



City Hall
555 Santa Clara Street
Vallejo, CA 94590

AMENDED¹ AGENDA

VALLEJO CITY COUNCIL SPECIAL MEETING VALLEJO HOUSING AUTHORITY VALLEJO REDEVELOPMENT AGENCY AUGUST 19, 2008

MAYOR
Osby Davis

CITY COUNCIL
Tom Barteo, Vice Mayor
Hermie Sunga
Stephanie Gomes
Michael Wilson
Joanne Schivley
Erin Hannigan

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the City Council without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Those wishing to address the Council on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Council to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA. Those wishing to speak on a "PUBLIC HEARING" matter will be called forward at the appropriate time during the public hearing consideration.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the City Council will be available for public inspection at the City Clerk's Office, 555 Santa Clara Street, Vallejo, CA at the same time that the public records are distributed or made available to the City Council. Such documents may also be available on the City of Vallejo website at <http://www.ci.vallejo.ca.us> subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4527, TDD (707) 649-3562.



Vallejo City Council Chambers is ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

NOTICE: Members of the public shall have the opportunity to address the City Council concerning any item listed on the Special Meeting Agenda before or during consideration of that item. No other items may be discussed at this special meeting.

VALLEJO CITY COUNCIL SPECIAL MEETING – CLOSED SESSION 5:00 P.M. – CITY COUNCIL CHAMBER

NOTICE: Members of the public shall have the opportunity to address the City Council concerning any item listed on the Special Meeting Agenda before or during consideration of that item. No other items may be discussed at this special meeting.

- A. CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION: STEVEN KREITZMAN V. CITY OF VALLEJO, WORKERS' COMPENSATION APPEALS BOARD NOS. SFO 0489485, SFO 0489484 AND SFO 050289; PURSUANT TO SUBDIVISION (A) OF GOVERNMENT CODE SECTION 54956.9.

¹A special meeting of the Housing Authority was added to permit consideration of Administrative Item 2A.

- B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:
PROPERTY: 485 SANTA CLARA STREET, VALLEJO, CA
CITY NEGOTIATORS: JOE TANNER, CITY MANAGER, GARY LEACH, PUBLIC WORKS DIRECTOR, SUSAN MCCUE, ECONOMIC DEVELOPMENT PROGRAM MANAGER, ALLAN PANGANIBAN, SENIOR CIVIL ENGINEER AND STEVEN LONG, OVERLAND PACIFIC & CUTLER
NEGOTIATING PARTIES: HILF - PAYARES PROPERTY, INC.,
UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT
- C. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:
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NEGOTIATING PARTIES: A.J. HIGGINS COMPANY, INC.
UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT

VALLEJO CITY COUNCIL
SPECIAL MEETING
5:45 P.M. -- CITY COUNCIL CHAMBER

- A. INTERVIEWS FOR APPOINTMENT TO THE SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT BOARD OF TRUSTEES
- B. INTERVIEWS FOR APPOINTMENT TO THE CIVIL SERVICE COMMISSION

VALLEJO CITY COUNCIL
REGULAR MEETING
7:00 P.M. -- CITY COUNCIL CHAMBERS

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. PRESENTATIONS AND COMMENDATIONS - NONE
5. FIRST COMMUNITY FORUM

Anyone wishing to address the Council on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Council to resolve, is requested to submit a completed speaker card to the City Clerk. When called upon, each speaker should step to the podium, state his /her name, and address for the record. The conduct of the community forum shall be limited to a maximum of fifteen (15) minutes, with each speaker limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300. The remainder of the speakers wishing to address the Council on non-agenda items will be heard at the second Community Forum listed later on the agenda.

6. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

Members of the public wishing to address the Council on Consent Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Council. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.

7. CONSENT CALENDAR AND APPROVAL OF AGENDA

- A. APPROVAL OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH MUNICIPAL FINANCIAL SERVICES FOR CREATION OF THE 2009-2014 WATER UTILITY FINANCING PLAN AND RATE STUDY

PROPOSED ACTION: Adopt the resolution authorizing the City Manager to execute a consulting services agreement with Municipal Financial Services of Alameda, California, for creation of the 2009-2014 Water Utility Financing Plan and Rate Study in an amount not to exceed \$55,000.

- B. APPROVAL OF FIRST AMENDMENT TO CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH SANDRA SALERNO FOR MANAGING THE HUMAN RESOURCES DEPARTMENT

PROPOSED ACTION: Adopt the resolution amending the Consultant and Professional Services Agreement with Sandra Salerno for managing the Human Resources Department.

8. PUBLIC HEARINGS - NONE
9. POLICY ITEMS – NONE

10. ADMINISTRATIVE ITEMS

- A. CONSIDERATION OF A RESOLUTION APPROVING THE UPDATED INITIAL PROJECT REPORT FOR VALLEJO STATION INTERMODAL FACILITY PROJECT AND AUTHORIZING THE CITY MANAGER TO SUBMIT AN ALLOCATION REQUEST FOR REGIONAL MEASURE 2 FUNDS TO THE METROPOLITAN TRANSPORTATION COMMISSION FOR RIGHT OF WAY ACQUISITION

PROPOSED ACTION: Adopt the resolution approving the updated Initial Project Report for Vallejo Station Intermodal Facility project and authorizing the City Manager to submit an allocation request for Regional Measure 2 to the Metropolitan Transportation Commission for right of way acquisition.

11. RECESS TO SPECIAL MEETING OF THE VALLEJO REDEVELOPMENT AGENCY

12. RECONVENE CITY COUNCIL MEETING

13. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES

- A. APPOINTMENT TO THE SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT BOARD

PROPOSED ACTION: Adopt a resolution appointing one member to the Solano County Mosquito Abatement District Board of Trustees.

- B. APPOINTMENT TO THE CIVIL SERVICE COMMISSION

PROPOSED ACTION: Adopt a resolution appointing three members to the Civil Service Commission.

14. RECESS TO SPECIAL MEETING OF THE VALLEJO HOUSING AUTHORITY

15. RECONVENE CITY COUNCIL MEETING

16. WRITTEN COMMUNICATIONS

Correspondence addressed to the City Council or a majority thereof, and not added to the agenda by the Mayor or a Council member in the manner prescribed in Government Code, Section 54954.2, will be filed unless referred to the City Manager for a response. Such correspondence is available for public inspection at the City Clerk's office during regular business hours.

17. CITY MANAGER'S REPORT

18. CITY ATTORNEY'S REPORT

19. COMMUNITY FORUM

Anyone wishing to address the Council on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Council to resolve, is requested to submit a completed speaker card to the City Clerk. When called upon, each speaker should step to the podium, state his /her name, and address for the record. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300.

20. REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE CITY COUNCIL

21. CLOSED SESSION - NONE

22. ADJOURNMENT

VALLEJO REDEVELOPMENT AGENCY
SPECIAL MEETING
7:00 P.M. CITY COUNCIL CHAMBERS

NOTICE: Members of the public shall have the opportunity to address the Redevelopment Agency concerning any item listed on this notice before or during consideration of that item. No other items may be discussed at this special meeting.

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT CALENDAR

- A. APPROVAL OF A RESOLUTION ADOPTING RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS AND THE EXTENSION OF REASONABLE PREFERENCES TO BUSINESS OCCUPANTS IN THE MERGED DOWNTOWN/WATERFRONT REDEVELOPMENT PROJECTS

PROPOSED ACTION: Approve the attached resolution adopting Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects.

- B. APPROVAL OF REDEVELOPMENT AGENCY MINUTES FOR SPECIAL MEETING OF FEBRUARY 26, 2008 AND JOINT SPECIAL MEETINGS OF APRIL 8, 2008 AND APRIL 22, 2008

PROPOSED ACTION: Approve the minutes.

4. ADJOURN TO CITY COUNCIL MEETING

VALLEJO HOUSING AUTHORITY
SPECIAL MEETING
7:00 P.M. CITY COUNCIL CHAMBERS

***NOTICE:** Members of the public shall have the opportunity to address the Housing Authority concerning any item listed on this notice before or during consideration of that item. No other items may be discussed at this special meeting.*

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. ADMINISTRATIVE ITEMS**
 - A. CONSIDERATION OF A RESOLUTION AMENDING CHAPTER 4 OF THE ADMINISTRATIVE PLAN TO GIVE PRIORITY TO VICTIMS OF NATURAL AND MAN-MADE DISASTERS FOR HOUSING CHOICE VOUCHERS AS RECOMMENDED BY THE HOUSING AND REDEVELOPMENT COMMISSION**
(Staff Report to be provided at meeting)

PROPOSED ACTION: Adopt the resolution amending Chapter 4 of the Administrative Plan to give priority to victims of natural and man-made disasters for Housing Choice Vouchers.
- 4. ADJOURN TO CITY COUNCIL MEETING**

VALLEJO CITY COUNCIL
SPECIAL MEETING/CLOSED SESSION
5:00 P.M. – CITY COU0NCIL CONFERENCE ROOM
TUESDAY, AUGUST 19, 2008

In accordance with the provisions of the Ralph M. Brown Act, Government Code Section 54956, you and each of you are hereby notified that I, Osby Davis, the undersigned, have called a Special Meeting Closed Session of the City Council of the City of Vallejo at the City Council Chambers, 555 Santa Clara Street, Vallejo, California, on Tuesday, August 19, 2008 at 5:00 p.m. to consider only the following matters:

***NOTICE:** Members of the public shall have the opportunity to address the City Council concerning any item listed on this notice before or during consideration of that item. No other items may be discussed at this special meeting.*

CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL - PENDING LITIGATION: STEVEN KREITZMAN V. CITY OF VALLEJO, WORKERS' COMPENSATION APPEALS BOARD NOS. SFO 0489485, SFO 0489484 AND SFO 050289; PURSUANT TO SUBDIVISION (A) OF GOVERNMENT CODE SECTION 54956.9
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PROPERTY: 485 SANTA CLARA STREET, VALLEJO, CA
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NEGOTIATING PARTIES: HILF - PAYARES PROPERTY, INC.,
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NEGOTIATING PARTIES: A.J. HIGGINS COMPANY, INC.,
UNDER NEGOTIATION: PRICE AND TERMS OF PAYMENT

Dated: August 13, 2008



OSBY DAVIS, Mayor

CERTIFICATION

I, Mary Ellsworth, City Clerk, undersigned, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the City Council of the City of Vallejo, California, at the time and in the manner prescribed by law, or said members have waived notice thereof by their consent attached hereto.

Dated: August 13, 2008



MARY ELLSWORTH, City Clerk


VALLEJO CITY COUNCIL
SPECIAL MEETING
5:45 P.M. – CITY COUNCIL CHAMBERS
TUESDAY, AUGUST 19, 2008

In accordance with the provisions of the Ralph M. Brown Act, Government Code, Section 54956, you and each of you are hereby notified that I, Osby Davis, the undersigned, have called a special meeting of the City Council of the City of Vallejo at the City Council Chambers, 555 Santa Clara Street, Vallejo, California, on Tuesday, August 19, 2008 at 5:45 p.m. to consider only the following matters:

***NOTICE:** Members of the public shall have the opportunity to address the City Council concerning any item listed on this notice before or during consideration of that item. No other items may be discussed at this special meeting.*

1. INTERVIEWS FOR APPLICANTS FOR APPOINTMENT TO THE SOLANO COUNTY MOSQUITO ABATEMENT DISTRICT BOARD
2. INTERVIEWS FOR APPLICANTS TO THE CIVIL SERVICE COMMISSION

Dated: August 13, 2008

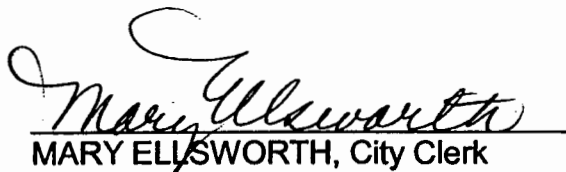


OSBY DAVIS, Mayor

CERTIFICATION

I, Mary Ellsworth, City Clerk, undersigned, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the City Council of the City of Vallejo, California, at the time and in the manner prescribed by law, or said members have waived notice thereof by their consent attached hereto.

Dated: August 13, 2008



MARY ELLSWORTH, City Clerk



CONSENT A

COUNCIL COMMUNICATION

Agenda Item No.

Date: August 19, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: CONSULTING SERVICES AGREEMENT WITH MUNICIPAL FINANCIAL SERVICES FOR CREATION OF THE 2009-2014 WATER UTILITY FINANCING PLAN AND RATE STUDY

BACKGROUND

The current water rates and fee structure was last studied in 2004 and adopted by the City Council in February 2005, with phased water rates, service charges, and connection charges implemented through June 30th, 2009. In order to assure the continuing fiscal health of the City Water Enterprise, the Water Utility Financing Plan must be updated.

Since 1999 the City has set water rates through the use of a five year Water Utility Financing Plan and Rate Study. Each five year plan, 1999 and 2004, incorporated minor changes to water rates and connection fees to account for changing legal, public, and City Council requirements. The process of setting water rates must meet many legal requirements and provide the revenue necessary to continue to ensure the City's water customers receive potable water meeting all applicable water treatment regulations and the system can provide sufficient water for fire suppression.

Five year rate plans have been found to be appropriate to allow longer term revenue stability and capital improvement planning to occur. Adoption of yearly rates would require the added significant cost of Proposition 218 notification each year. The proposal negotiated with Municipal Financial Services (MFS) is intended to create a rate structure which will accomplish each of the following tasks:

- Provide sufficient revenue for ongoing Operations & Maintenance and existing debt service obligations (both reserves and coverage)
- Provide revenue for the Capital Improvement Program (pay-as-you-go only with no new debt service projected by the City)
- Provide revenue sufficient to maintain a target fund balance for working capital and to absorb revenue shortfalls due to periodic decreases in water sales
- Evaluate the merger of rate structures to reduce the total number of different rates
- Evaluate changes to tiered rate charge rate structure to promote water conservation
- Meet regulatory requirements for a proportional cost of service between customers as articulated in California Constitution Article XIID added by Proposition 218 in 1996



- Develop water system capacity charges for the “Lakes” area that meet the definition of capacity charge found in Government Code Section 66013 and that satisfies the rational nexus criteria generally applied to these types of charges
- Capable of being implemented using the City’s utility billing system
- Acceptable to the City Council and the public

After the creation of the 2009-2014 Water Utility Financing Plan and Rate Study report, rates are set by the City Council upon adoption of the plan and required Proposition 218 notification. Rates are generally adjusted each July 1st, to coincide with the beginning of the fiscal year.

Tom Pavletic is a sole proprietor doing business as Municipal Financial Services, which is based in Alameda, California, and works in conjunction with Brown and Caldwell (B&C) as a sub-contractor to provide rate setting services for the larger (B&C) consulting firm. Municipal Financial Services also contracts directly with municipalities on a majority of projects. Brown and Caldwell was the chosen consultant for each of the last Rate Studies performed in 1999, and 2004, and used the team of Tom Pavletic and Marv Winer each time. Mr. Winer and Mr. Pavletic have worked together on water and sewer rates and charges studies since 2000. A list of 19 water study clients and water studies conducted by them over the past five years is shown in Table 1 below. They have worked on rate or capacity charges studies for some of these agencies for 15 – 20 years.

Table 1. List of Water System Studies Performed During 2004 - 2008

Municipality	Study Year	Study Type
City of Watsonville	<i>In Progress</i>	Water Rates and Capacity Charges
Hi-Desert Water District	<i>In Progress</i>	Water Rates and Capacity Charges
Soquel Creek Water District	2001-07; 2008 <i>In Progress</i>	Water Rates and Capacity Charges
City of Lathrop	<i>In Progress</i>	Water Rates
City of Aurora, CO	2008	Water Rate Cost of Service Allocations
City of Davis	2008	Water Rates and Capacity Charges
City of Fresno	2006, 2008	Water Rates
Cities of Davis and Woodland	2007	Water Supply Project Cost Evaluation
County of San Mateo	2007	Water Production Cost Evaluation
City of San Bruno	2001, 2004, 2006	Water Rates and Capacity Charges
City of Millbrae	2002, 2005	Water Rates and Capacity Charges
City of Martinez	2002, 2007	Water Rates
San Lorenzo Valley Water District	2006	Water Rates and Long Term Financial Plan
South Tahoe Public Utility District	2004, 2006	Water Capacity Charges
City of Pittsburg	2005, 2007	Water Rates and Capacity Charges
City of Davis	2004	Water Rates
City of Napa	2004	Water Rates
City of Vallejo	2004	Water Rates and Capacity Charges
City of Waterford	2004	Water Rates

The past studies performed for Vallejo have proven themselves to be correct and met all legal requirements to provide the City a defensible basis for City water rates. The City has additionally continued to use the services of Municipal Financial Services to perform yearly



statistical analysis and rate model checks from City billing data. The proposal to extend the 2004 Water Utility Financing Plan and Rate Study for an additional five years may be viewed as an update to the past proven plan, with minor additions to meet new requirements. There is great value to the City in the historical and institutional knowledge and familiarity with the complex rate model possessed by Municipal Financial Services. They are intimately aware of the Vallejo Water System operations, billing data, personnel, and rate structures and their continued use will result in the preparation of an accurate and cost effective 2009-2014 Water Utility Financing Plan and Rate Study.

These services will result in a recommended water rate structure and financial plan to assure the fiscal health of the Water Enterprise Fund, confirm conformance to Proposition 218, and fund needed capital projects.

Fiscal Impact

The funds to perform the required update to the expiring 2004 Water Utility Financing Plan and Rate Study will be paid from existing budgeted FY08-09 City Water Operating Fund 401 appropriations. The preliminary proposal is in the amount of \$49,200 but is subject to minor modifications and may ultimately require additional investigations depending upon public input and City Council requests which may require additional effort. For that reason, a not to exceed amount of \$55,000 is requested. Staff will come forward at a later date for approval of a Proposition 218 Notification consulting contract to perform the required public notification before implementation of any new water rates.

RECOMMENDATION

Staff recommends that the City Manager be authorized to execute a consulting services agreement with Municipal Financial Services of Alameda, California, for creation of the 2009-2014 Water Utility Financing Plan and Rate Study in the negotiated amount not to exceed \$55,000.

ENVIRONMENTAL REVIEW

The proposed action is not considered a project under the California Environmental Quality Act ("CEQA") as it is the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

ALTERNATIVES CONSIDERED

The alternative to direct negotiation with Municipal Financial Services is the standard consulting services process. The process involves the letting of Requests for Proposals, evaluation of proposals, negotiation of exact scope, negotiation of price, and contract acceptance. This process is time consuming and staff intensive. Given the familiarity of MFS with the existing City



data, proven model results, and the nature of the new work as an update to the existing methodology and model, there is little likelihood that the City would recognize any benefit by soliciting additional proposals. The use of a new consultant could additionally bring potentially significant new errors into the process to the detriment of the fiscal health of the Water Enterprise Fund.

PROPOSED ACTION

Approve the resolution authorizing the City Manager to execute a consulting services agreement with Municipal Financial Services of Alameda, California, for creation of the 2009-2014 Water Utility Financing Plan and Rate Study in an amount not to exceed \$55,000.

DOCUMENTS ATTACHED

- a. A resolution authorizing the City Manager to enter into a consulting services agreement with Municipal Financial Services, Alameda, California, for creation of the 2009-2014 Water Utility Financing Plan and Rate Study.
- b. Municipal Financial Services Proposal

DOCUMENTS AVAILABLE FOR REVIEW

- a. Consultant & Professional Services Agreement

CONTACT PERSONS

Gary A. Leach, Public Works Director
648-4315
garyl@ci.vallejo.ca.us

Erik Nugteren, Water Superintendent
648-4482
enugteren@ci.vallejo.ca.us

AUGUST 19, 2008
K:\PUBLIC\AI\WT\CSA Rate Study 2009-2014 ccr.doc

RESOLUTION NO. 08-_____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, the City must create a Water Utility Financing Plan to assure adequate revenue is collected for operation, maintenance, and renovation of the water system; and

WHEREAS, pursuant to Vallejo Municipal Code section 3.20.085, the Purchasing Agent is required to solicit proposals from an adequate number of qualified sources, as determined by the purchasing agent in his or her discretion, to permit reasonable competition consistent with the nature and requirements of the procurement; and

WHEREAS, the creation of a Water Utility Financing Plan is a highly specialized process appropriately undertaken by staff familiar with City water operations; and

WHEREAS, the staff at Municipal Financial Services have been judged to be the best candidates for each of the last two (5) year Rate Studies while working for Brown and Caldwell Engineers; and

WHEREAS, Municipal Financial Services staff have been retained for data analysis during the last four years to calibrate the existing 2004 Water Utility Financing Plan thereby gaining continued working knowledge of the City water operations; and

WHEREAS it is in best interest of the City to retain use of the existing calibrated water rate model and update it as necessary; and

WHEREAS, the Purchasing Agent has determined that there is great value to the City in the historical and institutional knowledge and familiarity with the City's complex rate model possessed by Municipal Financial Services and that their continued use will result in the preparation of an accurate and cost effective 2009-2014 Water Utility Financing Plan and Rate Study.

NOW THEREFORE, BE IT RESOLVED that the City Manager is authorized to execute a consulting services agreement with Municipal Financial Services, Alameda, California, for creation of the 2009-2014 Water Utility Financing Plan and Rate Study in an amount not to exceed \$55,000, and with any modifications recommended by the City Attorney or Risk Manager.

AUGUST 19, 2008

K:\PUBLIC\AI\WT\CSA Rate Study 2009-2014 ccr.doc

311 Bryant Avenue
Alameda, California 94501-3531

Tel: (510) 522-5251
Fax: (510) 522-5251



July 21, 2008

Mr. Erik Nugteren
Water Superintendent
City of Vallejo
202 Fleming Hill Road
Vallejo, CA 94590-0658

Subject: Proposal to Perform a Water Rate Study

Dear Mr. Nugteren:

Municipal Financial Services is pleased to submit our proposal to perform an update of the water rate study for the City of Vallejo that we performed for the City in 2004. Our proposal contains a description of the study objectives, the qualifications and experience of our project team; a scope of work; and a budget.

Study Objectives

Our understanding of this work is to develop water rates that fulfill multiple objectives. These objectives include the following:

- Provide sufficient revenue for ongoing Operations & Maintenance and existing debt service obligations (both reserves and coverage)
- Provide additional revenue for the Capital Improvement Program (pay-as-you-go only with no new debt service projected by the City)
- Provide revenue sufficient to maintain a target fund balance for working capital and to absorb revenue shortfalls due to periodic decreases in water sales
- Evaluate the merger of customers in the "Outside City" area and "Lakes" area
- Evaluate changes to tiered rate charge rate structure to promote water conservation
- Meet regulatory requirements for a proportional cost of service between customers as articulated in California Constitution Article XIID added by Proposition 218 in 1996
- Develop water system capacity charges for the "Lakes" area that meet the definition of capacity charge found in Government Code Section 66013 and that satisfies the rational nexus criteria generally applied to these types of charges
- Capable of being implemented using the City's utility billing system
- Acceptable to the City Council and the public

Personnel

Our project team comprises Tom Pavletic and Marv Winer. The team will be headed by project manager Tom Pavletic. Tom will be responsible for development of the Excel-based rate spreadsheet. He will coordinate all activities and be the primary point of contact. Marv Winer will assist Tom in the evaluation process and will review all deliverables. Tom was formerly Brown and Caldwell's Regional Manager of Financial Services until mid-2005 and has 22 years of experience serving public utilities. He has worked with water, wastewater, and storm water system staff and managers in financial planning, regulatory analysis, storm water and wastewater pretreatment program supervision, litigation support, and construction project management.

He has developed water rates for numerous municipalities, including the cities of Davis, Fresno, Lathrop, Martinez, Millbrae, Napa, Pittsburg, San Bruno and Waterford; and special districts including the Alameda County Water District, San Lorenzo Valley Water District, Soquel Creek Water District, and South Tahoe Public Utility District.

Marv Winer has 33 years of experience developing rates and fees for over 100 water, wastewater, drainage, and solid waste utilities throughout the country. Employed full-time by Brown and Caldwell from 1973 to 1999, Marv now works on a part-time basis as a subconsultant. He will provide study oversight, review work activity and focus, and review cost allocation and rate development concepts. He will contribute significantly to the review and development of methodologies applied in the spreadsheet.

Qualifications and Experience

Marv and Tom have worked together on water and sewer rates and charges studies since 2000. A list of 19 water study clients and water studies conducted by Tom and Marv over the past five years is shown in Table 1 below. Marv and/or Tom have worked on rate or capacity charges studies for some of these agencies for 15 – 20 years.

Table 1. List of Water System Studies Performed During 2004 - 2008

Municipality	Study Year	Study Type
City of Watsonville	<i>In Progress</i>	Water Rates and Capacity Charges
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City of Napa	2004	Water Rates
City of Vallejo	2004	Water Rates and Capacity Charges
City of Waterford	2004	Water Rates

Scope of Work

The preliminary scope of work consists of the following work items:

- Task 1—Obtain Source Data-Conduct Kickoff Meeting
- Task 2—Evaluate Customer and Financial Data
- Task 3—Develop Revenue Requirements
- Task 4—Develop Coverage and Fund Balance Targets
- Task 5—Develop Cost of Service Allocations
- Task 6—Develop Rate Structures
- Task 7—Develop Capacity Charges for “Lakes” Connections
- Task 8—Prepare Presentations and Attend Meetings
- Task 9—Prepare Draft and Final Reports

Each task is described more fully in the paragraphs below.

Task 1—Obtain Source Data-Conduct Kickoff Meeting. We will obtain from the City all source data related to the project. The City will be requested to provide data for the annual projection of capital and operating expenditures, annual projections of new accounts (growth rates), detailed customer water use data, existing annual debt service obligations, recent revenue from water rates and other sources, fund balances and debt coverage covenants. We will conduct a kickoff meeting with the City to discuss the data, review the elements of the spreadsheet model, and discuss the primary policy issues.

Task 2—Evaluate Customer and Financial Data. We will analyze the customer water use data in enough detail to facilitate the evaluation of tiered water rates. In order to develop tiered water rates, monthly water use data for each account must be provided for the 24 month period ending June 30, 2008. The water use data for each account must also have codes that indicate the water meter size, water meter type (domestic, multi-unit, commercial, industrial, landscape, fire service, hydrant, etc), and service area (inside city, outside city or the Lakes area). We will coordinate with City staff to ensure they export data from the utility billing system to an Excel spreadsheet that meets our needs.

We will verify recent 24 months of customer data by categorizing the data according to the existing rate structure, multiplying the data times the applicable rate in the rate structure, and calculating the amount of rate revenue those customers would produce. We check that amount of revenue with the amount of revenue shown in the general ledger. If the two amounts of revenue are approximately the same, we know that the customer characteristics data will serve as a good benchmark for the remainder of the study period.

We will review the debt service coverage covenant language to ensure that we develop coverage calculations that match the methodology described in the covenant(s). We will discuss with City staff how internal and external transfers involving the water enterprise fund are set up on an accounting basis so that we may develop a spreadsheet that projects relevant fund balances in a manner that is similar to fund balances shown in financial reports.

Task 3—Develop Revenue Requirements. We will develop an Excel-based spreadsheet that evaluates the amount of revenue required from water rates. These revenue requirements will include operations and maintenance expenses, capital improvement program (CIP) expenditures for replacement, and debt service costs to be recovered via rates. We understand at this time that projected water capital expenditures will be “pay-as-you-go.” We will confer with the City to develop variables that will be used to escalate projected operating and maintenances expenditures.

An analysis of the City's fixed-asset accounts will be performed to determine net investment in the utility plant. This information will be combined with the City's CIP to project both the utility plant balances (and rate base) and annual depreciation for the defined study period. The projected average annual rate base will be combined with an appropriate rate of return to calculate a return on rate base.

This task is necessary to determine annual revenue requirements under the “utility basis” for subsequent determination of revenues to be derived from outside-the-city customers. Under the “utility basis”, revenue requirements consist of O&M expenses, a rate of return on rate base, and depreciation. The outside-the-city revenue requirements, as determined through the “utility basis”, will be subtracted from the total cash revenue requirements to be derived from existing rate payers to determine that portion of “cash basis” revenue requirements to be derived from inside-the-city customers. The costs specific to the Lake Water System will determined separately.

The study period for projected revenue requirements will be FY 2009/10 - FY 2013/14 (5 years). In order to calibrate our projection of revenue requirements, we will use customer data from the utility billing system to calculate revenue from water rates for FY 2005/06 and FY 2007/08. We will compare the amount of revenue from water rates that we calculate with the amount of revenue from water rates actually received as reported in the accounting system. We will project revenue from water rates for FY 2008/09 (the current fiscal year) based on estimates of customer data.

Task 4—Develop Coverage and Fund Balance Targets. Based on findings from the previous task, we will evaluate debt service coverage ratios and fund balance targets. We will develop fund balance target amounts (reserves) using a classical rate study approach. The classic approach involves a quantitative method of developing reserves components for working capital, rate stabilization and emergency spending.

Task 5—Develop Cost of Service Allocations. We will allocate the costs that comprise the revenue required from rates among the individual functional cost categories. We will discuss with the City the basis for the current cost allocations and use existing methodology as appropriate. We expect that costs to be recovered from service charges and fire service charges will be allocated based on meter flow capacity and recovered as fixed charges as was done in the 2004 Study. All other costs are expected to be recovered from quantity charges. The Excel spreadsheet rate model will be structured to allow changes in cost of service allocations.

Task 6—Develop Rate Structures. We will develop water rates for the study period based on the current rate structure. We will use the detailed customer data from Task 2 to project domestic and multi-unit water use patterns, define tiers and project revenue from water use within each tier.

Task 7—Develop Capacity Charges for “Lakes” Connections. We will develop projections of water system capital asset values and capacities based upon financial, operational and engineering data provided by the City. Values to be developed based upon the data include the following:

- Replacement cost of treatment facilities, pump stations, reservoirs, pressure reducing stations and pipelines.
- System capacity.
- Projected capital improvement program costs.
- Projected capital improvement program capacity added (if any).
- Annual number and type of new units projected to connect during the study period.

We will use the replacement cost method to value the existing assets. We will add to the value of the existing assets the expenditures (in escalated dollars) for annual capital improvements to the system.

The sum of the value of the current assets plus the proposed capital improvement expenditures will yield the gross replacement value of the water system. We will adjust the capital improvement expenditures to preclude double counting of improvements that replace existing system assets. In addition, we will adjust the gross replacement value of assets to account for assets that have been, or will be, funded by debt and to account for assets that were funded, in whole or in part, through grants. This method of asset valuation reflects a “buy in” approach to the development of capacity charges similar to the method used to develop the current capacity charges for other portions of the system.

Using the adjusted gross replacement value of each system and the capacity of each system, we will calculate annual capacity charge unit costs by dividing the system’s replacement value by its capacity. We will develop annual projections of revenue from capacity charges based on the projected number and type of new connections.

Task 8—Prepare Presentations and Attend Meetings. We will prepare tables and figures for presentations that clearly describe findings and recommendations. We will compare the recommended water rates with historical water rates at the City and current water rates at other nearby municipalities. We will conduct up to two (2) meetings at City Hall to present findings and recommendations.

Task 9—Prepare Draft and Final Reports. We will document our findings and recommendations in report form, and prepare and submit three copies of a bound draft report for staff review. We will receive and address one consolidated set of review comments. We will submit 15 bound copies and one electronic copy of a final report to the City at the conclusion of the study. All information will be presented in a clear, concise, and easy-to-understand manner.

Prior to preparing the draft and final reports, we will produce an administrative draft version after receiving most source data. The administrative draft (as opposed to the subsequent draft and final versions) is produced only for staff review and is intended to reflect a report at the 70 percent completion stage. We have found this additional preliminary version of the report expedites the identification of data needs; provides initial exposure to the number, type and initial assumptions for

variables used in the development of projected expenditures and customer characteristics; and clarifies the number and type of alternatives that will be presented and reported.

Project Management and Quality Control

Project management includes those services necessary to provide oversight and coordination of the individuals accomplishing the work and quality control of the work product. Our project management and quality control services include the following:

- Coordinating completion of the various tasks performed by individuals assigned to the study.
- Ensure timely and complete communication with staff on all aspects of the project.
- Project cost control and client billing.
- Ensure time schedules are met.
- Quality control review of report outlines, format, and content, including checking of calculations and review of methodology

Work products (deliverables) included in this proposal are:

- Draft and final reports.
- Electronic copy of final report.
- Three meetings with staff and two meetings for presentation of findings.

Spreadsheet and Word Processing Software

Calculations and development of rates will be modeled in a new workbook using Microsoft Office Excel 2003 with Service Pack 2. The reports will be produced using Microsoft Office Word 2003 with Service Pack 2.

Budget

Table 2 below shows the budget and staff that will perform the scope of work. The budget is a not-to-exceed amount. Only labor hours actually used will be charged. Labor hours not used will not be invoiced. Costs for travel and all other non-labor expenditures are included. Marv Winer would be a subconsultant to Municipal Financial Services.

Table 2. Budget

Task	Hourly Rate =>	Project	Rate	Total Hours	Total Cost
		Manager (Pavletic) \$150	Development Expert (Winer) \$150		
Task 1—Obtain Source Data-Conduct Kickoff Meeting		6	6	12	\$1,800
Task 2—Evaluate Customer and Financial Data		80	2	82	\$12,300
Task 3—Develop Revenue Requirements		16	4	20	\$3,000
Task 4—Develop Coverage and Fund Balance Targets		8	2	10	\$1,500
Task 5—Develop Cost of Service Allocations		32	8	40	\$6,000
Task 6—Develop Rate Structures		32	4	36	\$5,400
Task 7—Develop Capacity Charges for "Lakes" Connections		22	2	24	\$3,600
Task 8—Prepare Presentations and Attend Meetings		32	20	52	\$7,800
Task 9—Prepare Draft and Final Reports		48	4	52	\$7,800
Total Costs		276	52	328	\$49,200

We would invoice the City for work performed no more than once per month. Invoices will include a list of all tasks, a total amount due, the amounts previously billed, and the net amount due on the invoice.

We are excited about the opportunity to be work on this important project. If you have any questions, please call me at (925) 210-2385 (Brown and Caldwell office), (510) 522-5251 (Alameda office) or (510) 439-6264 (cell).

Very truly yours,



Tom Pavletic
 MUNICIPAL FINANCIAL SERVICES



CONSENT B

COUNCIL COMMUNICATION **Agenda Item No.**
Date: August 19, 2008

TO: Honorable Mayor and Members of the City Council
FROM: Joseph M. Tanner, City Manager *JT*
SUBJECT: First Amendment to Consultant and Professional Services Agreement with Sandra Salerno for Managing the Human Resources Department

BACKGROUND

Sandra Salerno was hired on May 27, 2008, on an interim, part-time basis to serve as a consultant to manage the activities and operations of the Human Resources Department for total expenses not to exceed \$25,000 annually. Due to the critical nature of this position, Ms. Salerno has agreed to continue to provide these services. The City Manager wishes to amend her Consultant and Professional Services Agreement to add a termination date of August 1, 2009, though the City will still be able to terminate the Agreement sooner at the City Manager's discretion. The continued use of her services will also require an increase of the not to exceed amount of the Agreement to \$96,000.00.

FISCAL IMPACT

The hourly rate will remain \$125.00 per hour and the contract price will not exceed \$96,000.00. Funds are available in the General Fund in the Human Resources Department budget.

RECOMMENDATION

It is my recommendation for Council to approve this amendment to the Agreement under the terms stated above

PROPOSED ACTION

Adopt the resolution authorizing the City Manager to execute the First Amendment to the Consultant and Professional Services Agreement with Sandra Salerno.



DOCUMENTS AVAILABLE FOR REVIEW

- a. Resolution.
- b. Consultant and Professional Services Agreement dated May 27, 2008
- c. First Amendment to the Consultant and Professional Services Agreement.

CONTACT PERSON: Joseph M. Tanner
City Manager
(707) 648-4576

CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT

This Consultant and Professional Services Agreement ("Agreement") is made at Vallejo, California, dated for reference this 27th day of May, 2008, by and between the City of Vallejo, a municipal corporation ("City"), and Sandra C. Salerno, hereinafter referred to as "Consultant", who agree as follows:

1. Services. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide the City professional services as specified in Exhibit A, entitled "Scope of Work."

2. Payment. City shall pay Consultant for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B, entitled "Compensation." The payments specified in Exhibit B shall be the only payments to be made to Consultant for services rendered pursuant to this Agreement.

3. Facilities and Equipment. Consultant shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.

4. Indemnification. Consultant shall indemnify, hold harmless, and defend City, its officers, officials, directors, employees, agents, volunteers and affiliates and each of them from any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, consultant's fees, expert fees, losses or liability, in law or in equity, of every kind and nature whatsoever arising out of or in connection with Consultant's operations, or any subcontractor's operations, to be performed under this agreement for Consultant's or subcontractor's tort negligence including active or passive, or strict negligence, including but not limited to personal injury including, but not limited to bodily injury, emotional injury, sickness or disease, or death to persons and/or damage to property of anyone, including loss of use thereof, caused or alleged to be caused by any act or omission of Consultant, or any subcontractor, or anyone directly or indirectly employed by any of them or anyone for the full period of time allowed by the law, regardless to any limitation by insurance, with the exception of the sole negligence or willful misconduct of the City. The provisions of this section shall survive the expiration or termination of this Agreement.

5. Insurance Requirements. Consultant agrees to comply with all of the Insurance Requirements set forth in Exhibit C, entitled "Insurance Requirements for Consultant." Failure to maintain required insurance at all times shall constitute a default and material breach.

6. Accident Reports. Consultant shall immediately report (as soon as feasible, but not more than 24 hours) to the City Risk Manager any accident or other occurrence causing injury to persons or property during the performance of this

Agreement. The report shall be made in writing and shall include, at a minimum: (a) the names, addresses, and telephone numbers of the persons involved, (b) the names, addresses and telephone numbers of any known witnesses, (c) the date, time and description of the accident or other occurrence.

7. Conflict of Interest. Consultant warrants and represents that to the best of its knowledge, there exists no actual or potential conflict between Consultant's family, business, real property or financial interests and the services to be provided under this Agreement. Consultant shall comply with the City of Vallejo Conflict of Interest Code and not enter into any contract or agreement during the performance of this Agreement which will create a conflict of interest with its duties to City under this Agreement. In the event of a change in Consultant's family, business, real property or financial interests occurs during the term of this Agreement that creates an actual or potential conflict of interest, then Consultant shall disclose such conflict in writing to City.

8. Independent Contractor. Consultant is an independent contractor. Neither Consultant nor any of Consultant's officers, employees, agents or subcontractors, if any, is an employee of City by virtue of this Agreement or performance of any services pursuant to this Agreement. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement; however, City shall not have the right to control the means by which Consultant accomplishes services pursuant to this Agreement.

9. Licences, Permits, Etc. Consultant represents and warrants to City that all consultant services shall be provided by a person or persons duly licensed by the State of California to provide the type of services to be performed under this Agreement and that Consultant has all the permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant represents and warrants to City that it shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Consultant to practice its profession.

10. Business License. Consultant, and its subcontractors, has obtained or agrees to apply prior to performing any services under this Agreement to City's Finance Department for a business license, pay the applicable business license tax and maintain said business license during the term of this Agreement. The failure to obtain such license shall be a material breach of this Agreement and grounds for termination by City. No payments shall be made to Consultant until such business license(s) has been obtained.

11. Standard of Performance. Consultant shall provide products and perform all services required pursuant to this Agreement in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised under similar conditions by a member of

Consultant's profession currently practicing in California.

Consultant is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work, including without limitation applicable federal, state, and local laws and regulations, and all other contingencies or considerations.

Consultant's responsibilities under this section shall not be delegated. Consultant shall be responsible to City for acts, errors, or omissions of Consultant's subcontractors.

Consultant is responsible for making an independent evaluation and judgment of all conditions affecting performance of the work and shall prepare plans, reports, and/or other work products in such a way that additional costs will not be incurred beyond a project budget approved or amended by the City Manager or his or her designee.

Whenever the scope of work requires or permits review, approval, conditional approval or disapproval by City, it is understood that such review, approval, conditional approval or disapproval is solely for the purposes of administering this Agreement and determining whether the Consultant is entitled to payment for such work, and not be construed as a waiver of any breach or acceptance by the City of any responsibility, professional or otherwise, for the work, and shall not relieve the Consultant of responsibility for complying with the standard of performance or laws, regulations, industry standards, or from liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of Consultant.

12. Force Majeure. Neither party shall be considered in default of this Agreement to the extent performances are prevented or delayed by causes or circumstances beyond either party's reasonable control, such as war, riots, strikes, lockouts, work slow down or stoppage, acts of God, such as floods or earthquakes, and electrical blackouts or brownouts.

In the event that the Consultant is unable to meet the completion date or schedule of services, Consultant shall immediately inform the City Representative of this in writing. If additional time is required to perform the work, the City Representative may adjust the schedule.

13. Time is of the Essence. Time is of the essence in this Agreement. Any reference to days means calendar days, unless otherwise specifically stated.

14. Personnel. Consultant agrees to assign only competent personnel according to the reasonable and customary standards of training and experience in the relevant field to perform services under this Agreement. Failure to assign such competent personnel shall constitute grounds for termination of this Agreement .

The payment made to Consultant pursuant to this Agreement shall be the full and complete compensation to which Consultant and Consultant's officers, employees, agents, and subcontractors are entitled for performance of any work under this Agreement. Neither Consultant nor Consultant's officers or employees are entitled to any salary or wages, or retirement, health, leave or other fringe benefits applicable to employees of the City. The City will not make any federal or state tax withholdings on behalf of Consultant. The City shall not be required to pay any workers' compensation insurance on behalf of Consultant.

Consultant shall pay, when and as due, any and all taxes incurred as a result of Consultant's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

15. Consultant Not Agent. Except as authorized under this Agreement or as City may authorize in a letter of authorization signed by the City Manager or his or her designee, Consultant shall have no authority, express or implied to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, under this Agreement, to bind City to any obligation whatsoever.

16. Term. The term of this Agreement shall commence on the date of complete execution of this Agreement and shall continue in full force and effect until terminated by CITY pursuant to the terms of this Agreement. If the term of this Agreement extends into fiscal years subsequent to that in which it is approved, such continuation of the Agreement is contingent on the appropriation of funds for such purpose by the City Council of the City of Vallejo. If funds to effect such continued payment are not appropriated, Consultant agrees to terminate any services supplied to City of Vallejo under this Agreement, and relieve City of any further obligation therefore.

17. Termination or Abandonment by City. The City has the right, at any time and in its sole discretion, to immediately terminate or abandon any portion or all of the services to be provided under this Agreement by giving notice to Consultant. Upon receipt of a notice of termination, Consultant shall perform no further work except as specified in the notice. Before the date of termination, Consultant shall deliver to City all City records and documents, all work product, whether completed or not, as of the date of termination and not otherwise previously delivered.

The City shall pay Consultant for services performed in accordance with this Agreement before the date of termination. If this contract provides for payment of a lump sum for all services or by task and termination occurs before completion of the work or any defined task which according to the performance schedule was commenced before the notice of termination, the fee for services performed shall be based on an amount mutually agreed to by City and Consultant for the portion of work completed in conformance with this Agreement before the date of termination.

In addition, the City will reimburse Consultant for authorized expenses incurred and not previously reimbursed. The City shall not be liable for any fees or costs associated for the termination or abandonment except for the fees, and reimbursement of authorized expenses, payable pursuant to this section.

18. Products of Consulting Services. The work product, including without limitation, all writings, work sheets, reports, recordings, drawings, files, detailed calculations and other work products, whether complete or incomplete, of Consultant resulting from services rendered pursuant to this Agreement, shall become the property of City. Consultant agrees that all copyrights which arise from creation of the work under this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or other intellectual property rights in favor of the City. City acknowledges that its use of the work product is limited to the purposes contemplated by the scope of work and that the Consultant makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

Documents submitted to the City in electronic format shall be formatted according to specifications provided by the City, or if not otherwise specified, in Microsoft Word, Excel, PowerPoint or other Microsoft Office Suite (2002) format as appropriate for the particular work product or, if directed by the City Representative in Adobe Acrobat PDF format.

19. Cooperation by City. City shall, to the extent reasonable and practicable, assist and cooperate with Consultant in the performance of Consultant's services hereunder.

20. Assignment and Subcontracting. Consultant shall not subcontract, assign or transfer voluntarily or involuntarily any of its rights, duties or obligation under this Agreement without the express written consent of the City Manager or his or her designee in each instance. Any attempted or purported assignment of any right, duty or obligation under this Agreement without said consent shall be void and of no effect.

If subcontracting of work is permitted, Consultant shall pay its subcontractor within ten (10) days of receipt of payment by City for work performed by a subcontractor and billed by the Consultant. Use of the term subcontractor in any other provision of this contract shall not be construed to imply authorization for Consultant to use subcontractors for performance of any service under this Agreement.

The City is an intended beneficiary of any work performed by Consultant's subcontractor for purposes of establishing a duty of care between the subcontractor and City.

21. Successors and Assigns. All terms, conditions, and provisions of this Agreement shall apply to and bind the respective heirs, executors, administrators,

successors, and assigns of the parties. Nothing in this section is intended to affect the limitation on assignment.

22. Non-Discrimination/Fair Employment Practices.

(a) Consultant shall not, because of race, religious creed, color, sex, national origin, ancestry, disability, medical condition, age, marital status or sexual orientation of any person, refuse to hire or employ, or to bar or discharge from employment, or to discriminate in compensation, or in terms, conditions or privileges any person, and every employee will receive equal opportunity for employment and shall be granted equal treatment with respect to compensation, terms, conditions or other privileges of employment, without regard to his race, religious creed, color, sex, national origin or ancestry.

Consultant warrants and represents it is an equal opportunity employer and agrees it shall not discriminate on the basis of race, religious creed, color, sex, national origin, ancestry, disability, medical condition, age, marital status or sexual orientation in the selection and retention of employees, subcontractors or procurement of materials or equipment.

In all solicitations either by competitive bidding or negotiations made by Consultant for work to be performed under any subcontract, including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by Consultant of Consultant's obligation under this Agreement relative to nondiscrimination and fair employment practices.

Consultant shall include the above provisions of this section in every subcontract, including procurement of materials or equipment.

(b) Consultant agrees to comply with Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practices Act, the Americans with Disabilities Act of 1990, any other applicable federal and state laws and regulations and City ordinances and regulations hereinafter enacted.

23. Notices. All notices or instruments required to be given or delivered by law or this Agreement shall be in writing and shall be effective upon receipt thereof and shall be by personal service or delivered by depositing the same in any United States Post Office, registered or certified mail, postage prepaid, addressed to:

If to City:	Joseph Tanner City Manager 555 Santa Clara Street Vallejo, CA 94590
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If to Consultant:	Sandra C. Salerno
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24947 Mead Way
Hayward, CA, 94541

Any party may change its address for receiving notices by giving written notice of such change to the other party in accordance with this section.

Routine administrative communications shall be made pursuant to section 1 of Exhibit A.

24. Integration Clause. This Agreement, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. This Agreement shall not be amended or modified except by a written agreement executed by each of the parties hereto.

25. Severability Clause. Should any provision of this Agreement ever be deemed to be legally void or unenforceable, all remaining provisions shall survive and be enforceable.

26. Law Governing. This Agreement shall in all respects be governed by the law of the State of California without regard to its conflicts of law rules. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Solano County in the State of California or in the United States District Court, Eastern District of California, Sacramento, California, and the parties consent to jurisdiction over their person and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

27. Waiver. Waiver by either party of any default, breach or condition precedent shall not be construed as a waiver of any other default, breach or condition precedent or any other right hereunder.

28. Ambiguity. The parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

29. Gender. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identifications of the person or persons, firm or firms, corporation or corporations may require.

30. Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

31. Compliance with Laws. Consultant will comply with all statutes, regulations and ordinances in the performance of all services under this Agreement.

32. Confidentiality of City Information. During the performance of services under this Agreement, Consultant may gain access to and use City information regarding, but not limited to, procedures, policies, training, operational practices, and other vital information (hereafter collectively referred to as "City Information") which are valuable, special and unique assets of the City. Consultant agrees that it will not use any information obtained as a consequence of the performance of services under this Agreement for any purpose other than fulfillment of Consultant's scope of work, to protect all City Information and treat it as strictly confidential and proprietary to City, and that it will not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party, other than its own employees, agents or subcontractors who have a need for the City Information for the performance of services under this Agreement, without the prior written consent of City, or as required by law.

Consultant shall treat all records and work product prepared or maintained by Consultant in the performance of this Agreement as confidential.

A violation by Consultant of this section shall be a material violation of this Agreement and will justify legal and/or equitable relief.

Consultant's obligations under this section shall survive the completion of services, expiration or termination of this Agreement.

33. News and Information Release. Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Representative.

34. City Representative. The City Representative specified in Exhibit A, or the representative's designee, shall administer this Agreement for the City.

35. Counterparts. The parties may execute this Agreement in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument.

36. Authority. The person signing this Agreement for Consultant hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Consultant.

37. Exhibits. The following exhibits are attached hereto and incorporated herein by reference:

Exhibit A, entitled "Scope of Work," including any attachments.

Exhibit B, entitled "Compensation," including any attachments.

Exhibit C, entitled "Insurance Requirements," including any attachments.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year shown below the name of each of the parties.

SANDRA C. SALERNO

By: *Sandra C. Salerno*
Sandra C. Salerno
Consultant

CITY OF VALLEJO,
A municipal corporation

By: *Joseph M. Tanner*
Joseph M. Tanner
City Manager

DATE: 5/27/08

DATE: 7-14-08

Vallejo Business License No.

079 36 4947

EIN/SSN or Taxpayer ID #

(City Seal)

ATTEST:

By: *Mary Ellsworth*
Mary Ellsworth, City Clerk

APPROVED AS TO INSURANCE
REQUIREMENTS:

Harry B. Maurer
Harry B. Maurer
Risk Manager

APPROVED AS TO FORM:

Frederick G. Soley
Frederick G. Soley
City Attorney

EXHIBIT A

SCOPE OF WORK

1. Representatives.

The City Representative for this Agreement is:

Joseph Tanner
555 Santa Clara Street
Vallejo CA 94590
(707) 648 4576

The Consultant's Representative for this Agreement is:

Sandra C. Salerno
24947 Mead Way
Hayward, CA, 94541

All routine administrative communications between the parties will be between the above named representatives and may be by personal delivery, mail, facsimile transmission or electronic mail as agreed between the Consultant Representative and City's Representative.

2. Services to be Provided.

Consultant shall deliver specific projects as requested to the City Manager, and provide, on an interim basis, the following services, to be performed on an interim basis:

- To plan, direct, manage and oversee the activities and operations of the Human Resources Department; to coordinate assigned activities with other City departments and outside agencies; and to provide highly responsible and complex administrative support to the City Manager.
- To assume full management responsibility for all Human Resources Department services and activities including recruitment, selection and placement, training and development, collective bargaining agreement administration, contract negotiations and arbitration, personnel records maintenance, and the administration of the classification and compensation systems; recommend and administer policies and procedures.
- To manage the development and implementation of Human Resources Department goals, objectives, policies, and priorities for each assigned service area;

ATTACHMENT 1 OF EXHIBIT A

establish, within City policy, appropriate service and staffing levels; allocate resources accordingly.

- To ensure compliance with City policies, contracts and ordinances, as well as Federal, State and local human resources management regulations.
- To continuously monitor and evaluate the efficiency and effectiveness of service delivery methods and procedures; assess and monitor work load, administrative and support systems, and internal reporting relationships; identify opportunities for improvement; direct the implementation of changes.
- To represent the Human Resources Department to other City departments, elected officials and outside agencies; explain, justify and defend Human Resources Department programs, policies, and activities; negotiate and resolve sensitive, significant and controversial issues.
elect, train, motivate and evaluate Human Resources Department personnel; provide or coordinate staff training; work with employees to correct deficiencies; implement discipline and termination procedures.
- Plan, direct and coordinate, through subordinate level staff, the Human Resources Department's work plan; meet with management staff to identify and resolve problems; assign projects and programmatic areas of responsibility; review and evaluate work methods and procedures.
- Manage and participate in the development and administration of the Human Resources Department budget; direct the forecast of additional funds needed for staffing, equipment, materials, and supplies; direct the monitoring of and approve expenditures; direct the preparation of and implement budgetary adjustments as necessary.
- Coordinate Human Resources Department activities with those of other departments and outside agencies and organizations; provide staff assistance to the City Manager and City Council; prepare and present staff reports and other necessary correspondence.
- Prepare for and assist in union-management contract negotiations, grievances and arbitration; administer the provisions of existing employee contracts and agreements; advise staff regarding provisions of contract.
- Direct and participate in the administration of the classification and compensation plan; establish job specifications and salary ranges for positions; initiate and conduct wage and benefit surveys; analyze, evaluate and make recommendations on proposed job reclassifications.
- Direct the recruitment, interviewing, testing, selection and placement of all employees hired by the City; establish and administer the performance appraisal

ATTACHMENT 1 OF EXHIBIT A

programs; administer promotion, transfer and separation procedures of current employees.

- Administer employee disciplinary policies and procedures; provide assistance to staff on disciplinary issues and action to be taken; administer formal grievance procedure; participate in hearings and assist management staff in preparing and processing response to grievances.
- Direct the preparation of personnel and employment reports to Federal and State agencies and the City Council.
- Direct the preparation and maintenance of personnel records and reports, employee handbooks, orientation manuals, and other publications on employee working conditions and benefits.
- Direct the Department's training and development program.
- Review and analyze reports, legislation, court cases, and related personnel matters.
- Participate on a variety of boards and commissions; attend and participate in professional group meetings; stay abreast of new trends and innovations in the field of human resources.
- Respond to and resolve difficult and sensitive citizen inquiries and complaints.
- Perform related duties and responsibilities as required

EXHIBIT B

COMPENSATION

1. **Consultant's Compensation. DRAFTING NOTE: IF COMPENSATION WILL BE BASED ON AN HOURLY RATE, THEN USE THE FOLLOWING LANGUAGE;**

- A. Services:

City agrees to pay Consultant, at the rate(s) specified below, for those services set forth in Exhibit A of this Agreement and for all authorized reimbursable expenses, for a total not to exceed Twenty Five Thousand Dollars (\$25,000) annually.

Consultant shall notify City in writing no later than thirty (30) days prior to the estimated date when Consultant will have billed City the maximum payment amount permitted under this Agreement, and Consultant shall provide City with an estimate of the additional compensation required to complete the project.

2. **Appropriate Billable Hourly Rates for Services.**

Consultant's billable hourly rates shall be:

One hundred twenty five (125.00) Dollars per hour.

3. **Consultant's Reimbursable Expenses.**

Reimbursable Expenses shall be limited to actual reasonable expenditures of Consultant for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by City. Reimbursable expenses shall include mileage to and from the Consultant's office to the City at the current IRS rate.

4. **Payments to Consultant.**

- A. Payments to Consultant shall be made within a reasonable time after receipt of Consultant's invoice, said payments to be made in proportion to services performed. Consultant may request payment on a monthly basis.

Consultant shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of City.

B. All invoices submitted by Consultant shall contain the following information:

1. Description of services billed under this invoice
2. Date of Invoice Issuance
3. Sequential Invoice Number
4. City's Purchase Order Number (if issued)
5. Social Security Number or Taxpayer Identification Number
6. Amount of this Invoice (Itemize all Reimbursable Expenses")
7. Total Billed to Date

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to Consultant for correction. City shall not be responsible for delays in payment to Consultant resulting from Consultant's failure to comply with the invoice format described above.

D. Request for payment shall be sent to:

Joseph Tanner
City Manager
555 Santa Clara Street
Vallejo CA 94590

5. Accounting Records of Consultant.

Consultant shall maintain for three (3) years after completion of all services hereunder, all records under this Agreement, including, but not limited to, records of Consultant's direct salary costs for all Services and Additional Services performed under this Agreement and records of Consultant's Reimbursable Expenses, in accordance with generally accepted accounting practices. Consultant shall keep such records available for audit, inspection and copying by representatives of the City's Finance Department or other government agencies during regular business hours upon twenty four (24) hours notice.

The obligations of Consultant under this section shall survive this Agreement.

6. Taxes.

Consultant shall pay, when and as due, any and all taxes incurred as a result of Consultant's compensation hereunder, including estimated taxes, and shall provide City with proof of such payments upon request.

EXHIBIT C

INSURANCE REQUIREMENTS

Consultant shall procure and maintain for the duration of this Agreement, including any extensions thereto, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by the Consultant, their agents, representatives, or employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. Insurance Services Office form number GL 0002 (Ed. 1/73) covering Comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability; or Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/78) covering Automobile Liability, code 1 any auto and endorsement CA 0025.
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Professional Liability insurance appropriate to the Consultant's profession (Errors and Omission).

B. Minimum Limits of Insurance

Consultant shall maintain limits no less than:

1. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
2. Professional Liability (Errors and Omission): \$1,000,000 combined single limit per occurrence, and annual aggregate.

C. Deductible and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved

by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City of Vallejo, its officers, officials, employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

D. Other Insurance Provisions

The general liability and automobile liability policies, as can be provided, are to contain, or be endorsed to contain, the following provisions:

1. The City of Vallejo, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects; liability, including defense costs, arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Vallejo, its officers, officials, employees, agents or volunteers. The insurance is to be issued by companies licensed to do business in the State of California.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City of Vallejo, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the City of Vallejo, its officers, officials, employees, agents or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

The workers' compensation and employer's liability policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against City, its officers, officials, employees, agents and volunteers, which might arise by reason of payment under such policy in connection with Consultant's performance under this Agreement.

E. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

F. Verification of Coverage

Consultant shall furnish the City with certificates of insurance and original endorsements effecting general and automobile liability insurance coverage required by this clause. The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.

G. Subcontractors

Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

H. Payment Withhold

City will withhold payments to Consultant if the certificates of insurance and endorsements required in Paragraph F, above, are canceled or Consultant otherwise ceases to be insured as required herein.

RENEWAL

Personal Umbrella
Policy Declarations

Summary

NAMED INSURED(S) Sandra C Salerno 24947 Mead Way Hayward CA 94541-5601	YOUR ALLSTATE AGENT IS: Carlson & Assoc Ins. 21565 Foothill Blvd Hayward CA 94541	CONTACT YOUR AGENT AT: (510) 582-7900
POLICY NUMBER 0 37 156740 08/16	POLICY PERIOD Begins on Aug. 16, 2007 Ends on Aug. 16, 2008	PREMIUM PERIOD Aug. 16, 2007 to Aug. 16, 2008 at 12:01 a.m. Pacific Time

Total Premium for the Premium Period (Your bill will be mailed separately)

Excess Liability	\$333.00
TOTAL	\$333.00

See the Important Payment and Coverage Information section for details about payment options and installment fees.

88547223



Allstate Insurance Company

151
Po'

Policy Number: 037 156740 08/16 Your Agent: Carlson & Assoc Ins (510) 562-7900
For Premium Period Beginning: Aug. 16, 2007

REQUIRED UNDERLYING INSURANCE LIMITS

COVERAGE	REQUIRED UNDERLYING LIMIT
Residence/Farm Premises	\$300,000
Residence/Farm Employees (Bodily Injury or Property Damage Liability or Single Limit Liability)	\$300,000
Additional Dwelling Rented to Others (Bodily Injury or Property Damage Liability or Single Limit Liability)	\$300,000
Incidental Office, Private School or Studio Bodily Injury or Property Damage Liability or Single Limit Liability (This coverage may be maintained as part of your Comprehensive Personal Liability, Homeowners Liability Insurance or similar package policy)	\$300,000
Automobiles	
Bodily Injury Liability	\$250,000 each person \$500,000 each accident
Property Damage Liability	\$100,000
Or	
Single Limit Liability	\$500,000
For each Automobile you own, maintain or use	
Recreational Motor Vehicles	
Bodily Injury Liability	\$100,000 each person \$300,000 each accident
Property Damage Liability	\$100,000
Or	
Single Limit Liability	\$300,000
Watercraft	
Bodily Injury Liability	\$100,000 each person \$300,000 each accident
Property Damage Liability	\$100,000
Or	
Single Limit Liability	\$300,000
For each Watercraft 26 feet or more in length, or powered by one or more outboard motor with more than 25 total horsepower, or which has total motor power of more than 50 horsepower.	
For Boats not described above:	
Single Limit Liability	\$300,000
(This coverage may be maintained as part of your Comprehensive Personal Liability, Homeowners Liability Insurance or similar package policy)	

Allstate Insurance Company

Policy Number: 0 37 156740 08/16 Your Agent: Carlson & Assoc Ins (510) 582-7900
For Premium Period Beginning: Aug. 16, 2007

POLICY COVERAGES AND LIMITS OF LIABILITY

COVERAGES

LIMITS OF LIABILITY

Excess Liability (EXCESS INSURANCE FOR LIABILITY TO THIRD PARTIES ONLY)	\$1,000,000	each occurrence
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Your Policy Documents

Your Personal Umbrella policy consists of this Policy Declarations and the documents listed below. Please keep these together.

- Personal Umbrella Policy form AP128
- California PUP Amendatory End. form AP1310
- CA Pers Umbrella Policy Amend End form AP2306-1

Important Payment and Coverage Information

Please note: This is not a request for payment. Your bill will be mailed separately.

Payment Options — Choose the payment option that best meets your needs. Your bill will be sent to you shortly and will contain more details about these options.

Option 1 — You can pay your premium in full. The "To Pay In Full" amount will be shown on your bill.

Option 2 — You can pay the Minimum Amount Due shown on your bill. If you choose this option, you will be sent a bill each month and the Minimum Amount Due will include a \$3.50 installment fee for each monthly payment (the monthly installment fee is \$1.00 for the Allstate Easy Pay Plan).

Option 3 — You can pay less than the full amount but more than the Minimum Amount Due. You will be charged a \$3.50 installment fee each time you choose this payment option (the monthly installment fee is \$1.00 for the Allstate Easy Pay Plan).

Please note that the Allstate Easy Pay Plan allows you to have your insurance payments automatically deducted from your checking or savings account.

IN WITNESS WHEREOF, Allstate has caused this policy to be signed by two of its officers at Northbrook, Illinois, and if required by state law, this policy shall not be binding unless countersigned on the Policy Declarations by an authorized agent of Allstate.

Edward M. Liddy
Edward M. Liddy
President

Robert W. Pike
Robert W. Pike
Secretary

PROP *010000407070253151890603*



Information as of
July 2, 2007

Page 3
CA088RBD

RENEWAL
Auto Policy Declarations

Summary

NAMED INSURED(S) Sandra C Salerno 24947 Mead Way Hayward CA 94541-5601	YOUR ALLSTATE AGENT IS Carlson & Assoc Ins (510) 582-7900 21565 Foothill Blvd Hayward CA 94541	YOUR BILL lists your payment options.
POLICY NUMBER 0 67 509765 08/16	POLICY PERIOD Aug. 16, 2007 to Feb. 16, 2008 at 12:01 a.m. standard time	
DRIVER(S) LISTED Sandra	DRIVER(S) EXCLUDED None	
VEHICLES COVERED 1. 00 Mitsubishi Montero	VEHICLE ID NUMBER JA4LS41R9YP807285	LIENHOLDER None

Total Premium

Premium for 00 Mitsubishi Montero	\$567.74
TOTAL	\$567.74

✓ *Your total premium reflects a combined discount of \$320.51*

See the **Important Payment and Coverage Information** section for details about payment options and installment fees.

Your Policy Effective Date is Aug. 16, 2007



Hi Harry
as you requested
Sandy Salinas

QUOTATION



AMERICAN E & S

101 California St., Suite 900
 San Francisco, CA 94111
 Telephone: 415-398-7475
 Facsimile: 415-391-1002
 California License #0818242

June 6, 2008

Marsh USA Risk Ins Srvs (San Francisco)
 Eartha Aragon
 One California Street
 San Francisco, CA 94111

via email
 Number of pages:

We are pleased to provide the following ****REVISED**** quotation on response to your submission:

CARRIER: Lloyds of London
 This company is a non-admitted carrier in California. In compliance with SB 1145, a Surplus Line Association form D-1 must be signed and dated by insured and returned.

INSURED: Sandra C. Salerno
ADDRESS: 24947 Mead Way
 Hayward, CA 94541

PROPOSED TERM: TBD ANNUAL

Description	Details
Coverage:	Claims Made Miscellaneous Errors & Omissions Professional Liability Insurance See Quote Attached from NAS
Policy Wording:	Per Quote
Retroactive Date or Prior acts Exclusion date if applicable:	Policy Inception
Limits:	\$2,000,000 Per Claim/\$2,000,000 Aggregate
Deductible:	\$2,500 Per Claim
Annual Premium:	\$1,606.00 plus taxes and fees, see below
Terms/ Conditions:	Per Revised Quote
Subject to:	1. Written order to bind

AMERICAN E & S INSURANCE BROKERS

QUOTATION



AMERICAN E & S

2. D1 form signed

If bound, any amendments to coverage must be specifically requested and approved by the Insurance Company Underwriters and cannot be effected through the issuance of Certificates of Insurance.

GROSS PREMIUM	\$1,606.00
POLICY FEE	\$100.00
SURPLUS LINES TAX	\$51.18
STAMPING FEE	2.14
TOTAL	\$1,759.32

COMMISSION: 12.50%

THIS IS A FLAT PREMIUM.

PAYMENT TERMS: 20 days from effective date.

**Subject to a minimum retained of 25% (no flat cancellations).
All fees are 100% retained at inception.**

Return premiums on financed policies will be remitted directly to the finance company. The retailer will be responsible for return of unearned commission.

This quotation is based upon fax, mail and /or telephone advices from the above insurer and is issued by American E & S Insurance Brokers without any liability whatsoever as an insurer. This insurance is subject to all of the terms and conditions of the Policy and / or Cover Note, which may be issued. The terms and conditions on this quotation may not be as broad as those requested in your submission. CAREFULLY read all the terms and conditions contained above.

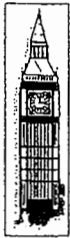
This quotation shall be effective for 30 days from 12:01 a.m. Standard Time from the date of this quote or until requested effective date, whichever occurs first. We look forward to receiving your written instructions and appreciate your interest in our facility.

Thank you for your business. If you have any questions, please feel free to call.

Sincerely,

Rick Wahlberg for
Michael R Smith
Broker

AMERICAN E & S INSURANCE BROKERS



NAS

Insurance Services, Inc.

16501 VENTURA BLVD • SUITE 200 • ENCINO, CA 91436
PHONE 818/382-2030 • FAX 818/382-2040
E-MAIL—general@nasinsurance.com WEB SITE—http://www.nasinsurance.com
LIC #0677191

June 5, 2008

Mr. Michael Smith
American E & S Insurance Brokers SF
101 California St., Suite 900
San Francisco, CA 94111

E-MAIL: michael_smith@aesbrokers.com

REVISED QUOTE

Re: Sandra C. Salerno (CA)

We are pleased to offer the following quotation for **Miscellaneous Errors and Omissions Insurance** (Claims-Made Non-Admitted) with Underwriters at Lloyd's, London, England.

THIS QUOTE IS VALID FOR A PERIOD OF 30 DAYS.

LIMITS: \$2,000,000 per claim and \$2,000,000 in the aggregate

DEDUCTIBLE: \$ 2,500 per claim

INSURED SERVICES: Management Consultant

TERM: One year

**ATTACHED TO AND FORMING
A PART OF THE QUOTE**

POLICY ISSUANCE FEE: \$100 non-refundable fee.

POLICY FORM: P1847E-0108
Summary of Changes: ([click here](#))

SECURITY: Lloyd's, London – AM BEST "A" (Excellent)

PREMIUM: \$ 1,606 with retroactive date Inception

June 5, 2008
Mr. Michael Smith
American E & S Insurance Brokers SF
Re: Sandra C. Salerno

SUBJECTIVITIES (due prior to binding):

Subject to review and approval of completed NAS Warranty Statement.

SUBJECTIVITIES (due within 7 days of binding):

Subject to completed D-1 Disclosure Notice: (D-1 FORM)

ENDORSEMENTS:

Nuclear Incident Exclusion Clause Endorsement (E1847B-0605)
War and Civil War Exclusion Clause (E1847C-0108)
Terrorism Exclusion Endorsement (E1847D-0108)
Consultant Amendatory Endorsement (E1847EE-0108)

PREMIUM PAYMENT: Net premium due 30 days from effective date.

COMMENTS: There is a 25% minimum earned premium in the policy.

For CA risks, please include the 3.125% CA state surplus line tax and stamping fee with your remittance so that we can file the affidavit and make the payments.

If this risk is subject to surplus line tax, you must arrange for filing the affidavit and for payment of the applicable State tax and fees in addition to the premium.

Rika Sata for Sandra Casas
NAS Insurance Services, Inc.

P.S. NAS' forms and applications may be downloaded from www.nasinsurance.com!

**ATTACHED TO AND FORMING
A PART OF THE QUOTE**

RESOLUTION NO. 08-____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, Sandra Salerno was hired on May 27, 2008, on a part-time basis as a consultant to manage the activities and operations of the Human Resources Department for an amount not to exceed \$25,000 annually; and

WHEREAS, it is anticipated that Ms. Salerno's services will be needed for an indefinite period of time, but in no event later than August 1, 2009; and

WHEREAS, the City Manager has recommended that her Consultant Services Agreement be amended to: 1) add a termination date of August 1, 2009, though the City will still be able to terminate the Agreement sooner at the City Manager's discretion, and 2) increase the not to exceed amount of the Agreement to \$96,000.

NOW, THEREFORE, BE IT RESOLVED by the City Council that the City Manager is authorized to execute the First Amendment to the Consultant and Professional Services Agreement between the City of Vallejo and Sandra Salerno.

**FIRST AMENDMENT TO THE
AGREEMENT BETWEEN THE
CITY OF VALLEJO
AND
SANDRA SALERNO**

This First Amendment to the Principal Agreement made and entered into on May 27, 2008, hereafter referred to as Agreement, between the Sandra C. Salerno, an individual, therein referred to as Consultant, and the City of Vallejo, a municipal corporation, therein referred to as City, is made and entered into on this _____ day of _____, 2008.

Consultant and City do mutually agree as follows:

1. Amendment to Section 16. Section 16 of the Agreement shall be modified to read:

16. Term. The term of this Agreement shall commence on the date of complete execution of this Agreement and shall continue in full force and effect until August 1, 2009, unless terminated sooner by City pursuant to the terms of this Agreement. If the term of this Agreement extends into fiscal years subsequent to that in which it is approved, such continuation of the Agreement is contingent on the appropriation of funds for such purpose by the City Council of the City of Vallejo. If funds to effect such continued payment are not appropriated, Consultant agrees to terminate any services supplied to City of Vallejo under this Agreement, and relieve City of any further obligation therefore.

2. Amendment to Section 1 A of Exhibit B. Section 1 A of Exhibit B of the Agreement shall be modified to read:

1. Consultant's Compensation.

A. Services: City agrees to pay Consultant, at the rate(s) specified below, for those services set forth in Exhibit A of this Agreement and for all authorized reimbursable expenses, for a total not to exceed Ninety-Six Thousand Dollars and no Cents (\$96,000.00).

Consultant shall notify City in writing no later than thirty (30) days prior to the estimated date when Consultant will have billed City the maximum payment amount permitted under this Agreement, and Consultant shall provide City with an estimate of the additional compensation required to complete the project.

3. Integration. This First Amendment contains the entire agreement between the parties with respect to its subject matter and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. This First Amendment shall not be amended or modified except by a written agreement executed by each of the parties. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Consultant shall perform all duties, obligations and conditions required under the Agreement.

4. Inconsistencies. In the event of any conflict or inconsistency between the provisions of this First Amendment and the Agreement, the provisions of this First Amendment shall control in all respects.

5. Ambiguities. The parties have each carefully reviewed this First Amendment and have agreed to each term of this First Amendment. No ambiguity shall be presumed to be construed against either party.

6. Counterparts. This First Amendment may be executed by the parties in one or more counterparts all of which collectively shall constitute one document and agreement.

7. Authority. The person signing this First Amendment for Consultant hereby represents and warrants that he or she is fully authorized to sign this First Amendment on behalf of Consultant.

(SIGNATURES ARE ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have entered into this First Amendment on the day and year first hereinabove appearing.

**CITY OF VALLEJO,
a municipal corporation**

**SANDRA C. SALERNO,
an individual**

BY: _____
Joseph M. Tanner
City Manager

BY: _____
Sandra C. Salerno

ATTEST: _____
Mary Ellsworth
City Clerk

(City Seal)

APPROVED AS TO INSURANCE REQUIREMENTS

Harry B. Maurer
Risk Manager

APPROVED AS TO FORM:

Frederick G. Soley
City Attorney




ADMIN A

Agenda Item No.

COUNCIL COMMUNICATION

Date: August 19, 2008

TO: Honorable Mayor and Members of the City Council

FROM: Gary A. Leach, Public Works Director 

SUBJECT: APPROVAL OF A RESOLUTION ADOPTING THE UPDATED INITIAL PROJECT REPORT FOR VALLEJO STATION INTERMODAL FACILITY PROJECT AND AUTHORIZING THE CITY MANAGER TO SUBMIT AN ALLOCATION REQUEST FOR REGIONAL MEASURE 2 FUNDS TO THE METROPOLITAN TRANSPORTATION COMMISSION FOR RIGHT OF WAY ACQUISITION

BACKGROUND

Vallejo Station Project is a major component of the Waterfront Master Plan. The project's purpose is to construct a parking structure for ferry system riders which will consolidate the existing surface parking lots located along Mare Island Way from Capitol Street to Maine Street and make way for the development of those waterfront parcels. The parking structure is being designed as a joint use facility to accommodate transit-oriented use and commercial space constructed at the ground floor frontages along Georgia Street and Santa Clara Street. It will also be designed to accommodate a future hotel with parking on top of this structure. The parking consolidation will free up over 10 acres adjacent to the parking garage structure for development as outlined in the master plan.

The parking structure is planned to be located on the west side of Santa Clara Street between Maine and Georgia Streets. The main entrance to the parking structure will be from Mare Island Way with access also available from Santa Clara Street. The projected area necessary for Vallejo Station is 4.6 acres.

On March 2, 2004, Bay Area voters passed Regional Measure 2 (RM2) (SB 916, Chapter 715, Statutes of 2004), raising the toll on the nine State-owned toll bridges in the San Francisco Bay Area by \$1.00. The extra dollar will fund specific Bay Area transportation capital and operating projects designed to reduce congestion or improve travel conditions in toll bridge corridors.

The Vallejo Station Intermodal Facility is eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d).



RM2 earmarks \$28 Million for the Vallejo Station Intermodal Facility, which would be built across the street from the existing Vallejo Ferry Terminal. To claim these funds, RM2 requires that project sponsors develop an Initial Project Report (IPR) describing and detailing the scope of each RM2 funded project. MTC also requires that each sponsor's governing board adopt the IPR for each capital project submitted for RM2 funding. The detailed policy and procedures for actual allocation of RM2 funds was adopted by MTC through its Resolution No. 3636, dated June 23, 2004.

This IPR incorporates the allocation request for the right-of-way phase for RM2 funds in the amount of \$3,567,000 for the project. Real property acquisition is needed in order to provide suitable area for the parking structure.

A draft IPR was submitted to MTC for their review. This process is intended to allow time for MTC staff and City staff to address any outstanding issues on the IPR before the project sponsor presents the IPR to its respective Board for approval.

Once any outstanding issues have been addressed and the City Council has taken action on the IPR and resolution of project compliance, approximately 30 days prior to a requested MTC action, the City must submit final, official signed copies of the following documents (1) City Resolution of Project Compliance, (2) Approved Initial Project Report (IPR), (3) Environmental Clearance Documentation, (4) Evidence of Allocation and Commitment of Complementary Funds. MTC's action will allocate the requested amount from RM2 funds to the project.

There are some restrictions to these funds. If any revenues or profits from any non-governmental use of the property or project are collected, those revenues or profits shall be used exclusively for public transportation services for which the project was initially approved, either capital improvements or maintenance and operational costs. Otherwise, MTC is entitled to a proportionate share equal to MTC's percentage participation in the project. Assets purchased with RM2 funds including facilities and equipment shall be used for the public transportation uses intended. If these facilities and equipment cease to be operated or maintained for their intended public transportation purposes during its useful life, MTC shall be entitled to a present day value refund or credit based on MTC's share of the Fair Market Value of the facilities and equipment at the time the public transportation uses ceased. MTC's share of the Fair Market Value shall be paid back to MTC in the same proportion that RM2 funds were originally used.

Design work on the Vallejo Station project is currently underway.



Fiscal Impact

There is no fiscal impact on submitting an allocation request and amending the IPR.

RECOMMENDATION

Staff recommends adopting the updated IPR for Vallejo Station Intermodal Facility project and authorizing the City Manager to submit an allocation request for Regional Measure 2 to the Metropolitan Transportation Commission for right of way acquisition.

ENVIRONMENTAL REVIEW

On October 25, 2005, City Council adopted Resolution No. 05-354 N.C., which certified the Environmental Impact Report and adopted findings, a statement of overriding considerations and the mitigation monitoring program for the Vallejo Station Project and the Waterfront Project.

The Federal Transportation Administration determined that Vallejo Station as “categorical exclusion” under 23 CFR part 771.117 (d) (4) thru a letter received on December 14, 2005.

ALTERNATIVES CONSIDERED

A “no action” on adopting a resolution to submit an allocation request and amending the IPR will result in the City not being able to obtain reimbursement of the RM-2 funds for the acquisition phase of the project.

PROPOSED ACTION

Adopt the updated Initial Project Report for Vallejo Station Intermodal Facility project and adopt a resolution authorizing the City Manager to submit an allocation request for Regional Measure 2 to the Metropolitan Transportation Commission for right of way acquisition

DOCUMENTS ATTACHED

- a. A resolution authorizing the City Manager to submit an allocation request for RM2 to the Metropolitan Transportation Commission for right of way acquisition and to make amendments to the Initial Project Report for the Vallejo Station Intermodal Facility Project and Exhibit A RM2 Initial Project Report



CONTACT PERSON

Gary A. Leach, Public Works Director
648-4315
garyl@ci.vallejo.ca.us

David A. Kleinschmidt
648-4301
david@ci.vallejo.ca.us

AUGUST 19, 2008
K:\PUBLIC\AIPW\2008\Engineering\PWSR4272.doc

RESOLUTION NO. 08-_____ N.C.

BE IT RESOLVED by the Council of the City of Vallejo as follows:

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred as Regional Measure 2 (RM2), identified projects eligible to receive funding under the Regional Traffic Relief Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 2 funds, pursuant to Streets and Highways Code Section 30914(c) and (d); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 2 funding; and

WHEREAS, allocations to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 2 Policy and Procedures; and

WHEREAS, the City of Vallejo is an eligible sponsor of transportation project(s) in Regional Measure 2, Regional Traffic Relief Plan funds; and

WHEREAS, the Vallejo Station Intermodal Facility is eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d); and

WHEREAS, the Regional Measure 2 allocation request, attached hereto in the Initial Project Report (IPR) and incorporated herein as though set forth at length, lists the project, purpose, schedule, budget, expenditure and cash flow plan for which (agency name) is requesting that MTC allocate Regional Measure 2 funds.

NOW, THEREFORE, BE IT RESOLVED, that the City of Vallejo, and its agents shall comply with the provisions of the Metropolitan Transportation Commission's Regional Measure 2 Policy Guidance (MTC Resolution No. 3636); and

BE IT FURTHER RESOLVED, that the City of Vallejo certifies that the project is consistent with the Regional Transportation Plan (RTP); and

BE IT FURTHER RESOLVED, that the year of funding for any design, right-of-way and/or construction phases has taken into consideration the time necessary to obtain environmental clearance and permitting approval for the project; and

BE IT FURTHER RESOLVED, that the Regional Measure 2 phase or segment is fully funded, and results in an operable and useable segment; and

BE IT FURTHER RESOLVED, that the City of Vallejo approves the updated Initial Project Report, attached to this resolution as Exhibit "A"; and

BE IT FURTHER RESOLVED, that the City of Vallejo approves the cash flow plan, attached to this resolution; and

BE IT FURTHER RESOLVED, that the City of Vallejo has reviewed the project needs and has adequate staffing resources to deliver and complete the project within the schedule set forth in the updated Initial Project Report; and

BE IT FURTHER RESOLVED, that the City of Vallejo is an eligible sponsor of projects in the Regional Measure 2 Regional Traffic Relief Plan, Capital Program, in accordance with California Streets and Highways Code 30914(c); and

BE IT FURTHER RESOLVED, that the City of Vallejo is authorized to submit an application for Regional Measure 2 funds for Vallejo Station Intermodal Facility in accordance with California Streets and Highways Code 30914(c); and

BE IT FURTHER RESOLVED, that the City of Vallejo certifies that the projects and purposes for which RM2 funds are being requested is in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.) and the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et seq. and the applicable regulations thereunder; and

BE IT FURTHER RESOLVED, that there is no legal impediment to the City of Vallejo making allocation requests for Regional Measure 2 funds; and

BE IT FURTHER RESOLVED, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of the City of Vallejo to deliver such project; and

BE IT FURTHER RESOLVED, that the City of Vallejo indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of City of Vallejo, its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM2 funds. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM2 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages, and

BE IT FURTHER RESOLVED, that the City of Vallejo shall, if any revenues or profits from any non-governmental use of property (or project) are collected, that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs, otherwise the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC's percentage participation in the projects(s); and

BE IT FURTHER RESOLVED, that assets purchased with RM2 funds including facilities and equipment shall be used for the public transportation uses intended, and should said facilities and equipment cease to be operated or maintained for their intended public transportation purposes for its useful life, that the Metropolitan Transportation Commission (MTC) shall be entitled to a present day value refund or credit (at MTC's option) based on MTC's share of the Fair Market Value of the said facilities and equipment at the time the public transportation uses ceased, which shall be paid back to MTC in the same proportion that Regional Measure 2 funds were originally used; and

BE IT FURTHER RESOLVED that the City of Vallejo shall post on both ends of the construction site at least two signs visible to the public stating that the Project is funded with Regional Measure 2 Toll Revenues; and

BE IT FURTHER RESOLVED, that the City Council hereby authorizes City Manager or his designee to submit an allocation request for the right-of-way phase with MTC for Regional Measure 2 funds in the amount of \$3,567,000, for the project, purposes and amounts included in the project application attached to this resolution; and

BE IT FURTHER RESOLVED, that the City Manager or his designee is hereby delegated the authority to make non-substantive changes or minor amendments to the Initial Project Report as he/she deems appropriate.

BE IT FURTHER RESOLVED, that a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the City of Vallejo application referenced herein.

AUGUST 19, 2008

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Regional Measure 2 – INITIAL PROJECT REPORT

Regional Measure 2 Initial Project Report (IPR)

Project Title: Vallejo Station Intermodal Facility

RM2 Project No. 5

Allocation History:

	MTC Approval Date	Amount	Phase
#1:	6-27-2007	\$ 2,350,268	Design
#2	6-27-2007	\$433,632	Right of Way/Acquisition
#3			

Total: \$2,783,900

Current Allocation Request:

IPR Revision Date	Amount Being Requested	Phase Requested
8/01/2008	\$3,567,000	Right of Way/Acquisition

Regional Measure 2 – INITIAL PROJECT REPORT

I. OVERALL PROJECT INFORMATION

A. Project Sponsor / Co-sponsor(s) / Implementing Agency

The Solano Transportation Authority and the City of Vallejo Transportation Program are the project sponsors. The City of Vallejo is the implementing agency.

The Vallejo Station Intermodal Facility project is included in the RM2 program as Project 5.0, programmed for \$28 million.

B. Project Purpose

The Vallejo Station Project will consist of a Multimodal transportation facility and privately funded transit-oriented residential and commercial improvements. The Vallejo Station Project will improve pedestrian, automobile, and public transportation access to the Vallejo Ferry Terminal, Vallejo Bus Transit Center, and Vallejo downtown areas. The focus of the project is to provide pedestrian access between the Ferry Terminal, the proposed Vallejo Station Ferry Parking Garage, the proposed local Bus Transfer Center, the regional bus turnouts on Mare Island Way, and the downtown area. The Vallejo Station Project also includes public open spaces and pedestrian walkway enhancements. Overall, the Vallejo Station Project will provide Multimodal bus and ferry connections, with a pedestrian connection to Downtown and the Waterfront to the north and south.

C. Project Description (please provide details)

Project Graphics to be sent electronically with This Application

The Vallejo Station Intermodal Facility is comprised of the following components:

1,200-space Parking Structure (public portion)

The proposed parking garage is intended to provide parking for the Vallejo Ferry patrons and will replace heavily used surface parking on various lots in downtown Vallejo. The garage will be designed to accommodate future retail and/or commercial space, additional parking as well as a potential hotel and conference center on a vertical subdivision to be created on the top deck of the garage. The public and private portions of Vallejo Station will support a compact, transit-oriented mixed-use community close to Downtown, transit services, and existing and planned residential and civic uses.

The Vallejo Station Intermodal Facility is located on what is referred to as Parcel L3 in the City's Waterfront Plan. Parcel L3 is a portion of an approximately 8.4-acre parcel and that will be sub-divided into five (5) sub-parcels to simplify development profile discussions throughout this document. The five sub-parcels are L 1, a 1.9-acre parcel that is planned to accommodate future private residential and retail development; parcel L2, a 1.9-acre parcel that is planned to accommodate future office and/or commercial development; Parcel L3, a 4.6 acre parcel that is the site of the proposed Vallejo Station Parking Garage; and Parcel L4, a 2.8-acre vertical subdivision parcel located above parcel L3 that is planned to accommodate a future hotel and/or conference center on the top deck of the garage with as many as 200 rooms, up to 200,000 gross square feet of floor area, with retail wrapped around the perimeter; and Parcel L-5, a 1.8 acre parcel providing a pedestrian paseo between Parcel 0 and the ferry terminal, providing 50 short-term parking spaces. The future development on Parcel L4 will include short term parking, access driveways as well as other improvements as may be required to support the uses proposed on the parcel. Mare Island Way will be improved with expanded regional bus turnouts and enhanced pedestrian

Regional Measure 2 – INITIAL PROJECT REPORT

crossings. This Allocation Request pertains to Parcels L3 and L5, the publicly-funded development parcels. Parcels L1, L2, and L4 will be privately-funded.

The maximum allowable height of the proposed private sector developments on Parcel L is five stories and 65 feet on the Mare Island Way frontage of Parcel L1, four stories and 55 feet on the Santa Clara Street frontage of Parcels L1 and L4, and 45 feet for Parcel L2.

Paseo and Park

The Vallejo Station project also includes the Paseo and Park, located to the southwest of the proposed bus transit station. This is the capstone of the development within the area and will create the final link in the pedestrian network connecting the area's multiple transportation services, including the ferry terminal, new high-density housing, and a network of open spaces. The scope of work for the Paseo and Park includes the following improvements:

- Decorative elements placed at each end of the transit center block, will mark the boundaries of the special zone and serve as a gateway
- Enhanced paving at the Bus Transit Center crosswalk extends the pedestrian-themed improvements from the Bus Transit Center to the Paseo. Design elements of the Paseo must be consistent with the design elements of the Bus Transit Center. The street paving will be textured to provide audible and physical indications when driving over it
- Transit shelters provide shade and seating for waiting passengers. The colored, steel frame structures will be lighted for night use and incorporate informational signage
- Transit Gallery design complements the passenger shelters. The simple, steel frame forms articulate the public sidewalk linkages to the transit median. Nighttime safety lighting and informational signage will offer amenities to all downtown pedestrians
- Grand Stairs serve as the transition in elevation between the Upper and Lower plazas as well as the continuation of the Paseo to the ferry terminal

Stair risers may be finished with art tiles. When viewed on approach from the ferry terminal, the color and pattern of the tiles will serve as a beacon to direct and guide people to the public access ways

The improvements within the project limits other than the parking structure may also include landscaping, street furniture, signage, decorative paving, street lighting, street and pavement repairs prior to street overlay, street overlay, replacement curb, gutter and sidewalk, and surface storm drainage modifications within the public street rights-of-way, gateway, and other areas.

York Street Bus Transit Center

The Vallejo Station Transit Center is to be relocated one block west to a new site immediately adjacent to Santa Clara Street between Georgia and Maine Street in downtown Vallejo. The current Vallejo Transit Center is located on York Street in downtown Vallejo and includes no special transit amenities, infrastructure, lighting or bus shelters. The center must be relocated to make way for new housing and commercial development in downtown Vallejo as a result of the Downtown Redevelopment plan. By relocating the transit center one block closer to the Vallejo Ferry Terminal, three existing properties will become available for new residential and or commercial development. The current location is not well connected to downtown or the waterfront.

The proposed Bus Transit Center is located on the extension of York Street and will divide two existing city parking lots (lots F and G) into new north and south sections. The lots will be redesigned with perpendicular parking to maximize the number of available parking stalls. Ramps will be constructed to the north and the south of the proposed bus transfer facilities to provide new east-west connections

Regional Measure 2 – INITIAL PROJECT REPORT

between the lots F and G and improve vehicular circulation between Sacramento Street and Santa Clara Street. The Bus Transit Center facility will be designed to accommodate twelve 45-foot buses at a new bus island. Pedestrian crossings provided in the middle and at each end of the new bus island will connect the two parking lots and a proposed new Bus Transit Center. A six-foot wide sidewalk is proposed along the north side of the bus island to provide a pedestrian link between Sacramento and Santa Clara Streets. This pedestrian link will improve pedestrian access between the Bus Transit Center, the proposed new Vallejo Station Parking Garage and the existing Vallejo Ferry Terminal. Retaining walls, new pedestrian ramps and/or stairs, handicapped ramps and additional handicapped parking spaces will be completed as part of the Transit Center in conformance with appropriate ADA requirements.

The project scope includes a two-story Transportation Administration Building that is about 4,400 SF. This building will consolidate the City of Vallejo's Transportation Division's operations into one building. The first floor will provide an operators' break room, lobby, ticket sales office and public restrooms. The second floor will have a conference room, eight offices and a safety patrol room.

The scope of the Vallejo Transit Center project includes engineering and design of all necessary infrastructure improvements to accomplish the project including, but not necessarily limited to surveying, utility relocation and/or upgrades, drainage improvements and/or upgrades, grading and paving improvements, construction and/or reconstruction of existing parking lots, the construction of curbs, gutters, sidewalks and new bus bays and related improvements including lighting, landscaping and other related improvements and amenities. In addition, the project includes the conceptual and final design of certain separately funded project enhancements (TLC grant funded) to supplement the basic design of the project to enhance and augment the project - additional lighting, architectural paving and other features, benches, covers and related facilities.

The following considerations are included in the scope of work for this project (the new York Street Transit Center):

- Pedestrian linkage between parking lots and destinations such as Georgia street retail and planned transit center
- Design details must encourage a uniquely defined access route
- A fine level of detail must be rendered in the paving, planting, and furnishings. Art elements that explore the multicultural heritage of Vallejo and serve way finding will animate blank building walls and provide a sense of daily discovery
- Paving material will include granite pavers similar to those found in Unity Plaza, and colored, textured concrete. Patterns in the paving will promote a recognizable identity. Furnishings such as lights, trash receptacles, benches, and bicycle racks must be consistent with the final Design Guidelines

Streetscape Improvements

Mare Island Way Bus Loading Zone between Maine Street and Georgia Street will be re-configured to accommodate bus-loading zones for regional express buses and access to the parking structure. The Mare Island Way Bus Loading Zone will be located on Mare Island Way in both northbound and southbound directions between Georgia Street and the Parking Garage Access Road. The bus-loading zone should be designed so that five buses can park on each side at one time. Regional express buses will be the primary users of the loading zone, although tour buses may also use the facility for loading and unloading passengers. Regional express bus schedules will be coordinated with Baylink ferry schedules. Currently, four local and two regional Vallejo Transit routes, one Benicia Transit route, and a VINE route stop at the Ferry Terminal.

Regional Measure 2 – INITIAL PROJECT REPORT

No amenities other than dynamic signage for passengers or bus drivers are currently planned at the bus loading/unloading zone. Shelters for bus passengers at this location are not currently planned because they would obstruct the view of the waterfront. The selected A/E firm must design options to creatively solve amenities and shelter issues, while remaining in compliance with all applicable design guidelines and standards.

In order to accommodate the Bus Loading Zones and transit parking traffic, some modifications to the existing geometry on Mare Island Way between Georgia Street and the Parking Garage Access Road may be necessary. Mare Island Way currently consists of four traffic lanes and a ten-foot wide median. A possible option for a reconfigured Mare Island Way would consist of four traffic lanes, two bus-loading lanes, and a left-turn lane. The dedicated left-turn lane must allow sufficient queuing space for cars turning left onto the Transit Parking Access Road. Fifteen-foot wide sidewalks will accommodate foot traffic and passengers waiting for buses.

During peak hours, a large volume of pedestrians is expected to cross from the ferry terminal to the Transit Parking Structure. The pedestrian crossings on Mare Island Way must be designed to accommodate this surge of pedestrian flow.

Mare Island Way - Ferry Terminal "Kiss & Ride" Drop-off/Pick-up Area

The Ferry Terminal "Kiss & Ride" Drop-off/Pick-up Area will be located immediately south of the ferry terminal. The northern half of the area will be used for employer shuttle parking and loading/unloading passengers. The southern half of the area will be used for short-term (ten-minute) parking. The lot is currently a two-way lot, with an entrance off of Mary Island Way, north of Maine Street. The entrance will be re-aligned with the Parking Garage access road, and will be converted and re-stripped as a one-way lot. With the provision of the "Kiss & Ride" Drop-off/Pick-up Area, drop-off and pick-up activities are expected to increase.

Santa Clara Street Modification

Santa Clara Street modifications will include additional lighted crosswalks on Santa Clara Street at the new Bus Transfer Center Entrance/Exit and. Santa Clara Street at the Bus Transfer Center Exit/Entrance will probably not be signalized since vehicular or pedestrian volume is forecasted to be low.

D. Impediments to Project Completion

The project is not fully funded at this time. In addition, acquisition of certain properties may be difficult, time-consuming, and costly.

The schedule allows for 16 months negotiating with both property owners, which should allow for inherent delays in the process. The ROW budgets are based upon current property appraisal reports, and include an allowance for an above-market rate settlement. As the negotiations proceed, the appraisals and estimates will be refined. As discussed on Page 6, the two properties are Hilf Trust (Post Office property), and My Cafe Restaurant (both properties will be contained in Parcel L3).

"Plan B" in the event that the Post Office negotiations prove difficult is to build one-half of the parking structure, which would result in a useable 800 to 900 space parking structure. The remainder of the structure would be constructed after conclusion of successful negotiations with the Post Office and Hilf Trust. This strategy would also allow for additional time to identify new sources of funds to close the funding gap.

Regional Measure 2 – INITIAL PROJECT REPORT

The City of Vallejo, the project's sponsor, has successfully attracted funding from Federal, State and Local sources. Congressman George Miller, a strong supporter of the Vallejo Station project, has secured a series of federal earmarks for the projects. The City has every reason to expect Congressman Miller will continue his support to secure additional future earmarks and/or other federal grants for the project. The project is also strongly supported by the Solano Transportation Authority (STA) as well as the Metropolitan Transportation Commission (MTC). The STA has consistently recommended that portions of its available State Transportation Improvement Program (STIP) funds be allocated to this project. STA staff has advised the City that it intends to recommend additional allocations of future STIP funds as those funds become available and as the City demonstrates progress with development of this important North Bay Transportation hub.

E. Operability

Upon completion of the project, the City of Vallejo will be responsible for operating and maintaining all components of the Vallejo Station Intermodal Facility and environs.

II. PROJECT PHASE DESCRIPTION and STATUS

F. Environmental –

Does NEPA Apply: Yes No

The City Council of the City of Vallejo, by Resolution No. 05-354, adopted on October 25, 2005, certified the Environmental Impact Report for the Vallejo Station Project and Waterfront Project (SCH No. 2000052073) ("EIR"). The bus transfer station is part of the larger Vallejo Station Project analyzed under the EIR, which includes a ferry parking garage, residential units, retail, commercial and office space, neighborhood paseo park, and other associated improvements. Following certification of the EIR, a Petition for Writ of Mandate and Complaint for Injunctive Relief was filed in the Solano County Superior Court, on December 2, 2005, and a First Amended Petition was filed on January 12, 2006, challenging the EIR (Vallejo Waterfront Coalition v. City of Vallejo, et al.; Case No. FCS 027048). The City and Plaintiffs engaged in settlement negotiations and agreed upon a Settlement Agreement in that action. The City considered approval of a Settlement Agreement on November 7, 2006. The ninety-day challenge period concluded on April 19, 2007, and there currently is no injunction or other impediment that would prohibit the City from commencing construction of the Vallejo Station Intermodal Facility.

G. Design –

On October 30th, 2007 the City executed a contract with DMJM Harris for A/E services for the Vallejo Transit Center portion of the project. Design on this portion of the project is currently at 20% with an anticipated complete date of September 25, 2008.

An A/E contract was executed with Watry Design on November 13th, 2007 for design of the parking structure and streetscape improvements. Design is approaching the end of the schematic stage with an anticipated overall completion date of March 27, 2009

Regional Measure 2 – INITIAL PROJECT REPORT

H. Right-of-Way Activities / Acquisition –

A Real Estate Management Plan has been developed for the project, and approved by the FTA. Current appraisals of both the Hilf and My Café properties have been obtained and are being reviewed. An offer of just compensation is being prepared for review by the City of Vallejo, RDA and the FTA.

Once an offer of just compensation is developed, the City will begin negotiations with both the Hilf Trust and My Café property owner. Negotiations for My Café are anticipated to be complete by November 2008 and Hilf Trust by January 2009.

III. PROJECT BUDGET

J. Project Budget (Escalated to year of expenditure)

Phase	Total Amount - Escalated - (Thousands)
Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)	\$1,276
Design - Plans, Specifications and Estimates (PS&E)	\$5,658
Right-of-Way Activities /Acquisition (R/W)	\$7,650
Construction / Rolling Stock Acquisition (CON)	\$84,448
Total Project Budget (in thousands)	\$99,032

K. Project Budget (De-escalated to current year)

Phase	Total Amount - De-escalated - (Thousands)
Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)	\$1,276
Design - Plans, Specifications and Estimates (PS&E)	\$5,658
Right-of-Way Activities /Acquisition (R/W)	\$7,650
Construction / Rolling Stock Acquisition (CON)	\$77,439
Total Project Budget (in thousands)	\$92,023

Regional Measure 2 – INITIAL PROJECT REPORT

IV. OVERALL PROJECT SCHEDULE

Phase-Milestone	Planned (Update as needed)	
	Start Date	Completion Date
Final Design - Plans, Specs. & Estimates (PS&E)	06/07	06/09
Right-of-Way Activities /Acquisition (R/W)	02/07	11/10
Construction (Begin – Open for Use) / Acquisition / Operating Service (CON)	01/09	01/11

V. ALLOCATION REQUEST INFORMATION

L. Detailed Description of Allocation Request

Amount being requested (in escalated dollars)	\$3,567
Project Phase being requested	Right-of-Way Acquisition
Are there other fund sources involved in this phase?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of anticipated Implementing Agency Board approval the RM2 IPR Resolution for the allocation being requested	August 19, 2008
Month/year being requested for MTC Commission approval of allocation	September 2008

Scope of Services –

Current appraisals have been completed on both the My Café and HILF Trust properties. Current estimates list the Fee Simple Titles at \$2,430,000 for the properties. Estimates also include an additional \$1,137,000 for FF&E, Relocation and incentives for purchasing of the properties.

Negotiation with the individual owners will begin upon receipt of RM2 funding. This process is already being funded by a prior RM2 allocation.

M. Status of Previous Allocations (if any)

To date \$554,000 has been expended out of the original \$2,783,900 allocations. These funds were used primarily for Project and Financial Management during the Design and Right of Way phases of the project.

The City has executed Design Contracts with DMJM Harris for the Transit Center and Watry Design for the Parking Structure and Road Improvements. To date the majority of the design work has been funded with STIP grant funds because of their expiration in 2008. We anticipate beginning to apply RM2 funding to the design of the project starting in August of 2008.

Regional Measure 2 – INITIAL PROJECT REPORT

N. Workplan

Workplan in Alternate Format Enclosed

TASK NO	Description	Deliverables	Completion Date
01	Acquisition of My Café Property	Fee Simple Title for My Café Property, part of Parcel L3	5/09
02	Acquisition of HILF Trust Property	Fee Simple Title for HILF Property, part of Parcel L3	11/09

O. Impediments to Allocation Implementation

The schedule allows for 16 months negotiating with both property owners, which should allow for inherent delays in the process. The ROW budgets are based upon current property appraisal reports, and include an allowance for an above-market rate settlement. As the negotiations proceed, the appraisals and estimates will be refined. As discussed on Page 6, the two properties are Hilf Trust (Post Office property), and My Cafe Restaurant (both properties will be contained in Parcel L3).

"Plan B" in the event that the Post Office negotiations prove difficult is to build one-half of the parking structure, which would result in a useable 800 to 900 space parking structure. The remainder of the structure would be constructed after conclusion of successful negotiations with the Post Office and Hilf Trust. This strategy would also allow for additional time to identify new sources of funds to close the funding gap.

VI. RM-2 FUNDING INFORMATION

P. RM-2 Funding Expenditures for funds being allocated

The companion Microsoft Excel Project Funding Spreadsheet to this IPR is included

Next Anticipated RM-2 Funding Allocation Request

March 2008 – Construction (Bus Transit Center & Transportation Office components) \$2,809K

VII. GOVERNING BOARD ACTION

Check the box that applies:

Governing Board Resolution attached

Governing Board Resolution to be provided on or before: 8/22/2008

Regional Measure 2 – INITIAL PROJECT REPORT

VIII. CONTACT / PREPARATION INFORMATION

Contact for Applicant's Agency

Name: Crystal Odum Ford
Phone: (707) 648-5241
Title: Transportation Superintendent
E-mail: codumford@ci.vallejo.ca.us
Address: 555 Santa Clara St., Vallejo, CA

Information on Person Preparing IPR

Name: Gabe Salinas, Harris & Associates
Phone: (707) 291-3716
Title: Project Manager
E-mail: gsalinas@harris-assoc.com
Address: 120 Mason Circle, Concord, CA 94520-1214

Applicant Agency's Accounting Contact

Name: Edwin Gato
Phone: (707) 648-4306
Title: Administrative Analyst I
E-mail: egato@ci.vallejo.ca.us
Address: 555 Santa Clara St., Vallejo, CA

Revised IPR 120905.doc

RM-2 Initial Project Report
TOTAL PROJECT FUNDING PLAN

(Amounts Escalated in Thousands)

Project Title: Vallejo Station Intermodal Facility		Project ID: 5													
Agency: City of Vallejo		Date: 8/12/2008													
Fund Source	Phase	Prior	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Future	TOTAL
TOTAL PROJECT: COMMITTED + UNCOMMITTED + TO BE DETERMINED															
COMMITTED FUNDING PLAN (PROGRAMMED, ALLOCATED, APPROVED FUNDING)															
FTA - X685	ENV/PA&ED		76	105											181
VALLEJO - City of Vallejo Funds	ENV/PA&ED		457	637											1,094
RM2 - RM2 Funds	PS&E			554	1,796										2,350
STIP2576 - STIP 025-076 PSE	PS&E			495	705										1,200
TEA21F02 - FTA Ferryboat FY02	PS&E				2,000										2,000
TLC C - TLC (CMAC) Y414	PS&E				108										108
RM2 - RM2 Funds	RW			266	167										433
FTA115 - FTA Section 115 Const	CON			1,019	231										1,250
FTA5309A - FTA 5309 Con	CON			271	943										1,214
FTA5309B - FTA 5309 Con	CON			188	653										841
TEA21F03 - FTA Ferryboat FY03	CON			222	771										993
TLC C - TLC (CMAC) X018	CON			223	777			716							1,716
TLC C - TLC (CMAC) Y414	CON				247										247
VALLEJO - City of Vallejo Funds	CON			1,908	1,706										3,614
				3,925	2,975										
UNCOMMITTED FUNDING PLAN (NON-PROGRAMMED/ALLOCATED, BUT PLANNED FUNDING)															
RM2 - RM2 Funds	RW			3,659	2,808										6,467
RM2 - RM2 Funds	CON			825	17,925										18,750
STIP2006 - STIP 2006 Const	CON								13,128						13,128
FUNDING SOURCE STILL TO BE DETERMINED (LIST POTENTIAL SOURCES THAT WILL LIKELY BE PURSUED)															
RDA/DVP - RDA/Developer Funds	RW			750											750
RDA/DVP - RDA/Developer Funds	CON			13,200											13,200
TBD FUND - Unidentified Funding Source	CON			7,169	10,978	4,845									22,992
STIP Fund Transfer from Ferry	CON			3,000											3,000
EDA Grant for Bus Transit Center	CON			3,500											3,500
TOTAL PROJECT: COMMITTED + UNCOMMITTED + TBD FUNDING TOTAL															
		Prior	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Future	TOTAL
				533	742	1,049	14,188	30,696	29,769	24,106	4,845				99,028

Comments:

Enter all funding for the project - both Committed and Uncommitted. Enter amounts in thousands and escalated to the year of funding. Eligible Phases: ENV (or PA&ED), PS&E, RW or CON. For planning activities use ENV. For Vehicles, Equipment or Operating use CON. OK to use CT RW SUP or CT CON SUP for Caltrans support, but not necessary (optional).

RM-2 Initial Project Report

DEFINED SEGMENT FUNDING PLAN

(Amounts Escalated in Thousands)

Project Title: Vallejo Station Intermodal Facility		Project ID: 5														
Agency: City of Vallejo		Plan Date: 08/12/08														
RM-2 DELIVERABLE SEGMENT - Fully Funded Phase or Segment of Total Project																
Fund Source	Phase	Prior	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Future Committed	TOTAL	
RM-2 SEGMENT FUNDING TOTAL			Prior	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Future Committed	TOTAL

Comments:

(Complete this spreadsheet only if RM-2 funds are dedicated to deliver a specific phase or deliverable segment of the overall total project)
 Enter funds on the RM-2 Deliverable Phase or Segment, ONLY if the RM-2 Phase or Segment is different from the overall total project. The RM-2 Segment must be Fully Funded and result in a operable or useable segment.
 Enter only funds Committed to the RM-2 Funded Segment and only if different from Total Project. Enter amounts in thousands and escalated to the year of funding. DO NOT enter uncommitted funding. The RM-2 Phase or Segment must be fully funded.
 Eligible Phases: ENV (or PA&ED), PS&E, RW or CON. For planning activities use ENV. For Vehicles, Equipment or Operating use CON. OK to use CT ROW SUP or CT CON SUP for Caltrans support, but not necessary (optional).

RM-2 Initial Project Report

EXPENDITURES TO-DATE BY PHASE AND FUND SOURCES

Phase	Fund Source	Date of Last Expenditure	Amount Expended to date (Thousands)	Available Balance Remaining (Thousands)
ENV / PA&ED	City of Vallejo and RDA Funds	2007	1,276	0
	Federal Grant #CA-90-X685	2002	181	0
PS&E	RM2	July 2008	554	1796
	STIP2576	July 2008	495	705
R/W				
CON / Operating				
Total to date (in thousands)			2,506	

Comments:

As required by RM-2 Legislation, provide funds expended to date for the total project. Provide both expenditure by Fund Source and Expenditure by Phase, with the date of the last expenditure, and any available balance remaining to be expended.

Project ID: 5
Date: 8/12/2008

RM-2 Initial Project Report

**RM-2 FUNDING CASH FLOW PLAN For Allocation
(RM-2 Allocation Funding Only)**

(Amounts Escalated in Thousands)

Project Title: Vallejo Station Intermodal Facility		Project ID: 5												
Agency: City of Vallejo		Plan Date: 08/12/08												
RM-2 CASH FLOW PLAN														
RM-2 Expenditures	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Future	TOTAL	
PS&E				554	1,796								2,350	
R/W					3,925	2,975							6,900	
CON					825	17,925							18,750	
RM-2 CASH FLOW PLAN TOTAL														
	Prior	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Future	TOTAL
					554	6,546	20,900							28,000

Comments:

This is a partial phase request for R/W. This allocation request for \$3,567,000 will fund the Simple Fee Title acquisition of both the My Cafe and USPS Parcels. An additional allocation request for the R/W phase will be submitted for USPS Relocation costs after significant negotiations occur with the leaseholders. The cashflow and allocation amounts are based upon recent property appraisals and estimates of acquisition and relocation costs.

Provide the expected RM-2 expenditures – by phase and year. (This is the amount of the allocation needed for that fiscal year to cover expenditures through June 30th of that fiscal year).

Enter RM-2 amounts in thousands and escalated to the year of funding. The total amount cannot exceed the amount identified in the RM-2 legislation.

Eligible Phases: ENV (or PA&ED), PS&E, R/W or CON. For planning activities use ENV. For Vehicles, Equipment or Operating use CON. OK to use CT R/W SUP or CT CON SUP for Calltrans support, but not necessary (optional).

Regional Measure 2 Program Estimated Budget Plan

Please complete this form based the proposed allocation for your project. The scope should be consistent with the funding you are requesting the MTC allocate. Projects with complementary fund sources, should list the estimated cost of the entire work scope. Note that this information may not only represent the RM2 funding. A separate EBP needs to be completed for each allocation request or each phase of such request.

TITLE OF PROJECT Vallejo Station Intermodal Facility	RM2 Legislation ID (and project subelements if any) 5
NAME AND ADDRESS OF IMPLEMENTING AGENCY City of Vallejo 555 Santa Clara St Vallejo, CA 94590	

DETAIL DESCRIPTION	ESTIMATED HOURS	RATE/HOUR	TOTAL ESTIMATED COST (Dollars)
1. DIRECT LABOR of Implementing Agency (Specify by task)			
Procurement, contract and others	200	48.00	9,600
Grant Reimbursements	300	48.00	14,400
Accounting	150	48.00	7,200
Engineering Right of Way Oversight	800	77.00	61,600
			0
TOTAL DIRECT LABOR			92,800
2. DIRECT BENEFITS (Specify)			
	Benefit Rate	X BASE	
Fringe Benefits	44%	92,800	
TOTAL BENEFIT			40,832
3. DIRECT CAPITAL COSTS (include construction, right-of-way, or vehicle acquisition)			
	Unit (if applicable)	Cost per Unit (\$)	
TOTAL DIRECT CAPITAL COSTS			0
4. CONSULTANTS (Identify purpose and or consultant)			
ROW Consultant (Costs included in ROW ODC estimates below)			200,000
PM Services during ROW Phase			100,000
TOTAL CONSULTANTS			300,000
5. OTHER DIRECT COSTS (Specify - explain costs, if any)			
Property Acquisition Hilf Trust & My Café			2,430,000
Acquisition Costs - Hilf Trust & Acquisition & Relocation Costs My Café			1,137,000
Relocation Costs USPS - Future Allocation			3,650,000
TOTAL OTHER DIRECT COSTS			7,217,000
6. TOTAL ESTIMATED COST			7,650,632

Comments:
This is a partial phase request for R/W. An additional allocation request for the R/W phase will be submitted for USPS Relocation costs after significant negotiations occur with the leaseholders. The cashflow and allocation amounts are based upon recent property appraisals and estimates of acquisition and relocation costs.

Date: 8/12/2008



CITY OF VALLEJO REDEVELOPMENT AGENCY

BOARD COMMUNICATION

Date: August 19, 2008

TO: Mayor and Members of the Redevelopment Agency Board

FROM: Craig Whitton, Assistant City Manager / Community Development
Susan McCue, Economic Development Program Manager *SMcCue* *W*

SUBJECT: APPROVAL OF RESOLUTION APPROVING AND ADOPTING RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS AND THE EXTENSION OF REASONABLE PREFERENCES TO BUSINESS OCCUPANTS IN THE MERGED DOWNTOWN/WATERFRONT REDEVELOPMENT PROJECTS

BACKGROUND & DISCUSSION

The Amended and Restated Redevelopment Plan for the Merged Downtown/Waterfront Redevelopment Project Area was adopted by the City Council by Ordinance No. 1576 N.C. (2d) on November 28, 2006. The Amended and Restated Redevelopment Plan is a consolidation of the prior Redevelopment Plans for the Vallejo Waterfront, Marina Vista and Vallejo Central Project Areas.

Section 33345 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) requires a redevelopment agency to adopt rules to implement owner participation for all redevelopment plans. Section 33339.5 of the California Community Redevelopment Law also requires a redevelopment agency to adopt rules regarding the extension of reasonable preferences to persons who are engaged in business in the project area to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan. From time to time, redevelopment agencies pursue development activities that relocate existing businesses. These so-called Owner Participation Rules are meant to define and describe the rights of these existing businesses to reestablish their businesses in the new development.

At the time each of the individual Vallejo Waterfront, Marina Vista and Vallejo Central Project Areas were adopted, the Agency adopted rules governing the participation by property owners and businesses in the redevelopment of those Project Areas. However, when the individual Project Areas were merged through adoption of the Amended Redevelopment Plan, Agency staff acknowledged the need to request that the Agency Board replace the rules for the former project areas with a combined set of "Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects". These new Rules would apply to the entire Merged Project Area.

It should be noted that the Rules give the Agency great flexibility in whether to require a property owner to enter into an Owner Participation Agreement; in practice, it generally

only makes sense to do so when a property owner is building additional improvements, altering or modifying existing buildings or wants to acquire additional property in the Project Area and requests Agency assistance with any of these activities. Even then, the Rules indicate that the Agency may require such an agreement but is not required to do so.

At their meeting of January 9, 2008, the Housing and Redevelopment Commission (HRC) reviewed the draft version of the Rules of Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects (Rules). The Commission voted unanimously, to recommend Redevelopment Agency Board approval, upon addition/inclusion of term "abandoned buildings" as condition under which the Agency could acquire real property where an existing building is to be continued on its present site. This addition has been made to the enclosed Rules.

Attached for Agency Board consideration is a resolution adopting Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects.

FISCAL IMPACT

There is no fiscal impact associated with approving a resolution adopting Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects.

RECOMMENDATION

Approve the attached resolution adopting Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects.

DOCUMENTS ATTACHED

Attachment A.	Resolution
Attachment B	Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects
CONTACT:	Susan McCue, Economic Development Program Manager (707) 553-7283 or smccue@ci.vallejo.ca.us

AGENCY RESOLUTION NO.

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO APPROVING AND ADOPTING RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS AND THE EXTENSION OF REASONABLE PREFERENCES TO BUSINESS OCCUPANTS IN THE MERGED DOWNTOWN / WATERFRONT REDEVELOPMENT PROJECTS

WHEREAS, the City Council of the City of Vallejo (the "City Council") adopted Ordinance No. 206 N.C. (2d), on December 26, 1973, approving and adopting a Redevelopment Plan for the Vallejo Waterfront Development Project (the "Vallejo Waterfront Project") with respect to certain area (the "Vallejo Waterfront Original Project Area"), and Ordinance No. 252 N.C. (2d) on November 18, 1974, to add certain area to the Vallejo Waterfront Project Area (the "Vallejo Waterfront Added Area"); Ordinance No. 274 N.C. (2d) on April 28, 1975, and Ordinance No. 275 N.C. (2d) on May 5, 1975, approving and adopting a Redevelopment Plan for the Marina Vista Redevelopment Project (also known as the Urban Renewal Plan, as Amended, for Marina Vista Project, Calif. R-14) (hereinafter the "Marina Vista Project"); and Ordinance No. 717 N.C. (2d) on November 14, 1983, approving and adopting a Redevelopment Plan for the Vallejo Central Redevelopment Project (hereinafter the "Vallejo Central Project"); and

WHEREAS, all of said Redevelopment Plans were subsequently amended on various occasions, and on November 28, 2006, the City Council adopted Ordinance No. 1576 N.C. (2d) to, among other things, merge the Vallejo Waterfront Project, the Marina Vista Project and the Vallejo Central Project, and approve and adopt an Amended and Restated Redevelopment Plan for the Merged Downtown/Waterfront Redevelopment Projects (the "Amended Redevelopment Plan"), which consolidated the three individual Redevelopment Plans into a single document; and

WHEREAS, the Redevelopment Agency of the City of Vallejo has been designated as the official redevelopment agency to carry out in the City of Vallejo the functions and requirements of the Community Redevelopment Law and to, among other things, implement the Amended Redevelopment Plan; and

WHEREAS, Section 33345 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) provides that a redevelopment agency shall adopt rules to implement the operation of owner participation in connection with a redevelopment plan; and

WHEREAS, Section 33339.5 of the California Community Redevelopment Plan provides that a redevelopment agency shall adopt rules regarding the extension of reasonable preferences to persons who are engaged in business in the project area to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by the redevelopment plan; and

ATTACHMENT A

WHEREAS, at the time of adoption of each of the individual Vallejo Waterfront, Marina Vista and Vallejo Central Projects, the Agency adopted rules governing the participation by property owners and businesses in the redevelopment of those Project Areas; and

WHEREAS, it is the intention of the Agency to continue to encourage and permit participation in the redevelopment of the Merged Project Areas by property owners and to extend reasonable preferences to business occupants of real property within the boundaries of the Merged Project Areas to the maximum extent consistent with the objectives of the Amended Redevelopment Plan; and

WHEREAS, with the merger of the individual Projects, and adoption of the Amended Redevelopment Plan, the Agency desires to replace the separate rules adopted for the individual project areas, and adopt a combined set of Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects, applicable to the entire Merged Project Areas; and

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF VALLEJO DOES HEREBY approve and adopt the "Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown/Waterfront Redevelopment Projects" in the form attached hereto and incorporated herein by reference, which Rules amend and replace in their entirety the individual rules governing the participation by property owners and businesses previously adopted for each of the Vallejo Waterfront, Marina Vista and Vallejo Central Redevelopment Project Areas.

August 19, 2008

RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND THE EXTENSION OF REASONABLE PREFERENCES TO
BUSINESS OCCUPANTS IN THE
MERGED DOWNTOWN / WATERFRONT REDEVELOPMENT PROJECTS

*Prepared by the
Redevelopment Agency of the City of Vallejo*

Adopted: _____, 2007

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**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND THE EXTENSION OF REASONABLE PREFERENCES
TO BUSINESS OCCUPANTS IN THE
MERGED DOWNTOWN / WATERFRONT REDEVELOPMENT PROJECTS**

I. [§100] PURPOSE AND INTENT; BACKGROUND

These rules are adopted pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 et seq.) in order to implement the provisions of the Amended and Restated Redevelopment Plan for the Merged Downtown / Waterfront Redevelopment Projects regarding participation by property owners and the extension of reasonable preferences to business occupants within the Merged Project Areas. These rules set forth the procedures governing such participation and preferences.

The City Council of the City of Vallejo (the "City Council") adopted Ordinance No. 206 N.C. (2d), on December 26, 1973, approving and adopting a Redevelopment Plan for the Vallejo Waterfront Development Project (the "Vallejo Waterfront Project") with respect to certain area (the "Vallejo Waterfront Original Project Area"), and Ordinance No. 252 N.C. (2d) on November 18, 1974, to add certain area to the Vallejo Waterfront Project Area (the "Vallejo Waterfront Added Area"); Ordinance No. 274 N.C. (2d) on April 28, 1975, and Ordinance No. 275 N.C. (2d) on May 5, 1975, approving and adopting a Redevelopment Plan for the Marina Vista Redevelopment Project (also known as the Urban Renewal Plan, as Amended, for Marina Vista Project, Calif. R-14) (hereinafter the "Marina Vista Project"); and Ordinance No. 717 N.C. (2d) on November 14, 1983, approving and adopting a Redevelopment Plan for the Vallejo Central Redevelopment Project (hereinafter the "Vallejo Central Project"). All of said Redevelopment Plans were subsequently amended on various occasions, and on November 28, 2006, the City Council adopted Ordinance No. 1576 N.C. (2d) to, among other things, merge the Vallejo Waterfront Project, the Marina Vista Project and the Vallejo Central Project, and approve and adopt an Amended and Restated Redevelopment Plan for the Merged Downtown / Waterfront Redevelopment Project, which consolidated the three individual Redevelopment Plans into a single document.

The Redevelopment Agency of the City of Vallejo has been designated as the official redevelopment agency to carry out in the City of Vallejo the functions and requirements of the Community Redevelopment Law and to, among other things, implement the Amended Redevelopment Plan.

At the time of adoption of each of the individual Vallejo Waterfront, Marina Vista and Vallejo Central Projects, the Agency adopted rules governing the participation by property owners and businesses in the redevelopment of those Project Areas.

It is the intention of the Agency to continue to encourage and permit participation in the redevelopment of the Merged Project Areas by property owners and to extend reasonable preferences to business occupants of real property within the boundaries of the Merged Project Areas to the maximum extent consistent with the objectives of the Amended Redevelopment Plan. With the merger of the individual Projects, and adoption of the Amended Redevelopment

Plan, the Agency desires to replace the rules adopted for the individual project areas, and adopt these Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Merged Downtown / Waterfront Redevelopment Projects, applicable to the entire Merged Project Areas.

II. [§200] DEFINITIONS

As used herein, the following definitions apply:

- (1) "Agency" means the Redevelopment Agency of the City of Vallejo, California.
- (2) "Amended Redevelopment Plan" means the Amended and Restated Redevelopment Plan for the Merged Downtown / Waterfront Redevelopment Project as adopted by the City Council by Ordinance No. 1576 N.C. (2d) on November 28, 2006.
- (3) "Business Occupant" means any person, persons, corporation, association, partnership, or other entity engaged in business within the Merged Project Areas on or after the date of adoption of the Amended Redevelopment Plan by the City Council.
- (4) "City Council" means the City Council of the City of Vallejo, California.
- (5) "Merged Project Areas" means the area described in the "Legal Description of the Merged Project Areas Boundaries" (Attachment No. 1 of the Amended Redevelopment Plan) and shown on the "Merged Project Areas Map" (Attachment No. 2 of the Amended Redevelopment Plan). The Merged Project Areas includes, collectively, the Vallejo Waterfront Original Project Area, the Vallejo Waterfront Added Area, the Marina Vista Project Area and the Vallejo Central Project Area.
- (6) "Owner" means any person, persons, corporation, association, partnership, or other entity holding title of record to real property in the Merged Project Areas on or after the date of adoption of the Amended Redevelopment Plan by the City Council.
- (7) "Owner Participation Agreement" means an agreement entered into by an Owner with the Agency in accordance with the provisions of the Amended Redevelopment Plan and these rules.

III. [§300] ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within the Merged Project Areas in accordance with the provisions of the Amended Redevelopment Plan, these rules, and the limitations herein described.

Participation opportunities are necessarily subject to and limited by factors such as the following:

- (1) The appropriateness of land uses proposed and consistency with the General Plan of the City of Vallejo and the Amended Redevelopment Plan;

- (2) The construction, widening, or realignment of streets;
- (3) The ability of participants to finance acquisition and development in accordance with the Amended Redevelopment Plan and development criteria adopted by the Agency in implementation of the Amended Redevelopment Plan;
- (4) The desirability of land assemblage in the Merged Project Areas in order to create efficient and marketable commercial and industrial parcels; and
- (5) The construction or expansion of public facilities.

The Agency presently contemplates that in carrying out the Amended Redevelopment Plan, certain portions of the Merged Project Areas may be acquired by the Agency for public improvements, facilities, and utilities and for other uses and purposes in accordance with the Amended Redevelopment Plan. Therefore, owner participation opportunities will not be available for such properties.

IV. [§400] TYPES OF PARTICIPATION

Subject to these rules and the limitations in Section 300 and this Section 400, Owners shall be given a reasonable opportunity to participate in redevelopment by:

- (1) Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Amended Redevelopment Plan;
- (2) Acquiring adjacent or other properties within the Merged Project Areas and developing or improving such property for use in accordance with the Amended Redevelopment Plan; or
- (3) Selling their properties to the Agency and purchasing other properties in the Merged Project Areas.

The foregoing methods of providing owner participation opportunities shall not be deemed exclusive.

V. [§500] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Merged Project Areas presently meets the requirements of the Amended Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use, and maintain the real property within the requirements of the Amended Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Merged Project

Areas, then, in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

VI. [§600] OWNER PARTICIPATION AGREEMENTS

Owners wishing to participate in redevelopment within the Merged Project Areas may be required, as a condition to participation, to enter into an Owner Participation Agreement with the Agency if the Agency determines it is necessary to impose upon the property any of the standards, restrictions, and controls of the Amended Redevelopment Plan. The Agreement may require the participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Amended Redevelopment Plan and the Owner Participation Agreement.

VII. [§700] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, his or her heirs, successors and assigns, and tenants to devote the property to the uses specified in the Amended Redevelopment Plan, abide by all provisions and conditions of the Amended Redevelopment Plan for the period of time that the Amended Redevelopment Plan is in force and effect, and comply with all the provisions of the Owner Participation Agreement according to their terms, duration, and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the Agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain, for its fair market value as of the date of the Owner Participation Agreement, and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Amended Redevelopment Plan.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Amended Redevelopment Plan.

VIII. [§800] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the Agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Amended Redevelopment Plan and in its present form and use without the consent of the Owner, unless:

(1) Such building requires structural alteration, improvement, modernization, or rehabilitation, or has been abandoned;

(2) The site or lot on which the building is situated requires modification in size, shape, or use; or

(3) It is necessary to impose upon such property any of the controls, limitations, restrictions, and requirements of the Amended Redevelopment Plan, and the Owner fails or refuses to participate in redevelopment by executing an Owner Participation Agreement in accordance with the provisions of the Amended Redevelopment Plan.

IX. [§900] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE MERGED PROJECT AREAS

Business Occupants who desire to remain within the Merged Project Areas shall be extended a reasonable preference to remain or reenter in business within the Merged Project Areas if they otherwise meet the requirements prescribed in these rules and the Amended Redevelopment Plan, provided said Business Occupants are able to demonstrate the financial ability to remain or reenter in business within the Merged Project Areas.

X. [§1000] AMENDMENT OF RULES

These rules may be modified or amended from time to time by the Agency at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these rules as presently constituted.

VALLEJO REDEVELOPMENT AGENCY
SPECIAL MEETING
FEBRUARY 26, 2008
MINUTES

1. CALL TO ORDER

A special meeting of the Vallejo Redevelopment Agency was called to order at 7:23 p.m. by Chairman Osby Davis.

2. ROLL CALL

Present: Chairman Davis, Vice Chair Bartee, Members Gomes, Hannigan, Schivley, Sunga and Wilson

Absent: None

Staff: Executive Director Joseph Tanner
City Attorney Fred Soley
Secretary Mary Ellsworth

3. CONSENT CALENDAR AND APPROVAL OF AGENDA

Hearing no additions, corrections or deletions, the Agenda was approved and the following resolution was offered by Vice Chairman Bartee:

RESOLUTION NO. 08-03 ADOPTING 1) THE REDEVELOPMENT AGENCY'S STATEMENT OF INVESTMENT POLICY PURSUANT TO GOVERNMENT CODE SECTION 53646 AND 2) DELEGATION OF INVESTMENT AUTHORITY TO CITY FINANCE DIRECTOR/TREASURER

The above resolution was adopted by the following vote:

AYES: Chairman Davis, Vice Chairman Bartee, Councilmembers Gomes, Hannigan, Schivley, Sunga and Wilson

NOES: None

ABSENT: None

ABSTENTIONS: None

4. ADJOURNMENT

The meeting adjourned at 7:26 p.m.

OSBY DAVIS, CHAIRMAN

ATTEST: _____
MARY ELLSWORTH, SECRETARY

VALLEJO REDEVELOPMENT AGENCY
SPECIAL JOINT MEETING
APRIL 22, 2008
MINUTES

1. CALL TO ORDER

A special joint meeting of the Vallejo Redevelopment Agency was called to order at 7:48 p.m. by Chairman Osby Davis.

2. ROLL CALL

Present: Chairman Davis, Vice Mayor Bartee, Members Gomes, Hannigan, Schivley, Sunga and Wilson

Absent: None

Staff: Executive Director Joseph Tanner
City Attorney Fred Soley
Secretary Mary Ellsworth

3. ADMINISTRATIVE ITEM

A. CONSIDERATION OF A RESOLUTION AMENDING THE FISCAL YEAR 2007/2008 BUDGET

Mr. Stout reported that earlier in the year Council unanimously adopted the intention to amend the budget with the proviso that the General Fund portion be separated moving the monies from the solid waste, arts and convention, repair and demolition, vehicle replacement, and transportation funds to allow Council to vote separately on each of those pieces. He explained each of the resolutions.

Councilmember Schivley asked for clarification on the Redevelopment Agency resolution. Mr. Stout stated that the Redevelopment Agency budget changes the budget Fund 728 by a total of \$15,000. It recognizes revenues that the Agency has received from Triad and will increase the budget for both professional fees and legal fees by an equal amount of \$15,000.

RESOLUTION NO. 08-07 offered by Vice Chairman Bartee amending the fiscal year 2007-2008 Redevelopment Agency budget.

AYES: Chairman Davis, Vice Chairman Bartee, Members Gomes, Hannigan, Schivley, Sunga and Wilson

NOES: None

ABSENT: None

ABSTENTIONS: None

4. ADJOURN TO CITY COUNCIL MEETING

The meeting adjourned to the City Council meeting at 7:53 p.m.

OSBY DAVIS, CHAIRMAN

ATTEST: _____
MARY ELLSWORTH, SECRETARY

VALLEJO REDEVELOPMENT AGENCY
SPECIAL JOINT MEETING
APRIL 8, 2008
MINUTES

1. CALL TO ORDER

A special joint meeting of the Vallejo Redevelopment Agency was called to order at 8:24 p.m. by Chairman Osby Davis.

2. ROLL CALL

Present: Chairman Davis, Members Gomes, Hannigan, Schivley, Sunga and Wilson

Absent: Vice Chair Bartee, Excused

Staff: Executive Director Joseph Tanner
Assistant City Attorney John Nagel
Secretary Mary Ellsworth

3. ADMINISTRATIVE ITEM

A. CONSIDERATION OF A RESOLUTION OF INTENTION TO AMEND THE FISCAL YEAR 2007-2008 BUDGET

Rob Stout, Finance Director, provided information on the amendments to the Fiscal Year 2007-2008 budget. He addressed the General Fund revenues and expenditures in the Fire Department and Public Works Department; and revenues and expenditures in other funds: Solid Waste, Redevelopment Agency (downtown), the Mare Island Community Facility District, and the Public Finance Authority. The appropriation of fund balances include Water Funds \$415,000, Landscape Districts \$30,770, Solid Waste \$430,000, Arts & Convention \$200,000, Repair and Demolition \$40,000, Vehicle Replacement \$1,700,000 and Transportation \$300,000 for a total amount of \$2,670,000.

Mr. Stout reported that these were the monies discussed in December and March in which the cash balances would be taken out of the other funds to reduce the deficit in the General Fund. The General Funds adjustments were done at that time. This will give staff the authority to move the \$2,670,000.

Mr. Stout addressed the change in authorized positions which included the addition of a customer service representative to water billing which will increased the water billing representatives from four to five.

Mayor Davis asked if adding the water billing representative would alleviate the need to send the water bills to Los Angeles. Mr. Stout replied no, and explained the process, stating that staff will be issuing a Request for Proposals to get a new vendor.

Mr. Stout responded to questions of Councilmember Schivley concerning fund balances that are being appropriated that were to help alleviate the deficit in the general fund (\$2.67 million), and is this money that the taxpayers have had collected from them for purposes other than what it is

now going to be used for, going into the general fund to help cure the deficit. Mr. Stout replied yes.

Councilmember Schivley stated that the other items were monies that were deemed to be either not needed or they could not be used in the funds they were being taken from. Mr. Stout replied yes, stating that we were legally able to take the funds out and move them to the general fund.

Councilmember Schivley stated that she has a major problem with parts of the resolution. She would like two separate resolutions: one from items on page 1 and one for the items on page 2 of the staff report.

Mr. Nagel, Assistant City Attorney, explained the procedure for separating the resolution.

Mr. Stout suggested proceeding with the intention to amend resolution and next week present a separate resolution to adopt the amendment that will exclude the language requested by Councilmember Schivley. Mr. Nagel agreed that this would be the most prudent way of doing this.

Councilmember Schivley stated if the city is going to be selling land to help the general fund, she would like the funds from the sales to not go into the general fund for operating expense, that they be used for street repair.

Mr. Stout stated that due to our budget crisis, we will only be able to buy the vehicles that we can appropriate the entire amount for that year for at least the next four years.

Councilmember Gomes Councilmember Gomes concurred with Councilmember Schivley. She stated that she has not seen a solution to the budget crisis. We are raiding the funds that were intended for another purpose with the intent to solve the budget crisis; however, the crisis is still upon us. She noted that using vehicle replacement funds creates a safety situation.

RESOLUTION NO. 08-06 offered by Councilmember Schivley amending the City of Vallejo Redevelopment Agency budget for fiscal year 2007-2008.

The resolution was adopted by the following vote:

AYES:	Chairman Davis, Agency Members Gomes, Hannigan, Schivley, Sunga
and	Wilson
NOES:	None
ABSENT:	Vice Chairman Bartee
ABSTENTIONS:	None

4. ADJOURN TO VALLEJO CITY COUNCIL MEETING

The joint meeting between the Redevelopment Agency and the City Council adjourned at 8:39 p.m.

OSBY DAVIS, CHAIRMAN

ATTEST:

MARY ELLSWORTH, SECRETARY