJACENT PROPERTY LINE



Note: Engineers Affixed stamp with
Restrictions to include: Civil, Grading
& fDrainage Only.
All other surveying items will be by
Licensed Surveyor

Ronald Campos,
PE,
F.ASCE
Digitally signed by
Ronald Campos, PE,
F.ASCE
DN: cn=Ronald
Campos, PE, F.ASCE,
email=ronald_campos
@sbcbglobal.net, c=US
Date: 2020.08.04
10:52:12 -07'00'

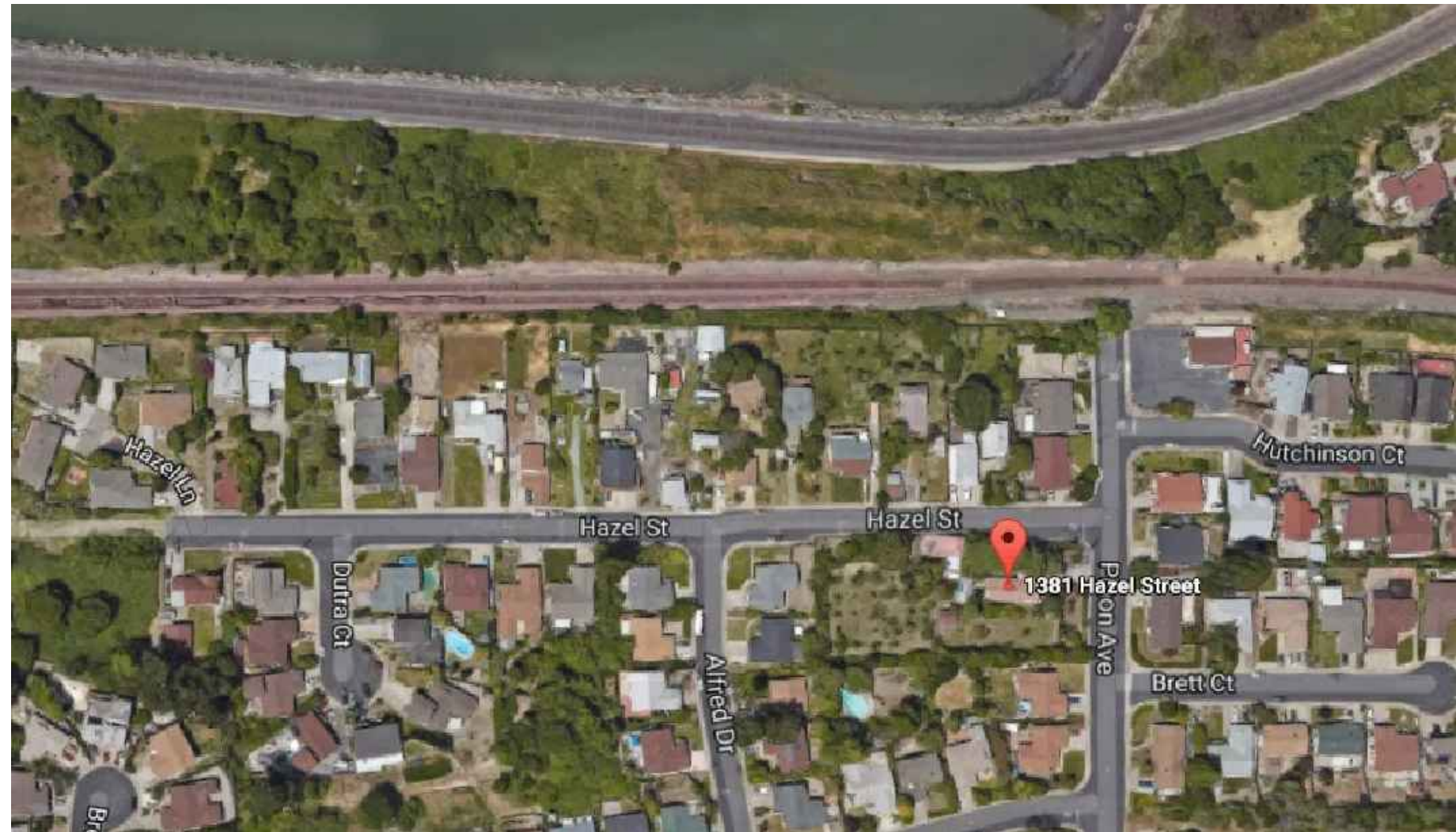


CONSULTANT:  KLC CONSULTING ENGINEERS, INC. 1100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530 TEL: 510-232-0300; FAX: 510-232-0303 http://www.klce.com	
PROJECT / OWNER TENTATIVE PARCEL MAP APN 402-013-060 BALJIT DHALIWAL ADDRESS: HAZEL STREET CITY: PINOLE	DRAWN: AM CHECKED: RBC SCALE: DATE: 07/06/17 The information, plans, designs, notes & arrangements shown on this drawing are confidential and may not be reproduced in whole or in part without the written permission of KLC Consulting Engineers, Inc. Drawings noted as Preliminary, Schematic and / or Concept contain information that is conceptual and subject to verification and / or change. The Engineer makes no claim for accuracy of conceptual information or information supplied by others.
TENTATIVE MAP	
PROJ. NO. 16-513	REVISIONS: 070617
SHEET NO: C-2A	

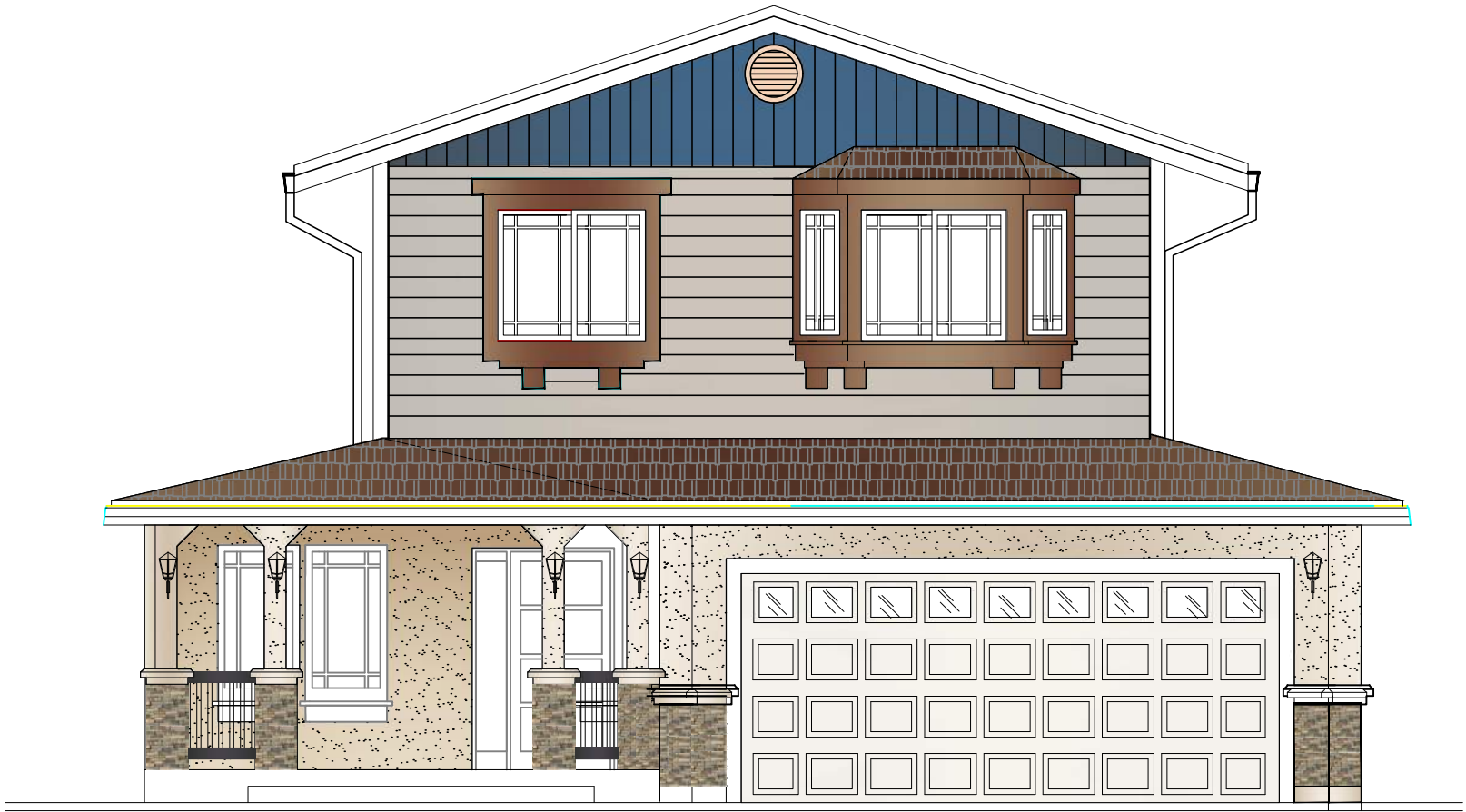
DHALI-BALI DEVELOPMENT

LOT #1 - MODEL #1
HAZEL ST., PINOLE, CA. 94564

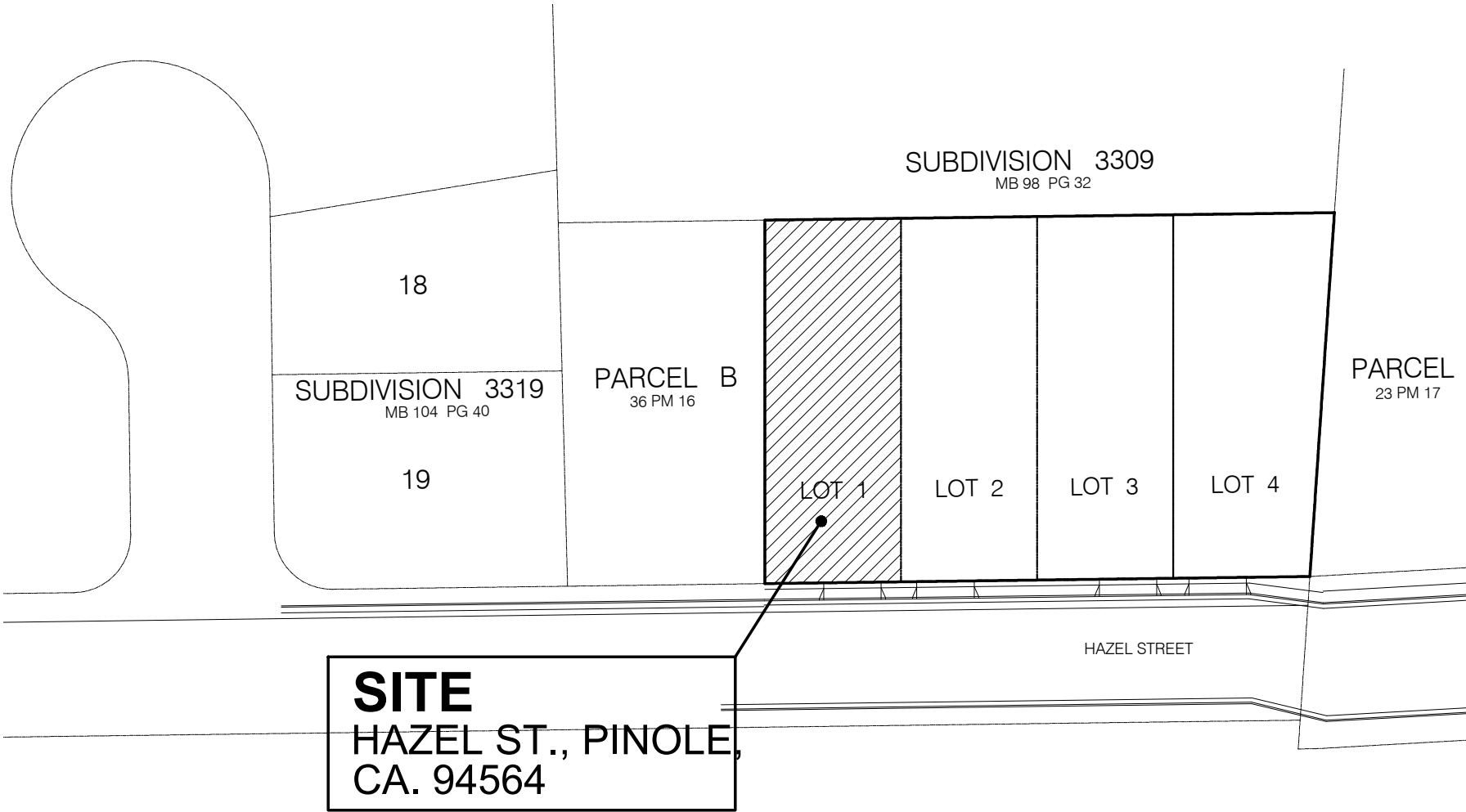
AERIAL VIEW



FRONT VIEW



LOCATION MAP



VICINITY MAP



CODE COMPLIANCE & BLDG DATA

2016 CALIFORNIA BUILDING CODE (CBC 2016)	OWNER	BALJIT DHALIWAL 1068 TURQUOISE DR., HERCULES, CA
2016 CALIFORNIA RESIDENTIAL CODE	APN	402-013-060
2016 CALIFORNIA ELECTRIC CODE	PROPERTY AREA	6,001 SF
2016 CALIFORNIA ENERGY CODE	ZONING	R1- SINGLE FAMILY RESIDENTIAL
2016 CALIFORNIA MECHANICAL CODE	TYPE CONSTRUCTION	V - N
2016 CALIFORNIA PLUMBING CODE	OCCUPANCY GROUPS	R-1, U-1
	F.A.R.	$\frac{2,172}{6,000} = 0.362$

GARAGE AREA	434 SF
FIRST FLOOR LEVEL	1,205 SF
SECOND FLOOR LEVEL	1,025 SF
PORCHES & BALCONIES- 1ST FLOOR LEVEL	261 SF
PORCHES & BALCONIES- 2ND FLOOR LEVEL	NA

SCOPE OF WORK

1. PROPOSED 1,205 SF LIVING SPACE AT GROUND FLOOR & 1,025 SF AT SECOND FLOOR
2. PROPOSED 2-CAR GARAGE WITH APPROX. AREA OF 434 SF.
3. PROPOSED 90 SF FRONT PATIO, 171 SF BACK PATIO

DRAWING INDEX

A1.0	COVER SHEET, AREA MAP/ PARCEL MAP & OTHER INFO
A0.1	PERSPECTIVE (LOTS #1,2,3 & 4)
C1	TOPOGRAPHIC SURVEY
C2	GRADING, DRAINAGE, & UTILITY PLAN
C3	STORMWATER MANAGEMENT PLAN
A1.1	OVERALL SITE PLAN
A1.2	PLOT PLAN & PROFILE SECTION
A2.0	GROUND & SECOND FLOOR PLANS
A3.0	ELEVATIONS
A4.0	SECTIONS / ROOF PLAN
A5.0	WINDOW VISIBILITY LOCATION PLANS (LOTS 1,2,3,4)
L1.0	CONCEPTUAL LANDSCAPE PLAN, FENCING PLAN

GENERAL NOTES

THESE NOTES ARE ARRANGED ACCORDING TO THE FOLLOWING DIVISIONS AS A CONVENIENCE TO THE CONTRACTOR. GENERAL NOTES ARE NOT LIMITED BY THEIR DIVISION HEADING AND APPLY AS NECESSARY THROUGHOUT THE ENTIRE PROJECT.

1. CODES

- A) ALL CONTRACTORS WORK SHALL CONFORM TO THE 2016 CALIFORNIA BUILDING, MECHANICAL, ELECTRICAL, PLUMBING, AND FIRE CODES, AMERICANS WITH DISABILITIES ACT, AND ALL OTHER APPLICABLE CODES, OR THOSE ADOPTED BY THE CITY OF PINOLE, CALIFORNIA. GOVERNING AUTHORITIES AND CODES TAKE PRECEDENCE OVER DRAWINGS AND SPECIFICATIONS. REPORT DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.

2. READING THE PLANS

- A) DIMENSIONS SHALL GOVERN ON WORKING DRAWINGS. DO NOT SCALE DRAWINGS.
B) IN THE EVENT CERTAIN FEATURES OF THE CONSTRUCTION ARE NOT FULLY SHOWN ON THE DRAWINGS OR CALLED FOR IN THE NOTES OR SPECIFICATIONS, THEN THEIR CONSTRUCTION SHALL BE OF THE SAME CHARACTER AS FOR SIMILAR CONDITIONS THAT ARE SHOWN OR CALLED FOR.
C) SHOULD CONFLICTS OCCUR BETWEEN THE DRAWINGS AND SPECIFICATIONS, DRAWINGS SHALL GOVERN IN MATTERS OF DIMENSION OR QUANTITY; SPECIFICATIONS SHALL GOVERN IN MATTERS OF MATERIALS OR FINISHES.
D) IN CASE OF DISCREPANCIES OR CONFLICTS IN INFORMATION OR REQUIREMENTS WITHIN THE DRAWINGS, WITHIN THE SPECIFICATIONS, OR BETWEEN THE DRAWINGS AND THE SPECIFICATIONS, THE MOST EXPENSIVE REQUIREMENT SHOWN OR SPECIFIED SHALL BE THE BASIS OF THE CONTRACT.

3. PRIOR TO CONSTRUCTION

- A) PRIOR TO CONSTRUCTION AND GRADING, VERIFY ALL EXISTING CONDITIONS AND CONTACT UTILITY COMPANIES AND AFFECTED CITY AGENCIES. CONTACT "UNDERGROUND SERVICE ALERT" PHONE: (800) 642-2444.
B) THE CONTRACTOR SHALL THOROUGHLY REVIEW PLANS AND EXISTING SITE CONDITIONS AND NOTIFY ARCHITECT OF ANY DISCREPANCIES, ERRORS OR OMISSIONS PRIOR TO CONSTRUCTION.

4. SITE WORK

- A) THE CIVIL ENGINEER IS RESPONSIBLE FOR PROVIDING THE FOLLOWING INFORMATION:
1) FINISHED AND EXISTING GRADES
2) ALL SITE DRAINAGE
3) SIZES AND TYPE OF CURB AND GUTTERS
4) SITE DIMENSION AND SETBACKS
B) VERIFY DIMENSIONS, GRADES, ELEVATIONS AND CRITICAL LOCATIONS, SUCH AS STRUCTURAL SUPPORTS, BEFORE COMMENCING WORK AFFECTED BY THEM. THE CONTRACTOR SHALL REPORT ANY DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.

5. CONSTRUCTION

- A) NEITHER THE ARCHITECT, NOR THE ENGINEERS, NOR THE OWNER SHALL BE RESPONSIBLE FOR: CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, OR PROCEDURES OF THE CONTRACTOR; SAFETY PRECAUTIONS AND PROGRAMS OF THE CONTRACTOR; THE ACTS OR OMISSIONS OF THE CONTRACTOR; OR THE FAILURE OF CONTRACTOR TO CARRY OUT THE WORK IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.
B) THE CONTRACTOR SHALL BE RESPONSIBLE FOR PERFORMING ALL WORK REQUIRED FOR A COMPLETELY FINISHED PROJECT. THE CONTRACTOR SHALL ALSO BE RESPONSIBLE FOR ALL WORK FURNISHED BY SUBCONTRACTORS.
C) INSTALL ALL MATERIALS AND PRODUCTS IN STRICT ACCORDANCE WITH MANUFACTURER'S RECOMMENDATION AND APPLICABLE ICBO REPORTS.
D) THE CONTRACTOR SHALL REPORT TO THE ARCHITECT INCONSISTENCIES HE MAY DISCOVER. THE CONTRACTOR IS RESPONSIBLE FOR CORRECTING ANY ERROR AFTER THE START OF CONSTRUCTION WHICH HAS NOT BEEN BROUGHT TO THE ATTENTION OF THE ARCHITECT. THE MEANS OF CORRECTING ANY ERROR SHALL BE FIRST APPROVED BY THE OWNER.
E) NO STRUCTURAL MEMBERS SHALL BE CUT TO ACCEPT PIPES, VENTS, DUCTS, ETC., EXCEPT AS DETAILED OR SPECIFIED HEREIN OR AS APPROVED BY THE STRUCTURAL ENGINEER IN WRITING.
F) THE CONTRACTOR SHALL PERFORM ALL WORK IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE BUILDING OFFICIAL. THE APPROVED PLANS AND SPECIFICATIONS SHALL NOT BE CHANGED OR MODIFIED WITHOUT THE APPROVAL OF THE BUILDING OFFICIAL PER SECTION 106 OF THE CALIFORNIA BUILDING CODE.
G) EXTERIOR OPENINGS OF THE WORK SHALL COMPLY WITH ALL SECURITY REQUIREMENTS AS OUTLINED IN ALL LOCAL BUILDING CODES AND ORDINANCES.
H) CONTRACTOR SHALL ASSUME SOLE RESPONSIBILITY FOR SAFETY ON OR ABOUT THE CONSTRUCTION SITE IN ACCORDANCE WITH APPLICABLE LAWS AND CODE, AND SHALL OBSERVE SAFETY PROVISIONS OF THE LATEST MANUAL OF ACCIDENT PREVENTION PUBLISHED BY THE ASSOCIATION OF GENERAL CONTRACTORS OF AMERICA.

6. JOB SITE

- A) IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL EXISTING UTILITIES, WHETHER SHOWN HEREIN OR NOT, AND TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR ALL THE EXPENSE FOR REPAIR OR REPLACEMENT OF UTILITIES AND/OR OTHER PROPERTY DAMAGED BY OPERATIONS IN CONJUNCTIONS WITH THE EXECUTION OF WORK.
B) CONTRACTOR SHALL PROVIDE TEMPORARY PROJECT OFFICE, TELEPHONE, FAX MACHINE, SECURITY FENCE, WATER, POWER, AND TOILET FACILITIES. COORDINATE LOCATIONS WITH ALL APPROPRIATE AGENCIES. CONTRACTOR'S FIELD OFFICE SHALL ALSO CONTAIN A CURRENT COPY OF GOVERNING BUILDING CODE(S).

- C) CITY APPROVED PLANS SHALL BE KEPT IN A PLAN BOX IN THE FIELD OFFICE AND SHALL NOT BE USED BY WORKERS. ALL CONSTRUCTION SETS SHALL BE KEPT UP TO DATE, AND REFLECT THE SAME INFORMATION. THE CONTRACTOR SETS SHALL REFLECT THE SAME INFORMATION. THE CONTRACTOR SHALL ALSO MAINTAIN, IN GOOD CONDITION, ONE COMPLETE SET OF PLANS AND SPECIFICATIONS WITH ALL REVISIONS, ADDENDA, AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THESE ARE TO BE UNDER THE CARE OF THE JOB SUPERINTENDENT.

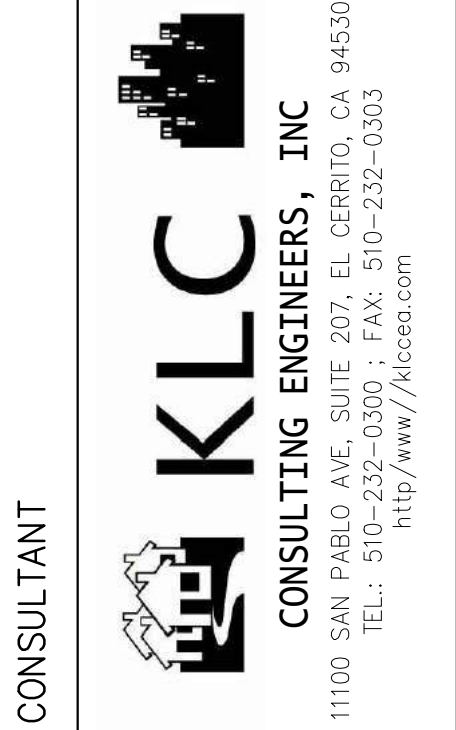
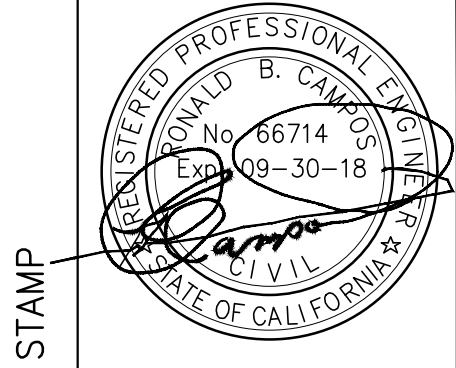
- D) CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETE SECURITY OF THE SITE WHILE THE JOB IS IN PROGRESS AND UNTIL THE JOB IS COMPLETE.
E) CONTRACTOR SHALL MAINTAIN THE SITE IN A CLEAN AND ORDERLY MANNER. NO RADIOS, ALCOHOL, OR CONTROLLED SUBSTANCES ARE ALLOWED ON THE JOB SITE. ALL DEBRIS SHALL BE REMOVED FROM PREMISES, AND ALL AREAS SHALL BE LEFT IN A BROOM-CLEAN CONDITION ON A DAILY BASIS.

7. COMMUNICATION

- A) FIELD CONFIRMATION OF DISCREPANCIES SHALL BE RECORDED ON A REPRODUCIBLE DOCUMENT AND IMMEDIATELY TRANSMITTED TO ARCHITECT FOR PROJECT RECORD, COORDINATION, AND NECESSARY RESOLUTION PRIOR TO CONTINUING WORK.
B) THE GENERAL CONTRACTOR SHALL PROVIDE OR MAKE AVAILABLE A COMPLETE SET OF CONSTRUCTION DOCUMENTS (INCLUDING DRAWINGS AND SPECIFICATIONS) TO EVERY SUBCONTRACTOR BIDDING ANY PORTION OF THIS PROJECT. THE CONSTRUCTION DOCUMENTS SHALL NOT BE SEPARATED INTO DISCIPLINES (ARCHITECTURAL, MECHANICAL, ELECTRICAL, ETC.), FOR PURPOSE OF SUBCONTRACTOR BIDDING. THE GENERAL CONTRACTOR SHALL REQUIRE BIDDING SUBCONTRACTOR TO REVIEW THE ENTIRE SET OF CONSTRUCTION DOCUMENTS TO OBTAIN CLARITY ON THE COMPLETE SCOPE OF THEIR WORK AND REFER TO CROSS DISCIPLINE DRAWINGS FOR FULL COORDINATION OF WORK WITH OTHER TRADES, AND TO BE AWARE OF ALL WORK WHICH DOES NOT APPEAR WITHIN THE PARTICULAR DISCIPLINE'S DRAWINGS FOR THE PARTICULAR TRADE. FURTHERMORE, THE GENERAL CONTRACTOR SHALL INSURE THAT EACH SUBCONTRACTOR WORKING ON THE PROJECT MAINTAINS A FULL SET OF CONSTRUCTION DOCUMENTS THROUGHOUT THE CONSTRUCTION OF THE PROJECT.

8. COMPLETION

- A) ONE SET OF EQUIPMENT OPERATING AND MAINTENANCE MANUALS PER UNIT SHALL BE SUBMITTED TO OWNER UPON COMPLETION OF PROJECT, PRIOR TO REQUEST FOR FINAL PAYMENT.
B) CONTRACTOR SHALL ASSIST OWNER IN OBTAINING "CERTIFICATE OF OCCUPANCY" OR "OCCUPANCY PERMIT" AS NECESSARY.



PROJECT & OWNER (S):
NEW TWO-STOREY RESIDENCE

MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC
CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

TITLE SHEET
GENERAL NOTES,
VICINITY MAP, INFO,
ETC.

PROJ. NO. 16-574

REVISIONS:
PLANNING PERMIT SUBMITTAL 12/22/16
PLANNING PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 1

A1.0



LOT #1



LOT #2



LOT #3



LOT #4

FRONT ELEVATIONS



AERIAL PERSPECTIVE

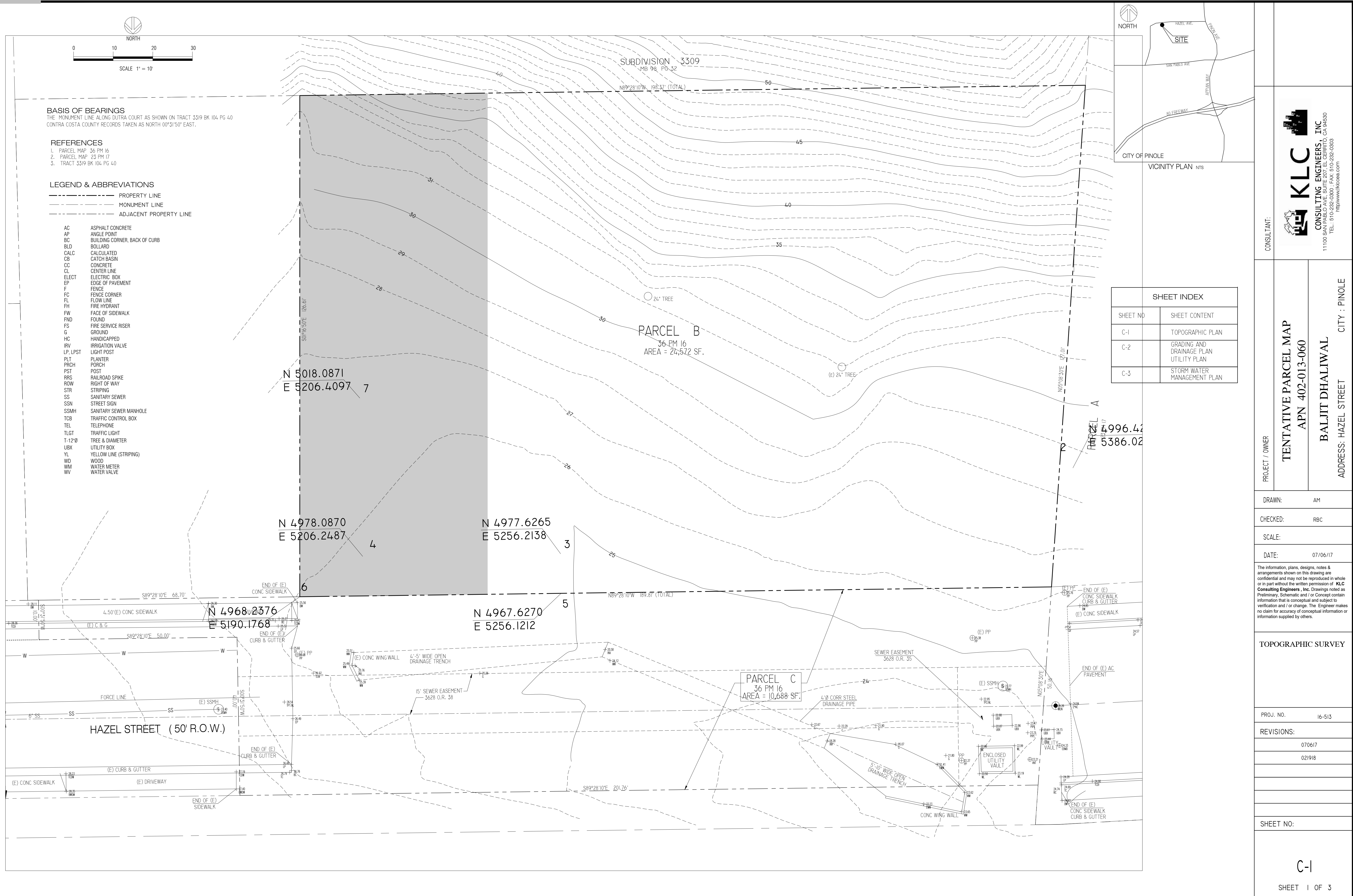


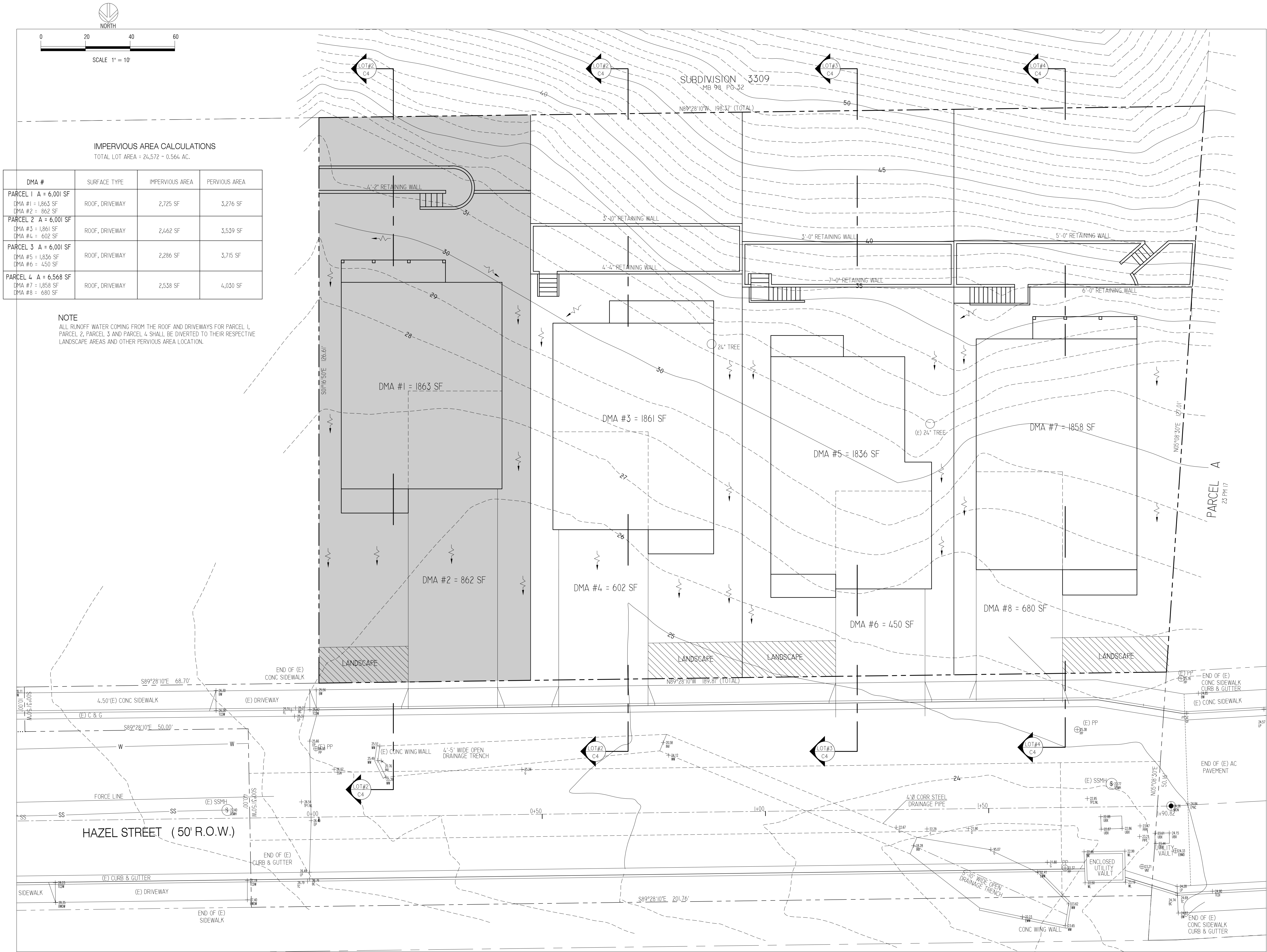
AT STREET ELEVATION

NOTE:

THE DRAWINGS / PERSPECTIVE SHOWN HERE
ARE GRAPHICAL REPRESENTATION ONLY &
NOT TO SCALE.
FOR ACTUAL SIZE OF LOT DEVELOPMENT, SEE
SHEET A.1

STAMP			
CONSULTANT		 KLC CONSULTING ENGINEERS, INC 11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0300 ; FAX: 510-232-0303 http://www.klceee.com	
PROJECT & OWNER (S):		NEW TWO-STORY RESIDENCE	
		MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:		MTC	
CHECKED:		RBC	
SCALE:		AS NOTED	
DATE:		12/12/16	
TITLE SHEET		PERSPECTIVE	
PROJ. NO.		16-574	
REVISIONS:			
PLANNING, PERMIT SUBMITTAL		12/22/16	
PLANNING, PERMIT RESUBMITTAL		02/15/18	
SHEET NO:		A0.1	





CONSULTANT:



PROJECT / OWNER

TENTATIVE PARCEL MAP
APN 402-013-060

BALJIT DHALIWAL

ADDRESS: HAZEL STREET CITY : PINOLE

DRAWN:

AM

CHECKED:

RBC

SCALE:

DATE:

07/06/17

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STORM WATER
MANAGEMENT PLAN

PROJ. NO.

16-513

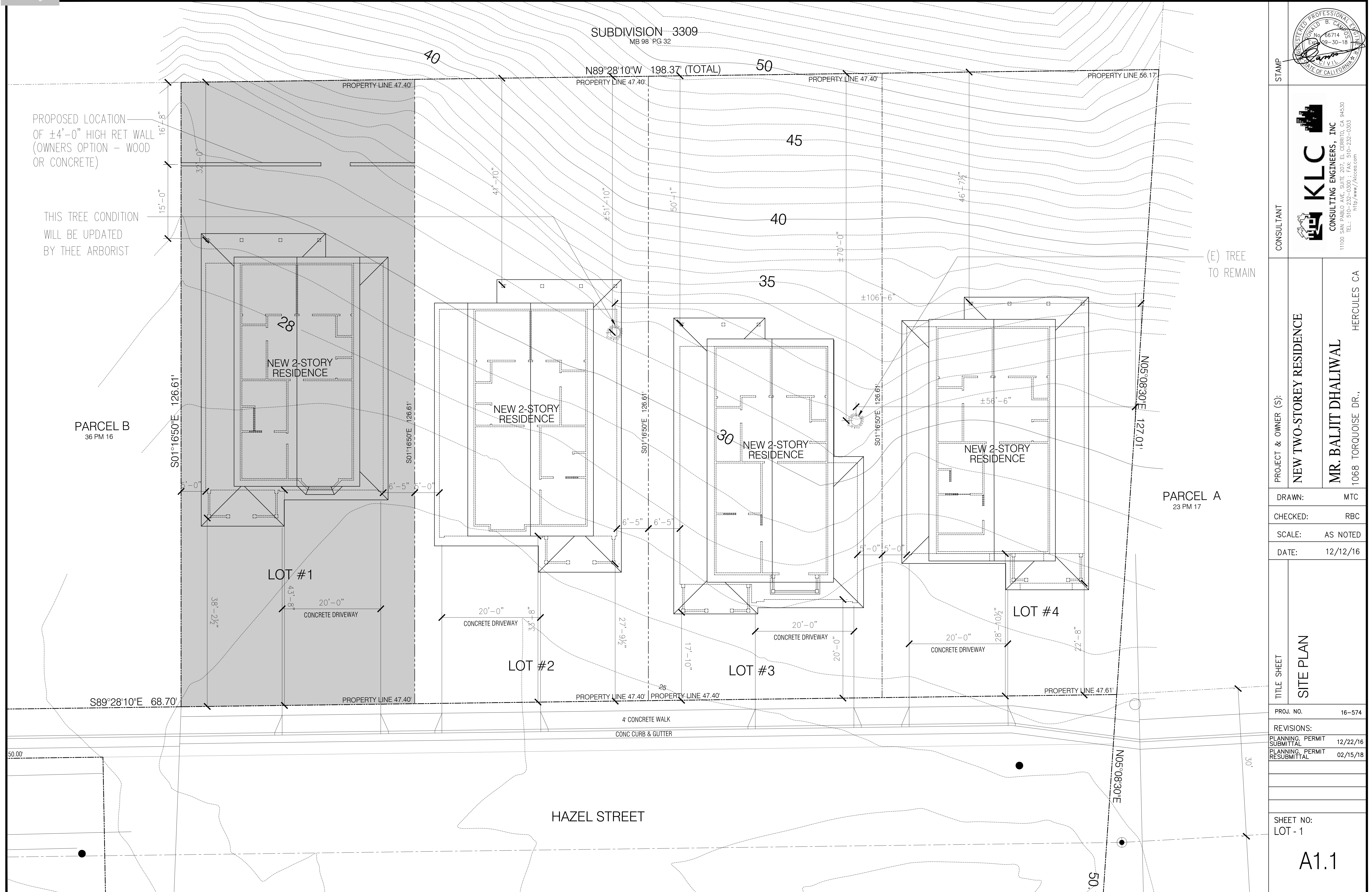
REVISIONS:

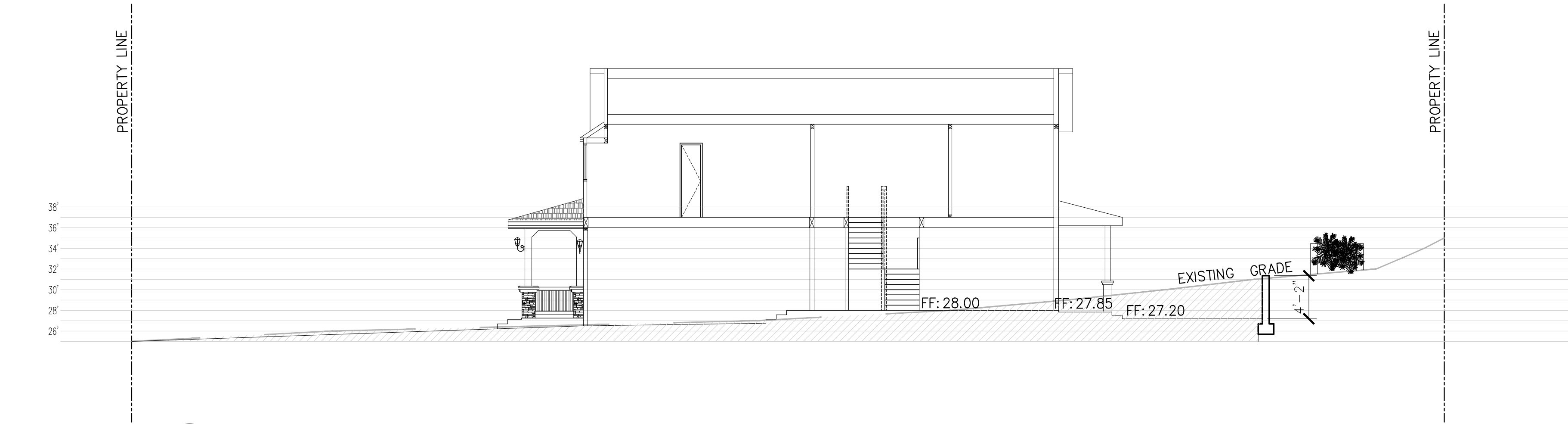
070617

SHEET NO:

C-3

SHEET 3 OF 3

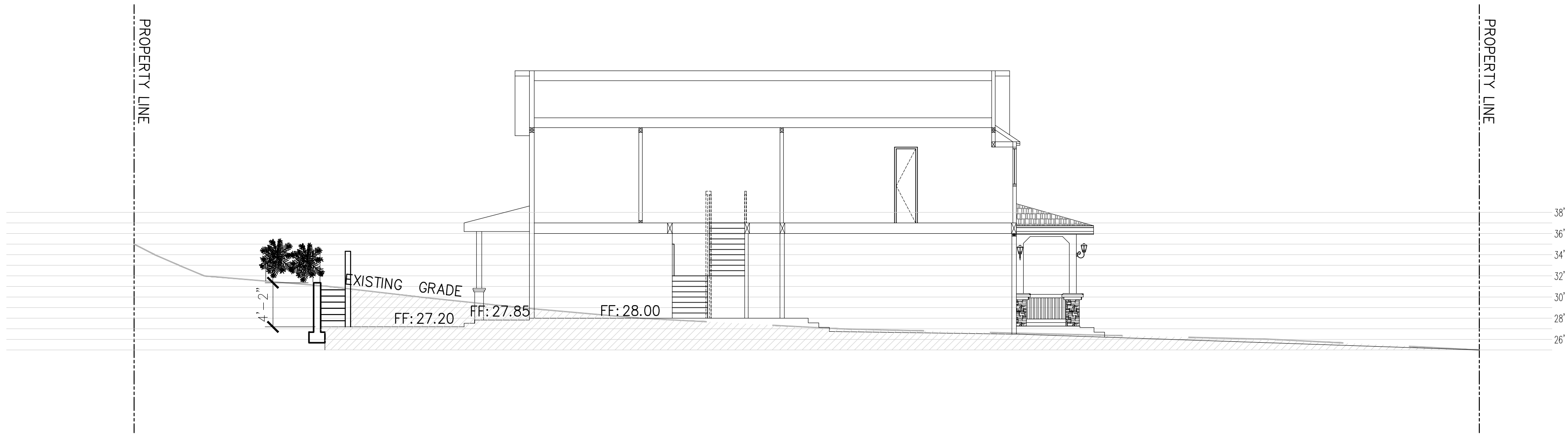




1 LOT CROSS SECTION LOT#1

SCALE: 1/8"=1'-0"

0 2 4 8 feet



2 LOT CROSS SECTION LOT#1

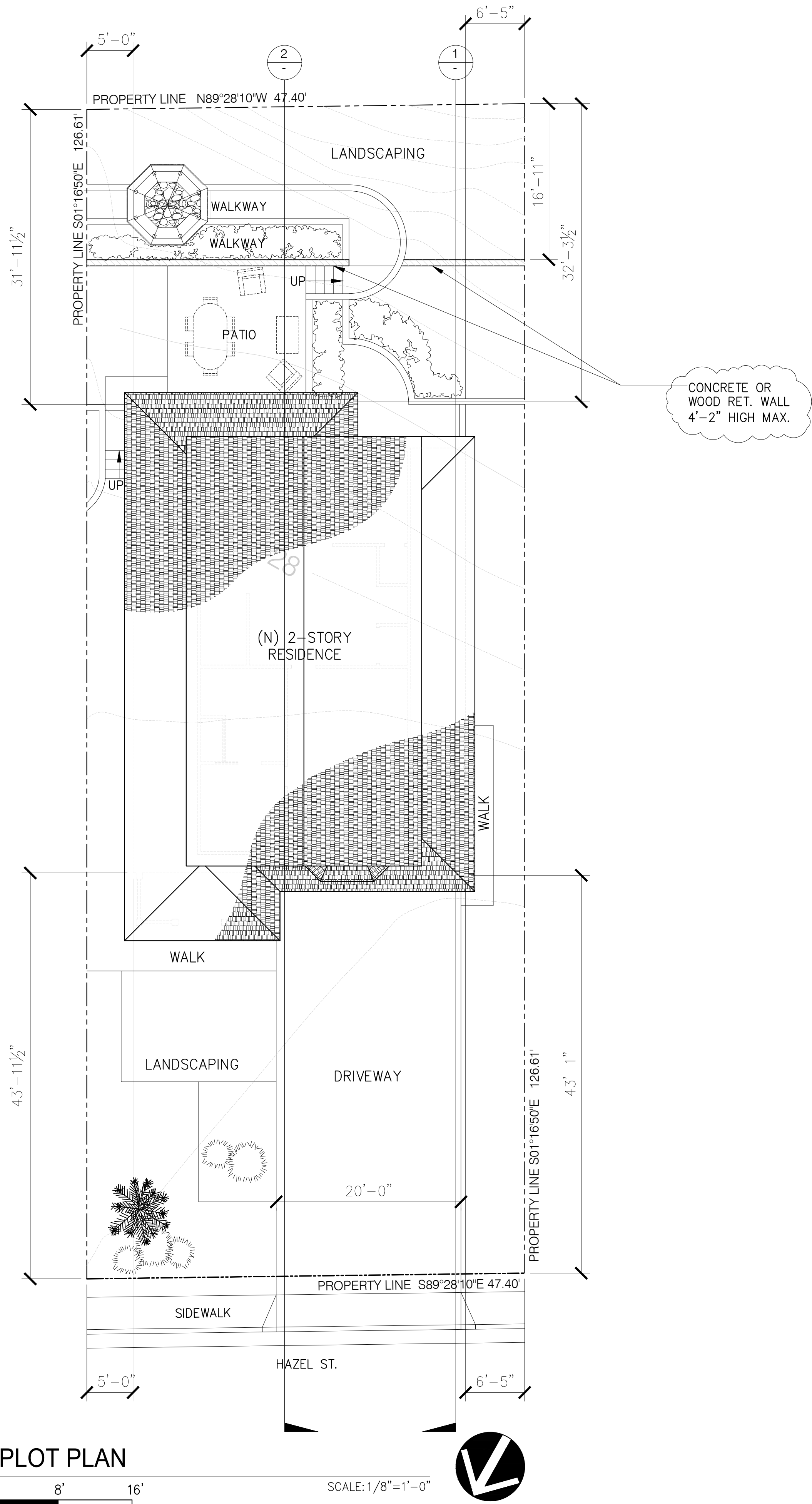
SCALE: 1/8"=1'-0"

0 2 4 8 feet

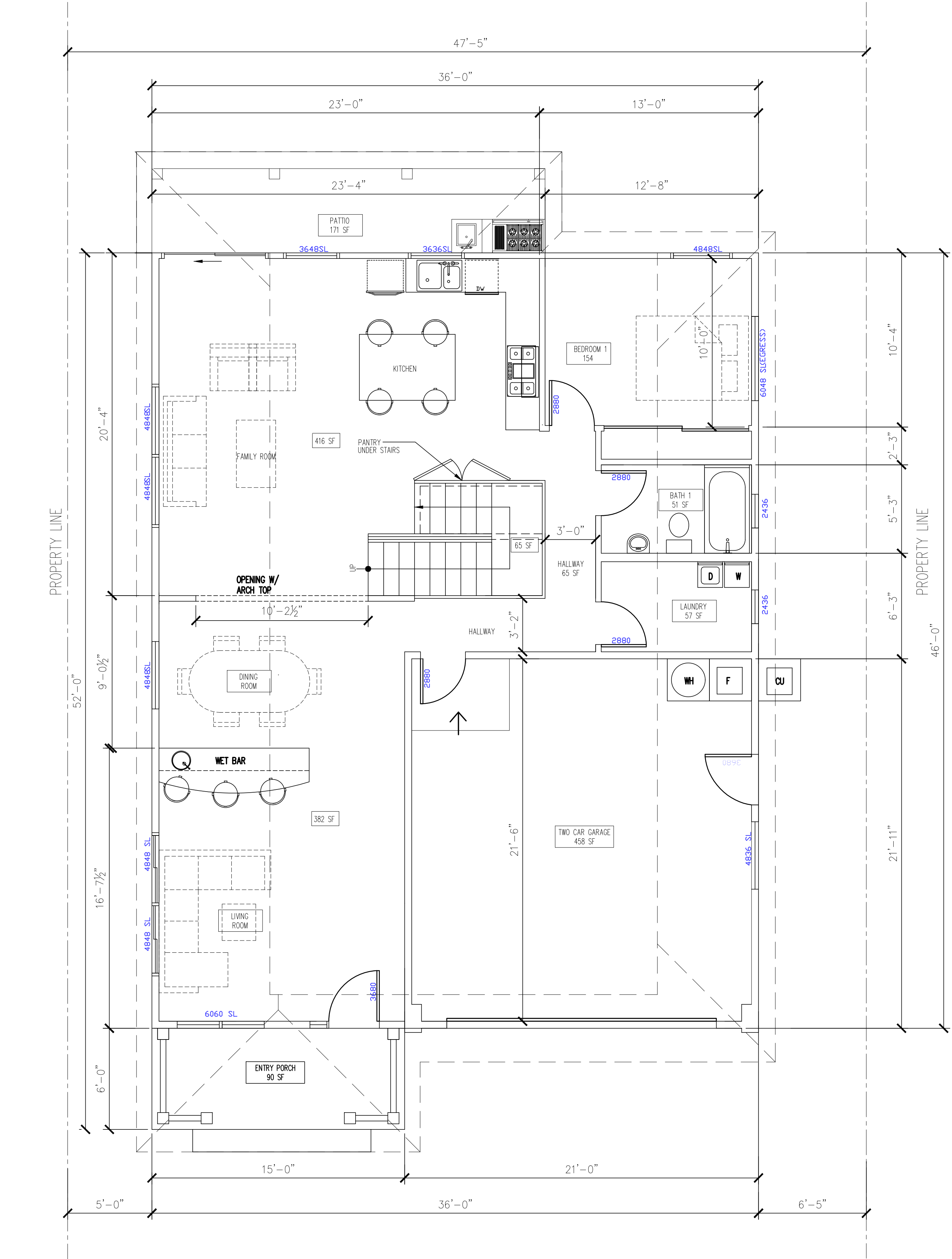
1 LOT - 1 PLOT PLAN

SCALE: 1/8" = 1'-0"

8' 0' 8' 16'



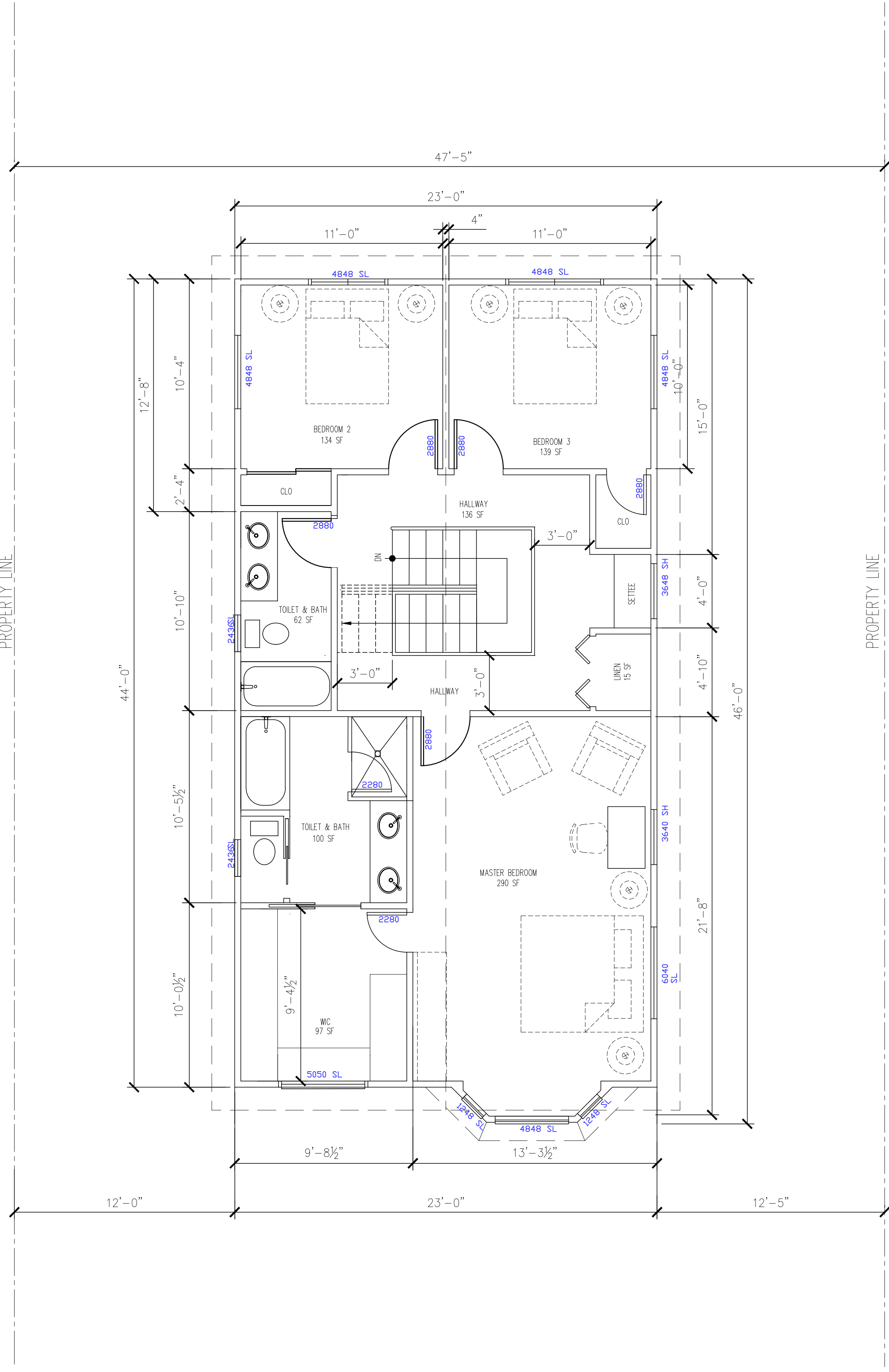
STAMP		
CONSULTANT	 KLC CONSULTING ENGINEERS, INC. 11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0330 ; FAX: 510-232-0303 http://www/klicea.com	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:	MTC	
CHECKED:	RBC	
SCALE:	AS NOTED	
DATE:	12/12/16	
TITLE SHEET	PLOT PLAN	
PROJ. NO.	16-574	
REVISIONS:		
PLANNING PERMIT SUBMITTAL	12/22/16	
PLANNING PERMIT RESUBMITTAL	02/15/18	
SHEET NO:	LOT - 1	
A1.2		



GROUND FLOOR PLAN

LOT#1

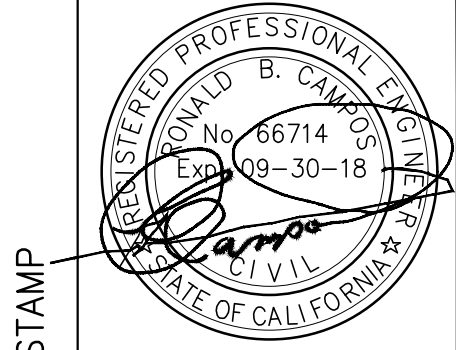
SCALE: 1/4"=1'-0"



SECOND FLOOR PLAN

LOT#1

SCALE: 1/4"=1'-0"



KLC
CONSULTING ENGINEERS, INC.
11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530
TEL: 510-232-0330 • FAX: 510-232-0303
http://www/klicea.com

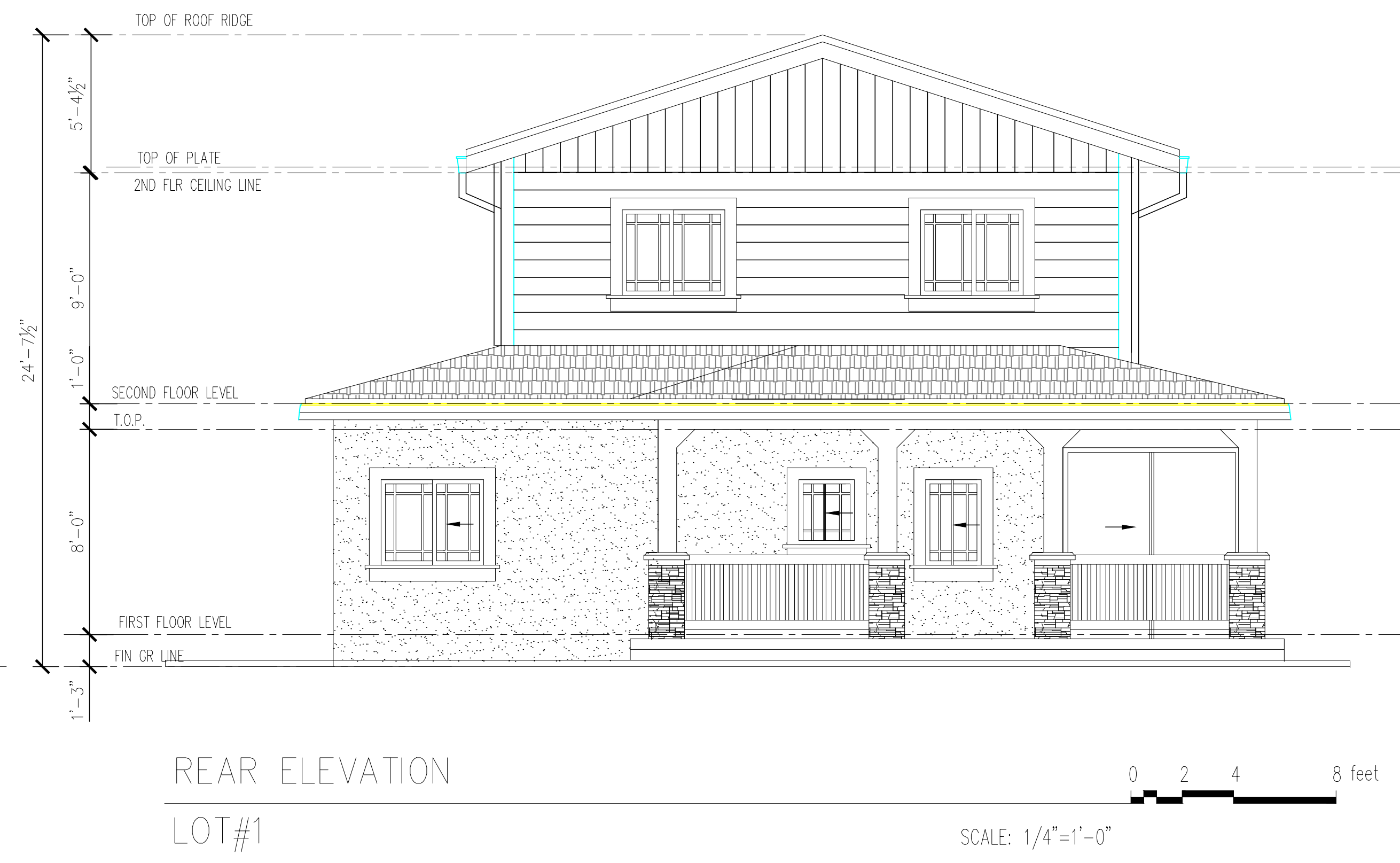
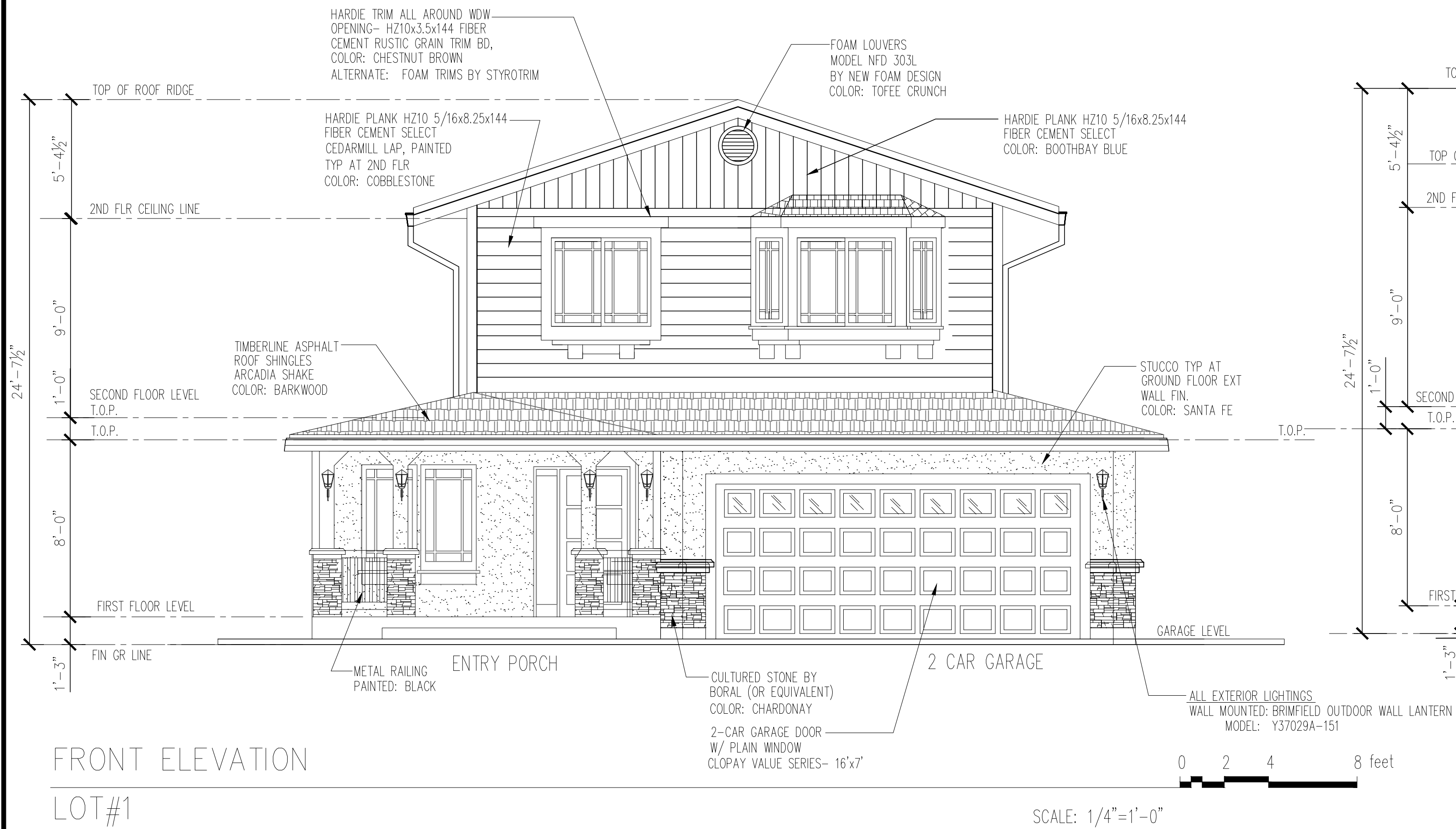
PROJECT & OWNER (S):
NEW TWO-STORY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC
CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

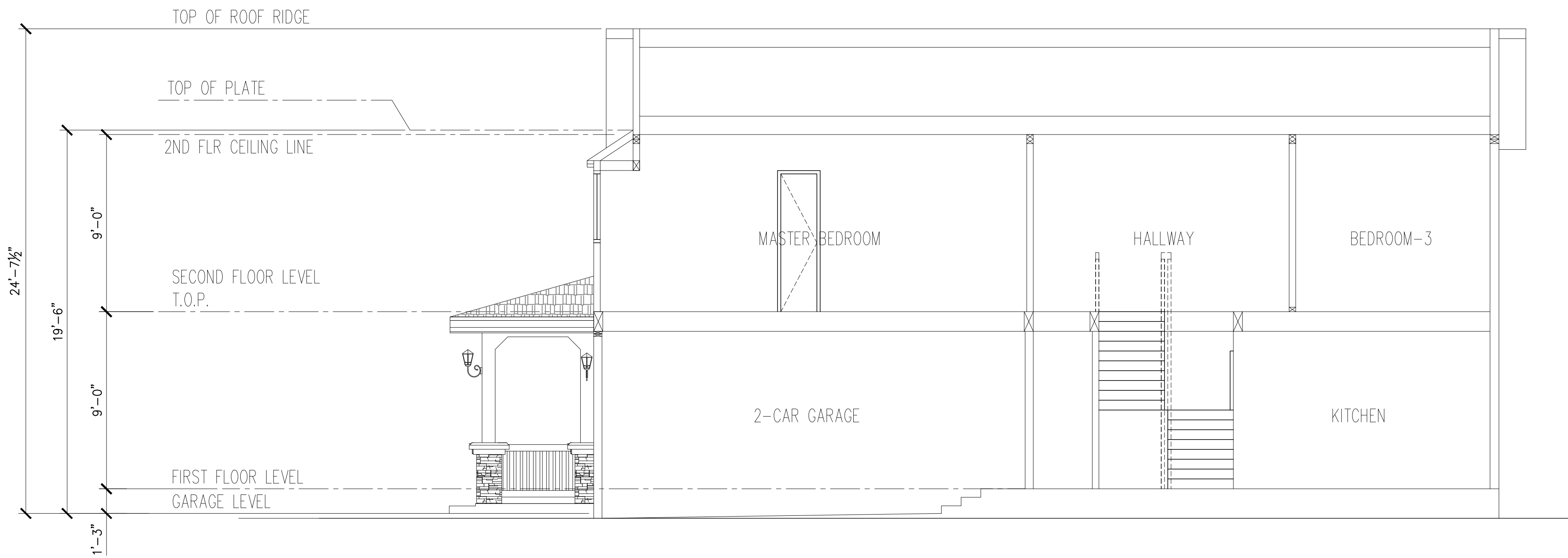
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FLOOR PLANS	
PROJ. NO.	16-574
REVISIONS:	
PLANNING, PERMIT SUBMITTAL	12/22/16
PLANNING, PERMIT RESUBMITTAL	02/15/18

SHEET NO:
LOT - 1

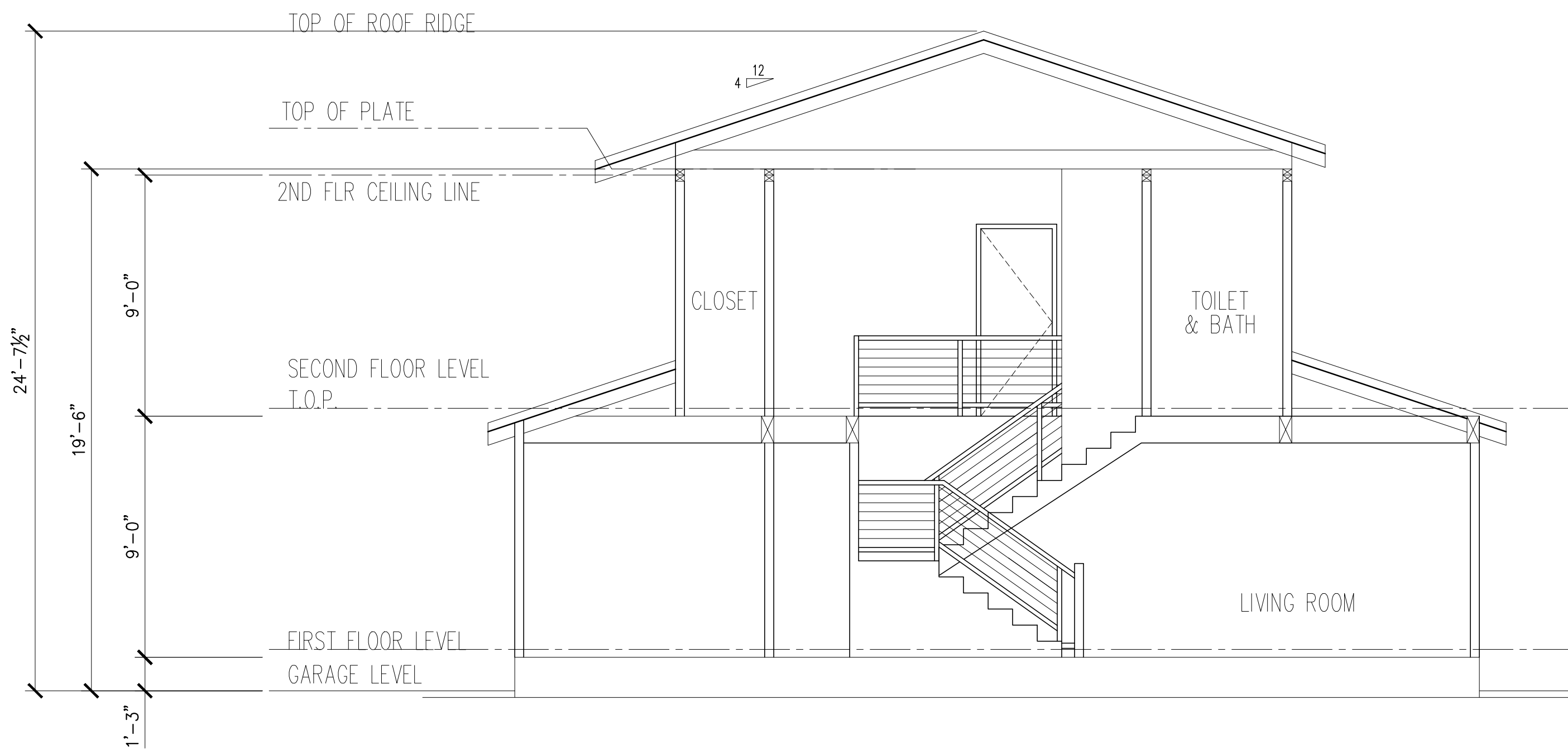
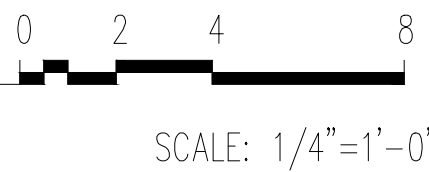
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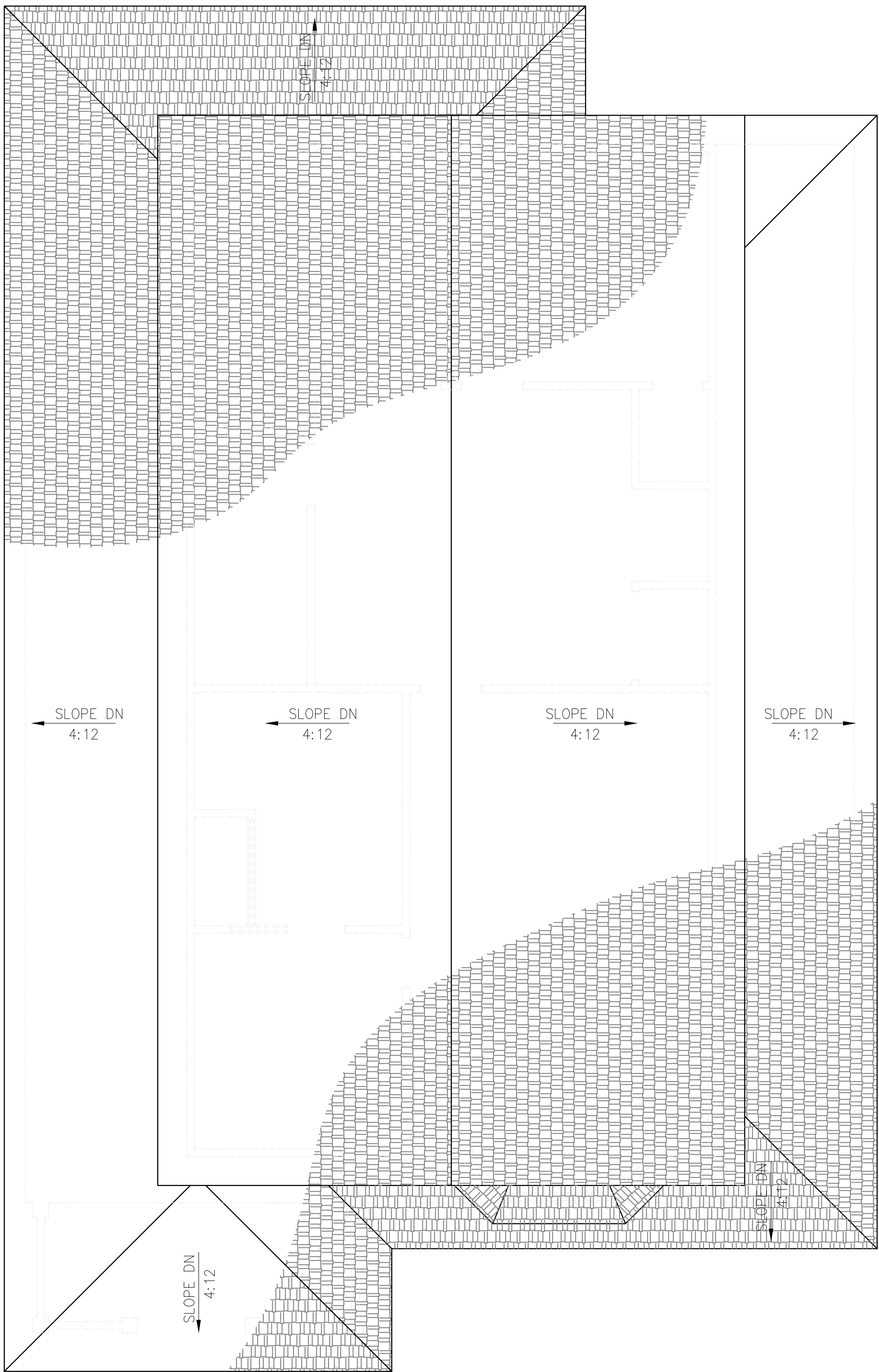
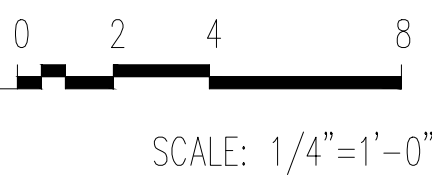
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CONSULTANT	 KLC CONSULTING ENGINEERS, INC. 11100 SAN PABLO AVE. SUITE 207, EL CERRITO, CA 94530 TEL: 510-232-0300 ; FAX: 510-232-0303 http://www/klicea.com
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA
DRAWN:	MTC
CHECKED:	RBC
SCALE:	AS NOTED
DATE:	12/12/16
TITLE SHEET	ELEVATIONS
PROJ. NO.	16-574
REVISIONS:	
PLANNING PERMIT SUBMITTAL	12/22/16
PLANNING PERMIT RESUBMITTAL	02/15/18
SHEET NO:	LOT - 1
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SECTION A

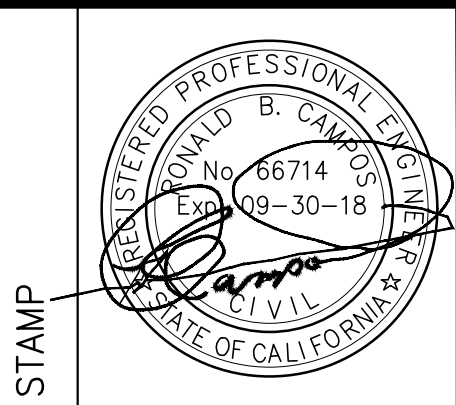
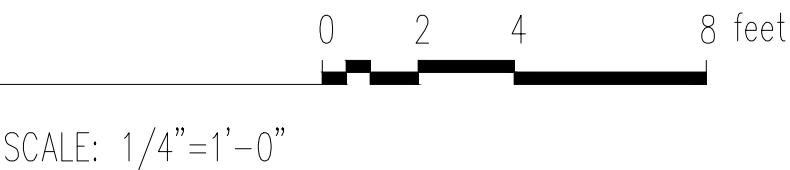


SECTION B



UPPER ROOF PLAN

LOT#1



CONSULTANT

KLC
CONSULTING ENGINEERS, INC.
11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530
TEL: 510-232-0300 ; FAX: 510-232-0303
http://www/klceca.com

PROJECT & OWNER (S):

NEW TWO-STORY RESIDENCE

MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC

CHECKED: RBC

SCALE: AS NOTED

DATE: 12/12/16

TITLE SHEET

SECTIONS / ROOF PLAN

PROJ. NO. 16-574

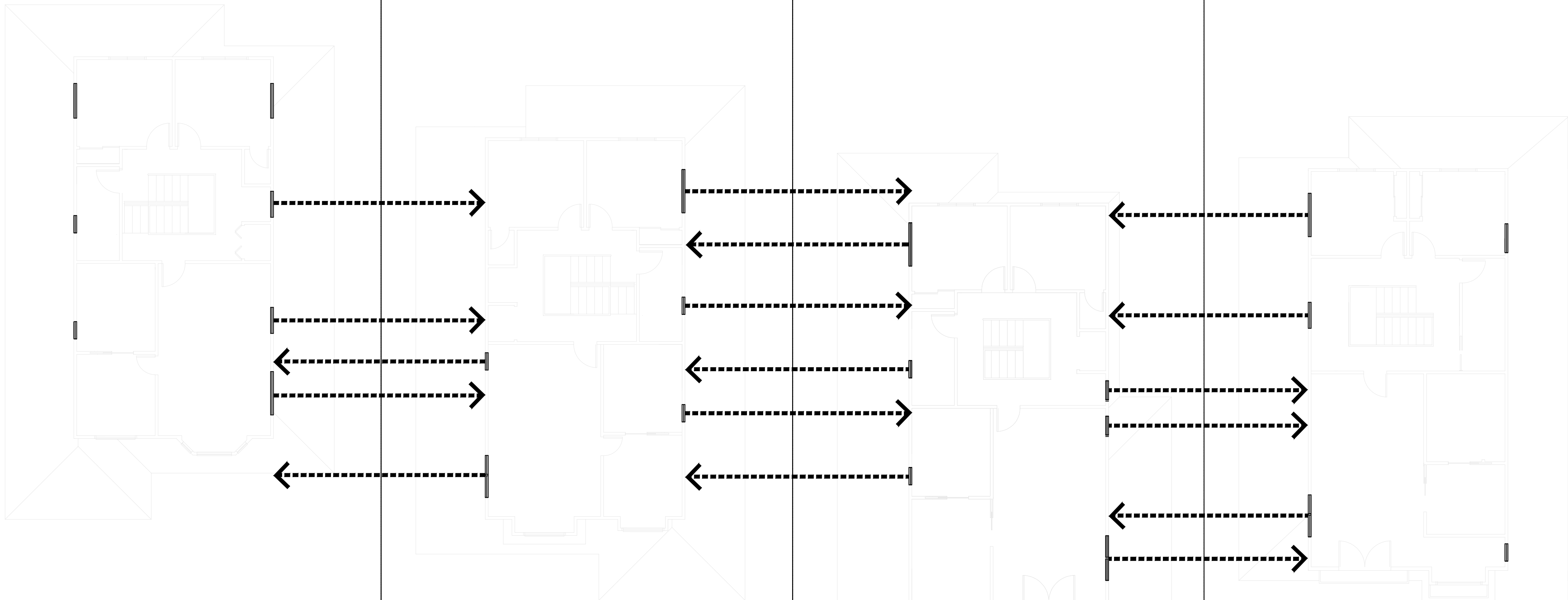
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PLANNING, PERMIT SUBMITTAL	12/22/16
PLANNING, PERMIT RESUBMITTAL	02/15/18

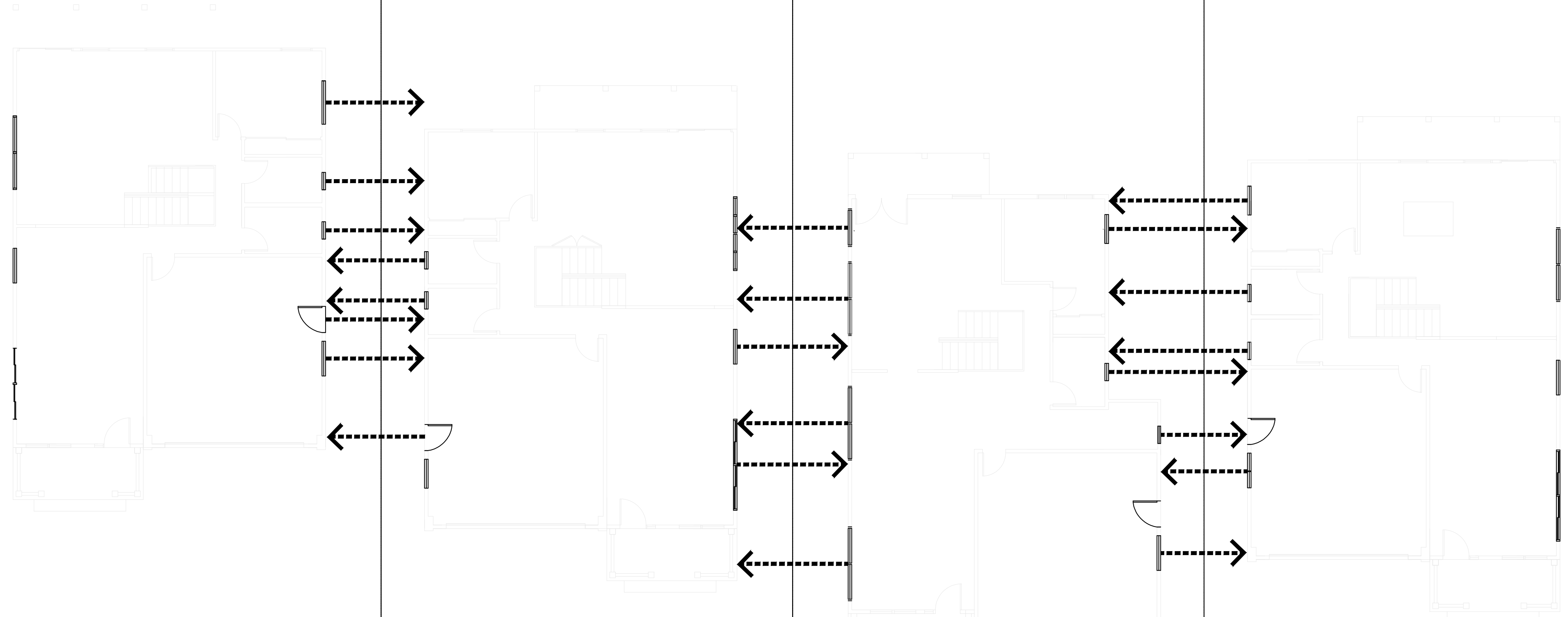
SHEET NO:

LOT - 1

A4.0

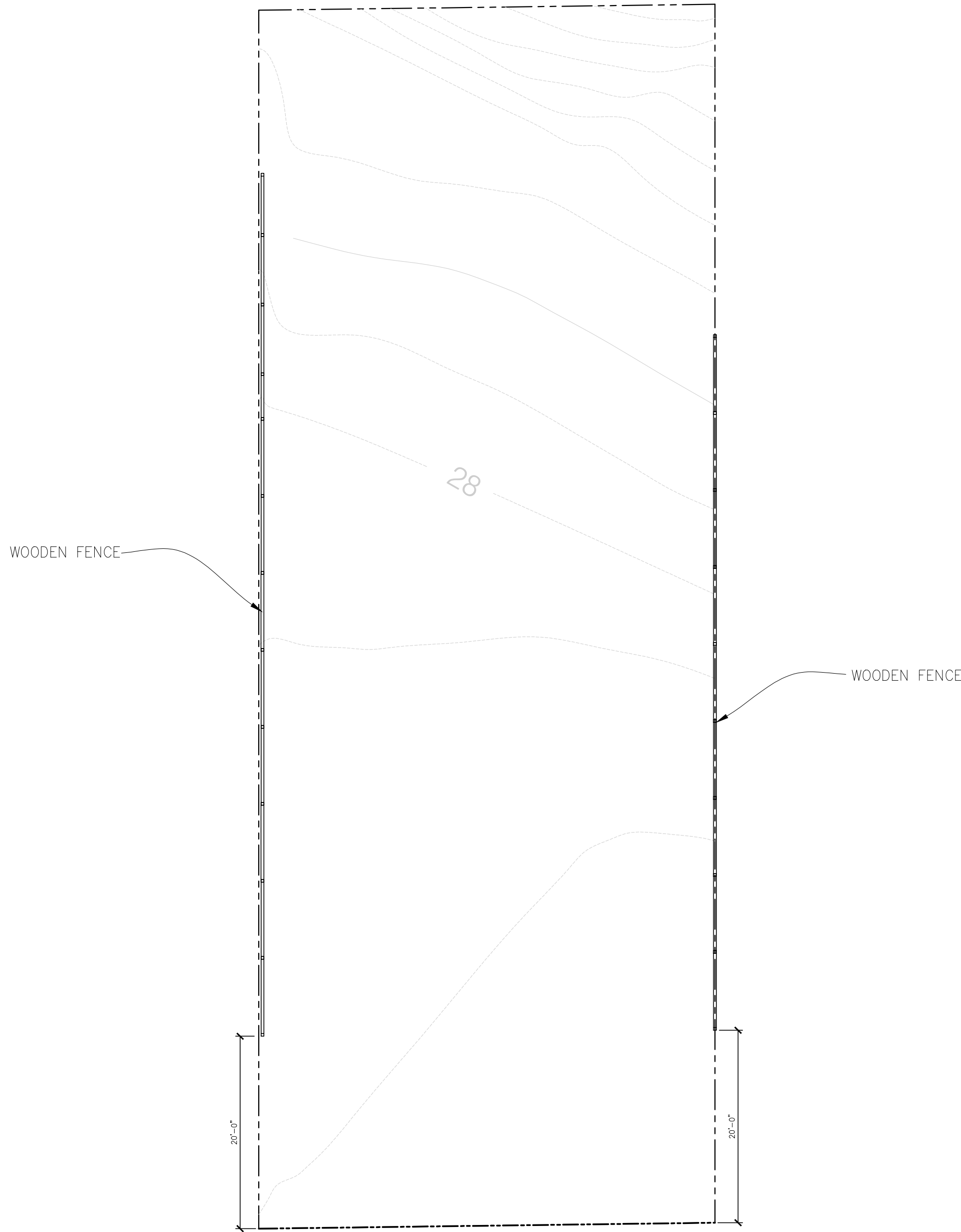


2ND FLOOR
PLAN

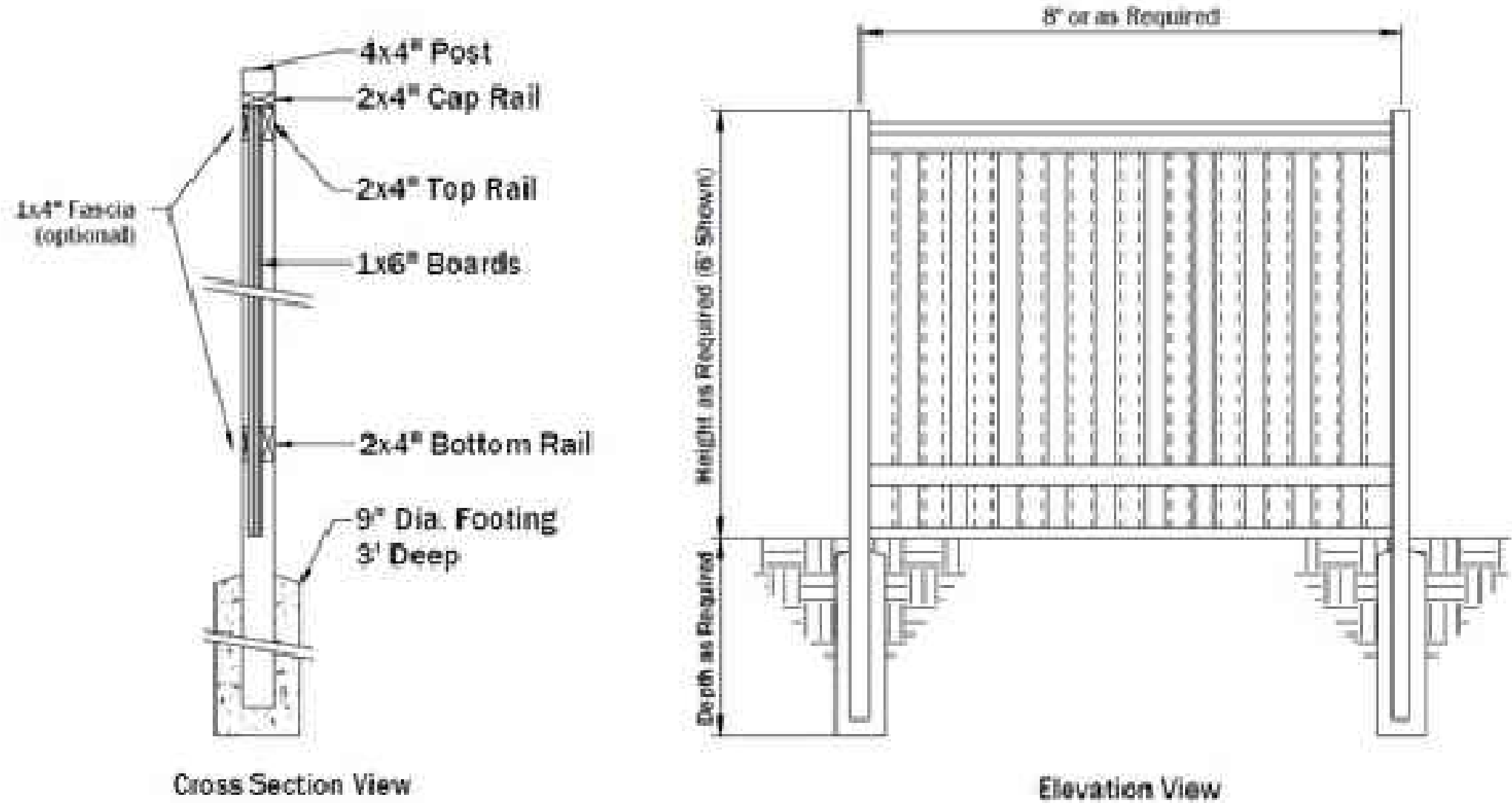


GROUND
FLOOR PLAN

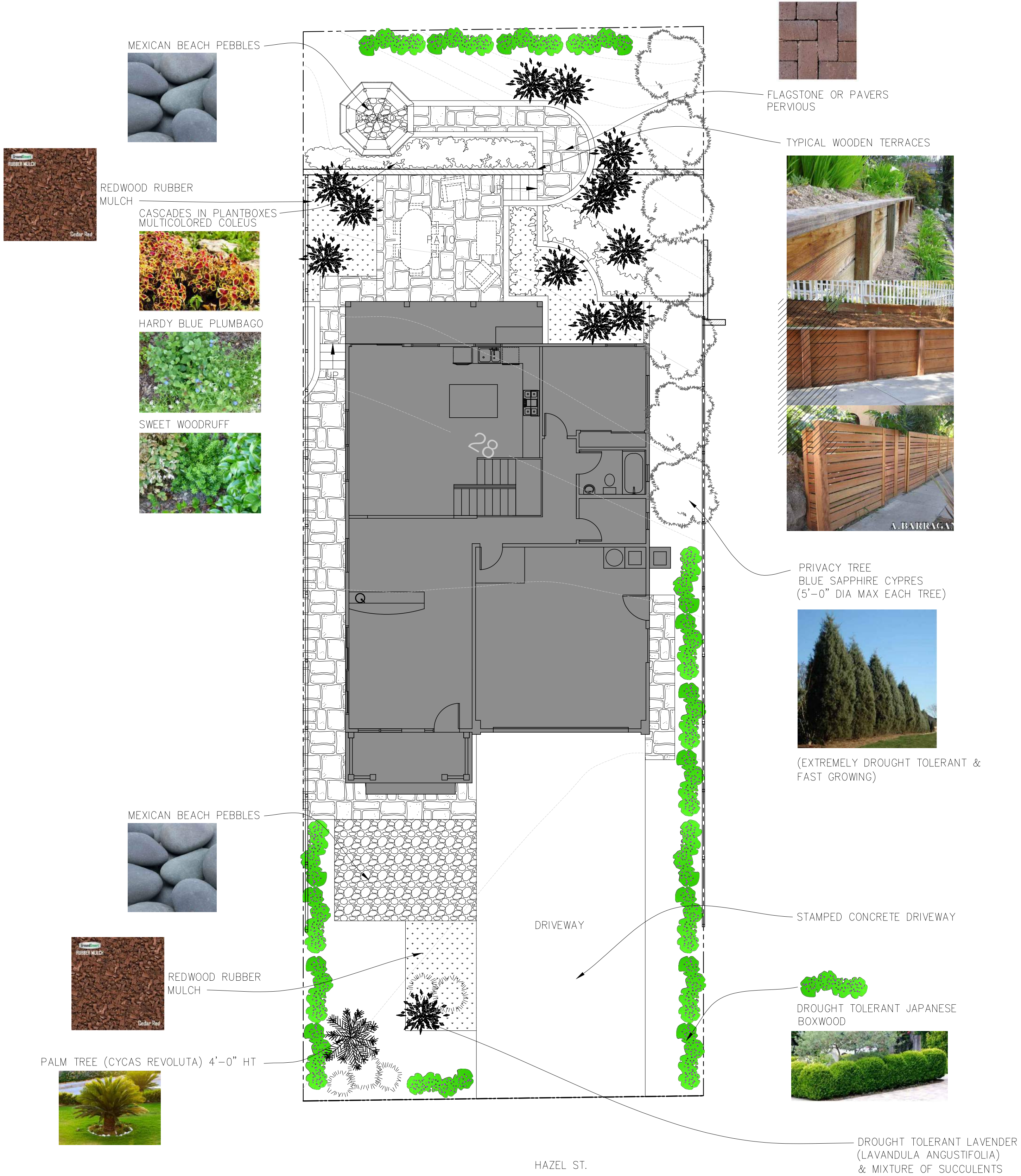
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	CONSULTANT	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:	MTC	
	CHECKED: RBC	
SCALE:	AS NOTED	
DATE:	12/12/16	
TITLE SHEET	WINDOW VISIBILITY PRIVACY FROM NEIGHBORING UNIT	
	PROJ. NO. 16-574	
REVISIONS:		
PLANNING, PERMIT SUBMITTAL 12/22/16		
PLANNING, PERMIT RESUBMITTAL 02/15/18		
SHEET NO:		
A5.0		



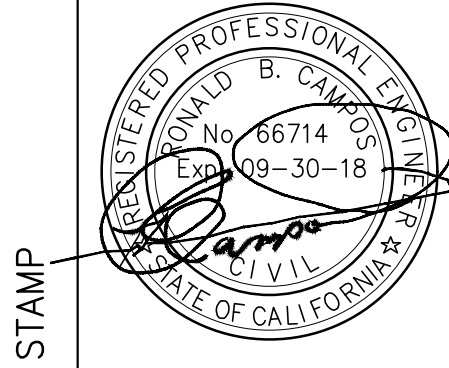
2 FENCING PLAN NOT TO SCALE



3 TYPICAL FENCE DETAIL SCALE: 1/2"=1'-0"



1 LOT -1 CONCEPTUAL LANDSCAPE PLAN SCALE: 1/8"=1'-0"



CONSULTANT
KLC
CONSULTING ENGINEERS, INC
11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530
TEL.: 510-232-0300 ; FAX: 510-232-0303
http://www/klicea.com

PROJECT & OWNER (S):
NEW TWO-STOREY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC
CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

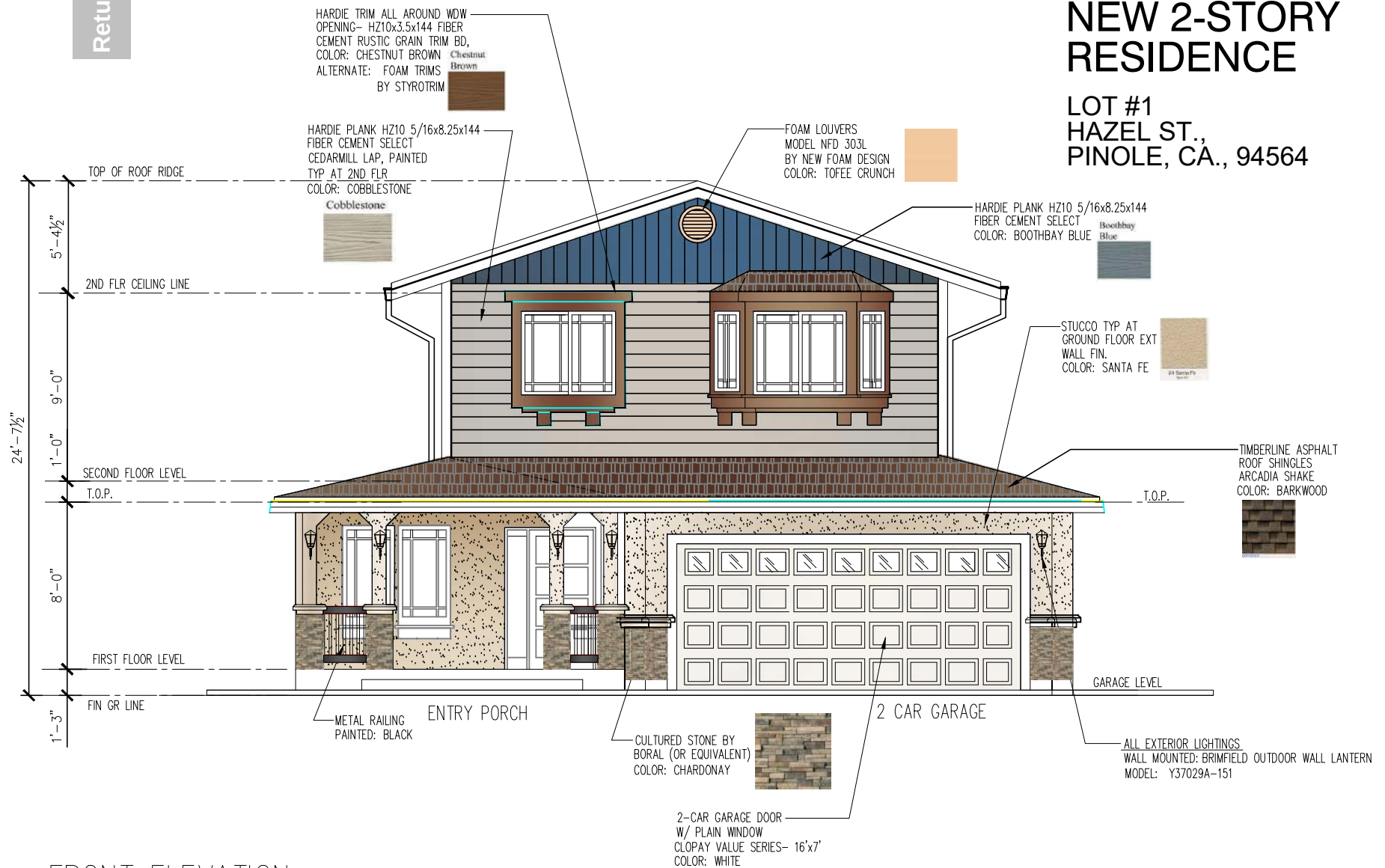
TITLE SHEET
CONCEPTUAL LANDSCAPE PLAN.

PROJ. NO. 16-574
REVISIONS:
PLANNING PERMIT SUBMITTAL 12/22/16
PLANNING PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 1
L.1

NEW 2-STORY RESIDENCE

LOT #1
HAZEL ST.,
PINOLE, CA., 94564



FRONT ELEVATION

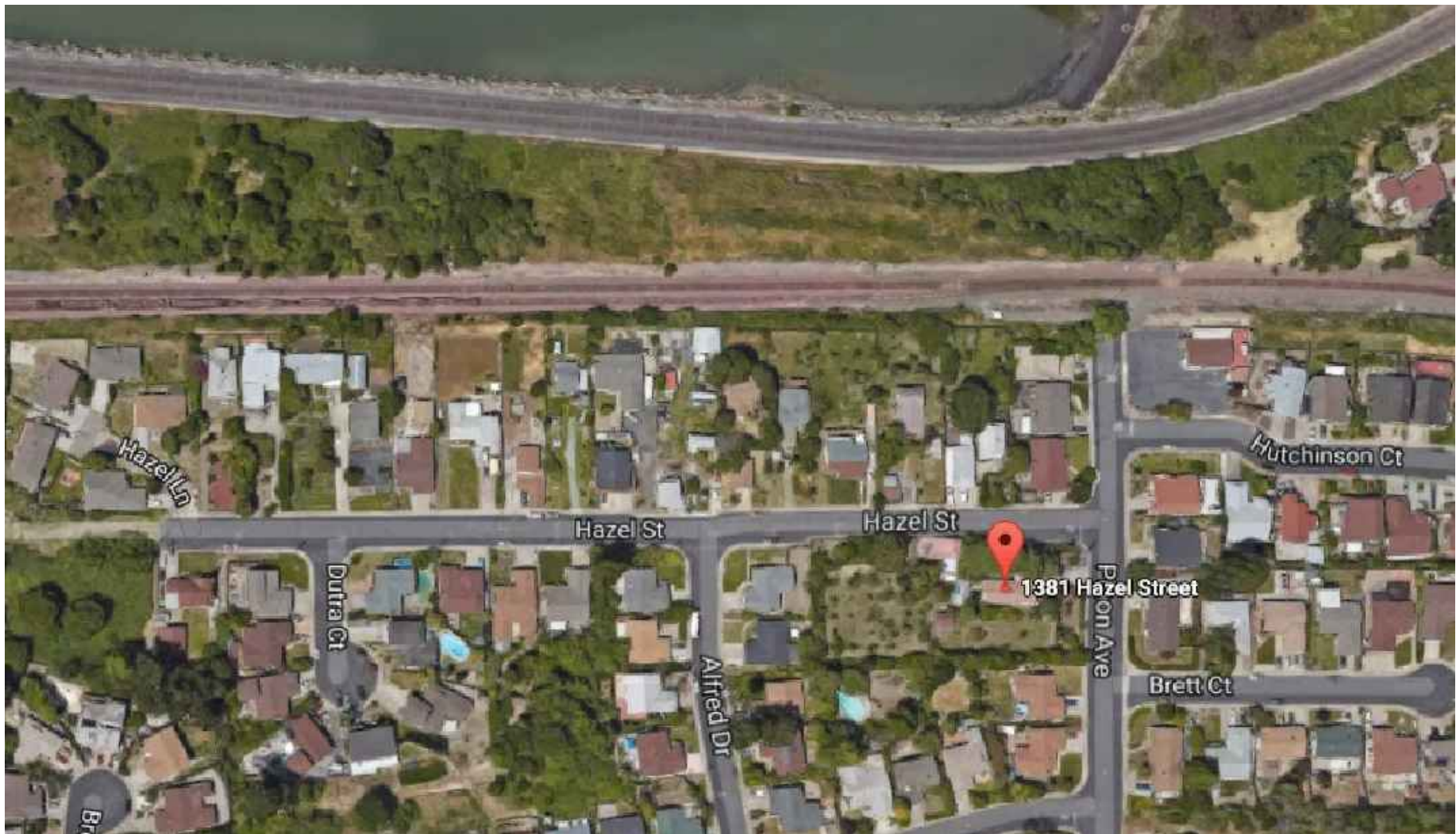
LOT#1

DHALI-BALI DEVELOPMENT

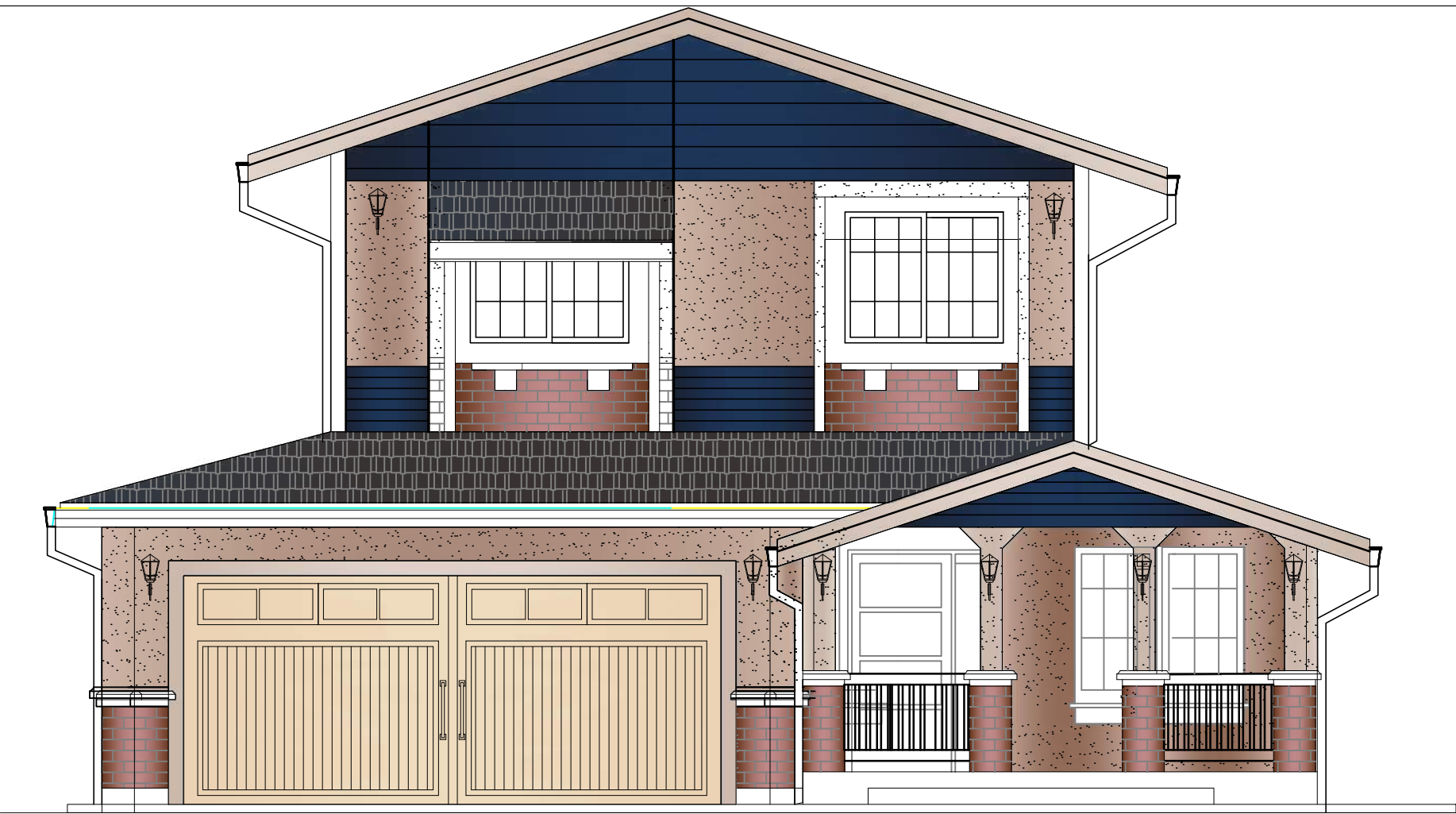
LOT #2 - MODEL #2
HAZEL ST., PINOLE, CA. 94564

ATTACHMENT E

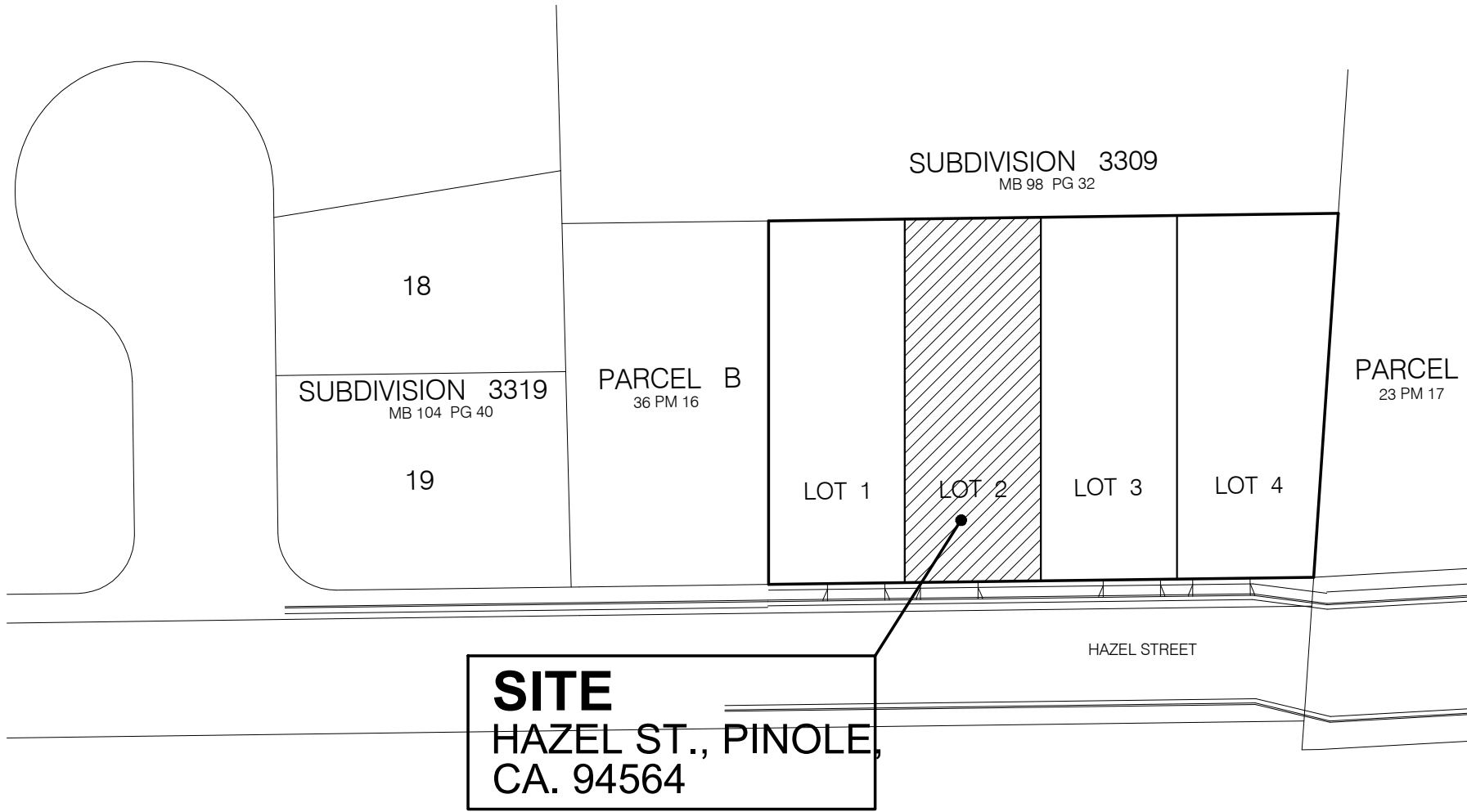
AERIAL VIEW



FRONT VIEW



LOCATION MAP



VICINITY MAP



CODE COMPLIANCE & BLDG DATA

2016 CALIFORNIA BUILDING CODE (CBC 2016)	<u>OWNER</u>	BALJIT DHALIWAL 1068 TURQUOISE DR., HERCULES, CA
2016 CALIFORNIA RESIDENTIAL CODE	<u>APN</u>	402-013-060
2016 CALIFORNIA ELECTRIC CODE	<u>PROPERTY AREA</u>	6,001 SF
2016 CALIFORNIA ENERGY CODE	<u>ZONING</u>	R1- SINGLE FAMILY RESIDENTIAL
2016 CALIFORNIA MECHANICAL CODE	<u>TYPE CONSTRUCTION</u>	V - N
2016 CALIFORNIA PLUMBING CODE	<u>OCCUPANCY GROUPS</u>	R-1, U-1
	<u>F.A.R.</u>	$\frac{2,165}{6,001} = 0.360$

<u>GARAGE AREA</u>	461 SF
<u>FIRST FLOOR LEVEL</u>	1,205 SF
<u>SECOND FLOOR LEVEL</u>	1,025 SF
<u>PORCHES & BALCONIES- 1ST FLOOR LEVEL</u>	207 SF
<u>PORCHES & BALCONIES- 2ND FLOOR LEVEL</u>	NA

SCOPE OF WORK

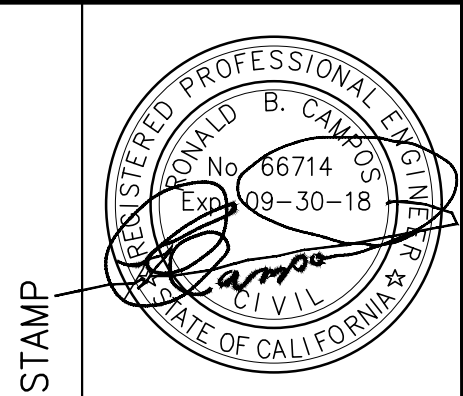
1. PROPOSED 1,205 SF LIVING SPACE AT GROUND FLOOR & 1,025 SF AT SECOND FLOOR
2. PROPOSED 2-CAR GARAGE WITH APPROX. AREA OF 461 SF.
3. PROPOSED 90 SF FRONT PATIO, 117 SF BACK PATIO

DRAWING INDEX

A1.0	COVER SHEET, AREA MAP/ PARCEL MAP & OTHER INFO
A0.1	PERSPECTIVE (LOTS #1,2,3 & 4)
C1	TOPOGRAPHIC SURVEY
C2	GRADING, DRAINAGE, & UTILITY PLAN
C3	STORMWATER MANAGEMENT PLAN
A1.1	OVERALL SITE PLAN
A1.2	PLOT PLAN & PROFILE SECTION
A2.0	GROUND & SECOND FLOOR PLANS
A3.0	ELEVATIONS
A4.0	SECTIONS / ROOF PLAN
A5.0	WINDOW VISIBILITY LOCATION PLANS (LOTS 1,2,3,4)
L1.0	CONCEPTUAL LANDSCAPE PLAN, FENCING PLAN

GENERAL NOTES

THESE NOTES ARE ARRANGED ACCORDING TO THE FOLLOWING DIVISIONS AS A CONVENIENCE TO THE CONTRACTOR. GENERAL NOTES ARE NOT LIMITED BY THEIR DIVISION HEADING AND APPLY AS NECESSARY THROUGHOUT THE ENTIRE PROJECT.		
1. <u>CODES</u>	5. <u>CONSTRUCTION</u>	
A) ALL CONTRACTORS WORK SHALL CONFORM TO THE 2016 CALIFORNIA BUILDING, MECHANICAL, ELECTRICAL, PLUMBING, AND FIRE CODES, AMERICANS WITH DISABILITIES ACT, AND ALL OTHER APPLICABLE CODES, OR THOSE ADOPTED BY THE CITY OF PINOLE, CALIFORNIA. GOVERNING AUTHORITIES AND CODES TAKE PRECEDENCE OVER DRAWINGS AND SPECIFICATIONS. REPORT DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.	A) NEITHER THE ARCHITECT, NOR THE ENGINEERS, NOR THE OWNER SHALL BE RESPONSIBLE FOR: CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, OR PROCEDURES OF THE CONTRACTOR; SAFETY PRECAUTIONS AND PROGRAMS OF THE CONTRACTOR; THE ACTS OR OMISSIONS OF THE CONTRACTOR; OR THE FAILURE OF CONTRACTOR TO CARRY OUT THE WORK IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.	C) CITY APPROVED PLANS SHALL BE KEPT IN A PLAN BOX IN THE FIELD OFFICE AND SHALL NOT BE USED BY WORKERS. ALL CONSTRUCTION SETS SHALL BE KEPT UP TO DATE, AND REFLECT THE SAME INFORMATION. THE CONTRACTOR SETS SHALL REFLECT THE SAME INFORMATION. THE CONTRACTOR SHALL ALSO MAINTAIN, IN GOOD CONDITION, ONE COMPLETE SET OF PLANS AND SPECIFICATIONS WITH ALL REVISIONS, ADDENDA, AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THESE ARE TO BE UNDER THE CARE OF THE JOB SUPERINTENDENT.
2. <u>READING THE PLANS</u>	B) THE CONTRACTOR SHALL BE RESPONSIBLE FOR PERFORMING ALL WORK REQUIRED FOR A COMPLETELY FINISHED PROJECT. THE CONTRACTOR SHALL ALSO BE RESPONSIBLE FOR ALL WORK FURNISHED BY SUBCONTRACTORS.	D) CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETE SECURITY OF THE SITE WHILE THE JOB IS IN PROGRESS AND UNTIL THE JOB IS COMPLETE.
C) SHOULD CONFLICTS OCCUR BETWEEN THE DRAWINGS AND SPECIFICATIONS, DRAWINGS SHALL GOVERN IN MATTERS OF DIMENSION OR QUANTITY; SPECIFICATIONS SHALL GOVERN IN MATTERS OF MATERIALS OR FINISHES.	C) INSTALL ALL MATERIALS AND PRODUCTS IN STRICT ACCORDANCE WITH MANUFACTURER'S RECOMMENDATION AND APPLICABLE ICBO REPORTS.	E) CONTRACTOR SHALL MAINTAIN THE SITE IN A CLEAN AND ORDERLY MANNER. NO RADIOS, ALCOHOL, OR CONTROLLED SUBSTANCES ARE ALLOWED ON THE JOB SITE. ALL DEBRIS SHALL BE REMOVED FROM PREMISES, AND ALL AREAS SHALL BE LEFT IN A BROOM-CLEAN CONDITION ON A DAILY BASIS.
D) IN CASE OF DISCREPANCIES OR CONFLICTS IN INFORMATION OR REQUIREMENTS WITHIN THE DRAWINGS, WITHIN THE SPECIFICATIONS, OR BETWEEN THE DRAWINGS AND THE SPECIFICATIONS, THE MOST EXPENSIVE REQUIREMENT SHOWN OR SPECIFIED SHALL BE THE BASIS OF THE CONTRACT.	D) THE CONTRACTOR SHALL REPORT TO THE ARCHITECT INCONSISTENCIES HE MAY DISCOVER. THE CONTRACTOR IS RESPONSIBLE FOR CORRECTING ANY ERROR AFTER THE START OF CONSTRUCTION WHICH HAS NOT BEEN BROUGHT TO THE ATTENTION OF THE ARCHITECT. THE MEANS OF CORRECTING ANY ERROR SHALL BE FIRST APPROVED BY THE OWNER.	7. <u>COMMUNICATION</u>
3. <u>PRIOR TO CONSTRUCTION</u>	E) NO STRUCTURAL MEMBERS SHALL BE CUT TO ACCEPT PIPES, VENTS, DUCTS, ETC., EXCEPT AS DETAILED OR SPECIFIED HEREIN OR AS APPROVED BY THE STRUCTURAL ENGINEER IN WRITING.	A) FIELD CONFIRMATION OF DISCREPANCIES SHALL BE RECORDED ON A REPRODUCIBLE DOCUMENT AND IMMEDIATELY TRANSMITTED TO ARCHITECT FOR PROJECT RECORD, COORDINATION, AND NECESSARY RESOLUTION PRIOR TO CONTINUING WORK.
A) PRIOR TO CONSTRUCTION AND GRADING, VERIFY ALL EXISTING CONDITIONS AND CONTACT UTILITY COMPANIES AND AFFECTED CITY AGENCIES. CONTACT "UNDERGROUND SERVICE ALERT" PHONE: (800) 642-2444.	F) THE CONTRACTOR SHALL PERFORM ALL WORK IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE BUILDING OFFICIAL. THE APPROVED PLANS AND SPECIFICATIONS SHALL NOT BE CHANGED OR MODIFIED WITHOUT THE APPROVAL OF THE BUILDING OFFICIAL PER SECTION 106 OF THE CALIFORNIA BUILDING CODE.	B) THE GENERAL CONTRACTOR SHALL PROVIDE OR MAKE AVAILABLE A COMPLETE SET OF CONSTRUCTION DOCUMENTS (INCLUDING DRAWINGS AND SPECIFICATIONS) TO EVERY SUBCONTRACTOR BIDDING ANY PORTION OF THIS PROJECT. THE CONSTRUCTION DOCUMENTS SHALL NOT BE SEPARATED INTO DISCIPLINES (ARCHITECTURAL, MECHANICAL, ELECTRICAL, ETC.), FOR PURPOSE OF SUBCONTRACTOR BIDDING. THE GENERAL CONTRACTOR SHALL REQUIRE BIDDING SUBCONTRACTOR TO REVIEW THE ENTIRE SET OF CONSTRUCTION DOCUMENTS TO OBTAIN CLARITY ON THE COMPLETE SCOPE OF THEIR WORK AND REFER TO CROSS DISCIPLINE DRAWINGS FOR FULL COORDINATION OF WORK WITH OTHER TRADES, AND TO BE AWARE OF ALL WORK WHICH DOES NOT APPEAR WITHIN THE PARTICULAR DISCIPLINE'S DRAWINGS FOR THE PARTICULAR TRADE. FURTHERMORE, THE GENERAL CONTRACTOR SHALL INSURE THAT EACH SUBCONTRACTOR WORKING ON THE PROJECT MAINTAINS A FULL SET OF CONSTRUCTION DOCUMENTS THROUGHOUT THE CONSTRUCTION OF THE PROJECT.
B) THE CONTRACTOR SHALL THOROUGHLY REVIEW PLANS AND EXISTING SITE CONDITIONS AND NOTIFY ARCHITECT OF ANY DISCREPANCIES, ERRORS OR OMISSIONS PRIOR TO CONSTRUCTION.	G) EXTERIOR OPENINGS OF THE WORK SHALL COMPLY WITH ALL SECURITY REQUIREMENTS AS OUTLINED IN ALL LOCAL BUILDING CODES AND ORDINANCES.	8. <u>COMPLETION</u>
4. <u>SITE WORK</u>	H) CONTRACTOR SHALL ASSUME SOLE RESPONSIBILITY FOR SAFETY ON OR ABOUT THE CONSTRUCTION SITE IN ACCORDANCE WITH APPLICABLE LAWS AND CODE, AND SHALL OBSERVE SAFETY PROVISIONS OF THE LATEST MANUAL OF ACCIDENT PREVENTION PUBLISHED BY THE ASSOCIATION OF GENERAL CONTRACTORS OF AMERICA.	A) ONE SET OF EQUIPMENT OPERATING AND MAINTENANCE MANUALS PER UNIT SHALL BE SUBMITTED TO OWNER UPON COMPLETION OF PROJECT, PRIOR TO REQUEST FOR FINAL PAYMENT.
A) THE CIVIL ENGINEER IS RESPONSIBLE FOR PROVIDING THE FOLLOWING INFORMATION:	6. <u>JOB SITE</u>	B) CONTRACTOR SHALL ASSIST OWNER IN OBTAINING "CERTIFICATE OF OCCUPANCY" OR "OCCUPANCY PERMIT" AS NECESSARY.
1) FINISHED AND EXISTING GRADES	A) IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL EXISTING UTILITIES, WHETHER SHOWN HEREIN OR NOT, AND TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR ALL THE EXPENSE FOR REPAIR OR REPLACEMENT OF UTILITIES AND/OR OTHER PROPERTY DAMAGED BY OPERATIONS IN CONJUNCTIONS WITH THE EXECUTION OF WORK.	
2) ALL SITE DRAINAGE	B) CONTRACTOR SHALL PROVIDE TEMPORARY PROJECT OFFICE, TELEPHONE, FAX MACHINE, SECURITY FENCE, WATER, POWER, AND TOILET FACILITIES. COORDINATE LOCATIONS WITH ALL APPROPRIATE AGENCIES. CONTRACTOR'S FIELD OFFICE SHALL ALSO CONTAIN A CURRENT COPY OF GOVERNING BUILDING CODE(S).	
3) SIZES AND TYPE OF CURB AND GUTTERS		
4) SITE DIMENSION AND SETBACKS		
B) VERIFY DIMENSIONS, GRADES, ELEVATIONS AND CRITICAL LOCATIONS, SUCH AS STRUCTURAL SUPPORTS, BEFORE COMMENCING WORK AFFECTED BY THEM. THE CONTRACTOR SHALL REPORT ANY DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.		



STAMP

CONSULTANT

KLC
CONSULTING ENGINEERS, INC.
11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530
TEL.: 510-232-0300 • FAX: 510-232-0303
http://www/kleco.com

PROJECT & OWNER (S):

NEW TWO-STOREY RESIDENCE
LOT #2
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC

CHECKED: RBC

SCALE: AS NOTED

DATE: 12/12/16

TITLE SHEET

GENERAL NOTES,
VICINITY MAP, INFO,
ETC.

PROJ. NO. 16-574

REVISIONS:

PLANNING, PERMIT SUBMITTAL	12/22/16
PLANNING, PERMIT RESUBMITTAL	02/15/18

SHEET NO:
LOT - 2

A1.0



LOT #1



LOT #2



LOT #3



LOT #4

FRONT ELEVATIONS



AERIAL PERSPECTIVE

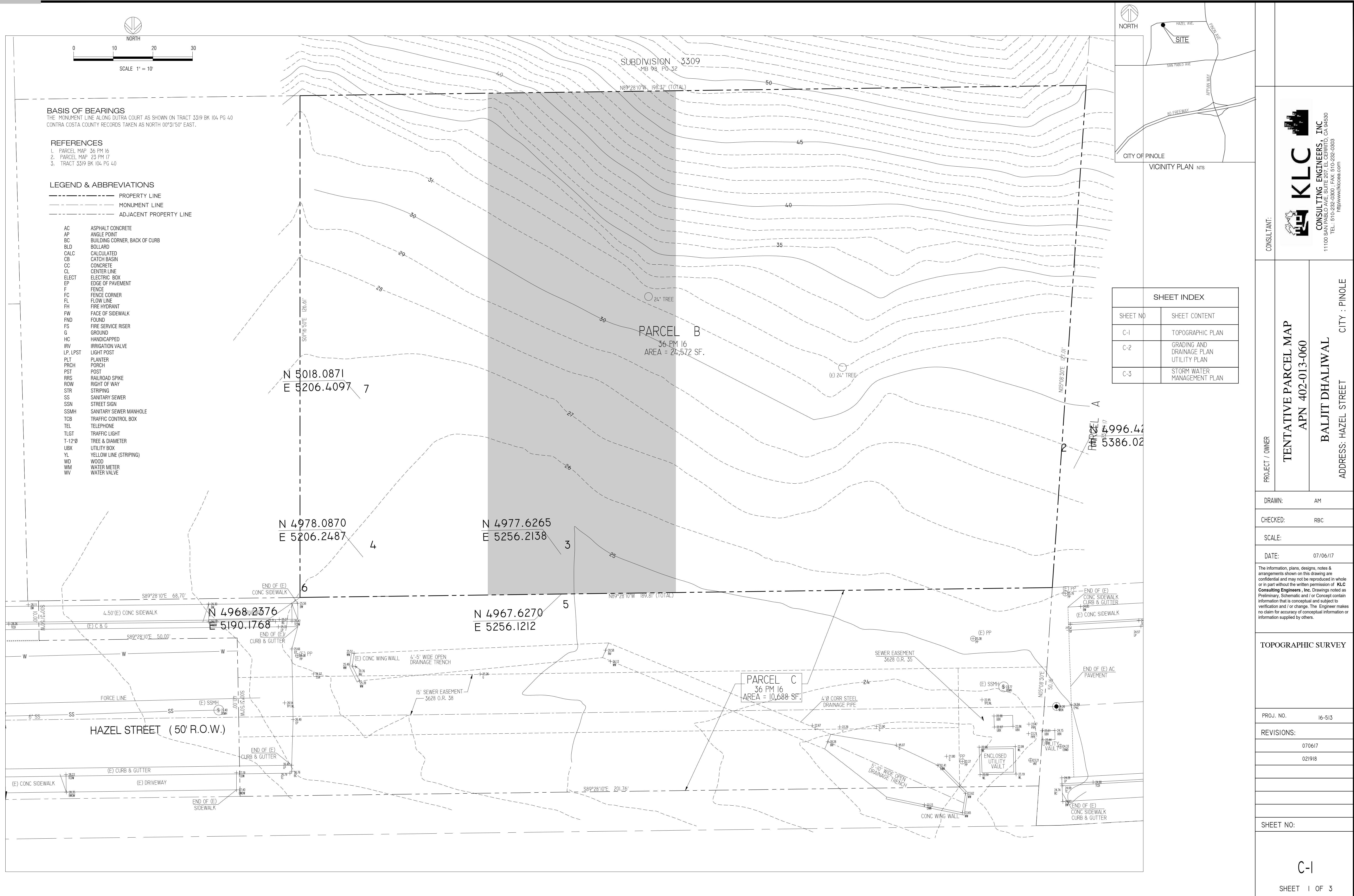


AT STREET ELEVATION

NOTE:

THE DRAWINGS / PERSPECTIVE SHOWN HERE
ARE GRAPHICAL REPRESENTATION ONLY &
NOT TO SCALE.
FOR ACTUAL SIZE OF LOT DEVELOPMENT, SEE
SHEET A.1

STAMP			
CONSULTANT		 KLC CONSULTING ENGINEERS, INC 11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0300 ; FAX: 510-232-0303 http://www.klceee.com	
PROJECT & OWNER (S):		NEW TWO-STOREY RESIDENCE	
		MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:		MTC	
CHECKED:		RBC	
SCALE:		AS NOTED	
DATE:		12/12/16	
TITLE SHEET		PERSPECTIVE	
PROJ. NO.		16-574	
REVISIONS:			
PLANNING, PERMIT SUBMITTAL		12/22/16	
PLANNING, PERMIT RESUBMITTAL		02/15/18	
SHEET NO:		A0.1	





OWNER / APPLICANT
BALJIT DHALIWAL
1068 TORQUISE DRIVE, HERCULES, CA 94547

PROPERTY ADDRESS
HAZEL STREET, PINOLE, CA

ASSESSOR'S PARCEL NO.
402-013-060

EXISTING AND PROPOSED ZONING
RESIDENTIAL

SANITARY SEWER
WEST COUNTY WASTE WATER DISTRICT

WATER SERVICE
EAST BAY MUNICIPAL DISTRICT

GAS AND ELECTRIC
PACIFIC GAS AND ELECTRIC

FIRE PROTECTION
PINOLE FIRE DEPARTMENT

TOTAL AREA TO BE DIVIDED
PARCEL B (36 PM 16) A = 24,572 SF

LEGEND :

----- PROPERTY LINE
 - - - - - MONUMENT LINE
 - - - - - ADJACENT PROPERTY LINE

SECTION
HAZEL STREET
SCALE 1"=10'

SUB BASE SHALL CONFORM TO SOIL'S
REPORT RECOMMENDATION AND
COMPACTION REQUIREMENTS

HAZEL STREET (50' R.O.W.)

CONSULTANT:



CONSULTING ENGINEERS, INC
11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530
TEL.: 510-232-0300 ; FAX: 510-232-0303

TENTATIVE PARCEL MAP

APN 402-013-060

BALJIT DHALIWAL

ADDRESS: HAZEL STREET
CITY : PINOLE

DRAWN: AM

AM

CHECKED: RBC

RBC

SCALE:

DATE: 07/06/17

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GRADING PLAN
DRAINAGE PLAN
UTILITY PLAN

PROJ. NO.	16-513
-----------	--------

-513

REVISIONS:

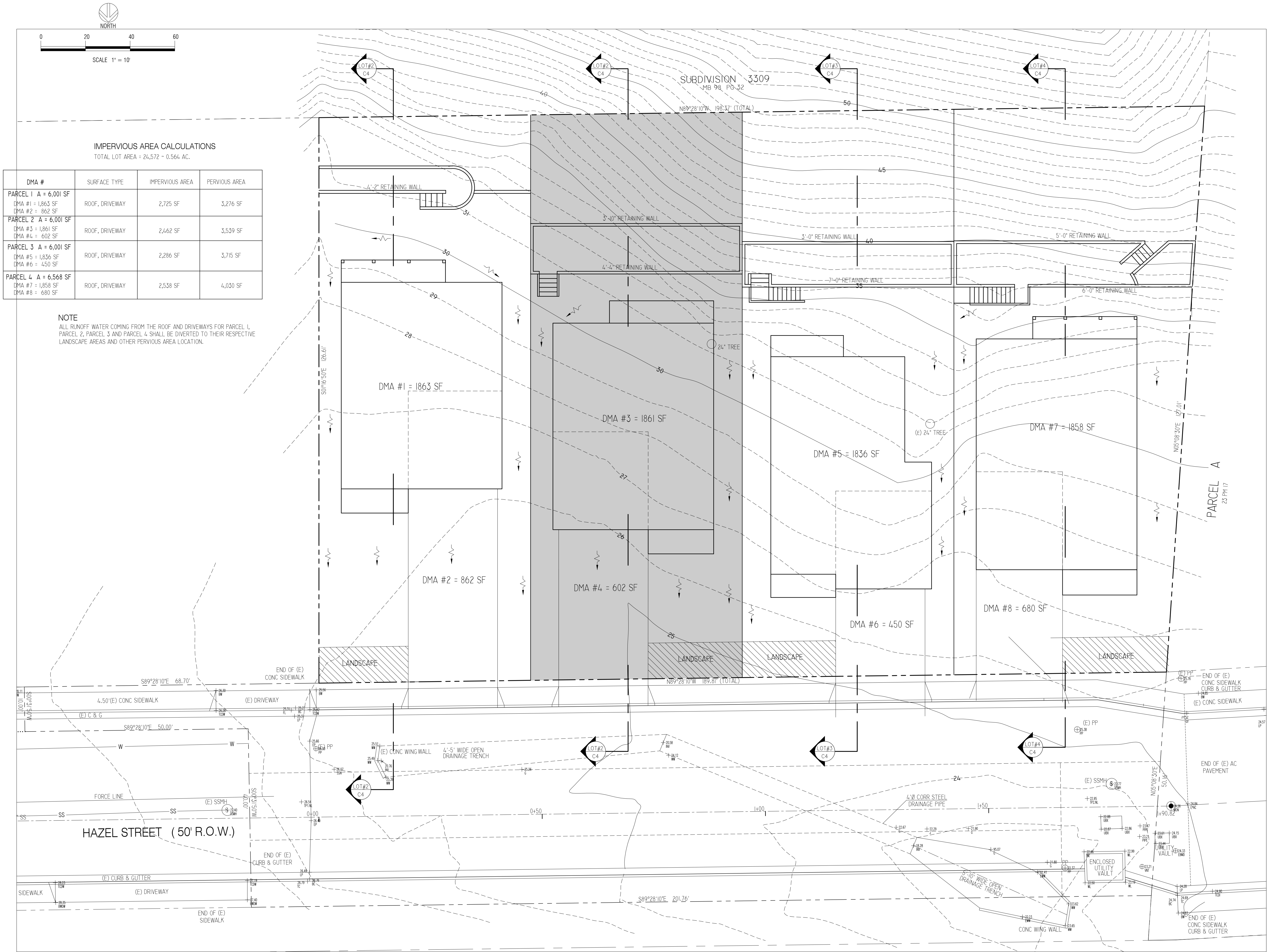
05

02

SHEET NO:

C-2

SHEET 2 OF 3



CONSULTANT:



PROJECT / OWNER

TENTATIVE PARCEL MAP
APN 402-013-060

BALJIT DHALIWAL

ADDRESS: HAZEL STREET CITY : PINOLE

DRAWN:

AM

CHECKED:

RBC

SCALE:

DATE:

07/06/17

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STORM WATER
MANAGEMENT PLAN

PROJ. NO.

16-513

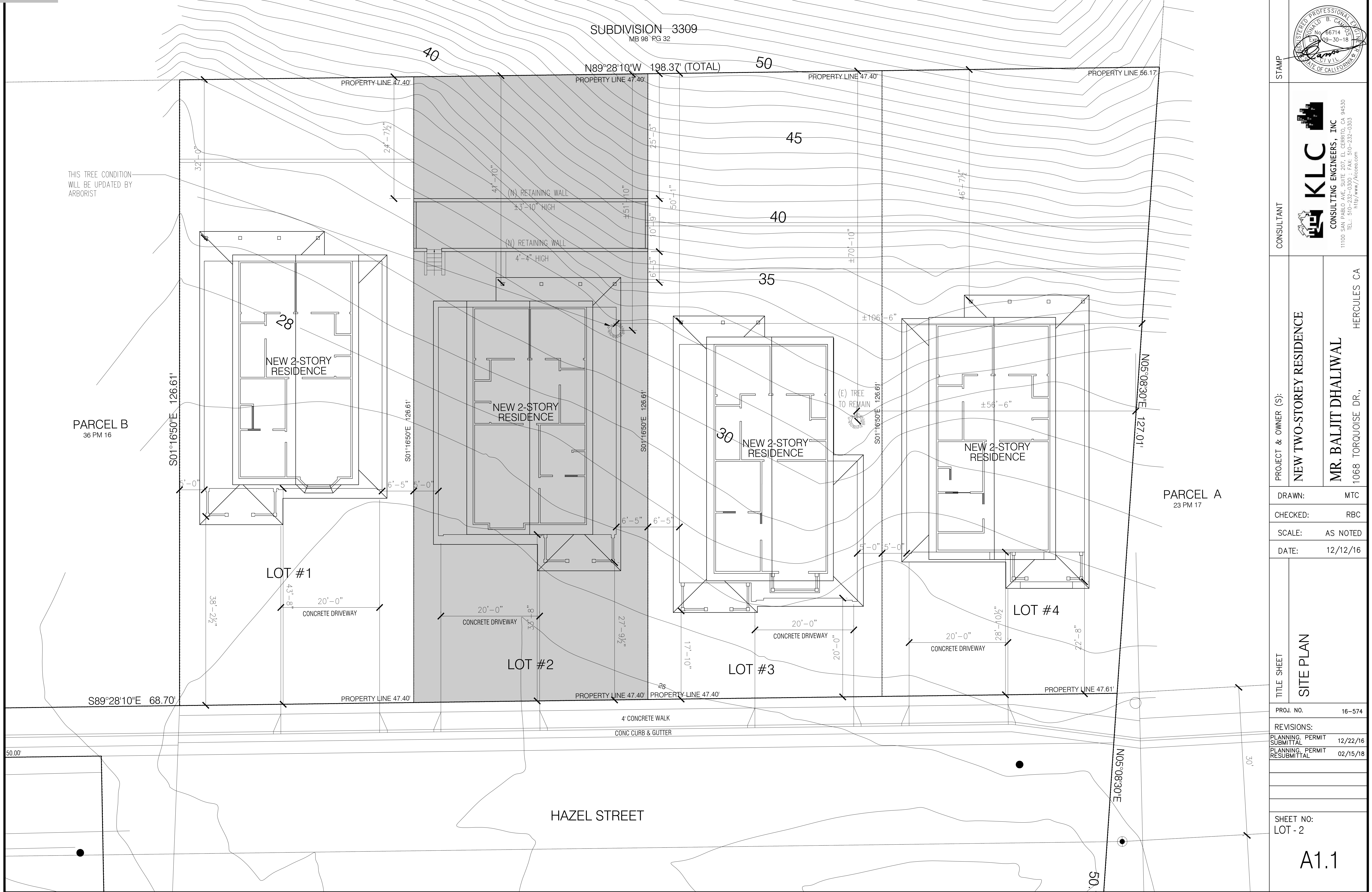
REVISIONS:

070617

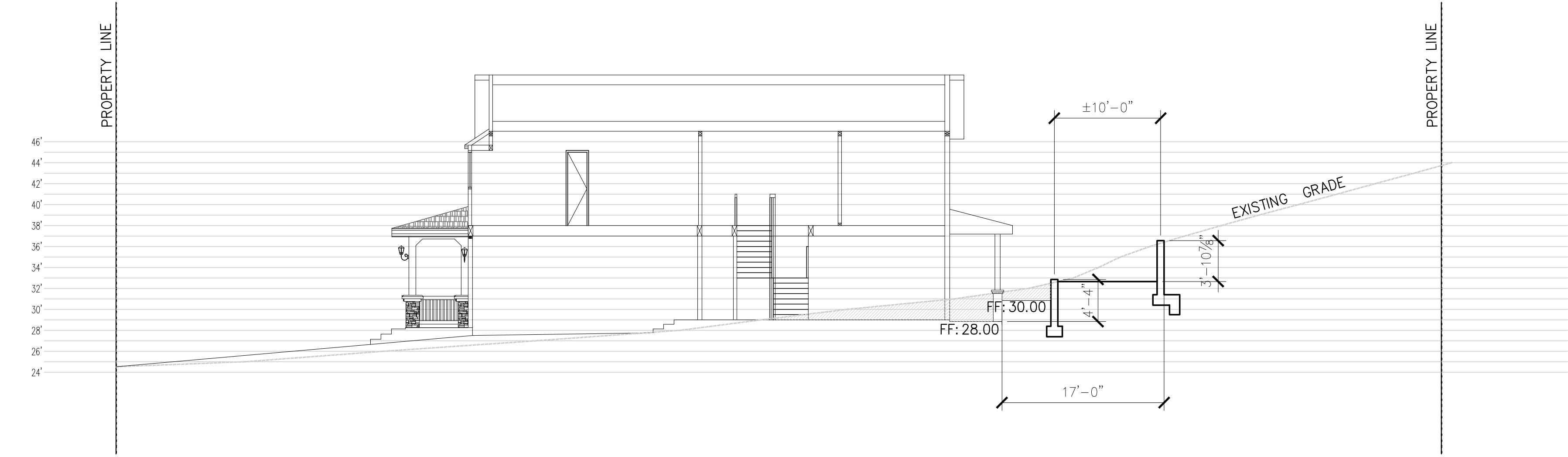
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C-3

SHEET 3 OF 3

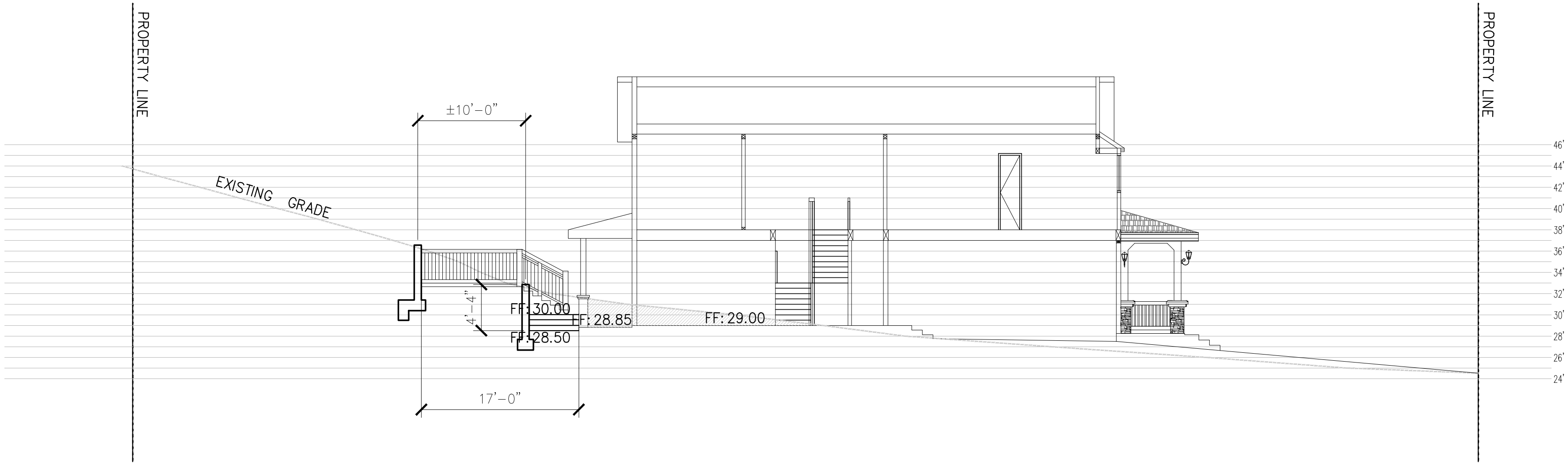


STAMP		
	CONSULTANT	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
TITLE SHEET	DRAWN: MTC	
	CHECKED: RBC	
	SCALE: AS NOTED	
	DATE: 12/12/16	
SHEET NO:	LOT - 2	
	A1.1	
	REVISIONS:	
	PLANNING PERMIT SUBMITTAL 12/22/16 PLANNING PERMIT RESUBMITTAL 02/15/18	



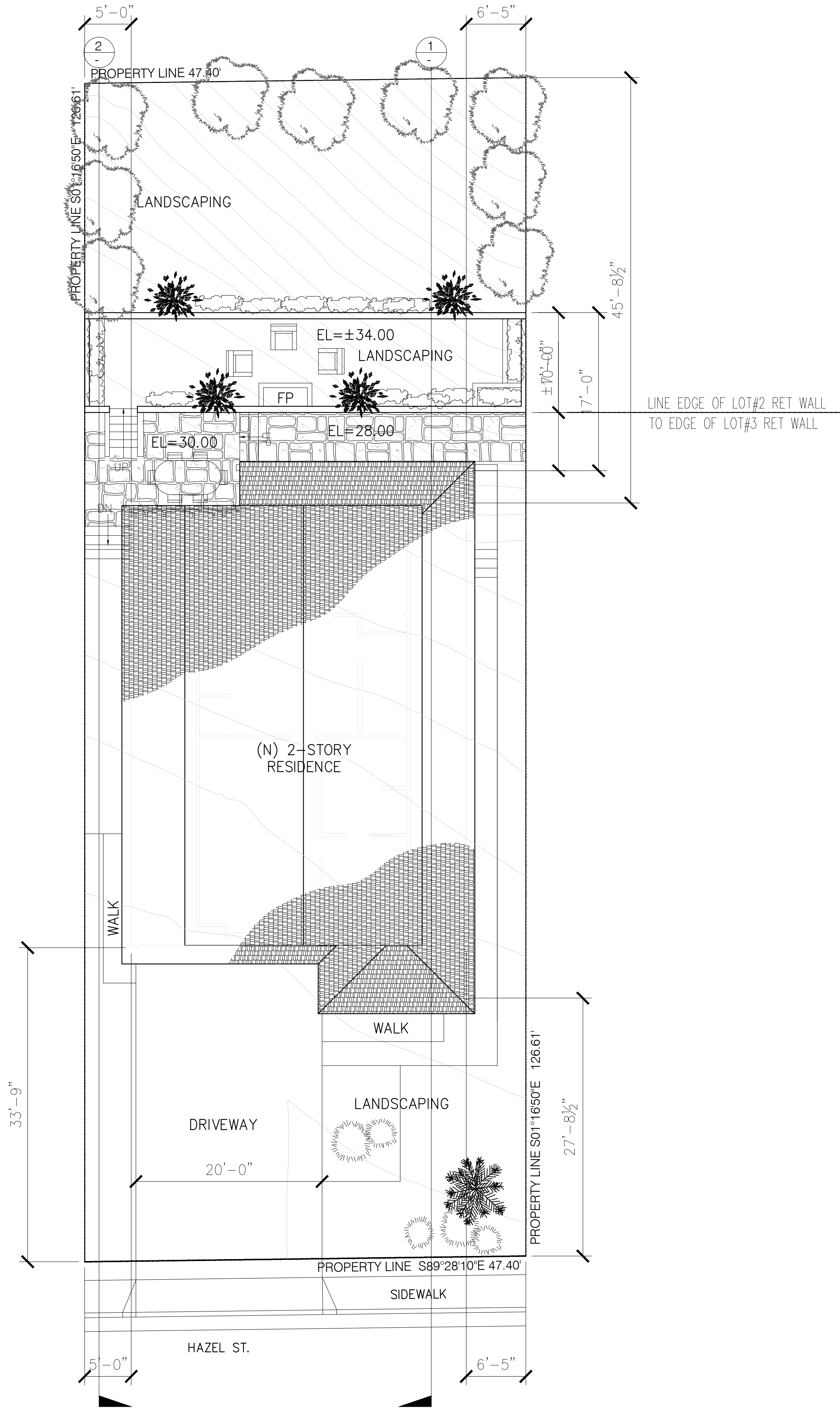
1 LOT CROSS SECTION
LOT#2

0 2 4 8 feet
SCALE: 1/8"=1'-0"



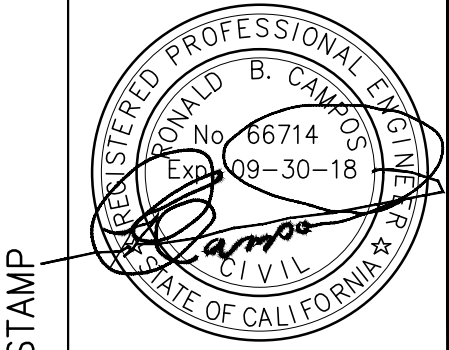
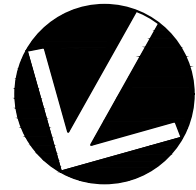
2 LOT CROSS SECTION
LOT#2

0 2 4 8 feet
SCALE: 1/8"=1'-0"



1 LOT - 2 PLOT PLAN
8' 0' 8' 16'
SCALE: 1/8" = 1'-0"

SCALE: 1/8"=1'-0"



KLC
CONSULTING ENGINEERS, INC
11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530
TEL: 510-232-0300 : FAX: 510-232-0303
http://www/kliceo.com

PROJECT & OWNER (S):
NEW TWO-STOREY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

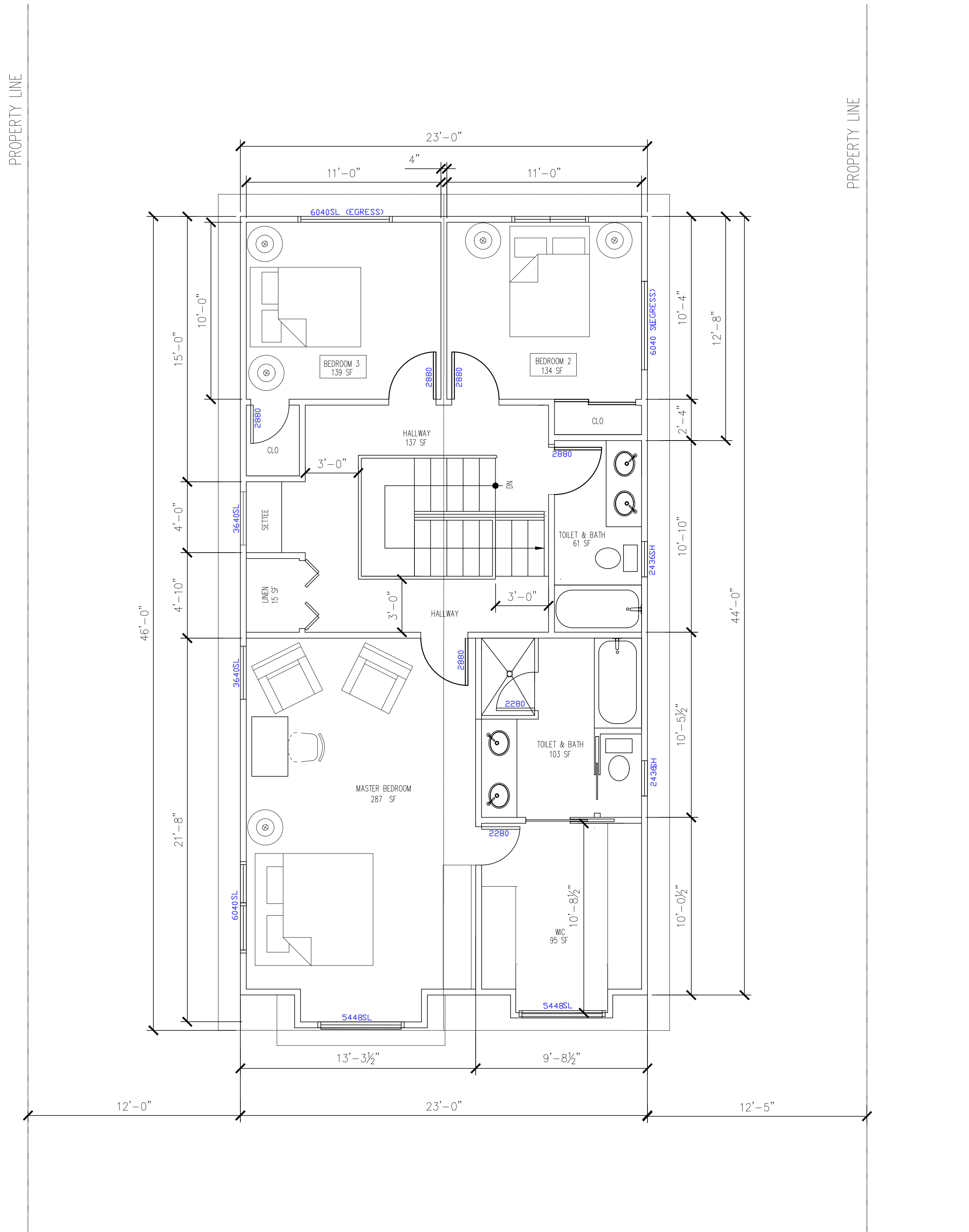
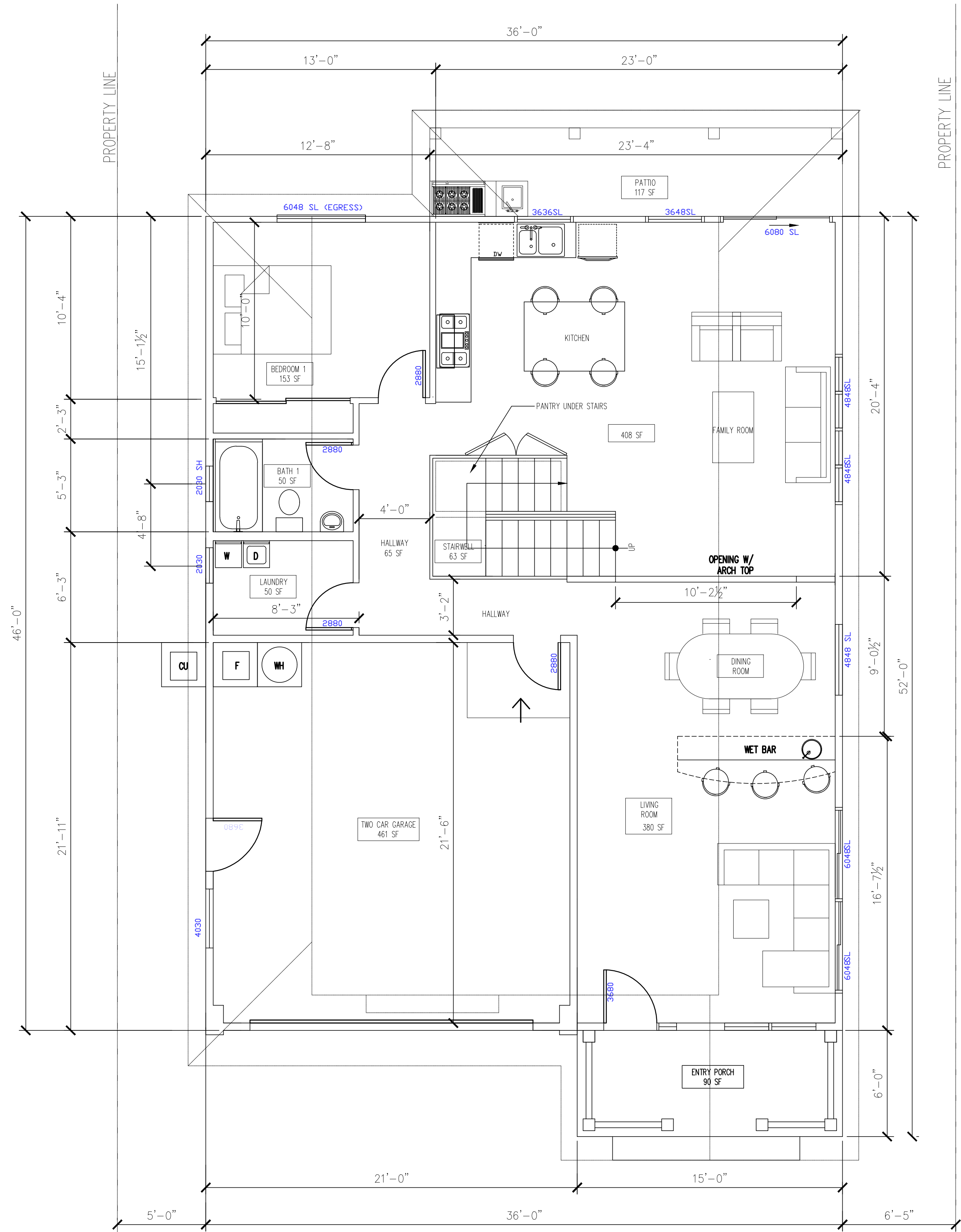
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DATE: 12/12/16

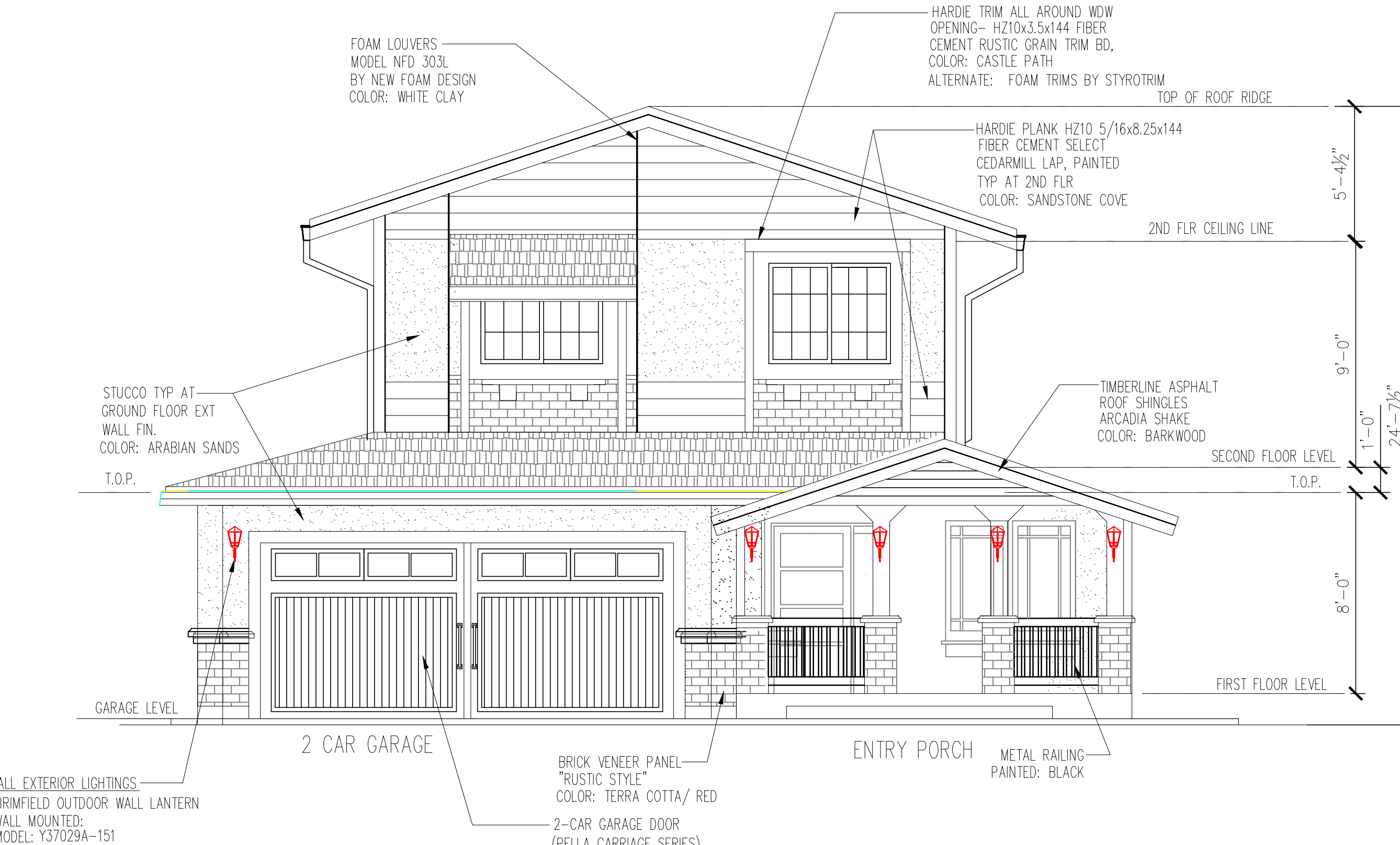
TITLE SHEET
PLOT PLAN

PROJ. NO. 16-574
REVISIONS:
PLANNING, PERMIT SUBMITTAL 12/22/16
PLANNING, PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 2

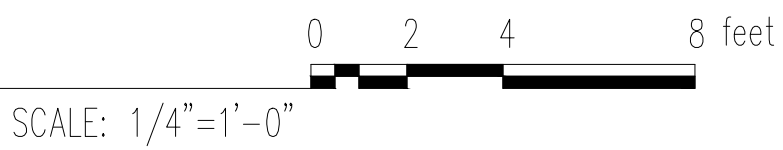
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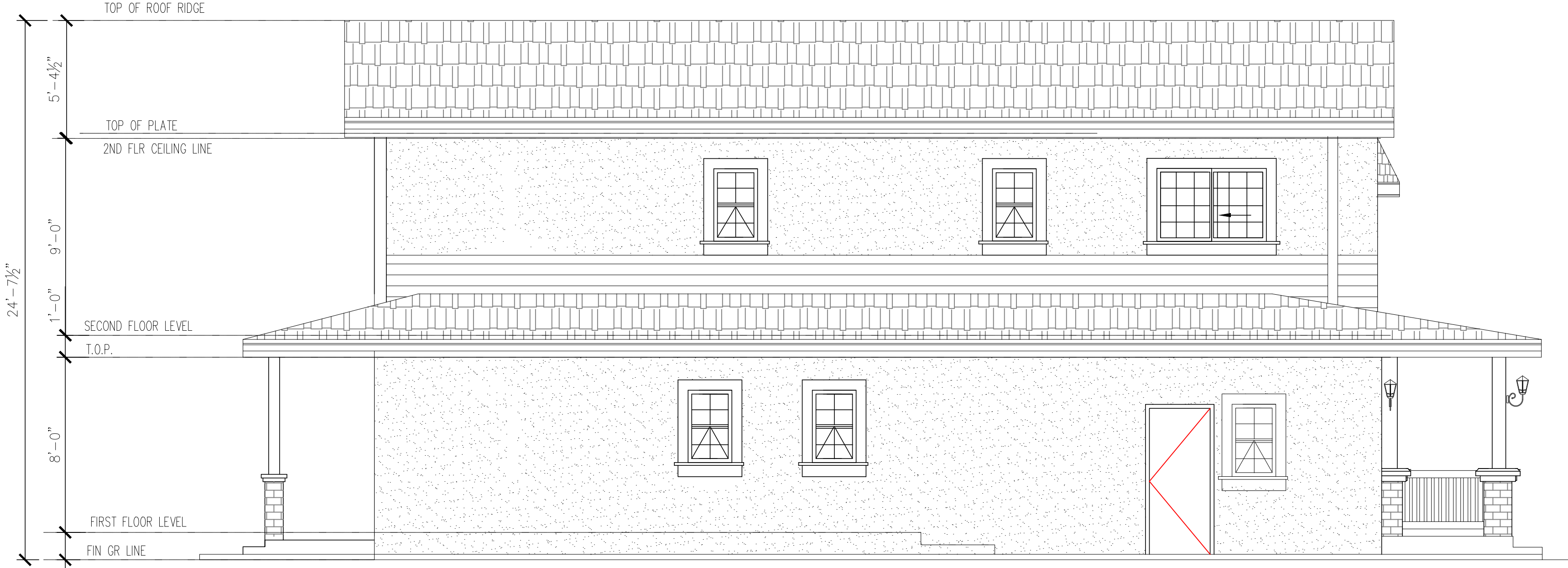
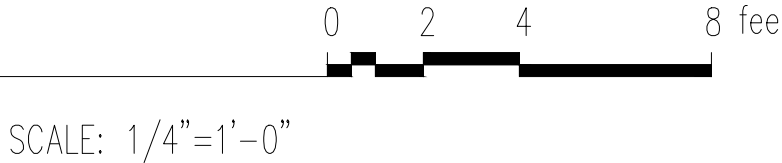
FRONT ELEVATION

LOT#2



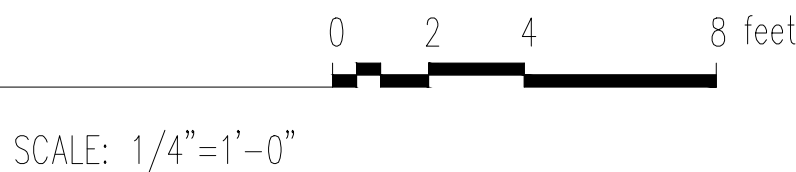
RIGHT SIDE ELEVATION

LOT#2



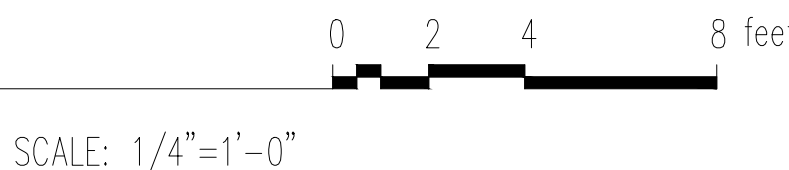
LEFT SIDE ELEVATION

LOT#2

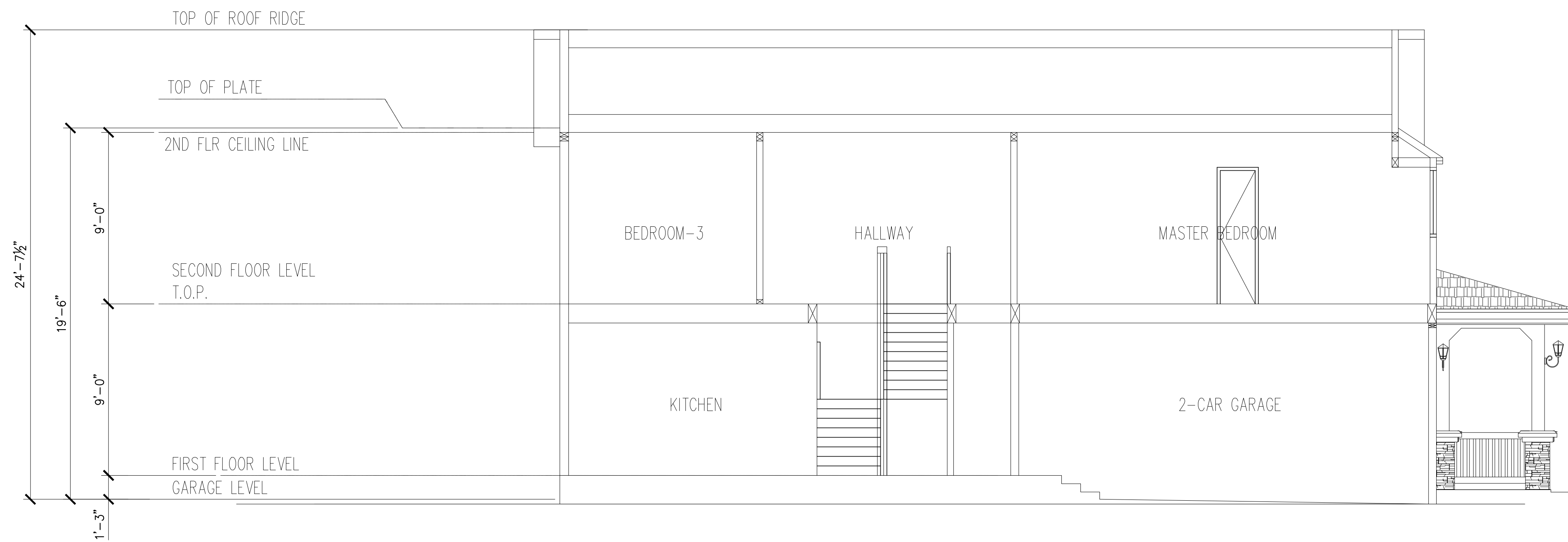


REAR ELEVATION

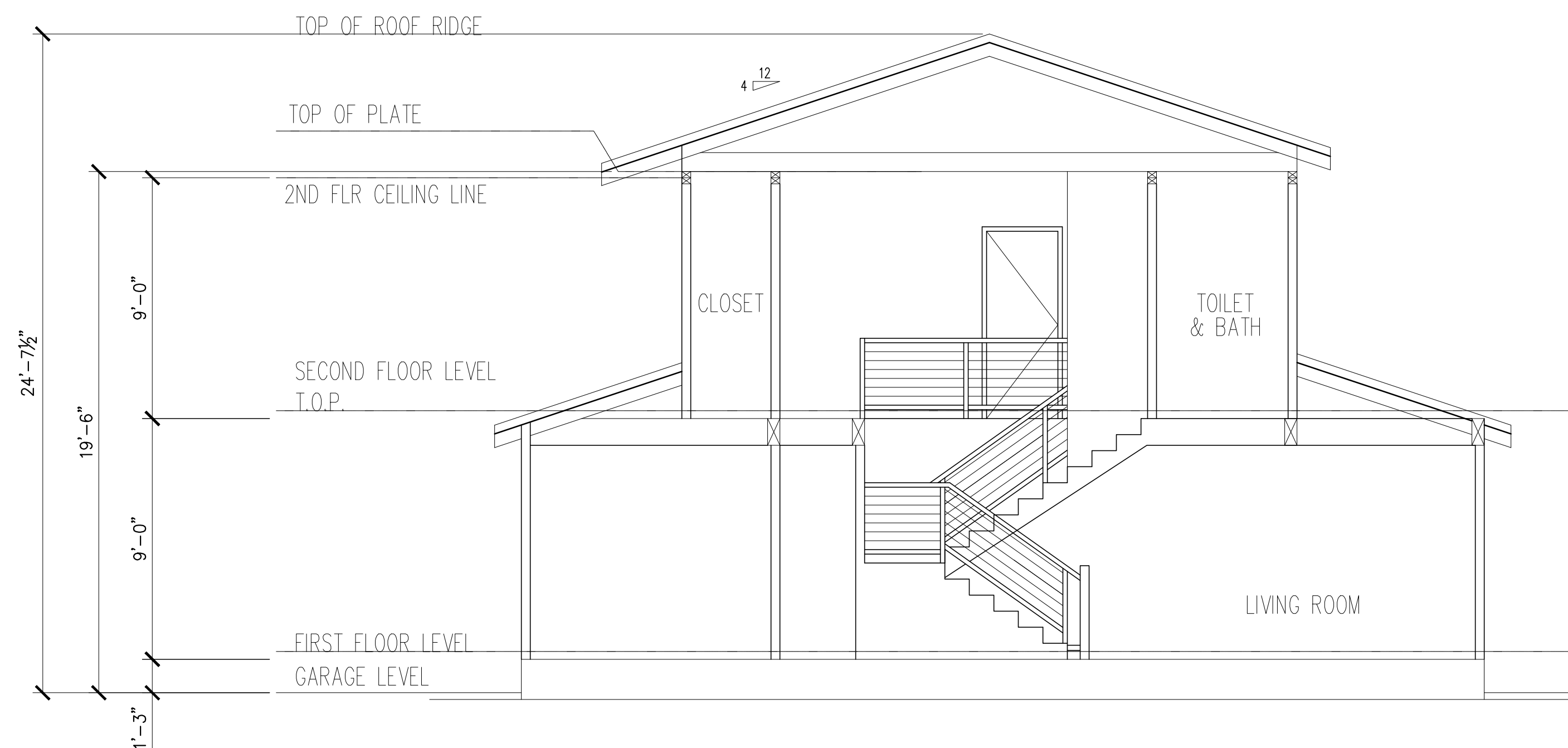
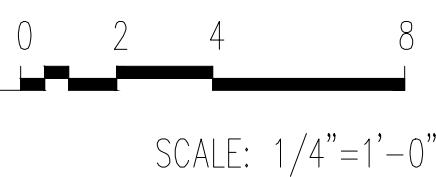
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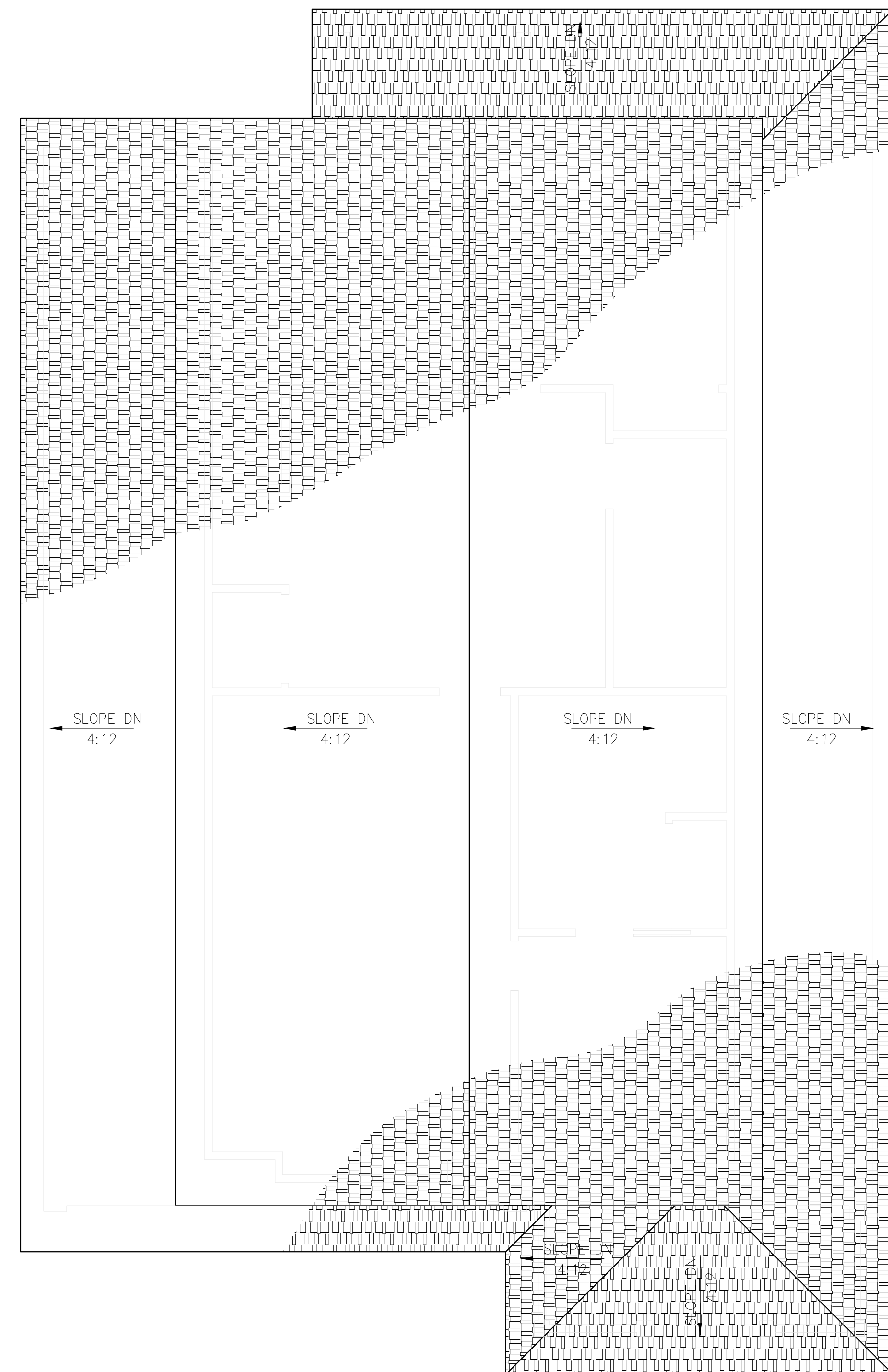
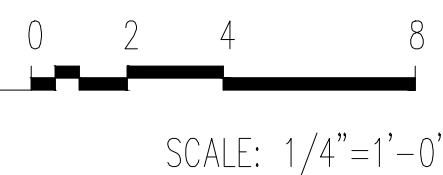
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CONSULTANT	 KLC CONSULTING ENGINEERS, INC. 11100 SAN PABLO AVE. SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0300 ; FAX: 510-232-0303 http://www/klicea.com	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:	MTC	
CHECKED:	RBC	
SCALE:	AS NOTED	
DATE:	12/12/16	
TITLE SHEET	ELEVATIONS	
PROJ. NO.	16-574	
REVISIONS:		
PLANNING, PERMIT SUBMITTAL	12/22/16	
PLANNING, PERMIT RESUBMITTAL	02/15/18	
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A3.0		



SECTION A

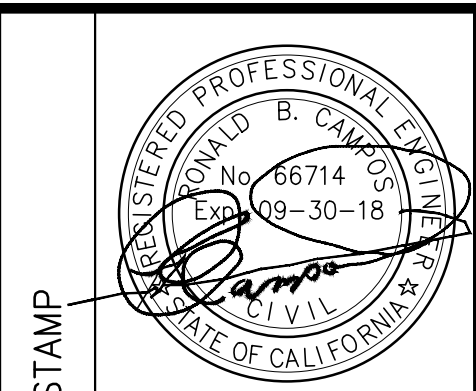
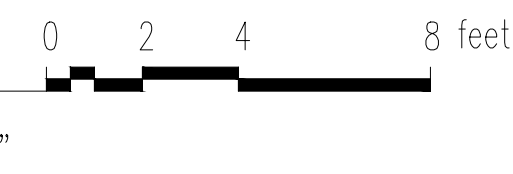


SECTION B



UPPER ROOF PLAN

LOT#2



STAMP

CONSULTANT



CONSULTING ENGINEERS, INC
11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530
TEL.: 510-232-0300 ; FAX: 510-232-0303
<http://www.kiceco.com>

PROJECT & OWNER (S):

NEW TWO-STOREY RESIDENCE

MR. BALJIT DHALIWAL

1068 TORQUOISE DR.,
HERCULES CA

DRAWN:

MTC

CHECKED

RBC

SCALE:

AS NOTED

DATE:

12/12/16

TITLE SHEET

SECTIONS & ROOF PLAN

PROJ. NO.

16-574

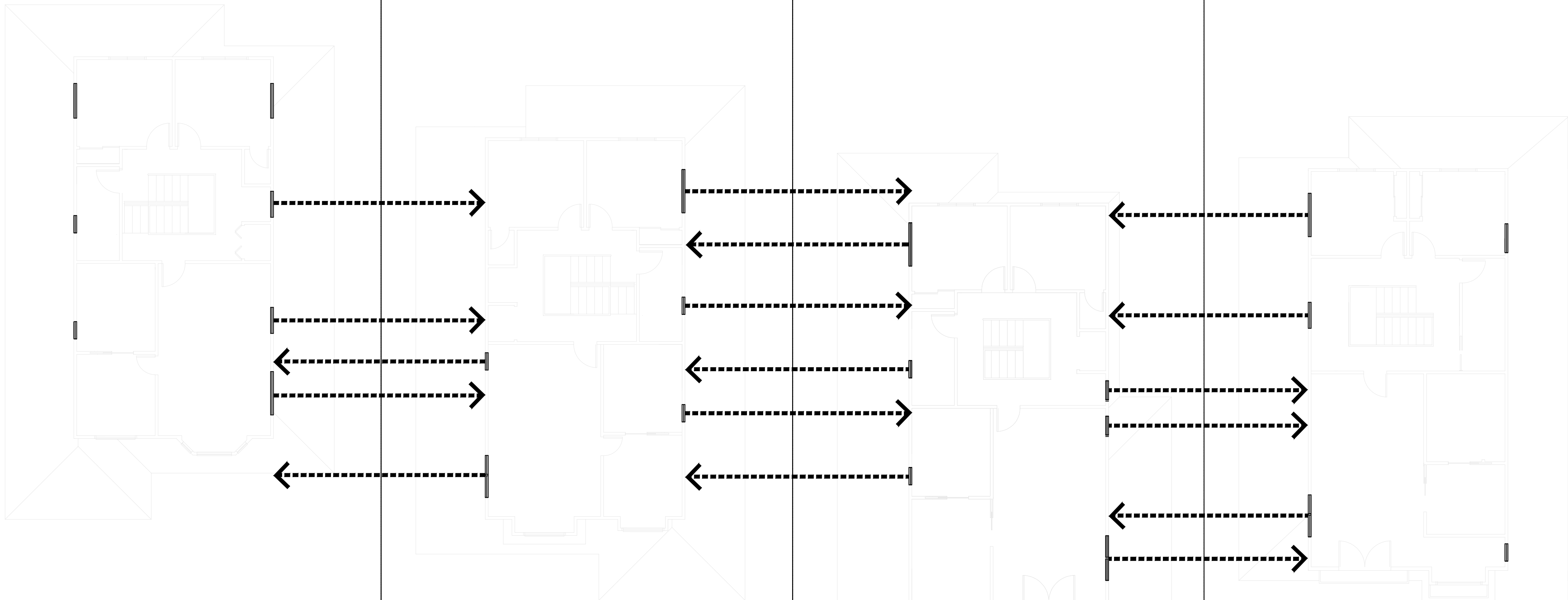
REVISIONS:

PLANNING. PERMIT SUBMITTAL	12/22/1
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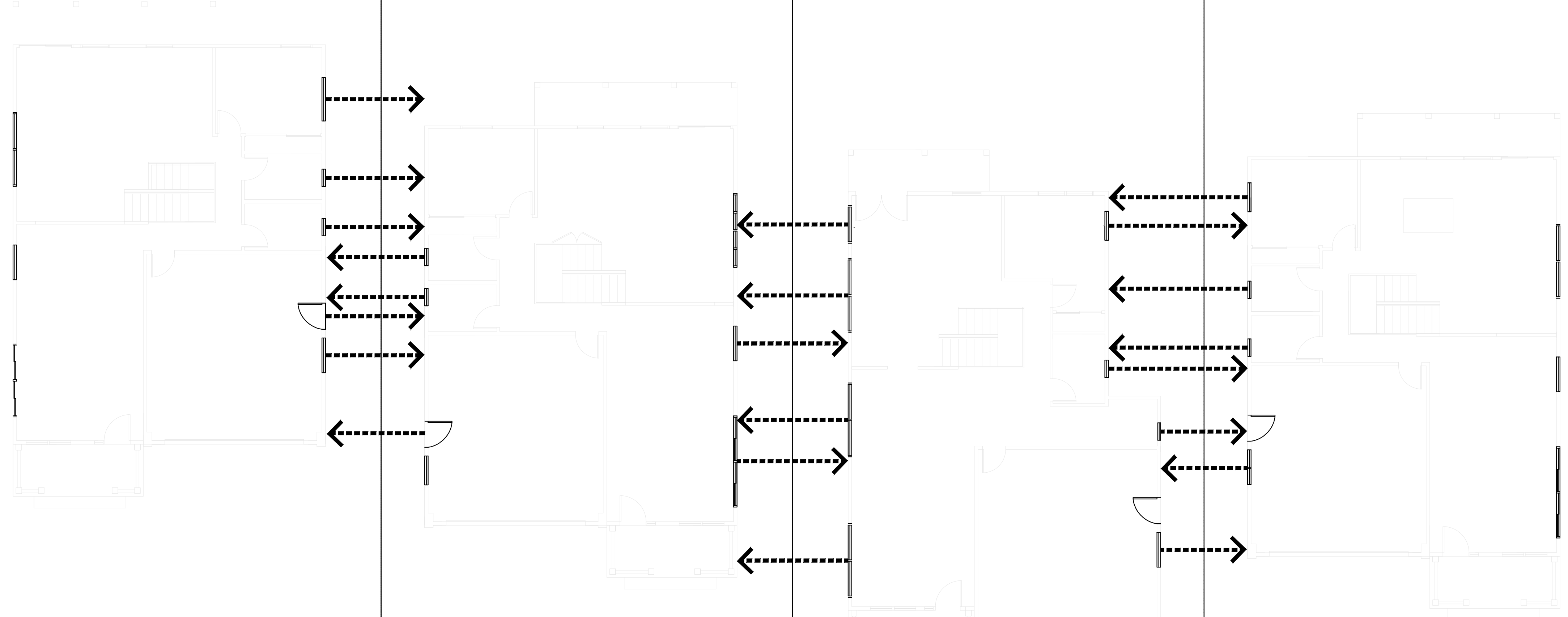
PLANNING. PERMIT RESUBMITTAL	02/15/1
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SHEET NO.
LOT - 2

A4.0



2ND FLOOR
PLAN

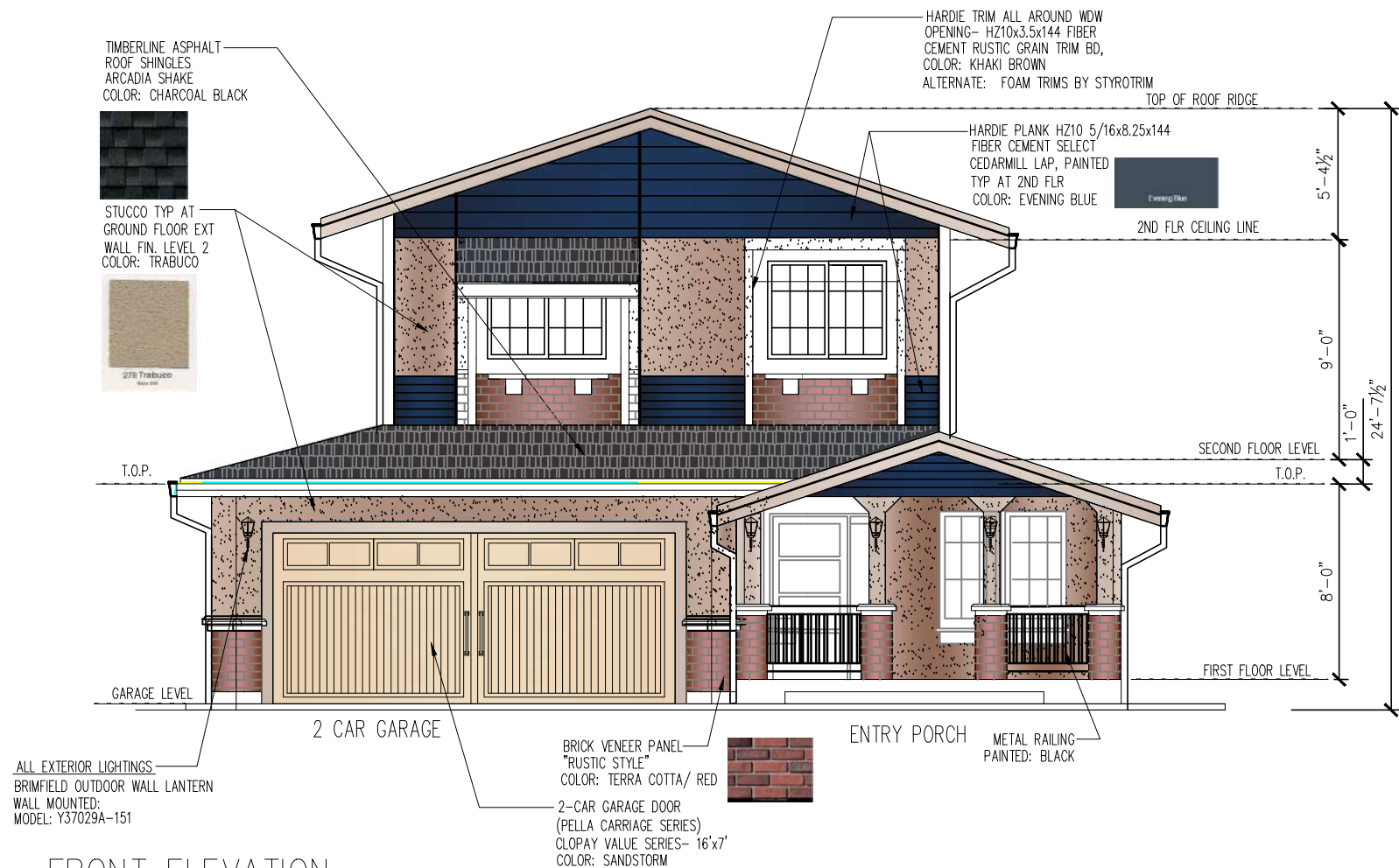


GROUND
FLOOR PLAN

STAMP		
	CONSULTANT	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:	MTC	
	CHECKED: RBC	
SCALE:	AS NOTED	
DATE:	12/12/16	
TITLE SHEET	WINDOW VISIBILITY PRIVACY FROM NEIGHBORING UNIT	
	PROJ. NO. 16-574	
REVISIONS:		
PLANNING, PERMIT SUBMITTAL 12/22/16		
PLANNING, PERMIT RESUBMITTAL 02/15/18		
SHEET NO:		
A5.0		

NEW 2-STORY RESIDENCE

LOT #2
HAZEL ST.,
PINOLE, CA., 94564



FRONT ELEVATION

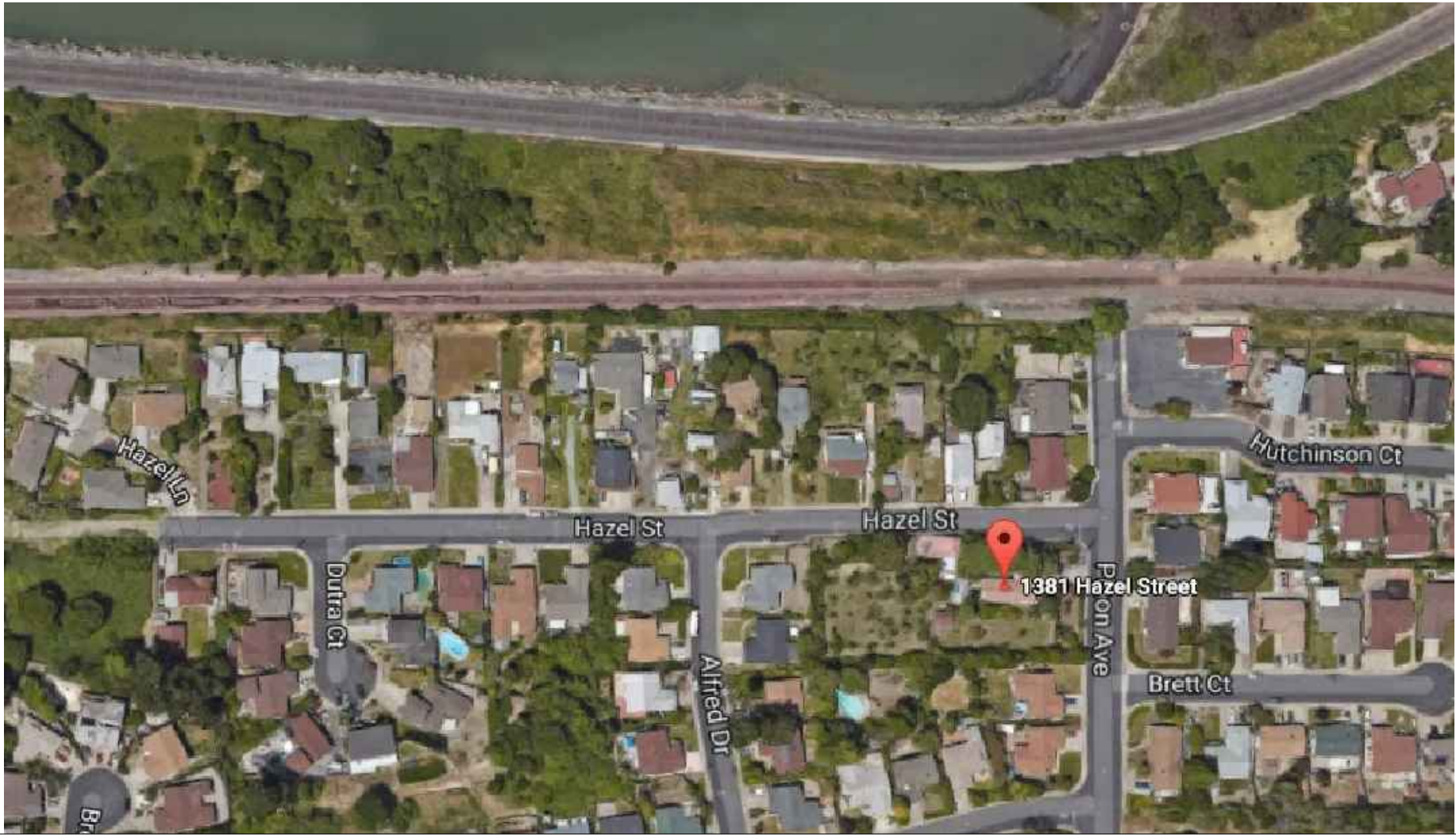
LOT#2

DHALI-BALI DEVELOPMENT

LOT #3 - MODEL #3
HAZEL ST., PINOLE, CA. 94564

ATTACHMENT F

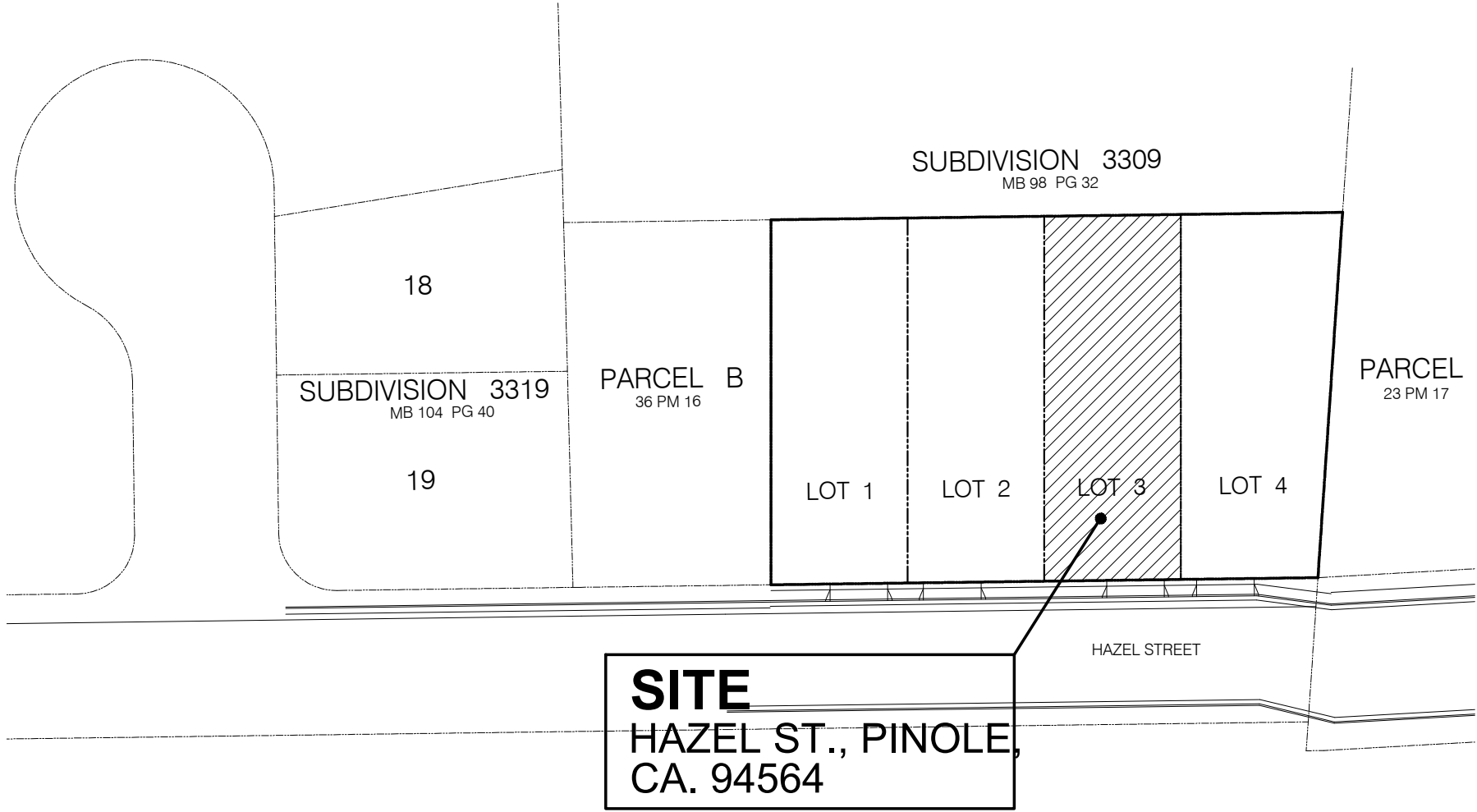
AERIAL VIEW



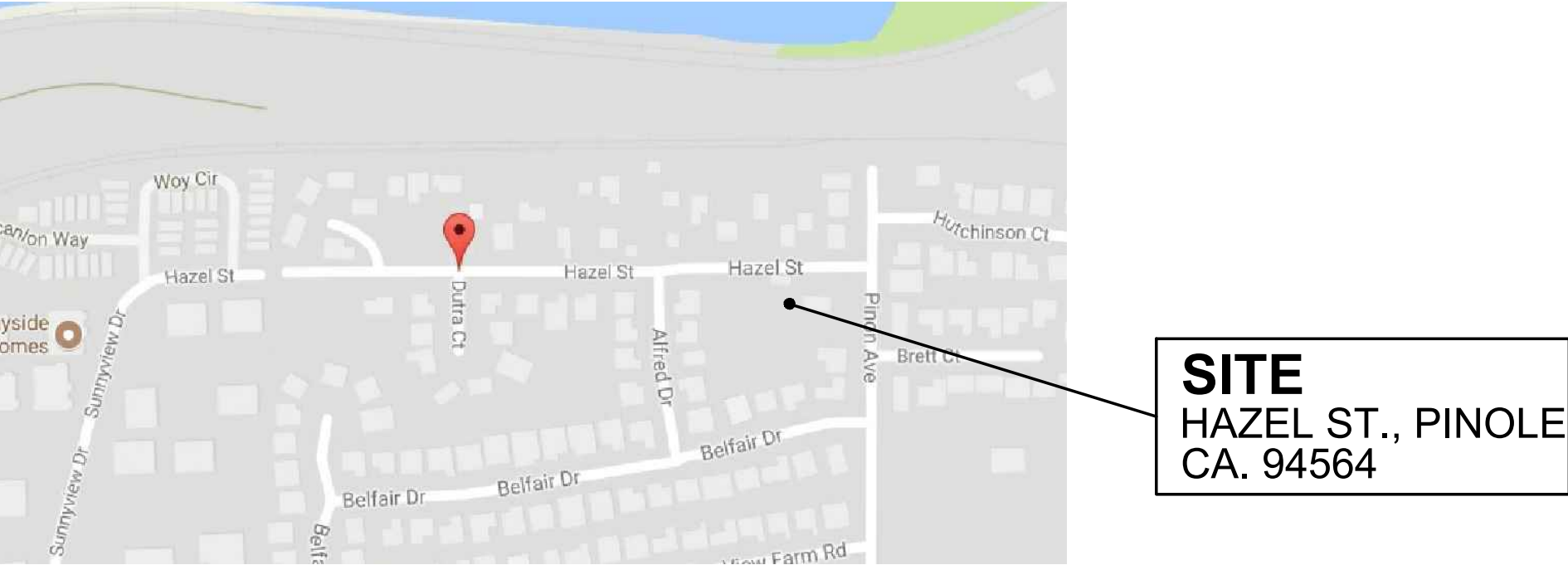
FRONT VIEW



LOCATION MAP



VICINITY MAP



CODE COMPLIANCE & BLDG DATA

2016 CALIFORNIA BUILDING CODE (CBC 2016)	OWNER	BALJIT DHALIWAL 1068 TURQUOISE DR., HERCULES, CA	GARAGE AREA	434 SF
2016 CALIFORNIA RESIDENTIAL CODE	APN	402-013-060	FIRST FLOOR LEVEL	1,206 SF
2016 CALIFORNIA ELECTRIC CODE	PROPERTY AREA	6,001 SF	SECOND FLOOR LEVEL	1,064 SF
2016 CALIFORNIA ENERGY CODE	ZONING	R1- SINGLE FAMILY RESIDENTIAL	PORCHES & BALCONIES- 1ST FLOOR LEVEL	258 SF
2016 CALIFORNIA MECHANICAL CODE	TYPE CONSTRUCTION	V - N	LOOKOUT AREA - 2ND FLOOR LEVEL	39 SF
2016 CALIFORNIA PLUMBING CODE	OCCUPANCY GROUPS	R-1, U-1		
	F.A.R.	$\frac{2,214}{6,001} = 0.369$		

SCOPE OF WORK

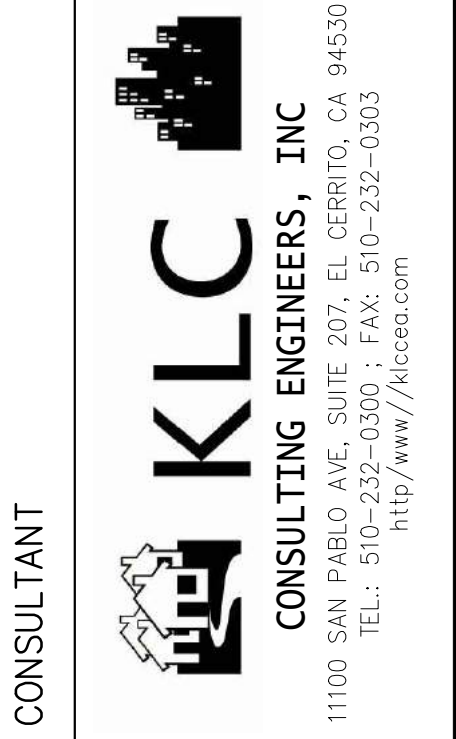
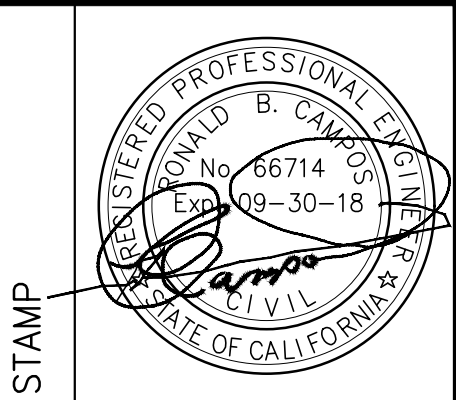
1. PROPOSED 1,206 SF LIVING SPACE AT GROUND FLOOR & 1,064 SF AT SECOND FLOOR
2. PROPOSED 2-CAR GARAGE WITH APPROX. AREA OF 434 SF.
3. PROPOSED 87 SF FRONT PATIO, 171 SF BACK PATIO & 39 SF UPPER BALCONY

DRAWING INDEX

- | | |
|------|--|
| A1.0 | COVER SHEET, AREA MAP/ PARCEL MAP & OTHER INFO |
| A0.1 | PERSPECTIVE (LOTS #1,2,3 & 4) |
| C1 | TOPOGRAPHIC SURVEY |
| C2 | GRADING, DRAINAGE, & UTILITY PLAN |
| C3 | STORMWATER MANAGEMENT PLAN |
| A1.1 | OVERALL SITE PLAN |
| A1.2 | PLOT PLAN & PROFILE SECTION |
| A2.0 | GROUND & SECOND FLOOR PLANS |
| A3.0 | ELEVATIONS |
| A4.0 | SECTIONS / ROOF PLAN |
| A5.0 | WINDOW VISIBILITY LOCATION PLANS (LOTS 1, 2, 3, 4) |
| L1.0 | CONCEPTUAL LANDSCAPE PLAN, FENCING PLAN |

GENERAL NOTES

THESE NOTES ARE ARRANGED ACCORDING TO THE FOLLOWING DIVISIONS AS A CONVENIENCE TO THE CONTRACTOR. GENERAL NOTES ARE NOT LIMITED BY THEIR DIVISION HEADING AND APPLY AS NECESSARY THROUGHOUT THE ENTIRE PROJECT.		
1. <u>CODES</u>	5. <u>CONSTRUCTION</u>	
A) ALL CONTRACTORS WORK SHALL CONFORM TO THE 2016 CALIFORNIA BUILDING, MECHANICAL, ELECTRICAL, PLUMBING, AND FIRE CODES, AMERICANS WITH DISABILITIES ACT, AND ALL OTHER APPLICABLE CODES, OR THOSE ADOPTED BY THE CITY OF PINOLE, CALIFORNIA. GOVERNING AUTHORITIES AND CODES TAKE PRECEDENCE OVER DRAWINGS AND SPECIFICATIONS. REPORT DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.	A) NEITHER THE ARCHITECT, NOR THE ENGINEERS, NOR THE OWNER SHALL BE RESPONSIBLE FOR: CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, OR PROCEDURES OF THE CONTRACTOR; SAFETY PRECAUTIONS AND PROGRAMS OF THE CONTRACTOR; THE ACTS OR OMISSIONS OF THE CONTRACTOR; OR THE FAILURE OF CONTRACTOR TO CARRY OUT THE WORK IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.	C) CITY APPROVED PLANS SHALL BE KEPT IN A PLAN BOX IN THE FIELD OFFICE AND SHALL NOT BE USED BY WORKERS. ALL CONSTRUCTION SETS SHALL BE KEPT UP TO DATE, AND REFLECT THE SAME INFORMATION. THE CONTRACTOR SETS SHALL REFLECT THE SAME INFORMATION. THE CONTRACTOR SHALL ALSO MAINTAIN, IN GOOD CONDITION, ONE COMPLETE SET OF PLANS AND SPECIFICATIONS WITH ALL REVISIONS, ADDENDA, AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THESE ARE TO BE UNDER THE CARE OF THE JOB SUPERINTENDENT.
2. <u>READING THE PLANS</u>	B) THE CONTRACTOR SHALL BE RESPONSIBLE FOR PERFORMING ALL WORK REQUIRED FOR A COMPLETELY FINISHED PROJECT. THE CONTRACTOR SHALL ALSO BE RESPONSIBLE FOR ALL WORK FURNISHED BY SUBCONTRACTORS.	D) CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETE SECURITY OF THE SITE WHILE THE JOB IS IN PROGRESS AND UNTIL THE JOB IS COMPLETE.
C) SHOULD CONFLICTS OCCUR BETWEEN THE DRAWINGS AND SPECIFICATIONS, DRAWINGS SHALL GOVERN IN MATTERS OF DIMENSION OR QUANTITY; SPECIFICATIONS SHALL GOVERN IN MATTERS OF MATERIALS OR FINISHES.	C) INSTALL ALL MATERIALS AND PRODUCTS IN STRICT ACCORDANCE WITH MANUFACTURER'S RECOMMENDATION AND APPLICABLE ICBO REPORTS.	E) CONTRACTOR SHALL MAINTAIN THE SITE IN A CLEAN AND ORDERLY MANNER. NO RADIOS, ALCOHOL, OR CONTROLLED SUBSTANCES ARE ALLOWED ON THE JOB SITE. ALL DEBRIS SHALL BE REMOVED FROM PREMISES, AND ALL AREAS SHALL BE LEFT IN A BROOM-CLEAN CONDITION ON A DAILY BASIS.
D) IN CASE OF DISCREPANCIES OR CONFLICTS IN INFORMATION OR REQUIREMENTS WITHIN THE DRAWINGS, WITHIN THE SPECIFICATIONS, OR BETWEEN THE DRAWINGS AND THE SPECIFICATIONS, THE MOST EXPENSIVE REQUIREMENT SHOWN OR SPECIFIED SHALL BE THE BASIS OF THE CONTRACT.	D) THE CONTRACTOR SHALL REPORT TO THE ARCHITECT INCONSISTENCIES HE MAY DISCOVER. THE CONTRACTOR IS RESPONSIBLE FOR CORRECTING ANY ERROR AFTER THE START OF CONSTRUCTION WHICH HAS NOT BEEN BROUGHT TO THE ATTENTION OF THE ARCHITECT. THE MEANS OF CORRECTING ANY ERROR SHALL BE FIRST APPROVED BY THE OWNER.	7. <u>COMMUNICATION</u>
3. <u>PRIOR TO CONSTRUCTION</u>	E) NO STRUCTURAL MEMBERS SHALL BE CUT TO ACCEPT PIPES, VENTS, DUCTS, ETC., EXCEPT AS DETAILED OR SPECIFIED HEREIN OR AS APPROVED BY THE STRUCTURAL ENGINEER IN WRITING.	A) FIELD CONFIRMATION OF DISCREPANCIES SHALL BE RECORDED ON A REPRODUCIBLE DOCUMENT AND IMMEDIATELY TRANSMITTED TO ARCHITECT FOR PROJECT RECORD, COORDINATION, AND NECESSARY RESOLUTION PRIOR TO CONTINUING WORK.
A) PRIOR TO CONSTRUCTION AND GRADING, VERIFY ALL EXISTING CONDITIONS AND CONTACT UTILITY COMPANIES AND AFFECTED CITY AGENCIES. CONTACT "UNDERGROUND SERVICE ALERT" PHONE: (800) 642-2444.	F) THE CONTRACTOR SHALL PERFORM ALL WORK IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE BUILDING OFFICIAL. THE APPROVED PLANS AND SPECIFICATIONS SHALL NOT BE CHANGED OR MODIFIED WITHOUT THE APPROVAL OF THE BUILDING OFFICIAL PER SECTION 106 OF THE CALIFORNIA BUILDING CODE.	B) THE GENERAL CONTRACTOR SHALL PROVIDE OR MAKE AVAILABLE A COMPLETE SET OF CONSTRUCTION DOCUMENTS (INCLUDING DRAWINGS AND SPECIFICATIONS) TO EVERY SUBCONTRACTOR BIDDING ANY PORTION OF THIS PROJECT. THE CONSTRUCTION DOCUMENTS SHALL NOT BE SEPARATED INTO DISCIPLINES (ARCHITECTURAL, MECHANICAL, ELECTRICAL, ETC.), FOR PURPOSE OF SUBCONTRACTOR BIDDING. THE GENERAL CONTRACTOR SHALL REQUIRE BIDDING SUBCONTRACTOR TO REVIEW THE ENTIRE SET OF CONSTRUCTION DOCUMENTS TO OBTAIN CLARITY ON THE COMPLETE SCOPE OF THEIR WORK AND REFER TO CROSS DISCIPLINE DRAWINGS FOR FULL COORDINATION OF WORK WITH OTHER TRADES, AND TO BE AWARE OF ALL WORK WHICH DOES NOT APPEAR WITHIN THE PARTICULAR DISCIPLINE'S DRAWINGS FOR THE PARTICULAR TRADE. FURTHERMORE, THE GENERAL CONTRACTOR SHALL INSURE THAT EACH SUBCONTRACTOR WORKING ON THE PROJECT MAINTAINS A FULL SET OF CONSTRUCTION DOCUMENTS THROUGHOUT THE CONSTRUCTION OF THE PROJECT.
B) THE CONTRACTOR SHALL THOROUGHLY REVIEW PLANS AND EXISTING SITE CONDITIONS AND NOTIFY ARCHITECT OF ANY DISCREPANCIES, ERRORS OR OMISSIONS PRIOR TO CONSTRUCTION.	G) EXTERIOR OPENINGS OF THE WORK SHALL COMPLY WITH ALL SECURITY REQUIREMENTS AS OUTLINED IN ALL LOCAL BUILDING CODES AND ORDINANCES.	8. <u>COMPLETION</u>
4. <u>SITE WORK</u>	H) CONTRACTOR SHALL ASSUME SOLE RESPONSIBILITY FOR SAFETY ON OR ABOUT THE CONSTRUCTION SITE IN ACCORDANCE WITH APPLICABLE LAWS AND CODE, AND SHALL OBSERVE SAFETY PROVISIONS OF THE LATEST MANUAL OF ACCIDENT PREVENTION PUBLISHED BY THE ASSOCIATION OF GENERAL CONTRACTORS OF AMERICA.	A) ONE SET OF EQUIPMENT OPERATING AND MAINTENANCE MANUALS PER UNIT SHALL BE SUBMITTED TO OWNER UPON COMPLETION OF PROJECT, PRIOR TO REQUEST FOR FINAL PAYMENT.
A) THE CIVIL ENGINEER IS RESPONSIBLE FOR PROVIDING THE FOLLOWING INFORMATION:	6. <u>JOB SITE</u>	B) CONTRACTOR SHALL ASSIST OWNER IN OBTAINING "CERTIFICATE OF OCCUPANCY" OR "OCCUPANCY PERMIT" AS NECESSARY.
1) FINISHED AND EXISTING GRADES	A) IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL EXISTING UTILITIES, WHETHER SHOWN HEREIN OR NOT, AND TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR ALL THE EXPENSE FOR REPAIR OR REPLACEMENT OF UTILITIES AND/OR OTHER PROPERTY DAMAGED BY OPERATIONS IN CONJUNCTIONS WITH THE EXECUTION OF WORK.	
2) ALL SITE DRAINAGE		
3) SIZES AND TYPE OF CURB AND GUTTERS		
4) SITE DIMENSION AND SETBACKS		
B) VERIFY DIMENSIONS, GRADES, ELEVATIONS AND CRITICAL LOCATIONS, SUCH AS STRUCTURAL SUPPORTS, BEFORE COMMENCING WORK AFFECTED BY THEM. THE CONTRACTOR SHALL REPORT ANY DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.	B) CONTRACTOR SHALL PROVIDE TEMPORARY PROJECT OFFICE, TELEPHONE, FAX MACHINE, SECURITY FENCE, WATER, POWER, AND TOILET FACILITIES. COORDINATE LOCATIONS WITH ALL APPROPRIATE AGENCIES. CONTRACTOR'S FIELD OFFICE SHALL ALSO CONTAIN A CURRENT COPY OF GOVERNING BUILDING CODE(S).	



PROJECT & OWNER (S):
NEW TWO-STORY RESIDENCE
LOT #3
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC
CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

TITLE SHEET
GENERAL NOTES,
VICINITY MAP, INFO,
ETC.

PROJ. NO. 16-574
REVISIONS:
PLANNING PERMIT SUBMITTAL 12/22/16
PLANNING PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 3

A1.0



LOT #1



LOT #2



LOT #3



LOT #4

FRONT ELEVATIONS



AERIAL PERSPECTIVE



AT STREET ELEVATION

NOTE:

THE DRAWINGS / PERSPECTIVE SHOWN HERE

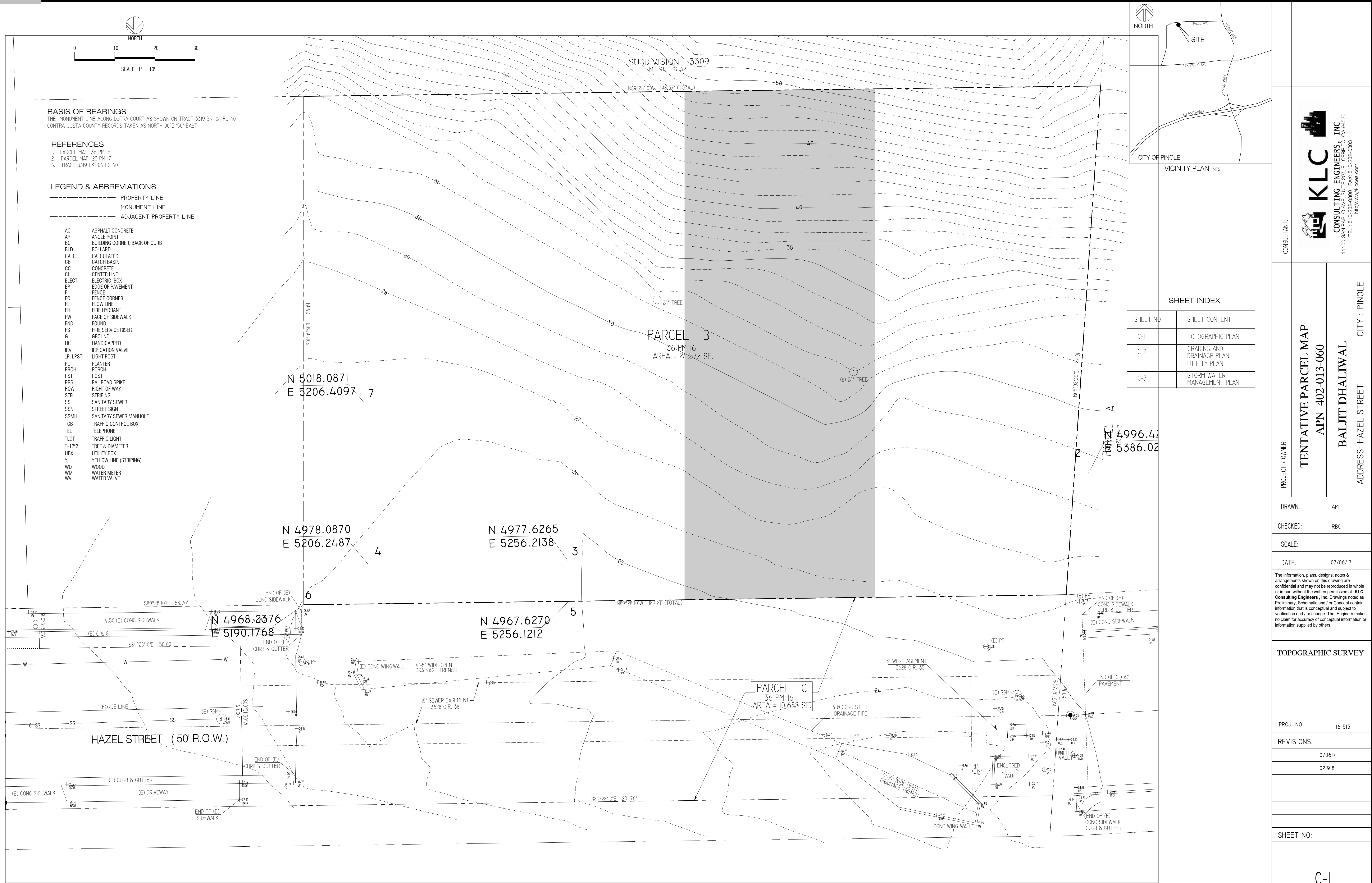
ARE GRAPHICAL REPRESENTATION ONLY &

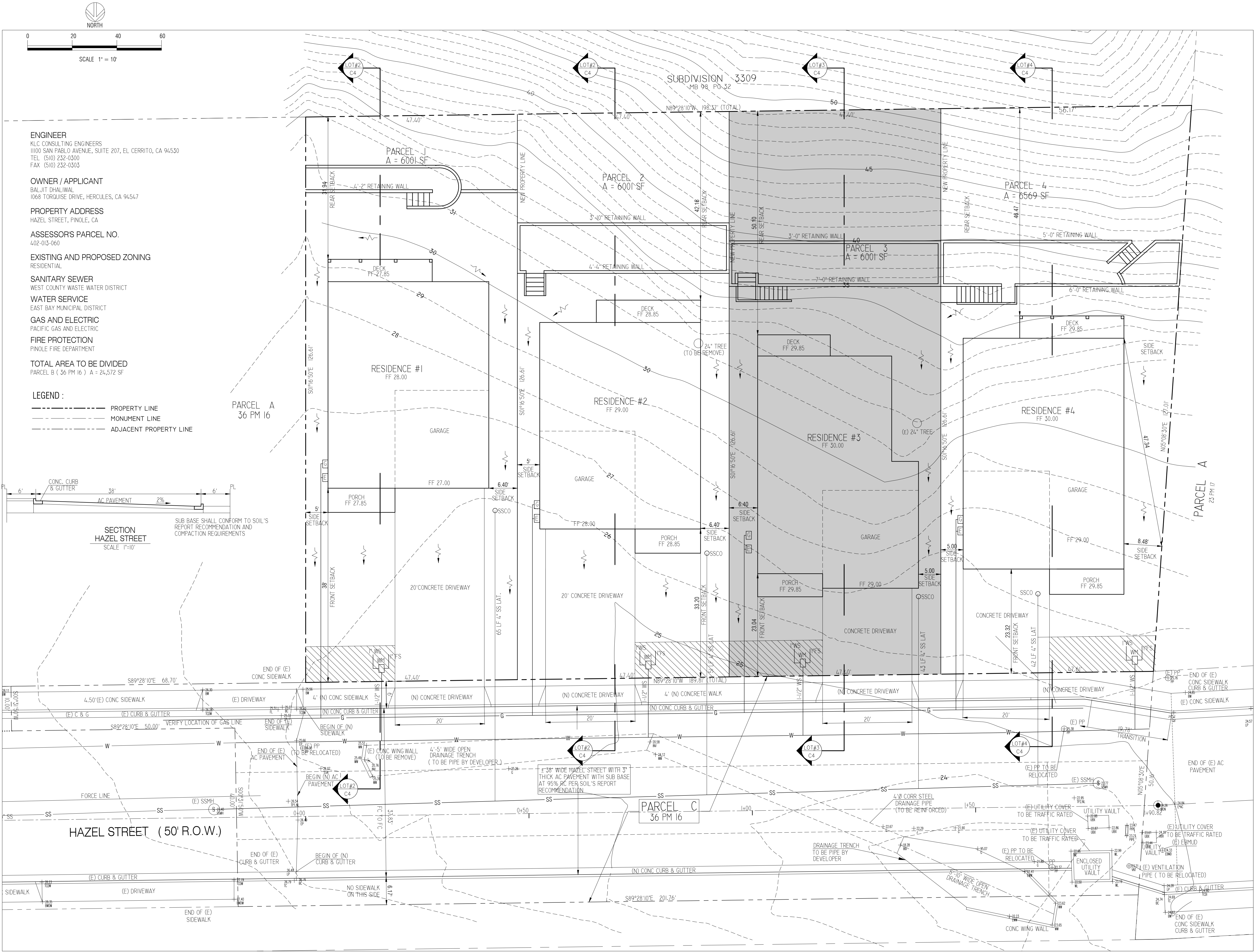
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FOR ACTUAL SIZE OF LOT DEVELOPMENT, SEE

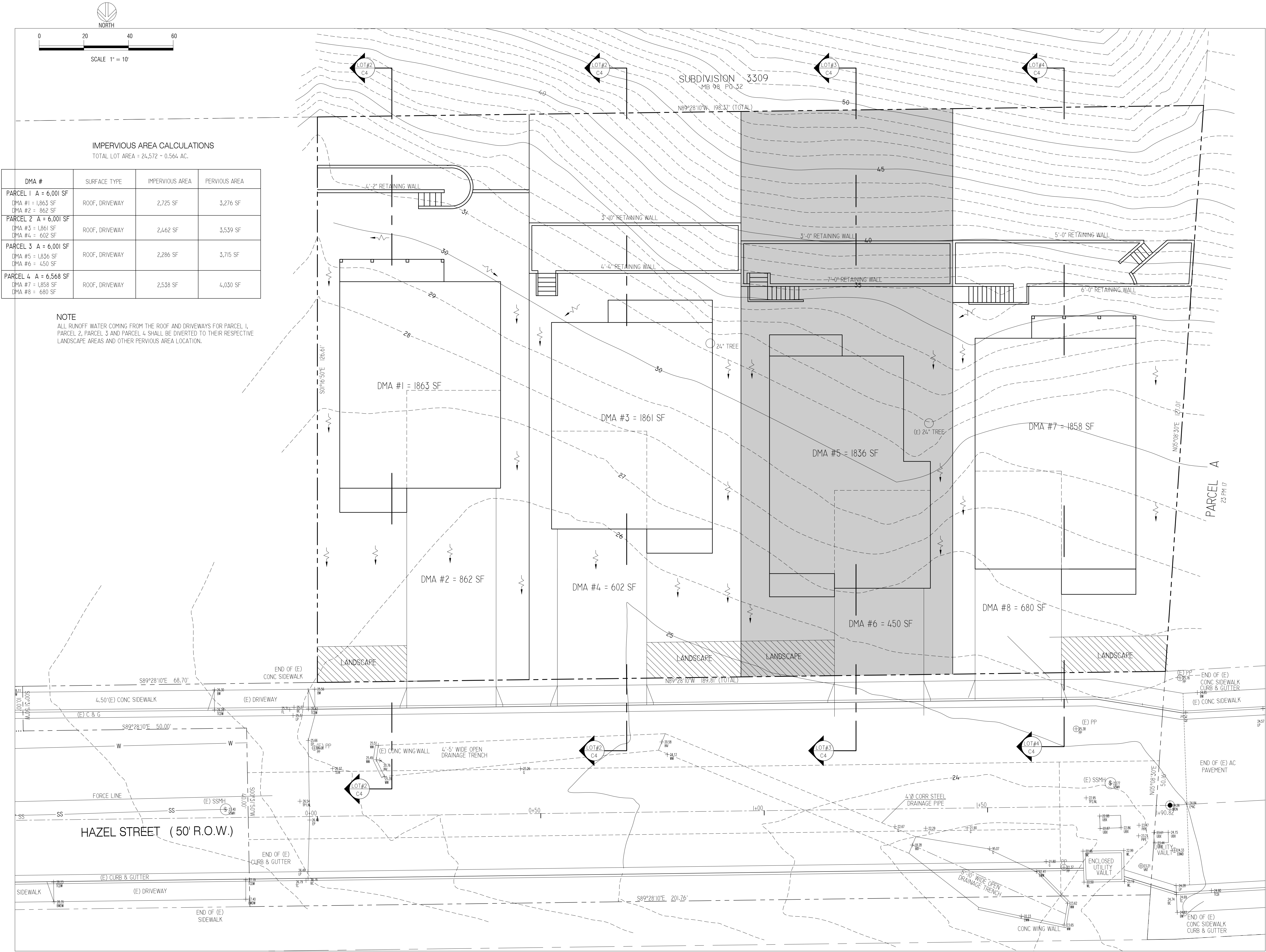
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STAMP			
CONSULTANT		 CONSULTING ENGINEERS, INC 11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0300 ; FAX: 510-232-0303 http://kcee.com	
PROJECT & OWNER (S):		NEW TWO-STORY RESIDENCE	
		MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:		MTC	
CHECKED:		RBC	
SCALE:		AS NOTED	
DATE:		12/12/16	
TITLE SHEET		PERSPECTIVE	
PROJ. NO.		16-574	
REVISIONS:			
PLANNING, PERMIT SUBMITTAL		12/22/16	
PLANNING, PERMIT RESUBMITTAL		02/15/18	
SHEET NO:		A0.1	





CONSULTANT:		 KLC CONSULTING ENGINEERS, INC. 11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530 TEL: 510-232-0300 FAX: 510-232-0303 http://www.klceea.com	
PROJECT / OWNER	TENTATIVE PARCEL MAP		
	APN 402-013-060		
	BALJIT DHALIWAL		
	CITY : PINOLE		
ADDRESS: HAZEL STREET			
DRAWN:	AM		
CHECKED:	RBC		
SCALE:			
DATE:	07/06/17		
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GRADING PLAN DRAINAGE PLAN UTILITY PLAN			
PROJ. NO.	16-513		
REVISIONS:	070617		
	021918		
SHEET NO:			
C-2			
SHEET 2 OF 3			



CONSULTANT:

PROJECT / OWNER

DRAWN: AM
CHECKED: RBC
SCALE:
DATE: 07/06/17

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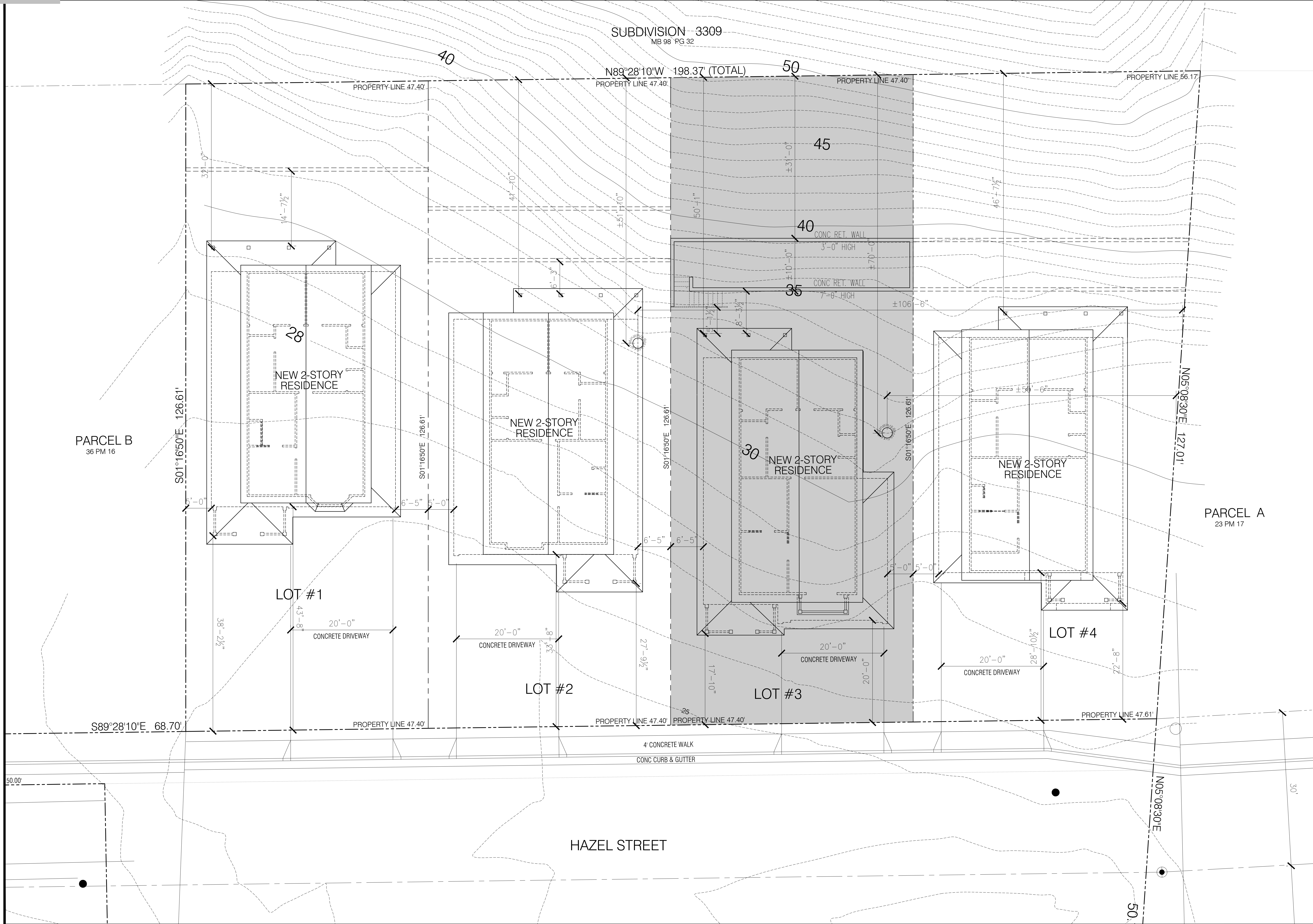
STORM WATER MANAGEMENT PLAN

PROJ. NO. 16-513
REVISIONS: 070617

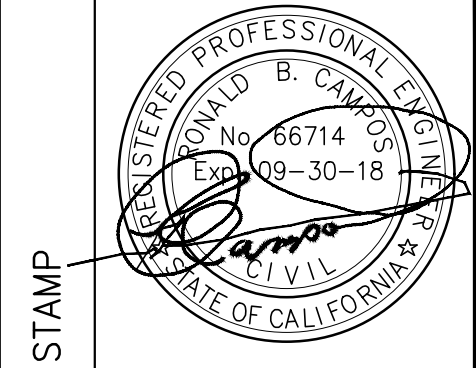
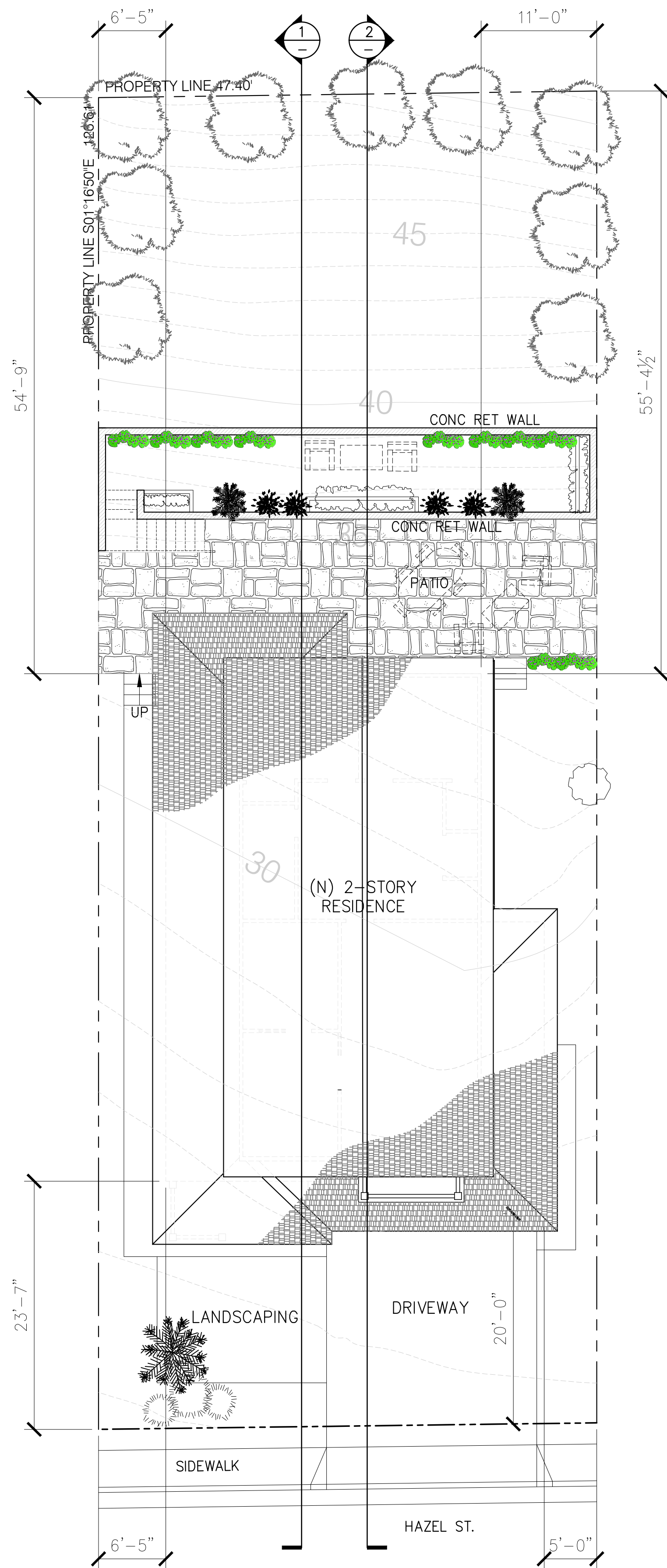
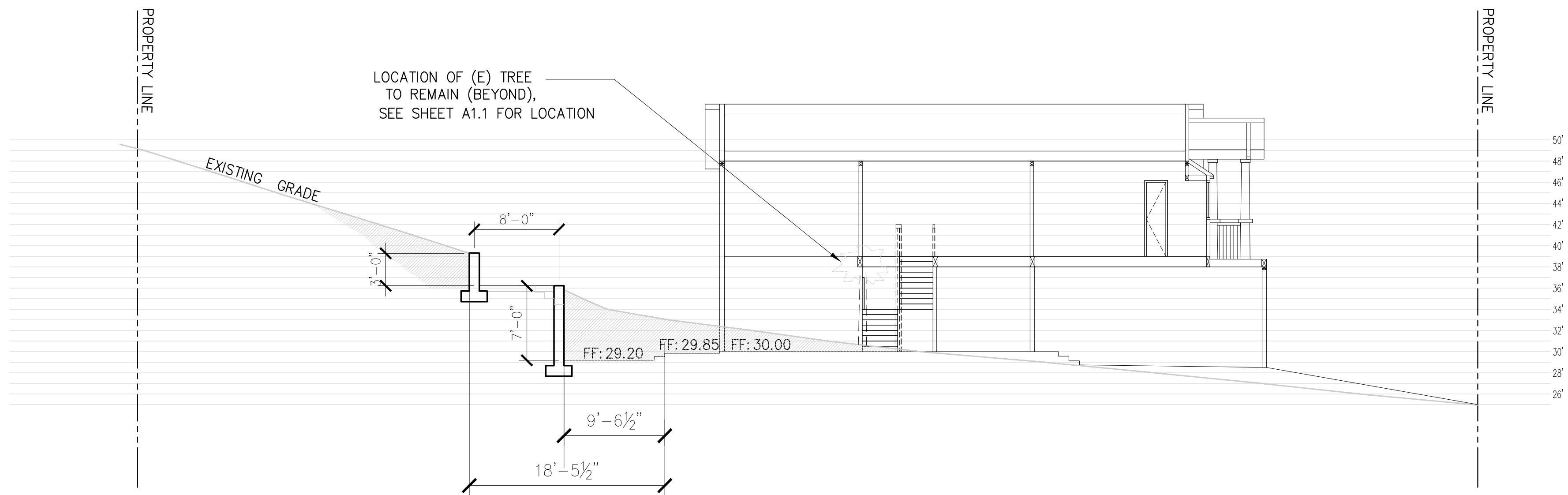
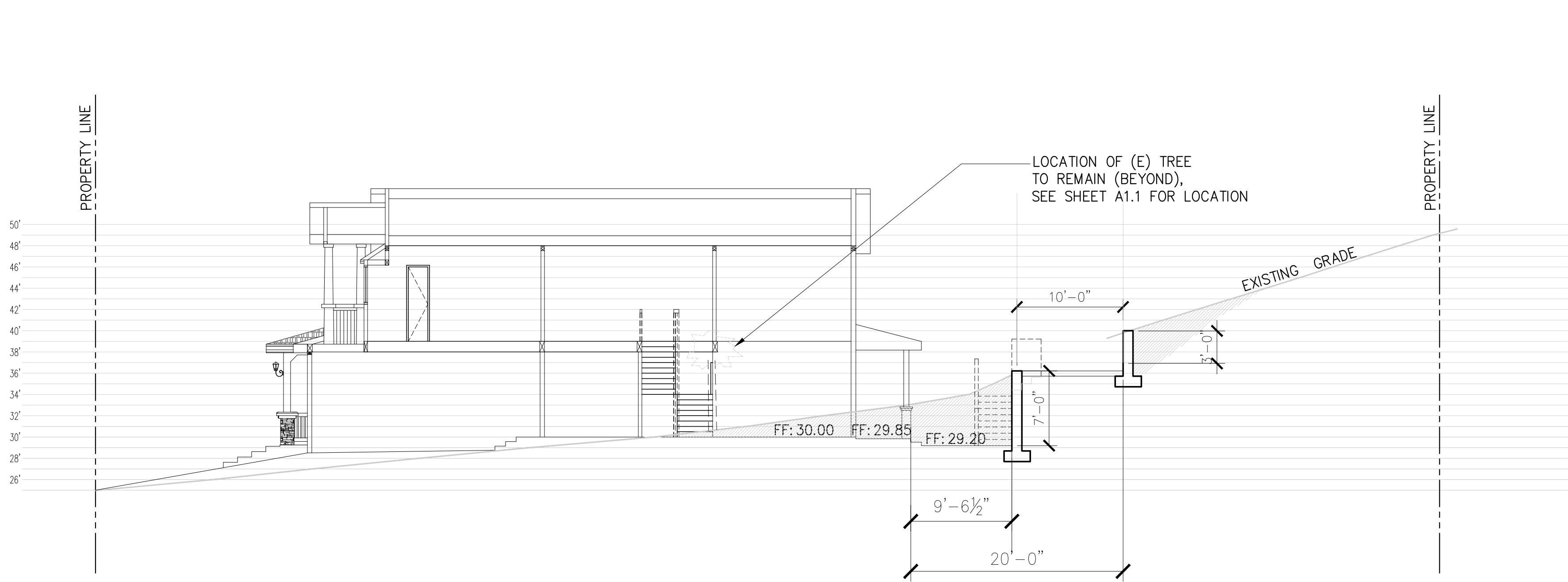
SHEET NO:

KLC
CONSULTING ENGINEERS, INC.
11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530
TEL: 910-232-0003 FAX: 910-232-0003
WWW.KLCEA.COM

TENTATIVE PARCEL MAP
APN 402-013-060
BALJIT DHALIWAL
ADDRESS: HAZEL STREET CITY : PINOLE



STAMP			
CONSULTANT		 KLC CONSULTING ENGINEERS, INC. 11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530 TEL: 510-232-0300 ; FAX: 510-232-0303 http://www/klicea.com	
PROJECT & OWNER (S):		NEW TWO-STOREY RESIDENCE	
DRAWN:		MTC	
CHECKED:		RBC	
SCALE:		AS NOTED	
DATE:		12/12/16	
TITLE SHEET		SITE PLAN	
PROJ. NO.		16-574	
REVISIONS:			
PLANNING PERMIT SUBMITTAL		12/22/16	
PLANNING PERMIT RESUBMITTAL		02/15/18	
SHEET NO:		LOT - 3	
A1.1			



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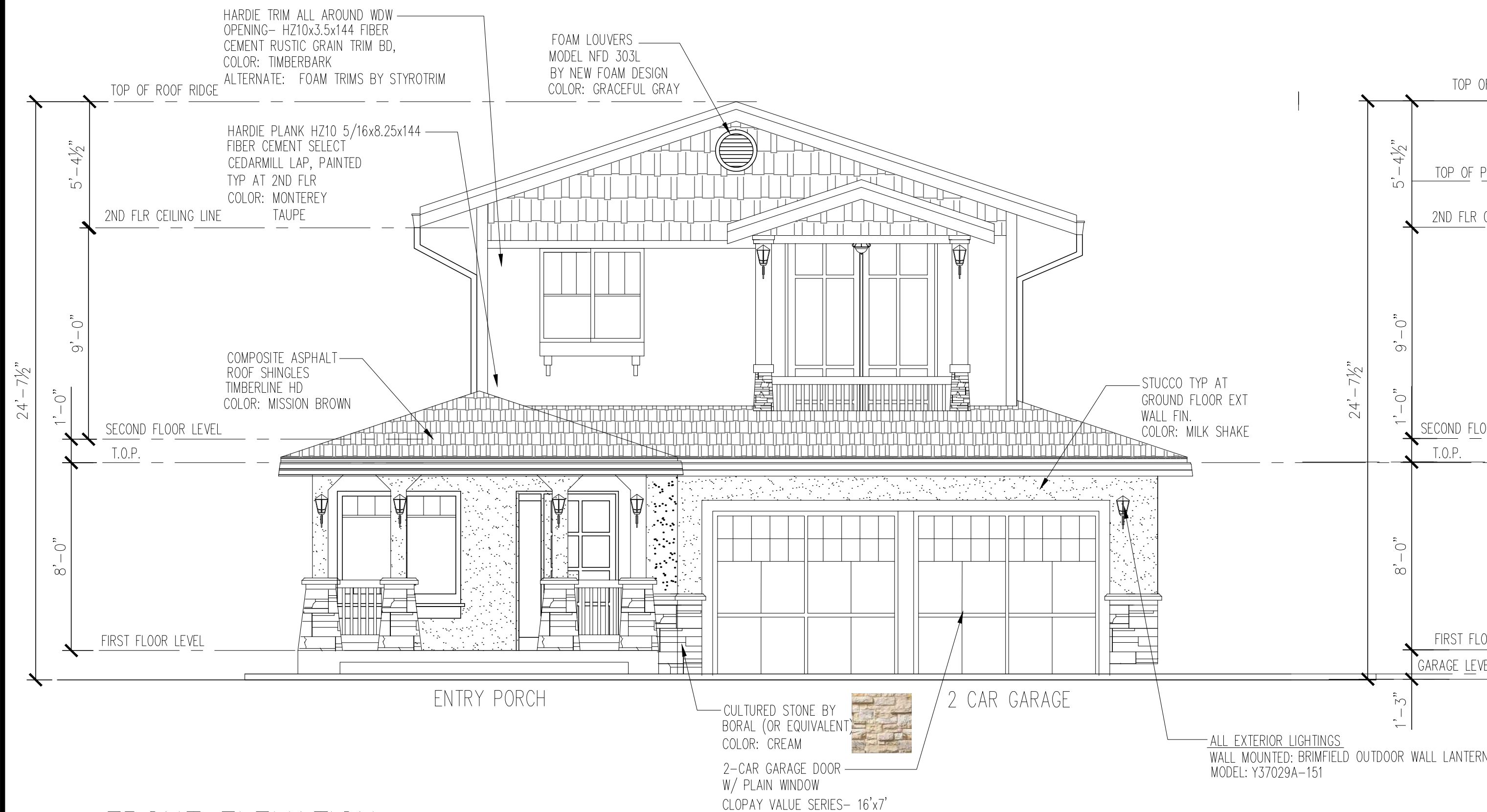
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NEW TWO-STORY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR., HERCULES CA

DRAWN: MTC
CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

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PLOT PLAN & PROFILE SECTION	
PROJ. NO.	16-574
REVISIONS:	
PLANNING PERMIT SUBMITTAL	12/22/16
PLANNING PERMIT RESUBMITTAL	02/15/18

SHEET NO:
LOT - 3

A1.2



FRONT ELEVATION

LOT#3



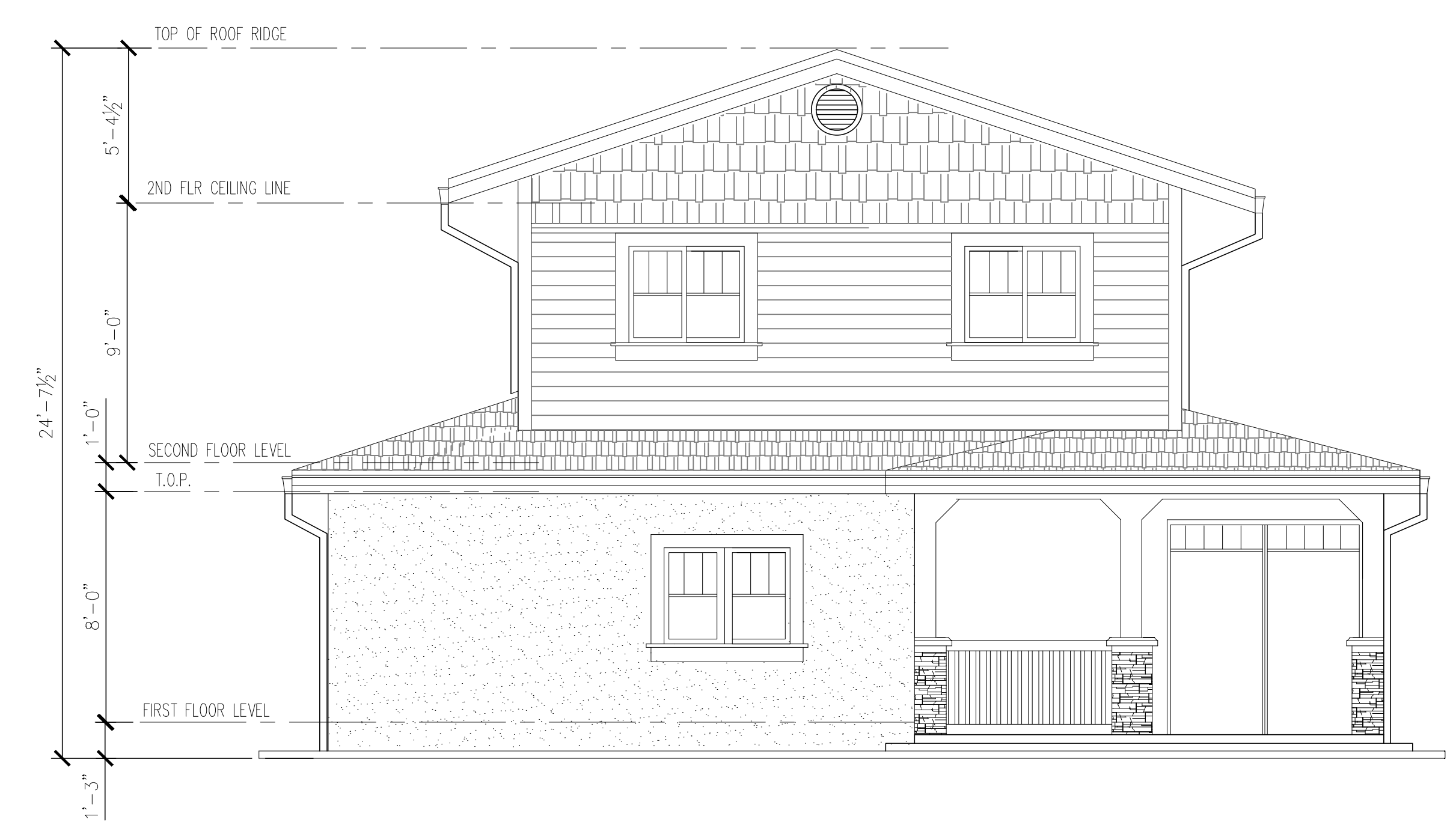
LEFT SIDE ELEVATION

LOT#3



RIGHT SIDE ELEVATION

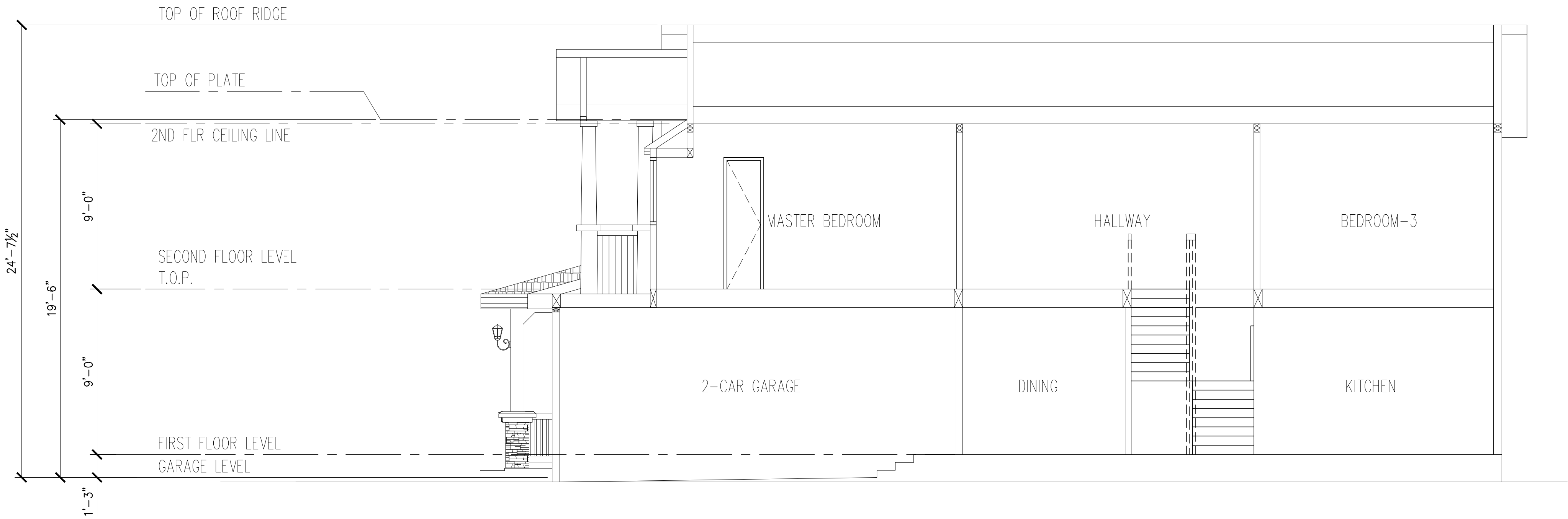
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REAR SIDE ELEVATION

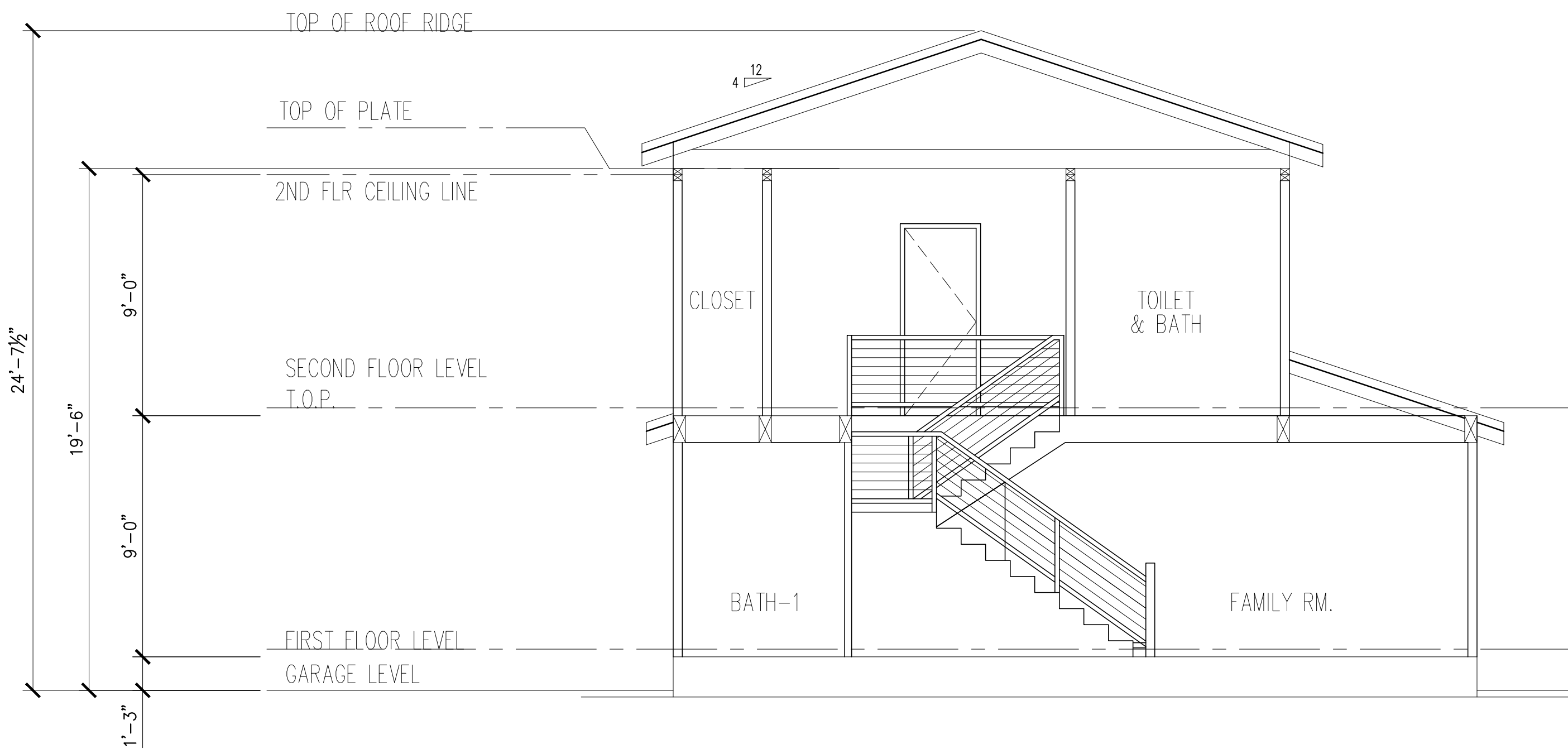
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CONSULTANT	CONSULTING ENGINEERS, INC 11100 SAN PABLO AVE. SUITE 207, EL CERRITO, CA 94530 TEL: 510-232-0300 : FAX: 510-232-0303 http://www/klicea.com	
	HERCULES CA	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
TITLE SHEET	DRAWN: MTC	
	CHECKED: RBC	
	SCALE: AS NOTED	
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ELEVATIONS	PROJ. NO. 16-574	
	REVISIONS:	
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	PLANNING PERMIT RESUBMITTAL 02/15/18	
SHEET NO: LOT - 3		
A3.0		



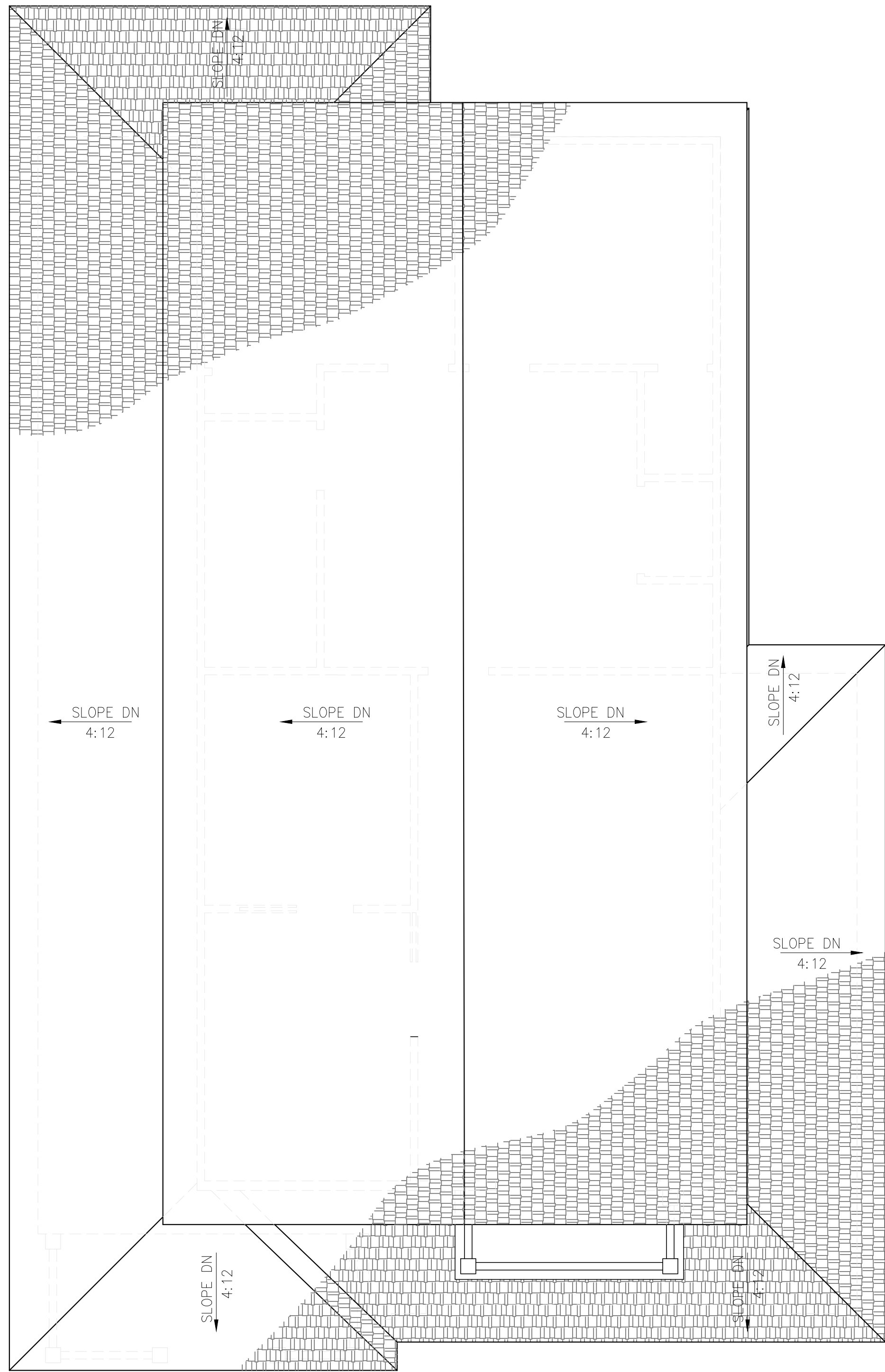
SECTION A

0 2 4 8
SCALE: 1/4"=1'-0"



SECTION B

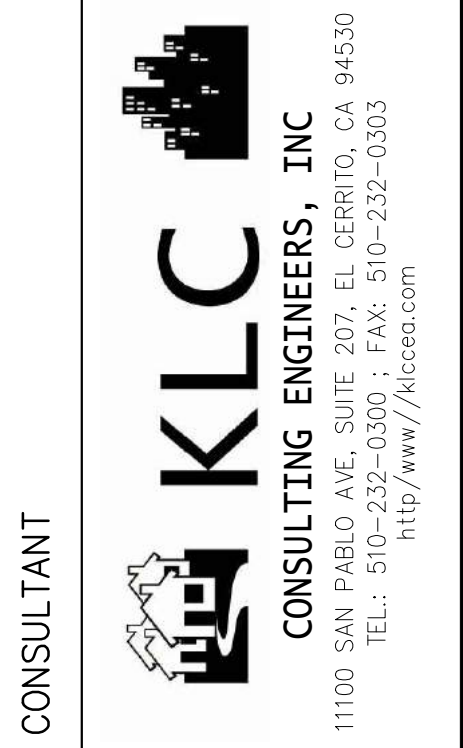
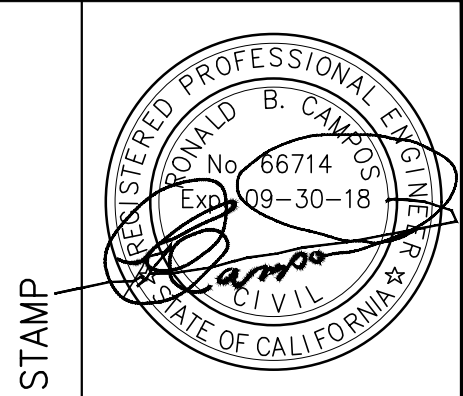
0 2 4 8
SCALE: 1/4"=1'-0"



UPPER ROOF PLAN

LOT#3

0 2 4 8 feet
SCALE: 1/4"=1'-0"



PROJECT & OWNER (S):
NEW TWO-STOREY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

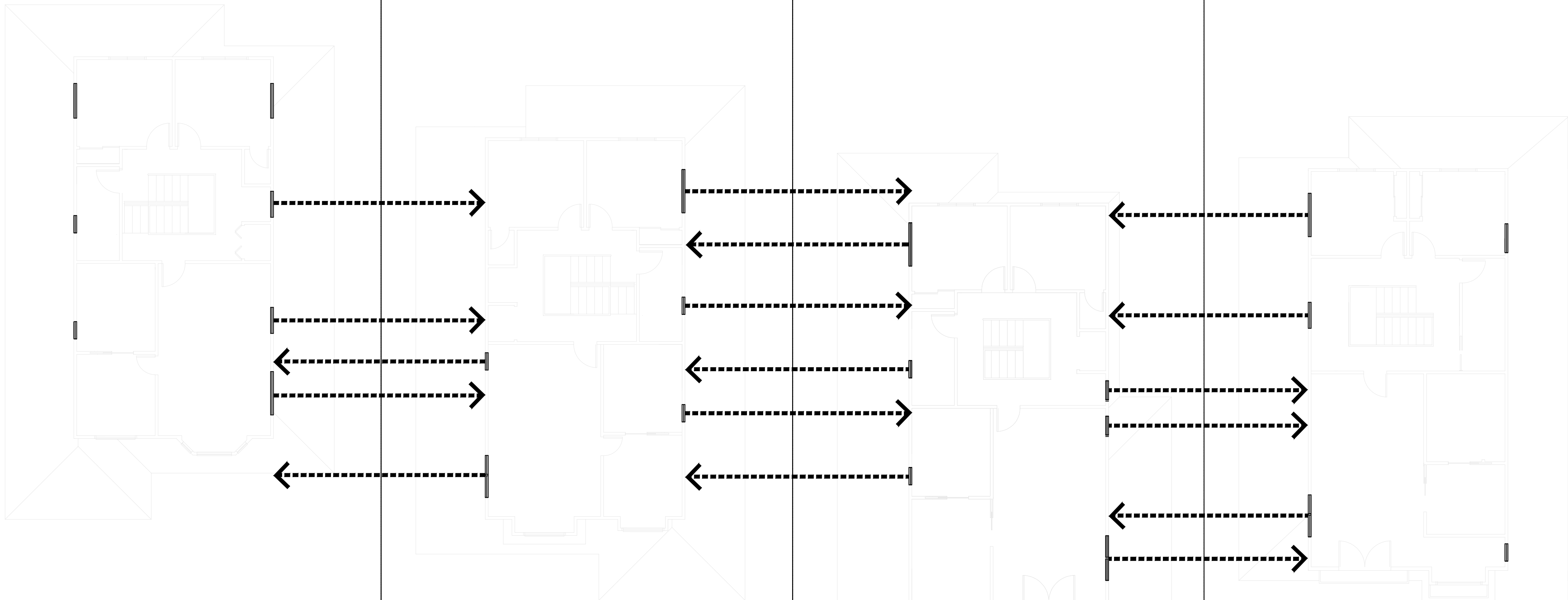
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SCALE: AS NOTED
DATE: 12/12/16

TITLE SHEET
SECTIONS & ROOF
PLAN

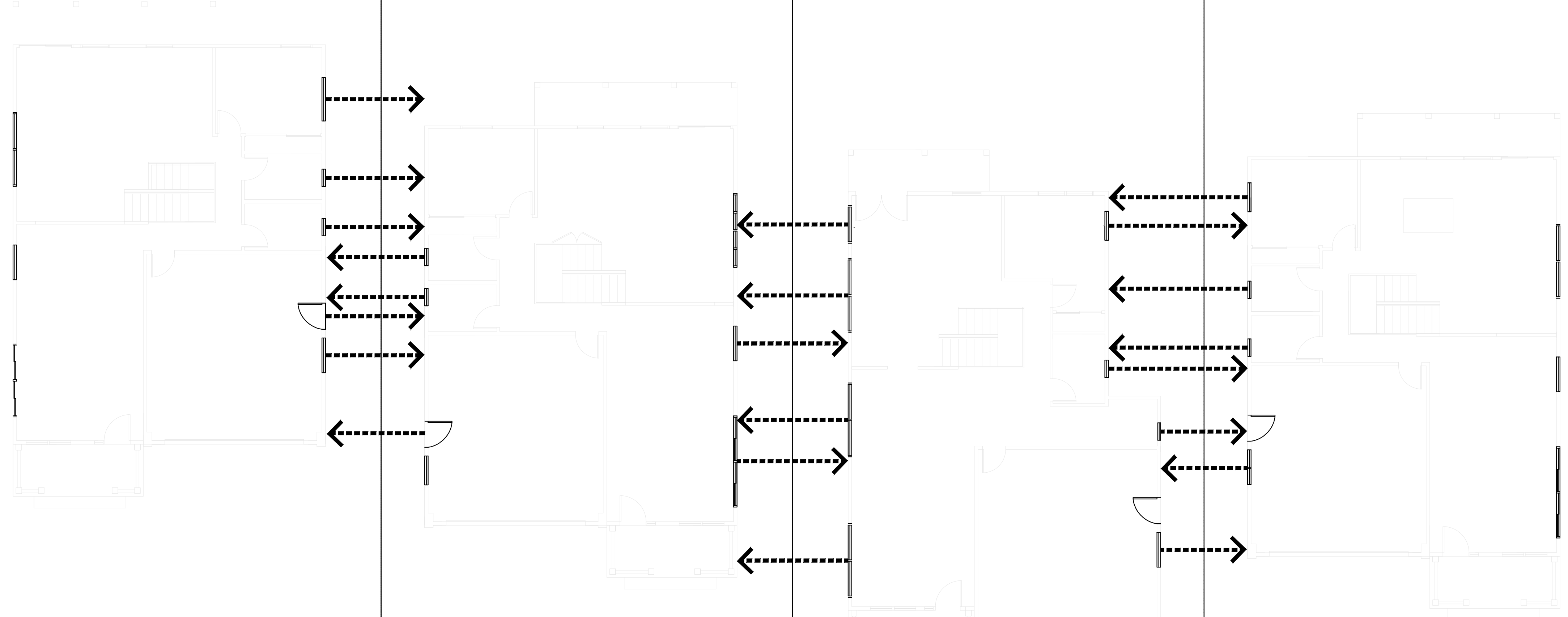
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REVISIONS:
PLANNING PERMIT SUBMITTAL 12/22/16
PLANNING PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 3

A4.0

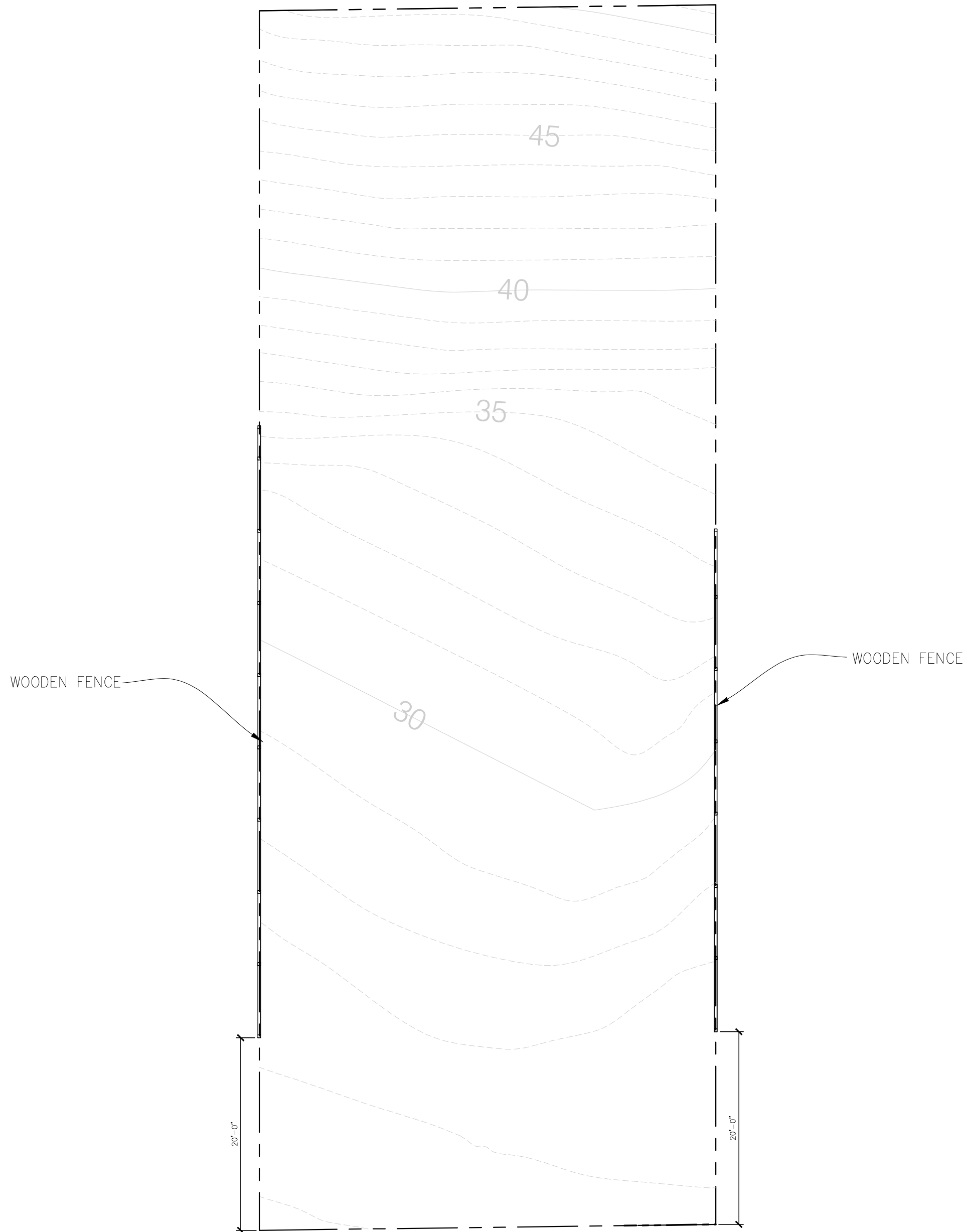


2ND FLOOR PLAN



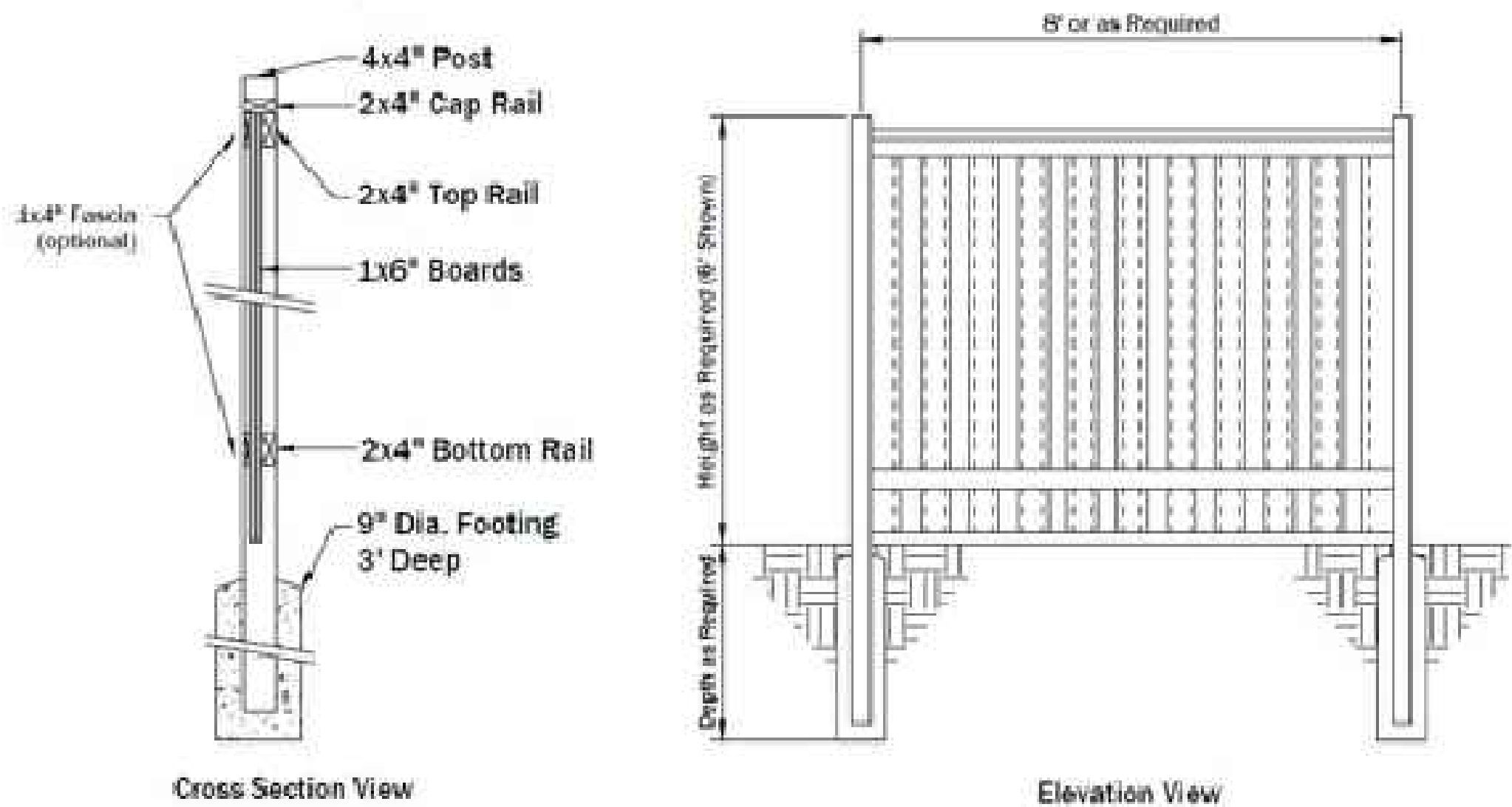
GROUND FLOOR PLAN

STAMP		
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	HERCULES CA	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:	MTC	
CHECKED:	RBC	
SCALE:	AS NOTED	
DATE:	12/12/16	
TITLE SHEET	WINDOW VISIBILITY PRIVACY FROM NEIGHBORING UNIT	
PROJ. NO.	16-574	
REVISIONS:		
PLANNING, PERMIT SUBMITTAL	12/22/16	
PLANNING, PERMIT RESUBMITTAL	02/15/18	
SHEET NO:		
A5.0		



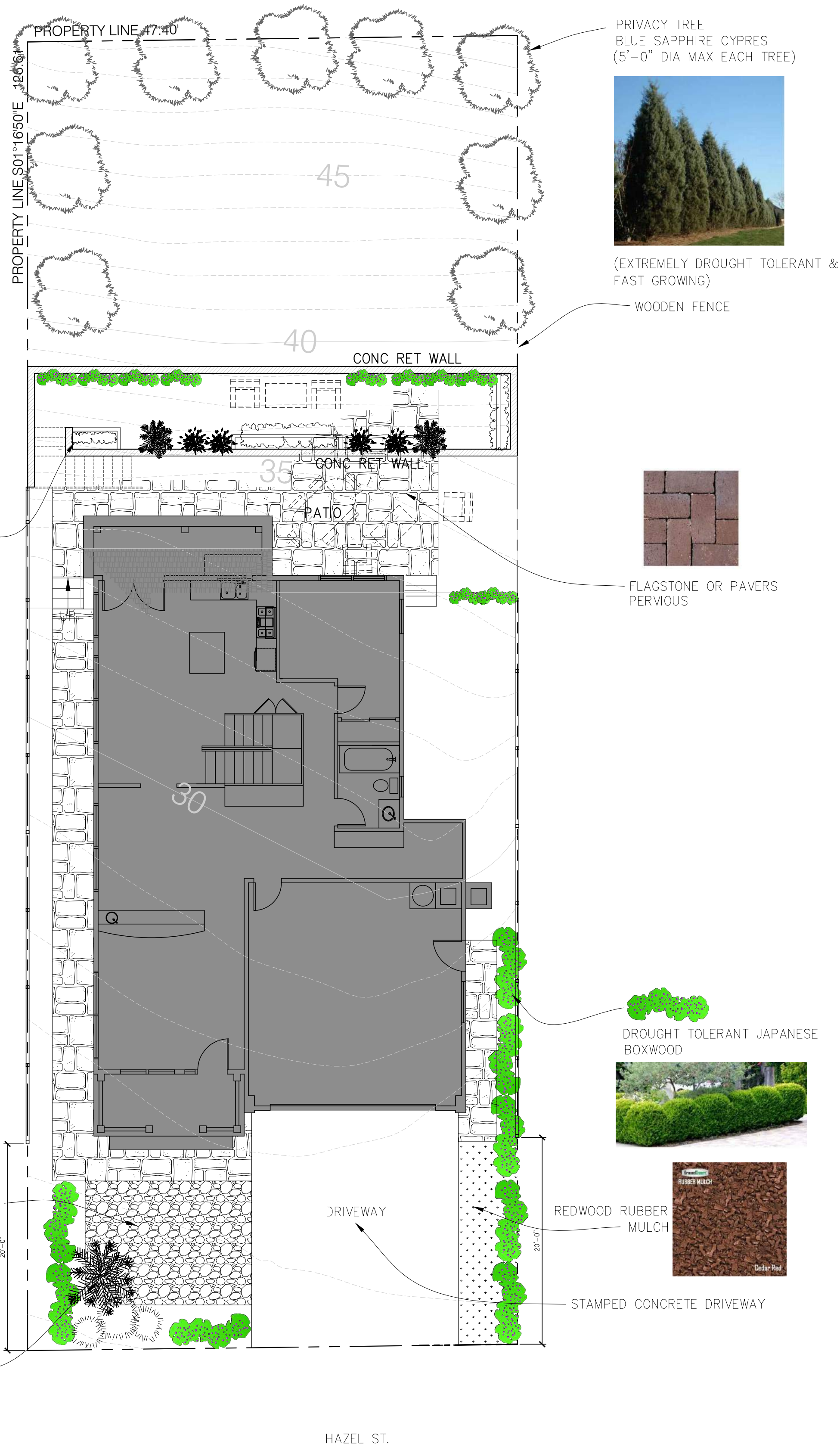
2 FENCING PLAN

NOT TO SCALE



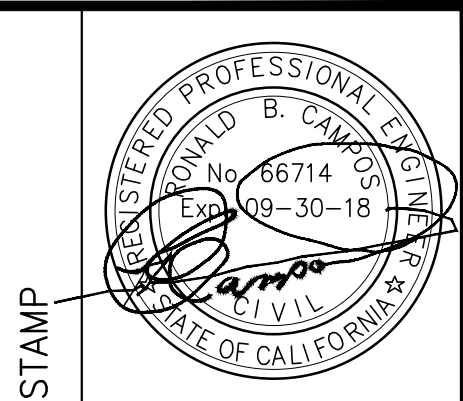
3 TYPICAL FENCE DETAIL

SCALE: 1/2"=1'-0"



1 LOT -3 CONCEPTUAL LANDSCAPE PLAN

SCALE: 1/8"=1'-0"



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PROJECT & OWNER (S):
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1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC
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DATE: 12/12/16

TITLE SHEET
CONCEPTUAL LANDSCAPE PLAN.

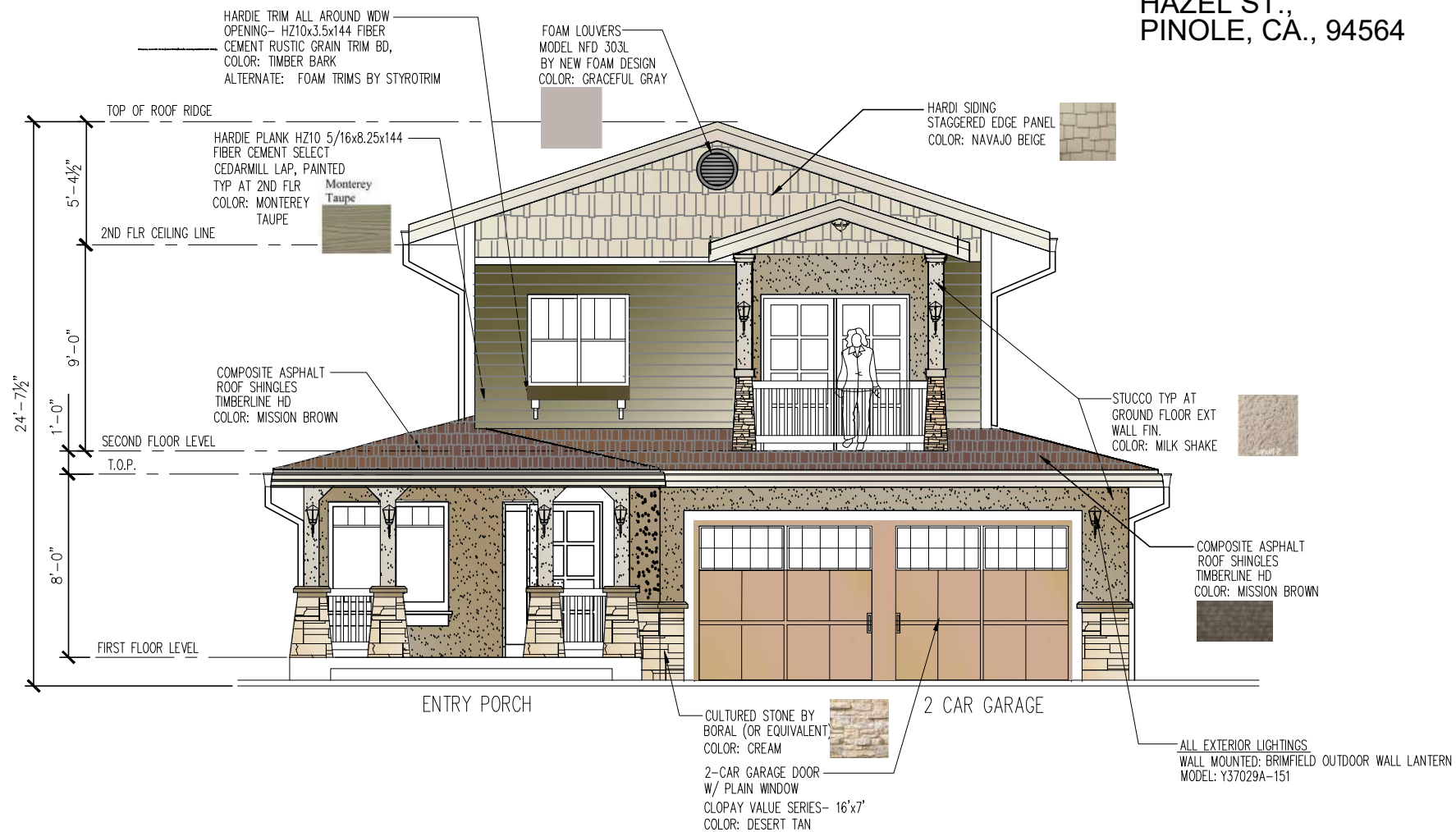
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REVISIONS:
PLANNING PERMIT SUBMITTAL 12/22/16
PLANNING PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 3

L.1

NEW 2-STORY RESIDENCE

LOT #3
HAZEL ST.,
PINOLE, CA., 94564



FRONT ELEVATION

LOT#3

DHALI-BALI DEVELOPMENT

LOT #4 - MODEL #4
HAZEL ST., PINOLE, CA. 94564

XXXXXXXXXXXX
ATTACHMENT G

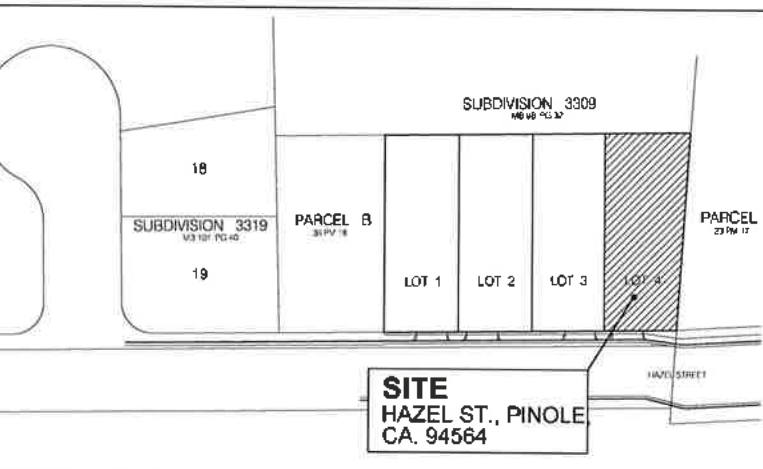
AERIAL VIEW



FRONT VIEW



LOCATION MAP



VICINITY MAP



CODE COMPLIANCE & BLDG DATA

2016 CALIFORNIA BUILDING CODE (CBC 2016)	OWNER	BALJIT DHALIWAL 1068 TURQUOISE DR., HERCULES, CA	GARAGE AREA - - - - -	434 SF
2016 CALIFORNIA RESIDENTIAL CODE	APN	402-013-080	FIRST FLOOR LEVEL - - - - -	1,205 SF
2016 CALIFORNIA ELECTRIC CODE	PROPERTY AREA	656B SF	SECOND FLOOR LEVEL - - - - -	1,025 SF
2016 CALIFORNIA ENERGY CODE	ZONING	R1- SINGLE FAMILY RESIDENTIAL	PORCHES & BALCONIES- 1ST FLOOR LEVEL - - - - -	261 SF
2016 CALIFORNIA MECHANICAL CODE	TYPE CONSTRUCTION	V - N	LOOKOUT AREA - SECOND FLOOR - - - - -	15 SF
2016 CALIFORNIA PLUMBING CODE	OCCUPANCY GROUPS	R-1, U-1		
	F.A.R.	2,684 6,568 = 0.406		

SCOPE OF WORK

1. PROPOSED 1,205 SF LIVING SPACE AT GROUND FLOOR & 1025 SF AT SECOND FLOOR
2. PROPOSED 2-CAR GARAGE WITH APPROX. AREA OF 434 SF.
3. PROPOSED 90 SF FRONT PATIO & 171 SF BACK PATIO
4. PROPOSED CONCRETE RETAINING WALL

GENERAL NOTES

THESE NOTES ARE ARRANGED ACCORDING TO THE FOLLOWING DIVISIONS AS A CONVENIENCE TO THE CONTRACTOR. GENERAL NOTES ARE NOT LIMITED BY THEIR DIVISION HEADING AND APPLY AS NECESSARY THROUGHOUT THE ENTIRE PROJECT.		
1. <u>CODES</u>	5. <u>CONSTRUCTION</u>	
A) ALL CONTRACTORS WORK SHALL CONFORM TO THE 2016 CALIFORNIA BUILDING, MECHANICAL, ELECTRICAL, PLUMBING, AND FIRE CODES, AMERICANS WITH DISABILITIES ACT, AND ALL OTHER APPLICABLE CODES, OR THOSE ADOPTED BY THE CITY OF PINOLE, CALIFORNIA. GOVERNING AUTHORITIES AND CODES TAKE PRECEDENCE OVER DRAWINGS AND SPECIFICATIONS. REPORT DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.	A) NEITHER THE ARCHITECT, NOR THE ENGINEERS, NOR THE OWNER SHALL BE RESPONSIBLE FOR CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, OR PROCEDURES OF THE CONTRACTOR, SAFETY PRECAUTIONS AND PROGRAMS OF THE CONTRACTOR, THE ACTS OR OMISSIONS OF CONTRACTOR, OR THE FAILURE OF CONTRACTOR TO CARRY OUT THE WORK IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.	C) CITY APPROVED PLANS SHALL BE KEPT IN A PLAN BOX IN THE FIELD OFFICE AND SHALL NOT BE USED BY WORKERS. ALL CONSTRUCTION SETS SHALL BE KEPT UP TO DATE, AND REFLECT THE SAME INFORMATION. THE CONTRACTOR SETS SHALL REFLECT THE SAME INFORMATION. THE CONTRACTOR SHALL ALSO MAINTAIN, IN GOOD CONDITION, ONE COMPLETE SET OF PLANS AND SPECIFICATIONS WITH ALL REVISIONS, ADDENDUM, AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THESE ARE TO BE UNDER THE CARE OF THE JOB SUPERINTENDENT.
2. <u>READING THE PLANS</u>	B) THE CONTRACTOR SHALL BE RESPONSIBLE FOR PERFORMING ALL WORK REQUIRED FOR A COMPLETELY FINISHED PROJECT. THE CONTRACTOR SHALL ALSO BE RESPONSIBLE FOR ALL WORK FURNISHED BY SUBCONTRACTORS.	D) CONTRACTOR SHALL BE RESPONSIBLE FOR THE COMPLETE SECURITY OF THE SITE WHILE THE JOB IS IN PROGRESS AND UNTIL THE JOB IS COMPLETE.
A) DIMENSIONS SHALL GOVERN ON WORKING DRAWINGS. DO NOT SCALE DRAWINGS.	C) INSTALL ALL MATERIALS AND PRODUCTS IN STRICT ACCORDANCE WITH MANUFACTURER'S RECOMMENDATION AND APPLICABLE ICBO REPORTS.	E) CONTRACTOR SHALL MAINTAIN THE SITE IN A CLEAN AND ORDERLY MANNER. NO RADIOS, ALCOHOL, OR CONTROLLED SUBSTANCES ARE ALLOWED ON THE JOB SITE. ALL DEBRIS SHALL BE REMOVED FROM PREMISES, AND ALL AREAS SHALL BE LEFT IN A BROOM-CLEAN CONDITION ON A DAILY BASIS.
B) IN THE EVENT CERTAIN FEATURES OF THE CONSTRUCTION ARE NOT FULLY SHOWN ON THE DRAWINGS OR CALLED FOR IN THE NOTES OR SPECIFICATIONS, THEN THEIR CONSTRUCTION SHALL BE OF THE SAME CHARACTER AS FOR SIMILAR CONDITIONS THAT ARE SHOWN OR CALLED FOR.	D) THE CONTRACTOR SHALL REPORT TO THE ARCHITECT INCONSISTENCIES HE MAY DISCOVER. THE CONTRACTOR IS RESPONSIBLE FOR CORRECTING ANY ERROR AFTER THE START OF CONSTRUCTION WHICH HAS NOT BEEN BROUGHT TO THE ATTENTION OF THE ARCHITECT. THE MEANS OF CORRECTING ANY ERROR SHALL BE FIRST APPROVED BY THE OWNER.	7. <u>COMMUNICATION</u>
C) SHOULD CONFLICTS OCCUR BETWEEN THE DRAWINGS AND SPECIFICATIONS, DRAWINGS SHALL GOVERN IN MATTERS OF DIMENSION OR QUANTITY; SPECIFICATIONS SHALL GOVERN IN MATTERS OF MATERIALS OR FINISHES.	E) NO STRUCTURAL MEMBERS SHALL BE CUT TO ACCEPT PIPES, VENTS, DUCTS, ETC., EXCEPT AS DETAILED OR SPECIFIED HEREIN OR AS APPROVED BY THE STRUCTURAL ENGINEER IN WRITING.	A) FIELD CONFIRMATION OF DISCREPANCIES SHALL BE RECORDED ON A REPRODUCIBLE DOCUMENT AND IMMEDIATELY TRANSMITTED TO ARCHITECT FOR PROJECT RECORD, COORDINATION, AND NECESSARY RESOLUTION PRIOR TO CONTINUING WORK.
D) IN CASE OF DISCREPANCIES OR CONFLICTS IN INFORMATION OR REQUIREMENTS WITHIN THE DRAWINGS, WITHIN THE SPECIFICATIONS, OR BETWEEN THE DRAWINGS AND THE SPECIFICATIONS, THE MOST EXPENSIVE REQUIREMENT SHOWN OR SPECIFIED SHALL BE THE BASIS OF THE CONTRACT.	F) THE CONTRACTOR SHALL PERFORM ALL WORK IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS APPROVED BY THE BUILDING OFFICIAL. THE APPROVED PLANS AND SPECIFICATIONS SHALL NOT BE CHANGED OR MODIFIED WITHOUT THE APPROVAL OF THE BUILDING OFFICIAL PER SECTION 106 OF THE CALIFORNIA BUILDING CODE.	B) THE GENERAL CONTRACTOR SHALL PROVIDE OR MAKE AVAILABLE A COMPLETE SET OF CONSTRUCTION DOCUMENTS (INCLUDING DRAWINGS AND SPECIFICATIONS) TO EVERY SUBCONTRACTOR BIDDING ANY PORTION OF THIS PROJECT. THE CONSTRUCTION DOCUMENTS SHALL NOT BE SEPARATED INTO DISCIPLINES (ARCHITECTURAL, MECHANICAL, ELECTRICAL, ETC.), FOR PURPOSE OF SUBCONTRACTOR BIDDING. THE GENERAL CONTRACTOR SHALL REQUIRE BIDDING SUBCONTRACTOR TO REVIEW THE ENTIRE SET OF CONSTRUCTION DOCUMENTS TO OBTAIN CLARITY ON THE COMPLETE SCOPE OF THEIR WORK AND REFER TO CROSS DISCIPLINE DRAWINGS FOR FULL COORDINATION OF WORK WITH OTHER TRADES, AND TO BE AWARE OF ALL WORK WHICH DOES NOT APPEAR WITHIN THE PARTICULAR DISCIPLINE'S DRAWINGS FOR THE PARTICULAR TRADE. FURTHERMORE, THE GENERAL CONTRACTOR SHALL INSURE THAT EACH SUBCONTRACTOR WORKING ON THE PROJECT MAINTAINS A FULL SET OF CONSTRUCTION DOCUMENTS THROUGHOUT THE CONSTRUCTION OF THE PROJECT.
3. <u>PRIOR TO CONSTRUCTION</u>	G) EXTERIOR OPENINGS OF THE WORK SHALL COMPLY WITH ALL SECURITY REQUIREMENTS AS OUTLINED IN ALL LOCAL BUILDING CODES AND ORDINANCES.	8. <u>COMPLETION</u>
A) PRIOR TO CONSTRUCTION AND GRADING, VERIFY ALL EXISTING CONDITIONS AND CONTACT UTILITY COMPANIES AND AFFECTED CITY AGENCIES. CONTACT "UNDERGROUND SERVICE ALERT" PHONE: (800) 642-2444.	H) CONTRACTOR SHALL ASSUME SOLE RESPONSIBILITY FOR SAFETY ON OR ABOUT THE CONSTRUCTION SITE IN ACCORDANCE WITH APPLICABLE LAWS AND CODE, AND SHALL OBSERVE SAFETY PROVISIONS OF THE LATEST MANUAL OF ACCIDENT PREVENTION PUBLISHED BY THE ASSOCIATION OF GENERAL CONTRACTORS OF AMERICA.	A) ONE SET OF EQUIPMENT OPERATING AND MAINTENANCE MANUALS PER UNIT SHALL BE SUBMITTED TO OWNER UPON COMPLETION OF PROJECT, PRIOR TO REQUEST FOR FINAL PAYMENT.
B) THE CONTRACTOR SHALL THOROUGHLY REVIEW PLANS AND EXISTING SITE CONDITIONS AND NOTIFY ARCHITECT OF ANY DISCREPANCIES, ERRORS OR OMISSIONS PRIOR TO CONSTRUCTION.	6. <u>JOB SITE</u>	B) CONTRACTOR SHALL ASSIST OWNER IN OBTAINING "CERTIFICATE OF OCCUPANCY" OR "OCCUPANCY PERMIT" AS NECESSARY.
4. <u>SITE WORK</u>	A) IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE ALL EXISTING UTILITIES, WHETHER SHOWN HEREIN OR NOT, AND TO PROTECT THEM FROM DAMAGE. THE CONTRACTOR SHALL BEAR ALL THE EXPENSE FOR REPAIR OR REPLACEMENT OF UTILITIES AND/OR OTHER PROPERTY DAMAGED BY OPERATIONS IN CONJUNCTION WITH THE EXECUTION OF WORK.	
A) THE CIVIL ENGINEER IS RESPONSIBLE FOR PROVIDING THE FOLLOWING INFORMATION:	B) CONTRACTOR SHALL PROVIDE TEMPORARY PROJECT OFFICE, TELEPHONE, FAX MACHINE, SECURITY FENCE, WATER, POWER, AND TOILET FACILITIES. COORDINATE LOCATIONS WITH ALL APPROPRIATE AGENCIES. CONTRACTOR'S FIELD OFFICE SHALL ALSO CONTAIN A CURRENT COPY OF GOVERNING BUILDING CODE(S).	
1) FINISHED AND EXISTING GRADES		
2) ALL SITE DRAINAGE		
3) SIZES AND TYPE OF CURB AND GUTTERS		
4) SITE DIMENSION AND SETBACKS		
B) VERIFY DIMENSIONS, GRADES, ELEVATIONS AND CRITICAL LOCATIONS, SUCH AS STRUCTURAL SUPPORTS, BEFORE COMMENCING WORK AFFECTED BY THEM. THE CONTRACTOR SHALL REPORT ANY DISCREPANCIES TO THE ARCHITECT IMMEDIATELY.		

DRAWING INDEX

- | | |
|------|---|
| A1.0 | COVER SHEET, AREA MAP/ PARCEL MAP & OTHER INFO |
| A0.1 | PERSPECTIVE (LOTS #1,2,3 & 4) |
| C1 | TOPOGRAPHIC SURVEY |
| C2 | GRADING, DRAINAGE, & UTILITY PLAN |
| C3 | STORMWATER MANAGEMENT PLAN |
| A1.1 | OVERALL SITE PLAN |
| A1.2 | PLOT PLAN & PROFILE SECTION |
| A2.0 | GROUND & SECOND FLOOR PLANS |
| A3.0 | ELEVATIONS |
| A4.0 | SECTIONS / ROOF PLAN |
| A5.0 | WINDOW VISIBILITY LOCATION PLANS (LOTS 1,2,3,4) |
| L1.0 | CONCEPTUAL LANDSCAPE PLAN, FENCING PLAN |

STAMP

CONSULTANT

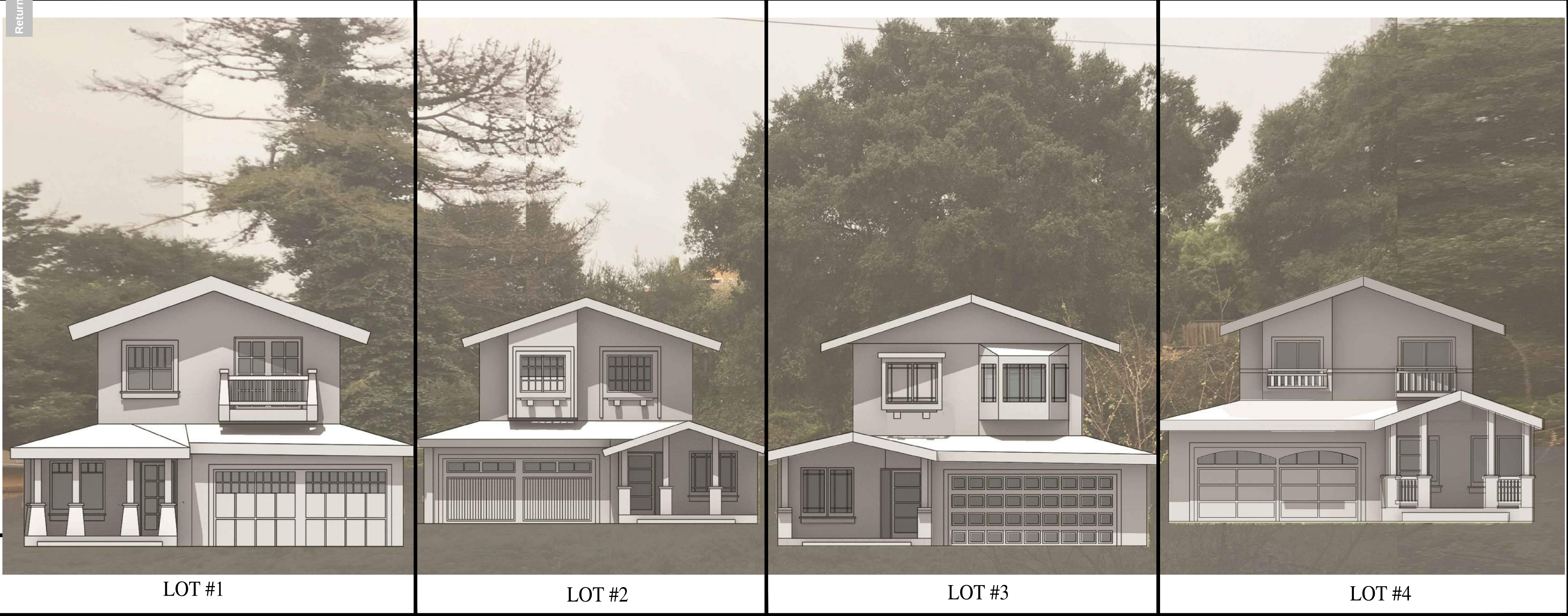
PROJECT & OWNER (S):

TITLE SHEET

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TEL.: 510-232-0300 • FAX: 510-232-2903
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NEW TWO-STORY RESIDENCE
LOT #4
MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES, CA

PROJ. NO. 16-574
REVISIONS:
PLANNING, PERMIT SUBMITTAL 12/22/16
PLANNING, PERMIT RESUBMITTAL 02/15/16
SHEET NO: LOT - 4
A1.0



NOTE:

THE DRAWINGS / PERSPECTIVE SHOWN HERE

ARE GRAPHICAL REPRESENTATION ONLY &

NOT TO SCALE.

FOR ACTUAL SIZE OF LOT DEVELOPMENT, SEE

SHEET A.1



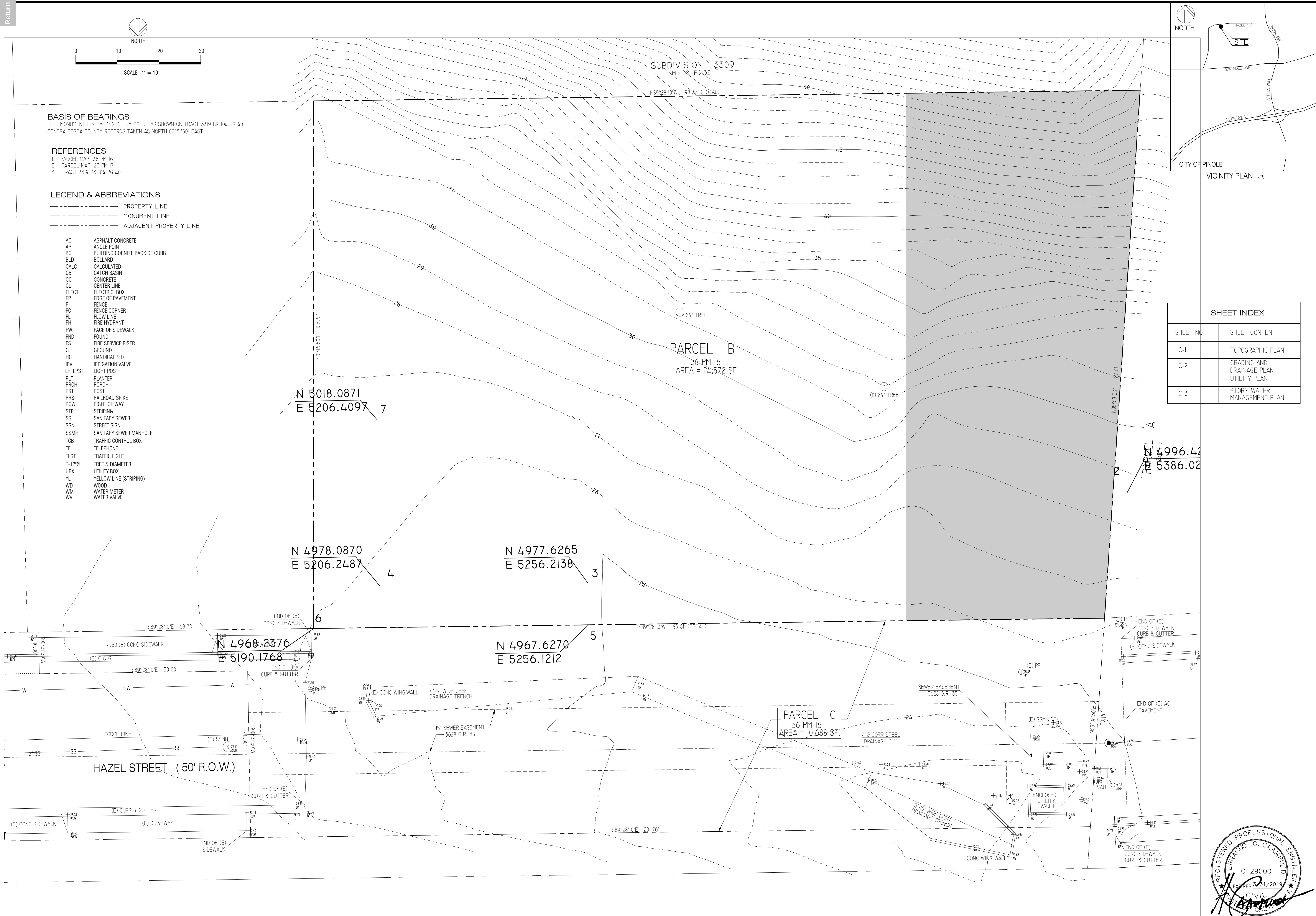
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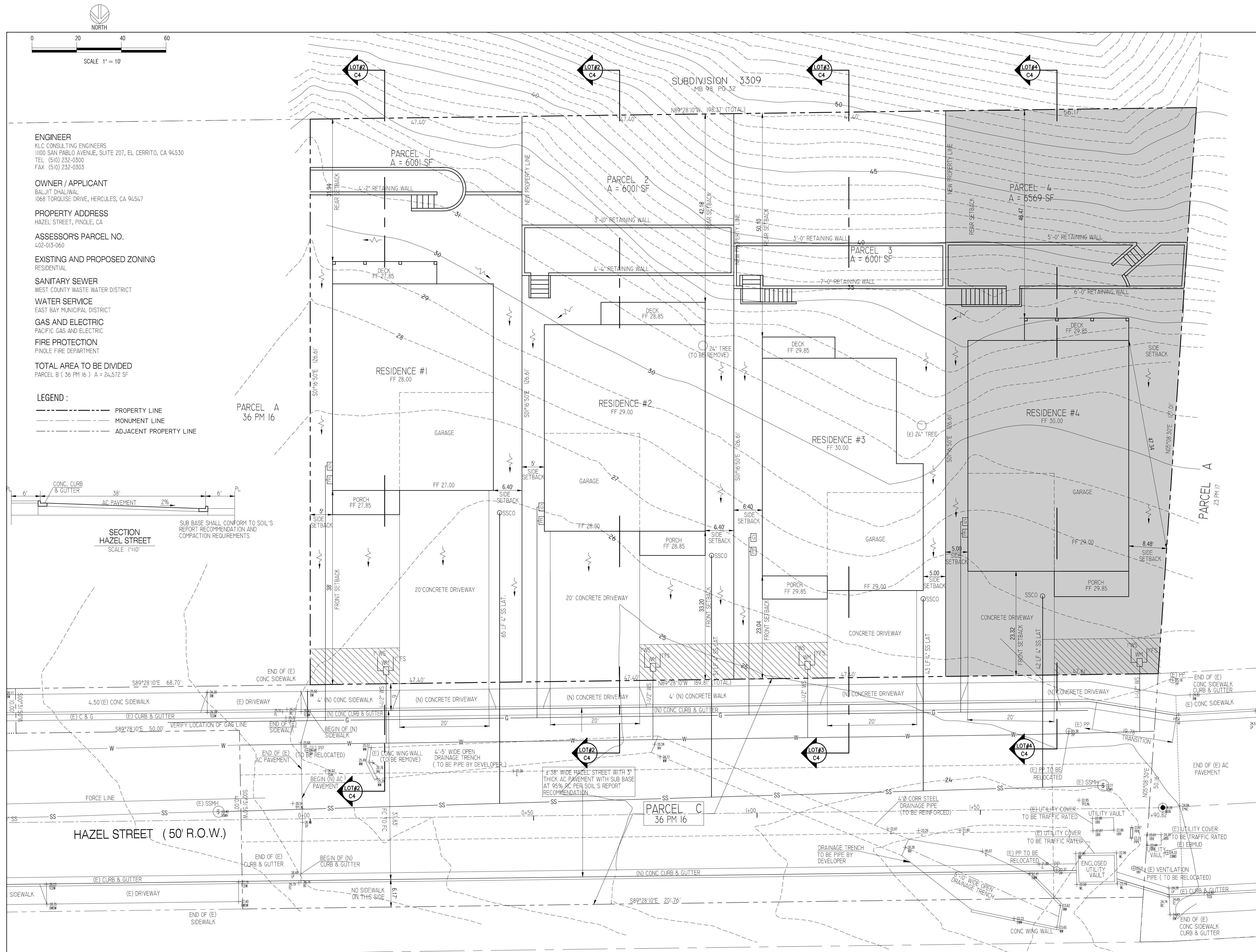


AT STREET ELEVATION

AERIAL PERSPECTIVE

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PROJECT & OWNER (S):		NEW TWO-STOREY RESIDENCE	
		MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:		MTC	
CHECKED:		RBC	
SCALE:		AS NOTED	
DATE:		12/12/16	
TITLE SHEET	PERSPECTIVE		
PROJ. NO.	16-574		
REVISIONS:			
PLANNING, PERMIT SUBMITTAL 12/22/16			
PLANNING, PERMIT RESUBMITTAL 02/15/18			
SHEET NO:			
A0.1			





CONSULTANT:

T / OWNER
TENTATIVE PARCEL MAP
APN 402-013-060

DRAWN: AM

CHECKED: RB

SCALE:

DATE: 07/06/17

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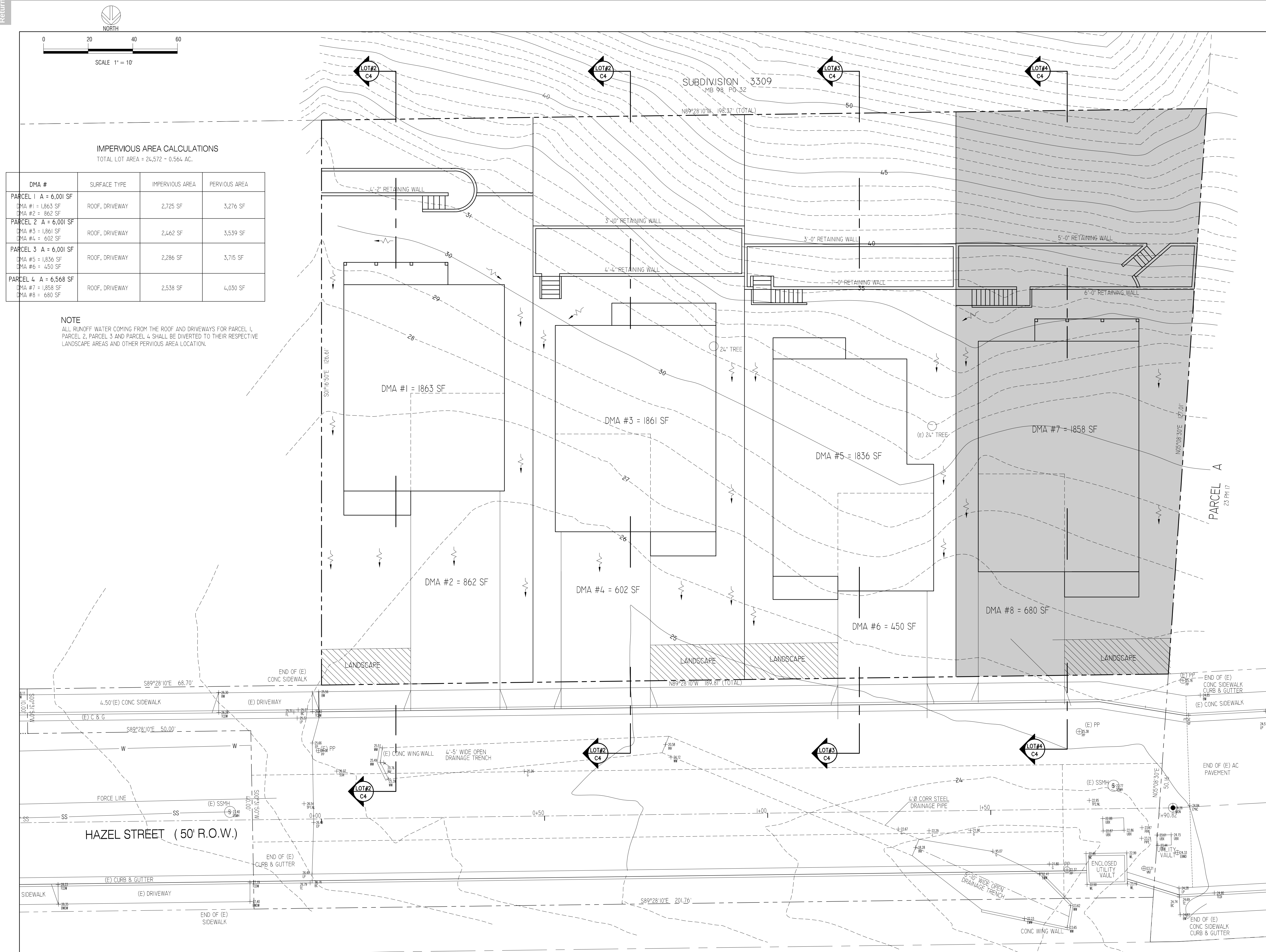
GRADING PLAN
DRAINAGE PLAN
UTILITY PLAN

PROJ. NO.	16-513
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REVISIONS:

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SHEET NO:



CONSULTANT:

PROJECT / OWNER
 TENTATIVE PARCEL MAP
 APN 402-013-060

DRAWN: AM

CHECKED: RBC

SCALE:	
DATE:	07/06/17

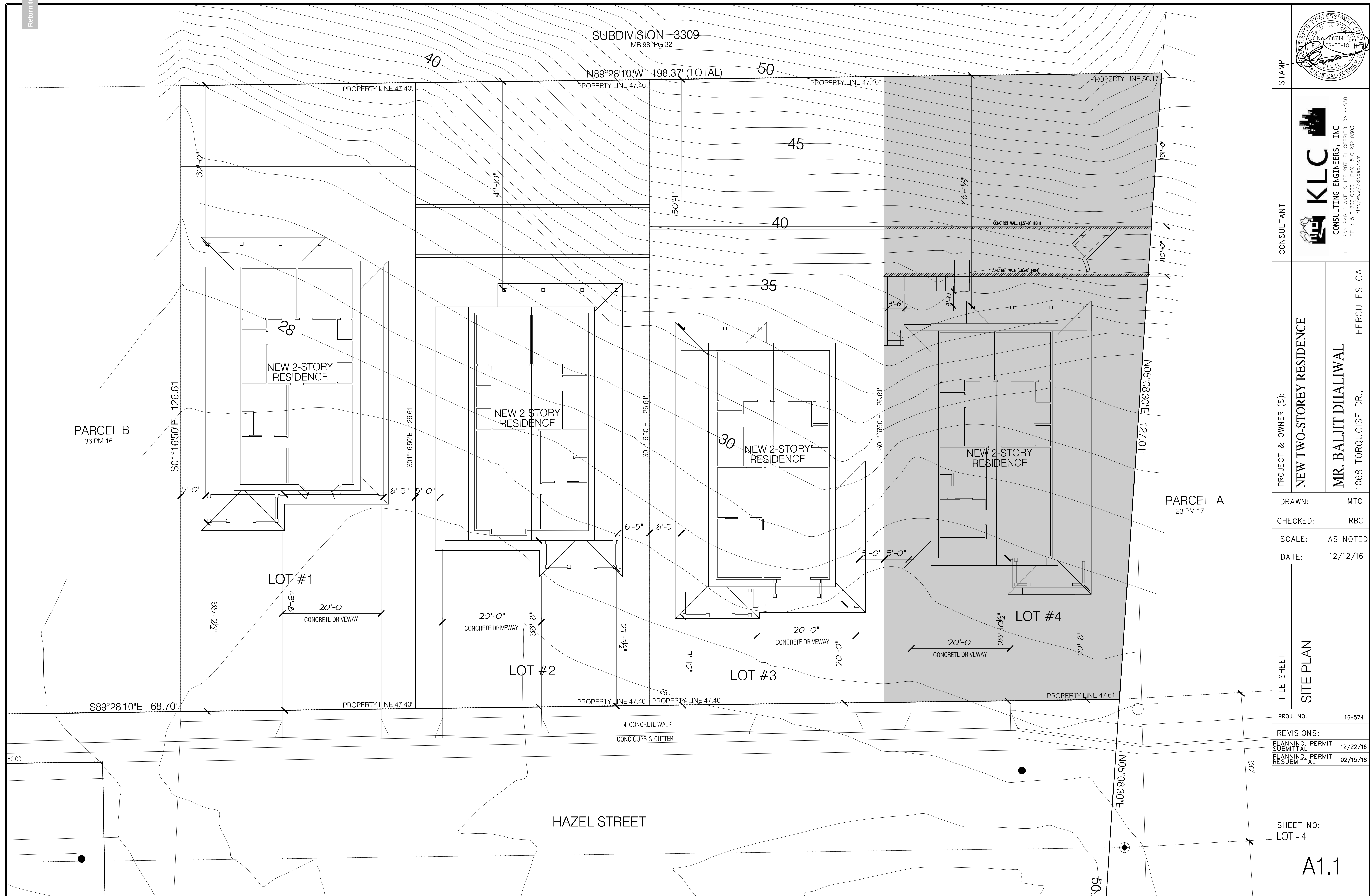
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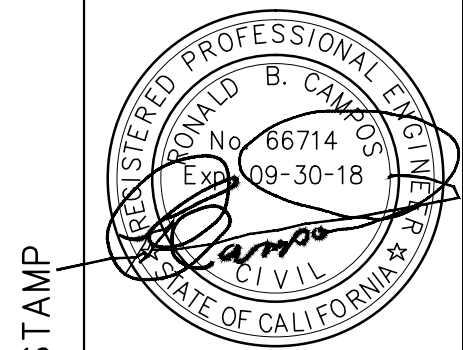
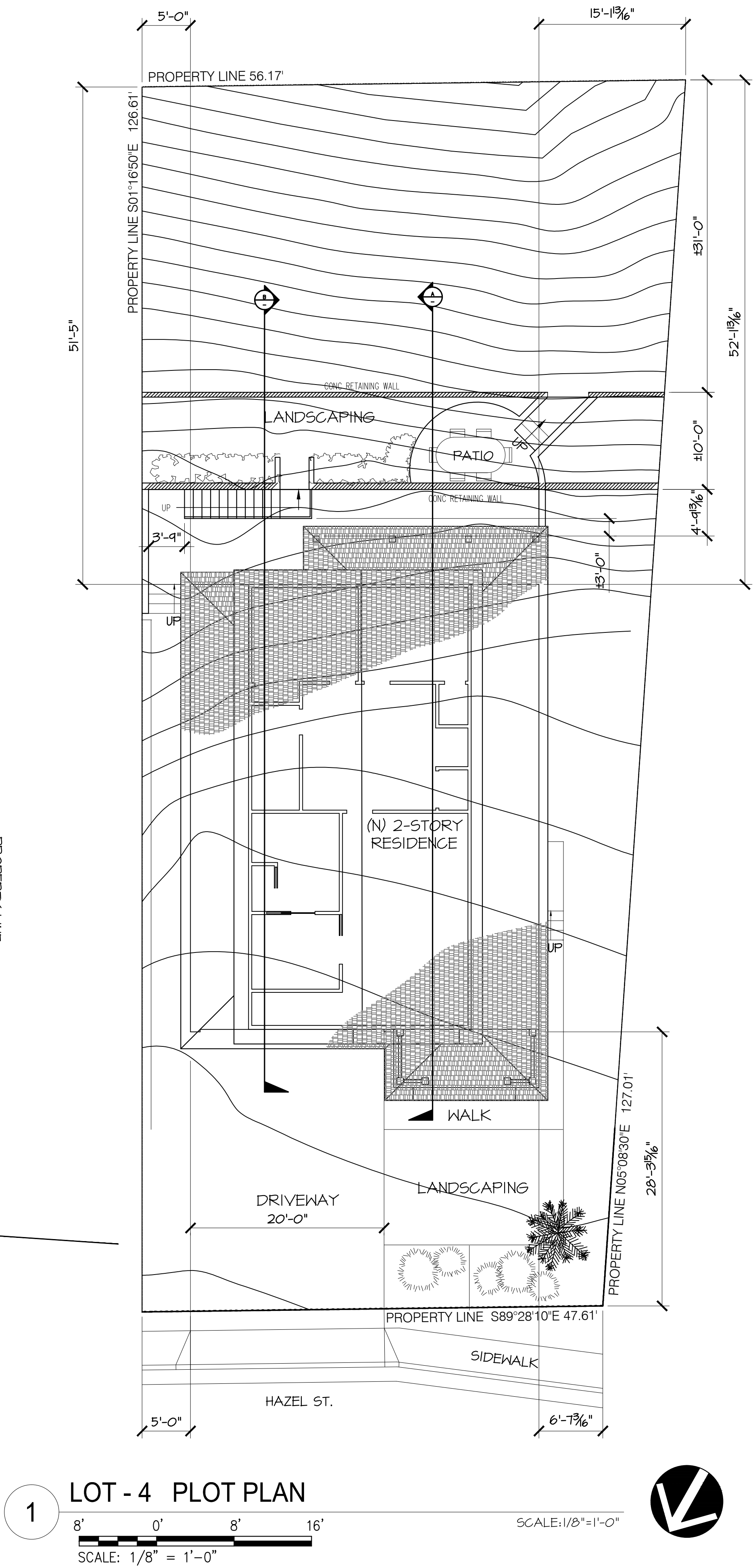
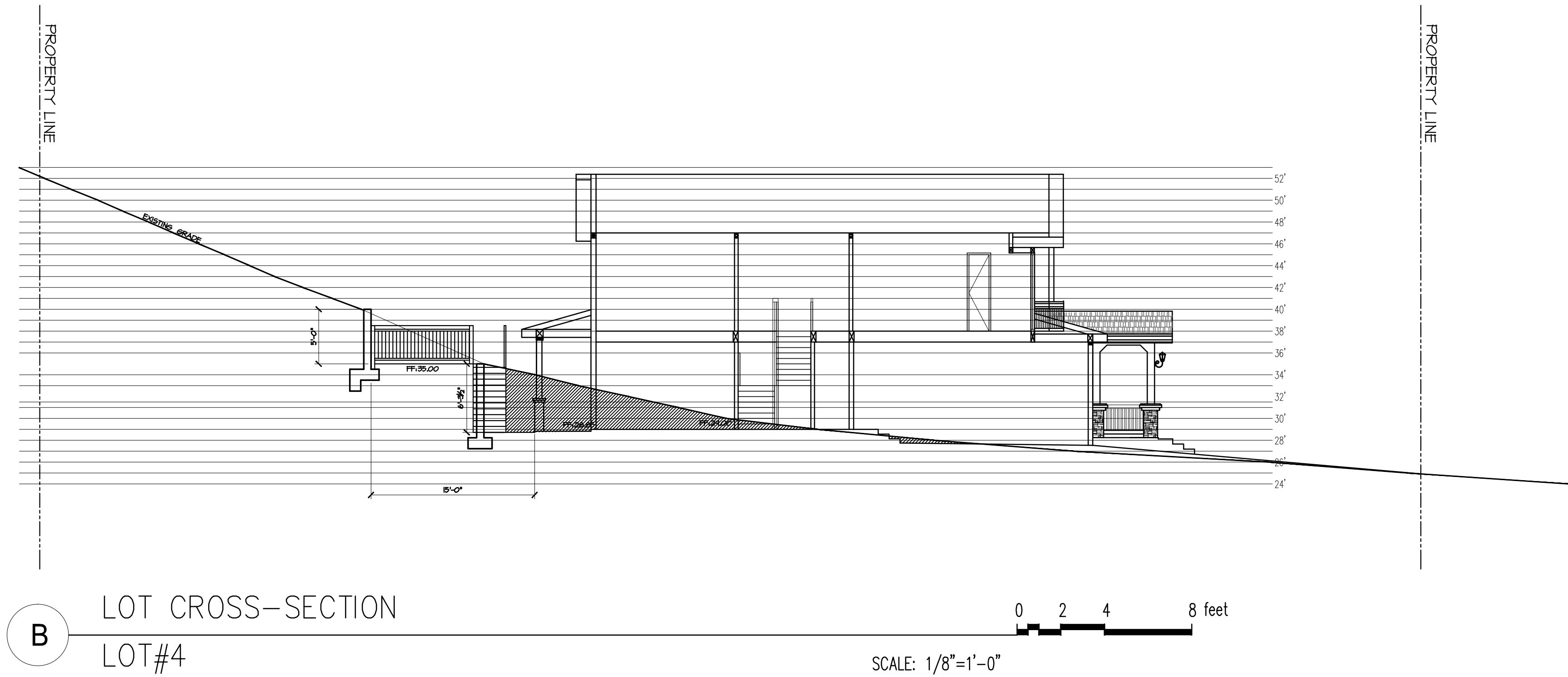
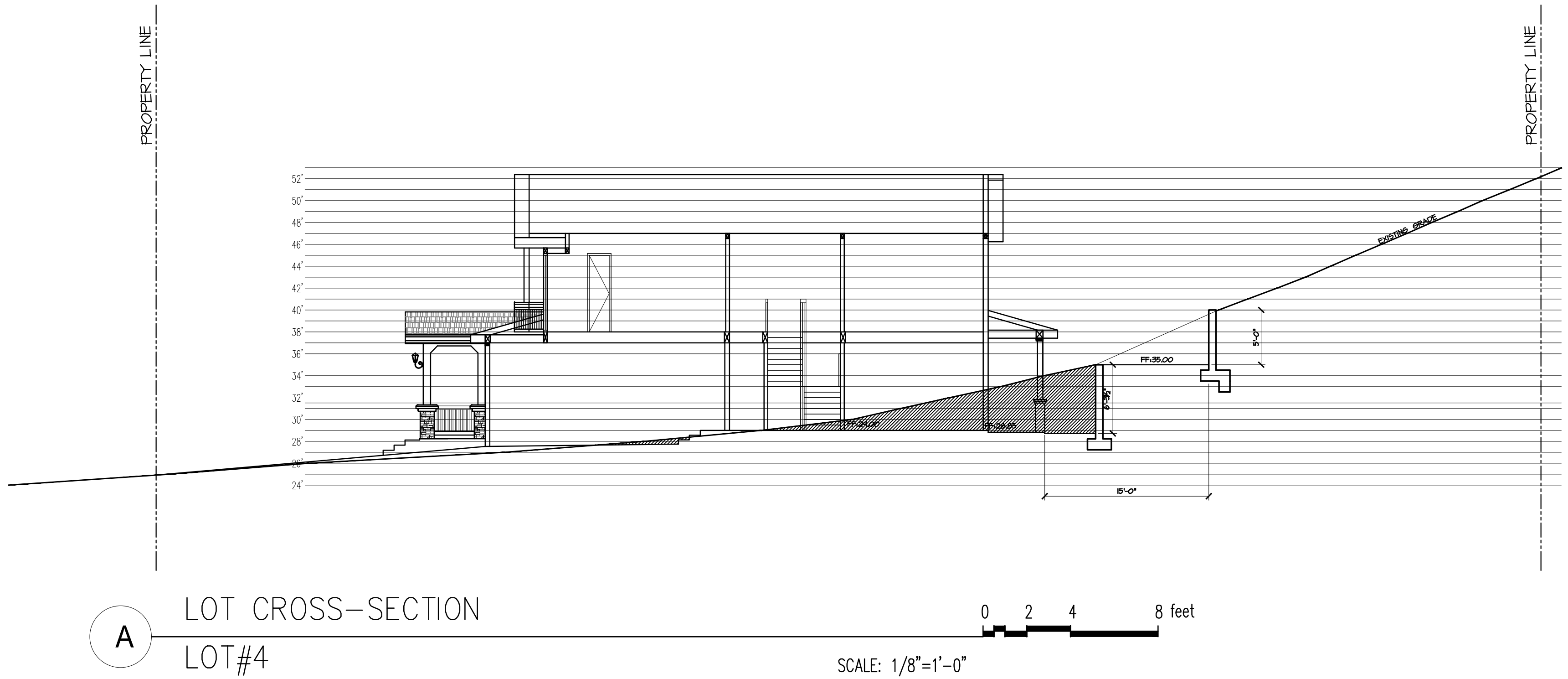
STORM WATER MANAGEMENT PLAN

PROJ. NO.	16-513
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REVISIONS:	070617
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SHEET NO:





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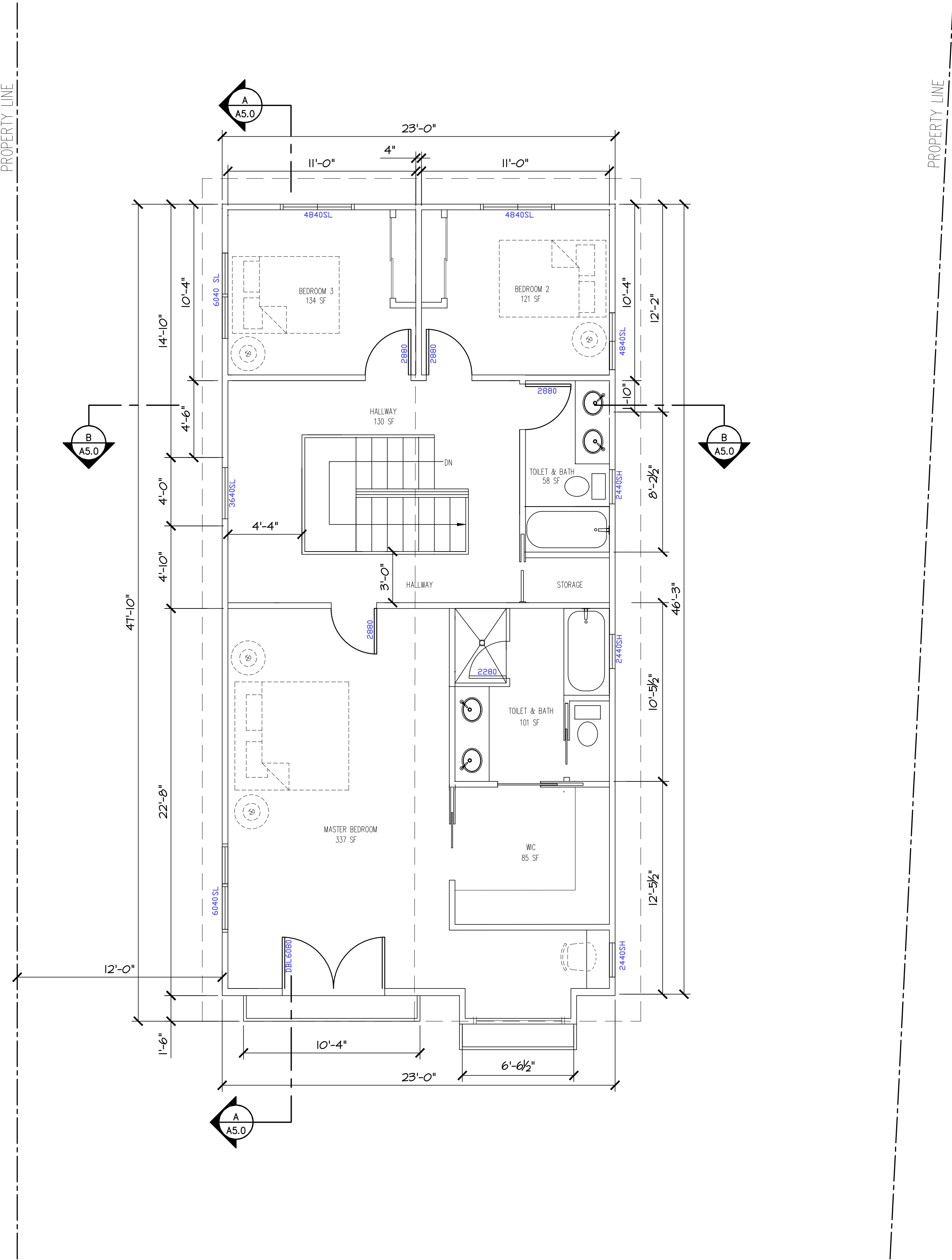
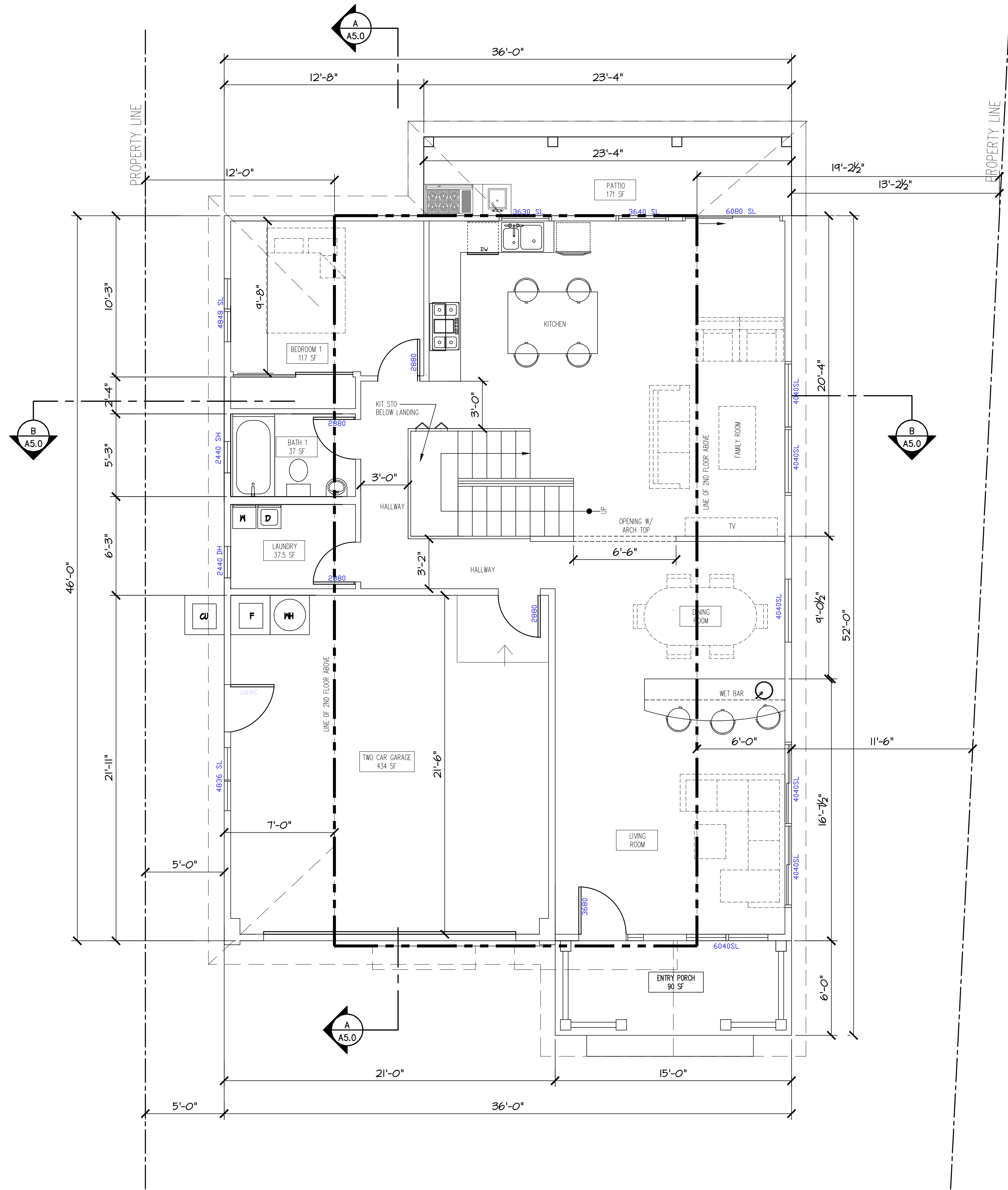
PROJECT & OWNER (S):
NEW TWO-STOREY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR., HERCULES CA

DRAWN: MTC
CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

TITLE SHEET	
PLOT PLAN	
PROJ. NO.	16-574
REVISIONS:	
PLANNING, PERMIT SUBMITTAL	12/22/16
PLANNING, PERMIT RESUBMITTAL	02/15/18

SHEET NO:
LOT - 4

A1.2



TITLE SHEET	FLOOR PLANS	PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
		MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA		
DRAWN:		MTC		
CHECKED:		RBC		
SCALE:		AS NOTED		
DATE:		12/12/16		
PROJ. NO.		16-574		
REVISIONS:				
PLANNING, PERMIT SUBMITTAL		12/22/16		
PLANNING, PERMIT RESUBMITTAL		02/15/18		
SHEET NO:		LOT - 4		
A2.0				

STAMP

CONSULTANT

PROJECT & OWNER (S):

DRAWN:

CHECKED:

SCALE:

DATE:

PROJ. NO.

REVISIONS:

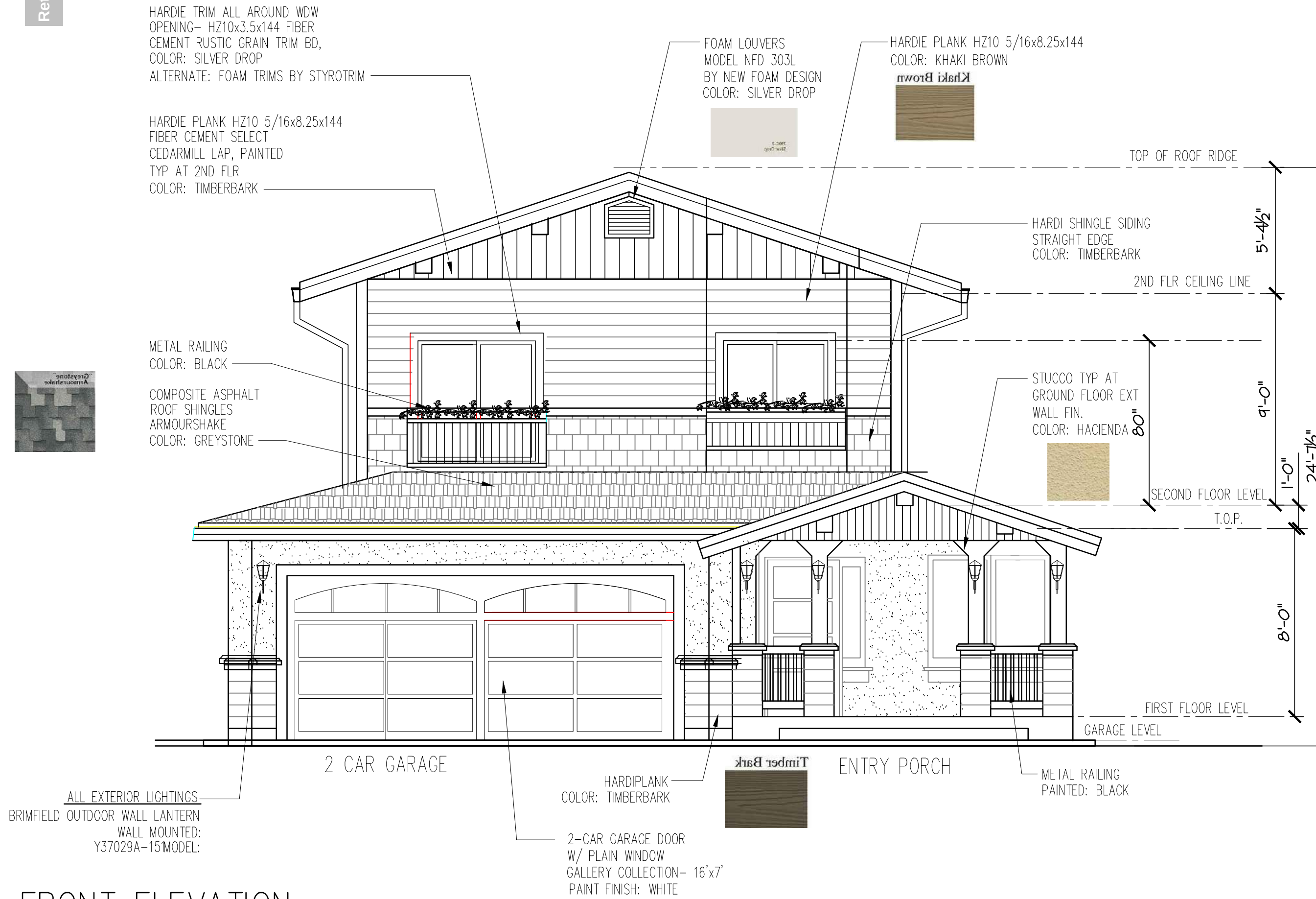
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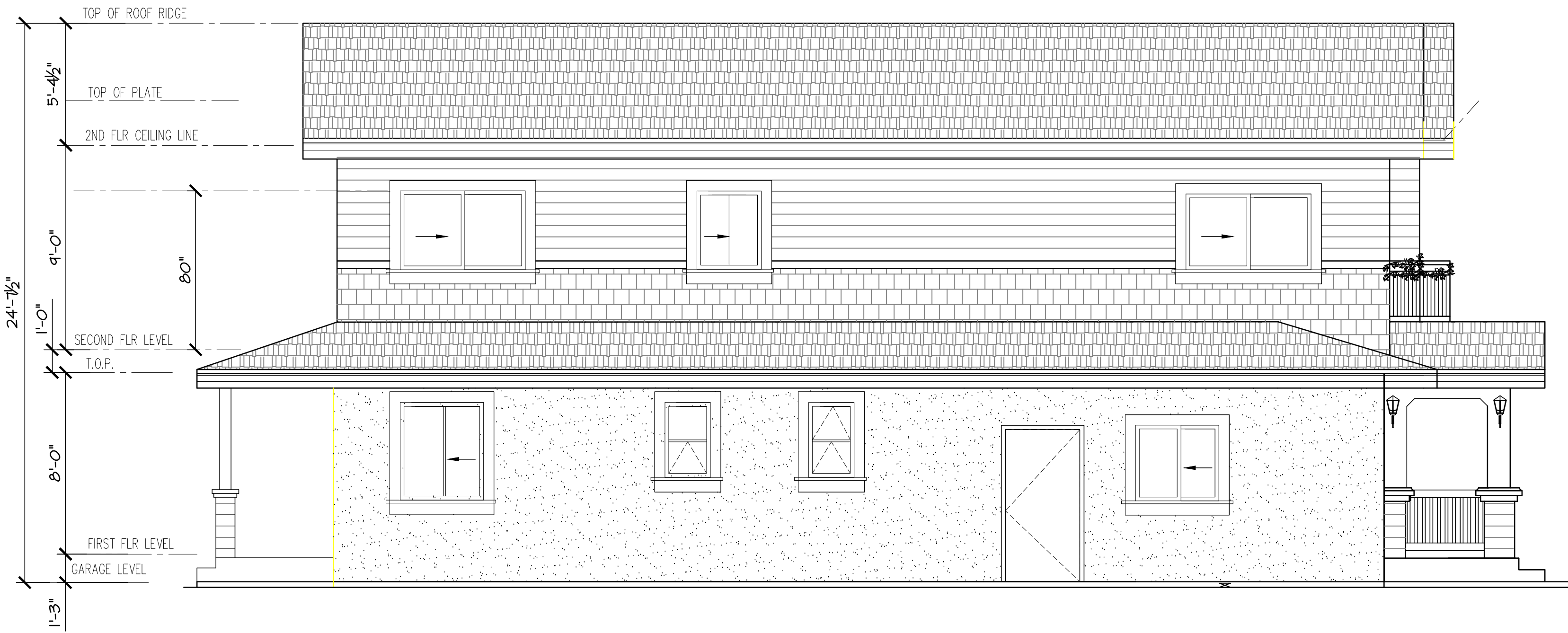
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KLC
CONSULTING ENGINEERS, INC
11100 SAN PABLO AVE. SUITE 207, EL CERRITO, CA 94530
TEL.: 510-232-0300 ; FAX: 510-232-0303
http://www/klicea.com



FRONT ELEVATION

LOT#4



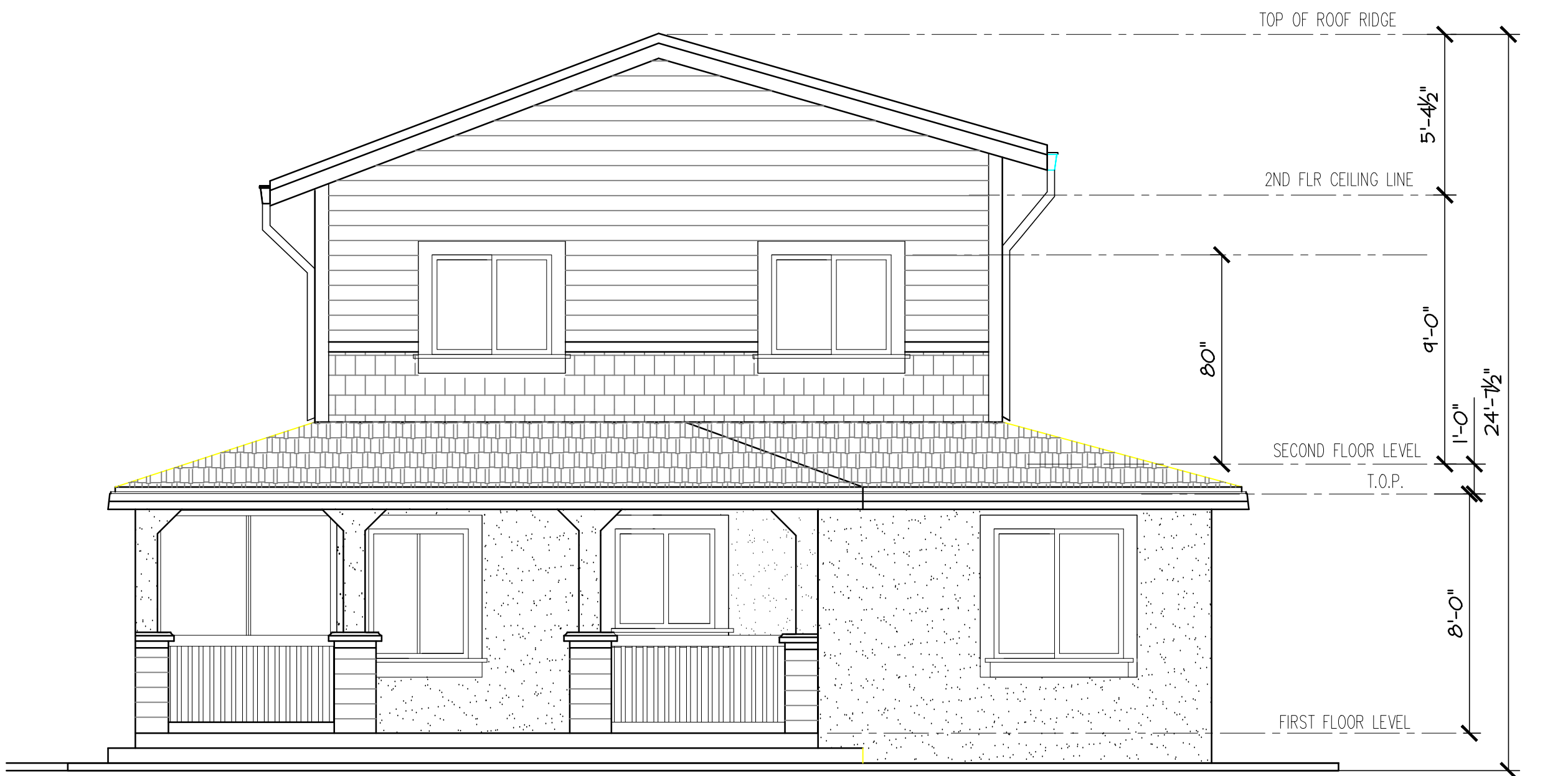
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LOT#4



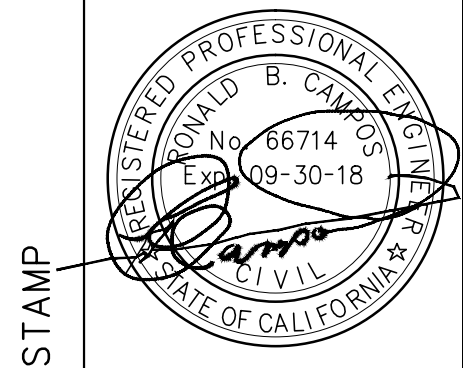
RIGHT SIDE ELEVATION

LOT#4



REAR SIDE ELEVATION

LOT#4



STAMP

CONSULTANT

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CONSULTING ENGINEERS, INC.
11100 SAN PABLO AVE. SUITE 207, EL CERRITO, CA 94530
TEL.: 510-232-0300 ; FAX: 510-232-0303
http://www/klicea.com

PROJECT & OWNER (S):

NEW TWO-STOREY RESIDENCE

MR. BALJIT DHALIWAL
1068 TORQUOISE DR.,
HERCULES CA

DRAWN: MTC

CHECKED: RBC

SCALE: AS NOTED

DATE: 12/12/16

TITLE SHEET

ROOF PLAN

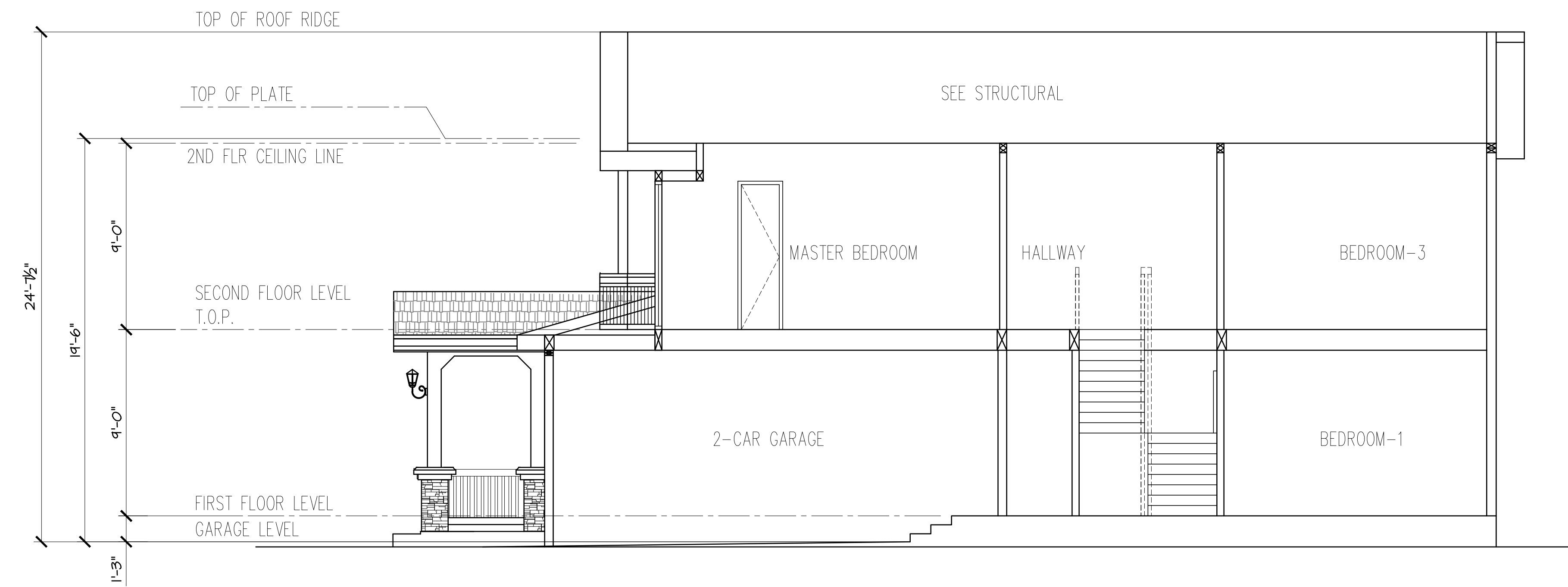
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REVISIONS:

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PLANNING, PERMIT RESUBMITTAL	02/15/18

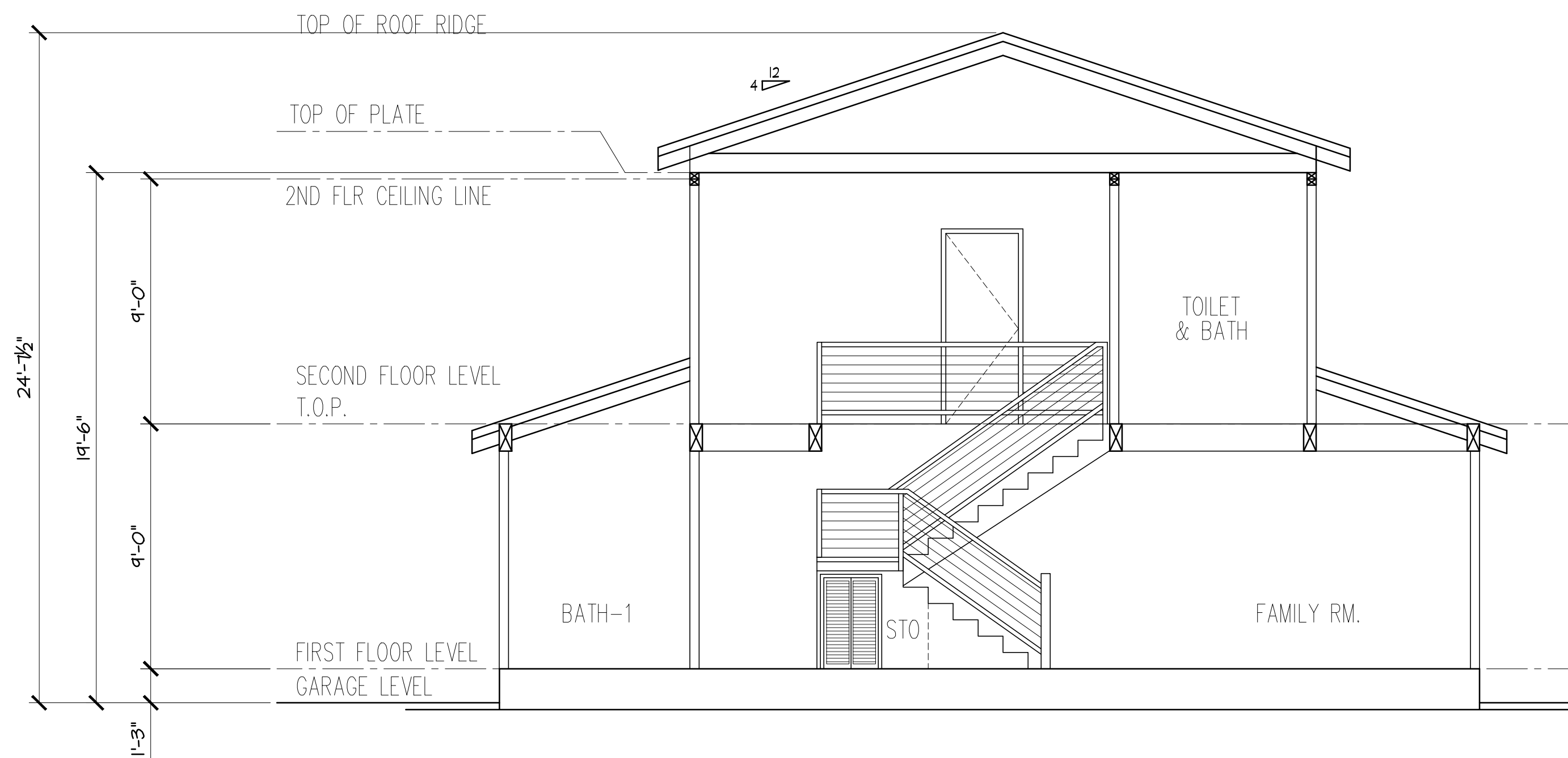
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LOT - 4

A3.0



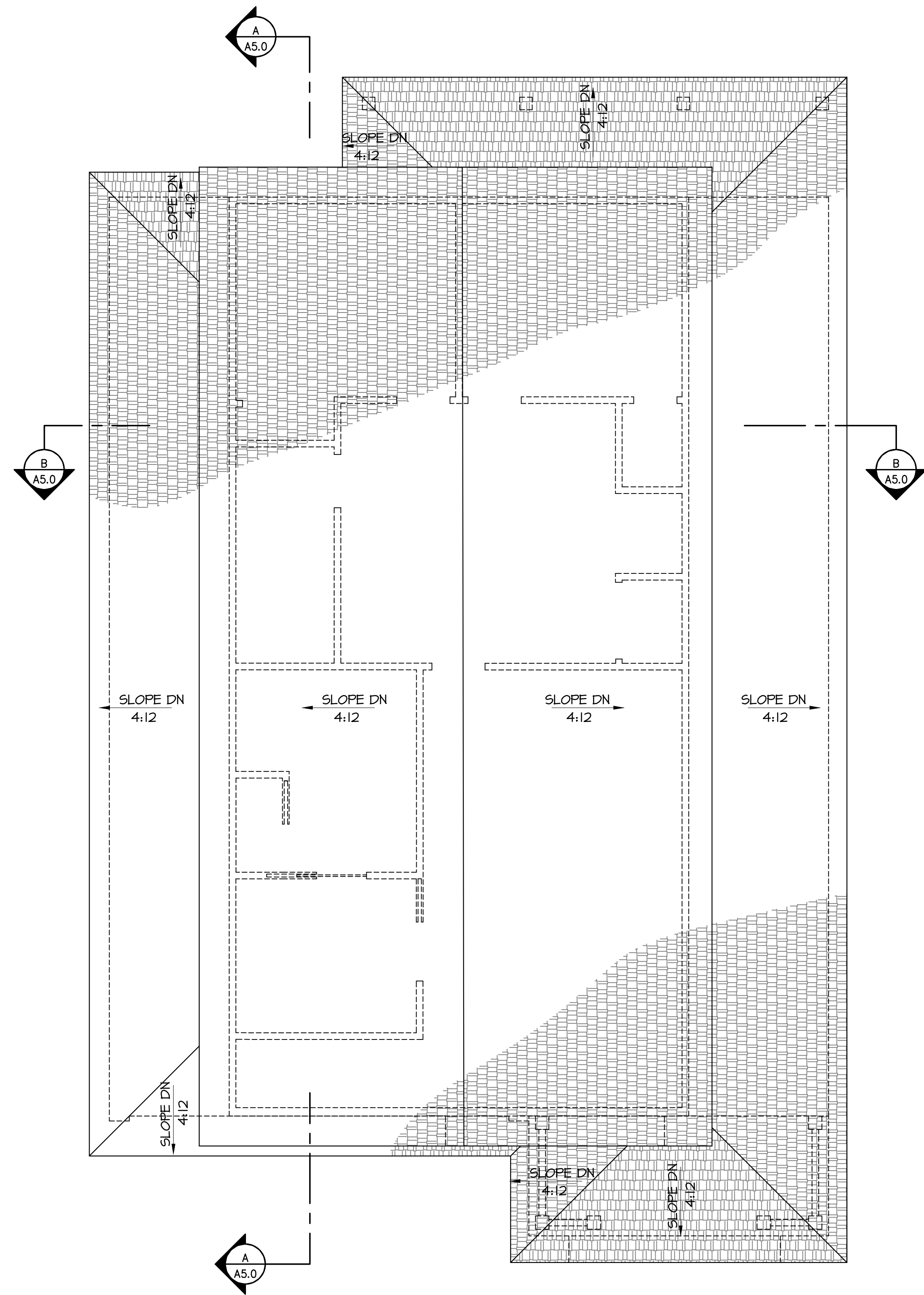
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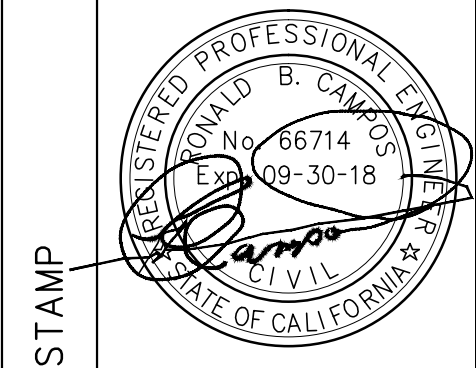
SECTION B

0 2 4 8
SCALE: 1/4"=1'-0"



UPPER ROOF PLAN
LOT#4

0 2 4 8 feet
SCALE: 1/4"=1'-0"



KLC
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TEL.: 510-232-0300 ; FAX: 510-232-0303
http://www/klicea.com

PROJECT & OWNER (S):
NEW TWO-STOREY RESIDENCE
MR. BALJIT DHALIWAL
1068 TORQUOISE DR., HERCULES CA

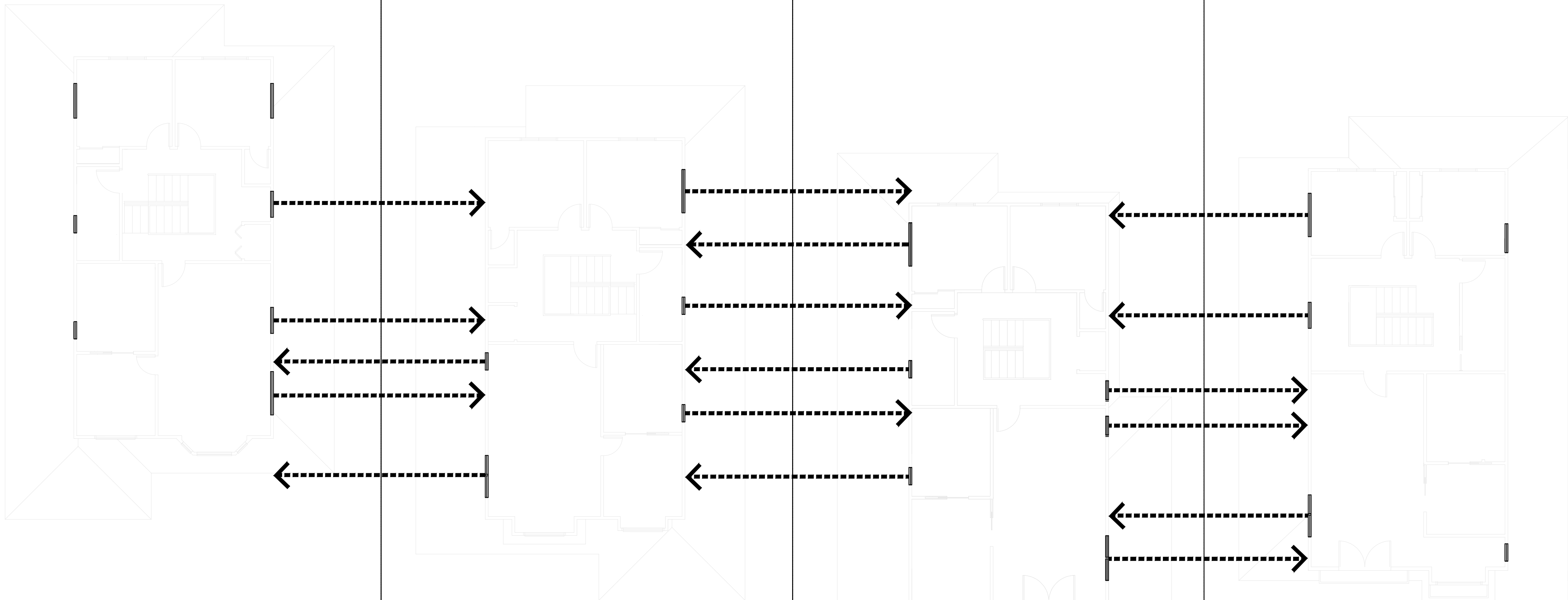
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CHECKED: RBC
SCALE: AS NOTED
DATE: 12/12/16

TITLE SHEET
ELEVATIONS

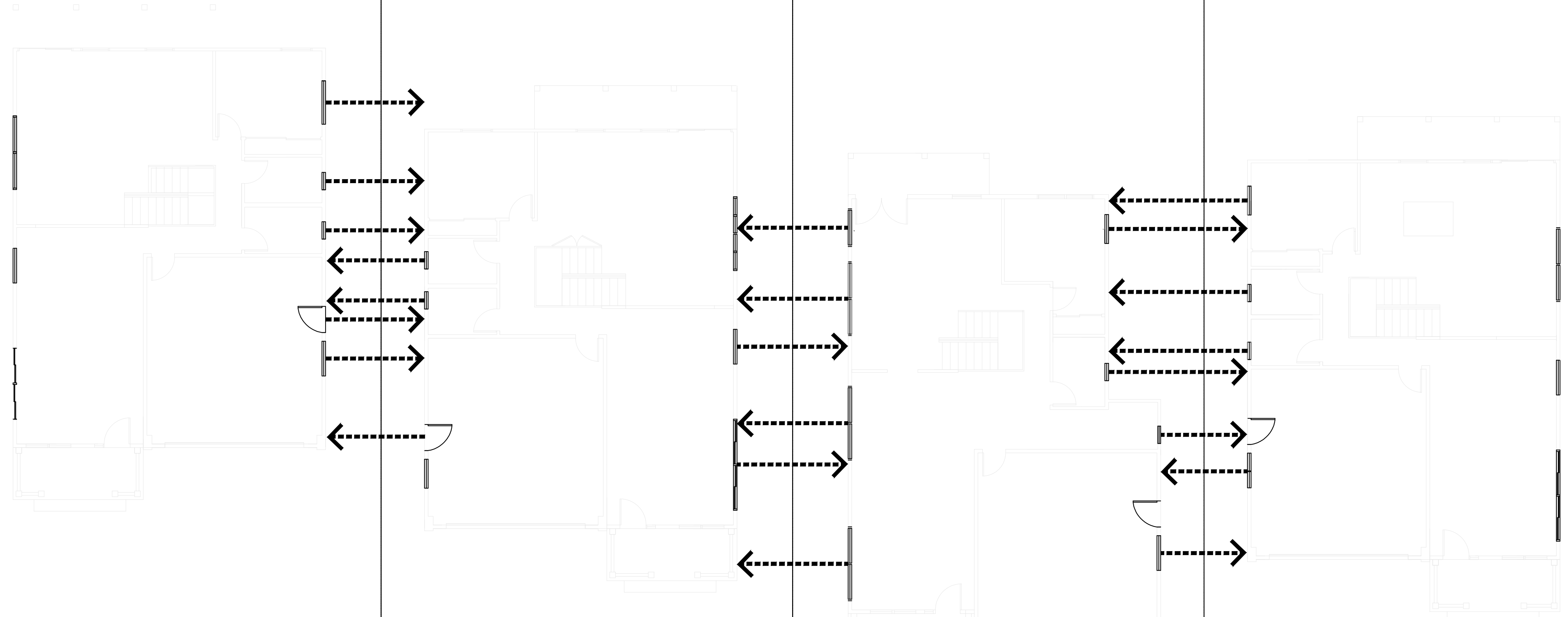
PROJ. NO. 16-574
REVISIONS:
PLANNING, PERMIT SUBMITTAL 12/22/16
PLANNING, PERMIT RESUBMITTAL 02/15/18

SHEET NO:
LOT - 4

A4.0

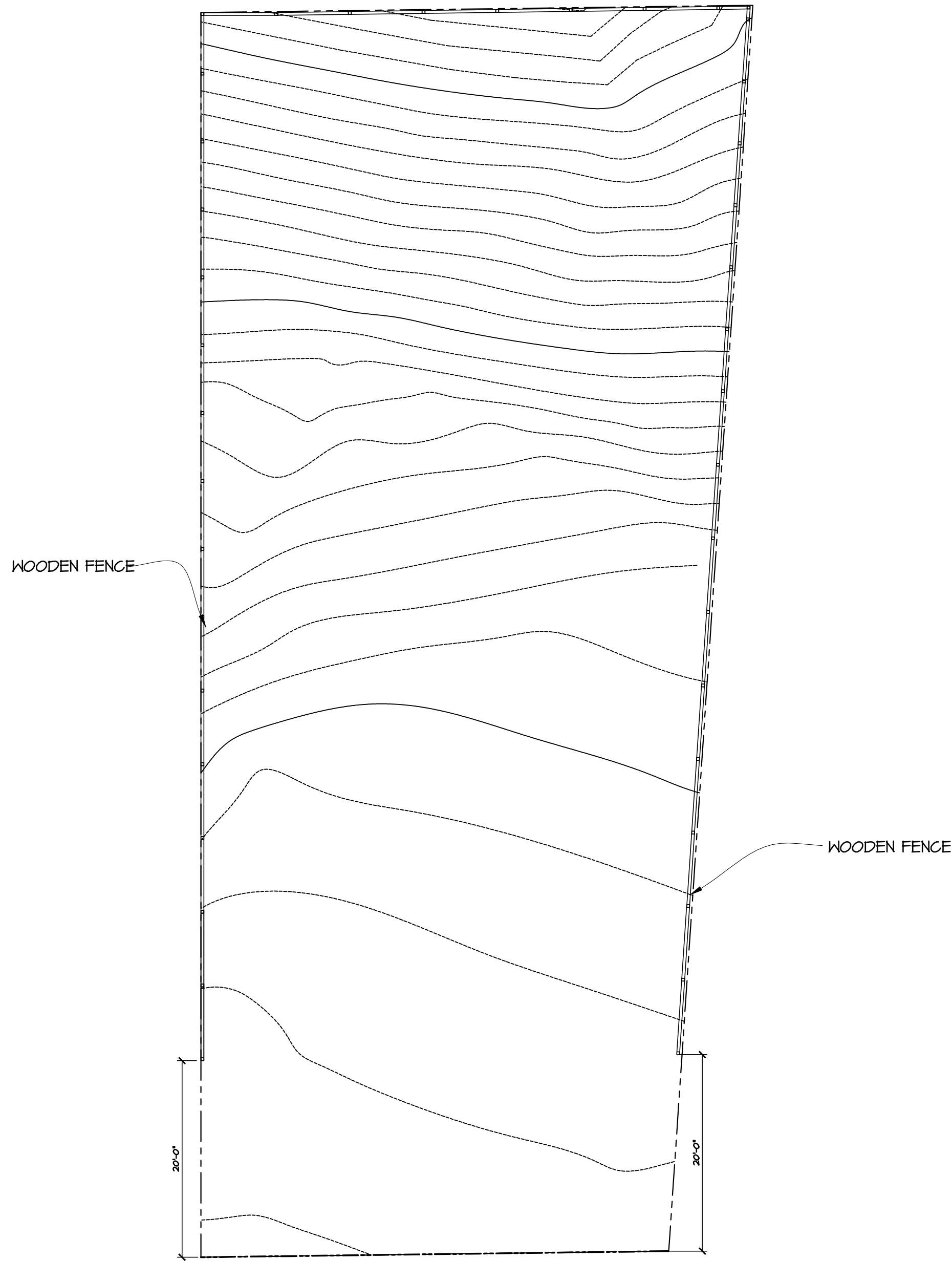


2ND FLOOR PLAN

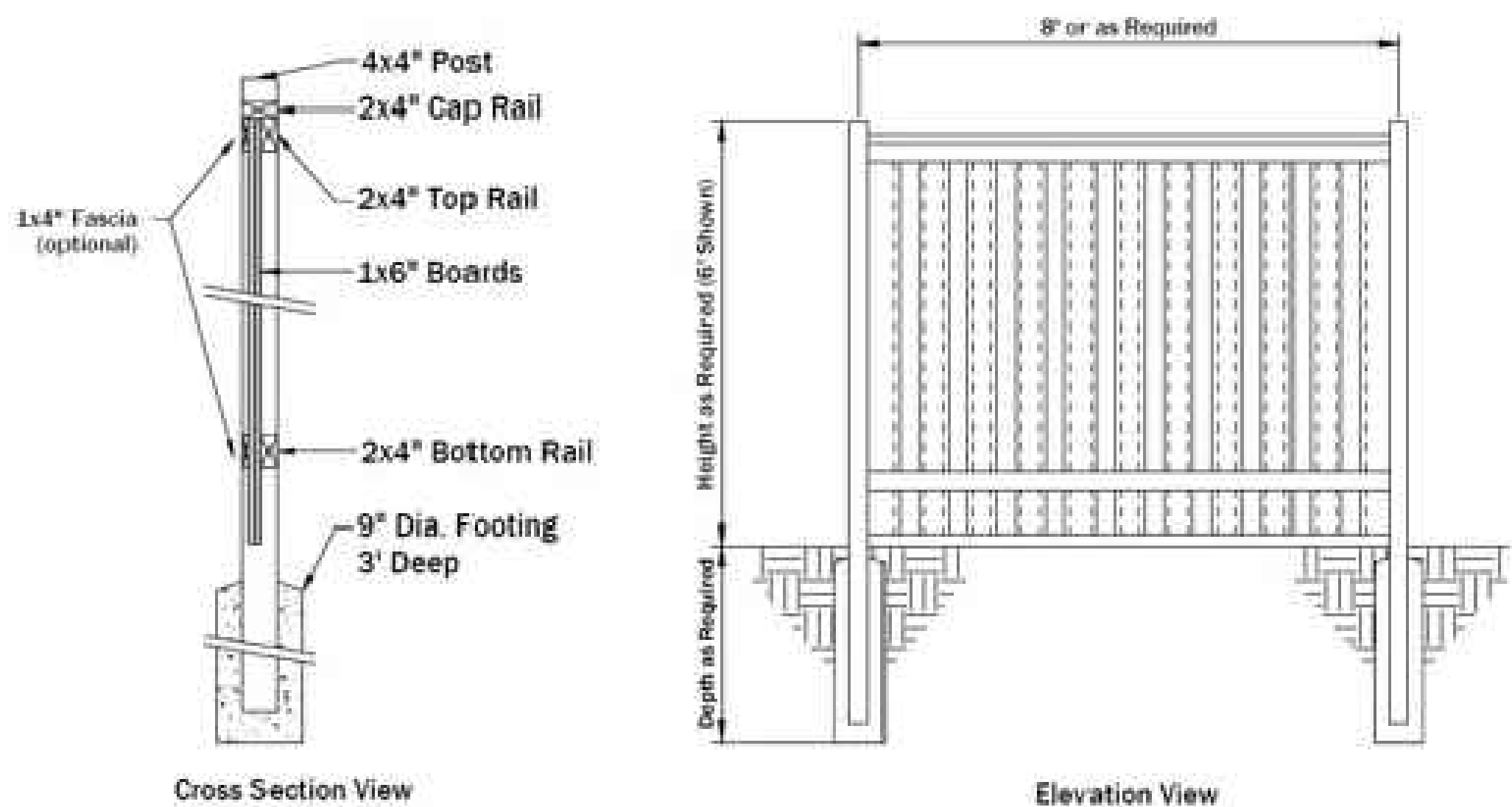


GROUND FLOOR PLAN

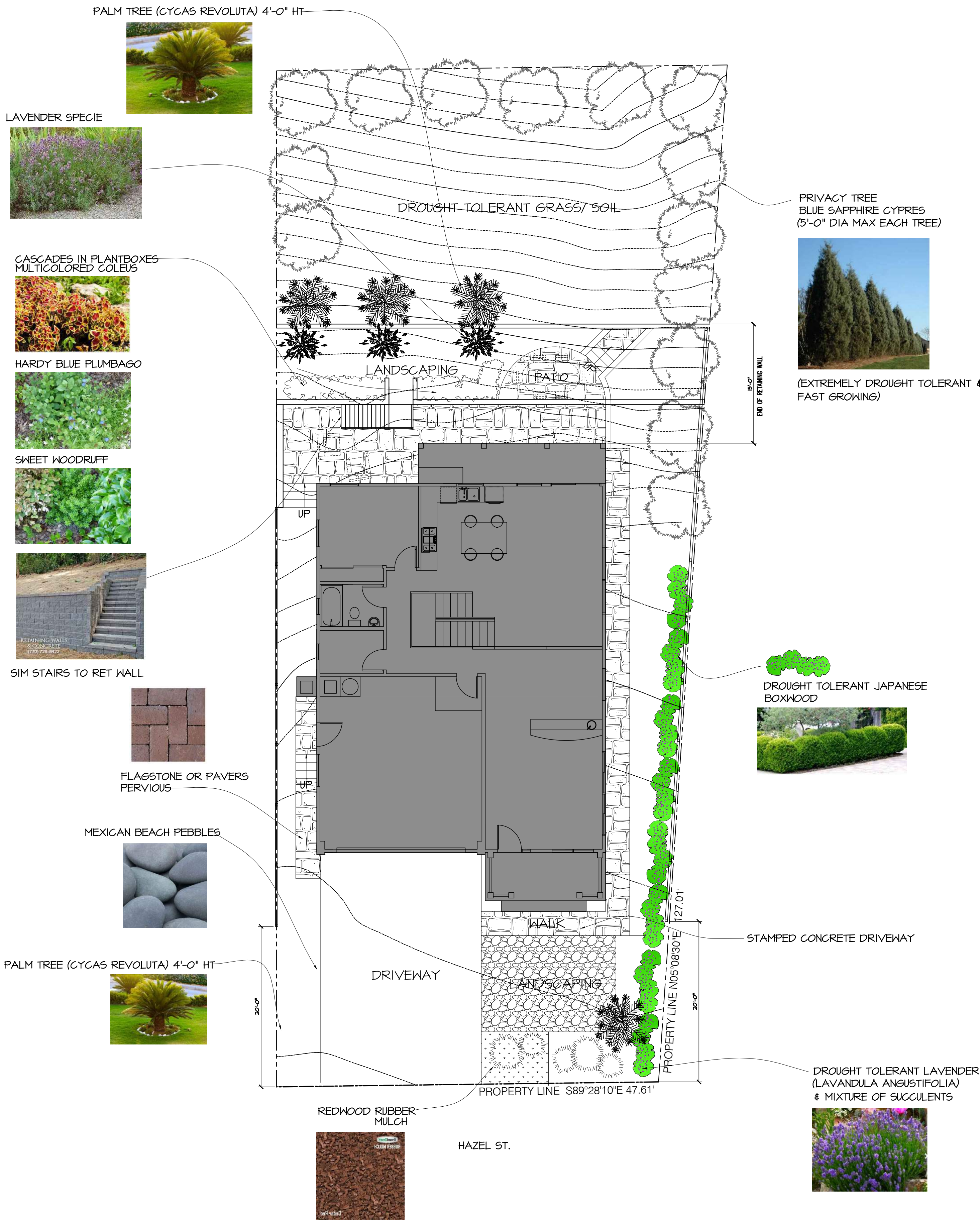
STAMP		
CONSULTANT	11100 SAN PABLO AVE., SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0300 • FAX: 510-232-0303 http://www.klceco.com	
	HERCULES CA	
PROJECT & OWNER (S):	NEW TWO-STOREY RESIDENCE	
	MR. BALJIT DHALIWAL 1068 TORQUOISE DR., HERCULES CA	
DRAWN:	MTC	
CHECKED:	RBC	
SCALE:	AS NOTED	
DATE:	12/12/16	
TITLE SHEET	WINDOW VISIBILITY PRIVACY FROM NEIGHBORING UNIT	
PROJ. NO.	16-574	
REVISIONS:		
PLANNING, PERMIT SUBMITTAL	12/22/16	
PLANNING, PERMIT RESUBMITTAL	02/15/18	
SHEET NO:		
A5.0		



2 FENCING PLAN NOT TO SCALE



3 TYPICAL FENCE DETAIL SCALE: 1/2"=1'-0"

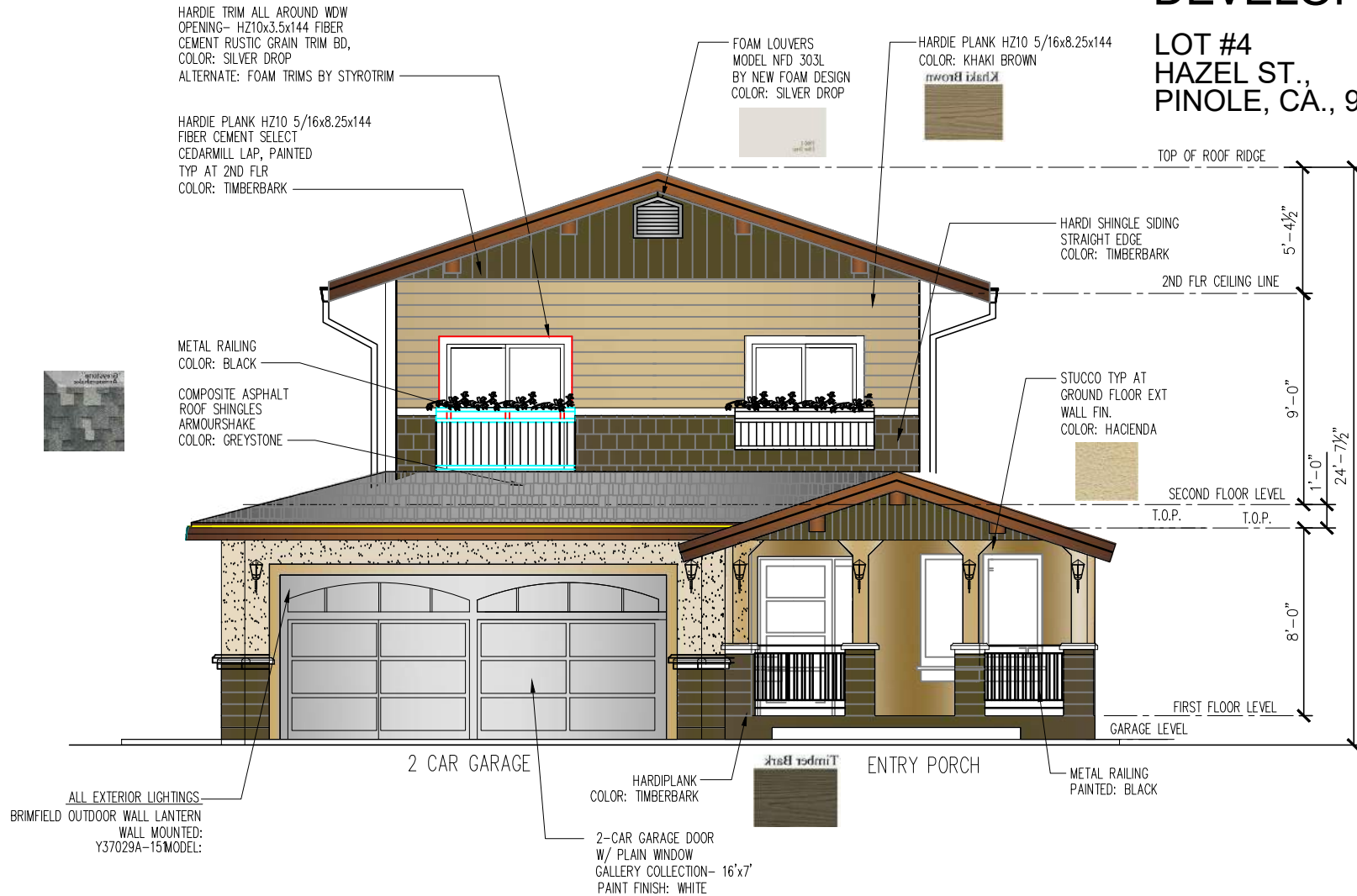


1 LOT - 4 CONCEPTUAL LANDSCAPE PLAN SCALE: 1/8"=1'-0"

STAMP			
CONSULTANT		 KLC CONSULTING ENGINEERS, INC 11100 SAN PABLO AVE, SUITE 207, EL CERRITO, CA 94530 TEL.: 510-232-0300 ; FAX: 510-232-0303 http://www/klicea.com	
PROJECT & OWNER (S):		NEW TWO-STOREY RESIDENCE	
DRAWN:		MTC	
CHECKED:		RBC	
SCALE:		AS NOTED	
DATE:		12/12/16	
TITLE SHEET		CONCEPTUAL LANDSCAPE & FENCING PLAN	
PROJ. NO.		16-574	
REVISIONS:		PLANNING, PERMIT SUBMITTAL 12/22/16 PLANNING, PERMIT RESUBMITTAL 02/15/18	
SHEET NO: LOT - 4		HERCULES CA	
L.1			

DHALI-BALI DEVELOPMENT

LOT #4
HAZEL ST.,
PINOLE, CA., 94564



FRONT ELEVATION

LOT#4

City of Pinole Hazel Street Project

Categorical Exemption Memorandum



September 2020

Prepared By



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A. INTRODUCTION AND SUMMARY

The City of Pinole has requested that Raney Planning & Management, Inc. (Raney) conduct a review of the Hazel Street Project (proposed project) to determine if the project could be considered exempt from the California Environmental Quality Act (CEQA). Generally, the proposed project consists of two components: 1) subdivision of APN 402-013-060 into four lots to accommodate the future construction of four, two-story single-family residences and associated improvements; and 2) piping the existing drainage ditch located within the unpaved portion of Hazel Street and paving the connection of the roadway to complete the City's planned circulation network in the residential community.

Section 21084 of the Public Resources Code requires the CEQA Guidelines to include a list of classes of projects which have been determined not to have a significant effect on the environment and which shall, therefore, be exempt from the provisions of CEQA. In response to that mandate, the Secretary of the Natural Resources Agency has found that several classes of projects listed in Article 19 do not have a significant effect on the environment and, thus, are declared to be categorically exempt from the requirement for the preparation of environmental documents.

As will be demonstrated below, the proposed project is considered exempt from CEQA, consistent with CEQA Guidelines Section 15332, In-Fill Development Projects. In addition, none of the exceptions specified by CEQA Guidelines Section 15300.2 are applicable to the proposed project.

B. PROJECT DESCRIPTION

The following sections provide a description of the current environmental setting of the project area, as well as the components of the proposed project.

Project Location and Setting

The 0.81-acre project site is located at the western terminus of Hazel Street in the City of Pinole, California, and identified by the Contra Costa County Assessor as Assessor's Parcel Numbers (APNs) 402-013-060 and 402-013-061 (see Figure 1 and Figure 2). The approximately 0.56-acre southern parcel, identified as APN 402-013-060, is currently vacant and undeveloped. The parcel contains several trees, including two protected coast live oaks, in addition to ground cover brush consisting of Himalayan blackberry and English ivy. The approximately 0.25-acre northern parcel, identified as APN 402-013-061, consists of an unpaved portion of the Hazel Street right-of-way (ROW), which contains a gravel path and surrounding vegetated areas. A four- to five-foot-wide, open drainage ditch extends in a westerly direction from the southeastern edge of the parcel. The drainage ditch crosses underneath the gravel path by way of an approximately 44-foot-long culvert, before resurfacing into a five- to 10-foot-wide open drainage trench that extends for another 36 feet at the northwest corner of the parcel, near an existing sewer lift station.

The project site is surrounded by residential development that include an apartment complex to the west and single-family residences to the north, east, and south. Access to APN 402-013-060 is currently provided by way of the unpaved portion of the Hazel Street ROW within the northern parcel.

Figure 1
Regional Project Location

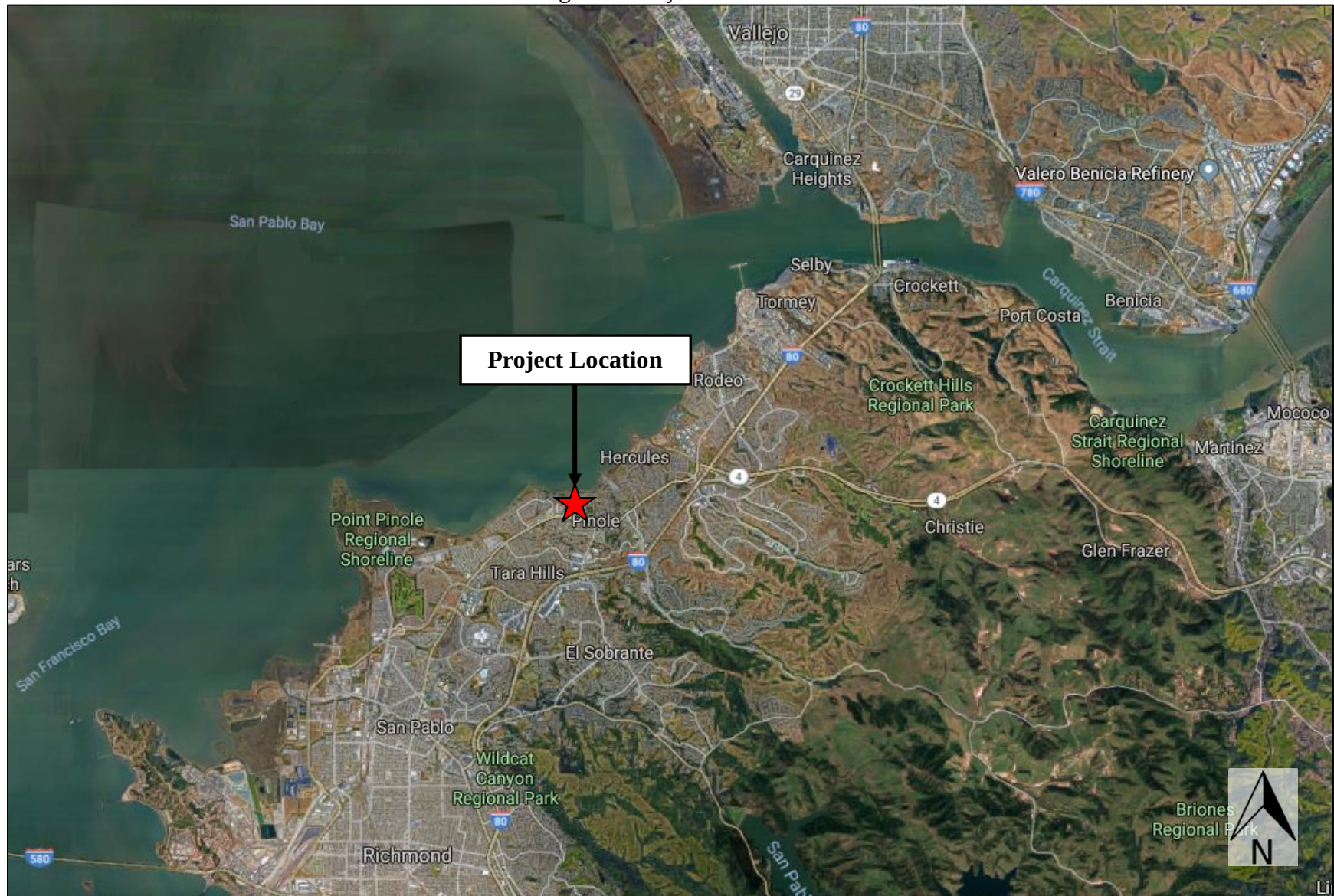
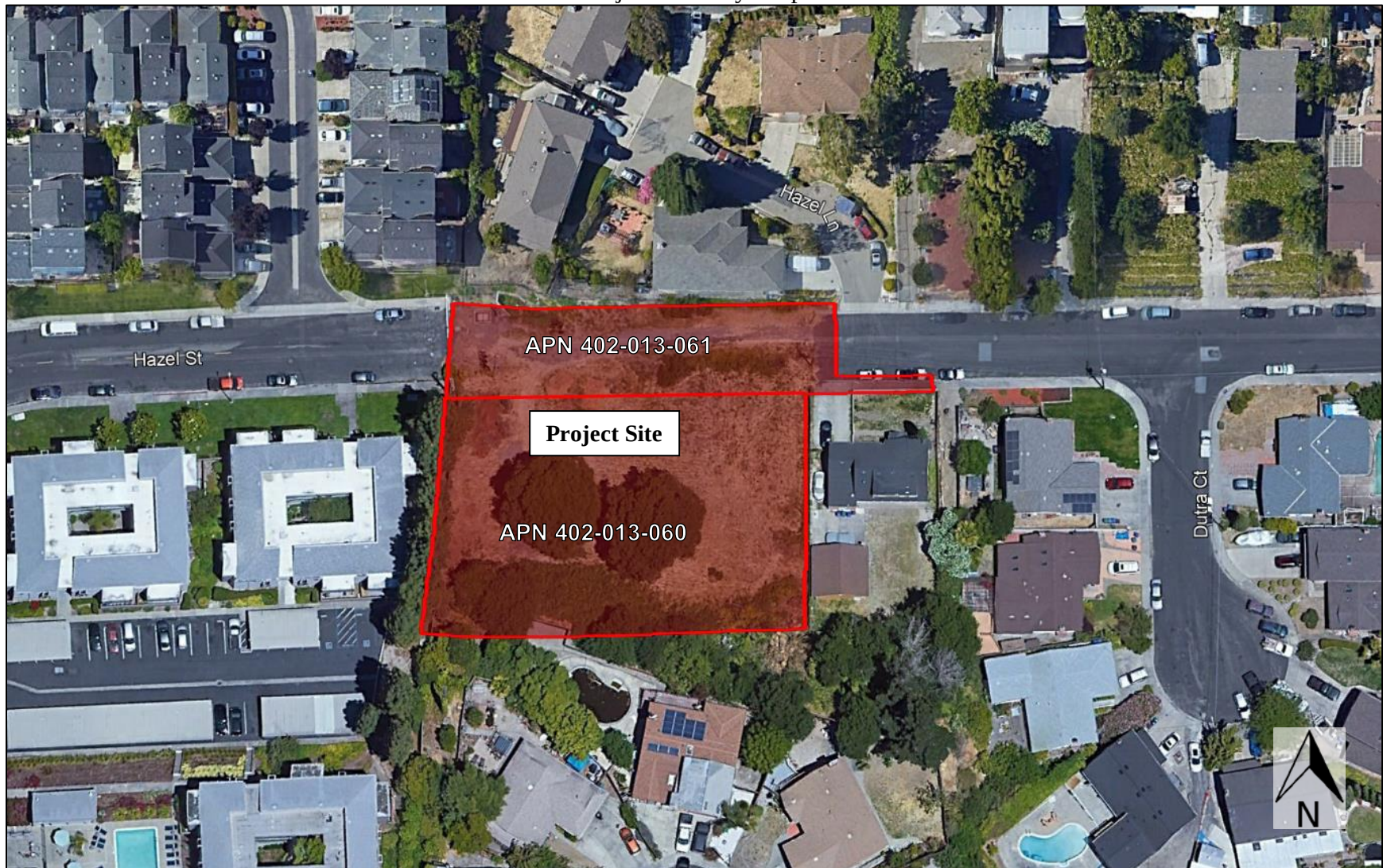


Figure 2
Project Vicinity Map



Project Components

The following sections provide details on components associated with implementation of the proposed residential lot subdivision and Hazel Street roadway improvements.

Residential Lot Subdivision (APN 402-013-060)

The proposed project would subdivide APN 402-013-060 (proposed development area) into four lots to accommodate the future construction of four, two-story single-family residences (see Figure 3 and Figure 4). The parcel has an area of approximately 24,572 sf. Lots 1, 2, and 3 would each be approximately 6,000 sf and Lot 4 would be approximately 6,568 sf. The proposed two-story single-family residences would range in size from 2,165 sf to 2,664 sf and each include garage areas and first floor porches and balconies. The individual lots would be separated by eight-foot-tall wooden fences placed along the property lines.

The proposed residences would tie into existing utility infrastructure within the Hazel Street ROW. Water service would be provided by the East Bay Municipal Utility District and serve each of the four residences by way of a new water line extension within the Hazel Street ROW, and individual north-south connections to each lot. Wastewater service would be provided by the City of Pinole. A new six-inch sanitary sewer line would extend along the northern portion of the site to connect with the existing sanitary sewer hub at the eastern edge of the site in the Hazel Street ROW. New north-south connections to the sanitary sewer main in Hazel Street would be made to each of the four proposed residences. For drainage, water from impervious surfaces such as roofs and concrete driveways would be routed to front yard landscape areas for treatment and infiltration.

Given that the proposed development area is located on a slight slope, the proposed project would require minor cuts within the southern portion of the site to accommodate the proposed building pads. For the purposes of this analysis, grading activities associated with the proposed project are estimated to require approximately 7,778 cubic yards (CY) of soil export.

Hazel Street Roadway Improvements (APN 402-013-061)

As part of the proposed project, the open sections of the existing drainage ditch within the southeastern and northwestern portions of APN 402-013-061 (roadway improvement area) would be piped underground (see Figure 5). The undergrounding of the open sections of the drainage ditch would include the removal of a concrete wingwall in the southeastern portion of the site, where the ditch daylights, as well as reinforcement of the existing four-foot-wide, 44-foot-long corrugated steel culvert. The proposed drainage improvements would not increase capacity relative to existing conditions.

The required circulation improvements would consist of roadway improvements that would include grading and paving of approximately 200 feet of the unpaved portion of the Hazel Street ROW to complete circulation throughout the neighborhood.

Figure 3
Proposed Residential Subdivision Site Layout

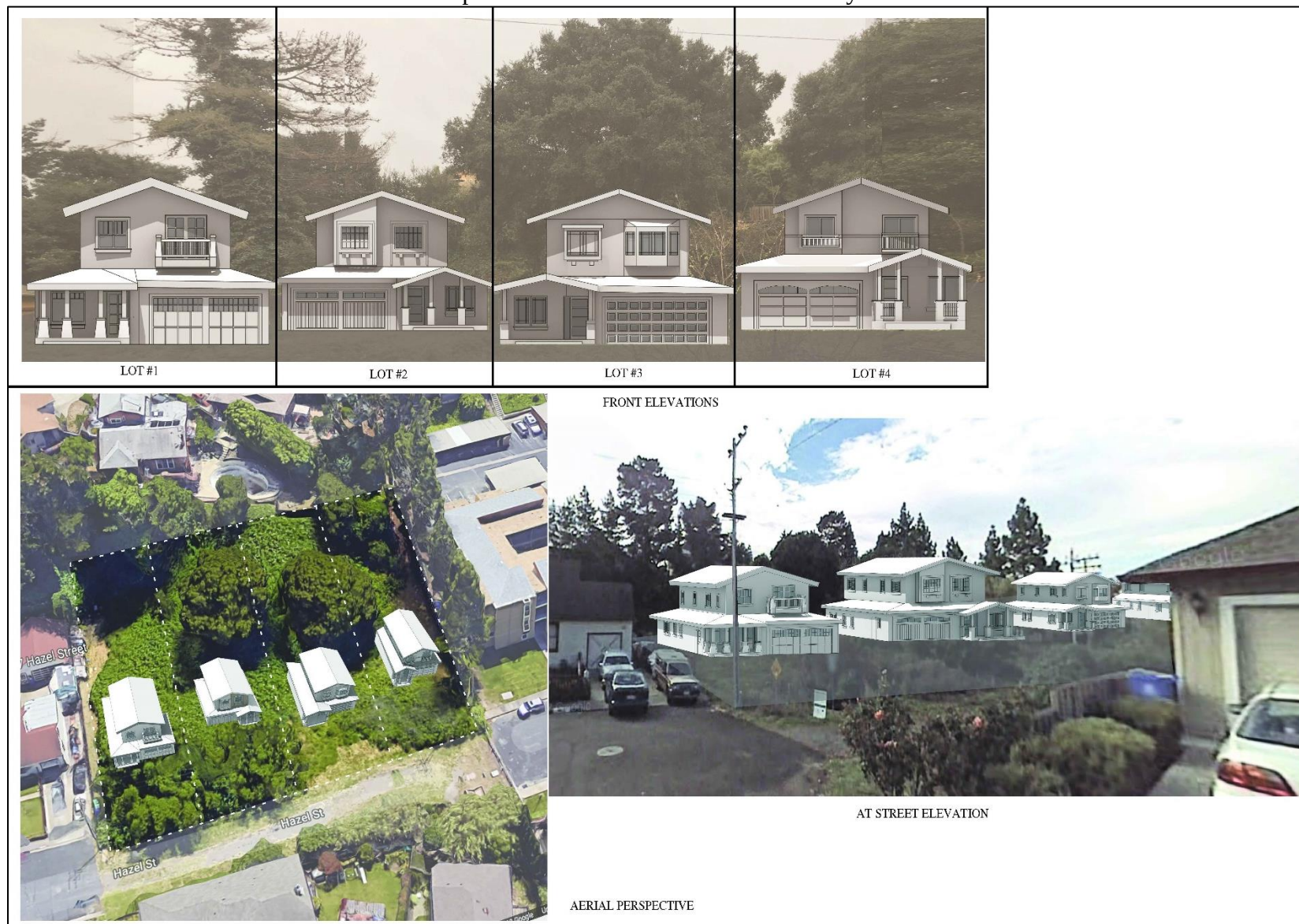


Figure 4
Proposed Residential Lot Subdivision

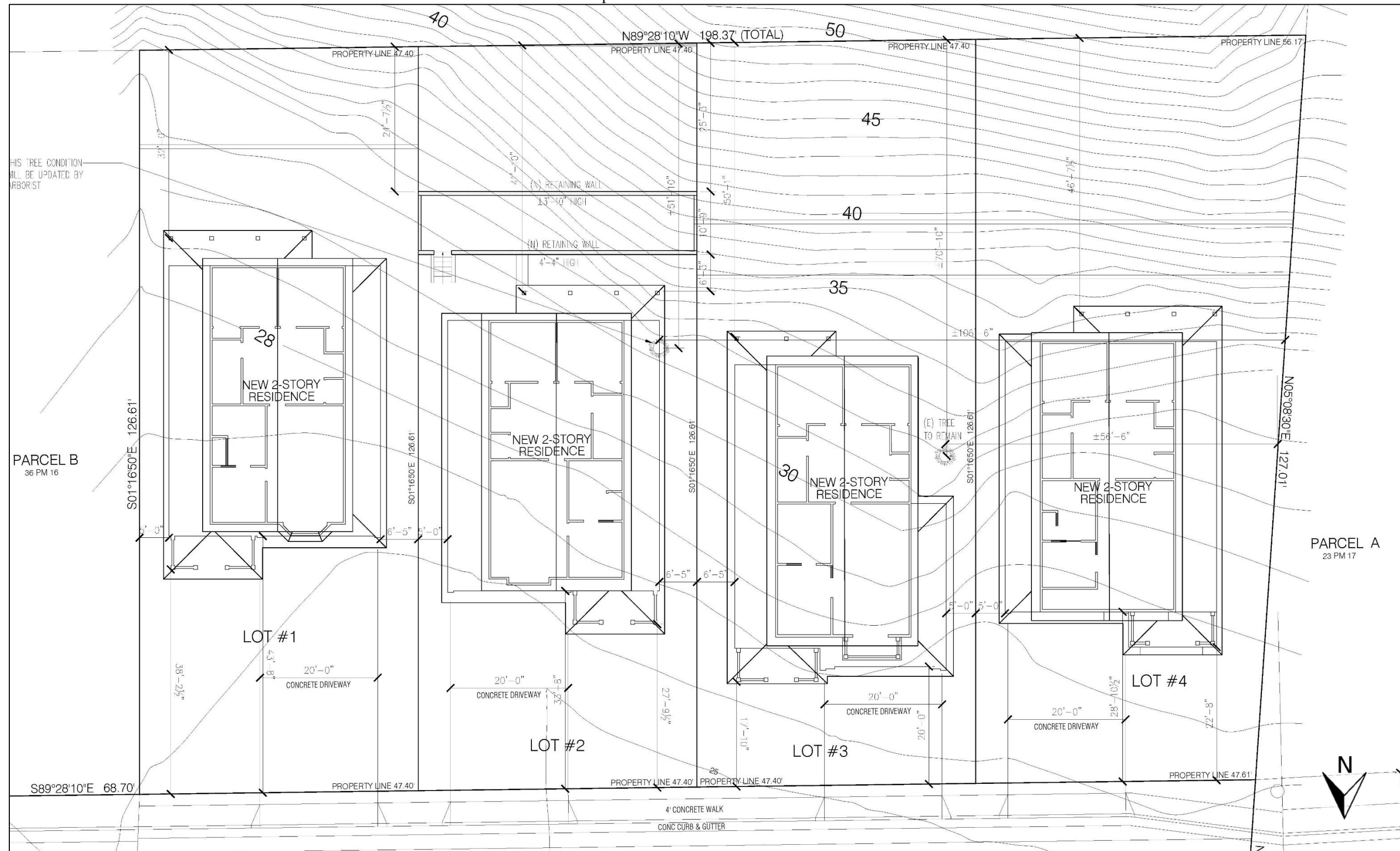
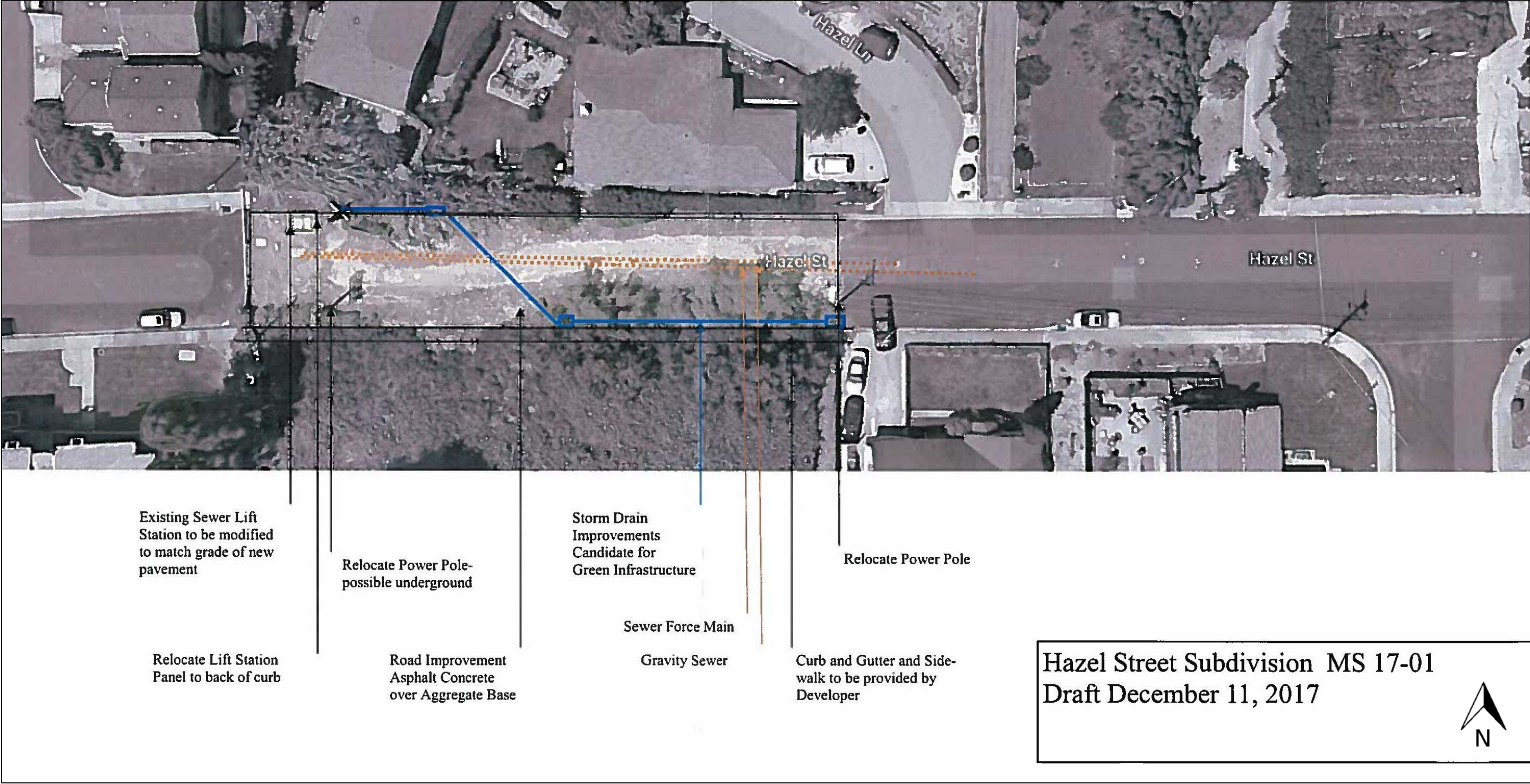


Figure 5
Proposed Hazel Street Improvements



Upon completion, the newly paved portion of the Hazel Street ROW would be 38 feet wide and the southern portion would include a four-foot-wide concrete pedestrian sidewalk that would connect to existing sidewalks located along the adjacent portions of Hazel Street to the east and west. The improvements would also include the addition of a concrete roadside curb and gutter on the southern end of the Hazel Street ROW. The northern portion of Hazel Street would include a concrete curb and gutter, but would not be inclusive of a pedestrian sidewalk. The existing sewer lift station located in the northwestern corner of the site would be modified to match the grade of the new pavement and the access panel would be relocated to be within the back of the proposed curb. Two existing power poles would be relocated during the street improvements.

The aforementioned roadway improvements would provide paved access to the adjacent, proposed residential lots, and serve to complete the City's planned street system in this residential neighborhood.

Tree Removal

Two protected mature coast live oak trees are located in the southern portion of the project site (see Figure 6). As part of the proposed project, Tree 1, a 40-foot-tall live oak with a 31.5-inch diameter at breast height (DBH), is recommended by the consulting arborist to be removed due to indicators that the structure of the roots has been compromised. Tree 2, a 40-foot-tall coast live oak with a 38.5-inch DBH, shows good health and high vigor and would be retained with implementation of the proposed project.

Required Entitlements

The residential lot subdivision project would require the following discretionary entitlements from the City of Pinole:

- Development Agreement;
- Tentative Subdivision Map;
- Design Review; and
- Tree Removal Permit.

The Hazel Street roadway connection project would be a component part of the Development Agreement and require subsequent improvement plan approval by the City of Pinole Development Services Department.

C. DISCUSSION

The following section contains substantial evidence showing that the proposed project can be considered exempt from CEQA and is not subject to any of the exceptions set forth in Section 15300.2 of the CEQA Guidelines. As demonstrated in the analysis below, the proposed project qualifies for exemption under CEQA Guidelines Section 15332, Class 32.

Figure 6
On-site Trees



In-Fill Development Project Exemption

Article 19 of the CEQA Guidelines, Sections 15300 through 15333, includes a list of classes of projects that have been determined to not have a significant effect on the environment, and are therefore exempt from CEQA. Section 15332 of the CEQA Guidelines provides a categorical exemption for infill development projects that meet the following criteria:

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- (b) The proposed development occurs within the city limits on the project site of no more than five acres substantially surrounded by urban uses.
- (c) The project site has no value as habitat for endangered, rare or threatened species.
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- (e) The site can be adequately served by all required utilities and public services.

The applicability of the above criteria to the proposed project is described in the following sections.

Criterion 15332(a): General Plan and Zoning Consistency

With regard to criterion ‘a’, the Pinole General Plan designates the proposed development area as Suburban Residential (SR) and the area is zoned as R-1. The proposed development area is currently vacant, and the proposed construction of four single-family residences would be consistent with the General Plan land use designation and zoning for the site.

Furthermore, the proposed project would comply with applicable General Plan policies and zoning regulations adopted for the purpose of avoiding and/or mitigating adverse environmental effects. For example, the project would be required to comply with the City of Pinole’s Tree Removal Ordinance, as included in Chapter 17.96 of the Municipal Code, which defines “protected” trees as follows:

- Trees with a single perennial stem of 12 inches or larger in circumference (four inches in diameter) measured at 4.5 feet above grade, of the following species: Coast live oak, Madrone, Buckeye, Black Walnut, Redwood, Big Leafed Maple, Redbud, California Bay, Toyon; and
- Any other tree with a single stem greater than 56” or larger in circumference (18” in diameter) and 4.5 feet above the natural grade; nut and fruit trees, palms, and eucalyptus are not protected.

Per a technical memorandum prepared for the proposed project by Arborwell Professional Tree Management (Tree Memo) (see Appendix A), the project site contains two coast live oaks that are considered protected trees per the Tree Removal Ordinance.¹ Per the Tree Memo, one of the existing trees is recommended for removal (i.e., Tree 1 in Figure 6 above), as the tree’s root system appears to be failing due to root failure within overly saturated soils. The safety-risk for whole-

¹ Arborwell Professional Tree Management. *Oak Tree Update at Hazel Street at Pinole*. April 18, 2018.

tree failure, given that the roots are already failing, is high. Consistent with Chapter 17.96 of the City's Municipal Code, the project applicant would be required to obtain a tree removal permit prior to removal of the tree, as well as replacement of the tree at a ratio of 1:1. The second protected tree is proposed for preservation as part of the proposed project; and the project applicant would be required to implement tree protection measures for this tree, as generally outlined in Section 17.96.070 of the Pinole Municipal Code and, more specifically, in the oak tree protection guidelines prepared for the site by Arborwell (January 14, 2016). Thus, the proposed project would comply with local policies and ordinances protecting biological resources, particularly related to Chapter 17.96 of the Municipal Code.

Based on the above, the proposed project meets Criterion 15332(a).

Criterion 15332(b): Project Location, Size, and Context

The project site consists of approximately 0.81-acre located within an urbanized area in the City of Pinole. The site is surrounded by existing residential development on all sides. Thus, the proposed project meets Criterion 15332(b).

Criterion 15332(c): Endangered, Rare, or Threatened Species

The project site is located in an urbanized area of the City of Pinole and is bordered on all sides by existing residential development. The proposed roadway improvement area in the northern portion of the site is currently vacant and consists of an approximately 200-foot gravel portion of the Hazel Street ROW. The roadway improvement area has been previously disturbed through the placement of gravel and installation of the existing 44-foot corrugated steel culvert, as well as other utility infrastructure such as a City sewer main, sewer lift station, and telecommunications and power poles. The proposed development area within the southern portion of the site is also vacant, and consists primarily of ruderal grasses and scattered trees.

As part of a Wetlands & Biological Resources Assessment prepared for the proposed project by Barnett Environmental (see Appendix B),² the following online resources were queried for information on the project site's potential plant and wildlife resources:

- California Department of Fish & Wildlife's (CDFW) Natural Diversity Database (CNDDB) for observations of special status plant and animal species within five miles of the project site;
- U.S. Fish and Wildlife Service's (USFWS) *iPac Database* of federally-listed special status species in Contra Costa County; and
- The California Native Plant Society's (CNPS) *Inventory of Rare & Endangered Plants in California*.

In addition, a Barnett Environmental biologist surveyed the project site on November 15, 2018 for special status plant and wildlife species and their habitats that could be supported on-site.

² Barnett Environmental. *Wetlands and Biological Resources Assessment of the Proposed Hazel Street Residential Subdivision & Road Improvement*. December 19, 2018.

Based on the results of the data queries and site survey, Barnett Environmental concluded that only one endangered, rare, or threatened species has the potential to occur in the greater project area: California red-legged frog. It should be noted that per the Wetlands & Biological Resources Assessment, fragrant fritillary has a very low potential of occurrence due to marginal habitat on-site; however, the species does not have a federal or State status and, thus, is not covered by Criterion 15332(c). In addition, fragrant fritillary was not detected during the November 2018 field survey, and CNDDDB occurrences of the species have not been recorded within five miles of the project site.

California red-legged frog is a Federal Threatened species and is a California Species of Concern. CNDDDB occurrences for California red-legged frog were identified within five miles of the project site. However, based on the lack of breeding ponds or perennially slow-moving waters on the project site, the species does not have the potential to occur on the project site. In addition, California red-legged frogs were not identified on-site during the November 2018 site survey.

Generally, due to the highly disturbed nature of the area surrounding the project site, the project site does not provide value as habitat for endangered, rare or threatened species. Thus, the proposed project meets Criterion 15332(c).

Criterion 15332(d): Traffic, Noise, Air Quality, and Water Quality

The following sections present analysis regarding potential effects related to traffic, noise, air quality, and water quality resulting from implementation of the proposed project.

Traffic

During construction of the proposed project, vehicle traffic would be added to local roadways associated with the transport of construction equipment to and from the site, construction worker commutes, and haul truck traffic due to the export of approximately 8,000 CY of soil from the site. However, such traffic would be temporary, and would be typical of other small-scale residential construction projects.

Upon buildout, the proposed project would consist of four single-family residences. Per the Institute of Traffic Engineers (ITE) *Trip Generation Manual*, the proposed residences would generate approximately 38 average daily vehicle trips, including three trips during the AM peak hour and four trips during the PM peak hour. Due to the relatively minimal vehicle trip generation associated with the proposed uses, the project would not be expected to degrade peak period LOS at any nearby intersections or roadway sections. In addition, the proposed project is consistent with the project site's existing General Plan land use and zoning designations. Therefore, vehicle trip generation associated with the project site and associated effects on local transportation facilities have been anticipated by the City and accounted for in regional planning efforts.

Noise

The proposed project has the potential to generate temporary noise level increases associated with construction activities. During operation, the primary source of noise associated with the proposed project would be vehicle traffic noise generated on local roadways.

The Pinole General Plan does not include noise standards applicable to transportation noise increases attributable to new development. Other jurisdictions often use standards developed by the Federal Interagency Committee on Noise (FICON) to determine whether a project would result in a substantial permanent increase in noise levels. According to the FICON, in areas where the without project noise levels range from 60 to 65 dBA, a 3 dBA barely perceptible noise level increase appears to be appropriate for most people. When the without project noise levels already exceed 65 dBA, any increase in community noise louder than 1.5 dBA or greater is considered a significant impact if the noise criteria for a given land use is exceeded, given that the noise increase likely contributes to an existing noise exposure exceedance. Given that the proposed project is consistent with the site's existing land use and zoning designations, traffic noise level increases associated with development of the project site with residential uses have been previously anticipated by the City. As such, the project would not result in traffic noise level increases beyond what has been analyzed in the General Plan EIR. In addition, given that the proposed project is estimated to generate only 38 average daily vehicle trips, the increase in traffic noise would not be sufficient to trigger FICON standards on nearby roadways, along which are located residential receptors.

With respect to construction, Section 15.02.070 of the City's Municipal Code includes the following hourly restrictions and nuisance provisions related to construction activities:

- Work is allowed from 7:00 AM to 5:00 PM on non-federal holidays, but no inspections would be performed.
- Saturday work is allowed in commercial zones only, from 9:00 AM to 6:00 PM, as long as it is interior work and does not generate significant noise.
- The City Council designates the City Manager (or his/her designee) to further modify on a case-by-case basis the hours of construction in commercial zones. Additionally, the City Manager (or his/her designee) has the ability to modify the construction hours on a case-by-case basis based on inclement weather conditions or certain construction procedures (such as setting up from a concrete pour) that may require working beyond 5:00 PM on weekdays or 6:00 PM on Saturday.
- Administrative citations and penalties penalize responsible parties who fail or refuse to comply with any City ordinance or fail to promptly abate a public nuisance.

During construction activities associated with the proposed residences, as well as the proposed Hazel Street improvements, the proposed project would result in short-term noise level increases in the project vicinity. However, the City's Municipal Code does not specify any short-term construction noise level limits. In addition, construction of the proposed project would be required to comply with the restrictions established by Section 15.02.070(A) of the City's Municipal Code. Per Section 15.02.070(F), construction activities related to the proposed project would include the use of sound-dampening equipment such as mufflers, air-inlet silencers, shrouds, shields, or other

noise-reducing features where appropriate in order to ensure that nuisance related to noise or vibration does not occur.

Based on the above, the proposed project would not generate substantial temporary or permanent noise level increases during construction or operation that would be considered to have the potential to result in significant effects on the environment.

Air Quality

The City of Pinole is located in the San Francisco Bay Area Air Basin (SFBAAB), which is under the jurisdiction of the Bay Area Air Quality Management District (BAAQMD). The SFBAAB is currently designated as a nonattainment area for State and federal ozone, State and federal fine particulate matter 2.5 microns in diameter (PM_{2.5}), and State respirable particulate matter 10 microns in diameter (PM₁₀) ambient air quality standards (AAQS). The SFBAAB is designated attainment or unclassified for all other AAQS. It should be noted that on January 9, 2013, the U.S. Environmental Protection Agency (USEPA) issued a final rule to determine that the Bay Area has attained the 24-hour PM_{2.5} federal AAQS. Nonetheless, the Bay Area must continue to be designated as nonattainment for the federal PM_{2.5} AAQS until such time as the BAAQMD submits a redesignation request and a maintenance plan to the USEPA, and the USEPA approves the proposed redesignation. The USEPA has not yet approved a request for redesignation of the SFBAAB; therefore, the SFBAAB remains in nonattainment for 24-hour PM_{2.5}.

In compliance with regulations, due to the nonattainment designations of the area, the BAAQMD periodically prepares and updates air quality plans that provide emission reduction strategies to achieve attainment of the AAQS, including control strategies to reduce air pollutant emissions through regulations, incentive programs, public education, and partnerships with other agencies. The current air quality plans are prepared in cooperation with the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG).

The most recent federal ozone plan is the 2001 Ozone Attainment Plan, which was adopted on October 24, 2001 and approved by the California Air Resources Board (CARB) on November 1, 2001. The plan was submitted to the USEPA on November 30, 2001 for review and approval. The most recent State ozone plan is the 2017 Clean Air Plan (CAP), adopted on April 19, 2017. The 2017 CAP was developed as a multi-pollutant plan that provides an integrated control strategy to reduce ozone, PM, toxic air contaminants (TACs), and greenhouse gases (GHGs). Although a plan for achieving the State PM₁₀ standard is not required, the BAAQMD has prioritized measures to reduce PM in developing the control strategy for the 2017 CAP. The control strategy serves as the backbone of the BAAQMD's current PM control program.

The aforementioned air quality plans contain mobile source controls, stationary source controls, and transportation control measures to be implemented in the region to attain the State and federal AAQS within the SFBAAB. Adopted BAAQMD rules and regulations, as well as the thresholds of significance, have been developed with the intent to ensure continued attainment of AAQS, or to work towards attainment of AAQS for which the area is currently designated nonattainment, consistent with applicable air quality plans. For development projects, BAAQMD establishes significance thresholds for emissions of the ozone precursors reactive organic gases (ROG) and

oxides of nitrogen (NO_x), as well as for PM₁₀, and PM_{2.5}, expressed in pounds per day (lbs/day) and tons per year (tons/yr). The thresholds are listed in Table 1. Thus, by exceeding the BAAQMD's mass emission thresholds for operational emissions of ROG, NO_x, or PM₁₀, a project would be considered to conflict with or obstruct implementation of the BAAQMD's air quality planning efforts.

Table 1			
BAAQMD Thresholds of Significance			
Pollutant	Construction	Operational	
	Average Daily Emissions (lbs/day)	Average Daily Emissions (lbs/day)	Maximum Annual Emissions (tons/year)
ROG	54	54	10
NO _x	54	54	10
PM ₁₀ (exhaust)	82	82	15
PM _{2.5} (exhaust)	54	54	10
<i>Source: BAAQMD, CEQA Guidelines, May 2017.</i>			

The proposed project's construction and operational emissions were quantified using the California Emissions Estimator Model (CalEEMod) software version 2016.3.2 - a Statewide model designed to provide a uniform platform for government agencies, land use planners, and environmental professionals to quantify air quality emissions, including GHG emissions, from land use projects. The model applies inherent default values for various land uses, including construction data, vehicle mix, trip length, average speed, etc. Where project-specific information is available, such information is applied in the model. The proposed project's modeling assumed the following:

- Construction would commence in April of 2020 and occur over approximately six months;
- Approximately 7,778 CY of soil would be exported during grading activities;
- The proposed project would comply with all applicable provisions of the 2019 CBSC related to energy efficiency; and
- Consistent with the 2109 CBSC, the proposed project would include installation of solar panels capable of meeting 100 percent of the project's energy demands.

The proposed project's estimated emissions associated with construction and operations and the project's contribution to cumulative air quality conditions are provided below. All CalEEMod results are included as Appendix C to this Memorandum.

Construction Emissions

According to the CalEEMod results, the proposed project would result in maximum construction criteria air pollutant emissions as shown in Table 2. The proposed project's construction emissions would be below the applicable thresholds of significance.

Table 2 Maximum Construction Emissions (lbs/day)			
Pollutant	Proposed Project Emissions	Threshold of Significance	Exceeds Threshold?
ROG	2.19	54	NO
NO _x	35.74	54	NO
PM ₁₀ (exhaust)	0.92	82	NO
PM ₁₀ (fugitive)	2.62	None	N/A
PM _{2.5} (exhaust)	0.85	54	NO
PM _{2.5} (fugitive)	0.91	None	N/A
<i>Source: CalEEMod, February 2020 (see Appendix C).</i>			

Although thresholds of significance for mass emissions of fugitive dust PM₁₀ and PM_{2.5} have not been identified by the City of Pinole or BAAQMD, the proposed project's estimated fugitive dust emissions have been included for informational purposes. All projects within the jurisdiction of the BAAQMD are required to implement all of the BAAQMD's Basic Construction Mitigation Measures, which would be included in the project approval as Conditions of Approval:

1. All haul trucks transporting soil, sand, or other loose material off-site shall be covered.
2. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
3. All vehicle speeds on unpaved roads shall be limited to 15 mph.
4. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
5. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to five minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
6. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified visible emissions evaluator.
7. Post a publicly visible sign with the telephone number and person to contact at the lead agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.

The proposed project's required implementation of the BAAQMD's Basic Construction Mitigation Measures listed above for the project's construction activities, would help to further minimize construction-related emissions.

Because the proposed project would be below the applicable thresholds of significance for construction emissions, project construction would not result in a significant air quality impact.

Operational Emissions

According to the CalEEMod results, the proposed project would result in maximum operational criteria air pollutant emissions as shown in Table 3. The proposed project's operational emissions would be below the applicable thresholds of significance. As such, the proposed project would not result in a significant air quality impact during operations.

Table 3					
Unmitigated Maximum Operational Emissions					
Pollutant	Proposed Project Emissions		Threshold of Significance		Exceeds Threshold?
	lbs/day	tons/yr	lbs/day	tons/yr	
ROG	4.41	0.07	54	10	NO
NO _x	0.41	0.06	54	10	NO
PM ₁₀ (exhaust)	0.77	0.01	82	15	NO
PM ₁₀ (fugitive)	0.19	0.03	None	None	N/A
PM _{2.5} (exhaust)	0.77	0.01	54	10	NO
PM _{2.5} (fugitive)	0.05	0.01	None	None	N/A
<i>Source: CalEEMod, February 2020 (see Appendix C).</i>					

Conclusion

As discussed above, the proposed project is not anticipated to result in short-term construction-related or long-term operational emissions of air quality pollutants that would be considered to have the potential to result in significant effects on the environment.

Water Quality

Water quality degradation is regulated by the federal National Pollutant Discharge Elimination System (NPDES) Program, established by the Clean Water Act, which controls and reduces pollutants to water bodies from point and non-point discharges. In California, the NPDES permitting program is administered by the State Water Resources Control Board (SWRCB) through nine Regional Water Quality Control Boards (RWQCBs). New development within the City that disturbs one or more acres of land is required to comply with the NPDES General Construction Permit and prepare a SWPPP incorporating BMPs to control sedimentation, erosion, and hazardous materials contamination of runoff during construction. The proposed project would disturb approximately 0.81-acres, and, thus, would be exempt from the State NPDES General Permit conditions. However, the project would be subject to Section 15.36.190 of the City's Municipal Code, which would require the project to include preparation of an Erosion and Sediment Control Plan, capable of effectively minimizing soil erosion and sedimentation from the project site during and after construction. Thus, adverse effects to water quality associated with construction of the proposed project, including construction of the proposed drainage improvements within Hazel Street, would not occur.

Following completion of project construction, the site would be covered with landscaping and impervious surfaces and topsoil would not be exposed. All municipalities within Contra Costa County are required to develop more restrictive surface water control standards for new

development projects as part of the renewal of the Countywide NPDES permit. Known as the “C.3 Standards”, new development and redevelopment projects that create or replace 10,000 or more square feet of impervious surface area must contain and treat stormwater runoff from the site. Because the proposed project would create more than 10,000 square feet of impervious surface area, the project would be considered a C.3 regulated project and is required to include appropriate site design measures, source controls, and stormwater treatment measures.

Consistent with applicable C.3 Standards, water from impervious surfaces within the proposed residential development area, such as roofs and concrete driveways, would be routed to front yard landscape areas for treatment and infiltration. In addition, the proposed Hazel Street roadway improvements would include paving of the existing gravel roadway and installation of new curbs and gutters along both sides of the roadway; thus, stormwater runoff from the roadway would cease to flow directly into the open portions of the drainage channel, as currently occurs.

Based on the above, the proposed project would not violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or groundwater quality during construction and operations.

Criterion 15332(a): Utilities and Public Services

The proposed residences would tie into existing utility infrastructure within the Hazel Street ROW. Water service would be provided by the East Bay Municipal Utility District and serve each of the four residences by way of a new water line extension within the Hazel Street ROW, and individual north-south connections to each lot. Wastewater service would be provided by the City of Pinole Public Works Department. A new six-inch sanitary sewer line would extend along the northern portion of the site to connect with the existing sanitary sewer hub at the eastern edge of the site in the Hazel Street ROW. New north-south connections to the sanitary sewer main in Hazel Street would be made to each of the four proposed residences. For drainage, water from impervious surfaces such as roofs and concrete driveways would be routed to front yard landscape areas for treatment and infiltration. Given the presence of existing utilities in the immediate project vicinity, the proposed project would not require substantial off-site utility improvements. It should be noted that the improvements to the open portions of the drainage ditch would not increase the capacity of the storm system.³ Similarly, the proposed lift station improvements would not increase the capacity of the existing sewer system.

In addition, given that the proposed project is consistent with the site’s current General Plan land use and zoning designations, increases in demand on existing utilities and public services associated with the project have been previously anticipated in the General Plan and accounted for in local planning efforts. The project would be subject to payment of applicable development fees levied by the City on new development, including fees used to fund fire protection, police, parks and recreation, and other public facilities and equipment. Payment of such fees would help to offset any potential increases in demand for public services occurring as a result of development of the four proposed single-family residences. Thus, the project site would be adequately served by all required utilities and public services.

³ Tamara Miller, Development Services Director/City Engineer, City of Pinole. Personal communication email with Nick Pappani, Vice President, Raney Planning and Management. June 17, 2019.

D. EXCEPTIONS TO CATEGORICAL EXEMPTIONS ANALYSIS

Even if a project is ordinarily exempt under any of the potential categorical exemptions, CEQA Guidelines Section 15300.2 provides specific instances where exceptions to otherwise applicable exemptions apply. Exceptions to a categorical exemption apply in the following circumstances:

- (a) Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.
- (b) Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.
- (c) Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.
- (d) Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.
- (e) Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.
- (f) Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

The following analysis addresses whether any of the exceptions to the CEQA exemption apply to the proposed project.

Criterion 15300.2(a): Location

CEQA exemptions 3, 4, 5, 6, or 11, are qualified by consideration of where the project is to be located. Given that the proposed project qualifies for exemption under CEQA Guidelines Section 15332, Class 32, an exception to the exemption under CEQA Guidelines Section 15300.2(a) does not apply to the proposed project.

Criterion 15300.2(b): Cumulative Impact

Per CEQA Section 15300.2(b), in applying this exception, the cumulative impact must result from “successive projects of the same type in the same place.” Both the “same type” and “same place” limitations restrict the scope of this exception.⁴ The project site is located within a residential area,

⁴ Stephen L. Kostka and Michael H. Zischke. *Practice Under the California Environmental Quality Act, Second Edition* [pg. 5-68]. March 2019 Update.

which is mostly developed. The nearest vacant property is located approximately 0.25-mile south of the site, along San Pablo Avenue, and no development application has been submitted to the City for said site. Thus, the potential for successive future residential projects within the immediate project area is limited; and there would be no significant cumulative impacts from successive projects of the same type in the same place.

The proposed roadway improvement area currently consists of a gravel pedestrian walkway that does not permit vehicle through traffic. Within the southeast and northwest portions of the roadway improvement area, the open sections of the drainage ditch would be piped underground. As noted previously, the proposed drainage improvements would not increase the capacity of the existing stormwater infrastructure in the project area and, thus, would not have the potential to result in cumulative growth-inducing impacts.

The proposed roadway improvements to the unpaved portion of the Hazel Street ROW would complete the City planned circulation network and allow for vehicle traffic to pass through the project site to the existing paved sections of Hazel Street to the east and west. While the proposed roadway improvements would allow for vehicle through traffic, the improvements would not be anticipated to result in an increase in traffic in the area. In addition, because the proposed project would complete a City planned circulation network, the environmental impacts of the proposed roadway improvements have already been contemplated in the City's General Plan EIR.

Based on the above, an exception to the exemption under CEQA Guidelines Section 15300.2(b) does not apply to the proposed project.

Criterion 15300.2(c): Significant Effect

In listing a class of projects as exempt, the Secretary has determined that the environmental changes typically associated with projects in that class are not significant effects within the meaning of CEQA, even though an argument might be made that they are potentially significant. The plain language of *Guidelines Section 15300.2, subdivision (c)*, requires that a potentially significant effect must be “due to unusual circumstances” for the exception to apply.

The determination as to whether there are “unusual circumstances” (*Guidelines, § 15300.2, subd. (c)*) is reviewed under PRC *Section 21168.5*'s substantial evidence prong. Whether a particular project presents circumstances that are unusual for projects in an exempt class is an essentially factual inquiry. As to this question, the lead agency serves as “the finder of fact”.

As the courts have noted, local conditions are relevant in determining whether the environmental effects of a proposed project are unusual or typical. While the project site contains a drainage ditch that conservatively may be subject to the jurisdiction of the Army Corps of Engineers under Section 404 of the Clean Water Act, it is instructive that the open drainage ditch that traverses the project site is part of a larger system that also daylights on other properties throughout the surrounding residential area. It is for this reason that the City of Pinole does not consider the presence of the drainage ditch to be an unusual circumstance. The City has not identified any unusual circumstances associated with the proposed residential development area.

Even if the on-site ditch was to be considered an unusual circumstance, it is not compelling to conclude, applying the fair argument standard, that there is a reasonable possibility that such an unusual circumstance *will* produce a significant effect on the environment (see *Berkeley Hillside Preservation v. City of Berkeley*, 203 Cal. App. 4th 656). An agency may rely on generally applicable regulations to conclude an environmental impact will not be significant and therefore does not require mitigation.⁵ Here, the Army Corps of Engineers has regulations of general applicability that will prevent a significant impact from occurring; specifically, the proposed undergrounding of the ditch and Hazel Street roadway connection must comply with the applicable criteria set forth in Nationwide Permit 14, Linear Transportation Projects. Section 23 of NWP 14 includes measures ensuring that adverse effects would not occur to aquatic features. Thus, an exception to the exemption under CEQA Guidelines Section 15300.2(c) does not apply to the proposed project.

Criterion 15300.2(d): Scenic Highway

According to the California Department of Transportation's California Scenic Highway Mapping System, the nearest officially designated State scenic highway to the project site is a portion of State Route (SR) 24 connecting to Interstate 680, located approximately 10.75 miles south of the project site.⁶ Due to the topography of the area and the substantial distance between the project site and SR 24, the proposed project would not be visible from the roadway. Therefore, the proposed project would not substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. An exception to the exemption under CEQA Guidelines Section 15300.2(d) does not apply to the proposed project.

Criterion 15300.2(e): Hazardous Waste Sites

The California Environmental Protection Agency provides a list of data resources that provide information regarding the facilities or sites identified as meeting the "Cortese List" requirements, pursuant to Government Code 65962.5. Based on a search of the Department of Toxic Substances Control EnviroStor Hazardous Waste and Substances Site List (Cortese), the project site is not located on any list compiled pursuant to Section 65962.5 of the Government Code.⁷ Thus, an exception to the exemption under CEQA Guidelines Section 15300.2(e) does not apply to the proposed project.

Criterion 15300.2(f): Historical Resources

The project site is located in an urbanized area of the City of Pinole and is surrounded by existing residential development. The site does not contain any existing buildings or other features that could be considered historic. In addition, the proposed roadway improvement area has been

⁵ See Kostka and Zischke, *Practice Under the California Environmental Quality Act, Second Edition, Vol 1* (March 2019 Update), Section 5.75.; *San Francisco Beautiful v City & County of San Francisco* (2014) 226 CA4th.

⁶ California Department of Transportation. *Scenic Highways*. Available at: <https://dot.ca.gov/programs/design/lap-landscape-architecture-and-community-livability/lap-liv-i-scenic-highways>. Accessed January 2020.

⁷ Department of Toxic Substances Control. *EnviroStor*. Available at: <https://www.envirostor.dtsc.ca.gov/public/>. Accessed February 2020.

previously disturbed through the installation of the existing gravel roadway and 44-foot corrugated steel culvert, as well as other utility infrastructure such as a City sewer main, sewer lift station, and telecommunications and power poles. Because the project site does not contain any existing structures, the proposed project would not result in a substantial adverse change in the significance of a historical resource. Thus, an exception to the exemption under CEQA Guidelines Section 15300.2(f) does not apply to the proposed project.

E. CONCLUSION

This Memorandum provides substantial evidence that the proposed project can be considered exempt from CEQA under Section 15332, and does not meet any of the exceptions to categorical exemptions set forth in Section 15300.2 of the CEQA Guidelines.

Appendix A

Tree Memo

Appendix B

Wetlands and Biological Resources Assessment

Appendix C

Air Quality Modeling Results

ATTACHMENT I

**Recording requested by and when
recorded mail to:**

City of Pinole
2131 Pear St
Pinole, CA 94564
Attn: Planning Manager

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

APNs

Space above this line for Recorder's use.

AFFORDABLE HOUSING REGULATORY AGREEMENT

AND

DECLARATION OF RESTRICTIVE COVENANTS

by and between

THE CITY OF PINOLE
a California Municipal Corporation

and

Baljit Dhaliwal and _____,
a married couple

ATTACHMENT I

THIS AFFORDABLE HOUSING REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS (this “**Agreement**”) is entered into effective as of _____, 2020 (the “**Effective Date**”) by and between the City of Pinole, a California municipal corporation (the “**City**”) and Bajit Dhaliwal & _____, a married couple (“**Developer**”). Developer and City are hereinafter collectively referred to as the “**Parties**.”

RECITALS

A. The Developer is the owner of certain property located in the City on western side of Hazel Street between Woy Circle and Hazel Lane (the “**Project Site**”).

B. On _____, 2020 the City Council for the City of Pinole adopted Resolution No. _____ (the “**Resolution**”) approving Tentative Parcel Map (TSM 17-01) and Comprehensive Design Review (DR17-10) for a four-lot residential development located on south side of the western terminus of Hazel Avenue (the “**Project**”).

C. Development of the Project is subject to a Development Agreement entered into by City and Developer, and approved by the City Council pursuant to Ordinance No. _____ (the “**Development Agreement**”).

D. Chapter 17.32 of the Pinole Municipal Code requires that a residential development of 4 or more dwelling units located in the City must restrict at least 15% of the total units must be constructed as affordable housing units, rounded up to the nearest whole number.

E. Pursuant to the Development Agreement and conditions of approval for the Project incorporated into the Resolution, one affordable units were to be sold with resale controls and restrictions provided by the City (the “**Restricted Unit**”). Pursuant to Chapter 17.32, the Restricted Unit is required to be affordable for a household with an annual household income of not greater than one hundred twenty percent (120%) of the Area Median Income (“**Moderate Income**”).

F. Pursuant to the approved Tentative Parcel Map, the Project Site was eventually subdivided into four separate legal lots on which single family homes are to be constructed.

G. Developer is the owner of that certain parcel of real property located at the Project Site and also known as Contra Costa County APN _____ as more particularly described and depicted in Exhibit A, attached hereto and incorporated herein (collectively, the “**Property**”).

H. Pursuant to the Resolution and the conditions of the approval for the Project, the Property and Restricted Unit located thereon, are to be sold to an Eligible Buyer at an affordable purchase price determined pursuant to the terms set forth herein.

ATTACHMENT I

I. The Parties intend the covenants set forth in this Agreement to run with the land and to be binding upon all parties having or acquiring any right, title or interest in the Property or any part thereof, their heirs, successors and assigns.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties declare, covenant and agree by and for themselves, administrators and assigns, and all persons claiming under or through them, that the Property shall be held, transferred, encumbered, hypothecated, used, sold conveyed, improved, leased, and occupied subject to the covenants, conditions and restrictions hereinafter set forth, and further agree as follows.

1. Definitions. The following terms shall have the meanings set forth below whenever such terms are used in this Agreement and the Exhibits attached hereto. Additional terms are defined in the Recitals and text of this Agreement.

1.1 “**Area Median Income**” or “**AMI**” means the area median income for Contra Costa California, adjusted for household size, published periodically by the California Department of Housing and Community Development (“**HCD**”) in Section 6932 of Title 25 of the California Code of Regulations or successor provision published pursuant to California Health and Safety Code Section 50093(c). If HCD ceases to make such determination, Area Median Income shall be the median income applicable to Contra Costa County, with adjustments for household size, as determined from time to time by the U.S. Department of Housing and Urban Development (“**HUD**”) pursuant to the United States Housing Act of 1937 as amended, or such other method of median income calculation applicable to the City of Pinole that HUD may hereafter adopt in connection with such Act.

1.2 “**Eligible Buyer**” means a prospective purchaser of a Restricted Unit who has been pre-qualified by the City or its designee and who satisfies all of the following requirements:

(a) gross income for the prospective purchaser’s household does not exceed Moderate Income, and has not exceeded such amount for the full calendar year immediately preceding the date of purchase.

(b) The prospective purchaser certifies that he or she intends to occupy the Restricted Unit as his or her principal residence.

(c) The prospective purchaser does not own any other residential real property at the time of the purchase.

(d) The prospective purchaser meets all other applicable eligibility requirements of the City in effect at the time of the purchase.

1.3 “**Maximum Initial Sale Price**” means the maximum initial price for a Restricted Unit as described in Sections 3 and 3.1.

ATTACHMENT I

1.4 “**Moderate-Income**” means an annual household gross income of not greater than one hundred twenty percent (120%) of the Area Median Income, adjusted for household size.

1.5 “**Restricted Unit**” means the residential unit located on the Property which is reserved for sale to an Eligible Buyer at a price that will result in an Affordable Housing Cost in accordance with and as set forth in Sections 3 and 3.1.

2. Marketing; Qualification of Eligible Buyers. Developer shall market the Restricted Unit to Eligible Buyers in compliance with all applicable fair housing laws. In City’s discretion, the City shall pre-qualify Eligible Buyers or shall delegate such responsibility to another entity or to Developer. Developer shall provide to the City proof that prospective purchasers of the Restricted Unit qualify as Eligible Buyers at such time and in such form as City may reasonably require.

3. Sale of Restricted Unit. Developer shall sell the Restricted Unit in accordance with all of the following terms and conditions:

(i) The Property, and the Restricted Unit located thereon, shall be sold only to an Eligible Buyer who has been pre-qualified by City or its designee at a price not in excess of the Maximum Initial Sale Price.

(ii) The Property, and the Restricted Unit located thereon, shall be sold at a price not in excess of the Maximum Initial Sale Price to an Eligible Buyer whose household gross income does not exceed Moderate-Income.

(iii) The Restricted Unit shall be of the same general design as the other units in the Project and shall be comparable to such units in size, amenities and quality of construction.

(iv) In connection with the sale of the Property, and the Restricted Unit located thereon, Developer shall require the purchaser to execute a Homebuyer Resale Restriction Agreement and Option to Purchase (“**Hombuyer Resale Agreement**”) in a form provided by City and shall cause such Hombuyer Resale Agreement to be recorded in the Official Records of Contra Costa County concurrently with the recordation of the grant deed conveying title to the Property. The Hombuyer Resale Agreement shall provide that the Property may only be sold to Eligible Households at an affordable price as specified in the Homebuyer Resale Agreement, and will further provide that the City shall have a right of first offer to purchase the Restricted Unit and an option to purchase such unit upon the occurrence of specified triggering events. City may, in City’s discretion, require the execution, delivery and recordation of additional documents in connection with the sale of the Restricted Unit, including without limitation disclosure documents and a performance deed of trust securing the homebuyer’s obligations under the Homebuyer Resale Agreement.

ATTACHMENT I

3.1 Maximum Initial Sale Price. Developer shall sell the Property, and the Restricted Unit located thereon, to an Eligible Buyer at a price that is not in excess of the Maximum Initial Sale Price as determined by the City. The Parties acknowledge that the Maximum Initial Sale Price is intended to enable Eligible Buyers to purchase the Property, and the Restricted Unit located thereon, at a price that will result in affordable housing costs for such Eligible Buyers.

(i) Area Median Income for Eligible Buyers shall be determined at the time the Eligible Buyer is pre-qualified for purchase in accordance with Section 2 hereof;

(ii) The Maximum Initial Sale Price means a home purchase price resulting in an average monthly housing cost (including mortgage loan principal and interest, mortgage insurance fees, property taxes and assessments, an allowance for property maintenance and repairs established by the City based on the initial cost and size of the home, homeowner's insurance premiums, a reasonable utility allowance, and homeowner's association dues) which is equal to or less than:

(a) for Moderate-Income Households: one-twelfth (1/12th) of thirty-five percent (35%) of one hundred twenty percent (120%) of Area Median Income, adjusted for household size.

(b) Amounts for utility allowances and other monthly housing cost factors including assumed mortgage interest rates, mortgage insurance fees, maintenance and repair allowances, homeowners' insurance, and homeowner's association dues, shall be reasonably established by the City in consultation with guidance and regulations published by Contra Costa County, the California Department of Housing and Community Development and/or the United States Department of Housing and Urban Development.

3.2 Compliance Monitoring. Prior to the close of escrow for the initial sale of the Property, Developer shall forward to the City evidence of the purchaser's status as an Eligible Buyer, copies of the buyer's and seller's settlement statements, and executed copies of all closing documents, including the Homebuyer Resale Agreement and such other documents as City may require.

4. Enforcement. The City is deemed to be the beneficiary of this Agreement and the covenants herein, both for and in its own right and for the purpose of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants set forth herein have been provided. If any such covenants are breached, the City shall have the right to exercise all rights and remedies at law or in equity, expressly including the remedy of specific performance, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties hereunder are cumulative.

ATTACHMENT I

5. Default and Remedies.

5.1 Events of Default. The occurrence of any one or more of the following events shall constitute an event of default hereunder ("**Event of Default**"):

(a) Developer's failure to maintain insurance on the Property and the Project as required hereunder, and the failure of Developer to cure such default within ten (10) business days.

(b) Subject to Developer's right to contest the following charges, Developer's failure to pay taxes or assessments due on the Property or the Project or failure to pay any other charge that may result in a lien on the Property or the Project, and Developer's failure to cure such default within ten (10) business days.

(c) Developer's default in the performance of any term, provision or covenant under this Agreement, and unless such provision specifies a shorter cure period for such default, the continuation of such default for ten (10) business days in the event of a monetary default or thirty (30) days in the event of a non-monetary default following the date upon which City shall have given written notice of the default to Developer, or if the nature of any such non-monetary default is such that it cannot be cured within thirty (30) days, Developer's failure to commence to cure the default within thirty (30) days and thereafter prosecute the curing of such default with due diligence and in good faith, but in no event longer than sixty (60) days from receipt of the notice of default.

5.2 Remedies. If within the applicable cure period, Developer fails to cure a default or fails to commence to cure and diligently pursue completion of a cure, as applicable, or if a cure is not possible, City may bring an action for equitable relief seeking the specific performance of the terms and conditions of this Agreement, and/or enjoining, abating, or preventing any violation of such terms and conditions, and/or seeking declaratory relief; or exercise any rights and remedies available to City under applicable law or in equity.

5.3 Liquidated Damages. **In the event the that Developer sells the Property, and the restricted unit located thereon, in violation of this Agreement, the City shall retain or recover from Developer the surplus, if any, as its property without any deduction, offset or recoupment whatsoever. For the purposes of this section, the surplus shall be the difference between the actual sales price net of reasonable and customary real estate commissions paid, and the Maximum Initial Sales Price as applicable under the terms of this Agreement at the time of sale of the Property. If the Developer should sell the Property at market rate to an individual who shall receive title free and clear of the provisions of this Agreement, then the damages suffered by the City by reason thereof would be uncertain. Such damages would involve the replacement costs for another affordable unit, and the expenses of continuing the ownership and control of the Property by the City; postponement of tax revenues therefrom to the community; and the failure of the City to effect its purposes and objectives within a reasonable time, resulting in additional immeasurable damage and loss to the City and the community. It is impractical and**

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extremely difficult to fix the amount of such damages to the City, but the Parties are of the opinion, upon the basis of all information available to them, that such damages would exceed the amount of any projected surplus as the total of all liquidated damages and not as a penalty. In the event that this section should be held to be void for any reason by a court of law, the City shall be entitled to seek the full extent of damages otherwise provided by law.

5.4 No Waiver. No failure or delay by the City in the assertion of any of its rights and remedies as to any default shall operate as a waiver of any default or of any such rights or remedies.

5.5 Limitation on Damages. In no event shall damages be awarded against City upon an event of default or upon termination of this Agreement

5.6 Mortgagee Right to Cure Default. This Agreement shall be recorded in the Official Records of Contra Costa County and shall be superior and senior to any lien thereafter placed upon the Property, or any portion thereof, including the lien for any loan, deed of trust, or mortgage ("**Mortgage**"). Notwithstanding the foregoing, no breach hereof shall defeat, render invalid, diminish or impair the lien of any Mortgage made in good faith and for value, but all the terms and conditions contained in this Agreement shall be binding upon and effective against any person or entity, including any lender, deed of trust beneficiary, or mortgagee ("**Mortgagee**") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

6. Covenants to Run with the Land. Developer hereby subjects the Property to the covenants, conditions and restrictions set forth in this Agreement. The Parties hereby declare their express intent that all such covenants, conditions and restrictions shall be deemed covenants running with the land and shall pass to and be binding upon the Developer's successors in title to the Property. All covenants without regard to technical classification or designation shall be binding for the benefit of the City, and such covenants shall run in favor of the City for the entire term of this Agreement. Each and every contract, deed or other instrument hereafter executed applicable to or conveying the Property or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, conditions and restrictions, regardless of whether such covenants, conditions and restrictions are set forth in such contract, deed or other instrument.

7. Nondiscrimination.

7.1 Nondiscrimination. There shall be no discrimination against or segregation of any person, or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property or the Project, or any part thereof, nor shall Developer, or any party or person

ATTACHMENT I

claiming under or through Developer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property, or any part thereof.

7.2 Anti-Discrimination Clauses in Agreements. Developer and its successors and assigns shall refrain from restricting the rental, sale, or lease of any portion of the Property or the Project to any person on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

8. Term; Release of Property from Agreement.

(a) Subject to paragraph (b) below, the term of this Agreement shall commence upon the Effective Date, and shall, without regard to technical classification or designation, shall run with the land and be binding on Developer and its successors and assigns for the benefit of the City and the City. The covenants contained in this Agreement shall remain in effect for the longest feasible time, but not less than forty-five (45) years.

(b) Notwithstanding the foregoing paragraph, this Agreement shall be terminated and the lien hereof shall be extinguished and released from title to the Property upon the occurrence of all the following: (i) the issuance of final certificates of occupancy for the Restricted Unit, (ii) the sale of all of the Property, and the Restricted Unit located thereon, to an Eligible Buyer, and (iii) the recordation of the Homebuyer Resale Agreement and City Deed of Trust for all Restricted Unit. Provided that conditions (i) through (iii) above have been satisfied with regards to an entire building with the Project, then that specific building will be released from this Agreement.

9. Insurance and Indemnity.

9.1 Indemnity. Developer shall indemnify, defend (with counsel approved by City) and hold City, its elected and appointed officers, officials, employees, agents, and representatives (collectively, the “**Indemnitees**”) harmless from and against all liability, loss, cost, expense (including without limitation attorneys’ fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, judgment, penalty, deficiency, fine, order, and damage (all of the foregoing collectively “**Claims**”) arising directly or indirectly, in whole or in part, as a result of or in connection with Developer’s development, sale or ownership of the Restricted Unit and/or the Project, or Developer’s performance or nonperformance under this Agreement. Developer’s indemnification obligations under this Section 10.1 shall not extend to Claims resulting solely from the gross negligence or willful misconduct of Indemnitees. The provisions of this Section 9.1 shall survive the expiration or earlier termination of this Agreement and the release of the Property or any part thereof from the burdens of this Agreement. It is further agreed that City and City do not and shall not waive any rights against Developer that they may

ATTACHMENT I

have by reason of this indemnity and hold harmless agreement because of the acceptance by City, or the deposit with City by Developer, of any of the insurance policies described in this Agreement.

9.2 Insurance. For so long as Developer maintains an interest in the Restricted Unit, Developer shall maintain at Developer's expense, comprehensive general liability insurance and property damage insurance with such coverage and limits as may be reasonably requested by City from time to time, but in no event less than the sum of Two Million Dollars (\$2,000,000) per occurrence combined single limit. Such policies shall be issued by insurers licensed to issue such policies in California and having a rating of A-VII or better in Best's Insurance Guide, shall be primary coverage not contributing with and not in excess of any coverage that City may carry, and shall name the Indemnitees (defined in Section 10.1) as additional insureds. Upon City request, Developer shall provide City with such proof of insurance as City shall reasonably request.

10. Miscellaneous.

10.1 Notices. Except as otherwise specified in this Agreement, all notices required to be sent pursuant to this Agreement shall be made by personal delivery or by deposit in the United States mail, first-class, postage prepaid, and shall be deemed to have been delivered and received on the date of personal delivery or five (5) days after deposit in the mail, if sent to the following address:

City: City of Pinole
2131 Pear Street
Pinole, CA 94564
Attn: Planning Manager

Developer: Baljit Dhaliwal
1068 Turquoise Drive
Hercules, CA 94547

10.2 Attorneys' Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.3 Waivers; Modification. No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision hereof, and no waiver shall be valid unless in writing and executed by the waiving party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the waiving party. This Agreement may be amended or modified only by a written

ATTACHMENT I

instrument executed by the Parties and duly recorded in the Official Records of Contra Costa County.

10.4 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect.

10.5 Captions; Construction. Each party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the usual construction of an agreement against the drafting party shall not apply hereto.

10.6 Action or Approval. Whenever action and/or approval by City is required under this Agreement, the City Manager or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to City Council consideration.

10.7 Entire Agreement. This Agreement, including Exhibits A, B and C attached hereto and incorporated herein by this reference contains the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements with respect to the subject matter hereof.

10.8 Binding on Successors. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Each reference in this Agreement to a specifically named Party shall be deemed to apply to any successor or assign of such Party who has acquired an interest in the Property.

10.9 Due Authorization. Developer hereby represents and warrants that all actions necessary on the part of Developer to authorize the execution of this Agreement and to undertake the actions contemplated hereby have been undertaken and the persons executing this Agreement on behalf of Developer have been duly authorized to do so.

10.10 Parties Not Co-Venturers. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another.

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

10.12 Further Assurances. The Parties agree to execute such instruments and to undertake such actions, as may be necessary to effectuate the intent of this Agreement.

10.13 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of

ATTACHMENT I

Contra Costa County, California or in the Federal District Court for the Northern District of California.

10.14 Time is of the Essence. In all matters under this Agreement, the Parties agree that time is of the essence.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the City and Developer have executed this Regulatory Agreement and Declaration of Restrictive Covenants as of the date first written above.

CITY

CITY OF PINOLE

a municipal corporation

By: _____
Andrew Murray, City Manager

DEVELOPER:

BAJIT DHALIWAL

an individual

By: _____
Bajit Dhaliwal

By: _____
Bajit Dhaliwal

ATTESTATION:

By: _____
Heather Iopu, City Clerk

APPROVED AS TO FORM:

By: _____
Eric Casher, City Atotrney

SIGNATURES MUST BE NOTARIZED.

3624341.1

ATTACHMENT I

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

State of California

County of _____

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

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

WITNESS my hand and official seal.

Signature of Notary

Exhibit A

PROPERTY

(Attach legal description)



CITY COUNCIL REPORT

9A

DATE: NOVEMBER 17, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER
HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: FINDINGS AND RECOMMENDATIONS OF THE FARIA HOUSE AD HOC COMMITTEE AND CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING (MOU) REGARDING THE RENOVATION OF THE FARIA HOUSE AND LEASE TO THE PINOLE HISTORY MUSEUM

RECOMMENDATION

City staff recommends that the City Council receive the findings and recommendations of the Faria House Ad Hoc Committee ("Committee") and consider a resolution (Attachment A) approving a memorandum of understanding ("MOU") between the City and the Pinole History Museum ("PHM") regarding the renovation of the Faria House and lease to PHM.

BACKGROUND

The building commonly referred to as the "Faria House" is a two-story residence constructed in about 1890 and originally located at what is now 1301 Pinole Valley Road. Over the past few decades, the former Pinole Redevelopment Agency ("Redevelopment Agency") and the City have considered various options for the use of the property at 1301 Pinole Valley Road and the house itself.

In June 2020, the City Council created the Faria House Ad Hoc Committee ("Committee") to provide recommendations to the City Council on the use of the house. The Committee was specifically charged with providing recommendations on matters related to the Faria House's renovation for use as a local history museum, including the site and building renovation designs and specifications, lease provisions and/or cost sharing agreements between the City and PHM, and options to fund the City's share of the cost to renovate and maintain the Faria House building and site.

Below find a summary of the history of the house and property, and of the redevelopment of the property. Also find a summary of plans for the reuse of the house and renovation designs and cost estimates. Finally, find information regarding a potential MOU between the City and PHM addressing the renovation of the Faria House and lease to PHM that the Committee recommends that the City Council consider for approval.

History of the Faria Farmstead

The property at 1301 Pinole Valley Road was historically known as the Faria Farmstead and consisted of seven buildings including a house, barn, and additional outbuildings. The house sat atop a knoll with a view of Pinole Valley. It was built by carpenter William Allen in 1891 for his daughter Louise, as a wedding gift when she married James H. Tennent, son of Samuel Tennent, one of Pinole's early settlers. The Tennents soon sold the house along with 4.5 acres to a Mr. Morgan, who soon thereafter sold it to Joseph Dutra Faria, an immigrant from the Azores Islands. The Farias were one of the early families to settle in the area. The family eventually expanded the farmstead from the original 4.5 acres to over 280 acres. Joseph ran the farm alongside his son William, who remained at the ranch his entire life. The acreage once filled much of Pinole Valley and part of Hercules. The farm grew tomatoes, hay, and grain and raised cattle. William was a well-known local figure and landowner. He continued to run the farm and ranch through the 1950s, and passed away in the mid-1980s.

Redevelopment of the Faria Property and House

The site on which the Faria House was located was incorporated into the Pinole Vista Redevelopment Area in 1981. In 1996, the Redevelopment Agency purchased the then 6.5-acre parcel, including the house and other buildings, for \$2.1 million (Attachment B). A Feasibility Study Committee had identified in 1992 that a 47,000 square foot community center serving a variety of community meeting and recreational needs would be desirable within the Redevelopment Project Area. In 1994, a Municipal Services Task Force recommended that the center be built with redevelopment funds within the Redevelopment Project Area. City records indicate that the Faria House property was acquired by the Redevelopment Agency in part so that the Redevelopment Agency could preserve the option of building a community center on the site. Prior to and subsequent to the Redevelopment Agency's acquisition of the property, various options were considered for the redevelopment of the site, including renovating the Faria House on the site for a future use to be determined, but no improvements were made.

In 2003, the Redevelopment Agency approved the acquisition of 2100 San Pablo Avenue, utilizing affordable housing funds, and hired an architect to create a vision for a "Heritage Park," possibly including the Faria House, on the site. The vision included two phases, the relocation of the Faria House and related site improvements and the construction of three single-family cottages on the site.

The Redevelopment Agency sold a portion (4.9 acres) of 1301 Pinole Valley Road to Kaiser in 2005 for \$5.2 million for the development of the Kaiser Pinole Medical Offices, which were completed in 2009. In 2015 and 2020, the City sold the two remaining portions, for \$348,500 and \$470,000, respectively.

The Faria House was relocated to 2100 San Pablo Avenue in 2005. The cost of the move and ancillary improvements was paid with Redevelopment Agency affordable housing funds. Therefore, the property underlying the Faria House and the building itself became the property of the Redevelopment Agency Affordable Housing Fund.

In 2005 and 2006, the Redevelopment Agency considered various reuse options for the Faria House, including mixed commercial, residential, and public or nonprofit uses. In September 2006, following a presentation from the Pinole Historical Society ("PHS"), the Redevelopment Agency directed staff to create potential deal points for the use of the Faria House as a local history museum. Staff presented the potential deal points on October 17, 2006 (Attachment C). The Redevelopment Agency board moved to accept the deal points presented by PHS and directed staff to create the final documents.

In October 2007, the Council adopted a resolution approving expenditure of \$400,000 to renovate the Faria House and a lease and grant agreement with PHS (Attachments D and E). Pursuant to the proposed lease, the City would contribute \$400,000 to the renovation and PHS was required to raise the additional money needed to complete the renovation. In August 2008, the City received a letter from PHS stating that the PHS Board would not approve the lease and considered it "null and void." It also stated that "given the 'clean slate', we have now entered new negotiations with City/RDA staff regarding use of the Faria House as a museum."

In 2008, the Redevelopment Agency hired a professional museum consultant to conduct a study to determine the feasibility of PHS operating a museum in the Faria House. The results of the study were presented to the Redevelopment Agency in November 2009 (Attachment F). Discussion of reuse of the Faria House was then put on hold due to the Great Recession.

Post-Redevelopment Plans for the Faria House

When the Redevelopment Agency was dissolved in 2012 and the City of Pinole elected to become the Housing Successor Agency, responsible for the affordable housing assets of the Redevelopment Agency, the Faria House and the underlying parcel became the property of the City's Housing Successor Agency. The Housing Successor Agency is responsible for using its assets to create or sustain affordable housing.

So that the City could use the Faria House for a purpose other than affordable housing, the City purchased the Faria House, excluding the underlying parcel, from the Housing Successor Agency in July 2016 for \$30,000, which was the fair market value based on an appraisal and the cost of renovation. The City Council directed staff to identify possible uses of the property. In September 2016, staff presented the Council with a report on possible uses (Attachment G). Following a discussion, the City Council approved a motion to use the Faria House as a museum. The City Council also directed staff to obtain an estimate of the cost to renovate the Faria House to be suitable to serve as a public museum.

In September 2016, the City issued a letter of intent to dedicate the Faria House as a location and future venue for the Pinole History Museum (Attachment H). In August 2018, the City issued a letter of intent to establish an agreement with PHM for use of the Faria House as a technology-rich museum, noting that production of the project is conditional on obtaining sufficient financial resources (Attachment I).

Renovation Design and Cost Estimate

In June 2018, the City executed a contract with Interactive Resources (IR, Attachment J), an architecture firm with extensive experience renovating historic structures, to design the improvements that would be required for the building to serve as a public museum. IR consulted with City staff as well as representatives of PHM to create a building program, which consisted of interior spaces for exhibits, an archive, a gift shop, and meeting spaces. IR completed 95% construction documents in December 2019. These included an elevator to provide access to the second floor and were compliant with the California Historical Building Code, which is an adjunct to the California Building Code. IR's subconsultant, Silva Cost Consulting ("Silva"), created an estimate for the renovation construction cost in January 2020, which was \$1,419,837, including some improvements specific to a museum use and assuming a construction start date of summer 2020.

In June 2020, the City Council created the Faria House Ad Hoc Committee (Attachment K, "Committee"), which was specifically charged with providing recommendations on matters related to the Faria House's renovation for use as a local history museum, including the site and building renovation designs and specifications, lease provisions and/or cost sharing agreements between the City and the Pinole History Museum (PHM), and options to fund the City's share of the cost to renovate and maintain the Faria House building and site.

The Committee met on several occasions to review IR's 95% construction documents and Silva's estimate, as well as to receive input from PHM on the renovation design and cost estimate. The Committee and City staff engaged with IR and Silva to create an updated renovation design. The updated renovation scope does not include any updates to the building exterior or to the site (except potentially site modifications that might be required to meet recent ADA requirements). The design includes an elevator, the reuse of as much historic building material as feasible, and a multi-split HVAC system. Based on the updated renovation scope, Silva provided a revised renovation construction cost estimate on September 17, 2020 (Attachment L). The September 17, 2020 renovation construction cost estimate is \$1,165,435 plus \$66,326 for tenant improvements (special museum electrical work) and assumes construction in summer 2021. Note that the project has not yet completed the City's planning or building review and permitting processes. As such, the design might need to be modified to meet City requirements.

The renovation construction cost is just one component of the project's total project cost. In addition to the cost of the renovation construction, the project has also required architecture and engineering and will require construction project management, permits, and possibly site improvements. Together, those could amount to a total project cost of approximately \$1,400,000 or more. This total project cost estimate does not include the furniture, fixtures, and equipment (FFE) that a museum would need to open. The total project cost estimate also does not include the cost of ongoing maintenance and

renewal of the building and site, which City staff estimates could cost approximately \$50,000 annually.

Cost Sharing Agreements and/or Lease Provisions Between the City and PHM

The Committee was specifically charged with providing recommendations to the City Council on lease provisions and/or cost sharing agreements between the City and PHM. The Committee met on several occasions to consider different cost sharing and lease options. The Committee sought the input of PHM on approaches and options. The Committee directed City staff to draft some form of agreement that would address the issues of the renovation and lease. Staff proposed a framework that involves a MOU between the two parties as well as a lease between the two parties. The Committee and staff worked together to create a draft MOU, which was reviewed by the City Council in closed session on November 3, 2020. At that meeting, the City Council provided direction to staff on the proposed MOU (Attachment M). The Council directed staff to share the proposed MOU with PHM for review and feedback.

The Committee is recommending that the City Council consider a resolution approving the proposed MOU. The MOU establishes that if PHM can raise funding sufficient to pay for tenant improvements and FFE, the City will complete the renovation of the Faria House if the total project cost is less than or equal to \$1,200,000 million (including architecture, costs of entitlements and CEQA, construction management, construction, and site improvements, excluding tenant improvements and FFE). If those conditions are met, the City would also execute a lease with PHM for the Faria House with certain parameters.

Options to Fund the City's Share of the Faria House Renovation and Maintenance

In July 2020, City staff presented Council with information on potential funding sources for the Faria House renovation (Attachment N). One of the potential funding sources noted was unassigned General Fund balance, which includes the City's share of the proceeds of the sale of former Redevelopment Agency properties. Note that on October 6, 2020, City staff presented the five-year forecast for the General Fund and Measure S Funds for fiscal year (FY) 2020/21 through FY 2024/25 (Attachment O). The forecast contains updated information on expected unassigned fund balance in the General Fund and Measure S Funds. The General Fund balance is now forecasted to be \$3.9 million at the end of FY 2020/21, decline to \$3.3 million at the end of FY 2022/23, then increase to \$3.7 million at the end of FY 2024/25. Those totals include amounts from the sale of the Pinole Assisted Living Community (PALC) and the City's share of proceeds from the sale of former Redevelopment Agency properties at Henry Avenue and Pinole Valley Road and the seven-acre parcel located at the Pinole Shores II Business Park. (Recall that aside from the unassigned General Fund balance discussed above, the City currently has and plans to maintain a distinct General Reserve equal to 50% of General Fund ongoing operating expenditures.)

REVIEW AND ANALYSIS

The City has made numerous incremental investments in and statements of intent regarding the Faria House's restoration and use as a local history museum over the years. The City now has information on the estimated one-time and ongoing cost to renovate and maintain the property upon which to base a decision regarding whether to renovate the building and lease it to PHM. The proposed MOU is fairly binding on the City. If the bids for project costs come in such that the total project cost to the City as defined is less than \$1.2 million, and PHM meets the fundraising threshold, the City is obligated to carry out the renovation and enter a lease with PHM.

FISCAL IMPACT

Were the City Council to approve the execution of the MOU with PHM, the City would be obligated, if certain conditions precedent were met, to seek bids for the renovation. If the bids for the elements comprising the total project cost (architecture and engineering, construction management, environmental review and permits, construction, and possibly site improvements) totaled \$1.2 million or less, the City would be obligated to conduct the renovation, provide up to 500 hours of City staff time for project management, lease the facility to PHM, and maintain the building and site. PHM would be required to pay for the tenant improvements, FFE, and operational expenses of running a museum. Note that if the total project cost totaled more than \$1.2 million, the City would have the option of proceeding with the renovation if PHM offered to make up the funding gap.

ATTACHMENTS

- A. Resolution
- B. Faria House Purchase and Sale Agreement
- C. Redevelopment Agency Potential Deal Points for the Use of the Faria House as a Local History Museum
- D. Resolution Approving Expenditure of \$400,000 to Renovate the Faria House
- E. Resolution Approving a Lease and Grant Agreement with PHS
- F. Feasibility Study Regarding PHS Operating a Museum in the Faria House
- G. Report to City Council on Possible Uses of the Faria House
- H. City Letter of Intent to Dedicate the Faria House as a Location and Future Venue for the Pinole History Museum
- I. City Letter of Intent to Establish an Agreement with PHM for Use of the Faria House as a Museum
- J. Contract with Interactive Resources
- K. Resolution Creating the Faria House Ad Hoc Committee
- L. Revised Renovation Construction Cost Estimate of September 17, 2020
- M. Proposed MOU between the City and the Pinole History Museum Regarding the Renovation of the Faria House and Lease to PHM
- N. City Council Staff Report on Potential Funding Sources for the Faria House Renovation
- O. Five-Year Forecast for the General Fund and Measure S Funds for Fiscal Year (FY) 2020/21 through FY 2024/25

RESOLUTION 2020-XX

RESOLUTION OF THE CITY OF PINOLE APPROVING A MEMORANDUM OF UNDERSTANDING AND COOPERATION AGREEMENT WITH THE PINOLE HISTORY MUSEUM

WHEREAS, the City owns that certain building located at 2100 San Pablo Avenue known as the Faria House; and

WHEREAS, the Pinole History Museum (“PHM”) was formed as a nonprofit corporation in 2017 in order to fund, construct, and operate a local history museum; and

WHEREAS, The Faria House is in need of renovation in order to house a museum; and

WHEREAS, renovation will require architecture and engineering, environmental review, permits, construction management, construction, and site improvements; and

WHEREAS, the Faria House Ad Hoc Committee has directed City staff to draft a cooperation agreement that sets forth an understanding of the City’s and PHM’s responsibilities for the renovation of the Faria House and the operation of the museum; and

WHEREAS, the City, in consultation with PHM, has prepared a Memorandum of Understanding and Cooperation Agreement (the “Agreement”), substantially in the form on file with the City Clerk; and

WHEREAS, execution of the Agreement will assist PHM in its fund raising goals for its share of the costs of the museum.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pinole hereby:

Section 1. Declares the above recitals are true and correct and incorporated by this reference.

Section 2. Approves the Agreement, substantially in the form on file with the City Clerk with such changes as are approved by the City Manager and the City Attorney, provided that such changes do not constitute a material change to the Agreement.

Section 3. Authorizes the City Manager, or his designee, to execute the Agreement and to take all actions and execute all documents necessary to carry out the intent of this Resolution.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the 17th day of November 2020 by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 17th day of November 2020.

Heather Iopu, CMC
City Clerk

3626552.1

BUYER/BORROWER
ESCROW INSTRUCTIONS

TO CHICAGO TITLE COMPANY

3575 San Pablo Dam Road, Suite 100, El Sobrante, California 94803

Telephone No (510) 222-4750 FAX No (510) 222-4786

Escrow No 207314 -DJS Escrow Officer Dee Schuman
Property Address

Date January 12, 1996

I/We the undersigned buyer(s) hand you a Cashiers Check or we will wire transfer funds in the amount of \$2,112,351 00 as shown on the enclosed estimated settlement statement, signed, read and approved escrow instructions, additional escrow instructions, preliminary report, and additional supporting documentation as required,

which you are instructed to use when you can obtain a CLTA OWNERS form policy of title insurance containing the insuring clauses, exceptions exclusions, provisions and stipulations customarily contained in the printed provisions of such form with liability not less than \$ 2,100,000 00 describing the land in the City of Pinole County of Contra Costa and described in the Preliminary Report dated November 20, 1995

showing the A FEE

in said land vested in
PINOLE REDEVELOPMENT AGENCY

Subject to

County and/or City taxes paid to 1-1-96 Covenants, conditions, restrictions, rights of way, easements and reservations of record Specifically, items No 1, 2 (1ST PAID), 3 (1ST PAID), 4 (1ST PAID), 5, 6, 7, 8, 9, 16, in the Preliminary Title Report dated 11/20/95

ANY POLICY AND/OR ENDORSEMENTS REQUESTED HEREIN, WHICH WILL BE ISSUED AFTER THE DATE OF THE INITIAL POLICY CONTEMPLATED BY THIS TRANSACTION, WILL BE SUBJECT TO THE COMPANY'S STANDARD UNDERWRITING PRACTICES AND REVIEW

You are to prorate as of CLOSE OF ESCROW the following COUNTY AND CITY TAXES AND RENT ON SIGN

You are instructed to make deductions, adjustments and disbursements in accordance with the statement attached hereto and made a part hereof Estimated amounts may be adjusted dependent upon date of close of escrow

NOTICE THE GENERAL PROVISIONS OF THIS ESCROW ARE PRINTED ON THE ATTACHMENT MADE A PART HEREOF BUYER ACKNOWLEDGES THAT THE LIMITED AGENCY OF THE ESCROW AND THE RIGHTS OF THE PARTIES HERETO SHALL BE CONSTRUED IN ACCORDANCE THEREWITH

If the escrow is not in condition to close by January 19, 1996, and demand or cancellation is received by you from any principal to this escrow after said date, you shall act in accordance with the General Provisions attached hereto and made a part hereof If no demand for cancellation is made, you will proceed to close this escrow when the principals have complied with the escrow instructions

Received _____ Time _____

CHICAGO TITLE COMPANY

PURCHASE AGREEMENT
(Date Prepared December 7, 1995)

BY 

This Agreement is made and entered into the 22nd day of December, 1995, by and between **William J and Margaret Faria Trust, et al**, (hereinafter Seller) and the **PINOLE REDEVELOPMENT AGENCY** (hereinafter Agency) The Agency Board approved this purchase at their meeting of November 7, 1995

Recitals

- 1 Seller is the owner of the following real property in the City of Pinole, California, located at **1301 Pinole Valley Road**, described as

APN 401-211-016, 017 and 018 a Portion of Ranch El Pinole A map is attached for reference purposes

the above property is hereinafter referred to as the "Property"

- 2 Agency desires to purchase the Property for the future development of community center and commercial uses Seller is willing to sell the Property under the terms described in this Agreement
- 3 The purchase price for the Property will be Two Million One Hundred Thousand dollars (\$2,100,000), all cash to be paid at close of escrow
- 4 In consideration of the term, provisions and conditions herein, IT IS MUTUALLY COVENANTED AND AGREED, the parties hereby enter this Purchase Agreement as follows
 - a The foregoing recitals are included herein
 - b Upon execution of this Agreement by the parties, the Agency shall deposit Two Thousand Dollars (\$2,000 00) in an escrow account at Chicago National Title Company, Escrow #207314

Existing Use

Agency is aware of Mr Leonard Mohring currently utilizing the barn structure on the subject property for the storage of hay Seller will inform subject individual in writing of pending sale of the Property and inform them that they need to contact the Agency if they wish to continue the use of the barn structure Written agreement between Mr Mohring and the Agency for the

continued use of the barn structure will be required prior to close of escrow or Mr Mohring will be required to vacate the Property prior to close of escrow *Nothing in this paragraph shall delay close of escrow, and escrow shall close when intended even if hay storage has yet not ceased or a written agreement has not yet been finalized.*

Personal Property

All personal property, with the exception of the contents of the house, owned by the Seller shall be removed from the Property prior to close of escrow Upon close of escrow all personal property and fixtures remaining on the Property shall become the property of the Agency *except the contents of the house which shall remain the property of the Seller even if not removed*

Existing Loans

Seller shall, within three (3) days of acceptance, provide Agency with copies of all Notes and Deeds of Trust against the Property Within three (3) days of acceptance, Sellers shall submit written request for current Statement of Condition on the above loan(s) Sellers warrant that all loans against the Property will be paid off at close of escrow

Prorations

Rent, taxes, interest, insurance and payment on bonds and assessments assumed by the Agency are to be prorated as of the date of recordation of the deed

Time is of the Essence

Time is of the essence for this Agreement

Examination of Title

In addition to any encumbrances accepted herein, Agency shall take title to the Property subject to covenants, conditions, restrictions, rights of way, and easement of record, if any

Within three (3) days from acceptance, Agency shall order a Preliminary Title Report Ten (10) days from receipt thereof are allowed the Agency to examine the title to the Property and to report in writing any valid objections thereto All exceptions to title contained in such report (other than monetary liens) shall be deemed approved unless written objection is delivered to Seller within said ten (10) days If Agency objects to any exceptions to the title, Seller shall, if it so elects, use due diligence to remove such exceptions at his own expense before close of

escrow But if such exceptions cannot be removed before close of escrow, all rights and objections hereunder may, at the election of the Agency terminate and the deposit shall be returned to Agency unless it elects to purchase the Property subject to such exceptions If Seller concludes it is unwilling or unable to remove such objections, Seller shall so notify Agency within ten (10) days of receipt of said objections In that event Agency may terminate this Agreement and have all deposits returned If Seller concludes it is unwilling to remove such exceptions, it will not be deemed a breach of the Purchase Agreement by Agency

Closing

Within sixty (60) days of acceptance both parties shall deposit with Chicago National Title Company as escrow holder, all funds and instruments necessary to complete the sale in accordance with the terms hereof Signed escrow instructions will be delivered to escrow holder within ten (10) days of acceptance The Agency and Seller shall share equally in all closing costs associated with the escrow including all City and County transfer taxes

Evidence of Title

In the form of a CLTA policy of title insurance to be paid by the Agency

Vesting Title

Title to the Property shall vest as Pinole Redevelopment Agency, a public body corporate and politic

Survival

The omission from escrow instructions of any provision herein shall not waive the right of any party All representations or warranties set forth in this agreement shall survive the conveyance of the Property

Access to Property

Seller agrees to provide the Agency and City of Pinole, its inspectors and representatives, reasonable access to the Property to perform due diligence as provided in this Agreement prior to the close of escrow

Inspection of Physical Condition of Properties

Agency shall have the right, at its expense, to select licensed contractors or other qualified professionals to inspect the subject Property, including but not limited to the following geology, boundaries, and environmental hazards. Agency shall *promptly* furnish Seller at no cost, copies of all inspection reports obtained. Agency shall approve or disapprove all inspection reports obtained in writing, within ten (10) days of receipt. **If Seller does not agree to correct any unacceptable conditions within three (3) days from receipt of such notice, Agency may elect to terminate this Agreement. In the event of such termination all deposits shall be returned**

Condemnation

Anything to the contrary notwithstanding, the Property is being sold under threat of condemnation by the Redevelopment Agency of the City of Pinole

Default

In the event Agency shall default in the performance of this Agreement, Seller may retain Agency's deposit as agreed liquidated damages

Hazardous Materials

Purchase of the property by Agency shall not relieve Seller of any obligations under state law regarding hazardous and/or toxic materials placed on, under and/or around the site, either knowingly or unknowingly by the Seller. In the event that any hazardous and/or toxic materials are found on the site during the escrow period, the Seller may terminate this agreement and shall not be obligated to proceed with any removal of said materials. The Agency may however, elect to perform the removal of said materials at Agency's expense, and proceed with the acquisition of the property

Arbitration of Disputes

If a dispute arises out of or relates to this Agreement or the breach thereof, such disputes shall be submitted to arbitration pursuant to the rules and procedures of the American Arbitration Association

Attorney Fees

If any action or proceeding involving a dispute between Agency and Seller arising out of the execution of this Agreement or the sale, the prevailing party shall be entitled to receive from the

other party *all reasonable costs, including without limitation reasonable attorneys' fees, and including costs of enforcement and costs of appeal* to be determined by the court or arbitrator(s)

Summary of Attachments

Site Map

Entire Agreement

This document contains the entire Agreement of the parties and supersedes all prior agreements or representations with respect to the Property which are not expressly set forth herein. This Agreement may be modified only by a writing signed and dated by both parties.

Dated 22 day of December, 1995

PINOLE REDEVELOPMENT AGENCY

By Donald E. Bradley
DONALD E. BRADLEY
Executive Director

ACCEPTED
Dolores A. Lucas
MARGARET FARIA SURVIVOR'S TRUST
Delores A. Lucas, Trustee AKA Dolores A. Lucas
Seller
Dolores A. Lucas
WILLIAM J FARIA RESIDUAL TRUST
Delores A. Lucas, Trustee AKA Dolores A. Lucas
Seller
Deanna M. Brownlee
DEANNA M. BROWNLEE
Seller
Margaret E. Prather
MARGARET E. PRATHER
Seller
Dolores A. Lucas
DELORES' A LUCAS
Seller AKA Dolores A. Lucas

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CHICAGO TITLE COMPANY

Return to Agenda

ESTIMATED BUYER'S/BORROWER'S SETTLEMENT STATEMENT

PAGE 01

ESCROW NUMBER 00634-000207314-001 ORDER NUMBER 00634-000207314

CLOSING DATE 01/31/96 CLOSER Dee Schuman

BUYER PINOLE REDEVELOPMENT AGENCY

SELLER DOLORES A LUCAS
 DEANNA M BROWNLEE
 MARGARET E PRATHER
 DELORES A LUCAS, TRUSTEE
 DELORES A LUCAS, TRUSTEE
 DOLORES A LUCAS, TRUSTEE

PROPERTY Henry Avenue, Pinole Valley, Road, (Vacant, 1301 Pinole Valley Rd, Pinole,
 California

	CHARGE BUYER	CREDIT BUYER
Sales Price	\$ 2,100,000 00	\$
Prorations And Adjustments		
County Taxes from 01/01/96 to 01/20/96		164 35
Total amount \$ 2,274 61 for 180 days		
Rent - Sign from 01/01/96 to 01/20/96		21 65
Total amount \$ 50 00 for 30 days		
Settlement or Closing Fee To Chicago Title	425 00	
Document Preparation To Chicago Title	75 00	
Title Insurance To Chicago Title	4,995 00	
Recording Fees	22 00	
City/County Tax/Stamps	6,930 00	
Monument Fee	5 00	
Notary Fees 50/50	25 00	
Change of Ownership Fee 50/50	10 00	
Document Review Fee 50/50	50 00	
Funds Due From Buyer At Closing		2,112,351 00
	-----	-----
TOTALS	\$ 2,112,537 00	\$ 2,112,537 00
	=====	=====

 PINOLE REDEVELOPMENT AGENCY

DATE 01/18/96 09 57 53

456 of 611

PRORATE as of CLOSE OF ESCROW the following COUNTY AND CITY TAXES AND RENT ON SIGN

Assume a 30 day month in any proration herein provided and unless otherwise instructed you are to use the information contained in the latest available tax statement including any supplemental taxes of record, rental statement as provided by seller and beneficiary's or association statements delivered into escrow for proration purposes

Upon close of escrow you are instructed to charge our respective accounts the costs attributable to each, including but not limited to the following as indicated below and/or in accordance with our respective estimated statements attached hereto and made a part hereof

BUYER agrees to pay

FEEs AS SHOWN ON THE ATTACHED ESTIMATED SETTLEMENT STATEMENT

SELLER agrees to pay

FEEs AS SHOWN ON THE ATTACHED ESTIMATED SETTLEMENT STATEMENT

Time is of the essence of these instructions If this escrow is not in a condition to close by the TIME LIMIT DATE of JANUARY 19, 1996 and written demand for cancellation is received by you from any principal to this escrow after said date you shall act in accordance with paragraph 7 of the Additional Provisions If no conflicting instruction or demand for cancellation is made, you will proceed to close this escrow when the principals have complied with the escrow instructions In the event one or more of the General Provisions are held to be invalid in judicial proceedings, those remaining will continue to be operative Any amendments of or supplements to any instructions affecting escrow must be in writing The principals will hand you any funds and instruments required from each respectively to complete this escrow

If any check submitted to escrow is dishonored when presented for payment you are authorized to notify all principals and/or their respective agents of such non payment

You are instructed to deliver and/or record all documents and disburse all funds when you can comply with these instructions and insure title as called for herein These instructions may be executed in counterparts and together shall constitute one and the same document If these instructions relate to a sale buyer agrees to buy and seller agrees to sell upon the terms and conditions hereof All documents, balances and statements due the undersigned are to be mailed to the respective addresses shown herein, unless otherwise directed In the event that any party to this escrow utilizes facsimile transmitted signed documents, all parties hereby agree to accept and hereby instruct the escrowholder to rely upon such documents as if they bore original signatures Buyer and seller further acknowledge that any documents to be recorded bearing non original (facsimile) signatures will not be accepted for recording by the county recorder

GENERAL PROVISIONS

The phrase close of escrow (or COE) as used in this escrow means the date on which documents are recorded unless otherwise specified

Recordation of any instruments delivered through this escrow, if necessary or proper for the issuance of the policy of title insurance called for, is authorized

No examination or insurance as to the amount or payment of personal property taxes is required unless specifically requested

You and any of your affiliates or employees are authorized to use the information and documents in this escrow for any purpose You are further authorized to furnish to any broker or lender identified with this transaction or anyone acting on behalf of such broker or lender any instructions amendments statements or notices of cancellation given in connection with this escrow

All written notices, communications, change of instructions and documents are required to be delivered timely at the office of Chicago Title Company as set forth herein

All funds received in this escrow shall be deposited with other escrow funds in one or more escrow (demand) accounts of Chicago Title Company in any state or national bank The parties to this escrow understand that the escrow accounts you maintain with the

GENERAL PROVISIONS CONTINUED

- 8 In the event that this escrow is canceled any fees or charges due Chicago Title Company including cancellation fees and any expenditures incurred or authorized shall be paid from funds on deposit unless otherwise specifically agreed to or determined by a court of competent jurisdiction Upon payment thereof return documents and monies to the respective parties depositing same, or as ordered by the court and void any executed instruments
- 9 If there is no written activity by a principal to this escrow within any six month period after the Time Limit Date set forth herein, Chicago Title Company may at its option terminate its agency obligation and cancel this escrow returning all documents monies or other items held to the respective parties entitled thereto less any fees and charges as provided herein
- 10 If for any reason funds are retained or remain in escrow after the closing date you may deduct therefrom a reasonable charge as custodian of not less than \$25 00 per month unless otherwise specified
- 11 In the event that you should receive or become aware of conflicting demands or claims with respect to this escrow or the rights of any of the parties hereto or any money or property deposited herein you shall have the absolute right at your option to discontinue any or all further acts until such conflict is resolved to your satisfaction
- 12 In the event that any Offer to Purchase Deposit Receipt, or any other form of Purchase Agreement is deposited in this escrow it is understood that such document will be effective only as among the parties signing said document You as escrow holder are not to be concerned with the terms of such document and are relieved of all responsibility in connection therewith You are to be concerned only with the directives specifically set forth in these escrow instructions and amendments thereto Further you are not to be concerned or liable for items designated as memoranda in these escrow instructions nor with any other agreement or contract between the parties
- 13 You are released from and shall have no liability obligation or responsibility with respect to (a) withholding of funds pursuant to Section 1445 of the Internal Revenue Code of 1986 as amended and to Sections 18662 and 18668 of the California Revenue and Taxation Code (b) advising the parties as to the requirements of said Section 1445 (c) determining whether the transferor is a foreign person or a non resident under such Section nor (d) obtaining a non foreign affidavit or other exemption from withholding under said Sections nor otherwise making any inquiry concerning compliance with such Sections by any party to the transaction
- 14 The parties hereto by execution of these instructions acknowledge that the escrowholder assumes no responsibility or liability whatsoever for the supervision of any act or the performance of any condition which is a condition subsequent to the closing of this escrow
- 15 In the absence of instructions to the contrary you are hereby authorized to utilize wire services, overnight next day or other expedited delivery services (as opposed to the regular U S Mail) and to charge the respective party's account accordingly
- 16 If you pay a demand to reconvey a revolving line of credit or equityline deed of trust you are hereby instructed on my behalf and for my benefit, to request that the lender issuing said demand cancel said revolving line or equityline of credit
- 17 You are authorized to destroy or otherwise dispose of any and all documents, papers instructions correspondence and other material pertaining to this escrow at the expiration of six (6) years from the close of escrow or cancellation thereof without liability and without further notice

IMPORTANT NOTICE

Except for wire transfers funds remitted to this escrow are subject to availability requirements imposed by Section 12413 1 of the California Insurance Code CASHIER S, CERTIFIED or TELLER S checks payable to CHICAGO TITLE COMPANY are generally available for disbursement on the next business day following the date of deposit

Other forms of payment may cause extended delays in the closing of your transaction pursuant to the requirements imposed by State Law

(Wire transfer information available upon request)

ALL PARTIES TO THIS ESCROW ACKNOWLEDGE THAT CHICAGO TITLE COMPANY DOES NOT PROVIDE LEGAL ADVICE NOR HAS IT MADE ANY INVESTIGATION, REPRESENTATIONS OR ASSURANCES WHATSOEVER REGARDING THE LEGAL ASPECTS OR COMPLIANCE OF THIS TRANSACTION WITH ANY TAX, SECURITIES OR ANY OTHER STATE OR FEDERAL LAWS IT IS RECOMMENDED THAT THE PARTIES OBTAIN INDEPENDENT LEGAL COUNSEL AS TO SUCH MATTERS

DOLORES A LUCAS

PINOLE REDEVELOPMENT AGENCY

DEANNA M BROWNLEE

SEE ADDITIONAL SIGNATURES PAGE ATTACHED
HERETO AND MADE A PART HEREOF BY REFERENCE

Current Address

Current Address

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TO CHICAGO TITLE COMPANY

Escrow No 207314 - DJS
Date January 12, 1996

SELLERS (Continued)

BUYERS (Continued)

MARGARET E PRATHER

DELORES A LUCAS, TRUSTEE

DELORES A LUCAS, TRUSTEE

DOLORES A LUCAS, TRUSTEE

CHICAGO TITLE COMPANY

3575 San Pablo Dam Road, Suite 100, El Sobrante, California 94803

Escrow No 207314 - DJS Escrow Officer Dee Schuman

Date 01/15/96

1 *****
2
3 The undersigned hereby acknowledge and agree that the disbursement of funds
4 deposited to the within escrow shall be governed by Chapter 598, Statutes of 1989,
5 which provide, in part, that funds may be disbursed on the day they are deposited if
6 such funds have been wired into the escrow holder's account In the event that
7 funds deposited with the escrow holder are in the form of a cashier, certified, or
8 teller check, disbursement will occur no earlier than the business day following the
9 deposit of such funds In the event that funds other than those identified above
10 are deposited to escrow, the undersigned understand and agree that the closing of
11 escrow and the disbursement of funds shall be delayed until the escrow holder can
12 comply with Chapter 598, Statutes of 1989, with no liability to Chicago Title
13 Company for any additional fees, expenses, or costs incurred as a result of such
14 delay
15

16 *****
17
18 We understand that the current taxes may be increased pursuant to a revaluation by
19 the assessor's office as follows
20 "Escrow holder shall not be concerned with, or liable for payment, adjustment or
21 proration of, Supplemental Taxes assessed pursuant to Chapter 498, Statutes of 1983,
22 State of California, unless specifically reflected on the Tax Assessor's rolls All
23 assessments not shown on the tax rolls are to be adjusted outside of escrow The
24 title policy will contain an exception for the lien of any assessment of
25 Supplemental Taxes assessed pursuant to Chapter 498, Statutes of 1983 "
26
27 FURTHER, CHICAGO TITLE COMPANY MAY REQUIRE BUYER TO TAKE TITLE SUBJECT TO THE
28 POSSIBLE LIEN OF SUPPLEMENTAL TAXES INCURRED BY SELLER UNLESS SAID SUPPLEMENTAL
29 TAXES ARE SPECIFICALLY REFLECTED ON THE TAX ASSESSOR'S ROLLS, CHICAGO TITLE COMPANY
30 IS NOT TO BE LIABLE OR RESPONSIBLE FOR THE PAYMENT, ADJUSTMENT OR PRORATION OF THESE
31 SUPPLEMENTAL TAXES, AS THEY ARE TO BE HANDLED OUTSIDE OF ESCROW BY THE PARTIES AS
32 THEY MAY DEEM NECESSARY
33
34

35 *****
36
37 Enclosed herewith is a preliminary change of ownership report which effective July
38 1, 1985 is required to be COMPLETED, SIGNED AND RETURNED by the buyers of all
39 properties located in the County of Contra Costa This form must accompany all deeds
40 transferring ownership on properties in the County of Contra Costa or a fine of
41 \$20 00 will be levied against the buyer or seller in the recording fees
42 PLEASE RETURN THE COMPLETED FORM TO THE ATTENTION OF THE UNDERSIGNED SO AS NOT TO
43 CAUSE DELAY AT CLOSING OR ADDITIONAL FEES TO BUYER OR SELLER
44

45 *****
46
47 We have read the Preliminary Report No 000207314 dated 11/20/95, and approve the
48 policy of title insurance to be issued to the buyer as required by our instructions
49 in your escrow No 000207314 to include as encumbrances therein exceptions No
50 1,2(1st paid),3(1st paid), 4(1st paid), 5,6,7,8,9,16, of said report, in addition to
51 those specific items described in our escrow instructions or created by us
52

53 *****
54

55
56 SEE NEXT PAGE FOR ADDITIONAL
57

58
59
60 INSTRUCTIONS AND SIGNATURES

Escrow No 207314 -DJS
Date January 15, 1996

PROPERTY BEING PURCHASED IN "AS IS" CONDITION

THE UNDERSIGNED BUYER AND SELLER HEREBY AGREE THAT THE PROPERTY BEING PURCHASED AT 1301 PINOLE VALLEY ROAD, PINOLE, CALIF , IS BEING PURCHASED IN ITS "AS IS" PRESENT CONDITION THE UNDERSIGNED HAVE NOT OBTAINED OR REQUESTED A TERMITE REPORT ON SUBJECT PROPERTY AS OF THIS DATE AND HEREBY STATE THAT THEY WAIVE ANY REPORT BEING MADE THE UNDERSIGNED ALSO AGREE TO HOLD HARMLESS AND WITHOUT LIABILITY CHICAGO TITLE COMPANY AND ALL BROKERS AND AGENTS, IF ANY, AND EACH OTHER AS A RESULT OF THIS WAIVER

THE UNDERSIGNED UNDERSTAND AND AGREE THAT THESE INSTRUCTIONS WILL BECOME A PART OF THEIR BUYER'S AND SELLER'S ESCROW INSTRUCTIONS UPON EXECUTION

PINOLE REDEVELOPMENT AGENCY

BY _____

DATE _____

DOLORES A LUCAS

DEANNA M BROWNLEE

MARGARET E PRATHER

DELORES A LUCAS, TRUSTEE

DELORES A LUCAS, TRUSTEE

DOLORES A LUCAS, TRUSTEE

DATE _____

IMPORTANT NOTICE TO NEW PROPERTY OWNERS

SUBJECT AVOIDING PROPERTY TAX PENALTIES

Your Tax Collector's experience has shown that many tax delinquencies occur during the first year of property ownership. As a new property owner you should be aware of the following

- A) Tax bills are prepared and assessed against the owner as a lien on the property as of March 1st. The bills are mailed by the Tax Collector on or immediately prior to November 1st of each year. If your deed was recorded after March 1st, the bill will be mailed to the prior owner. If for any reason a property owner does not receive a tax bill for each parcel of property in which he has an interest by the 15th of November he should contact the Tax Collector's office. An exception to this would be arrangements made for an agent or lender to receive and pay a tax bill on the property owner's behalf.
- B) The fiscal year for which taxes are levied is July 1st through June 30th. Taxes become a lien as of 12 01 A M March 1st preceeding the fiscal year.
- C) THE FIRST installment is due and payable in the Tax Collector's office on November 1st and delinquent after 5 00 P M December 10th. A 10% penalty attaches thereafter.
- D) THE SECOND installment is due and payable in the Tax Collector's office on February 1st and delinquent after 5 00 P M April 10th. A 10% penalty attaches thereafter. Also a \$10 00 redemption charge is due when the second installment becomes delinquent.
- E) If a delinquent date falls on Saturday, Sunday or legal holiday, the time of delinquency is 5 00 P M on the next business day.
- F) The taxpayer, at his discretion, may pay both installments on or before December 10th. No additional bill is sent for the second installment. The second installment cannot be paid unless the first installment has been paid.
- G) It is the property owner's responsibility to obtain and pay this bill. Non-receipt of a tax bill does not relieve the imposition of penalties after the delinquent date. The Tax Collector has no discretion regarding penalties.

WE SUGGEST THAT YOU READ YOUR TITLE REPORT AND/OR ESCROW PAPERS CAREFULLY TO ASCERTAIN WHICH TAXES WERE PAID IN CLOSING, AND WHICH TAXES YOU WILL BE CALLED UPON TO PAY. TO AVOID UNNECESSARY PENALTIES DUE TO THE FACT THAT YOU DID NOT RECEIVE YOUR BILL, YOU SHOULD WRITE TO ALFRED P LOMELI, CONTRA COSTA TAX COLLECTOR, P O BOX 631, MARTINEZ, CALIFORNIA 94553, AND GIVE HIM YOUR NAME, MAILING ADDRESS, AND YOUR TAX BILL NUMBER (PARCEL NO) AND REQUEST THAT THE BILL BE MAILED IN YOUR CARE. IN THE EVENT THAT YOU ARE IN DOUBT ABOUT THE AMOUNT OR THE STATUS OF YOUR TAXES, CALL THE TAX COLLECTOR'S OFFICE AT (510) 646-4122.

We also want you to be aware that recent legislation will allow the County to reassess the property and levy increased taxes effective on the date of transfer of title to a new owner.

Escrow holder shall not be concerned with, or liable for payment, adjustment, or proration of Supplemental Taxes assessed pursuant to Chapter 498, Statutes of 1983,

NOTICE OF TAX WITHHOLDING REQUIREMENTS

In accordance with Sections 18662 and 18668 of the California Revenue and Taxation Code, a buyer may be required to withhold an amount equal to THREE AND ONE-THIRD percent (3-1/3%) of the total sales price in the case of a disposition of California real property interest by either

1 A seller who is an individual with a last known street address outside of California or when the disbursement instructions authorize the proceeds be sent to a "financial intermediary" of the seller, OR

2 A corporate seller which has no permanent place of business in California

The buyer may become subject to penalty for failure to withhold in an amount equal to the greater of Ten percent (10%) of the amount required to be withheld or five hundred dollars (\$500)

However, notwithstanding any other provisions included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if

1 The sales price of the California real property conveyed does NOT exceed one hundred thousand dollars (\$100,000), OR

2 The seller executes a written certificate, under the penalty of perjury, certifying that the seller is a resident of California, or if a corporation, has a permanent place of business in California, OR

3 The seller, who is an individual, executes a written certificate, under the penalty of perjury, that the California real property being conveyed is the seller's "principal residence" (as used in Section 1034 of the Internal Revenue Code of 1986), OR

4 The seller is a "partnership" as determined in accordance with Subchapter K of Chapter 1 of Subtitle A of the U S Internal Revenue Code

The seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement

Additionally, under the federal "Foreign Investment in Real Property Tax Act" (FIRPTA) as amended and related laws, a buyer may be required to withhold, and could be liable for, an additional tax equal to TEN percent (10%) of the sales price of the real property being conveyed, in the case of a seller who may also be classified as a "foreign person" under Section 1445 of the Internal Revenue Code of 1986

The Federal and California statutes referenced above include provisions which authorize the IRS and Franchise Tax Board to grant reduced withholding and waivers from withholding on a case-by-case basis. The parties herein may wish to investigate these options with their own legal or financial advisors, the Franchise Tax Board or the Internal Revenue Service

The escrow holder will not undertake to withhold or remit funds to any taxing authority, unless specifically instructed in writing to do so. In the event escrow is so requested, appropriate mutual instructions will be required

5-
P- **Return to Agenda** ⁹ **E OF OWNERSHIP REPORT**

FOR RECORDER'S USE ONLY

[To be completed by transferee (buyer) prior to transfer of subject property in accordance with Section 480.3 of the Revenue and Taxation Code] A Preliminary Change of Ownership Report must be filed with each conveyance in the County Recorder's office for the county where the property is located. This particular form may be used in all 58 counties of California.

THIS REPORT IS NOT A PUBLIC DOCUMENT

SELLER/TRANSFEROR Dolores A. Lucas, et al
BUYER/TRANSFEE Pinole Redevelopment Agency
ASSESSOR'S PARCEL NUMBER(S) 401-211-016, 017; 018
PROPERTY ADDRESS OR LOCATION Henry Avenue, Pinole Valley Rd & 1301 Pinole
MAIL TAX INFORMATION TO Name Valley Road, Pinole, CA
Address

NOTICE A lien for property taxes applies to your property on March 1 of each year for the taxes owing in the following fiscal year July 1 through June 30. One half of these taxes is due November 1 and one half is due February 1. The first installment becomes delinquent on December 1 and the second installment becomes delinquent on April 10. One tax bill is mailed before November 1 to the owner of record. IF THIS TRANSFER OCCURS AFTER MARCH 1 AND ON OR BEFORE DECEMBER 31, YOU MAY BE RESPONSIBLE FOR THE SECOND INSTALLMENT OF TAXES DUE FEBRUARY 1.

The property which you acquired may be subject to a supplemental assessment in an amount to be determined by the Contra Costa County Assessor. For further information on your supplemental roll obligation, please call the Contra Costa County Assessor at (510) 313-7400.

PART I TRANSFER INFORMATION

Please answer all questions

YES NO

- ☐ ☒ A Is this transfer solely between husband and wife (Addition of a spouse, death of a spouse, divorce settlement, etc.)?
- ☐ ☒ B Is this transaction only a correction of the name(s) of the person(s) holding title to the property (For example, a name change upon marriage)?
- ☐ ☒ C Is this document recorded to create, terminate, or reconvey a lender's interest in the property?
- ☐ ☒ D Is this transaction recorded only to create, terminate, or reconvey a security interest (e.g., cosigner)?
- ☐ ☒ E Is this document recorded to substitute a trustee under a deed of trust, mortgage, or other similar document?
- ☐ ☒ F Did this transfer result in the creation of a joint tenancy in which the seller (transferor) remains as one of the joint tenants?
- ☐ ☒ G Does this transfer return property to the person who created the joint tenancy (original transferor)?
- ☐ ☒ H Is this transfer of property:
- ☐ ☒ 1 to a trust for the benefit of the grantor or grantor's spouse?
- ☐ ☒ 2 to a trust revocable by the transferor?
- ☐ ☒ 3 to a trust from which the property reverts to the grantor within 12 years?
- ☐ ☒ I If this property is subject to a lease, is the remaining lease term 35 years or more including written options?
- ☐ ☒ J Is this a transfer from parents to children or from children to parents?
- ☐ ☒ K Is this transaction to replace a principal residence by a person 55 years of age or older?
- ☐ ☒ L Is this transaction to replace a principal residence by a person who is severely disabled as defined by Revenue and Taxation Code Section 69.5?

If you checked yes to J, K, or L, an applicable claim form must be filed with the County Assessor.

Please provide any other information that would help the Assessor to understand the nature of the transfer.

IF YOU HAVE ANSWERED "YES" TO ANY OF THE ABOVE QUESTIONS EXCEPT J, K, OR L, PLEASE SIGN AND DATE. OTHERWISE, COMPLETE BALANCE OF THE FORM.

PART II OTHER TRANSFER INFORMATION

- A Date of transfer if other than recording date _____
- B Type of transfer. Please check appropriate box.
- ☐ Purchase ☐ Foreclosure ☐ Gift ☐ Trade or Exchange ☐ Merger, Stock, or Partnership Acquisition
- ☐ Contract of Sale - Date of Contract _____
- ☐ Inheritance - Date of Death _____ ☐ Other Please explain _____
- ☐ Creation of Lease ☐ Assignment of a Lease ☐ Termination of a Lease
- Date lease began _____
- Original term in years (including written options) _____
- Remaining term in years (including written options) _____
- C Was only a partial interest in the property transferred? ☐ Yes ☒ No
- If yes, indicate the percentage transferred _____ %

PRELIMINARY CHANGE OF OWNERSHIP REPORT

Please answer to the best of your knowledge all applicable questions sign and date If a question does not apply indicate with N/A

PART III PURCHASE PRICE AND TERMS OF SALE

A CASH DOWN PAYMENT OR Value of Trade or Exchange (excluding closing costs)

Amount \$ 2,100,000

B FIRST DEED OF TRUST @ _____ % interest for _____ years Pymts /Mo = \$ _____ (Prin & Int only) Amount \$ _____

- ☐ FHA ☐ Fixed Rate ☐ New Loan
☐ Conventional ☐ Variable Rate ☐ Assumed Existing Loan Balance
☐ VA ☐ All inclusive D T (\$ _____ Wrapped) ☐ Bank or Savings & Loan
☐ Cal Vet ☐ Loan Carried by Seller ☐ Finance Company
 Balloon Payment ☐ Yes ☐ No Due Date _____ Amount \$ _____

C SECOND DEED OF TRUST @ _____ % interest for _____ years Pymts /Mo = \$ _____ (Prin & Int only) Amount \$ _____

- ☐ Bank or Savings & Loan ☐ Fixed Rate ☐ New Loan
☐ Loan Carried by Seller ☐ Variable Rate ☐ Assumed Existing Loan Balance
 Balloon Payment ☐ Yes ☐ No Due Date _____ Amount \$ _____

D OTHER FINANCING Is other financing involved not covered in (b) or (c) above? ☐ Yes ☐ No Amount \$ _____

- Type _____ @ _____ % interest for _____ years Pymts /Mo = \$ _____ (Prin & Int only)
☐ Bank or Savings & Loan ☐ Fixed Rate ☐ New Loan
☐ Loan Carried by Seller ☐ Variable Rate ☐ Assumed Existing Loan Balance
 Balloon Payment ☐ Yes ☐ No Due Date _____ Amount \$ _____

E IMPROVEMENT BOND ☐ Yes ☐ No Outstanding Balance Amount \$ _____

F TOTAL PURCHASE PRICE (or acquisition price if traded or exchanged include real estate commission if paid)

Total Items A through E

\$ 2,100,000

G PROPERTY PURCHASED ☐ Through a broker ☐ Direct from seller ☐ Other (explain) _____

If purchased through a broker provide broker's name and phone number _____

Please explain any special terms or financing and any other information that would help the Assessor understand the purchase price and term of sale _____

PART IV PROPERTY INFORMATION

A IS PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE

(other than a mobilehome subject to local property tax)? ☐ Yes ☐ No

If yes enter the value of the personal property included in the purchase price \$ _____ (Attach itemized list of personal property)

B IS THIS PROPERTY INTENDED AS YOUR PRINCIPAL RESIDENCE? ☐ Yes ☐ No

If yes enter date of occupancy _____ / _____ / 19 _____ or intended occupancy _____ / _____ / 19 _____

C TYPE OF PROPERTY TRANSFERRED

- ☐ Single family residence ☐ Agricultural ☐ Timeshare
☐ Multiple family residence (no of units _____) ☐ Co op/Own your own ☐ Mobilehome
☐ Commercial/Industrial ☐ Condominium ☐ Unimproved lot
☐ Other (Description _____)

D DOES THE PROPERTY PRODUCE INCOME? ☐ Yes ☐ No

E IF THE ANSWER TO QUESTION D IS YES IS THE INCOME FROM

☐ Lease/Rent ☐ Contract ☐ Mineral Rights ☐ Other — Explain _____

F WHAT WAS THE CONDITION OF PROPERTY AT THE TIME OF SALE?

☐ Good ☐ Average ☐ Fair ☐ Poor

Enter here or on an attached sheet, any other information that would assist the Assessor in determining the value of the property such as the physical condition of the property restrictions etc _____

I certify that the foregoing is true correct and complete to the best of my knowledge and belief

Signed _____ Date _____

NEW OWNER/CORPORATE OFFICER

Please Print Name of New Owner/Corporate Officer _____

Phone Number where you are available from 8 00 a m — 5 00 p m () _____

(NOTE The Assessor may contact you for further information)

465 of 611

If a document evidencing a change of ownership is presented to the recorder for recordation without the concurrent filing of a preliminary change of ownership report, the recorder shall reject the document.

Return to Agenda REQUESTED
LE COMPANY

AND WHEN RECORDED MAIL TO

PINOLE REDEVELOPMENT AGENCY
2121 PEAR STREET
PINOLE, CALIF 94564
ATTN MARC GRISHAM

Escrow No 207314 -DJS
Order No. 207314 - RT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Assessor's Parcel No
401-211-16, 17, 18

GRANT DEED

The undersigned declares that the documentary transfer tax is \$2,310 00

and is

- ☒ computed on the full value of the interest or property conveyed, or is
☐ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale

The undersigned declares that the city/county transfer tax is \$11,550 00

The land, tenements or realty is located in ☐ unincorporated area ☒ City of Pinole

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

SEE GRANTOR EXHIBIT ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE

hereby GRANT(S) to

PINOLE REDEVELOPMENT AGENCY

the following described real property in the City of Pinole

County of Contra Costa, State of California

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE

Dated January 12, 1996

STATE OF CALIFORNIA

COUNTY OF _____ } SS

DOLORES A LUCAS

On _____ before me,

a Notary Public in and for said County and State personally appeared
DOLORES A LUCAS, DEANNA M BROWNLEE, MARGARET
E PRATHER, AND DELORES A LUCAS AKA DOLORES
A LUCAS

DEANNA M BROWNLEE

MARGARET E PRATHER

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

SEE SIGNATURE EXHIBIT ATTACHED HERETO

WITNESS my hand and official seal

Signature of Notary

FOR NOTARY SEAL OR STAMP

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE IF NO PARTY SO SHOWN MAIL AS DIRECTED ABOVE

Name

Street Address

City, State & Zip

SIGNATURE EXHIBIT

DELORES A LUCAS, TRUSTEE
AKA DOLORES A LUCAS

DOLORES A LUCAS, TRUSTEE

GRANTOR EXHIBIT

DOLORES A LUCAS, A MARRIED WOMAN AS HER SOLE AND SEPARATE PROPERTY AS TO 16% INTEREST, DEANNA M BROWNLEE, A MARRIED WOMAN AS HER SOLE AND SEPARATE PROPERTY, AS TO 16% INTEREST, AND MARGARET E PRATHER, A MARRIED WOMAN AS HER SOLE AND SEPARATE PROPERTY AS TO 16% INTEREST, AND "DELORES A LUCAS, AS TRUSTEE, U A DATED FEBRUARY 27, 1982, F/B/O THE MARGARET FARIA SURVIVOR'S TRUST" AN UNDIVIDED ONE-HALF (1/2) INTEREST AND "DELORES A LUCAS, AS TRUSTEE, U A DATED JUNE 6, 1986, F/B/O WILLIAM J FARIA RESIDUAL TRUST", AN UNDIVIDED ONE-HALF (1/2) INTEREST, AS TO A 52% INTEREST AS TO PARCELS ONE AND TWO, AND DOLORES A LUCAS, AS TRUSTEE U A DATED FEB 27, 1982, F /B /O / THE MARGARET FARIA SURVIVORS TRUST ESTABLISHED AND PURSUANT TO THE TERMS AND POWERS OF THE WILLIAM J FARIA AND MARGARET FARIA FAMILY TRUST DAIED FEB 27, 1982, AS TO PARCEL THREE

LEGAL DESCRIPTION EXHIBIT

CITY OF PINOLE

PORTIONS OF THE RANCHO EL PINOLE, DESCRIBED AS FOLLOWS

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BEGINNING AT A POINT ON THE EASTERN BOUNDARY LINE OF PINOLE VALLEY ROAD, FROM WHICH POINT THE NORTHWEST CORNER OF THE TRACT OF LAND CONVEYED BY JAMES H TENNENT, ET UX, TO JOHN BERMINGHAM BY DEED DATED SEPTEMBER 28, 1897, RECORDED SEPTEMBER 29, 1897, IN BOOK 76 OF DEEDS, PAGE 374, BEARS NORTH 70-1/2° WEST, 35 64 FEET DISTANT, THENCE SOUTH 70-1/2° EAST ALONG THE CENTER OF A ROADWAY, 352 44 FEET TO STATION, THENCE SOUTH 4 1/2° EAST AT 20 FEET LEAVING ROADWAY 397 32 FEET TO STATION IN FENCE, THENCE SOUTH 69-1/4° WEST ALONG THE FENCE 145 86 FEET, THENCE SOUTH 51-1/2° WEST ALONG THE FENCE 23 10 FEET TO STATION, THENCE NORTH 73-1/4° WEST LEAVING THE FENCE 279 18 FEET TO STATION IN FENCE, ON THE EASTERN BOUNDARY LINE OF PINOLE VALLEY ROAD, THENCE NORTH 6-1/4° EAST ALONG THE EASTERN BOUNDARY LINE OF PINOLE VALLEY ROAD 499 62 FEET TO THE POINT OF BEGINNING

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THAT CERTAIN PARCEL OF LAND BOUNDED ON THE WEST BY PINOLE VALLEY ROAD AS SAID ROAD NOW EXISTS, MAY (1964) ON THE NORTH BY THE SOUTHERN LINE OF PARCEL ONE DESCRIBED ABOVE, AND BY THE MOST SOUTHERN LINE OF LOT 15, AS SAID LOT IS SHOWN ON THE MAP OF THE TRACT 2317 (LINDA HEIGHTS), FILED JANUARY 30, 1958, IN BOOK 69 OF MAPS, PAGES 3 AND 4, IN THE OFFICE OF THE COUNTY RECORDER OF CONTRA COSTA COUNTY, AND ON THE EAST AND SOUTH BY THE NORTHWESTERLY LINE OF THE PARCEL OF LAND CONVEYED TO THE STATE OF CALIFORNIA, BY DEED DATED JUNE 18, 1956, RECORDED AUGUST 1, 1956, IN BOOK 2817 OF OFFICIAL RECORDS, PAGE 275

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JAN 22 1996

Return to Agenda
AND WHEN RECORDED MAIL TO

PINOLE REDEVELOPMENT AGENCY
2121 PEAR STREET
PINOLE, CALIF 94564
ATTN MARC GRISHAM

96 10474

TRANSFER TAX	
CITY OF <u>PINOLE</u>	
<u>N/A</u>	UNPAID
PAID \$ <u>11,550.00</u>	

CONTRA COSTA CO	
TRANSFER TAX	
PAID \$ <u>2310.00</u>	

RECORDED AT REQUEST OF
CHICAGO TITLE CO

JAN 22 1996

AT 8 O'CLOCK A M
CONTRA COSTA COUNTY RECORDS
STEPHEN L WEIR
COUNTY RECORDER

OFF'L

SPACE ABOVE THIS LINE FOR RECORDERS USE

Assessor's Parcel No
401-211-16, 17, 18

Escrow No 207314 - DJS
Order No. 207314 - RT

GRANT DEED

The undersigned declares that the documentary transfer tax is \$2,310 00

and is

- ☒ computed on the full value of the interest or property conveyed, or is
☐ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale

The undersigned declares that the city/county transfer tax is \$11,550 00

The land, tenements or realty is located in ☐ unincorporated area ☒ City of Pinole

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

SEE GRANTOR EXHIBIT ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE

RECEIVED
CITY OF

FEB 23 1996

COMPL. DEPT

hereby GRANT(S) to

PINOLE REDEVELOPMENT AGENCY, a public body, corporate and politic

the following described real property in the City of Pinole
County of Contra Costa, State of California

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE

Dated January 12, 1996

STATE OF CALIFORNIA

COUNTY OF CONTRA COSTA } SS

On January 19, 1996 before me,

M. CARRICO

a Notary Public in and for said County and State, personally appeared

DOLORES A LUCAS, DEANNA M BROWNLEE, MARGARET E PRATHER, AND DELORES A LUCAS AKA DOLORES A. LUCAS

Dolores A Lucas
DOLORES A LUCAS

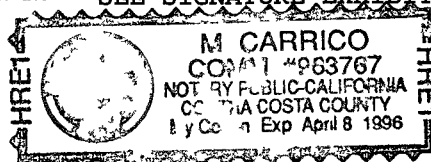
Deanna M Brownlee
DEANNA M BROWNLEE

Margaret E. Prather
MARGARET E PRATHER

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

SEE SIGNATURE EXHIBIT ATTACHED HERETO

WITNESS my hand and official seal



M. Carrico

Signature of Notary

FOR NOTARY SEAL OR STAMP

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE IF NO PARTY SO SHOWN MAIL AS DIRECTED ABOVE

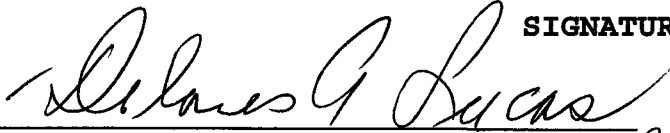
Name

Street Address

City, State & Zip

SIGNATURE

EXHIBIT



DELORES A LUCAS, TRUSTEE
AKA DOLORES A LUCAS

AKA Dolores A Lucas Trustee



DELORES A LUCAS, TRUSTEE

Escrow No 207314 -DJS

GRANTOR EXHIBIT

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INITIAL
X DL
X meP
INITIAL
X DMB
X _____

Escrow No 207314 -DJS

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INITIAL
* MLZ
* mep
INITIAL
* DMB
* 73 of 611



Pinole Redevelopment Agency

Community Development Department

2121 Pear Street
Pinole CA 94564

Phone (510) 724-9014
Fax (510) 724-4921

**HENRY AVENUE, PINOLE VALLEY ROAD (VACANT)
1301 PINOLE VALLEY ROAD
PINOLE, CALIFORNIA**

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property at Henry Avenue and Pinole Valley Road (Vacant) and 1301 Pinole Valley Road (Assessor Parcels 401-211-016,017,018) conveyed by the Purchase Agreement dated December 7, 1995 from the William J and Margaret Faria Trust, et al, to the City of Pinole Redevelopment Agency, a public body, corporate and politic, is hereby accepted by the undersigned officer or agent on behalf of the Redevelopment Agency of the City of Pinole pursuant to authority conferred by the City of Pinole Redevelopment Agency Board, and the Redevelopment Agency of the City of Pinole consents to recordation thereof by its duly authorized officer

DATED JANUARY 18, 1996

BY Donald E Bradley
Donald E Bradley, Executive Director

n \msg\commctr\faria\accept wpw

96 10474

STATE OF CALIFORNIA,

COUNTY OF CONTRA COSTA

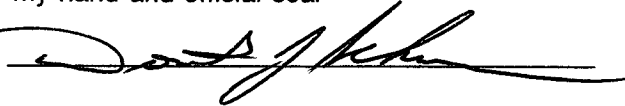
} ss

On January 18, 1996, before me, D. FRAKES
a Notary Public in and for said County and State, personally
appeared DONALD E. BRADLEY

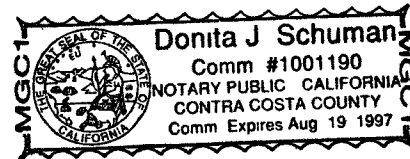
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the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

WITNESS my hand and official seal

Signature



FOR NOTARY SEAL OR STAMP



END OF DOCUMENT

**REDEVELOPMENT AGENCY
REPORT 2006-53****9A****OCTOBER 17, 2006**

TO: BELINDA B. ESPINOSA, EXECUTIVE DIRECTOR

FROM: CHRISTINE MAHER, SENIOR PROJECT MANAGER

SUBJECT: REUSE OF THE FARIA HOUSE BY THE PINOLE HISTORICAL SOCIETY

RECOMMENDATION

That the Redevelopment Agency Board of Directors accept this informational report and provide direction to Staff on the reuse of the Faria house at Heritage Park by the Pinole Historical Society.

BACKGROUND

On February 18, 2003, the Redevelopment Agency approved the acquisition of the property located at 2100 San Pablo Avenue, in Old Town Pinole. Then, on March 18, 2003, the Agency authorized an agreement with Architect Michael Woldemar & Associates for architectural consulting services for creation of a phased "Heritage Park" concept and the possible relocation of the Faria house to the site. The conceptual master plan was presented to the neighborhood and Agency Board at a public meeting on June 16, 2003. The Planning Commission approved the project at its September 13, 2004 meeting.

The project contains two distinct phases. The first phase includes the relocated Faria house and ancillary improvements, including drainage, driveway and parking areas, ADA accessible concrete walkways and ramps, fencing, signage, lighting, one ADA accessible restroom, and landscaping, at the southern frontage of the property along San Pablo Avenue. The second phase will involve the construction of single-family cottages and a common detached garage along the northern site frontage on Buena Vista Drive.

The Faria house was relocated to Heritage Park on March 5, 2005 and all exterior renovations are complete.

In June of 2005 and again in June of 2006, Staff made a presentation to the Agency Board about possible reuse options for the Faria house. These uses ranged from a mix of commercial and residential uses, to public uses such as a museum or Chamber of Commerce offices. At the June 2006 meeting, a representative from the Pinole Historical Society spoke of the Society's desire to reuse the entirety of the house as a museum.

On September 19, 2006, the Pinole Historical Society made a formal presentation to the full Board regarding a museum and retail concept at Heritage Park. The Board directed Staff to bring the Society's proposal back to a future Board meeting for further review.

DISCUSSION

Subsequent to the September 19 Board meeting, Staff met with members of the Pinole Historical Society (PHS) to establish proposed deal points for creation of a museum and associated retail use at Heritage Park. The proposed deal points are as follows:

- **Renovation Master Plan.** Agency, in consultation with PHS, will prepare a master plan detailing all renovation work that needs to be completed, and establishing a finish schedule. All improvements must be made in accordance with the plan.
- **Agency Financing.** Agency has allocated up to \$500k for architectural plans, including a renovation master plan/finish schedule, and building improvements. All work funded by the Agency must be prevailing wage.
- **Establishment Period/Rent.** Agency will allow PHS 3 years to establish a museum in a quality similar to other area museums. Failure to establish such a museum within this three-year period will constitute a default. During the establishment period, and for 2 years thereafter, the Agency will allow the PHS to use the Property rent-free. After those 5 years, Agency will reconsider the rent terms and likely charge a small amount of rent comparable to that of the Pinole Players and/or other nonprofits.
- **Sublease.** Upon prior written approval of the Agency, PHS may sublease the Property to a retail tenant. After the 3-year establishment period and the 2 years rent-free, the Agency may consider receiving a percentage of the retail tenant's profits.
- **ADA & Other Regulations.** PHS shall follow all applicable federal, state, and local regulations, including the ADA, which likely requires PHS to provide a bathroom upstairs and may also require the retail tenant to provide some degree of retail service downstairs.
- **Curator.** PHS shall arrange a curator to monitor and ensure proper treatment of the museum pieces.
- **Term of Agreement.** Term of the Agreement shall be 20 years.
- **Utilities & Maintenance.** PHS shall pay all insurance, utilities, maintenance, and landscaping of the Property. Failure to maintain the Property at any point during the term of Agreement shall constitute a default.
- **Improvements.** Upon prior written approval of the Agency, PHS may install the caboose or other improvements on the property immediately adjacent to the Faria house. Agency may consider construction of bocce ball facilities on the site at a future date.
- **Hours of Operation.** PHS must operate the museum and retail service for a minimum of 30 hours/week (starting at 10-3 Tu-Sun).
- **Standards of Operation.** PHS shall operate and maintain the museum, retail service, and any improvements in a first-class manner similar to that of other museums within the area (ex: Richmond)
- **Public Use.** Agency/City will be able to have unlimited use of the Property, with 1 week advance written notice to PHS.

- "Property" definition. The Property granted for use by Agency to PHS includes the Faria house itself along with all parking and landscaped areas. Agency will provide detailed architectural plans as an exhibit to the Agreement.
- Use of Faria House Pre-Agreement. After approval of the Agreement by the Agency Board, PHS may use the Faria house as follows:
 - Address. PHS may begin to use the Faria house as its address for letterhead purposes.
 - Signage. PHS may place signage on the Property describing the Faria house as the future home of PHS.

The Redevelopment Subcommittee reviewed these deal points at its meeting of October 10, 2006, and recommended that the report be brought forward to the full Board for consideration. Should the Agency Board approve of these proposed deal points, Staff will work with the PHS to draft an operating/lease agreement.

BLIGHT ALLEVIATION

This project meets the original redevelopment objective of upgrading the downtown of Pinole to encourage activities and public uses that meet the needs of Pinole residents.

FISCAL IMPACT

None at this time. Upon approval of an operating/lease agreement with the Pinole Historical Society, the fiscal impact would likely be an amount not to exceed \$500,000.



**REDEVELOPMENT AGENCY
REPORT 2007-67**

8A

OCTOBER 2, 2007

TO: CHARLES A. LONG, INTERIM EXECUTIVE DIRECTOR

FROM: FRANCINE KUYKENDALL, REDEVELOPMENT ANALYST

SUBJECT: ADOPT A RESOLUTION AUTHORIZING A LEASE AND GRANT AGREEMENT WITH THE PINOLE HISTORICAL SOCIETY FOR THE PROPERTY LOCATED AT 2100 SAN PABLO AVENUE IN AN AMOUNT NOT TO EXCEED \$400,000

RECOMMENDATION

To adopt a Resolution Authorizing the Interim Executive Director to execute a Lease and Grant Agreement with the Pinole Historical Society (Society) for the property located at 2100 San Pablo Avenue (also known as the “Faria House”) in an amount not to exceed \$400,000.

BACKGROUND

On October 17, 2006, the Agency Board accepted terms of a draft agreement with the Society to lease the property.

Staff and the Society have agreed on the attached Grant and Lease Agreement.

DISCUSSION

The attached Lease & Grant Agreement is substantially complete and includes the following terms:

- Five-year lease, with 3 automatic 5-year renewals (20 years).
- Society responsible for interior restoration.
- Agency will contribute, on a matching basis, an amount not to exceed \$400K toward restoration. The match will be at \$4 of Agency contribution to every \$1 raised by the Society.
- Society is responsible for all cost overruns. Costs in excess of \$500K (\$400K from Agency and \$100K from Society) are the sole responsibility of the Society. If Society completes the renovations for less than \$400K, the Agency will contribute remaining funds towards museum improvements.
- Triple Net Lease – The Society is responsible for all expenses associated with the property.

- Society will contribute \$500/month to the Agency to a Replacement Reserve account, which will cover capital costs such as roofing, plumbing, and electrical.
- Museum hours will be 10 am – 3 pm Tuesday through Sundays.
- No fee to museum visitors.
- City/Agency may use the facility during off-term hours.
- Society is responsible for observing all laws including, but not limited to prevailing wage and competitive bidding, and obtaining all necessary permits.

As of mid-September, the Society had received contributions of \$10,000. The Society is currently involved in fundraising efforts and seeking volunteer assistance.

BLIGHT ALLEVIATION

This project meets the original redevelopment objective of upgrading the downtown of Pinole to encourage activities and public uses that meet the needs of Pinole residents.

FISCAL IMPACT

Funding for the above is provided for in the Agency's adopted FY 2007-08 Capital Budget, Line Item Heritage Park Improvements, Account # 334-41310-8853.

ATTACHMENTS

- A. Resolution
- B. Lease & Grant Agreement

REDEVELOPMENT AGENCY RESOLUTION NO. ____-2007

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF PINOLE AUTHORIZING THE INTERIM EXECUTIVE DIRECTOR OF THE AGENCY TO ENTER INTO A LEASE AND GRANT AGREEMENT WITH THE PINOLE HISTORICAL SOCIETY FOR THE PROPERTY LOCATED AT 2100 SAN PABLO AVENUE IN AN AMOUNT NOT TO EXCEED \$400,000

WHEREAS, on November 22, 1972, the City Council of the City of Pinole (the "City") adopted Ordinance No. 313, establishing the Redevelopment Agency of the City of Pinole (the "Agency") and approving the Redevelopment Plan for the Pinole Vista Redevelopment Project (the "Project Area"), as amended and restated by Ordinance No. 2004-05 on May 5, 2004, and as may be further amended from time to time; (the "Plan"); and

WHEREAS, pursuant to California Community Redevelopment Law (Health and Safety Code Section 33000 *et. seq.*) (the "Redevelopment Law"), the Agency is authorized to engage in redevelopment activities that alleviate blighting conditions within the Project Area and that primarily benefit the Project Area, within the territorial jurisdiction of the Agency; and

WHEREAS, the Agency owns the property located at 2100 San Pablo Avenue; and

WHEREAS, the Pinole Historical Society agrees to cause interior renovations to the property to be constructed; and

WHEREAS, the Pinole Historical Society agrees to establish and maintain a first-class historical museum on said property; and

WHEREAS, the Pinole Historical Society agrees to a 4-to-1 financial matching program, through which the Agency matches \$4 for every \$1 earned or donated to the Society for the renovation project with an Agency contribution not to exceed \$400,000; and

WHEREAS, on October 17, 2006, the Board accepted terms and a draft agreement with the Pinole Historical Society to lease the property.

NOW THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF PINOLE AS FOLLOWS:

Section 1. The Agency hereby finds that all recitals are true and correct.

Section 2. The Agency hereby authorizes the expenditure of Redevelopment Agency Funds in an amount not to exceed \$400,000.

Section 3. The Executive Director of the Agency or his designee is hereby authorized to execute any and all documents in substantially the form on file with the City Clerk and to take such other action as necessary to carry out the intent of this Resolution.

PASSED AND ADOPTED this 2nd day of October 2007 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

Patricia Athenour, CMC
City Clerk/Agency Secretary

LEASE AND GRANT AGREEMENT

THIS LEASE AND GRANT AGREEMENT ("Agreement") made and entered into this ____ day of _____, 2007 ("Execution Date") by and between the Redevelopment Agency of the City of Pinole, a public body corporate and politic (hereinafter referred to as "Agency"), and The Pinole Historical Society, Inc., a California nonprofit corporation (hereinafter referred to as "Society") and together, with agency, the "Parties".

RECITALS

A. On November 22, 1972, the City Council of the City of Pinole ("City") adopted Ordinance No. 313, approving the Redevelopment Plan (as amended and restated by Ordinance No. 2004-05 on May 5, 2004, and as may be amended from time to time, "Redevelopment Plan") for the Pinole Vista Redevelopment Project ("Project Area"); and

B. The Agency has heretofore adopted an Implementation Plan ("Implementation Plan") setting forth programs and activities for the Project Area, including redeveloping the City's downtown area and encouraging activities and public uses that meet the needs of City residents; and

C. On March 5, 2003, the Agency acquired real property located within the Project Area at 2100 San Pablo Avenue, APN 401-120-029, as more specifically described in Exhibit A hereto ("Property"); and

D. Agency has prepared a conceptual and preliminary master plan for development of the Property, including creation of a phased conceptual "Heritage Park," relocation of the historical "Faria House" owned by the Agency to the Property, and inclusion of an initial architectural renovation plan detailing all renovation and tenant improvements to be completed on the Property (the "Preliminary Master Plan"), attached as Exhibit C and incorporated herein; and

E. Society shall work with an architect to complete the final architectural renovation plan detailing all renovation and tenant improvements to be completed on the Property. Such final plan shall be added to the Preliminary Master Plan and referred to as the Final Master Plan ("Final Master Plan") and is incorporated herein by reference.

F. On March 5, 2005, Faria House was relocated to the Property; and

G. Society desires to operate the "Pinole Historical Museum" in the Faria House in order to showcase the City's local history; and

H. Agency intends to provide a grant to fund a portion of the cost of improving the Faria House for use as the Pinole Historical Museum (the "Project") in order to facilitate the Redevelopment Plan; and

I. Society will complete the Project by installing and constructing those certain tenant improvements set forth in the architectural renovation section of the Final Master Plan (the "Improvements"); and

J. The Agency and Society have agreed to enter into this Agreement subject to its terms, conditions and covenants.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth herein, the Parties agree as follows:

ARTICLE I: Lease

1. Lease of Premises. Agency hereby leases to Society, and Society leases from Agency, Faria House (approximately 2,495 square feet of leasable area), all parking areas, and all landscaped areas located on the Property (collectively, the "Premises"), as approximately shown on the architectural plans attached hereto as Exhibit B (the "Site Plan"). Except as set forth in this Agreement to the contrary, Society shall have the right to exclusively use the Premises for operation of the Pinole Historical Museum and related uses.

2. Commencement of Lease; Term. The lease term shall commence ("Commencement Date") on the first day following the Execution Date of this Agreement. The lease term shall continue for five (5) years from the Commencement Date ("Initial Lease Term"). The Initial Lease Term shall automatically extend for three (3) additional terms of five (5) years each (each a "Lease Term") unless terminated by either Party upon not less than thirty (30) days' prior written notice to the other Party before the expiration of the applicable Lease Term. The Initial Lease Term shall be rent-free. Upon establishment of the Commencement Date, the Parties shall execute a memorandum acknowledging such date. Unless otherwise expressly stated in this Agreement, the Parties have no obligation hereunder prior to the Commencement Date.

3. Society Obligations.

3.1. Museum. No later than eighteen (18) months of the Commencement Date ("Establishment Period"), Society shall establish, operate, and maintain on the Premises the following: the Pinole Historical Museum (including but not limited to a gallery documenting the history of the City, the Agency, and the Faria family; historical reference and research materials and facilities; and graphic and historical documentation).

3.2. Rent. During the Initial Lease Term, Agency shall allow Society to occupy the Premises rent-free ("Rent-Free Period"). After the Rent-Free Period, Society shall pay rent to Agency in an amount equal to comparable rent paid at that time by similar nonprofit corporations within the City for occupancy of retail and office space ("Rent"), as determined by the sole discretion of Agency.

3.3 Public Use. Agency and City may use the Premises up to four (4) times per year for special events at which Society and its members agree to dress in period clothing and staff the event. Additionally, Agency and City shall be given priority of the use of the Premises during Off-Term Hours (defined in Section 3.7). Use of the Premises by entities other than Society, City or Agency shall be in accordance with policies and procedures of the Agency governing public use of Agency facilities.

3.4 Sublease. Society may sublease a portion of the Premises only upon written approval of the Agency. After the Rent-Free period, Society shall provide Agency with ten percent (10%) of all total revenue received as a result of Society's activities on the Premises (except fundraising revenue), less the cost of the goods sold and all additional expenses related to such goods ("Net Profits").

3.5 Improvements.

a. Society. Notwithstanding the Improvements required by Section 4 and movement of the caboose onto the Property upon retention of all applicable City permits, Society may install and make other improvements on the Property only upon prior written approval of the Agency and receipt of all necessary City approvals (i.e., building permits and design review). The improvements shall preserve the Property in compliance with Section 13 of this Agreement.

b. Agency. Agency shall have a right of entry onto the Premises to make such improvements to the Premises and the Property as the Agency determines reasonable, including but not limited to the Improvements required by Section 4.

3.6 Utilities and Maintenance. Society shall be responsible for all utility costs and day-to-day maintenance of the Premises, including but not limited to: commercial liability and property insurance; security alarm system; electricity; water; garbage; groundskeeper; janitorial services and supplies; museum telephone system; insurance; utilities; maintenance; and landscaping. Additionally, each month Society shall provide the Agency with Five Hundred Dollars (\$500.00) which the Agency shall place into a special account to pay costs of capital projects to maintain the Premises (the "Replacement Reserve") including but not limited to: roofing, plumbing; heating; ventilation; and paving.

3.7 Operation.

a. Hours. After the Establishment Period through each Lease Term, Society shall operate and maintain the Pinole Historical Museum and retail use for a minimum of thirty (30) hours per week which shall include the hours of 10:00 A.M. to 3:00 P.M Tuesday through Sunday. If Society wishes to change hours of operation for a temporary period of time, it shall request written approval from Agency, which request shall not be unreasonably withheld. Agency and City shall have priority of use of the Premises on Mondays and outside the hours of 10:00 a.m. and 3:00 p.m. Tuesday through Sunday (collectively, "Off-Term Hours"). Use of the second floor Premises during Off-Term Hours (whether by Agency, City, or other party) is prohibited.

b. Standards. Society shall operate and maintain the “Pinole Historical Museum” in a first-class manner similar to that of other museums within West Contra Costa County, including but not limited to the City of Richmond’s historical museum.

c. Admissions. Society shall not charge any fee to the museum visitors.

3.8 Responsibility for Artifacts. Society shall provide a curator to monitor and ensure proper treatment of the Pinole Historical Museum pieces. The curator shall be properly certified or otherwise qualified and may be a member of the Pinole Historical Society. Agency shall not be responsible for the Society’s artifacts or any artifacts loaned to the Society, or any fixtures or personal property located therein.

3.9 Annual Report. Each February, the Society shall provide to the Agency: (i) a report of activities and programs undertaken by the Society during the immediate prior fiscal year (January – December); (ii) a certified audit of activities during the immediate prior fiscal year; and (iii) proposed plans of activities and programs of the Society for the next then – current fiscal year.

3.10 Insurance.

a. Agency shall add the Premises to its existing insurance pool covering all City and Agency buildings. Within thirty (30) days following Agency payment of its insurance bill, Agency shall notify Society in writing of the incremental costs attributable to the Premises (“Insurance Costs”). The determination of the Insurance Costs shall be within the Agency’s reasonable discretion. Within ten (10) days of receipt of such notification, Society shall reimburse Agency for the Insurance Costs.

b. Society shall, if applicable, provide Agency with proof that Society carries and maintains full Worker’s Compensation Insurance and Employer’s Liability with an insurance carrier satisfactory to the Agency.

3.12 Possessory Interest. Society recognizes and understands that this Agreement may create a possessory interest subject to property taxation and the Society may be subject to the payment of property taxes levied on such interest.

3.13 Triple Net Lease. This is a triple net lease to Agency. It is the intent of the Parties that Society pay all costs and expenses relating to the Premises of any kind or nature whatsoever, to the extent that such costs and expenses are proportionate to Society’s use of the Premises as set forth in Section 3.3 and pursuant to Section 3.6. Such costs and expenses shall include, without limitation, all amounts attributable to, paid or incurred in connection with the ownership, operation, repair, restoration, maintenance and management of the Premises; real property taxes, rent taxes; gross receipt taxes (whether assessed against Agency or assessed against Society and collected by Agency, or both); water and sewer charges; insurance premiums (including earthquake); utilities; refuse disposal; lighting (including outside lighting); fire detection systems including monitoring, maintenance and repair; security; janitorial services; labor; air-conditioning

and heating; maintenance and repair costs and service contracts; costs of licenses, permits and inspections; and all other costs and expenses paid or incurred with respect to the Premises.

3.14 Supervision. During its use of the Premises, each Party shall be solely responsible for supervision and control of the Premises, whether or not that Party has delegated use of the Premises at that time to another individual or organization. Each Party shall supply any and all special equipment necessary for carrying out any of its programs. The salaries and other expenses of all personnel of a Party, either as an employee or under contract, shall be the sole responsibility of that Party. The Parties may agree to retain the employees of the other Party to provide services at the Premises for a fee to be agreed to by the Parties. Each Party shall provide workers' compensation insurance coverage for all of its employees involved in the use of the Premises.

3.15 Closure of Premises. The Parties recognize that the Premises, or any portion thereof, may need to be closed from time to time in the interest of public safety or for repairs and maintenance. Agency shall immediately notify Society of any conditions necessitating a closure of the Premises or any portion thereof.

ARTICLE II: Grant

4. Construction of the Improvements.

4.1. Commencement of Construction. Not later than thirty (30) days after the Execution Date of this Agreement, the Society shall promptly begin and thereafter diligently prosecute to completion the installation and/or construction of the Improvements. Notwithstanding anything in this Agreement to the contrary, the Executive Director of the Agency may authorize, in writing, an extension of time for commencement of construction.

4.2. Completion of Construction. The Society hereby agrees to complete the construction and installation of all Improvements.

5 Grant Provisions.

5.1 The Grant. The Agency agrees to provide a grant to the Society in an amount not to exceed Four Hundred Thousand Dollars (\$400,000.00) (the "Grant") to fund a portion of the costs incurred by the Society as a result of design, permitting, installation and/or construction of the Improvements. All costs incurred by the Society in connection with the design, permitting, installation and/or construction of the Improvements in excess of the Grant shall be the sole responsibility of the Society.

5.2 Conditions Precedent to All Grant Disbursements. Disbursement of all Grant funds are conditioned upon Agency's receipt and approval of a written request for each disbursement in accordance with Section 6.

6. Disbursement and Accounting; Use of Funds.

6.1 Disbursement Procedures, Requirements, and Retention.

6.1.1. Requests for Disbursement.

(a) 1:4 Ratio. The Agency shall disburse Grant funds in relation to donated dollars and volunteer labor hours. For each dollar donation the Society receives, the Agency shall provide Society with \$4.00 of Grant funds. For each hour of volunteer labor that Society obtains (valued by this Agreement at \$10/hour), Agency shall provide Society with \$40.00 of Grant funds.

(b) Requisitions. Society shall submit separate written requests for each disbursement of Grant funds, each in substantially the form attached hereto as Exhibit D (each a "Requisition"). Society shall submit each Requisition to the Agency with attached copies of any documents supporting the Requisition, including volunteer logs, proof of cash donations, invoices, bids, contracts, and payment schedules, and evidence of Society's payment of predevelopment and construction expenses (as applicable) required to have been paid from non-Agency sources under all prior Requisitions. The supporting documents shall state the time period in which work was performed, and the expenses to be funded with the Grant proceeds.

(b) Each Requisition shall be numbered. Requisitions shall each specifically include volunteer logs, indicate Improvement items for which payment is requested, the percentage of the item requested, and the cumulative amount of Grant funds paid to date.

6.1.2 Disbursement. The Agency shall disburse Grant funds as follows:

(a) Agency shall review each Requisition and determine whether the matching amount will be approved for disbursement or whether any additional supporting evidence may be required to support a disbursement. Provided that Agency has accepted the volunteer labor hours for which payment is requested, the Agency shall have thirty (30) days from receipt of each acceptable and complete Requisition to disburse Grant funds.

(b) Agency shall not expend more than Two Hundred Thousand Dollars (\$200,000) in Grant funds for volunteer labor hours until Society has provided proof to Agency of the receipt of receipt of Ten Thousand Dollars (\$10,000.00) in cash donations and Agency has expended Fifty Thousand Dollars (\$50,000.00) in matching funds for such cash donations,

6.2 Use of Grant Funds. Society agrees to expend Grant funds only for costs incurred in connection with the construction of the Improvements as detailed in the Requisition.

6.3 Remaining Grant Funds.

(a) Upon completion of the Improvements, Agency shall disburse any remaining Grant funds to Society to pay for additional improvements to the Museum, including but not limited to procurement and maintenance of historical artifacts and creation of displays.

(b) If Grant funds remain upon termination of the Agreement before completion of the Improvements, those undisbursed Grant funds shall be retained by the Agency.

6.4 Quarterly Reports. No less than every three (3) months, Society shall provide Agency with financial reports reporting how Society has spent money (including Grant, Society, and other funds), income and disbursements, and previously submitted Requisitions.

ARTICLE III: General Provisions

7. Indemnity. Society shall indemnify, save, and hold harmless the Agency and the City, along with their agents, officers and employees, from and against any and all liability, claims, suits, actions, damages, penalties and/or causes of action arising during the term of this Agreement out of any personal injury, loss of life or damage to the property of others, violation of any federal, state or municipal law or ordinance or other cause in connection with Society's operations under this Agreement and from and against all costs, counsel fees, expenses and liability incurred in and about any such claim, the investigation thereof or the defense of any action or proceedings brought thereon and from and against any orders, judgments or decrees which may be entered therein. Any individual volunteer must release the City and Agency from liability for any work on the Property in conjunction with the Final Master Plan or the Improvements.

8. Authority. Society has full power and authority to enter into this Agreement, including any necessary authorization by the Board of Directors, and shall be bound by the terms of this Agreement when executed and delivered.

9. Applicable Law; Prevailing Wages; Competitive Bidding.

(a) Agency and Society shall comply with all applicable federal, state, and local regulations, including but not limited to the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*

(b) Society and its contractors and agents shall comply with California Health and Safety Code Section 33422.1, and shall comply with California Labor Code Section 1720 *et seq.*, the regulations adopted pursuant thereto, and Agency's Prevailing Wages Policy (attached hereto as Exhibit E and incorporated herein) (collectively, referred to herein as, "Prevailing Wage Laws"), and shall be responsible for carrying out the requirements of such provisions.

(c) Society shall indemnify, defend (with counsel reasonably approved by Agency) and hold the Agency, the City, and their respective elected and appointed officers, officials, employees, agents, and representatives (collectively, the "Indemnitees") harmless from and

against all liability, loss, cost, expense (including without limitation attorneys' fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (all of the foregoing collectively "Claims") which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages or the requirement of competitive bidding in the construction of the Improvements, the failure to comply with any state or federal labor laws, regulations or standards in connection with this Agreement, including but not limited to the Prevailing Wage Laws, or any act or omission of Society related to this Agreement with respect to the payment or requirement of payment of prevailing wages or the requirement of competitive bidding, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that Agency and City do not and shall not waive any rights against Society which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by Agency or City, or Society's deposit with Agency of any of the insurance policies described in this Agreement. The provisions of this Section shall survive the completion of the Improvements and the expiration or earlier termination of this Agreement.

10. Assignment. The Society shall not cause or permit any voluntary transfer, assignment or conveyance of this Agreement, other than a transfer from the Society to a partnership in which the Society is the managing general partner or to a corporate or limited liability corporation or company in which the Society is the majority shareholder, and only with the prior written consent of the Agency, which consent shall not be unreasonably withheld. Any other transfer, assignment or conveyance shall be voidable and, at the Agency's election, shall constitute a breach of this Agreement. Any initial Agency consent to any transfer, assignment or conveyance shall not constitute Agency consent to any subsequent transfer, assignment or conveyance.

11. Notification. Until construction of the Improvements has been completed, the Society covenants that it will promptly notify the Agency in writing of the occurrence of any event which might materially and adversely affect its ability to construct the Improvements, or which constitutes, or with the giving of notice or passage of time or both would constitute, an Event of Default under this Agreement.

12. Fundraising. Any revenue resulting from Society fundraising events, after expenses, shall be used to offset the costs incurred by the Parties in connection with the Premises and the Property in the proportion to the amount each Party has spent. All revenue remaining from fundraising conducted exclusively by the Society shall be retained by the Society subject to the provisions of Section 3.4. All revenue derived by Society from such fundraising events at or on the Premises shall be used solely and exclusively for the Pinole Historical Museum.

13. Alterations and Preservation. Society shall make no major alterations or additions to the Property without the prior written consent of the other party. The following items shall be preserved onsite by Society in a weather-proof manner: doors; molding; trim; fireplace mantel; hardware; light fixtures; doorknobs; and door hinges.

14. Inspection of Premises. The Agency shall have the right from time to time, at reasonable hours, to enter the Premises to inspect the same, and to perform any inspection or public duty or responsibility of the Agency.

15. Return of Premises. Upon the termination of this Agreement, Society shall return the Premises to Agency and personal property of the Agency located therein in good and serviceable condition, damage by the elements and ordinary wear and tear excepted.

16. Non-Discrimination. Society covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Premises, nor shall the Society itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Societys, subtenants, subconsultants or vendees of the Premises or any portion thereof. The foregoing covenants shall run with the land.

All deeds, leases, and contracts for the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, or any portion thereof made or entered into by Developer, its successors or assigns, shall contain therein the following language:

(a) In Leases: "The Society herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the Society himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, Societys, subconsultants, subtenants, or vendees in the premises herein leased."

(b) In Contracts: "The contractor herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through it, and this contract is made and accepted upon and subject to the conditions that there shall be no discrimination against or segregation of any person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein transferred nor shall the contractor or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Societys, subconsultants, subtenants, or vendee s in the property herein transferred. The

foregoing provisions shall be binding upon and shall obligate the contractor and any subcontracting parties, successors, assigns and other transferees under the contract."

Notwithstanding the foregoing, with respect to familial status, nothing herein shall be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code nor shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to this Section.

17. Arbitration. Arbitration, if necessary, shall be used to settle any unresolved problems.

18. Termination. The Agreement may be terminated for cause by either party upon sixty (60) days written notice to the other party.

19. Default.

19.1 Events of Default. The occurrence of any of the following shall constitute an event of default ("Event of Default") of this Agreement by Society:

(a). Failure to Construct Improvements. Society's failure, neglect or refusal to commence construction of the Improvements within the time set forth in Section 4.1 of this Agreement, or such extension of time as may be granted by the Executive Director.

(b). Noncompliance with Governmental Requirements. Society's failure to timely comply with any written governmental requirements, including but not limited to obtaining licenses and permits.

(c). Bankruptcy. The filing by or against the Society of a voluntary or involuntary petition in bankruptcy or the adjudication of the Society as bankrupt or insolvent, or the filing of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or the seeking or consenting to or acquiescing in the appointment of any trustee, receiver, liquidator of the Society or any substantial part of or all of the property of the Society, and if any such proceeding is not dismissed within sixty (60) days; the Society is named in any such proceeding and the same is not dismissed within one hundred twenty (120) days.

(d). The abandonment or the vacation of the Premises by Society for a period of more than fifteen (15) consecutive days.

(e). A failure by Society to observe any other provision of this Agreement. Agency shall make the final determination whether Society complies with this Agreement.

19.2 Declaring Default. Whenever any Event of Default has occurred, other than failure to pay any sums due, the Agency shall give written notice of default to the Society. If Society has not made reasonable steps to cure the Event of Default within thirty (30) business days after the Date of Default (defined herein), or any extension approved in writing by the Agency, the Agency may enforce its rights and remedies under Section 19.3. Any default that has occurred shall be deemed to commence on the date that written notice of default is effective per Section 19.1 of this Agreement (the "Date of Default").

19.3 Remedies. In the event of a Default by Society, Agency, may at any time thereafter:

(a). Terminate Society's right to possession of the Premises by any lawful means, in which case this Agreement shall terminate and Society shall immediately surrender possession of the Leased Premises to Agency. In such event Agency shall be entitled to recover from Society the sum of all amounts set forth in California Civil Code Section 1951.2(a), including without limitation, the worth at the time of award of the amount by which all unpaid rent for the balance of the Term of this Agreement after the time of award exceeds the amount of such rental loss that Society proves could be reasonably avoided, and all other damages incurred by Agency by reason of Society's Default including, without limitation, the cost of recovering possession of the Leased Premises, and expenses of re-letting such as renovation of the Premises and real estate commissions and finder's fees actually paid for such re-letting. The "worth at the time of award" shall be computed in the manner provided in California Civil Code Section 1951.2(b) or its successor statute. For the purpose of determining unpaid rent under this paragraph, the rent reserved in this Agreement shall be deemed to be the sum of all then unpaid monetary obligations owed under this Agreement.

(b). Terminate the Agreement and withhold the disbursement of any remaining Grant funds. Termination of this Agreement under this Section or for any reason whatsoever shall not release either party from any liability or obligation arising from an event which may have occurred before termination, or from actions that, under the expressed terms of this Agreement, must be performed.

(c). Pursue any other remedy now or hereafter available to Agency under the laws of the State of California.

19.4. Waiver. The waiver by Agency of any breach of any term, covenant, or condition shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition.

20. Waiver of Relocation Benefits. As a partial consideration for the benefits provided to the Society by the Agency under the terms of this Agreement, Society does hereby voluntarily and knowingly release and forever discharge Agency, its successors and assigns from any and all claims or demands for relocation assistance benefits which may arise by reason of Chapter 16 of Division 7 of Title I of the Government Code of the State of California, or by reason of the federal act entitled "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970"

(Public Act 91-646), as amended, or by reason of any other law or regulations of the United States of America or the State of California.

21. Notices. Except as otherwise specified herein, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other part in accordance with this Section. All such notices shall be sent by:

- (1) personal delivery, in which case notice is effective upon delivery;
- (2) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt;
- (3) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;
- (4) facsimile transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or (b) a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a nonbusiness day.

AGENCY: Redevelopment Agency of the City of Pinole
 2131 Pear Street
 Pinole, CA 94564
 Phone: 510.724.9000
 Attn: Executive Director

SOCIETY: Pinole Historical Society
 P. O. Box 285
 Pinole, CA 94564
 Phone: 925.252.4850
 Attn: President

22. Independent Contractor Status. This Agreement is by and between two independent entities and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, or association. Society and Society's agents or employees shall at all times be wholly responsible for the manner in which it or its agents, or both, perform under this Agreement.

23. No Third Party Claims. Except to the extent set forth in Section 3, nothing contained in this Agreement shall create or justify any claim against the Agency by any third person whom the Society may have employed or contracted or may employ or contract relative to the purchase of any material, supplies or equipment, or the furnishing or the performance of any work or services with respect to any programs or projects being undertaken by Society.

24. Conflict of Interest. Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of the City, the Agency or the Society who exercises or has exercised any function or responsibilities with respect to activities assisted by tax increment funds in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities assisted under this Agreement, may obtain a personal or financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter.

25. Attorneys' Fees. If any action is instituted by any party to this Agreement to enforce the terms of this Agreement or to collect any sums due hereunder, the prevailing party in such action shall be entitled to recover its costs and reasonable attorneys' fees as awarded by the court in that action.

26. Severability. If one or more provisions of this Agreement are found invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions shall not in any way be affected, prejudiced, disturbed or impaired thereby, and all other provisions of this Agreement shall remain in full force and effect.

27. Joint and Several Liability. If the Society consists of more than one person or entity, each shall be jointly and severally liable to the Agency for the performance of this Agreement.

28. Time. Time is of the essence in the performance of the terms and conditions of this Agreement.

29. Governing Law. The laws of the State of California shall govern this Agreement.

30. Non-Liability of Agency and Agency Officials, Employees and Agents. No member, official, employee or agent of the Agency or the City shall be personally liable to the Society, or any successor in interest to the Society, in the event of any default or breach by the Agency or for any amount which may become due to Society or any successor under the terms of this Agreement.

31. Agency's Rights and Consent. No forbearance, failure or delay by the Agency in exercising any right, power or remedy, nor any single or partial exercise by the Agency of any right or remedy hereunder shall preclude the further exercise of such right, power or remedy. The Agency's consent to any act or omission by the Society may not be construed as the Agency's consent to any other or subsequent act or omission or as a waiver of the requirement to obtain the Agency's consent in any other instance. All of the Agency's rights, powers and remedies are

cumulative and shall continue in full force and effect until specifically waived in writing by the Agency.

32. Duration/Survival. This Agreement shall continue in full force and effect until the Improvements have been accepted by the Agency, which acceptance shall not be unreasonably withheld.

33. Headings. The headings within this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement.

34. Counterparts, Facsimile Copies. This Agreement shall be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement shall be effective upon transmission by any party to the other parties of a fully signed facsimile copy of the Agreement after the formal approval by the governing body of the Agency, so long as a copy of the Agreement signed by the transmitting party is delivered to the other parties within five (5) business days thereafter. In case of any conflict, the counterpart maintained by the Agency shall be deemed to be determinative.

35. Amendments/Complete Agreement. This Agreement constitutes the entire agreement between the parties and there are no conditions, agreements or representations between the parties except as expressed in said document. It is not the intent of the parties to this agreement to form a partnership or joint venture. The Agency and Society reserve the right to amend this Agreement by mutual consent. No amendment, modification, alteration or variation of the terms of this Agreement shall be valid unless in writing and signed and acknowledged and approved by both parties.

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Execution Date set forth above.

PINOLE HISTORICAL SOCIETY,

By: Marc Grisham
Its: President

REDEVELOPMENT AGENCY OF THE CITY OF
PINOLE,

By: Charlie Long
Its: Interim Executive Director

ATTEST:

By: Patricia Athenour
Its: Agency Secretary

APPROVED AS TO FORM:

By: Benjamin T. Reyes, II
Its: Redevelopment Counsel

EXHIBIT A

Legal Description - Underlying Property

EXHIBIT B

Site Plan- Faria House

EXHIBIT C
Preliminary Master Plan

EXHIBIT D
Form of Requisition

EXHIBIT E
Prevailing Wages Policy

LEASE AND GRANT AGREEMENT

THIS LEASE AND GRANT AGREEMENT ("Agreement") made and entered into this ____ day of _____, 2007 ("Execution Date") by and between the Redevelopment Agency of the City of Pinole, a public body corporate and politic (hereinafter referred to as "Agency"), and The Pinole Historical Society, Inc., a California nonprofit corporation (hereinafter referred to as "Society") and together, with agency, the "Parties".

RECITALS

A. On November 22, 1972, the City Council of the City of Pinole ("City") adopted Ordinance No. 313, approving the Redevelopment Plan (as amended and restated by Ordinance No. 2004-05 on May 5, 2004, and as may be amended from time to time, "Redevelopment Plan") for the Pinole Vista Redevelopment Project ("Project Area"); and

B. The Agency has heretofore adopted an Implementation Plan ("Implementation Plan") setting forth programs and activities for the Project Area, including redeveloping the City's downtown area and encouraging activities and public uses that meet the needs of City residents; and

C. On March 5, 2003, the Agency acquired real property located within the Project Area at 2100 San Pablo Avenue, APN 401-120-029, as more specifically described in Exhibit A hereto ("Property"); and

D. Agency has prepared a conceptual and preliminary master plan for development of the Property, including creation of a phased conceptual "Heritage Park," relocation of the historical "Faria House" owned by the Agency to the Property, and inclusion of an initial architectural renovation plan detailing all renovation and tenant improvements to be completed on the Property (the "Preliminary Master Plan"), attached as Exhibit C and incorporated herein; and

E. Society shall work with an architect to complete the final architectural renovation plan detailing all renovation and tenant improvements to be completed on the Property. Such final plan shall be added to the Preliminary Master Plan and referred to as the Final Master Plan ("Final Master Plan") and is incorporated herein by reference.

F. On March 5, 2005, Faria House was relocated to the Property; and

G. Society desires to operate the "Pinole Historical Museum" in the Faria House in order to showcase the City's local history; and

H. Agency intends to provide a grant to fund a portion of the cost of improving the Faria House for use as the Pinole Historical Museum (the "Project") in order to facilitate the Redevelopment Plan; and

I. Society will complete the Project by installing and constructing those certain tenant improvements set forth in the architectural renovation section of the Final Master Plan (the "Improvements"); and

J. The Agency and Society have agreed to enter into this Agreement subject to its terms, conditions and covenants.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth herein, the Parties agree as follows:

ARTICLE I: Lease

1. Lease of Premises. Agency hereby leases to Society, and Society leases from Agency, Faria House (approximately 2,495 square feet of leasable area), all parking areas, and all landscaped areas located on the Property (collectively, the "Premises"), as approximately shown on the architectural plans attached hereto as Exhibit B (the "Site Plan"). Except as set forth in this Agreement to the contrary, Society shall have the right to exclusively use the Premises for operation of the Pinole Historical Museum and related uses.

2. Commencement of Lease; Term. The lease term shall commence ("Commencement Date") on the first day following the Execution Date of this Agreement. The lease term shall continue for five (5) years from the Commencement Date ("Initial Lease Term"). The Initial Lease Term shall automatically extend for three (3) additional terms of five (5) years each (each a "Lease Term") unless terminated by either Party upon not less than thirty (30) days' prior written notice to the other Party before the expiration of the applicable Lease Term. The Initial Lease Term shall be rent-free. Upon establishment of the Commencement Date, the Parties shall execute a memorandum acknowledging such date. Unless otherwise expressly stated in this Agreement, the Parties have no obligation hereunder prior to the Commencement Date.

3. Society Obligations.

3.1. Museum. No later than eighteen (18) months of the Commencement Date ("Establishment Period"), Society shall establish, operate, and maintain on the Premises the following: the Pinole Historical Museum (including but not limited to a gallery documenting the history of the City, the Agency, and the Faria family; historical reference and research materials and facilities; and graphic and historical documentation).

3.2. Rent. During the Initial Lease Term, Agency shall allow Society to occupy the Premises rent-free ("Rent-Free Period"). After the Rent-Free Period, Society shall pay rent to Agency in an amount equal to comparable rent paid at that time by similar nonprofit corporations within the City for occupancy of retail and office space ("Rent"), as determined by the sole discretion of Agency.

3.3 Public Use. Agency and City may use the Premises up to four (4) times per year for special events at which Society and its members agree to dress in period clothing and staff the event. Additionally, Agency and City shall be given priority of the use of the Premises during Off-Term Hours (defined in Section 3.7). Use of the Premises by entities other than Society, City or Agency shall be in accordance with policies and procedures of the Agency governing public use of Agency facilities.

3.4 Sublease. Society may sublease a portion of the Premises only upon written approval of the Agency. After the Rent-Free period, Society shall provide Agency with ten percent (10%) of all total revenue received as a result of Society's activities on the Premises (except fundraising revenue), less the cost of the goods sold and all additional expenses related to such goods ("Net Profits").

3.5 Improvements.

a. Society. Notwithstanding the Improvements required by Section 4 and movement of the caboose onto the Property upon retention of all applicable City permits, Society may install and make other improvements on the Property only upon prior written approval of the Agency and receipt of all necessary City approvals (i.e., building permits and design review). The improvements shall preserve the Property in compliance with Section 13 of this Agreement.

b. Agency. Agency shall have a right of entry onto the Premises to make such improvements to the Premises and the Property as the Agency determines reasonable, including but not limited to the Improvements required by Section 4.

3.6 Utilities and Maintenance. Society shall be responsible for all utility costs and day-to-day maintenance of the Premises, including but not limited to: commercial liability and property insurance; security alarm system; electricity; water; garbage; groundskeeper; janitorial services and supplies; museum telephone system; insurance; utilities; maintenance; and landscaping. Additionally, each month Society shall provide the Agency with Five Hundred Dollars (\$500.00) which the Agency shall place into a special account to pay costs of capital projects to maintain the Premises (the "Replacement Reserve") including but not limited to: roofing, plumbing; heating; ventilation; and paving.

3.7 Operation.

a. Hours. After the Establishment Period through each Lease Term, Society shall operate and maintain the Pinole Historical Museum and retail use for a minimum of thirty (30) hours per week which shall include the hours of 10:00 A.M. to 3:00 P.M Tuesday through Sunday. If Society wishes to change hours of operation for a temporary period of time, it shall request written approval from Agency, which request shall not be unreasonably withheld. Agency and City shall have priority of use of the Premises on Mondays and outside the hours of 10:00 a.m. and 3:00 p.m. Tuesday through Sunday (collectively, "Off-Term Hours"). Use of the second floor Premises during Off-Term Hours (whether by Agency, City, or other party) is prohibited.

b. Standards. Society shall operate and maintain the “Pinole Historical Museum” in a first-class manner similar to that of other museums within West Contra Costa County, including but not limited to the City of Richmond’s historical museum.

c. Admissions. Society shall not charge any fee to the museum visitors.

3.8 Responsibility for Artifacts. Society shall provide a curator to monitor and ensure proper treatment of the Pinole Historical Museum pieces. The curator shall be properly certified or otherwise qualified and may be a member of the Pinole Historical Society. Agency shall not be responsible for the Society’s artifacts or any artifacts loaned to the Society, or any fixtures or personal property located therein.

3.9 Annual Report. Each February, the Society shall provide to the Agency: (i) a report of activities and programs undertaken by the Society during the immediate prior fiscal year (January – December); (ii) a certified audit of activities during the immediate prior fiscal year; and (iii) proposed plans of activities and programs of the Society for the next then – current fiscal year.

3.10 Insurance.

a. Agency shall add the Premises to its existing insurance pool covering all City and Agency buildings. Within thirty (30) days following Agency payment of its insurance bill, Agency shall notify Society in writing of the incremental costs attributable to the Premises (“Insurance Costs”). The determination of the Insurance Costs shall be within the Agency’s reasonable discretion. Within ten (10) days of receipt of such notification, Society shall reimburse Agency for the Insurance Costs.

b. Society shall, if applicable, provide Agency with proof that Society carries and maintains full Worker’s Compensation Insurance and Employer’s Liability with an insurance carrier satisfactory to the Agency.

3.12 Possessory Interest. Society recognizes and understands that this Agreement may create a possessory interest subject to property taxation and the Society may be subject to the payment of property taxes levied on such interest.

3.13 Triple Net Lease. This is a triple net lease to Agency. It is the intent of the Parties that Society pay all costs and expenses relating to the Premises of any kind or nature whatsoever, to the extent that such costs and expenses are proportionate to Society’s use of the Premises as set forth in Section 3.3 and pursuant to Section 3.6. Such costs and expenses shall include, without limitation, all amounts attributable to, paid or incurred in connection with the ownership, operation, repair, restoration, maintenance and management of the Premises; real property taxes, rent taxes; gross receipt taxes (whether assessed against Agency or assessed against Society and collected by Agency, or both); water and sewer charges; insurance premiums (including earthquake); utilities; refuse disposal; lighting (including outside lighting); fire detection systems including monitoring, maintenance and repair; security; janitorial services; labor; air-conditioning

and heating; maintenance and repair costs and service contracts; costs of licenses, permits and inspections; and all other costs and expenses paid or incurred with respect to the Premises.

3.14 Supervision. During its use of the Premises, each Party shall be solely responsible for supervision and control of the Premises, whether or not that Party has delegated use of the Premises at that time to another individual or organization. Each Party shall supply any and all special equipment necessary for carrying out any of its programs. The salaries and other expenses of all personnel of a Party, either as an employee or under contract, shall be the sole responsibility of that Party. The Parties may agree to retain the employees of the other Party to provide services at the Premises for a fee to be agreed to by the Parties. Each Party shall provide workers' compensation insurance coverage for all of its employees involved in the use of the Premises.

3.15 Closure of Premises. The Parties recognize that the Premises, or any portion thereof, may need to be closed from time to time in the interest of public safety or for repairs and maintenance. Agency shall immediately notify Society of any conditions necessitating a closure of the Premises or any portion thereof.

ARTICLE II: Grant

4. Construction of the Improvements.

4.1. Commencement of Construction. Not later than thirty (30) days after the Execution Date of this Agreement, the Society shall promptly begin and thereafter diligently prosecute to completion the installation and/or construction of the Improvements. Notwithstanding anything in this Agreement to the contrary, the Executive Director of the Agency may authorize, in writing, an extension of time for commencement of construction.

4.2. Completion of Construction. The Society hereby agrees to complete the construction and installation of all Improvements.

5 Grant Provisions.

5.1 The Grant. The Agency agrees to provide a grant to the Society in an amount not to exceed Four Hundred Thousand Dollars (\$400,000.00) (the "Grant") to fund a portion of the costs incurred by the Society as a result of design, permitting, installation and/or construction of the Improvements. All costs incurred by the Society in connection with the design, permitting, installation and/or construction of the Improvements in excess of the Grant shall be the sole responsibility of the Society.

5.2 Conditions Precedent to All Grant Disbursements. Disbursement of all Grant funds are conditioned upon Agency's receipt and approval of a written request for each disbursement in accordance with Section 6.

6. Disbursement and Accounting; Use of Funds.

6.1 Disbursement Procedures, Requirements, and Retention.

6.1.1. Requests for Disbursement.

(a) 1:4 Ratio. The Agency shall disburse Grant funds in relation to donated dollars and volunteer labor hours. For each dollar donation the Society receives, the Agency shall provide Society with \$4.00 of Grant funds. For each hour of volunteer labor that Society obtains (valued by this Agreement at \$10/hour), Agency shall provide Society with \$40.00 of Grant funds.

(b) Requisitions. Society shall submit separate written requests for each disbursement of Grant funds, each in substantially the form attached hereto as Exhibit D (each a "Requisition"). Society shall submit each Requisition to the Agency with attached copies of any documents supporting the Requisition, including volunteer logs, proof of cash donations, invoices, bids, contracts, and payment schedules, and evidence of Society's payment of predevelopment and construction expenses (as applicable) required to have been paid from non-Agency sources under all prior Requisitions. The supporting documents shall state the time period in which work was performed, and the expenses to be funded with the Grant proceeds.

(b) Each Requisition shall be numbered. Requisitions shall each specifically include volunteer logs, indicate Improvement items for which payment is requested, the percentage of the item requested, and the cumulative amount of Grant funds paid to date.

6.1.2 Disbursement. The Agency shall disburse Grant funds as follows:

(a) Agency shall review each Requisition and determine whether the matching amount will be approved for disbursement or whether any additional supporting evidence may be required to support a disbursement. Provided that Agency has accepted the volunteer labor hours for which payment is requested, the Agency shall have thirty (30) days from receipt of each acceptable and complete Requisition to disburse Grant funds.

(b) Agency shall not expend more than Two Hundred Thousand Dollars (\$200,000) in Grant funds for volunteer labor hours until Society has provided proof to Agency of the receipt of receipt of Ten Thousand Dollars (\$10,000.00) in cash donations and Agency has expended Fifty Thousand Dollars (\$50,000.00) in matching funds for such cash donations,

6.2 Use of Grant Funds. Society agrees to expend Grant funds only for costs incurred in connection with the construction of the Improvements as detailed in the Requisition.

6.3 Remaining Grant Funds.

(a) Upon completion of the Improvements, Agency shall disburse any remaining Grant funds to Society to pay for additional improvements to the Museum, including but not limited to procurement and maintenance of historical artifacts and creation of displays.

(b) If Grant funds remain upon termination of the Agreement before completion of the Improvements, those undisbursed Grant funds shall be retained by the Agency.

6.4 Quarterly Reports. No less than every three (3) months, Society shall provide Agency with financial reports reporting how Society has spent money (including Grant, Society, and other funds), income and disbursements, and previously submitted Requisitions.

ARTICLE III: General Provisions

7. Indemnity. Society shall indemnify, save, and hold harmless the Agency and the City, along with their agents, officers and employees, from and against any and all liability, claims, suits, actions, damages, penalties and/or causes of action arising during the term of this Agreement out of any personal injury, loss of life or damage to the property of others, violation of any federal, state or municipal law or ordinance or other cause in connection with Society's operations under this Agreement and from and against all costs, counsel fees, expenses and liability incurred in and about any such claim, the investigation thereof or the defense of any action or proceedings brought thereon and from and against any orders, judgments or decrees which may be entered therein. Any individual volunteer must release the City and Agency from liability for any work on the Property in conjunction with the Final Master Plan or the Improvements.

8. Authority. Society has full power and authority to enter into this Agreement, including any necessary authorization by the Board of Directors, and shall be bound by the terms of this Agreement when executed and delivered.

9. Applicable Law; Prevailing Wages; Competitive Bidding.

(a) Agency and Society shall comply with all applicable federal, state, and local regulations, including but not limited to the Americans with Disabilities Act, 42 U.S.C. §§ 12101 *et seq.*

(b) Society and its contractors and agents shall comply with California Health and Safety Code Section 33422.1, and shall comply with California Labor Code Section 1720 *et seq.*, the regulations adopted pursuant thereto, and Agency's Prevailing Wages Policy (attached hereto as Exhibit E and incorporated herein) (collectively, referred to herein as, "Prevailing Wage Laws"), and shall be responsible for carrying out the requirements of such provisions.

(c) Society shall indemnify, defend (with counsel reasonably approved by Agency) and hold the Agency, the City, and their respective elected and appointed officers, officials, employees, agents, and representatives (collectively, the "Indemnitees") harmless from and

against all liability, loss, cost, expense (including without limitation attorneys' fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (all of the foregoing collectively "Claims") which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages or the requirement of competitive bidding in the construction of the Improvements, the failure to comply with any state or federal labor laws, regulations or standards in connection with this Agreement, including but not limited to the Prevailing Wage Laws, or any act or omission of Society related to this Agreement with respect to the payment or requirement of payment of prevailing wages or the requirement of competitive bidding, whether or not any insurance policies shall have been determined to be applicable to any such Claims. It is further agreed that Agency and City do not and shall not waive any rights against Society which they may have by reason of this indemnity and hold harmless agreement because of the acceptance by Agency or City, or Society's deposit with Agency of any of the insurance policies described in this Agreement. The provisions of this Section shall survive the completion of the Improvements and the expiration or earlier termination of this Agreement.

10. Assignment. The Society shall not cause or permit any voluntary transfer, assignment or conveyance of this Agreement, other than a transfer from the Society to a partnership in which the Society is the managing general partner or to a corporate or limited liability corporation or company in which the Society is the majority shareholder, and only with the prior written consent of the Agency, which consent shall not be unreasonably withheld. Any other transfer, assignment or conveyance shall be voidable and, at the Agency's election, shall constitute a breach of this Agreement. Any initial Agency consent to any transfer, assignment or conveyance shall not constitute Agency consent to any subsequent transfer, assignment or conveyance.

11. Notification. Until construction of the Improvements has been completed, the Society covenants that it will promptly notify the Agency in writing of the occurrence of any event which might materially and adversely affect its ability to construct the Improvements, or which constitutes, or with the giving of notice or passage of time or both would constitute, an Event of Default under this Agreement.

12. Fundraising. Any revenue resulting from Society fundraising events, after expenses, shall be used to offset the costs incurred by the Parties in connection with the Premises and the Property in the proportion to the amount each Party has spent. All revenue remaining from fundraising conducted exclusively by the Society shall be retained by the Society subject to the provisions of Section 3.4. All revenue derived by Society from such fundraising events at or on the Premises shall be used solely and exclusively for the Pinole Historical Museum.

13. Alterations and Preservation. Society shall make no major alterations or additions to the Property without the prior written consent of the other party. The following items shall be preserved onsite by Society in a weather-proof manner: doors; molding; trim; fireplace mantel; hardware; light fixtures; doorknobs; and door hinges.

14. Inspection of Premises. The Agency shall have the right from time to time, at reasonable hours, to enter the Premises to inspect the same, and to perform any inspection or public duty or responsibility of the Agency.

15. Return of Premises. Upon the termination of this Agreement, Society shall return the Premises to Agency and personal property of the Agency located therein in good and serviceable condition, damage by the elements and ordinary wear and tear excepted.

16. Non-Discrimination. Society covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Premises, nor shall the Society itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Societys, subtenants, subconsultants or vendees of the Premises or any portion thereof. The foregoing covenants shall run with the land.

All deeds, leases, and contracts for the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, or any portion thereof made or entered into by Developer, its successors or assigns, shall contain therein the following language:

(a) In Leases: "The Society herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the Society himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, Societys, subconsultants, subtenants, or vendees in the premises herein leased."

(b) In Contracts: "The contractor herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through it, and this contract is made and accepted upon and subject to the conditions that there shall be no discrimination against or segregation of any person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the property herein transferred nor shall the contractor or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, Societys, subconsultants, subtenants, or vendee s in the property herein transferred. The

foregoing provisions shall be binding upon and shall obligate the contractor and any subcontracting parties, successors, assigns and other transferees under the contract."

Notwithstanding the foregoing, with respect to familial status, nothing herein shall be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code nor shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to this Section.

17. Arbitration. Arbitration, if necessary, shall be used to settle any unresolved problems.

18. Termination. The Agreement may be terminated for cause by either party upon sixty (60) days written notice to the other party.

19. Default.

19.1 Events of Default. The occurrence of any of the following shall constitute an event of default ("Event of Default") of this Agreement by Society:

(a). Failure to Construct Improvements. Society's failure, neglect or refusal to commence construction of the Improvements within the time set forth in Section 4.1 of this Agreement, or such extension of time as may be granted by the Executive Director.

(b). Noncompliance with Governmental Requirements. Society's failure to timely comply with any written governmental requirements, including but not limited to obtaining licenses and permits.

(c). Bankruptcy. The filing by or against the Society of a voluntary or involuntary petition in bankruptcy or the adjudication of the Society as bankrupt or insolvent, or the filing of any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under present or any future federal bankruptcy act or any other present or future applicable federal, state or other statute or law, or the seeking or consenting to or acquiescing in the appointment of any trustee, receiver, liquidator of the Society or any substantial part of or all of the property of the Society, and if any such proceeding is not dismissed within sixty (60) days; the Society is named in any such proceeding and the same is not dismissed within one hundred twenty (120) days.

(d). The abandonment or the vacation of the Premises by Society for a period of more than fifteen (15) consecutive days.

(e). A failure by Society to observe any other provision of this Agreement. Agency shall make the final determination whether Society complies with this Agreement.

19.2 Declaring Default. Whenever any Event of Default has occurred, other than failure to pay any sums due, the Agency shall give written notice of default to the Society. If Society has not made reasonable steps to cure the Event of Default within thirty (30) business days after the Date of Default (defined herein), or any extension approved in writing by the Agency, the Agency may enforce its rights and remedies under Section 19.3. Any default that has occurred shall be deemed to commence on the date that written notice of default is effective per Section 19.1 of this Agreement (the "Date of Default").

19.3 Remedies. In the event of a Default by Society, Agency, may at any time thereafter:

(a). Terminate Society's right to possession of the Premises by any lawful means, in which case this Agreement shall terminate and Society shall immediately surrender possession of the Leased Premises to Agency. In such event Agency shall be entitled to recover from Society the sum of all amounts set forth in California Civil Code Section 1951.2(a), including without limitation, the worth at the time of award of the amount by which all unpaid rent for the balance of the Term of this Agreement after the time of award exceeds the amount of such rental loss that Society proves could be reasonably avoided, and all other damages incurred by Agency by reason of Society's Default including, without limitation, the cost of recovering possession of the Leased Premises, and expenses of re-letting such as renovation of the Premises and real estate commissions and finder's fees actually paid for such re-letting. The "worth at the time of award" shall be computed in the manner provided in California Civil Code Section 1951.2(b) or its successor statute. For the purpose of determining unpaid rent under this paragraph, the rent reserved in this Agreement shall be deemed to be the sum of all then unpaid monetary obligations owed under this Agreement.

(b). Terminate the Agreement and withhold the disbursement of any remaining Grant funds. Termination of this Agreement under this Section or for any reason whatsoever shall not release either party from any liability or obligation arising from an event which may have occurred before termination, or from actions that, under the expressed terms of this Agreement, must be performed.

(c). Pursue any other remedy now or hereafter available to Agency under the laws of the State of California.

19.4. Waiver. The waiver by Agency of any breach of any term, covenant, or condition shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition.

20. Waiver of Relocation Benefits. As a partial consideration for the benefits provided to the Society by the Agency under the terms of this Agreement, Society does hereby voluntarily and knowingly release and forever discharge Agency, its successors and assigns from any and all claims or demands for relocation assistance benefits which may arise by reason of Chapter 16 of Division 7 of Title I of the Government Code of the State of California, or by reason of the federal act entitled "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970"

(Public Act 91-646), as amended, or by reason of any other law or regulations of the United States of America or the State of California.

21. Notices. Except as otherwise specified herein, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified below or to such other address as a Party may designate by written notice delivered to the other part in accordance with this Section. All such notices shall be sent by:

- (1) personal delivery, in which case notice is effective upon delivery;
- (2) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt;
- (3) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service;
- (4) facsimile transmission, in which case notice shall be deemed delivered upon transmittal, provided that (a) a duplicate copy of the notice is promptly delivered by first-class or certified mail or by overnight delivery, or (b) a transmission report is generated reflecting the accurate transmission thereof. Any notice given by facsimile shall be considered to have been received on the next business day if it is received after 5:00 p.m. recipient's time or on a nonbusiness day.

AGENCY: Redevelopment Agency of the City of Pinole
 2131 Pear Street
 Pinole, CA 94564
 Phone: 510.724.9000
 Attn: Executive Director

SOCIETY: Pinole Historical Society
 P. O. Box 285
 Pinole, CA 94564
 Phone: 925.252.4850
 Attn: President

22. Independent Contractor Status. This Agreement is by and between two independent entities and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, or association. Society and Society's agents or employees shall at all times be wholly responsible for the manner in which it or its agents, or both, perform under this Agreement.

23. No Third Party Claims. Except to the extent set forth in Section 3, nothing contained in this Agreement shall create or justify any claim against the Agency by any third person whom the Society may have employed or contracted or may employ or contract relative to the purchase of any material, supplies or equipment, or the furnishing or the performance of any work or services with respect to any programs or projects being undertaken by Society.

24. Conflict of Interest. Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of the City, the Agency or the Society who exercises or has exercised any function or responsibilities with respect to activities assisted by tax increment funds in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities assisted under this Agreement, may obtain a personal or financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter.

25. Attorneys' Fees. If any action is instituted by any party to this Agreement to enforce the terms of this Agreement or to collect any sums due hereunder, the prevailing party in such action shall be entitled to recover its costs and reasonable attorneys' fees as awarded by the court in that action.

26. Severability. If one or more provisions of this Agreement are found invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the remaining provisions shall not in any way be affected, prejudiced, disturbed or impaired thereby, and all other provisions of this Agreement shall remain in full force and effect.

27. Joint and Several Liability. If the Society consists of more than one person or entity, each shall be jointly and severally liable to the Agency for the performance of this Agreement.

28. Time. Time is of the essence in the performance of the terms and conditions of this Agreement.

29. Governing Law. The laws of the State of California shall govern this Agreement.

30. Non-Liability of Agency and Agency Officials, Employees and Agents. No member, official, employee or agent of the Agency or the City shall be personally liable to the Society, or any successor in interest to the Society, in the event of any default or breach by the Agency or for any amount which may become due to Society or any successor under the terms of this Agreement.

31. Agency's Rights and Consent. No forbearance, failure or delay by the Agency in exercising any right, power or remedy, nor any single or partial exercise by the Agency of any right or remedy hereunder shall preclude the further exercise of such right, power or remedy. The Agency's consent to any act or omission by the Society may not be construed as the Agency's consent to any other or subsequent act or omission or as a waiver of the requirement to obtain the Agency's consent in any other instance. All of the Agency's rights, powers and remedies are

cumulative and shall continue in full force and effect until specifically waived in writing by the Agency.

32. Duration/Survival. This Agreement shall continue in full force and effect until the Improvements have been accepted by the Agency, which acceptance shall not be unreasonably withheld.

33. Headings. The headings within this Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms of this Agreement.

34. Counterparts, Facsimile Copies. This Agreement shall be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement shall be effective upon transmission by any party to the other parties of a fully signed facsimile copy of the Agreement after the formal approval by the governing body of the Agency, so long as a copy of the Agreement signed by the transmitting party is delivered to the other parties within five (5) business days thereafter. In case of any conflict, the counterpart maintained by the Agency shall be deemed to be determinative.

35. Amendments/Complete Agreement. This Agreement constitutes the entire agreement between the parties and there are no conditions, agreements or representations between the parties except as expressed in said document. It is not the intent of the parties to this agreement to form a partnership or joint venture. The Agency and Society reserve the right to amend this Agreement by mutual consent. No amendment, modification, alteration or variation of the terms of this Agreement shall be valid unless in writing and signed and acknowledged and approved by both parties.

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Execution Date set forth above.

PINOLE HISTORICAL SOCIETY,

By: Marc Grisham
Its: President

REDEVELOPMENT AGENCY OF THE CITY OF
PINOLE,

By: Charlie Long
Its: Interim Executive Director

ATTEST:

By: Patricia Athenour
Its: Agency Secretary

APPROVED AS TO FORM:

By: Benjamin T. Reyes, II
Its: Redevelopment Counsel

EXHIBIT A

Legal Description - Underlying Property

EXHIBIT B

Site Plan- Faria House

EXHIBIT C
Preliminary Master Plan

EXHIBIT D
Form of Requisition

EXHIBIT E
Prevailing Wages Policy



REDEVELOPMENT AGENCY REPORT 2009-73

8E

NOVEMBER 17, 2009

TO: BELINDA B. ESPINOSA, EXECUTIVE DIRECTOR

FROM: FRANCINE KUYKENDALL, SENIOR PROJECT MANAGER

SUBJECT: FEASIBILITY STUDY -- PINOLE HISTORICAL MUSEUM

RECOMMENDATION

Receive a feasibility study report on the ability of the Pinole Historical Society to establish and maintain a Pinole Historical Museum.

BACKGROUND

On February 18, 2003, the Agency approved acquisition of the property known as Heritage Park. The 2.52-acre parcel stretches from San Pablo Avenue to Buena Vista. The original concepts for the property included relocating the Faria House to the site for potential use as a historical museum and developing affordable housing.

The Faria House relocation was complete in 2005. Since that time, the Agency has worked on the museum concept with the Pinole Historical Society (PHS). In 2008, the Agency published a Request for Proposal for a professional museum consultant to conduct a study to determine the feasibility of PHS establishing and maintaining a museum in the Faria House. Staff and PHS interviewed qualified respondents. The contract was awarded to Kathleen Brown of Atelier.

REVIEW & ANALYSIS

Kathleen Brown, Atelier, will present the results of the feasibility study, including analysis of potential income and comparison of revenue vs. expenses, as well as discuss some keys to creating a successful museum experience and ways in which PHS is already developing a museum without walls.

The report will answer the questions:

- Why
- Who
- What
- How

Board action is not required at this time. Staff will continue to work with PHS and will return to the Board with a recommendation at a later date.

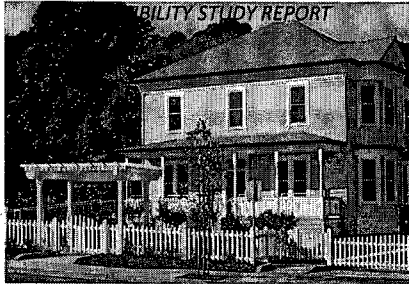
FISCAL IMPACT

None at this time.

ATTACHMENT

A. Feasibility Study Report

Pinole Historical Society Museum



ATELIER □ Kathleen Brown

ATELIER Kathleen Brown

- CA certified small business since 2002
- Principals experienced with more than 200 museum/cultural attractions across the US
- 30 Years in cultural sector as consultant and practitioner
- Moved to Bay Area 10 years ago to plan new Academy of Sciences
- Graduate Program for Museum Studies at JFKU in Berkeley

Pinole Historical Society Museum
Feasibility Study

2

Feasibility Defined

This study intends to answer the following:

Most museums are only partially "self-sufficient" - Is it feasible to raise the difference between earned revenues and operating expenses?

Avg. % self-sufficiency by museum type	% self-sufficient (earned)	% operating subsidy (raised)
Art Museums	24%	76%
History Museums	26%	74%
Science Centers	44%	56%
Children's Museums	43%	55%
All Museums	30%	70%

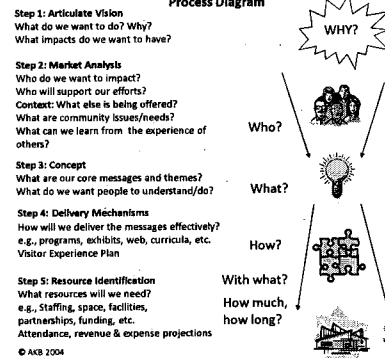
Source: American Association of Museums' 2003 Financial Information.

Study Outcome: independent and objective projections of attendance, revenue and expense that will identify the "gap"

Pinole Historical Society Museum Feasibility Study

3

PHS Museum Feasibility Analysis Process Diagram



Pinole Historical Society Museum Feasibility Study

4

Why

- To preserve, protect, collect, interpret, and promote the history of Pinole
- Focus on Pinole first, extend to Martinez Land Grant area, then West County
- Collaborate with other Historical Societies
- Human history of the area, focus from 1823 to today and tomorrow
- Inclusive of diverse history and elements of cultural identity
- Education and engagement is priority

The Pinole Historical Society promotes awareness and appreciation of history through preservation and education, and chronicles the city's heritage for current and future generations.



Community Visioning Session,
February 28, 2009

Pinole Historical Society Museum Feasibility Study

5

WHO: PHS Museum's Key Opportunities

- Bifurcated marketplace, city has successfully responded
 - Senior Center, Youth Center are city programs and are supplemented by support foundations
 - Youth Center has focused more on pre-teens – need for 13+ activities
- PHS has a key opportunity to leverage investments that city has made and emphasize intergenerational collaboration
 - Utilize Senior and Youth Commissions liaisons to project
 - Joint planning project for Faria House includes intergenerational intent
- Museum and PHS's activities *should be designed to appeal to a wide range of interests and perspectives and as a social venue*
- *Utilize Faria House as a venue for programs and activities*

Pinole Historical Society Museum Feasibility Study

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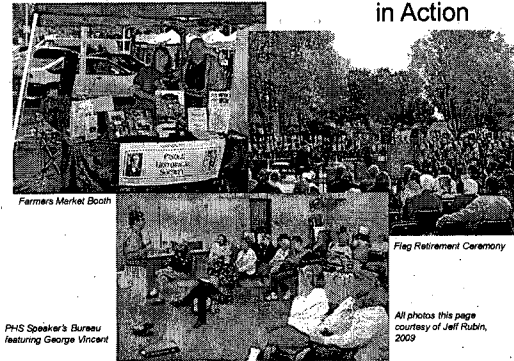
What and How

- Website: <http://www.pinolehistoricalsociety.org/>
- Lots of potential
- Utilize as central source
- Publications: Newsletter, Book(s)
 - Photo-history book and launch events
 - Monthly newsletter is excellent
- Presentations/speakers bureau
 - Successful series already in place, to be expanded
- Walking/driving historical tours – podcast, cell
- Festivals and events - such as Flag Retirement ceremony
- Collections - scope and mandate very stringent
 - To focus on digital collections and strategic collections plan for material culture that emphasizes documented Pinole provenance

Pinole Historical Society Museum Feasibility Study

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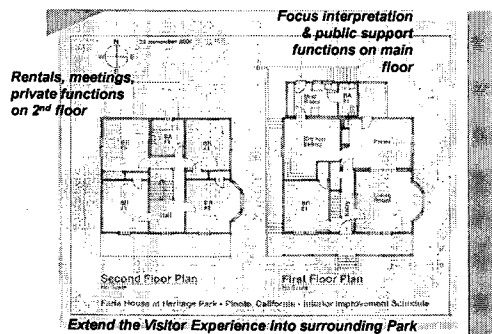
PHS Programs in Action



Pinole Historical Society Museum Feasibility Study

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Visitor Experience at Faria House



Pinole Historical Society Museum Feasibility Study

9

Central Exhibition – Community PhotoWall and Story Archive

Historical and contemporary photos in photo wall that grows each year (in stairwell and up walls)

Digital images, audio and video files are collected to comprise primary digital collection



Pinole Historical Society Museum Feasibility Study

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Concept for House and Park

- Concept to include surrounding park – access
- Develop park to include Heritage Gardens and demonstration herbs/vegetables, flowers
 - Garden Club, Youth and Rotary interest in garden project
- Facilities/outdoor space flexibly programmed
 - Program with events, workshops, work days
 - Use paved exterior as accessible space (tent)
- Need for integrated landscape/land use plan to pull it together

Pinole Historical Society Museum Feasibility Study

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Resources

- **Space and Facilities**
 - Utilize Faria House as venue for programs
 - Exhibition/primary visitor experience on 1st floor
 - Community meeting space, event support on 1st floor - access
 - PHS private use on 2nd floor, collections storage, office/workspace; add'l community space or shared with other community group
 - Flexibility is key

Pinole Historical Society Museum Feasibility Study

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Accessibility

- 1st Floor accessible and comprises primary visitor experience
- 2nd floor hallways and doorways too narrow; no wheelchair access (lift) and infeasible
- 2nd floor is reserved for *private* use:
 - PHS offices and collections storage (data, too)
 - Possible sub-lease, complementary organization
 - Rental of meeting rooms for group use

Pinole Historical Society Museum Feasibility Study

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Resources

- Staffing
 - 1st hire more likely to be programmatic than administrative – Program coordinator
 - Volunteer coordination also high priority
 - Board/Executive Committee will still manage PHS
 - Role of fund-raising in PHS growth and development

Pinole Historical Society Museum Feasibility Study

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Operating Assumptions

- All capital improvements for the Faria House will be accommodated and there will be no capital debt or debt service for PHS
- PHS will manage Faria House under an operating agreement with City of Pinole and the City will be a substantial partner in its operation and maintenance. *The more support from the city, the more feasible the project.*
- The grounds surrounding Faria House will be available to PHS for active use
- Faria House will operate as a free access center (like the Youth Center, Senior Center or library)

Pinole Historical Society Museum Feasibility Study

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Current PHS Financials

	2008	2009 YTD
Income membership, contributions	\$4,870	\$6,000 Newsletter ads
Expense Gen'l operating, insurance, printing, outreach	\$3,200	\$2,700 Book not included
Cash on hand	\$18,460 (Dec 31)	\$25,175 (June 18)

Operating a facility and active program will increase operating expenses dramatically

Pinole Historical Society Museum Feasibility Study

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Expense Categories

- Personnel – 50% of operating cost
 - 1 PT program coordinator = \$25,000
 - Active program requires high touch staffing
- Occupancy – rent/mortgage, insurance, maintenance, repairs, utilities
 - Easily escalate 10X in operation
 - Assume NO RENT
 - Insurance increases – liability, O&D
 - Will require collaboration with city to be feasible

Pinole Historical Society Museum Feasibility Study

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Expense Categories

- Program
 - On-site programs will require supervision and volunteer support to develop, operate
 - Integrates with classroom, curriculum
 - Website as promo and delivery
- Events
 - Both fund-raising and friend-raising
- Collections
 - Caring for objects and recording photos & stories

Pinole Historical Society Museum Feasibility Study

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Expense Projections

Category	Year 1		Year 5	
	Low	High	Low	High
Personnel	\$15,000	\$20,000	\$25,000	\$40,000
Occupancy ins; util; main.	\$8,000	\$15,000	\$10,000	\$20,000
Programs	\$2,500	\$8,000	\$5,000	\$10,000
Events	\$3,000	\$7,000	\$5,000	\$9,000
Collections	\$1,200	\$1,500	\$1,500	\$3,000
TOTAL	\$29,700	\$51,500	\$46,500	\$82,000

Pinole Historical Society Museum Feasibility Study

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Income Categories

Earned – admission, membership, program fees, retail, publications, reproductions, etc.

Contributed – individual contributions, grants, gifts, bequests

Government – direct line item support; "grants," in-kind

Endowment/investment returns – generated through capital investment

The "right" balance is key to a sustainable operation

Pinole Historical Society Museum Feasibility Study

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Earned Income Categories

- Publications and reproduction fees
- Advertising sales – newsletter, publications
- Membership
- Program and event fees
- Facility rentals/sublease
- Merchandise – branded, generic

Pinole Historical Society Museum Feasibility Study

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Revenue Projections

Category	2006 Martinez	2006 Richmond	Year 1 PHSM	Year 5 PHSM
Membership	\$9,000	\$10,000	\$4,000	\$5,000
Events/program s	\$7,200	\$15,000	\$3,000	\$7,000
Advertising sales			\$5,000	\$7,000
Merchandise net	\$2,500	\$8,500	\$2,000	\$6,000
Other earned		\$12,000	\$2,000	\$4,000
TOTAL			\$16,000	\$30,000

Pinole Historical Society Museum Feasibility Study

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Revenue/Expense Comparison

	Year 1 Mid-point		Year 5 Midpoint	
Expense	\$40,600		\$64,250	
Earned Revenue	\$16,000	40%	\$30,000	47%
Amount needed to break even	\$24,600	60%	\$34,250	53%

In Year 1, PHSM would need to raise ~ \$25,000

In Year 5, PHSM would need to raise ~ \$35,000

Pinole Historical Society Museum Feasibility Study

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Conclusion of Feasibility Study

- Go/no go decision:
 - Can Museum raise enough money to operate?
 - What is city ready to do?
 - How can PHS work with Sr/Youth Centers collaboratively?
 - What is reasonable funding mix given realities?

Pinole Historical Society Museum Feasibility Study

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**CITY COUNCIL
REPORT****9A**

DATE: SEPTEMBER 6, 2016

TO: MAYOR AND COUNCIL MEMBERS

FROM: HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: DISCUSS FUTURE USES OF THE FARIA HOUSE LOCATED AT
2100 SAN PABLO AVENUE

RECOMMENDATION

It is recommended that the City Council of the City of Pinole review, discuss and provide direction to Staff as to the future use of the Faria House located at 2100 San Pablo Avenue.

BACKGROUND

Following the purchase of the Faria property in 2003 discussion commenced regarding relocating the Faria House to an alternative site for potential use as a historical museum and developing affordable housing.

Following the relocation of the home, in June 2005 and in June 2006, staff made presentations to the City Council, serving as the then Redevelopment Agency Board, on possible reuse option of the Faria House. These uses ranged from a mix of commercial and residential uses, to public uses such as a museum or Chamber of Commerce offices. On September 19, 2006, the Pinole Historical and Museum Society made a presentation to the City Council regarding a possible use of the house as a museum and/or combination retail outlet (Attachment A). On October 17, 2006 staff presented the City Council with a report based on direction received at the September 19, 2006 meeting (Attachment B).

In 2008, the Agency published a Request for Proposal for a professional museum consultant to conduct a study to determine the feasibility of the Pinole Historical Society establishing and maintaining a museum in the Faria House. The report was completed in 2009, with the results presented to the Agency Board for discussion on November 17, 2009 (Attachment C & D).

REVIEW AND ANALYSIS

With the recent discussion on the sale of the Faria house, the issue of its use as a museum has been raised by the public. On July 19, 2016, the City Council

approved Resolution No. 2016-56, transferring the title of 2100 San Pablo Avenue from the Housing Successor Agency Fund to the City of Pinole in exchange for the fair market value of \$30,000. At the City Council meeting, members of the public expressed support for the purchase of the property by the City and reiterated their support to convert the house to a museum. One speaker also inquired about use as office space for community non-profit entities. The City Council directed staff to prepare a report on the possible uses of the property.

2100 San Pablo Avenue – Faria House/Property

The size of the property is approximately 100,624 sq. ft with the bulk of the property located on a tree covered hillside, which would be very difficult to develop. There is also a narrow pathway that leads from San Pablo Avenue through the property to Buena Vista Avenue. The site is zoned as Residential Mixed Use (RMU) & Commercial Mixed Use Districts (CMU). Attachment E outlines the permitted, conditioned and non-uses of the zoning.

The property improvements consist of a two story 2576 sq. ft. wood frame residential building with wood siding and composition roof. The structure was originally built in 1880 and partially modernized in 2005 when it was relocated from its original location to this property.

The home will require some significant renovations before any future use can occur, as it has been vacant for several years (Attachment F). There are sheetrock and plastered walls and ceilings, with wood and linoleum flooring throughout. The kitchen has a few countertops and cupboards. The first floor plan consists of five rooms and a half bath in the rear. The second level consists of three bedrooms and one full bathroom.

The first floor was partially renovated with a new 200 square foot space that includes a storage room and an ADA compliant restroom that was added in 2005 after the house was moved. The interior of both floors require numerous renovations including new interior paint, new fixtures, repaired walls, electrical, plumbing and renovated flooring. Moreover, the property would be subject to compliance with Americans with Disability Act (ADA) requirements, which will require significant renovations to provide access to the second floor.

In years past, there has been discussion regarding possible organizations that can benefit from use of the property, including the Pinole Artisans, Chamber of Commerce, and the Pinole Historical Society.

Other factors for discussion include who will be responsible for the necessary improvements to the interior of the house and exterior property, annual maintenance costs which includes utilities and maintaining the hillside, related property taxes, and other unanticipated costs.

With the proper renovations, the Faria House can be used as a museum or office space, as have been discussed as possible options in the past. Again, a full list of available uses based on the zoning is provided in Attachment E.

Now that the transfer of the property from the Housing Successor Agency to the City is complete, Staff is seeking Council direction on the desired future use(s).

FISCAL IMPACT

No impact at this time. However, Staff has obtained a rough estimate of the costs to repair the house and make the first and second floors ADA compliant. The estimated cost is in excess of \$400,000. The improvements include repairs to the inside of the house, as well as the outside and grounds. Prior to any work commencement, it is recommended that an architect be hired to prepare improvement plans which would be used to bid the project. Through this process a refined cost estimate will be obtained.

Given Council's most recent discussions on this subject, it seems that alternative funding sources will need to be identified to pay for the required improvements. Depending on the future use determination and direction, perhaps grants and other funding opportunities can be pursued in partnership with the new user(s).

ATTACHMENTS

- A September 19, 2006 Pinole Historical & Museum Society Presentation
- B October 17, 2006 Redevelopment Agency Report
- C November 17, 2009 Redevelopment Agency Report
- D November 17, 2009 Redevelopment Agency Minutes
- E Zoning for RMU & CMU
- F Photos of Faria House

**Pinole Historical and Museum Society
Presentation of Proposal
Pinole City Council
Tuesday, September 19, 2006**

Presentation Plan

- 1. Presentation of the Bank of Pinole Historical Plaque to the City of Pinole and Introduction of Purpose of the Museum Presentation:
*Marc Grisham, President, Pinole Historical and Museum Society (3 minutes)***
- 2. Pinole Heritage and Legacy:
*George Vincent, Member Pinole Historical and Museum Society (3 minutes)***
- 3. West County Facility Usage and Fees:
*Jack Meehan, Member Pinole Historical and Museum Society (3 minutes)***
- 4. Heritage Park and Faria House Plan (Part 1):
*Dana Grisham, Treasurer, Pinole Historical and Museum Society (3 minutes)***
- 5. Heritage Park and Faria House Plan (Museum Development Plan, Part 2):
*Lois Boyle, Member, Pinole Historical and Museum Society (3 minutes)***
- 6. Operating Agreement, Request for Signage and Address Change for Pinole Historical and Museum Society:**

WEST COUNTY FACILITY USAGE AND FEES PROPOSED FARIA HOUSE USAGE AND FEES

There are three historical organizations in West Contra Costa County. Two of these have facilities provided by their respective city governments for museum purposes—the Richmond Museum Association and the San Pablo Historical Society. Neither of these organizations is required to pay rent for use of the properties. The Richmond Museum of History is housed in a 1910 Carnegie Library and San Pablo's museums are housed in two restored houses. San Pablo does not have a formal written lease agreement, but records show that in exchange for the valued service provided by the San Pablo Historical Society in providing museum activity, the use is free.

The municipal department liaison to the society is the Parks and Recreation Department. The Richmond Museum Association has a formal operating agreement with the City of Richmond, which is attached for your information, indicating that the use is free and that some city services are provided. The departmental liaison to the association is the Library and Museum Services Department (it was formerly through the Recreation Department). Both cities, Richmond and San Pablo, provide facility maintenance—the level of maintenance is dictated annually by the cities' budget.

Across the county cities acknowledge that the value of services provided by private non-profit volunteer organizations such as those found in Richmond and San Pablo far exceeds any loss of revenue that the cities might experience as the result of these uses. They also find that donors are more comfortable making both monetary and artifact/archival donations to private non-profit organizations. It is also well documented by the National Trust for Historic Places that greater continuity of service exists where control and management does not rest with governmental bodies.

It would be an extremely rare situation if the Pinole Historic and Museum Society were required to pay rent or if the society did not have control over its premises.

The Pinole Historic Museum Society has a sound, fiscally responsible plan for the use of the Faria House as a historical museum. The plan includes a phased development strategy for museum space as artifact/archival material donations increase. The plan calls for a cooperative operating agreement between the City of Pinole and the society and a second cooperative operating agreement between the society and a local business.

The operating agreement between the city and the society permits the society to manage the facility to accomplish the steps outlined in the phased development plan. Such an agreement permits active solicitation of grant funds and public/private donations for start-up development and continued operations. This agreement also permits joint application for funding by the county library system and the society to gain museums, thus enabling the library and museum to provide programs to the schools and recreation department. The second operating agreement guarantees a self-supported museum operation and after-hours facility for discreet public use.

Accommodation for long-term maintenance of the facility may be included in the agreement with responsibility for the day-to-day operation and maintenance of the facility resting with the society but monitored by the city.

A draft "OPERATING AGREEMENT" between the City of Pinole and the Pinole Historical Society is attached.

DRAFT

HERITAGE PARK AND THE FARIA HOUSE

Old Town, Pinole, California

Heritage Park and the Faria House, in Old Town Pinole, offer a unique opportunity for the City of Pinole to provide its citizens with an historic museum and a site for cultural tourism. The visitation to the museum and park will depend largely upon the affiliated uses within the area and the cultural diversity of the programs and activities offered. The museum has the potential to draw visitors and shoppers to Old Town Pinole, increasing the visibility of the area's merchant services and enhancing their economic viability.

THE VISION

Imagine a spectacular, revitalized old town, rich in stories of a symbolic past, now being invigorated for all to enjoy and experience. This is the potential for Pinole's Old Town, located on historic Highway 4, on San Pablo Bay. A blending of the new with the old will reveal the moving stories of the people who settled here, who worked here, and the human spirit that led to the creation of the original port and the subsequent town.

ASSUMPTIONS

The City is desirous of providing its citizens with a museum; the City acknowledges the ability of the Pinole Historical Society and its volunteers to provide a museum for the citizens of Pinole; the City is willing to provide a facility to the Society in exchange for the valuable provision of museum services.

THE PLAN

The City and Society enter into an *Operating Agreement*; the City retains ownership of the historical building; the Society owns and operates the museum and manages the facility. The Facility Management Plan would include the establishment of educational programs, including the hosting of events, demonstrations, and activities in and around the Heritage Park that will establish a sense of place for visitors to Old Town.

THE USE

A museum, and appropriately related retail use, within this public heritage park will serve as a venue for educational programming for students and adults alike, a place where cooperative events, demonstrations, and activities can establish Pinole's sense of place in the early development of Contra Costa County. A creative compatible mix of uses within the house and the park will ensure the successful operation of the museum and can be accomplished at essentially no cost to the City. This mix can create a sense of welcome to students, researchers, and visitors alike while conveying an understanding of Old Town's significance to the greater City.

Faria House - Museum Development Plan

1. The Caboose to be moved alongside the parking lot as an interactive museum space to begin Pinole's story:
 - a) the waterfront
 - b) the shipping industry – the Carlotta
 - c) the railroad
 - d) Highway 40
 - e) transportation (horse and buggy, car, mule, etc.)
2. The story continues into the Faria House with the "Faria Story" in the parlour where typical turn of the century furniture is used. (piano, love seat, lamps)
3. Historical portraits on the hallway walls develop the story of early settlers and their links to regional development.
4. The commerce story, which drives the community, begins in the museum room:
 - a) Bank
 - b) Retail stores (clothing and household goods
 - c) Food services (butcher shops, bakeries, grocery, restaurants, bars, etc)
 - d) Repair services (livery, garage, shoemakers, etc.)
 - e) Contractors (homes, store, roadways, stc.)
 - f) Farming
 - g) Water source
5. Emergency Services
 - a) Fire Department (bucket brigade, horse and wagon, siren)
 - b) Police Department (jail, Constable, dispatch)
6. Communication:
 - a) Local news paper
 - b) Telephone
 - c) Telegraph
7. Entertainment
 - a) Opera House
 - b) Christmas tree bonfires
 - c) Costume balls
 - d) Bordellos
8. Farm/early kitchen (display implements used on the walls and countertop)
9. Institutions:
 - a) Schools
 - b) Doctors, hospitals, pharmacies
 - c) Post office
 - d) Library

DRAFT

OPERATING AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 200_, by and between the City of Pinole, a municipal corporation of the State of California (hereinafter referred to as "city"), and the Pinole Historic and Museum Society, Inc., a non-profit corporation of the State of California (hereinafter referred to as "society"), is for the purpose of cooperatively providing Pinole with a museum and facility for the education and research of local history, and the display of related artifacts and goods, and such facility will serve as a repository for the community's heritage:

WITNESSETH:

WHEREAS, City owns certain real property and improvements located thereon at _____, San Pablo Avenue, Pinole, California, and commonly known as the Faria House, and

WHEREAS, Society is a non-profit corporation organized for the purpose, among other things, of increasing and diffusing knowledge and appreciation of Pinole's local history, and

WHEREAS, in order to improve the conservation and selective exhibition of historical artifacts entrusted or assigned to the Society, City desired Society to perform certain museum-related services with respect to the Faria House; and

WHEREAS, Society desires to perform such museum-related services and management of the Faria House for City;

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, the parties agree as follows:

1 – FACILITY AND CONTENTS. City shall allow Society exclusive use of the Faria House and all improvements thereto together with all City property located thereon and therein, subject to the terms and conditions hereinafter set forth. The usage of this facility and its contents shall be at no rental cost to the Society.

2 – USE OF FACILITY AND CONTENTS. The Society shall operate and maintain the Faria House in two sections: there shall be maintained a Permanent Historical Gallery on the main floor and other areas as time and resources permit, and with related reference/research capabilities therein; there shall be graphic and historical documentation on appropriate wall surfaces delineating the historical heritage of the City. Gallery displays, reference/research facilities, and graphic and historical documentation shall be accomplished through the assistance of a Museum Development Advisory Committee, consisting of local citizens and community and business leaders.

3 – OTHER USES OF FACILITY. The use of the museum facility for any use other than normal museum purposes must be mutually agreed upon in advance, in writing, by parties. The City's Director of _____ is authorized to provide or withhold such consent on behalf of the City. The Society's Board of Directors, similarly, will act for the Society.

4 – STAFFING OF MUSEUM. Society will be responsible for providing volunteer staff necessary for keeping museum open to the public.

5 – MAINTENANCE OF MUSEUM. City shall be responsible for maintenance of exterior of museum; including building, grounds, parking lot, and adjoining public spaces. Society shall be responsible for routine maintenance of all interior spaces. Such maintenance shall be done during hours when museum operations will be least impacted, and shall be mutually agreed upon.

6 – OPERATION SCHEDULE. The schedule of exhibit hours open to the public will be based on available personnel and as dictated by public response. The Society shall have as its goal the provision of museum facilities to the public on a routine thirty (30) hour week, on a six-day per week basis.

7 – RESPONSIBILITY FOR ARTIFACTS. City shall not be responsible for the Society's artifacts or any artifacts loaned to the Society, or any fixtures or personal property located therein.

8 – FUND RAISING. The Society may engage in fund raising to meet its operating and maintenance costs. The Society and City may engage in mutually operated fund raising events, and such revenue resulting from such events, after expenses, will be mutually shared by the City and Society. All profits remaining from fund raising conducted exclusively by the Society shall be retained by the Society. All profits derived from such funding raising shall be used solely and exclusively for the benefit of the Museum.

9 – ANNUAL REPORT. At the close of each fiscal year of the Society, the Society shall provide to the City a report of activities and programs undertaken by the Society during the previous fiscal year and proposed plans of activities and programs of the Society for the next fiscal year.

10 – COMPLIANCE WITH PROCEDURES AND BUILDING REGULATIONS. The City and Society shall comply with all building safety, security and operating procedures as set forth in this agreement and as may be set forth by the City.

11 – INSURANCE. The Society shall furnish the City a Certificate of Public Liability/Property Damage Insurance with a combined single limit in an amount no less than \$1,000,000 each occurrence. Evidence that the City shall be an additional insured there under is mandatory. The policy shall provide that no cancellation, major change in coverage or expiration shall be come effective or occur until at least fifteen (15) days after receipt of such notice by City. Each year a copy of said policy shall be filed with

the City Clerk, and such insurance shall be maintained throughout the existence of the Agreement.

The Society shall, if it uses other than voluntary staffing for the Museum, also furnish the City with proof that Association carries and maintains full Worker's Compensation Insurance and Employer's Liability with an insurance carrier satisfactory to the City.

12—Indemnity – The Society shall indemnify and save the City, its agents, officers and employees harmless from and against any and all liability, claims, suits, actions, damages, penalties and/or causes of action arising during the term of this Agreement out of any personal injury, loss of life or damage to the property of others, violation of any federal, state or municipal law or ordinance or other cause in connection with Society's operations under this Agreement and from and against all costs, counsel fees, expenses and liability incurred in and about any such claim, the investigation thereof or the defense of any action or proceedings brought thereon and from and against any orders, judgments or decrees which may be entered therein.

13—Alterations – The Society and City shall make no major alterations or additions to the Museum premises without the prior written consent of the other party.

14—Inspection of Premises – The City shall have the right from time to time, at reasonable hours and in a reasonable fashion, to enter upon the Museum premises to inspect the same, and to perform any inspection or public duty or responsibility of the City.

15—Return of Premises – Upon the termination of this Agreement, the Society shall return to the City the Museum premises and personal property of the City located therein in good and serviceable condition, damage by the elements and ordinary wear and tear excepted.

16—Assignment – The Society shall not assign any of its rights under this Agreement to any person or group unless and until City's Council shall have agreed in writing thereto, but such consent shall not be unreasonably withheld.

17—Non-Discrimination – The Society herein covenants by and for itself, its assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, sex, creed, national origin or ancestry, in the use of the premises; nor shall the Society itself, or any person claiming under through it, establish or permit any such practice or practices of discrimination or segregation in the premises. This covenant is a material portion of this Agreement.

18 – TERM. This Agreement shall commence on the date of execution and continue thereafter. This Agreement can be amended by mutual consent of both parties. Arbitration, if necessary, shall be used to settle any unresolved problems. The Agreement

may be terminated for cause by either party upon one hundred eighty (180) days written notice to the other party.

19—Waiver of Relocation Benefits – As a partial consideration for the benefits provided to the Society by the City under the terms of this Agreement, the Society does hereby voluntarily and knowingly release and forever discharge City, its successors and assigns from any and all claims or demands for relocation assistance benefits which may arise by reason of Chapter 16 of Division 7 of Title I of the Government Code of the State of California, or by reason of the federal act entitled “Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970” (Public Act 91-646), as amended, or by reason of any other law or regulations of the United States of America or the State of California.

20—Notices – All notices or communications shall be sent to the parties at the following addresses:

City of Pinole
2131 Pear Street
Pinole, CA 94564

Pinole Historic and Museum Society
P. O. Box 285
Pinole, CA 94564

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first hereinabove set forth.

CITY OF PINOLE

PINOLE HISTORIC AND MUSEUM SOCIETY

Mayor

President

City Clerk

Recording Secretary

Approved as to form:

City Attorney

Date

DRAFT

OTHER USE OF FACILITY AGREEMENT

In accordance with Section 3 – OTHER USES OF FACILITY – the Society is hereby granted permission to engage in a *Retail Agreement* for a portion of the Faria House, in order to facility the creation, maintenance, funding, and provision of required open hours, with an appropriate private retail enterprise.

(for a period of five years – with an option to renew for another five years, and thereafter by mutual agreement)

REDEVELOPMENT AGENCY REPORT 2006-53

OCTOBER 17, 2006

TO: BELINDA B. ESPINOSA, EXECUTIVE DIRECTOR

FROM: CHRISTINE MAHER, SENIOR PROJECT MANAGER

SUBJECT: REUSE OF THE FARIA HOUSE BY THE PINOLE HISTORICAL SOCIETY

RECOMMENDATION

That the Redevelopment Agency Board of Directors accept this informational report and provide direction to Staff on the reuse of the Faria house at Heritage Park by the Pinole Historical Society.

BACKGROUND

On February 18, 2003, the Redevelopment Agency approved the acquisition of the property located at 2100 San Pablo Avenue, in Old Town Pinole. Then, on March 18, 2003, the Agency authorized an agreement with Architect Michael Woldemar & Associates for architectural consulting services for creation of a phased "Heritage Park" concept and the possible relocation of the Faria house to the site. The conceptual master plan was presented to the neighborhood and Agency Board at a public meeting on June 16, 2003. The Planning Commission approved the project at its September 13, 2004 meeting.

The project contains two distinct phases. The first phase includes the relocated Faria house and ancillary improvements, including drainage, driveway and parking areas, ADA accessible concrete walkways and ramps, fencing, signage, lighting, one ADA accessible restroom, and landscaping, at the southern frontage of the property along San Pablo Avenue. The second phase will involve the construction of single-family cottages and a common detached garage along the northern site frontage on Buena Vista Drive.

The Faria house was relocated to Heritage Park on March 5, 2005 and all exterior renovations are complete.

In June of 2005 and again in June of 2006, Staff made a presentation to the Agency Board about possible reuse options for the Faria house. These uses ranged from a mix of commercial and residential uses, to public uses such as a museum or Chamber of Commerce offices. At the June 2006 meeting, a representative from the Pinole Historical Society spoke of the Society's desire to reuse the entirety of the house as a museum.

On September 19, 2006, the Pinole Historical Society made a formal presentation to the full Board regarding a museum and retail concept at Heritage Park. The Board directed Staff to bring the Society's proposal back to a future Board meeting for further review.

DISCUSSION

Subsequent to the September 19 Board meeting, Staff met with members of the Pinole Historical Society (PHS) to establish proposed deal points for creation of a museum and associated retail use at Heritage Park. The proposed deal points are as follows:

- **Renovation Master Plan.** Agency, in consultation with PHS, will prepare a master plan detailing all renovation work that needs to be completed, and establishing a finish schedule. All improvements must be made in accordance with the plan.
- **Agency Financing.** Agency has allocated up to \$500k for architectural plans, including a renovation master plan/finish schedule, and building improvements. All work funded by the Agency must be prevailing wage.
- **Establishment Period/Rent.** Agency will allow PHS 3 years to establish a museum in a quality similar to other area museums. Failure to establish such a museum within this three-year period will constitute a default. During the establishment period, and for 2 years thereafter, the Agency will allow the PHS to use the Property rent-free. After those 5 years, Agency will reconsider the rent terms and likely charge a small amount of rent comparable to that of the Pinole Players and/or other nonprofits.
- **Sublease.** Upon prior written approval of the Agency, PHS may sublease the Property to a retail tenant. After the 3-year establishment period and the 2 years rent-free, the Agency may consider receiving a percentage of the retail tenant's profits.
- **ADA & Other Regulations.** PHS shall follow all applicable federal, state, and local regulations, including the ADA, which likely requires PHS to provide a bathroom upstairs and may also require the retail tenant to provide some degree of retail service downstairs.
- **Curator.** PHS shall arrange a curator to monitor and ensure proper treatment of the museum pieces.
- **Term of Agreement.** Term of the Agreement shall be 20 years.
- **Utilities & Maintenance.** PHS shall pay all insurance, utilities, maintenance, and landscaping of the Property. Failure to maintain the Property at any point during the term of Agreement shall constitute a default.
- **Improvements.** Upon prior written approval of the Agency, PHS may install the caboose or other improvements on the property immediately adjacent to the Faria house. Agency may consider construction of bocce ball facilities on the site at a future date.
- **Hours of Operation.** PHS must operate the museum and retail service for a minimum of 30 hours/week (starting at 10-3 Tu-Sun).
- **Standards of Operation.** PHS shall operate and maintain the museum, retail service, and any improvements in a first-class manner similar to that of other museums within the area (ex: Richmond)
- **Public Use.** Agency/City will be able to have unlimited use of the Property, with 1 week advance written notice to PHS.

- **"Property" definition.** The Property granted for use by Agency to PHS includes the Faria house itself along with all parking and landscaped areas. Agency will provide detailed architectural plans as an exhibit to the Agreement.
- **Use of Faria House Pre-Agreement.** After approval of the Agreement by the Agency Board, PHS may use the Faria house as follows:
 - **Address.** PHS may begin to use the Faria house as its address for letterhead purposes.
 - **Signage.** PHS may place signage on the Property describing the Faria house as the future home of PHS.

The Redevelopment Subcommittee reviewed these deal points at its meeting of October 10, 2006, and recommended that the report be brought forward to the full Board for consideration. Should the Agency Board approve of these proposed deal points, Staff will work with the PHS to draft an operating/lease agreement.

BLIGHT ALLEVIATION

This project meets the original redevelopment objective of upgrading the downtown of Pinole to encourage activities and public uses that meet the needs of Pinole residents.

FISCAL IMPACT

None at this time. Upon approval of an operating/lease agreement with the Pinole Historical Society, the fiscal impact would likely be an amount not to exceed \$500,000.

**REDEVELOPMENT AGENCY
REPORT 2009-73****8E****NOVEMBER 17, 2009**

TO: BELINDA B. ESPINOSA, EXECUTIVE DIRECTOR

FROM: FRANCINE KUYKENDALL, SENIOR PROJECT MANAGER

SUBJECT: FEASIBILITY STUDY -- PINOLE HISTORICAL MUSEUM

RECOMMENDATION

Receive a feasibility study report on the ability of the Pinole Historical Society to establish and maintain a Pinole Historical Museum.

BACKGROUND

On February 18, 2003, the Agency approved acquisition of the property known as Heritage Park. The 2.52-acre parcel stretches from San Pablo Avenue to Buena Vista. The original concepts for the property included relocating the Faria House to the site for potential use as a historical museum and developing affordable housing.

The Faria House relocation was complete in 2005. Since that time, the Agency has worked on the museum concept with the Pinole Historical Society (PHS). In 2008, the Agency published a Request for Proposal for a professional museum consultant to conduct a study to determine the feasibility of PHS establishing and maintaining a museum in the Faria House. Staff and PHS interviewed qualified respondents. The contract was awarded to Kathleen Brown of Atelier.

REVIEW & ANALYSIS

Kathleen Brown, Atelier, will present the results of the feasibility study, including analysis of potential income and comparison of revenue vs. expenses, as well as discuss some keys to creating a successful museum experience and ways in which PHS is already developing a museum without walls.

The report will answer the questions:

- Why
- Who
- What
- How

Board action is not required at this time. Staff will continue to work with PHS and will return to the Board with a recommendation at a later date.

FISCAL IMPACT

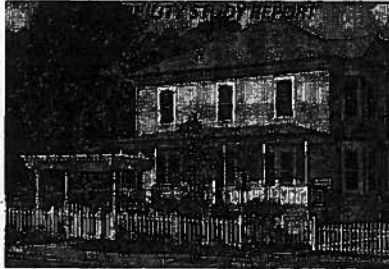
None at this time.

ATTACHMENT

A. Feasibility Study Report

11/10/2009

Pinole Historical Society Museum



ATELIER □ Kathleen Brown

ATELIER Kathleen Brown

- CA certified small business since 2002
- Principals experienced with more than 200 museum/cultural attractions across the US
- 30 Years in cultural sector as consultant and practitioner
- Moved to Bay Area 10 years ago to plan new Academy of Sciences
- Graduate Program for Museum Studies at JFKU in Berkeley

Pinole Historical Society Museum
Feasibility Study

2

Feasibility Defined

This study intends to answer the following:

Most museums are only partially "self-sufficient" - Is it feasible to raise the difference between earned revenues and operating expenses?

Org. % self-sufficiency by museum type	% self-sufficient (earned)	% operating subsidy (raised)
Art Museums	24%	76%
History Museums	24%	76%
Science Centers	44%	56%
Children's Museums	33%	67%
All Museums	30%	70%

Source: American Association of Museums' 2003 Financial Information.

Study Outcome: Independent and objective projections of attendance, revenue and expense that will identify the "gap"

Pinole Historical Society Museum Feasibility Study

3

PHS Museum Feasibility Analysis Process Diagram

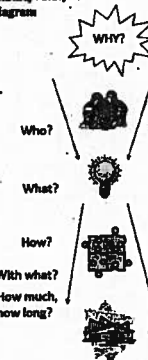
Step 1: Articulate Vision
What do we want to do? Why?
What impacts do we want to have?

Step 2: Market Analysis
Who do we want to impact?
Who will support our efforts?
Context: What else is being offered?
What are community issues/trends?
What can we learn from the experience of others?

Step 3: Concept
What are our core messages and themes?
What do we want people to understand/do?

Step 4: Delivery Mechanisms
How will we deliver the messages effectively?
e.g., programs, exhibits, web, curricula, etc.
Visitor Experience Plan

Step 5: Resource Identification
What resources will we need?
e.g., staffing, space, facilities, partnerships, funding, etc.
Attendance, revenue & expense projections
© AEB 2004



Pinole Historical Society Museum Feasibility Study

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Why

- To preserve, protect, collect, interpret, and promote the history of Pinole
- Focus on Pinole first, extend to Martinez Land Grant area, then West County
- Collaborate with other Historical Societies
- Human history of the area, focus from 1823 to today and tomorrow
- Inclusive of diverse history and elements of cultural identity
- Education and engagement is priority

The Pinole Historical Society promotes awareness and appreciation of history through preservation and education, and chronicles the city's heritage for current and future generations.



Community Visiting Session,
February 28, 2009

Pinole Historical Society Museum Feasibility Study

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WHO: PHS Museum's Key Opportunities

- Bifurcated marketplace, city has successfully responded
 - Senior Center, Youth Center are city programs and are supplemented by support foundations
 - Youth Center has focused more on pre-teens - need for 13+ activities
- PHS has a key opportunity to leverage investments that city has made and emphasize intergenerational collaboration
 - Utilize Senior and Youth Commissions liaisons to project
 - Joint planning project for Faria House includes intergenerational intent
- Museum and PHS's activities *should be designed to appeal to a wide range of interests and perspectives and as a social venue*
- Utilize Faria House as a venue for programs and activities

Pinole Historical Society Museum Feasibility Study

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What and How

- Website: <http://www.pinalohistoricalociety.org/>
- Lots of potential
- Utilize as central source
- Publications: Newsletter, Book(s)
 - Photo-history book and launch events
 - Monthly newsletter is excellent
- Presentations/speakers bureau
 - Successful series already in place, to be expanded
- Walking/driving historical tours – podcast, cell
- Festivals and events – such as Flag Retirement ceremony
- Collections – scope and mandate very stringent
 - To focus on digital collections and strategic collections plan for material culture that emphasizes documented Pinalo provenance

Pinalo Historical Society Museum Feasibility Study

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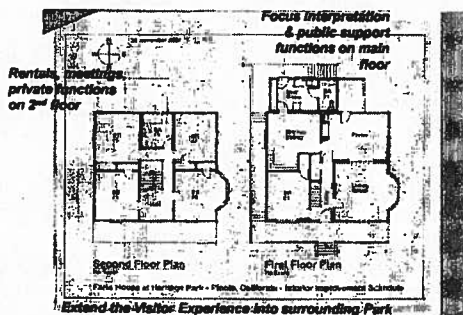
PHS Programs in Action



Pinalo Historical Society Museum Feasibility Study

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Visitor Experience at Faria House



Pinalo Historical Society Museum Feasibility Study

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Central Exhibition – Community PhotoWall and Story Archive

Historical and contemporary photos in photo wall that grows each year (in stairwell and up walls)

Digital images, audio and video files are collected to comprise primary digital collection



Pinalo Historical Society Museum Feasibility Study

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Concept for House and Park

- Concept to include surrounding park – access
- Develop park to include Heritage Gardens and demonstration herbs/vegetables, flowers
 - Garden Club, Youth and Rotary interest in garden project
- Facilities/outdoor space flexibly programmed
 - Program with events, workshops, work days
 - Use paved exterior as accessible space (tent)
- Need for integrated landscape/land use plan to pull it together

Pinalo Historical Society Museum Feasibility Study

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Resources

- **Space and Facilities**
 - Utilize Faria House as venue for programs
 - Exhibition/primary visitor experience on 1st floor
 - Community meeting space, event support on 1st floor - access
 - PHS private use on 2nd floor, collections storage, office/workspace); add'l community space or shared with other community group
 - Flexibility is key

Pinalo Historical Society Museum Feasibility Study

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Accessibility

- 1st Floor accessible and comprises primary visitor experience
- 2nd floor hallways and doorways too narrow; no wheelchair access (lift) and infeasible
- 2nd floor is reserved for *private* use:
 - PHS offices and collections storage (data, too)
 - Possible sub-lease, complementary organization
 - Rental of meeting rooms for group use

Pinole Historical Society Museum Feasibility Study

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Resources

- Staffing
 - 1st hire more likely to be programmatic than administrative – Program coordinator
 - Volunteer coordination also high priority
 - Board/Executive Committee will still manage PHS
 - Role of fund-raising in PHS growth and development

Pinole Historical Society Museum Feasibility Study

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Operating Assumptions

- All capital improvements for the Faria House will be accommodated and there will be no capital debt or debt service for PHS
- PHS will manage Faria House under an operating agreement with City of Pinole and the City will be a substantial partner in its operation and maintenance. *The more support from the city, the more feasible the project.*
- The grounds surrounding Faria House will be available to PHS for active use
- Faria House will operate as a free access center (like the Youth Center, Senior Center or library)

Pinole Historical Society Museum Feasibility Study

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Current PHS Financials

	2008	2009 YTD
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
100% PHS	\$4,000	\$4,000
Cash on Hand	\$38,460 (Dec 31)	\$28,375 (June 18)

Operating a facility and active program will increase operating expenses dramatically

Pinole Historical Society Museum Feasibility Study

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Expense Categories

- Personnel – 50% of operating cost
 - 1 PT program coordinator = \$25,000
 - Active program requires high touch staffing
- Occupancy – rent/mortgage, insurance, maintenance, repairs, utilities
 - Easily escalate 10X in operation
 - Assume NO RENT
 - Insurance increases – liability, O&D
 - Will require collaboration with city to be feasible

Pinole Historical Society Museum Feasibility Study

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Expense Categories

- Program
 - On-site programs will require supervision and volunteer support to develop, operate
 - Integrates with classroom, curriculum
 - Website as promo and delivery
- Events
 - Both fund-raising and friend-raising
- Collections
 - Caring for objects and recording photos & stories

Pinole Historical Society Museum Feasibility Study

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11/10/2009

Expense Projections

Category	Year 1	Year 1	Year 5	Year 5
	Low	High	Low	High
Personnel	\$15,000	\$25,000	\$25,000	\$40,000
Occupancy utilities, etc.	\$5,000	\$15,000	\$10,000	\$30,000
Programs	\$2,500	\$4,000	\$3,000	\$10,000
Events	\$3,000	\$7,000	\$5,000	\$15,000
Collections	\$1,200	\$1,500	\$1,500	\$3,000
TOTAL	\$26,700	\$62,500	\$44,500	\$102,000

Poudre Historical Society Museum Feasibility Study

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Income Categories

Earned – admission, membership, program fees, retail, publications, reproductions, etc.

Contributed – individual contributions, grants, gifts, bequests

Government – direct line item support; "grants," in-kind

Endowment/Investment returns – generated through capital investment

The "right" balance is key to a sustainable operation

Poudre Historical Society Museum Feasibility Study

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Earned Income Categories

- Publications and reproduction fees
- Advertising sales – newsletter, publications
- Membership
- Program and event fees
- Facility rentals/sublease
- Merchandise – branded, generic

Poudre Historical Society Museum Feasibility Study

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Revenue Projections

Category	2006 Estimate	2006 Extrapolated	Year 1 PHEP	Year 5 PHEP
Memberships	\$3,000	\$3,000	\$4,000	\$6,000
Events/program fees	\$7,200	\$15,000	\$3,000	\$7,000
Advertising sales			\$5,000	\$7,000
Merchandise net	\$2,500	\$6,500	\$2,000	\$6,000
Other services		\$2,000	\$2,000	\$2,000
TOTAL			\$16,000	\$28,000

Poudre Historical Society Museum Feasibility Study

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Revenue/Expense Comparison

	Year 1 Midpoint	Year 5 Midpoint
Expenses	\$44,500	\$62,500
Earned Revenue	\$16,000 (36.0%)	\$28,000 (44.8%)
Revenue needed to cover expenses	\$28,500 (64.0%)	\$34,500 (55.2%)

In Year 1, PHSM would need to raise ~ \$25,000

In Year 5, PHSM would need to raise ~ \$35,000

Poudre Historical Society Museum Feasibility Study

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Conclusion of Feasibility Study

- Go/no go decision:
 - Can Museum raise enough money to operate?
 - What is city ready to do?
 - How can PHS work with Sr/Youth Centers collaboratively?
 - What is reasonable funding mix given realities?

Poudre Historical Society Museum Feasibility Study

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Staff responded stating that the City would initially be responsible for maintenance of the orchard and trail.

Mr. Woldemar said that a variety of fruit trees would be planted and he hoped that the Senior Club and/or the Garden Club would harvest the fruit. The eight foot wide trail would be illuminated with the same bollard type photo cell lights as the Faria House, and the gates at the Faria House are recommended to remain. Mr. Woldemar said that the intent for maintenance would be originally with the City which would later be divested to another entity.

City Manager Espinosa suggested not planting fruit trees that require more maintenance.

The discussion turned to Phase III which had not be addressed in several years, which proposed a carriage house, and an original intent was that a caretaker would reside on site and maintain the orchard.

Council Member Swearingen suggested addressing these maintenance issues at a future time and move forward with the issues under consideration.

ACTION: Motion By Agency Board Members Swearingen/Banuelos , The Agency Board Adopted Agency Resolution 73-2009, To Award Contract For Construction To Pacific Mountain Contractors For Lump Sum Bid Of \$984,716.

Vote: Passed 5-0.

ACTION: Motion By Agency Board Members Murray / Long, The Agency Board Adopted Agency Resolution 74-2009, Approving A Contract With Woldemar And Associates To Provide Professional Management Services.

Agency Board Member Murray commented that he wants assurance that the product received would be to the specifics of the plan

Vote: 4-1 (Banuelos abstained)

- E. Receive Report Regarding Pinole Historical Museum Feasibility Study
[Agency Report No. 2009-73; Action: Receive Report (Kuykendall)]

Francine Kuykendall, Senior Project Manager presented Agency Report 2009-73 into the record and introduced Kathleen Brown to present the results of the feasibility study including an analysis of the Society's income potential, and to determine whether the Society has the capacity to earn money to maintain the museum and be self sufficient.

Kathleen Brown, Museum Consultant, said most museums are supported by contributed funding, not 100% self-funded. The study was designed to review the difference between the earning potential and the expenses. Workshops were conducted in February 2009 to define the purpose of the museum, and develop a mission /vision statement. Ms. Brown pointed out this was a bifurcated citizenry between an aging and young population, which determined that the museum should be designed to appeal to a wide range of interests and perspectives. She discussed the Society's current involvement in publications, presentations, tours, festivals and events and collections. She recommended avoiding being the "community attic", and plan for a very stringent collective mandate. The concept included use of the surrounding park with

vegetables and fruit trees and said the Garden Club, Youth Center attendees and the Rotary were interested in the garden project.

Ms. Brown described their vision how the Faria House would be set up as a venue for programs, exhibitions, visitors, and community space on Floor 1, and the Society's private use on the 2nd floor for collections, storage, office and workspace. With no wheelchair accessibility, the 2nd floor would be either private use, and/or possible sub-lease to a complimentary organization.

Proposed staffing needs identified a part-time program coordinator (\$25,000), and volunteer coordination was also a high priority.

Operating assumptions included:

1. All capital improvements will be accommodated and no capital debt.
2. The Society would manage the Faria House under an operating agreement with the City
3. The City would be a substantial partner in its operation and maintenance, and the grounds would be available to the Society and the Faria House would be a free access center.

Current Society Financials:

1. Income- \$6,000
2. Expenses \$2,700
3. Cash \$25,175 (as of June 2009).

Brown noted that operating a facility and an active program would dramatically increase operating expenses; projected at \$30,000 in Year 1 to \$82,000 in Year 5. The plan assumed free rent, with a partnership with the City for utilities, maintenance, and insurance.

Revenue projections comparison from Martinez was \$12,000. The Society would need \$24,600 in contributions \$24,600 in Year 1 and \$34,350 in Year 5. In conclusion Ms. Brown said that the museum could likely raise enough money to operate and asked what the City was ready to do and asked how the Society could work with the Senior/Youth Centers collaboratively? Ms. Brown was available for questions.

Council Member Swearingen asked if any other sites were looked at by the museum, other than the Faria House.

Marcia Kalapus responded that this site was discussed with Marc Grisham and Lois Boyles as an option in 2005. Ms. Kalapus said until the museum has a location, the Society is unable to apply for grants.

Council Member Murray commented that the historical society had been active for 35 years. When the Faria House was relocated, staff discussed a use that would generate income to sustain the house, not necessarily the museum, but it has manifested as possibly the best option.

Council Member Swearingen asked if the house adjacent to the Senior Center might be a viable option for a museum.

Council Member Murray said that site was bought with the intent to be used for additional senior center parking. The PHS has been looking for a location, this appears to be a good one, and his main concern is with maintaining the building in the pristine condition it is today.

Mayor Pro Tem Long discussed dedicating the site to the Society and asked if that would allow them to apply for grants.

Ms. Brown responded yes, if there was a formal letter of intent showing commitment that the location would be their home.

Council Member Banuelos said the only thing in the General Plan on that site is the museum.

Ms. Espinosa confirmed that the Agency had set aside money for interior renovations to bring the structure to Code and the Society would provide for the enhancements such as ambiance and wallpaper, etc. Mike Woldemar had already donated his service to inventory the interior work that need to be done.

The Council received the report. There was Council interest in an event facility or exterior events such as garden weddings to generate income. There was discussion regarding getting sponsored/donated work from contractors, or from businesses who may want to

Council Member Murray said he was supportive to dedicate the use to the Museum, especially after he understood there were funds available.

Shelia Grist, PHS Board Member advised the Council that the downstairs bathroom was handicap accessible.

F. Conduct Discussion Regarding A Special Recreation Tax
[Council Report No. 2009-182; Action: Council Discussion / Provide Direction
(Reyes / Athenour)]

Benjamin Reyes, City Attorney, presented Council Report 2009-182 into the record. He said the information was preliminary and was provided as a placeholder for discussion and there was no recommendation. He said that a special parcel tax question would require a 2/3's vote of the electorate to pass. He said that \$50 was discussed as the amount, and would generate approximately \$300,000. If done as a sales tax, ½ cent generates currently approximately \$1,396,000 per year, but he cautioned that a tax increase would make Pinole the highest in Contra Costa County. He said

Patricia Athenour, City Clerk advised the Council of the updated preliminary information received from Contra Costa County Elections Department subsequent to the dissemination of the packet. The County estimated the cost to conduct the June election would be \$2.25 per registered voter, and in November 2010, it would be \$2.00 per registered voter. Ms. Athenour cautioned that these costs were preliminary and subject to change.

Council discussion followed about the pros and cons of a June or November election, or whether there should be a question forwarded by the City.

Council Member Swearingen said he could not see our electorate supporting a tax for a small select group.

CITY OF PINOLE ZONING CLASSIFICATION AND USES

<i>Land Use \ Zoning District</i>	<i>RMU</i>	<i>CMU</i>
Adult Day Care Home	P	P
Caretaker Housing	N	N
Dwelling, Multifamily	P	P
Dwelling, Second Unit (1)	P	N
Dwelling, Single Family	P	N
Dwelling, Two-Family	N	N
Dwelling, Three- and Four-Family	P	P
Emergency Shelter (2)	N	N
Family Day Care Home, Large	C	C
Family Day Care Home, Small	P	P
Group Residential	C	C
Home Occupations (3)	P	P
Manufactured Home	N	N
Mobile Home Park	N	N
Residential Care Facilities	P	P
Single Room Occupancy Facilities	C	C
Supportive Housing (located in housing Of a type permitted in the zone)	P	P
Transitional Housing (2) (located in housing of a type permitted in the zone)	P	P
Cemeteries, Mausoleums	N	N
Clubs, Lodges, and Private Meeting Halls	N	C
Community Centers/Civic Uses	C	C
Community Garden	P	P
Indoor Amusement/Entertainment Facility	N	C
Indoor Fitness and Sports Facility	C	N
Libraries and Museums	C	C
Outdoor Commercial Recreation	N	N
Parks and Public Plazas	P	P
Public Safety Facility	C	C
Recreational Vehicle Parks	N	N
Religious Institutions	N	C
Resource Protection and Restoration	N	N
Resource-Related Recreation	N	N
Schools, Private and Special/Studios	N	C
Schools, Public	P	P

CITY OF PINOLE ZONING CLASSIFICATION AND USES

Theaters and Auditoriums	N	N
Adult Oriented Business (7)	N	N
Adult Day Care Facility	P	C
Alcoholic Beverage Sales	C	C
Ambulance Service	C	N
Animal Sales and Grooming	C	C
Art, antique, collectable.	P	P
Artisan Shops	P	P
Artist Studio	C	C
Banks and Financial Services	P	P
Bars and Nightclubs	C	C
Bed and Breakfast Inns	C	C
Building Materials Store and Yard	N	C
Business Support Services	P	P
Call Centers	C	C
Card Room	C	C
Check Cashing Business	N	C
Child Day Care Facility	P	P
Convenience Stores	P	P
Drive-in and Drive-through Sales and Service (8)	N	C
Equipment Sales and Rental	N	P
Firearm or Firearm Ammunition Sales	N	C
Furniture, Furnishings, and Appliance Stores	C	P
Garden Center/Plant Nursery	N	C
Grocery Stores/Supermarket	P	P
Home Improvement Supplies	C	C
Hotels and Motels	C	C
Hotels and Motels, Extended Stay	C	C
Kennels, Commercial	N	C
Maintenance and Repair, Small Equipment	C	C
Massage Therapy Establishment (9)	P	P
Medical Marijuana Cultivation(11)	N	N
Medical Marijuana Delivery(12)	N	N

CITY OF PINOLE ZONING CLASSIFICATION AND USES

Medical Marijuana Dispensary(10)	N	N
Medical Services, General	C	C
Medical Services, Extended Care	C	C
Medical Services, Hospitals	N	C
Mortuaries and Funeral Homes	N	C
Neighborhood Market	P	P
Office, Temporary	N	C
Offices, Business and Professional	P	P
Offices, Accessory	P	P
Pawn Shop	N	C
Personal Services	P	P
Restaurants	C	P
Retail, Accessory	P	P
Retail, General	P	P
Retail, Warehouse Club	N	C
Smoke Shop	N	C
Temporary Real Estate	C	C
Thrift Store	C	C
Veterinary Facility	C	C

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FARIA HOUSE - FIRST FLOOR



FARIA HOUSE - SECOND FLOOR





CITY OF PINOLE

2131 Pear Street
Pinole, CA 94564

Phone: (510) 741-3864
FAX: (510) 724-9826
www.ci.pinole.ca.us

September 28, 2016

To Whom it May Concern:

On September 6, 2016, the City Council of the City of Pinole voted unanimously to affirm its commitment to dedicate the Historical Faria House, located at 2100 San Pablo Ave., as a location and future venue for the Pinole History Museum.

The Pinole Historical Society, a 501(c)(3) non-profit corporation, is hereby authorized to begin raising necessary funds that will be dedicated to the development of this museum.

Sincerely,

Roy Swearingen
Mayor, City of Pinole

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CITY OF PINOLE

2131 Pear Street
Pinole, CA 94564

Phone: (510) 741-3864
FAX: (510) 724-9826
www.ci.pinole.ca.us

August 16, 2018

To Whom It May Concern:

It was with great excitement that the City of Pinole, at its September 6, 2016 meeting, voted unanimously to affirm its commitment to dedicate the Historical Faria House, located at 2100 San Pablo Ave., as a location and future venue for the Pinole History Museum.

The Faria house, a farmhouse built around 1880 is one of the City's most historic buildings. In 1996, the City committed to protect its heritage through preservation of this architectural landmark. At its relocated site near Pinole's downtown, the Faria house museum will appeal to all people in our community — school children, young and middle-age adults, senior residents — a museum that people of all ages will want to visit repeatedly.

Through this letter of intent, the City of Pinole and the Pinole History Museum, a 501(c)(3) non-profit corporation, agree to establish a common agreement, for use of the City's 3,000 sq foot home (Faria house) to produce a technology-rich museum, with multi-media presentations, interactive exhibits and history games, video screens, wireless access to recorded oral histories, and access to video-recorded programs presented by the Pinole Historical Society.

The City of Pinole and the Pinole History Museum understand and agree that production of the project is conditional on obtaining sufficient financial resources.

The Pinole History Museum, a 501(c)(3), is hereby authorized to begin raising necessary funds that will be dedicated to the development of this future museum.

Sincerely,

Tim Banuelos
Mayor, City of Pinole

ATTACHMENT B

CONSULTING SERVICES AGREEMENT

This Agreement is made and entered into this 20 day of June, 2018, by and between the **CITY OF PINOLE**, a municipal corporation (hereinafter referred to as "CITY"), located at 2131 Pear Street, Pinole, CA 94564-1774; and Interactive Resources (CONSULTANT), a corporation, located at 117 Park Place, Richmond, California 94801 (hereinafter referred to as "CONSULTANT").

1. SCOPE OF SERVICES

INSERT SCOPE OF SERVICES (MARK AS EXHIBIT "A")

2. RESPONSIBLE PERSONNEL AND DIRECTION

Andrew Butt will be charged with the completion of CONSULTANT'S responsibilities under this Agreement. CONSULTANT shall report to and receive direction from Hector De La Rosa.

3. COMPENSATION

CONSULTANT agrees to perform the Scope of Services delineated herein, and CITY agrees to make payments for work completed under the following terms:

1. **Fees and Invoices.** CONSULTANT fees shall not exceed \$ 85,380. CONSULTANT shall submit invoices to CITY not more often than once per month during the term of this Agreement. Invoices shall contain: (i) the beginning and ending dates of the billing period; (ii) a description of the work performed during the billing period; and (iii) the total amount payable. (MARK AS EXHIBIT "B")
2. **Reimbursable Costs.** CITY agrees to pay only those reasonable reimbursable costs included in the scope of services in conjunction with this Agreement, without additional mark-up. CONSULTANT shall submit copies of receipts for reimbursement. CITY has sole discretion to determine which costs are reimbursable.
4. **Early Termination.** If CITY terminates this Agreement pursuant to Section 18 of this Agreement, CITY shall compensate CONSULTANT for work satisfactorily completed as of the date of written notice of termination and within 30 days of CITY'S receipt of CONSULTANT invoices in a form satisfactory to CITY.

5. TERM OF AGREEMENT

Unless otherwise agreed to in writing, the term of this Agreement shall be from June 20, 2018 through June 19, 2019, or upon reaching the not to exceed fee.

6. BUSINESS LICENSE

CONSULTANT shall obtain a City of Pinole business license according to the terms of Title 5 of the City of Pinole Municipal Code and deliver to CITY proof of such business license prior to beginning work under this Agreement. Work under this Agreement cannot begin until CITY receives proof that CONSULTANT has obtained a City of Pinole business license. If the CONSULTANT does not show satisfactory proof of having obtained a business license from CITY, CITY may deduct the business license fee from CONSULTANT'S invoice and issue a business license to CONSULTANT.

7. AMENDMENT

This Agreement may be amended, modified or changed by the parties in writing and approved by the authorized representatives of the parties.

8. OWNER OF DOCUMENT/PROPRIETARY INTEREST

It is agreed that CITY has a proprietary interest in all material prepared by CONSULTANT under this Agreement, with the exception of promotional materials, and may retain, alter or use as it sees fit all portions of the material prepared for the completion of the project. City shall defend and hold CONSULTANT harmless for all claims, losses and damages related to CITY'S use of the material on any other project.

9. SUBCONTRACTORS

CONSULTANT may utilize professional subcontractors only as approved by CITY.

10. ADDITIONAL SERVICES

In the event CITY desires to retain CONSULTANT for the performance of additional services in connection with this Agreement, specification of such additional services and compensation therefore shall be made only by amendment to this Agreement in accordance with compensation rates to be negotiated at that time.

11. INDEPENDENT CONTRACTOR

It is specifically understood and agreed that in the making and performance of this contract, CONSULTANT is an independent contractor and is not and shall not be an employee, agent, or servant of CITY.

12. NONDISCRIMINATION

There shall be no discrimination against any employee who is employed in the work covered by this contract, or against any applicant for such employment because of age, race, religion, sex or national origin.

13. CONSULTANT CONFLICT OF INTEREST

CONSULTANT will comply with all conflict of interest laws and regulations including, without limitation, CITY'S Conflict of Interest Code (on file in the City Clerk's Office). It is incumbent upon CONSULTANT or CONSULTANT'S firm to notify CITY of any staff changes relating to this Agreement.

- A. In accomplishing the scope of services of this Agreement, all officers, employees and/or agents of CONSULTANT(S), unless as indicated in Subsection B., will be performing a very limited and closely supervised function, and, therefore, are unlikely to have a conflict of interest arise. No disclosures are required for any officers, employees, and/or agents of CONSULTANT, except as indicated in Subsection B.

Ec

Initialed by City Attorney's Office

- B. In accomplishing the scope of services of this Agreement, CONSULTANT(S) will be performing a specialized or general service for CITY, and there is substantial likelihood that CONSULTANT'S work product will be presented, either written or orally, for the purpose of influencing a governmental decision. As a result, the following CONSULTANT(S) shall be subject to the Disclosure Categories "1-5" of CITY'S Conflict of Interest Code:

Andrew Butt, Principal


14. ASSIGNMENT

CONSULTANT shall not assign any interest in this contract, and shall not transfer any interest in the same without the prior written consent of CITY.

15. AGREEMENT BINDING

This Agreement is binding on the heirs, successors and assigns of the parties hereto.

16. APPLICABLE LAW AND ATTORNEY'S FEES

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Should any legal action be brought by a party for breach of this Agreement or to enforce any provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, court costs or any other costs as

may be fixed by the court. Any action arising out of this Agreement shall be venued in the Superior Court of the State of California in and for the County of Contra Costa.

17. SEVERABILITY

If any one of more of the covenants and agreements or portions thereof shall be held by a court of competent jurisdiction in a final judicial action to be void, voidable or unenforceable, such covenant, or covenants, such agreement or agreements, or such portions thereof shall be null and void and shall be deemed severable from the remaining covenants and agreements or portions thereof, and shall in no way affect the validity or enforceability of the remaining portions of this Agreement.

18. TERMINATION

- A. CITY may terminate this Agreement at any time, without cause, by giving CONSULTANT two (2) weeks' (i.e., 14 days) written notice of discontinuance and termination of this Agreement. CONSULTANT shall be entitled to compensation for services satisfactorily rendered up to the written notice of termination of this Agreement. CITY may condition such payment upon CONSULTANT'S delivery of all material prepared by CONSULTANT under this Agreement.
- B. CITY may, at any time, at its discretion, abandon or suspend any portion of the work being done under the terms of this Agreement. In the event of abandonment or suspension of work for which professional services have been performed under this Agreement by CONSULTANT or in the event of the termination of this Agreement, CONSULTANT shall immediately stop work on the project required by this Agreement, or shall stop work at the stage directed by CITY.

19. INSURANCE AND INDEMNIFICATION

- A. **Insurance Requirements.** Before beginning any work under this Agreement, CONSULTANT, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by CONSULTANT and its agents, representatives, employees, and subcontractors. CONSULTANT shall maintain the insurance policies required by this section throughout the term of this Agreement. CONSULTANT shall furnish CITY with complete copies of all insurance policies prior to execution of this Agreement and upon CITY'S request.
- B. **Workers' Compensation.** CONSULTANT shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by CONSULTANT. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident. In the alternative,

CONSULTANT may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code.

C. Commercial General and Automobile Liability Insurance.

1. **General Requirements.** CONSULTANT, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.
2. **Minimum Scope of Coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (most recent edition) Code 1. No endorsement shall be attached limiting the coverage.

D. Professional Liability Insurance (Required for all licensed consultants). CONSULTANT, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed \$250,000 per claim.

E. Additional Requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

1. Other than Professional Liability, the insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.
2. Any failure of CONSULTANT to comply with reporting provisions of the policy shall not affect coverage provided to CITY and its officers, employees, agents, and volunteers.

F. Notice of Reduction in or Cancellation of Coverage. Coverage shall not be canceled by either party except after thirty (30) days' prior written notice has been given to CITY; ten (10) days if cancellation is due to non-payment of premium.

- G. **Additional Insured; Primary Insurance.** A certified endorsement at least as broad as Insurance Services Office form number CG 20 10 (11/85 ed.) shall be attached to all policies stating that CITY and its officers, employees, agents, and volunteers shall be covered as additional insureds. A certified endorsement shall be attached to all policies stating that coverage is primary insurance with respect to CITY and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by CITY shall be called upon to contribute to a loss under the coverage.
- H. **Variation.** CITY, through its City Attorney, may approve a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that CITY'S interests are otherwise fully protected.
- I. **Indemnification.**

CONSULTANT shall, to the fullest extent allowed by law, with respect to all services performed in connection with this Agreement, defend with counsel acceptable to CITY, indemnify, and hold CITY, its officers, employees, agents, and volunteers, harmless from and against any and all claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of CONSULTANT, ("Claims"). CONSULTANT will bear all losses, costs, damages, expense and liability of every kind, nature and description that arise out of, pertain to, or relate to such Claims, whether directly or indirectly ("Liability"). Such obligations to defend, hold harmless and indemnify CITY shall not apply to the extent that such Liability is caused by the sole negligence, active negligence, or willful misconduct of CITY.

With respect to third party claims against CONSULTANT, CONSULTANT waives any and all rights of any type of express or implied indemnity against the Indemnitees.

However, notwithstanding the foregoing, in accordance with California Civil Code Section 1668, nothing in this Agreement shall be construed to exempt CITY from its own fraud, willful injury to the person or property of another, or violation of law. In addition, and notwithstanding the foregoing, to the extent this Agreement is a "construction contract" as defined by California Civil Code section 2783, as may be amended from time to time, such duties of CONSULTANT to indemnify shall not apply when to do so would be prohibited by California Civil Code Section 2782.

20. NOTICES

All correspondences shall be sent by first-class mail and directed to the party at the addresses specified below, or to a substitute address as a party may designate by written notice to the other party:

**CONSULTANT: Charlie Duncan, Principal
INTERACTIVE RESOURCES
117 Park Place, Richmond, California 94801**

CITY:

City of Pinole
2131 Pear Street
Pinole, CA 94564
Attention: Hector De La Rosa

with a copy to:

City Attorney
2131 Pear Street
Pinole, CA 94564

21. MISCELLANEOUS PROVISIONS

- A. Neither party shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents or other events or conditions beyond the party's control.
- B. In the event any provisions of this agreement shall be held to be invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties. One or more waivers by either party of any provisions, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.
- C. This agreement constitutes the entire agreement between the parties and there are no conditions, agreements or representations between the parties except as expressed in said document. It is not the intent of the parties to this agreement to form a partnership or joint venture.
- D. Where the terms and conditions of this Agreement and any attachments or exhibits hereto conflict, the parties expressly agree that the terms and conditions of this Agreement shall prevail and preside.
- E. The Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from the City of Pinole.
- F. Preparation and negotiation of this Agreement has been a joint effort of the parties and neither the Agreement nor any of its provisions shall be construed against either of the parties as the drafting party or otherwise
- G. Consultant shall comply with all applicable laws, statutes, City of Pinole ordinances, resolutions, policies and procedures in force and effect on the date this Agreement is executed by the City, including, but not limited to the California Environmental Quality Act and all relevant provisions of the Public Resources Code, the California Public Contract Code, the California Labor Code and the California Government Code.

22. ATTACHMENTS

Exhibit A - SCOPE OF SERVICES

Exhibit B - FEE ESTIMATE

Certificates of Insurance

IN WITNESS WHEREOF, CITY AND CONSULTANT have caused their authorized representatives to execute this Agreement.

CITY OF PINOLE

By: 
Michelle Fitzner, City Manager

CONSULTANT

By: 
Andrew Butt, Principal
7/16/18

Consultant's City of Pinole Business
License #: 18-09444

ATTEST:

By: 
Rosa G. City Clerk

APPROVED AS TO FORM:

By: 
Eric S. Casher, City Attorney



EXHIBIT A

PROJECT AND CLIENT INFORMATION

Date: February 23, 2018

Client: City of Pinole, CA
Hector De La Rosa
Assistant City Manager
Office of the City Manager
2131 Pear Street
Pinole, CA 94562

Project Name and Address: Faria House Interior Rehabilitation
2100 San Pablo Avenue
Pinole, CA 94564

IR Project No: P2018-005

PROPOSAL AND AGREEMENT FOR SERVICES

INTERACTIVE RESOURCES, INC. (Architect/Engineer) proposes to provide professional services for the subject project as follows:

1. PROJECT DESCRIPTION AND PROGRAM

This proposal is provided with the following understandings:

1.1. Project Description

Interior rehabilitation of the Faria House for use as a City owned historical museum to be operated by the Pinole Historical Society.

1.2. Project Program

- Rehabilitate all interior surfaces appropriate for museum use
- Insulate all exterior walls
- Install new forced air heating system
- Install one gas fired fireplace
- Install new lighting and electrical systems
- Install new IT / communications wiring
- Install new smoke / carbon monoxide alarms
- Install new security system (door & window alarms and interior motion detectors)
- Install new fire protection system
- Remove existing and install new second floor accessible toilet room
- Possible alteration to existing serving kitchen and accessible first floor toilet room
- Install new Limited Use Limited Application elevator

1.3 Information Provided by Client

- Existing drawings from the Heritage Park, Faria House Relocation Project
- Planning and Building Department files as needed
- Previous studies for the interior rehabilitation

2. SCOPE OF SERVICES

Based on the above understanding of the project, IR proposes to provide the following services:

2.1. Services by Interactive Resources

- Develop schematic rehabilitation designs through working sessions with City of Pinhole staff and members of the Pinole Historical Society.
- Create drawings and specifications suitable for cost estimation at 50% and 100% completion.
- Create drawings and specifications suitable for public bidding and building permits.
- Structural engineering for the elevator installation.
- Sub-consultant coordination with mechanical, electrical, and plumbing disciplines.
- Construction administration with six on-site visits

2.2. Deliverables

- Schematic Designs for review and approval
- 50% Construction Documents and Cost Estimate
- 100% Construction Documents and Cost Estimate
- Bid Documents / Permit Set

2.3. Exclusions

- Attendance at design review or other public hearings
- Site visits beyond those described and enumerated in the Estimated Fees Schedule., Exhibit A
- Additional work beyond the scope described in section 2.1 Services by Interactive Resources, section 2.2 Deliverables, and the Estimated Fees Schedule – Exhibit A
- Building permits will be obtained by the City of Pinole
- Renderings or models
- Additional sub-consultants or scope of work will occur only after consent of the Client in writing.
- All printing of documents for bidding and permit review will by the City of Pinole.

3. COMPENSATION

3.1. Compensation will be on a Lump Sum Basis in the amount of \$85,380.00 (eighty five thousand, three hundred and eighty dollars) per the attached Estimated Fees Schedule – Exhibit A. Invoices will be sent monthly, in an amount based on work completed to date.

3.2. Services provided beyond the stated scope will be billed hourly at the rates shown in the Estimated Fees Schedule - Exhibit A.

4. EXECUTION

A copy of this Proposal, signed and returned to IR with the attached Standard Conditions of Service will constitute our engagement agreement.

Section 5536.22 and 6749 of the Business and Professions Code requires architects and engineers to use a written contract when providing professional services to a client. In order to be in compliance with the law, it is imperative that this agreement be executed prior to any services being provided.

Name: Andrew Butt

Date

Client Signature

Date

Title: Principal, IR

Pinole - Faria House Rehabilitation - Estimated Fees Schedule

EXHIBIT B



Return

1

INTERACTIVE RESOURCES

architects + engineers

	Architectural Design			Engineering Design	
	Principal	Project Manager	Staff	Senior Engineer	Designer/ Drafter
	Hrs	Hrs.	Hrs.	Hrs.	Hrs.
Pre- Construction Phase					
Administration	\$195	\$160	\$120	\$185	\$145
Kick-off meeting with the City and Stakeholders	1	2	4		
Site Survey - conditions / dimensions		3	6		
Create base drawings		6	2	4	4
		2	24		
TOTAL HOURS	1	13	36	4	4
TOTAL COST	\$195.00	\$2,080.00	\$4,320.00	\$740.00	\$580.00
PHASE TOTAL	\$7,915.00				
Schematics Phase					
Develop Schematic designs - two alternatives for elevator	0.5	4	16		
Facilitate and attend meeting with City and Stakeholders		4			
Develop final Schematic Design	0.5	2	4	2	
TOTAL HOURS	1	10	20	2	0
TOTAL COST	\$195.00	\$1,600.00	\$2,400.00	\$370.00	\$0.00
PHASE TOTAL	\$4,565.00				
50% Construction Documents Phase					
Develop 50% Construction Drawings	0.5	6	48	4	10
Develop 50% (outline) Specifications	0.5	24	4		
Assemble package for 50% cost estimation		2	4		2
TOTAL HOURS	1	32	56	4	12
TOTAL COST	\$195.00	\$5,120.00	\$6,720.00	\$740.00	\$1,740.00
PHASE TOTAL	\$14,515.00				
100% Construction Documents Phase					
Develop 100% Construction Drawings	1		72	4	16
Develop 100% (outline) Specifications	1	32		2	6
Assemble package for 100% cost estimation		2	4		
TOTAL HOURS	2	34	76	6	22
TOTAL COST	\$390.00	\$5,440.00	\$9,120.00	\$1,110.00	\$3,190.00
PHASE TOTAL	\$19,250.00				
Bid Phase					
Develop Bid Drawings		8	8	2	2
Develop Bid Specifications		8	8	2	2
Answer Bidder's Questions		8	4		
TOTAL HOURS	0	24	20	4	4
TOTAL COST	\$0.00	\$3,840.00	\$2,400.00	\$740.00	\$580.00
PHASE TOTAL	\$7,560.00				
Construction Administration and Closeout					
Project meetings (maximum 6 on site meetings)		24		4	
RFIs/ASIs/Change Orders		8	24	4	4
Final Punch List and Project Closeout	1		4		
TOTAL HOURS	1	32	28	8	4
TOTAL \$s	\$195.00	\$5,120.00	\$3,360.00	\$1,480.00	\$580.00
PHASE TOTAL	\$10,735.00				
GRAND TOTAL INTERACTIVE RESOURCES LABOR					
	\$64,540.00				
REIMBURSABLES					
	\$1,000.00				
MEP - MHC Engineers					
	\$17,250.00				
COST ESTIMATING - Silva Cost Estimating					
	\$2,590.00				
GRAND TOTAL PROJECT					
	\$85,380.00				

*NOTE: These is a preliminary estimate and could change after the final scope of work is determined.

ACC

Client#: 201

INTERRESO1

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/10/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Dealey, Renton & Associates P. O. Box 12675 Oakland, CA 94604-2675 510 465-3090		CONTACT NAME: Nancy Ferrick PHONE (A/C, No, Ext): 510 465-3090 FAX (A/C, No): 510 452-2193 E-MAIL ADDRESS: nferrick@dealeyrenton.com															
INSURED Interactive Resources, Inc. 117 Park Place Point Richmond, CA 94801		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Travelers Property Casualty Co</td> <td>25674</td> </tr> <tr> <td>INSURER B : Argonaut Insurance Company</td> <td>19801</td> </tr> <tr> <td>INSURER C : Travelers Indemnity Co. of Conn</td> <td>25682</td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Travelers Property Casualty Co	25674	INSURER B : Argonaut Insurance Company	19801	INSURER C : Travelers Indemnity Co. of Conn	25682	INSURER D :		INSURER E :		INSURER F :	
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INSURER D :																	
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INSURER F :																	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

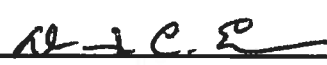
INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PRO-JECT ☐ LOC OTHER:	Y	Y	6807H27786A	11/05/2017	11/05/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COM/OP AGG \$2,000,000 \$
C	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ ALL OWNED AUTOS ☒ HIRED AUTOS ☐ SCHEDULED AUTOS ☒ NON-OWNED AUTOS	Y	Y	BA6050L885	11/05/2017	11/05/2018	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$	Y	Y	CUP3465T288	11/05/2017	11/05/2018	EACH OCCURRENCE \$4,000,000 AGGREGATE \$4,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE/OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	Y	UB3J884257	09/01/2017	09/01/2018	☒ PER STATUTE ☐ OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
B	Professional Liability			IAE1306002	10/19/2017	10/19/2018	\$1,000,000 per Claim \$2,000,000 Annl Aggr.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: All Operations of the Named Insured. The City of Pinole, its employees and volunteers are named as Additional Insured for General and Auto Liability per policy form wording.

CERTIFICATE HOLDER

CANCELLATION

City of Pinole 2131 Pear Street, 2nd Floor Pinole, CA 94564	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	---

© 1988-2014 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED (ARCHITECTS, ENGINEERS AND SURVEYORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The following is added to SECTION II - WHO IS AN INSURED:

Any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:

- a. Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
- b. If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies, or in connection with premises owned by or rented to you.

The person or organization does not qualify as an additional insured:

- c. With respect to the independent acts or omissions of such person or organization; or
- d. For "bodily injury", "property damage" or "personal injury" for which such person or organization has assumed liability in a contract or agreement.

The insurance provided to such additional insured is limited as follows:

- e. This insurance does not apply on any basis to any person or organization for which coverage as an additional insured specifically is added by another endorsement to this Coverage Part.
- f. This insurance does not apply to the rendering of or failure to render any "professional services".
- g. In the event that the Limits of Insurance of the Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement does not increase the lim-

its of insurance described in Section III - Limits Of Insurance.

- h. This insurance does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.

2. The following is added to Paragraph 4.a. of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:

The insurance provided to the additional insured is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover. However, if you specifically agree in the "written contract requiring insurance" that this insurance provided to the additional insured under this Coverage Part must apply on a primary basis or a primary and non-contributory basis, this insurance is primary to other insurance available to the additional insured which covers that person or organizations as a named insured for such loss, and we will not share with the other insurance, provided that:

- (1) The "bodily injury" or "property damage" for which coverage is sought occurs; and
- (2) The "personal injury" for which coverage is sought arises out of an offense committed;

after you have signed that "written contract requiring insurance". But this insurance provided to the additional insured still is excess over valid and

COMMERCIAL GENERAL LIABILITY

collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under any other insurance.

3. The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury", "property damage" or "personal injury" arising out of "your work" performed by you, or on your behalf, done under a "written contract requiring insurance" with that person or organization. We waive this right only where you have agreed to do so as part of the "written contract requiring insurance" with

such person or organization signed by you before, and in effect when, the "bodily injury" or "property damage" occurs, or the "personal injury" offense is committed.

4. The following definition is added to the **DEFINITIONS** Section:

"Written contract requiring insurance" means that part of any written contract under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After you have signed that written contract;
- b. While that part of the written contract is in effect; and
- c. Before the end of the policy period.

POLICY NUMBER: BA6050L885

COMMERCIAL AUTO
CA 20 48 10 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED INSURED FOR
COVERED AUTOS LIABILITY COVERAGE**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:**Endorsement Effective Date:****SCHEDULE****Name Of Person(s) Or Organization(s):**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.

Interactive Resources, Inc.

**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY****ENDORSEMENT WC 99 03 76 (00) --****POLICY NUMBER:****WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS
ENDORSEMENT - CALIFORNIA
(BLANKET WAIVER)**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule.

You must maintain payroll records accurately segregating the remuneration of your employees while engaged in the work described in the Schedule.

The additional premium for this endorsement shall be % of the California workers' compensation premium otherwise due on such remuneration.

Schedule**Person or Organization:****Job Description:****DATE OF ISSUE:**



CITY OF PINOLE
Contra Costa County, California
BUSINESS LICENSE 2018

Business Name **Interactive Resources Inc.**
117 Park Place
Point Richmond CA 94801

Owner(s) Thomas King Butt et al.

Mailing Address

Interactive Resources Inc.
117 Park Place
Point Richmond CA 94801

License No. **18-09444**

Date Issued 7/11/2018

License Expires **12/31/2018**

Type of Business
BUSINESS OUTSIDE CITY

Authorized Signature

License must be conspicuously displayed to public view at business location

**CITY COUNCIL
REPORT****11B**

DATE: JUNE 16, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: RESOLUTION FORMING THE FARIA HOUSE ADHOC COMMITTEE TO PROVIDE GUIDANCE TO CITY STAFF ON THE RENOVATION OF THE FARIA HOUSE FOR USE AS A LOCAL HISTORY MUSEUM

RECOMMENDATION

Staff recommends that the City Council adopt a resolution forming the Faria House AdHoc Committee to provide guidance to City staff on the renovations of the Faria House for use as a local history museum.

BACKGROUND

In July 2016, the City, following the purchase of the Faria House from the Housing Successor Agency, directed staff to identify possible uses of the property. In September 2016, staff presented the Council with a report on possible uses. Following a discussion, the City Council approved a motion to use the Faria House as a museum. The City Council also directed staff to obtain an estimate of the cost to renovate the Faria House to be suitable to serve as a public museum.

In January 2020, the City received the estimate of the cost to conduct the renovation. The estimated construction cost (excluding the elevator) is \$683,541. The estimated total cost (including construction and soft costs) is \$1,101,340. In addition, the estimated total cost for the elevator is \$318,497. As noted above, these are planning level cost estimates.

REVIEW AND ANALYSIS

At the June 2, 2020 Council meeting, the Council discussed the proposed vision for the Faria House including but not limited to use as a museum, concept of an event center, and inquired as to the funding source for the needed improvements. While no decision was made regarding the funding for the improvements, questions were raised as to how the improvements would be funded.

By motion, the City Council approved the formation of an AdHoc Committee to provide guidance to staff to on the renovation of the Faria house for use as a local history museum. The Committee is to be comprised of two City Councilmembers with support by the City Manager or his/her designee.

The Committee will be tasked with, but not limited to, assessing and making recommendations to the City Council on matters related to the Faria House's renovation, including the building programing (i.e. outside space and uses), and building renovation designs and specifications, recommendations on lease provisions and/or cost sharing agreements between the City and the Pinole History Museum, and options to fund the City's share of the cost to renovate and maintain the Faria House building and site

The AdHoc Committee shall determine its schedule of meetings, but at a minimum, a meeting shall occur at least once every other month. Meeting will not be open to the public.

It is anticipated that the Committee would remain in existence until it presents its final recommendations to the City Council or until the Council dissolves the Committee.

FINANCIAL CONSIDERATIONS

None. There would be no City funds expended on this project except for incidental staff time to assist the Committee when necessary.

ATTACHMENT

A. Resolution

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE FORMING THE FARIA HOUSE AD-HOC COMMITTEE TO PROVIDE GUIDANCE TO CITY STAFF ON THE RENOVATION OF THE FARIA HOUSE FOR USE AS A LOCAL HISTORY MUSEUM

WHEREAS, in July 2016, the City purchased the Faria House, which is located at 2100 San Pablo Avenue, from the Housing Successor Agency; and

WHEREAS, in September 2016, the City Council approved a motion to use the Faria House as a local history museum; and

WHEREAS, on June 2, 2020, the City Council received an update on the status of plans for the renovation and reuse of the Faria House; and

WHEREAS, at the meeting on June 2, 2020, the City Council approved a motion to create a committee of Council Members to provide guidance to City staff on the renovation of the Faria House for use as a local history museum.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PINOLE as follows:

1. That the City Council hereby creates the Faria House Ad-Hoc Committee, to be comprised of two Council Members.
2. The expectations and responsibilities of the Committee are as follows:
 - a. The Committee is tasked with, among other things, assessing and making recommendations to the City Council on matters related to the Faria House's renovation for use as a local history museum, including the building program (outside space and uses), site and building renovation designs and specifications, lease provisions and/or cost sharing agreements between the City and the Pinole History Museum, and options to fund the City's share of the cost to renovate and maintain the Faria House building and site.
 - b. The Committee is an ad-hoc committee, therefore, not open to the public pursuant to the Brown Act.
 - c. The Committee shall determine its schedule of meetings, but at a minimum, there should be a meeting at least once every other month.
 - d. The Committee shall select the chairperson of the Committee at the first meeting.

3. The City Manager or his/her designee will support the Committee by providing requested documents and other support as appropriate.
4. The City Council anticipates that the Committee shall remain in existence until it presents final recommendations to the City Council or until the City Council decides to dissolve the Committee.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on June 16, 2020 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was regularly introduced, passed, and adopted on this 16th day of June, 2020.

Heather Iopu, CMC
City Clerk

SILVA COST CONSULTING, INC.
1521 Corporate Way, Suite 210
Sacramento, CA 95831

P: 916.444.1130

F: 916.444.1131

Faria House Interior Rehabilitation

Pinole, CA

Construction Document Cost Estimate

September 17, 2020

Prepared for:
Interactive Resources
117 Park Place
Point Richmond, CA 94564

SILVA COST CONSULTING, INC.

1521 Corporate Way, Suite 210
Sacramento, CA 95831

P: 916.444.1130

F: 916.444.1131

September 17, 2020

Charlie Duncan

Interactive Resources

117 Park Place

Point Richmond, CA 94564

Reference: **Faria House Interior Rehabilitation**

Subject: **Construction Document Cost Estimate**

Dear Charlie,

Thank you for the opportunity to provide you with this Cost Estimate for the above referenced project. The estimate is broken up into several sections as follows:

The narrative portion, which lists:

- The information used in preparing the estimate
- The estimate qualifications and assumptions
- The exclusions to the estimate

The estimate portion, which contains:

- The Project Summary (which summarizes the estimate items in the estimate)
 - The Estimate Summary (which summarizes the various sections for each item)
 - The Estimate Detail (which lists the line items and unit prices for the estimate)

Once again I would like to thank you for this opportunity to offer my services. Please review the attached estimate and comment. Feel free to call me at 916-444-1130 should you have any questions, comments or concerns. Thank you.

Sincerely,

SILVA COST CONSULTING, INC.

Javier Silva

Principal

ITEMS USED IN PREPARING THE ESTIMATE

Specifications:	None	
Reports:	None	
Civil Drawings:	None	
Landscape Drawings:	None	
Architectural Drawings:	A000, A001, A002, A003, A101, A102, A103, A104, A106, A201, A202, A203, A204, A301, A401, A402, A501, A502, A503, A601, prepared by Interactive Resources	12/16/2019
Structural Drawings:	S104, S105, S501, S502, prepared by Interactive Resources	12/16/2019
Mechanical Drawings:	M0.0, M0.1, M1.0, M2.0, M2.1, M2.2, M2.3, prepared by MHC Engineers	12/16/2019
Plumbing Drawings:	P0.0, P0.1, P1.0, prepared by MHC Engineers	12/16/2019
Electrical Drawings:	E0.1, E0.2, E1.0, Additional Electrical Drawing, prepared by MHC Engineers	12/16/2019

ESTIMATE QUALIFICATIONS

- The project is located in Pinole, CA.
- The estimate was priced using prevailing wage rates.
- The delivery method for this project is Design-Bid-Build.
If the delivery method changes, then this estimate is null and void.
- Start date of construction is assumed to be in the summer of 2021.
- Construction duration is assumed to be 6 months.
- The project will be done in one continuous phase.
- Work areas are to be un-occupied during construction.
- Work to be performed during normal business hours, 8 hours per day, 40 hours per week
- We include a design contingency of 5%.
- The estimate is escalated 5.79%.
- Due to the nature of construction pricing this estimate is deemed to be accurate for a period of 90 days. After 90 days, please contact us to see if the estimate needs a pricing update.

ITEMS SPECIFICALLY EXCLUDED FROM THE ESTIMATE

- Fees for architectural, structural, civil, mechanical, electrical, or other design fees.
- Permit fees, or inspection fees.
- Utility hook up fees.
- Premiums for overtime work.
- Off-site work.
- Hazardous materials abatement.
- Seismic retrofitting of the main building.
- Equipment
- Furnishings
- Special Construction
- Fire sprinkler system.
- Electronic Safety & Security
- Items not specifically shown in estimate.

PREFACE TO THE ESTIMATE

The estimate hereunder has been compiled from drawings and specifications (if available) believed to be an accurate portrayal of the project as drawn and indicated by the architect and/or engineers. If said drawings and specifications are incomplete, the project cost engineer has included those items as would usually appear in final drawings and specifications for a complete project in a manner ordinarily prudent under the circumstances. Specialty items unknown to the cost engineer will not normally be included unless communicated through the architect and/or engineer.

The user is cautioned that changes in the scope of the project or the drawings and specifications after the estimate has been submitted can cause cost changes and the cost engineer should be notified for appropriate addenda to be issued to the estimate.

The estimate has also been adjusted for geographical location based on local material and labor rates as well as local construction practice.

Estimates based on a competitive bid situation, involving 4 or more bidders with 4 sub bids per trade, is considered a normalized estimate. Costs may increase or decrease significantly depending on the actual number of bidders. Use the following percentages as a guide:

1 bid	+15% to +40%
2-3 bids	+5% to +15%
4-5 bids	+5% to -5%
6-7 bids	-5% to -15%
7+ bids	-15% or more

PROJECT SUMMARY				
PROJECT:	Faria House Interior Rehabilitation		DATE:	9/17/2020
LEVEL:	Construction Document		ESTIMATOR:	Javier Silva
CLIENT:	Interactive Resources		SCHEDULE:	6 Months
ITEM NO.	ITEM DESCRIPTION	AREA (SF)	ITEM COST	\$/SF
1	Interior Rehabilitation	2,495	839,174	336
2				
3				
	TOTAL CONSTRUCTION COST:	2,495	839,174	336
ALT. NO.	ALTERNATE DESCRIPTION	AREA (SF)	ALT COST	\$/SF
1	Elevator		326,261	
2	Museum Electrical		66,326	
3				
	TOTAL ALTERNATES COST:			

ESTIMATE DETAIL					
PROJECT:	Faria House Interior Rehabilitation			DATE:	9/17/2020
LEVEL:	Construction Document			ESTIMATOR:	Javier Silva
CLIENT:	Interactive Resources			SCHEDULE:	6 Months
LOCATION:	Interior Rehabilitation			AREA (SF):	2,495
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL AMOUNT
1.0	SITEWORK		\$/SF:	2.75	6,863
2.0	DEMOLITION		\$/SF:	11.70	29,186
3.0	CONCRETE		\$/SF:		
4.0	MASONRY		\$/SF:	4.01	10,000
5.0	METALS		\$/SF:	1.00	2,495
6.R	ROUGH CARPENTRY		\$/SF:	1.99	4,962
6.F	FINISH CARPENTRY		\$/SF:	40.92	102,103
7.0	THERMAL & MOISTURE PROTECTION		\$/SF:	15.01	37,443
8.0	OPENINGS		\$/SF:	3.71	9,251
9.0	FINISHES		\$/SF:	48.29	120,488
10.0	SPECIALTIES		\$/SF:	2.05	5,122
11.0	EQUIPMENT		\$/SF:		
12.0	FURNISHINGS		\$/SF:		
13.0	SPECIAL CONSTRUCTION		\$/SF:		
14.0	CONVEYING		\$/SF:		
21.0	FIRE SUPPRESSION		\$/SF:		
22.0	PLUMBING		\$/SF:	3.50	8,737
23.0	MECHANICAL		\$/SF:	67.78	169,105
26.0	ELECTRICAL		\$/SF:	16.34	40,775
27.0	COMMUNICATIONS		\$/SF:		
28.0	ELECTRONIC SAFETY & SECURITY		\$/SF:		
	SUBTOTAL				546,531
	GENERAL CONDITIONS			21.0%	114,771
	BONDS & INSURANCE			2.0%	13,226
	OVERHEAD AND PROFIT			12.0%	80,943
	DESIGN CONTINGENCY			5.0%	37,774
	ESCALATION			5.8%	45,929
	TOTAL CONSTRUCTION COST				839,174
				TOTAL \$/SF:	336.34

ESTIMATE DETAIL					
PROJECT:	Faria House Interior Rehabilitation			DATE:	9/17/2020
LEVEL:	Construction Document			ESTIMATOR:	Javier Silva
CLIENT:	Interactive Resources			SCHEDULE:	6 Months
LOCATION:	Interior Rehabilitation			AREA (SF):	2,495
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL AMOUNT
1.0	SITEWORK				
	Paint curb red for FIRE LANE	226	lf	24.00	5,424
	Fire lane pole mounted sign	2	ea	719.55	1,439
	Subtotal Sitework		\$/SF:	2.75	6,863
2.0	DEMOLITION				
	Interior demolition	2,495	sf	11.70	29,186
	Subtotal Demolition		\$/SF:	11.70	29,186
4.0	MASONRY				
	Faux brick firebox	1	ls	10,000.00	10,000
	Subtotal Masonry		\$/SF:	4.01	10,000
5.0	METALS				
	Miscellaneous metal, angle supports	2,495	sf	1.00	2,495
	Subtotal Metals		\$/SF:	1.00	2,495
6.R	ROUGH CARPENTRY				
	Interior wall framing	120	sf	20.56	2,467
	Miscellaneous rough carpentry	2,495	sf	1.00	2,495
	Subtotal Rough Carpentry		\$/SF:	1.99	4,962
6.F	FINISH CARPENTRY				
	Remove, catalog & reinstall door, window, wall trim	1	ls	92,102.96	92,103
	Fireplace trim	1	ls	10,000.00	10,000
	Subtotal Finish Carpentry		\$/SF:	40.92	102,103
7.0	THERMAL & MOISTURE PROTECTION				
	R15 wall insulation	5,790	sf	3.08	17,855
	R30 floor and roof insulation	2,968	sf	6.17	18,305
	Sealants and caulking	2,495	sf	0.51	1,282
	Subtotal Thermal & Moisture Protection		\$/SF:	15.01	37,443

ESTIMATE DETAIL					
PROJECT:	Faria House Interior Rehabilitation			DATE:	9/17/2020
LEVEL:	Construction Document			ESTIMATOR:	Javier Silva
CLIENT:	Interactive Resources			SCHEDULE:	6 Months
LOCATION:	Interior Rehabilitation			AREA (SF):	2,495
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL AMOUNT
8.0	OPENINGS				
	Hardware group 1	1	ea	925.14	925
	Hardware group 2	3	ea	719.55	2,159
	New door, frame and hardware	2	ea	3,083.80	6,168
	Subtotal Openings		\$/SF:	3.71	9,251
9.0	FINISHES				
	5/8" type x gypsum board, walls	7,920	sf	5.14	40,706
	5/8" type x gypsum board, ceilings	2,606	sf	5.65	14,733
	Paint	10,526	sf	2.57	27,050
	Flooring	973	sf	20.56	20,013
	Clean flooring	1,522	sf	2.00	3,043
	Wall base	120	lf	20.56	2,467
	Miscellaneous patching and repairing	2,495	sf	5.00	12,475
	Subtotal Finishes		\$/SF:	48.29	120,488
10.0	SPECIALTIES				
	Address numbers	1	ls	500.00	500
	Fire extinguishers	2	ea	822.35	1,645
	Signage	8	ea	372.11	2,977
	Subtotal Specialties		\$/SF:	2.05	5,122
22.0	PLUMBING				
	Water heater, electric, 20 gallons	1	ea	1,027.93	1,028
	Condensate drain piping	150	lf	51.40	7,710
	Subtotal Plumbing		\$/SF:	3.50	8,737
23.0	MECHANICAL				
	Mechanical demolition	1	ls	14,906.87	14,907
	HP-1, 5 ton	1	ea	20,558.70	20,559
	HP-2, 5 ton	1	ea	20,558.70	20,559
	Fan coil unit, 2 ton	2	ea	8,223.48	16,447
	Fan coil unit, 1.5 ton	1	ea	6,167.61	6,168
	Fan coil unit, 1.25 ton	4	ea	5,139.67	20,559
	Fan coil unit, 1 ton	2	ea	4,111.74	8,223
	EF-1, 80 cfm	1	ea	822.35	822
	EF-2, 110 cfm	1	ea	1,130.73	1,131

ESTIMATE DETAIL					
PROJECT:	Faria House Interior Rehabilitation			DATE:	9/17/2020
LEVEL:	Construction Document			ESTIMATOR:	Javier Silva
CLIENT:	Interactive Resources			SCHEDULE:	6 Months
LOCATION:	Interior Rehabilitation			AREA (SF):	2,495
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL AMOUNT
	48x60x4" equipment pad	1	ea	5,920.90	5,921
	Refrigerant piping	214	lf	51.40	11,005
	Thermostats	9	ea	719.55	6,476
	Controls	1	ls	31,200.00	31,200
	Testing, adjusting and balancing	1	ls	5,129.39	5,129
	Subtotal Mechanical		\$/SF:	67.78	169,105
26.0	ELECTRICAL				
	Panel A, 125A	1	ea	6,424.59	6,425
	Circuit breaker, 125A	1	ea	1,284.92	1,285
	Feeder, 125A	50	lf	85.66	4,283
	Power to mechanical equipment	14	ea	2,055.87	28,782
	Subtotal Electrical		\$/SF:	16.34	40,775

ESTIMATE SUMMARY					
PROJECT:	Faria House Interior Rehabilitation			DATE:	9/17/2020
LEVEL:	Construction Document			ESTIMATOR:	Javier Silva
CLIENT:	Interactive Resources			SCHEDULE:	6 Months
LOCATION:	Alternates			AREA (SF):	
ITEM	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL AMOUNT
1	Elevator				
	Elevator	1	ea	100,000.00	100,000
	Drilled pier	4	ea	2,500.00	10,000
	Floor framing modifications	1	ls	25,000.00	25,000
	Elevator shaft wall, metal studs, shaft liner, complete	1,920	sf	30.00	57,600
	Enclosed circuit breaker, 100A	1	ea	1,027.93	1,028
	Elevator disconnect	1	ea	719.55	720
	Elevator wire and conduit	50	lf	68.53	3,426
	SUBTOTAL				197,774
	GENERAL CONDITIONS			30.0%	59,332
	BONDS & INSURANCE			2.0%	5,142
	OVERHEAD AND PROFIT			12.0%	31,470
	DESIGN CONTINGENCY			5.0%	14,686
	ESCALATION			5.8%	17,857
	TOTAL CONSTRUCTION COST				326,261
				TOTAL \$/SF:	
2	Museum Electrical				
	Duplex receptacles	19	ea	256.98	4,883
	LED track lighting	94	lf	150.00	14,094
	Recessed light fixture	17	ea	500.00	8,500
	Wire and conduit	500	lf	20.56	10,279
	Data receptacle	7	ea	350.00	2,450
	SUBTOTAL				40,206
	GENERAL CONDITIONS			30.0%	12,062
	BONDS & INSURANCE			2.0%	1,045
	OVERHEAD AND PROFIT			12.0%	6,398
	DESIGN CONTINGENCY			5.0%	2,986
	ESCALATION			5.8%	3,630
	TOTAL CONSTRUCTION COST				66,326
				TOTAL \$/SF:	3.71

**MEMORANDUM OF UNDERSTANDING AND COOPERATIVE AGREEMENT
BETWEEN THE CITY OF PINOLE AND THE PINOLE HISTORY MUSEUM**

This Memorandum of Understanding and Cooperative Agreement (this “**Agreement**”), is entered into as of _____, 2020 (the “**Effective Date**”) by and between the City of Pinole (the “**City**”), a California municipal corporation, and the Pinole History Museum, a California nonprofit corporation (“**PHM**”). The City and PHM are collectively referred to herein as the “**Parties**.”

RECITALS

- A. The City owns that certain building located at 2100 San Pablo Avenue known as the “**Faria House**.”
- B. The Faria family sold the Faria House to the City as part of a redevelopment project with the understanding that the Faria House would be renovated and used as a local history museum (the “**Museum**”) for the City of Pinole.
- C. PHM was formed as a nonprofit corporation in 2017 in order to fund, construct, and operate the Museum.
- D. The Faria House is in need of renovation in order to fulfill the City’s commitment to house the Museum (the “**Project**”).
- E. Renovation will require architecture and engineering, environmental review, permits, construction management, construction, and possibly site improvements.
- F. The purpose of this Agreement is to show cooperation between the Parties in order to assist the Parties in their efforts to raise funding for the Project and Museum operations and to set forth the roles and responsibilities of each Party for its contribution to the Project.

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth the Parties agree as follows:

1. **TERM.** The term of this Agreement begins on the Effective Date and will end on December 31, 2023 (the “**Term**”). The Term can be extended for one (1) additional year to December 31, 2024 at the mutual agreement of the Parties.
2. **RESPONSIBILITIES OF CITY.**
 - A. **Architecture and Design.** The City has contracted for and has received architecture plans for the renovation of the Faria House to serve as the Museum.

B. CEQA; Entitlements. The City will undertake all steps for environmental review and CEQA compliance. The City is responsible for obtaining approval of all entitlement and planning requirements for the Project. The City is also responsible for ensuring that the architecture and construction for the Museum complies with any relevant State historical requirements or standards.

C. City Project Funding. The City will work in conjunction with PHM in best efforts to use grant funding and proceeds from former redevelopment programs for the Project. The City will determine whether there is any available City funding to apply to the construction of the Project. The City is not obligated to provide funding for the Project in excess of One Million Two Hundred Thousand Dollars (\$1,200,000) ("**Total City Funding**"), including grant funding secured by the City. The Total City Funding includes all amounts approved for architecture, costs of entitlements and CEQA, construction management, construction, and site improvements for the Project.

D. Construction. The City has entered into a contract with Interactive Resources for architectural design and construction cost estimates (the "**Cost Estimate**") for the construction of the base building requirements for the Project. Based on the report received on September 17, 2020 from Interactive Resources' subcontractor, Silva Cost Consulting, Inc., the Cost Estimate for the Project is One Million One Hundred Sixty-Five Thousand Four Hundred Thirty-Five Dollars (\$1,165,435) plus. The cost estimate for special museum electrical work (the "**Tenant Improvements**") is Sixty-Six Thousand Three Hundred Twenty-Six Dollars (\$66,326). Once the conditions precedent set forth in Section 4 below have been satisfied, the City will timely solicit bids for the construction of the Project and Tenant Improvements. Subject to the terms of this Agreement, the City will identify a preferred responsible bidder for the Project and Tenant Improvements, award the bid and provide project management for the Project and Tenant Improvements.

E. Use of City Staff. The City shall provide the services of City personnel on an as-needed basis to perform the project management services needed for the obligations of the City under this Agreement; provided however, that City personnel shall not spend more than 500 hours from the Effective Date onward ("**City Personnel Hours Limit**"). In the event that the hours for City personnel to perform project management for the Project exceeds the City Personnel Hours Limit, the City will invoice PHM for reimbursement of the excess hours on an actual cost reimbursement basis, and will expect receipt of payment within ninety days of invoicing. The City Personnel Hours Limit does not include City personnel time related to CEQA or the entitlement process, the hours for which will be paid through the Project permits.

F. Limitation on City Obligations. The City is under no obligation to fund the furniture, fixtures and equipment (the "**FFE**"), Tenant Improvements, or to provide any funds for the operation of the Museum.

3. RESPONSIBILITIES OF PHM.

A. PHM Project Funding. PHM will raise funding to pay for the Tenant Improvements, estimated to be Sixty-Six Thousand Three Hundred Twenty-Six Dollars (\$66,326), and to purchase the FFE, estimated to be One Hundred Seventy-Five Thousand Dollars (\$175,000). In addition, in the event that the costs of the Project exceed the Total City Funding, PHM shall fund the cost difference.

B. Taxes. PHM shall be responsible for obtaining tax exempt status from the Internal Revenue Service and State Franchise Tax Board. If PHM fails to obtain tax exempt status, payment of all applicable federal, state and local taxes shall be PHM's sole responsibility.

C. Operating Expenses. PHM will be solely responsible for all costs of operating the Museum. Failure to have sufficient funds to operate the Museum will be a default under the lease for the Faria House.

4. CONDITIONS PRECEDENT TO CONSTRUCTION. The City is under no obligation to solicit bids for the construction of the Project until PHM has documented and established, to the satisfaction of the City:

A. PHM has obtained a minimum of Two Hundred Forty-One Thousand Three Hundred and Twenty-Six Dollars (\$241,326) in funding to pay the City to construct the Tenant Improvements and procure the FFE for the Museum.

B. PHM has transferred the total amount of the cost of the Tenant Improvements to the City.

5. LEASE TERMS. Following construction of the Project, the City will enter into a lease with PHM (the "**Lease**") for the use of the Faria House for the Museum. Minimum terms to be included in the Lease are as follows:

(a) The Museum must be open to the public for a minimum of 20 hours each week on a set schedule and must provide a minimum of three exhibits at all times and at least four new exhibits each year.

(b) PHM shall pay \$500 monthly rent for the first five years of tenancy. The monthly rent shall be renegotiated at that point based on PHM's ability to pay and City needs.

(c) The term of the lease will be ten (10) years with an option to extend the lease twice for five (5) years each at the mutual agreement of the Parties.

(d) PHM will be responsible for all routine maintenance of the interior of the Faria House.

(e) The City will be responsible for routine maintenance of the exterior of the Faria House and for major maintenance of exterior walls, windows and the HVAC system.

(f) PHM will maintain a catalog of donated and loaned artifacts and materials and insure and secure those items.

(g) PHM will have the right to make alterations to the interior of the Faria House that are approved by the City.

(h) The City will have the right to use the Faria House up to five (5) times per year for City functions, with no rent to PHM and at a time that does not interfere with the normal hours of business for the Museum.

(i) PHM will be permitted to sublease a portion of the Faria House, subject to any restrictions imposed by the funding sources for the Project, and provided that the use complements the use and purpose of the Museum.

(j) PHM will provide the City with the Museum financial records.

(k) City will be responsible for exterior landscaping and site maintenance.

6. INDEMNIFICATION. To the fullest extent permitted by law, PHM shall indemnify, defend with counsel acceptable to the City, and hold harmless the City and its officers, officials, employees, agents and volunteers (collectively, “**Indemnitees**”) from and against any and all liability, loss, damage, claims, expenses, and costs, including without limitation, attorney’s fees, costs and fees of litigation, (collectively, “**Liability**”) of every nature arising out of or in connection with any activities undertaken by PHM and the duties required of PHM under this Agreement, or its failure to comply with any of its obligations contained in this Agreement, or its failure to comply with any applicable law or regulation, except such Liability caused by the sole negligence or willful misconduct of the City.

7. OWNERSHIP OF DOCUMENTS. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that PHM prepares or obtains pursuant to this Agreement and that relate to the Museum shall be the property of the City. PHM hereby agrees to deliver those documents to the City upon termination of this Agreement. It is understood and agreed that the documents and other materials, including, but not limited to, those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. The City and PHM agree that, until final approval by the City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.

8. CONFLICTS OF INTEREST. PHM covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with performance of the duties required under this Agreement.

9. NOTICES. Any notice, demand, request, consent or approval that either party is required to give the other pursuant to this Agreement, shall be in writing and may be given by either (i) personal service, (ii) electronic notice, or (iii) certified United States mail, postage prepaid, return receipt requested. Notice shall be effective upon personal delivery or delivery to the addresses specified below, as reflected on the receipt of delivery or return receipt, as applicable.

PHM: Pinole History Museum

Attn: Secretary

City: City of Pinole
2131 Pear St.
Pinole, CA 94564
Attn: City Manager

10. RECORDS ACCESS. PHM shall make available to the City, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, bank statements invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the fundraising and receipt of funding for the Project. City must provide twenty-four (24) hours notice prior to review of the financial information. In addition, during the term of this Agreement PHM will provide a report to City quarterly that includes the amount of funds raised to date and the fund raising activities undertaken by PHM.

11. GOVERNING LAW AND VENUE. This Agreement, and any dispute arising from the relationship between the parties hereto, shall be governed by the laws of the State of California. In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Contra Costa.

12. MISCELLANEOUS.

A. This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between the City and PHM relating to the subject matter of this Agreement. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the Parties and sets forth the entire understanding of the Parties regarding the subject matter hereof.

B. This Agreement may not be modified except by a written document signed by both Parties.

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

D. Each Party hereto has had an equivalent opportunity to participate in the drafting of the agreement and/or to consult with legal counsel. Therefore, the construction of an agreement against the drafting party shall not apply to the Parties.

E. This Agreement is made solely for the benefit of the Parties hereto, with no intent to benefit any third parties.

F. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

G. PHM may not assign this Agreement or any interest therein.

H. By entering into this Agreement, the Parties do not intend to create a joint venture between them. The purpose of this Agreement is as indicated in the Recitals, to provide cooperation for the construction of the Museum.

I. This Agreement may be terminated by the mutual agreement of the Parties as evinced by a written document signed by both Parties.

SIGNATURES ON FOLLOWING PAGE

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

CITY

By: _____
Andrew Murray
City Manager

ATTEST:

By: _____
Heather Iopu, CMC
City Clerk

APPROVED AS TO FORM:

By: _____
Eric S. Casher
City Attorney

PINOLE HISTORY MUSEUM,

By: _____
Name
Title

3612543.4

**CITY COUNCIL
REPORT****9B****DATE** JULY 7, 2020**TO:** MAYOR AND COUNCIL MEMBERS**FROM:** HECTOR DE LA ROSA, ASSISTANT CITY MANAGER**SUBJECT: POTENTIAL FUNDING SOURCES FOR THE FARIA HOUSE
RENOAVTION**

RECOMMENDATION

Staff recommends that the City Council accept a report on potential funding sources for the Faria House renovation and provide input to the Faria House Ad-Hoc Committee on the matter.

BACKGROUND

At the June 2, 2020 City Council meeting, during the discussion of the City's commitment to use the Faria House as a local history museum, Council Member Salimi requested information on funding sources available for the Faria House renovation and the impacts to other City projects if funding is redirected from those projects to the Faria House.

At the June 16, 2020 City Council meeting, the Council created a Faria House Ad-Hoc Committee. One of the specific responsibilities of the Committee is to assess and provide recommendations to the full City Council on options to fund the City's share of the cost to renovate and maintain the Faria House building and site. The information provided in this report will feed into the Committee's more detailed examination of this issue.

REVIEW & ANALYSIS

In response to Council Member Salimi's request, staff is providing the Council with an overview of possible funding options for the Faria House improvements, which have been estimated to cost \$1.5 million. Funding options generally include using existing unrestricted financial assets (such as fund balance), obtaining new financial assets (such as grants or loans), and reducing planned expenditures in order to redirect those appropriations to the Faria House.

Using Existing Unrestricted Financial Assets

- **General Fund Balance** – Per the City's Fiscal Year 2020-21 Operating Budget, the General Fund balance is expected to be \$7.1 million at year end, comprised of \$5.1 million in unrestricted funds and \$2 million from the proceeds of the sale of PALC. Historically, unrestricted fund balance has been used for unanticipated

expenditures and/or as working capital for the initial five months of the fiscal year (July – November), before the City receives property tax revenues from the County.

- **Use of \$1.5 Million from the Sale of the Pinole Assisted Living Community (PALC)** – On November 13, 2018, the Council approved a motion to place \$1.5 million of General Fund revenue that the City received from the sale of PALC into either the City's 115 Pension Trust or an unfunded OPEB liability trust. The \$1.5 million is a portion of the \$7.1 million General Fund balance noted above. While the previous City Council designated the \$1.5 million for a specific purpose, the current City Council has the authority to redirect those funds to a different purpose, such as the Faria House renovation.
- **Use of \$500,000 from PALC** – Similar to the \$1.5 million discussed above, in FY 2019-20 PALC made another payment to the City, in the amount of \$500,000. These funds could be allocated towards the improvements at the Faria House.
- **Proceeds from the Sale of Redevelopment Successor Agency Property** – Due to the dissolution of redevelopment agencies, any property that was owned by the former City of Pinole Redevelopment Agency (RDA) must be disposed of. The proceeds of any sale of such property is distributed to the local taxing agencies. The City, as a taxing agency, will receive, as property tax revenue, approximately 19% of the proceeds of the sale of any former RDA property. Earlier this month, the City, as the Successor Agency to the RDA, sold a former RDA property, located at Henry Avenue and Pinole Valley Road, which was a portion of the former Faria House parcel, for \$470,000. The City estimates that it will receive \$89,000 from the sale. These funds were not included in the FY 2020-21 budget and can be designated for any purpose by the City Council. The City is also currently in negotiations for the sale of a 7-acre parcel located at the Pinole Shores II Business Park. When the property is sold, it is estimated that the City will receive \$580,000 in property tax revenues. Those revenues are also not included in the FY 2020-21 budget and can be designated for any purpose by the City Council.

Obtaining New Financial Assets

- **Grant Funding** – Grant funding might be available for the Faria House renovation through State, federal, or nonprofit sources. In May, the City received a notice from the California Natural Resources Agency of future grant opportunities. The grants would provide funding for Museum and for Youth Community Access Programs.

The California Museum grant program, funded by the proceeds from the Snoopy Special Interest License Plate sales, will fund capital projects and program projects that assist the California Cultural and Historical Endowment (CCHE) in supporting and enhancing museum services. The grant awards range from \$50,000 to \$250,000 and require a match of at least 20%. The Youth Community Access Program will fund small capital projects or program projects that increase youth

access to natural and cultural resources. The grant awards range from \$50,000 to \$300,000 and require a match of at least 20%. These two grants have limited funding and will be awarded on a competitive basis.

It might be possible to obtain grant funding through other State, federal, or nonprofit programs.

- **Private Financing** – In prior years, the City has obtained private financing to purchase equipment when the need was immediate and full funding for the item was limited. One advantage of private financing is that it offers the City a pool of funds to purchase equipment or expedite a construction project.

Staff has obtained a proposal from a capital financing firm for a loan of \$1,000,000. At the City's request, the firm has provided the City with three repayment plan options as listed below.

Option	Financing Amount	Interest Rate	Term	Payment Frequency	Payments Per Year	Payment	Total Payment
A	\$1,000,000.00	3.60%	5	Quarterly	4	\$54,858.99	\$1,097,179.80
B	\$1,000,000.00	3.80%	7	Quarterly	4	\$40,843.01	\$1,143,604.28
C	\$1,000,000.00	4.12%	10	Quarterly	4	\$30,629.37	\$1,225,174.80

As a condition of the financing, the City will be required to provide collateral. If this option is exercised, a new obligation of the General Fund will exist, and the City will need to budget the payment, either from new revenue or expenditure savings, each year through the term of the loan agreement.

Reducing Planned Expenditures

- **Reducing Budgeted Expenditures** - The City recently completed an extensive review of its revenues and expenditures as part of the creation of the FY 2020-21 Operating Budget. The budget includes \$15,792,577 of General Fund (including Measures S 2006 and 2014) expenditures on personnel and \$3,430,633 of other operating expenses, including services and supplies. These General Fund appropriations could be redirected to the Faria House. Staff only included in the Proposed FY 2020-21 Operating Budget expenditures that it considered necessary to maintain service levels and meet critical operational and community needs. Staff does not have any specific recommendations at this time for appropriations contained in the Adopted FY 2020-21 Operating Budget that should be re-appropriated to the Faria House. Staff can provide detailed information on appropriations contained in the Adopted FY 2020-21 Operating Budget to the Faria House Ad-Hoc Committee.
- **Property Tax from Developed RDA Properties** – Under State law, cities are exempt from paying property tax on city-owned property. However, once a city sells a piece of city-owned property, the new owner is generally required to pay property tax on the property. Based on the construction value of the project that is anticipated to be built at Henry and Pinole Valley Road, the City is expecting to

receive annual property tax revenues in the amount of \$893. The City receives approximately \$2,277 annually in property tax revenue from the other redeveloped portions of the former Faria parcel (Kaiser, Starbucks, and DaVita). The City does not segregate the property tax revenue that it receives from the former Faria parcel. That revenue is simply a portion of the overall property tax that the City receives, and is appropriated at such. The City could redirect the appropriation of these revenues specifically to the Faria House renovation. That would require backfilling the other projects or services that those funds are currently supporting.

One factor to consider in identifying potential funding sources is the timing of the improvements. The cost estimate of the proposed improvements to the Faria House are based on 2019 costs. Deferring this project for another year or longer could result in increased construction costs. According to the Department of General Services, construction costs have increased at a rate of 4.4% annually over recent years.

Impact to Other City Projects and Services

Whichever funding option is selected, other than grant funding, there will be an impact to the City.

- **Reduction in Interest Revenues** – Utilizing \$1.5 million from the General Fund balance would result in a reduction in interest revenues that would have been earned on those funds. The current interest rate paid through Local Agency Investment Funds (LAIF) is 1.15%, which would equate to \$17,500 per year of reduced interest earnings.
- **115 Retirement Trust** – In June 2018, the City approved funding of a 115 Pension Trust to mitigate the City's pension cost over the next 20 years and to smooth annual contributions. Based on the amount placed in the Trust, projected interest rates, anticipated drawdown of funds to pay annual retirement contributions, and expected rates of return on CalPERS investments, the current funding was projected to carry the City through the peak employer contribution periods. However, it was not expected to completely address the City's unfunded pension liability. Any assets that are currently in the General Fund balance, including the proceeds from the sale of PALC, and are spent on the Faria House renovation will no longer be available to spend on the City's unfunded pension liability in excess of what is contained in the 115 Pension Trust.
- **Increase in Debt Service** – Should the City obtain private financing for the Faria House improvements, the City will have to budget the annual debt service payments. Depending on the repayment period and interest rates, the annual debt service could range from \$122,517 to \$219,436 per year. This amount will be a new expenditure in the General Fund.
- **Deferral of Capital Improvement Projects** – Until such time as it is determined which expenditures in the General Fund are to be reduced or eliminated, the impact to Capital Improvement Projects are unknown.

- **Reduction in Service Levels to Community** – On an annual basis, departments propose expenditures to maintain certain basic service levels and/or complete projects which staff does not have the bandwidth to accomplish. As expenditure reductions are considered and/or are proposed, services levels or project completion may be impacted.

FISCAL IMPACT

There is no fiscal impact to receiving a report of funding options for the Faria House improvements.

ATTACHMENTS

None

**CITY COUNCIL
REPORT****REVISED
10A**

DATE: OCTOBER 6, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER

SUBJECT: RECEIVE THE FIVE-YEAR FORECAST FOR THE GENERAL FUND
AND MEASURE S FUNDS FISCAL YEAR (FY) 2020/21 THROUGH FY
2024/25

RECOMMENDATION

Staff recommends that the City Council receive the five-year forecast for fiscal year (FY) 2020/21 through FY 2024/25.

BACKGROUND

The City has historically included a five-year financial forecast in the adopted Operating Budget. Due to the unusual challenges presented by COVID-19, City staff was unable to create a five-year forecast for inclusion in the FY 2020/21 Operating Budget. Rather, the budget, which was approved by the City Council on June 16, 2020, included just a two-year financial forecast. City staff has conducted additional analysis and is now presenting a five-year forecast for FY 2020/21 through FY 2024/25.

REVIEW AND ANALYSIS

The five-year forecast for the General Fund and Measure S Funds has been prepared using conservative assumptions for both revenues and expenditures. Based on analysis of historical trends and anticipated future issues, staff forecasted the fiscal impacts to the operating budgets and ending fund balance for the General Fund and Measure S Funds for five years. The Five-Year Forecast Summary Schedule for the General Fund and Measure S Funds for FY 2020/21 Through FY 2024/25 is included as Attachment A to this report.

General Fund**Revenue Forecast**

The General Fund revenue forecast anticipates a recovery from the impact of the COVID-19 Shelter-In-Place (SIP) in FY 2021/22. The forecast also includes some one-time revenues, as noted below. Overall, the revenues are forecasted to increase from \$14.7 million in FY 2020/21 to \$17.8 million in FY 2024/25. When including the anticipated transfers in from the Pension Trust Fund to the General Fund as another

funding source, total revenues are forecasted to be \$16.1 million in FY 2020/21 and \$19.0 million in FY 2024/25, as shown in the table below.

General Fund - 100	2018-19 Actual	2019-20 Actual	2020-21 Original Budget	2021-22 Projected	2022-23 Projected	2023-24 Projected	2024-25 Projected
REVENUE:							
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,156,491	5,067,165	5,490,109	5,630,182
SALES TAX	3,994,720	3,788,080	3,345,879	3,788,080	3,901,722	4,018,774	4,139,337
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,953,259	1,992,324	2,032,171
FRANCHISE TAX	735,311	750,001	750,000	757,500	772,650	788,103	803,865
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,046,286	2,107,675	2,170,905	2,236,032
OTHER TAXES	884,757	826,359	785,000	884,757	902,453	920,502	938,912
OTHER REVENUE	3,274,296	2,280,423	1,795,187	1,869,216	1,944,362	2,015,230	2,024,531
Total Revenue	16,375,597	15,922,167	14,724,338	15,417,291	16,649,286	17,395,947	17,805,031
TRANSFERS IN	6,290,688						
PENSION TRANSFER IN (FY 19/20 alloc)			476,366				
PENSION TRANSFER IN			882,013	743,686	947,272	1,040,806	1,180,322
Total Sources	22,666,285	15,922,167	16,082,717	16,160,977	17,596,558	18,436,753	18,985,353

Revenue Assumptions

The forecast assumes that base Property Tax revenue will grow at 2% to 3% per year. The residual property tax revenue that has resulted from the dissolution of the former redevelopment agency is forecasted to increase by approximately \$908,000 in FY 2023/24, after outstanding redevelopment bonds are retired. The forecast also assumes additional residual property tax revenue of \$86,000 in FY 2021/22 and \$575,500 in FY 2022/23 for the anticipated sale of former RDA property.

The forecast assumes that Sales Tax revenue will rebound in FY 2021/22 to the FY 2019/20 level, and thereafter grow at 3% annually. The estimates on the recovery are conservative, but staff will continue to monitor sales tax revenue activity on a quarterly basis.

Franchise Tax and Utility Users Tax (UUT) revenues are forecasted to grow at 1% to 2% annually.

Other Taxes revenue includes Transient Occupancy Tax (TOT) and Business License. These revenues are forecasted to rebound in FY 2021/22 to the FY 2018/19 level, and thereafter grow at 2% annually.

Intergovernmental Tax revenues, Vehicle License Fees and Homeowner Property Tax Relief, are forecasted to increase at 2% to 3% annually.

Transfers from the Pension Trust Fund to the General Fund are equivalent to the difference between the City's base year (FY 2018/19) contribution toward employee pensions and the forecasted required City contribution in future years.

Expenditure Forecast

Overall, General Fund expenditures are forecasted to increase from \$17.6 million in FY 2020/21 to \$18.8 in FY 2024/25. Personnel and other operating costs are forecasted to increase at a modest amount in order to maintain existing levels of staffing and service.

General Fund - 100	2018-19 Actual	2019-20 Actual	2020-21 Original Budget	2021-22 Projected	2022-23 Projected	2023-24 Projected	2024-25 Projected
EXPENDITURES:							
SALARIES	7,140,412	7,217,115	8,197,748	8,443,680	8,696,991	8,957,901	9,226,638
BENEFITS & INSURANCE	4,378,221	4,646,517	5,181,603	5,195,660	5,551,921	5,806,894	6,077,392
OTHER OPERATING EXPENSES	1,791,295	2,649,852	1,949,122	2,031,197	2,088,071	2,146,537	2,206,640
EXPENDITURES - One time			1,022,500		22,500		22,500
DEBT SERVICE	520,000	536,120	555,000	575,000	595,000	610,000	610,000
TRANSFERS OUT	21,225,833	562,558	702,955	562,558	579,435	596,818	614,722
Total Expenditures	35,055,762	15,612,162	17,608,928	16,808,096	17,533,918	18,118,150	18,757,891

Expenditure Assumptions

Salaries are forecasted to increase at 3% annually.

Other Benefits have been forecasted to increase at 4% annually.

The City's required pension contribution is forecasted based on the most recent actuarial valuation reports provided by the California Public Employees' Retirement System (CalPERS).

Retiree Health Benefits are forecasted to increase from 4% to 7% annually based on the actuarial valuation report provided by the City's consultant, Bartel Associates, LLC.

General operating costs are forecasted to increase at 2.8% annually over the five-year period, based on four-year average.

One-time expenditures have been specifically identified and incorporated into the forecast as appropriate.

Transfers Out have been adjusted in FY 2021/22 to the spending level of FY 2019/20. The FY 2020/21 transfers out were budgeted at higher levels than normal to offset the loss of revenue to the Recreation Fund due to the SIP.

Net Results and Fund Balance

As seen in the table below, the General Fund is forecasted to be generally balanced over the upcoming five-year period. This is primarily due to modestly increasing revenues and the Pension Trust Fund's coverage of increasing pension costs.

The City's unassigned General Fund Balance is forecasted to be \$3.9 million at June 30, 2021 and \$3.7 million at June 30, 2025. The unassigned General Fund Balance forecast accounts for deposits into the General Reserve per the General Reserve Policy.

The General Reserve, which represents 50% of the General Fund operating budget for each year, is forecasted to be \$8.3 million at June 30, 2021 and \$9.4 million at June 30, 2025. The General Reserve is funded by forecasted interest earnings of 3% annually and transfers from the General Fund to maintain the required reserve level per City Policy.

The Pension Trust Fund balance is forecasted at \$17.1 million at June 30, 2021 and \$15.1 million at June 30, 2025. The Pension Trust is funded by forecasted interest earnings of 5.8% annually. The forecast does not assume a deposit of any portion of the proceeds of the sale of the Pinole Assisted Living Community (PALC) into the Pension Trust Fund.

General Fund - 100	2018-19 Actual	2019-20 Actual	2020-21 Original Budget	2021-22 Projected	2022-23 Projected	2023-24 Projected	2024-25 Projected
Total Revenues and Sources	22,666,285	15,922,167	16,082,717	16,160,977	17,596,558	18,436,753	18,985,353
Total Expenditures	35,055,762	15,612,162	17,608,928	16,808,096	17,533,918	18,118,150	18,757,891
Net Results	(12,389,477)	310,005	(1,526,211)	(647,119)	62,641	318,603	227,461
Fund Balance, July 1	18,203,473	5,813,996	6,124,001	3,865,991	3,346,468	3,280,193	3,547,695
Preliminary Fund Balance, June 30	5,813,996	6,124,001	4,597,790	3,218,872	3,409,108	3,598,796	3,775,157
Adjust for General Reserves Policy			(731,799)	127,596	(128,915)	(51,101)	(71,625)
Fund Balance, June 30			3,865,991	3,346,468	3,280,193	3,547,695	3,703,531
General Reserve Balance, June 30	7,137,963	7,352,102	8,304,464	8,404,048	8,766,959	9,059,075	9,378,946
Pension Fund Balance, June 30	17,159,258	18,088,812	17,144,938	16,941,586	16,476,394	15,900,747	15,087,504

Measure S 2006

The Measure S 2006 FY 2020/21 budget is projecting a \$157,297 surplus. These funds continue to support Police and Fire operations. The remaining fund balance is projected to be \$1.9 million at June 30, 2021 and \$2.21 million at June 30, 2025.

Measure S 2006 expenditures and available fund balance will be reviewed with the annual budget process. Use of fund balance may be budgeted to address additional public safety needs identified through the budget process.

MEASURE S-2006 - 105	2018-19 Actual	2019-20 Actual	2020-21 Original Budget	2021-22 Projected	2022-23 Projected	2023-24 Projected	2024-25 Projected
Total Revenues and Sources	2,170,860	1,981,425	2,322,897	2,279,673	2,365,041	2,426,136	2,498,495
Total Expenditures	2,172,561	2,499,588	2,165,524	2,191,565	2,290,103	2,365,244	2,450,594
Net Results	(1,702)	(518,163)	157,373	88,108	74,938	60,892	47,901
Fund Balance, July 1	2,300,654	2,298,952	1,780,790	1,938,162	2,026,271	2,101,209	2,162,101
Fund Balance, June 30	2,298,952	1,780,790	1,938,162	2,026,271	2,101,209	2,162,101	2,210,002

General assumptions for revenue and expenditure forecasts for Measure S 2006 are consistent with the assumptions for the General Fund noted above.

Measure S 2014

FY 2020/21 marks the sixth full year that the City will receive revenue from Measure S 2014. The City Council approved a new Five-Year Funding Plan for the use of these funds on September 17, 2019, which has been incorporated into the Five-Year Forecast. The funds are used to address some of the City's operational and capital improvement needs.

The Measure S 2014 FY 2020/21 budget is projecting a \$1.6 million use of fund balance due to planned and approved capital projects. Including all of the capital projects incorporated into the FY 2020/21 through FY 2024/25 Capital Improvement Program (CIP), the Measure S 2014 fund balance is forecasted to be \$2.2 million at June 30, 2021 and \$3.5 million at June 30, 2025.

Staff intends to incorporate the Measure S 2014 Five-Year Funding Plan into the normal annual budget beginning in FY 2021/22, to better align the programming of Measure S 2014 expenditures with the General Fund operating budget process and the CIP process. This will facilitate the evaluation of the use of available Measure S 2014 funds for capital projects.

MEASURE S-2014 - 106	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Original Budget	Projected	Projected	Projected	Projected
Total Revenues and Sources	2,175,803	2,016,848	1,953,088	2,076,235	2,125,364	2,169,807	2,217,330
Total Expenditures	1,278,117	2,139,737	3,522,274	1,967,755	1,744,573	1,784,880	1,802,171
Net Results	897,686	(122,889)	(1,569,186)	108,480	380,791	384,927	415,159
Fund Balance, July 1	2,974,321	3,872,007	3,749,117	2,179,931	2,288,411	2,669,202	3,054,130
Fund Balance, June 30	3,872,007	3,749,117	2,179,931	2,288,411	2,669,202	3,054,130	3,469,289

General assumptions for revenue and expenditure forecasts for Measure S 2014 are consistent with the assumptions for the General Fund noted above.

FISCAL IMPACT

The Five-Year Forecast for the General Fund and Measure S Funds reflects a combined total unassigned fund balance of \$8 million at June 30, 2021 and \$9.4 million at June 30, 2025. In addition, General Reserves are forecasted to increase from \$8.3 million to \$9.4 million in at June 30, 2025.

The Pension Section 115 Trust Fund is forecasted to decrease from \$17.1 million at June 30, 2021 to \$15.1 million at June 30, 2025.

ATTACHMENTS

- A . Year Forecast Summary Schedule for the General Fund and Measure S Funds for FY 2020/21 Through FY 2024/25

CITY OF PINOLE
FIVE-YEAR FORECAST

GENERAL FUND SUMMARY INCLUDES MEASURE S 2006 & 2014	2018-19 Actual	2019-20 Actual	2020-21 Original Budget	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast
REVENUE							
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,156,491	5,067,165	5,490,109	5,630,182
SALES TAX	3,994,720	3,788,080	3,345,879	3,788,080	3,901,722	4,018,774	4,139,337
MEAS S 2006 & 2014 LOCAL SALES TAX	4,286,328	3,901,837	3,651,338	3,901,837	3,979,874	4,059,471	4,140,661
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,953,259	1,992,324	2,032,171
FRANCHISE TAX	735,311	750,001	750,000	757,500	772,650	788,103	803,865
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,046,286	2,107,675	2,170,905	2,236,032
OTHER TAXES	884,757	826,359	785,000	884,757	902,453	920,502	938,912
OTHER REVENUE	3,334,631	2,376,859	1,845,187	1,919,216	1,994,362	2,065,230	2,074,531
Total Revenue	20,722,259	19,920,440	18,425,676	19,369,128	20,679,160	21,505,418	21,995,691
TRANSFERS IN	6,290,688						
PENSION TRANSFER IN (FY 19/20 alloc)			659,567				
PENSION TRANSFER IN			1,273,458	1,147,758	1,407,804	1,527,278	1,705,486
Total Sources	27,012,947	19,920,440	20,358,701	20,516,886	22,086,964	23,032,696	23,701,177
EXPENDITURES							
SALARIES	8,593,887	9,184,283	9,662,236	9,952,103	10,250,666	10,558,186	10,872,963
BENEFITS - PERS RETIRE	1,792,051	2,451,619	3,077,528	2,939,809	3,199,855	3,319,329	3,497,537
BENEFITS - OTHER	3,079,527	2,864,038	3,052,813	3,185,911	3,350,257	3,523,834	3,667,438
OTHER OPERATING EXPENSES	2,506,418	3,460,467	2,477,902	2,631,536	2,669,881	2,758,607	2,823,995
EXPENDITURES - One time			1,022,500		22,500		22,500
FF&E			138,550	55,000	55,000	55,000	55,000
DEBT SERVICE	590,433	606,553	555,000	575,000	595,000	610,000	610,000
CAPITAL PROJECTS	211,292	429,470	1,914,242	315,000	150,000	150,000	150,000
TRANSFERS OUT	21,732,833	1,255,058	1,395,955	1,313,058	1,275,435	1,293,318	1,311,222
Total Expenditures	38,506,441	20,251,487	23,296,726	20,967,416	21,568,594	22,268,273	23,010,656
Surplus/Deficit	(11,493,493)	(331,047)	(2,938,025)	(450,530)	518,370	764,423	690,521
Fund Balance, July 1	23,478,448	11,984,955	11,653,908	7,984,084	7,661,150	8,050,604	8,763,926
Preliminary Fund Balance, June 30	11,984,955	11,653,908	8,715,883	7,533,554	8,179,520	8,815,027	9,454,448
General Reserves Adjustment			(731,799)	127,596	(128,915)	(51,101)	(71,625)
Fund Balance, June 30	11,984,955	11,653,908	7,984,084	7,661,150	8,050,604	8,763,926	9,382,822
Revenues - Transfers In	16,287,510						
Revenues - Interest	924,669	1,010,988	1,049,151	994,406	982,612	955,631	922,243
Expenditure - Transfers Out			1,933,025	1,147,758	1,407,804	1,527,278	1,705,486
Expenditures	52,921	81,434	60,000	50,000	40,000	4,000	30,000
Pension Fund Balance, June 30	17,159,258	18,088,812	17,144,938	16,941,586	16,476,394	15,900,747	15,087,504
General Reserve Balance, June 30	7,137,963	7,352,102	8,304,464	8,404,048	8,766,959	9,059,075	9,378,946
Other GF Fund Balances	18,376						
CAFR ending June 30, 2019	36,300,552						

CITY OF PINOLE
FIVE-YEAR FORECAST

General Fund - 100	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Original Budget	Projected	Projected	Projected	Projected
REVENUE:							
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,156,491	5,067,165	5,490,109	5,630,182
SALES TAX	3,994,720	3,788,080	3,345,879	3,788,080	3,901,722	4,018,774	4,139,337
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,953,259	1,992,324	2,032,171
FRANCHISE TAX	735,311	750,001	750,000	757,500	772,650	788,103	803,865
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,046,286	2,107,675	2,170,905	2,236,032
OTHER TAXES	884,757	826,359	785,000	884,757	902,453	920,502	938,912
OTHER REVENUE	3,274,296	2,280,423	1,795,187	1,869,216	1,944,362	2,015,230	2,024,531
Total Revenue	16,375,597	15,922,167	14,724,338	15,417,291	16,649,286	17,395,947	17,805,031
TRANSFERS IN	6,290,688						
PENSION TRANSFER IN (FY19/20 Alloc)			476,366				
PENSION TRANSFER IN			882,013	743,686	947,272	1,040,806	1,180,322
Total Sources	22,666,285	15,922,167	16,082,717	16,160,977	17,596,558	18,436,753	18,985,353
EXPENDITURES:							
SALARIES	7,140,412	7,217,115	8,197,748	8,443,680	8,696,991	8,957,901	9,226,638
BENEFITS & INSURANCE	4,378,221	4,646,517	5,181,603	5,195,660	5,551,921	5,806,894	6,077,392
OTHER OPERATING EXPENSES	1,791,295	2,649,852	1,949,122	2,031,197	2,088,071	2,146,537	2,206,640
EXPENDITURES - One time			1,022,500		22,500		22,500
DEBT SERVICE	520,000	536,120	555,000	575,000	595,000	610,000	610,000
TRANSFERS OUT	21,225,833	562,558	702,955	562,558	579,435	596,818	614,722
Total Expenditures	35,055,762	15,612,162	17,608,928	16,808,096	17,533,918	18,118,150	18,757,891
Net Results	(12,389,477)	310,005	(1,526,211)	(647,119)	62,641	318,603	227,461
Fund Balance, July 1	18,203,473	5,813,996	6,124,001	3,865,991	3,346,468	3,280,193	3,547,695
Preliminary Fund Balance, June 30	5,813,996	6,124,001	4,597,790	3,218,872	3,409,108	3,598,796	3,775,157
General Reserves Adjustment			(731,799)	127,596	(128,915)	(51,101)	(71,625)
Fund Balance, June 30	5,813,996	6,124,001	3,865,991	3,346,468	3,280,193	3,547,695	3,703,531

Measure S -2006 Fund - 105	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Original Budget	Projected	Projected	Projected	Projected
REVENUE:							
SALES TAX	2,146,708	1,951,039	1,825,669	1,951,039	1,990,060	2,029,861	2,070,458
OTHER REVENUE	24,151	30,386	20,000	20,000	20,000	20,000	20,000
Total Revenue	2,170,860	1,981,425	1,845,669	1,971,039	2,010,060	2,049,861	2,090,458
PENSION TRANSFER IN (FY 19/20 Alloc)			182,670				
PENSION TRANSFER IN			294,558	308,634	354,981	376,275	408,036
Total Sources	2,170,860	1,981,425	2,322,897	2,279,673	2,365,041	2,426,136	2,498,495
EXPENDITURES:							
SALARIES	1,248,787	1,596,577	1,200,993	1,237,023	1,274,133	1,312,357	1,349,760
BENEFITS & INSURANCE	446,992	619,423	790,777	775,923	832,349	864,124	906,787
OTHER OPERATING EXPENSES	406,349	213,154	173,754	178,619	183,620	188,762	194,047
EXPENDITURES - One time							
DEBT SERVICE	70,433	70,433					
Total Expenditures	2,172,561	2,499,588	2,165,524	2,191,565	2,290,103	2,365,244	2,450,594
Net Results	(1,702)	(518,163)	157,373	88,108	74,938	60,892	47,901
Fund Balance, July 1	2,300,654	2,298,952	1,780,790	1,938,162	2,026,271	2,101,209	2,162,101
Fund Balance, June 30	2,298,952	1,780,790	1,938,162	2,026,271	2,101,209	2,162,101	2,210,002

**CITY OF PINOLE
FIVE-YEAR FORECAST**

MEASURE S-2014 - 106	2018-19 Actual	2019-20 Actual	2020-21 Original Budget	2021-22 Projected	2022-23 Projected	2023-24 Projected	2024-25 Projected
REVENUE:							
SALES TAX	2,139,620	1,950,798	1,825,669	1,950,798	1,989,814	2,029,610	2,070,202
OTHER REVENUE	36,183	66,050	30,000	30,000	30,000	30,000	30,000
Total Revenue	2,175,803	2,016,848	1,855,669	1,980,798	2,019,814	2,059,610	2,100,202
PENSION TRANSFER IN FY 19/20 Alloc)			532				
PENSION TRANSFER IN			96,887	95,437	105,550	110,197	117,128
Total Sources	2,175,803	2,016,848	1,953,088	2,076,235	2,125,364	2,169,807	2,217,330
EXPENDITURES:							
SALARIES	204,687	370,590	263,495	271,400	279,542	287,928	296,566
BENEFITS & INSURANCE	46,364	49,716	157,961	154,136	165,842	172,144	180,797
OTHER OPERATING EXPENSES	308,774	597,461	355,026	421,719	398,190	423,308	423,308
EXPENDITURES - One time							
FF&E			138,550	55,000	55,000	55,000	55,000
CAPITAL PROJECTS	211,292	429,470	1,914,242	315,000	150,000	150,000	150,000
TRANSFERS OUT	507,000	692,500	693,000	750,500	696,000	696,500	696,500
Total Expenditures	1,278,117	2,139,737	3,522,274	1,967,755	1,744,573	1,784,880	1,802,171
Net Results	897,686	(122,889)	(1,569,186)	108,480	380,791	384,927	415,159
Fund Balance, July 1	2,974,321	3,872,007	3,749,117	2,179,931	2,288,411	2,669,202	3,054,130
Fund Balance, June 30	3,872,007	3,749,117	2,179,931	2,288,411	2,669,202	3,054,130	3,469,289