



**CITY OF FOSTER CITY/
ESTERO MUNICIPAL IMPROVEMENT DISTRICT
FOSTER CITY COUNCIL CHAMBERS
620 FOSTER CITY BOULEVARD
FOSTER CITY, CALIFORNIA**

AMENDED

AGENDA

Monday, July 18, 2016 6:30 PM

REGULAR MEETING AS CITY COUNCIL/EMID BOARD OF DIRECTORS

- 1. CALL TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**

Councilmembers/ex officio EMID Directors Charlie Bronitsky, Sam Hindi, Catherine Mahanpour, Gary Pollard and Mayor/President Herb Perez

- 4. PUBLIC**

FCMC 2.08.240 Addressing the Council. "...Each person desiring to address the Council shall step up to the public rostrum after being recognized to speak by the presiding officer, shall state his/her name and address for the record, state the subject he/she wishes to discuss, state who he/she is representing if he/she represents an organization or other persons and, unless further time is granted by majority vote of the Council, shall limit his/her remarks to three minutes. The City Council may vary the time limit for any speaker, if it deems this necessary."

- 5. CITY/EMID CONSENT CALENDAR**

All matters listed under Consent Calendar are considered to be routine by the City Council/EMID Board of Directors and will be enacted by one motion unless removed by a member of the Council/Board, staff, or public. There will be no separate discussion on these items unless a citizen or a Council/Board member so requests. If discussion is required, that item will be removed from the Consent

Calendar and will be considered separately after approval of the remaining items on the Consent Calendar. Vote may be by roll call.

5.1 City Minutes

5.1.1 Special Meeting of June 20, 2016

5.1.2 Regular Meeting of June 20, 2016

5.1.3 Special Meeting of June 24, 2016

5.1.4 Special Meeting of July 7, 2016

5.2 City Resolutions for Adoption [First City Resolution Number to be used tonight is 2016-51]

5.2.1 A Resolution of the City Council of the City of Foster City Authorizing the Award of Construction Contract to G. Bortolotto & Company, Inc. for The Construction Of Street Rehabilitation Project (CIP 301-653) and Transfer of Funds from Park Infrastructure Improvements Project (CIP 301-656) and Measure A Fund
a. Staff Report

5.2.2 A Resolution of the City Council of the City of Foster City Awarding an Agreement to Field Turf in the Amount of \$175,000 for the Replacement of Synthetic Turf at Catamaran Park (CIP 301-659)
a. Staff Report

5.2.3 A Resolution of the City Council of the City of Foster City Adding the Job Classification of Payroll Technician
a. Staff Report [5.2.3 & 5.4.2]

5.2.4 A Resolution of the City Council of the City of Foster City Approving and Adopting the Amended Pay Plan for Fiscal Year 2016-2017
a. Staff Report [5.2.4 & 5.4.3]

5.3 EMID Minutes

5.3.1 Special Meeting of June 20, 2016 [See City 5.1.1]

5.3.2 Regular Meeting of June 20, 2016 [See City 5.1.2]

5.3.3 Special Meeting of June 24, 2016 [See City 5.1.3]

5.3.4 Special Meeting of July 7, 2016 [See City 5.1.4]

5.4 EMID Resolutions for Adoption [First EMID Resolution Number to be used tonight is 3343]

- 5.4.1** A Resolution of the Board of Directors of the Estero Municipal Improvement District Approving an Agreement with Kitahata & Company and William Euphrat Municipal Finance, Inc. as Joint Consultants in an Amount Not-To-Exceed \$85,000 to Provide Municipal Financial Advisory Services for the Wastewater Treatment Plant Master Improvements Project (CIP 455-652) and Approving an Appropriation of \$85,000 from the Wastewater Capital Projects Fund for Said CIP Project
 - a. Staff Report
- 5.4.2** A Resolution of the Board of Directors of the Estero Municipal Improvement District Adding the Job Classification of Payroll Technician
 - a. Staff Report [5.2.3 & 5.4.2]
- 5.4.3** A Resolution of the Board of Directors of the Estero Municipal Improvement District Approving and Adopting the Amended Pay Plan for Fiscal Year 2016-2017
 - a. Staff Report [5.2.4 & 5.4.3]

6. PUBLIC HEARINGS

- 6.1** A Public Hearing to Hear and Consider Comments Regarding the Fiscal Year 2016-2017 Appropriations Limit of the City/District
 - a. Open Public Hearing
 - b. Staff Report
 - c. Receive Public Testimony
 - d. Close Public Hearing
 - e. Action - A Resolution of the City Council of the City of Foster City Establishing the Fiscal Year 2016-2017 Appropriations Limit Pursuant To Article XIIIB of the California Constitution
 - f. Action - A Resolution of the Board of Directors of the Estero Municipal Improvement District Establishing the Fiscal Year 2016-2017 Appropriations Limit Pursuant To Article XIIIB of the California Constitution

7. NEW BUSINESS

- 7.1** Consideration of a Proposed Zoning Code Text Amendment to Amend Chapter 17.29 C-A Commercial Automobile Repair and Service District (C-A District) of Title 17, Zoning of the Foster City Municipal Code to Remove the Provision Requiring Automobile Repair Service Associated with Gasoline Service – RZ-16-002
 - a. Staff Report
 - b. Receive Public Testimony
 - c. No Action Required - Comments Only

- 7.2** Consideration of State Revolving Fund Application Requirements for the Clean Water Program – District's Wastewater Treatment Plant Master Improvements Project (CIP 455-652)
- a. Staff Report
 - b. Action - A Resolution of the Board of Directors of the Estero Municipal Improvement District Applying for State Revolving Loans for Projects Within the Clean Water Program
 - c. Action - A Resolution of the Board of Directors of the Estero Municipal Improvement District Designating the Public Works Director as the Authorized Representative to Certify and Attest to the Requirements for the Clean Water Program
 - d. Action - A Resolution of the Board of Directors of the Estero Municipal Improvement District Dedicating a Source of Revenue Related to the Clean Water State Revolving Loan Agreements Between the San Mateo-Foster City Public Financing Authority and the State Water Resources Control Board
 - e. Action - A Resolution of the Board of Directors of the Estero Municipal Improvement District Its Intent in Order to Comply with Treasury Regulations for Clean Water State Revolving Fund Loans for Projects Within the Clean Water Program
 - f. Action - A Resolution of the Board of Directors of the Estero Municipal Improvement District Expressing Its Intention to Reimburse Expenditures for Public Improvements Related to the Clean Water Program from the Proceeds of Obligations to be Issued by or for the District and Directing Certain Actions

8. RESOLUTIONS FOR ADOPTION

- 8.1** A Resolution of the City Council of the City of Foster City Approving the Agreement with the City of Half Moon Bay for the Transfer of \$437,189 of City Of Foster City Rule 20A Credits in Exchange for \$200,000 in General Fund Dollars, Authorizing the Mayor to Execute the Agreement, and Authorizing the Expenditure of Obtained Funds for Solar Panel Rebate Purposes
- a. Staff Report
 - b. Action -

9. COMMUNICATIONS

- 9.1** City/District Warrant of Demands Were Processed and Issued on June 15, 2016, June 22, 2016, June 27, 2016, June 27, 2016, June 29, 2016, July 6, 2016 and July 11, 2016.
- a. Information Item Only
 - b. No Action Required

10. CITY/DISTRICT MANAGER REPORTS, COUNCIL/BOARD STATEMENTS AND REQUESTS, AND COUNCIL LIAISON REPORTS

City/District Manager and Council/EMID Board Members report on their various assignments and liaison roles and Council/EMID Board requests for scheduling future items.

11. CLOSED SESSION

11.1 Conference with Legal Counsel - Anticipated Litigation [Government Code §54956.9(b)]: Two Potential Cases

11.2 Conference with City Labor Negotiators [pursuant to Government Code Section 54957.6(a)]
Agency Negotiators: Kevin M. Miller, Jean Savaree, Dante Hall, Ann Ritzma, John Healy and Joe Pierucci
Employee Organizations: San Mateo County Firefighters, Local 2400, International Association of Firefighters (IAFF) and Foster City Police Officers Association (FCPOA)

12. ADJOURNMENT

The public is invited to attend.

Any attendee wishing special accommodations at the meeting should contact the City Clerk's Department at (650) 286-3250 at least 48 hours in advance of the meeting.

Any writings or documents provided to a majority of the City Council or EMID Board regarding any item on this agenda after the agenda packet was distributed will be made available for public inspection in the City Clerk Department at City Hall located at 610 Foster City Boulevard during normal business hours and at the meeting.

City Council meetings on FCTV on Comcast Channel 27 and AT&T Channel 99:

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**CITY OF FOSTER CITY/
ESTERO MUNICIPAL IMPROVEMENT DISTRICT**

SPECIAL MEETING OF JUNE 20, 2016

MINUTES

CALL TO ORDER OF THE CITY COUNCIL/EMID BOARD OF DIRECTORS

The duly called and noticed special meeting of the City Council of the City of Foster City (City), sitting as said Council and as ex officio the Board of Directors of the Estero Municipal Improvement District (EMID) of June 20, 2016 was called to order at 5:00 p.m. in the City Hall Conference Room 3A, 610 Foster City Boulevard, Foster City, San Mateo County, California, by Mayor/President Herb Perez.

Councilmember/Director Catherine Mahanpour teleconferenced from 15 Vafiades Avenue Hermon, ME 04401; Telephone Number: (650) 477-5385.

ROLL CALL

The City/District Manager called the roll:

PRESENT: Councilmembers/ex officio Directors Charlie Bronitsky, Sam Hindi, Catherine Mahanpour, Gary Pollard and Mayor/President Herb Perez.

ABSENT: None.

STAFF PRESENT: Kevin M. Miller, City/District Manager; Jean Savaree, City Attorney/District Legal Counsel; and Jeff Moneda, Public Works Director.

CLOSED SESSION

Mayor/President Perez recessed the meeting into Closed Session for a Conference with Legal Counsel – Anticipated Litigation [Government Code §54956.9(b)]: Three Potential Cases.

Meeting recessed into Closed Session at 5:00 p.m. and reconvened at 6:27 p.m.

Mayor/President Perez reported that no action was taken in Closed Session.

ADJOURNMENT

Hearing no objection from the City Council/EMID Board, Mayor/President Perez adjourned the meeting. Meeting adjourned at 6:27 p.m.

**CITY OF FOSTER CITY/
ESTERO MUNICIPAL IMPROVEMENT DISTRICT**

REGULAR MEETING OF JUNE 20, 2016

MINUTES

CALL TO ORDER OF CITY COUNCIL/EMID BOARD OF DIRECTORS

The Regular Meeting of June 20, 2016 of the City Council of the City of Foster City, sitting as said Council and as ex officio the Board of Directors of the Estero Municipal Improvement District (EMID), was called to order at 6:30 p.m. in the Council Chambers, 620 Foster City Boulevard, Foster City, San Mateo County, California, by Mayor/President Herb Perez.

Councilmember/Director Catherine Mahanpour teleconferenced from 15 Vafiades Avenue, Hermon, ME 04401; Telephone Number: (650) 477-5385.

ROLL CALL

The Communications Director/City Clerk/District Secretary called the roll:

PRESENT: Councilmembers/ex officio Directors Charlie Bronitsky, Sam Hindi, Catherine Mahanpour, Gary Pollard and Mayor/President Herb Perez.

ABSENT: None.

STAFF PRESENT: Kevin M. Miller, City/District Manager; Jean B. Savaree, City Attorney/District Legal Counsel; Dante Hall, Assistant City Manager; Jeff Moneda, Public Works Director; Joe Pierucci, Police Chief; Edmund Suen, Finance Director; Ann Ritzma, Human Resources Director; Jennifer Liu, Parks and Recreation Director; Gary Hegwer, Deputy Fire Chief; Martin Ticas, Police Captain; Rob Lasky, Information Technology Manager, Shuli Chen, Video Technician and Doris L. Palmer, Communications Director/City Clerk/District Secretary /Recording Secretary.

SPECIAL PRESENTATIONS

PROCLAMATION DECLARING THE MONTH OF JULY AS "PARKS AND RECREATION MONTH".

On behalf of the City Council, Mayor Perez presented the proclamation declaring the month of July as "Parks and Recreation Month" to Zaki Massis from Waterfront Pizza.

CONSENT CALENDAR

Motion by Vice Mayor/Vice President Bronitsky, seconded by Councilmember/Director Hindi, and carried unanimously by roll call vote, 5-0-0, approving the following items on the City/District Consent Calendar:

City Consent Calendar

1. Minutes of Special Meeting of June 3, 2016;
2. Minutes of Special Meeting of June 6, 2016;
3. Minutes of Regular Meeting of June 6, 2016;
4. City Resolution No. 2016-41, "A Resolution of the City Council of the City of Foster City Approving an Agreement with the Law Firm of Aaronson, Dickerson, Cohn and Lanzone with Jean B. Savaree Serving as City Attorney for Fiscal Year 2016-2017;"
5. City Resolution No. 2016-42, "A Resolution of the City Council of the City of Foster City Adding the Job Classifications of Communications Coordinator/Manager, Social Media/Communications Assistant/Specialist, Code Enforcement Officer I/II, Building/Permit Technician, Human Resources Manager, Human Resources Technician, Senior Accountant, Senior Human Resources Analyst, Management Analyst I/II, Senior Management Analyst, Principal Management Analyst and Videographer;"
6. City Resolution No. 2016-43, "A Resolution of the City Council of the City of Foster City Approving and Adopting the Pay Plan for Fiscal Year 2016-2017;"
7. City Resolution No. 2016-44, "A Resolution of the City Council of the City of Foster City Approving the Encroachment Agreement with Level 3 Communications, LLC for the Installation of Fiber Optic Network Facilities and Authorizing the City Manager to Execute the Agreement;"
8. City Resolution No. 2016-45, "A Resolution of the City Council of the City of Foster City Authorizing an Agreement with Farallon Geographics Inc. for GIS Consulting Services in an Amount not to Exceed \$80,180;"
9. City Resolution No. 2016-46, "A Resolution of the City Council of the City of Foster City Authorizing the License of Esri Software from Esri Inc. through the Small Enterprise License Agreement – County and Municipality for an Amount not to Exceed \$ 35,000 Annually;"
10. City Resolution No. 2016-47, A Resolution of the City Council of the City of Foster City Approving the Purchase and Installation of a Replacement Fire Station Alerting System for \$34,087.28 from Daryl D. Jones, Inc. DBA Telecommunications Engineering Associates (TEA);"
11. City Resolution No. 2016-48, "A Resolution of the City Council of the City of Foster City Authorizing an Agreement for Services with MV Transportation, Inc. in the Amount of \$91,330 for a Two Year Period Beginning July 1, 2016, and Ending June 30, 2018;"
12. Cancel the July 5, 2016 Regular Meeting of the City Council of the City of Foster City;

EMID Consent Calendar

13. Minutes of Special Meeting of June 3, 2016;
14. Minutes of Special Meeting of June 6, 2016;
15. Minutes of Regular Meeting of June 6, 2016;
16. EMID Resolution No. 3339, "A Resolution of the Board of Directors of the Estero Municipal Improvement District Approving an Agreement with the Law Firm of Aaronson, Dickerson, Cohn and Lanzone with Jean B. Savaree Serving as District Legal Counsel for Fiscal Year 2016-2017;"
17. EMID Resolution No. 3334, "A Resolution of the Board of Directors of the Estero Municipal Improvement District Adding the Job Classifications of Communications Coordinator/Manager, Social Media/ Communications Assistant/ Specialist, Code Enforcement Officer I/II, Building/Permit Technician, Human Resources Manager, Human Resources Technician, Senior Accountant, Senior Human Resources Analyst, Management Analyst I/II, Senior Management Analyst, Principal Management Analyst and Videographer;"
18. EMID Resolution No. 3334, "A Resolution of the Board of Directors of the Estero Municipal Improvement District Approving and Adopting the Pay Plan for Fiscal Year 2016-2017;" and
19. Cancel the July 5, 2016 Regular Meeting of the Board of Directors of the Estero Municipal Improvement District.

REPORTS

YOUTH OUTREACH SKATEBOARDING EVENT AT THE FOSTER CITY SKATE PARK: SHRED FEST [JULY 9, 2016]. NO ACTION TAKEN.

Police Captain Ticas presented the staff report.

No action was taken.

RESOLUTIONS FOR ADOPTION

APPROVAL OF THE FINAL FISCAL YEAR 2016-2017 CITY/DISTRICT BUDGET. CITY RESOLUTION NO. 2016-49. EMID RESOLUTION NO. 3342.

City/District Manager Miller presented the staff report.

Motion by Vice Mayor/Vice President Bronitsky, seconded by Councilmember/Director Pollard, and carried unanimously by roll call vote, 5-0-0, to adopt City Resolution No. 2016-49, "A Resolution of the City Council of the City of Foster City Approving the Fiscal Year 2016-2017 City Budget" and EMID Resolution No. 3342, "A Resolution of the Board of Directors of the Estero Municipal Improvement District Approving the Fiscal Year 2016-2017 District Budget."

TRAFFIC REVIEW COMMITTEE RECOMMENDATIONS TO ADD TRAFFIC IMPROVEMENTS TO HALIBUT STREET FROM BEACH PARK BOULEVARD AND HADDOCK STREET AND DEFER INSTALLATION OF RED CURB ON BEACH PARK BOULEVARD NORTH OF MARLIN AVENUE. CITY RESOLUTION NO. 2016-50.

Public Works Director Moneda presented the staff report.

Discussion ensued.

Motion by Vice Mayor Bronitsky, seconded by Councilmember Hindi, and carried unanimously by roll call vote, 5-0-0, to adopt City Resolution No. 2016-50, "A Resolution of the City Council of the City of Foster City Approving the Traffic Review Committee Recommendations to Add Traffic Improvements to Halibut Street From Beach Park Boulevard and Haddock Street and Add the Installation of Red Curb on Beach Park Boulevard North of Marlin Avenue."

COMMUNICATIONS

CITY/DISTRICT WARRANT OF DEMANDS. NO ACTION TAKEN.

The City/District Warrant of Demands were processed and issued on May 25, 2016, June 1, 2016, June 8, 2016, June 8, 2016 and June 13, 2016 were listed on the agenda for information purposes only. No action was taken.

COUNCIL/BOARD STATEMENTS AND REQUESTS, COUNCIL LIAISON REPORTS, AND CITY/DISTRICT MANAGER REPORTS

City/District Manager Miller stated that the Marquee mock up and new policy will be coming forward. He also thanked the City Council in adopting the budget for FY 2016-2017.

Councilmember/Director Mahanpour attended the Peninsula Clean Energy meeting on behalf of Councilmember/Director Pollard on Thursday, June 9.

Councilmember/Director Hindi attended the Select Committee on South Bay Arrivals meeting in Redwood City. The next meeting is going to be held Wednesday, June 29, 2016, 6:00pm-9:00pm in Mountain View.

Councilmember/Director Pollard thanked Councilmember/Director Mahanpour for attending the Peninsula Clean Energy meeting in his place. He also congratulated the Chamber of Commerce on the success of the CityFEST held on June 4 & 5, 2016. Councilmember/Director Pollard also wished everyone a happy 4th of July as there will be no Council meeting until July 18.

Mayor/President Perez said the 4th of July celebrations have fantastic fireworks, vendors and a dog parade, and urged everyone to attend. Mayor/President Perez extended his condolences to the people of Orlando.

CLOSED SESSION

Mayor/President Perez recessed the meeting into Closed Session for:

1. Conference with City Labor Negotiators [pursuant to Government Code Section 54957.6(a)] Agency Negotiators: Kevin M. Miller, Jean Savaree, Dante Hall, Ann Ritzma, and Joe Pierucci; Employee Organizations: Foster City Police Officers Association (FCPOA)); and
2. Public Employee Performance Evaluation [Government Code 54957] for City Attorney/District Legal Counsel.

Meeting recessed into Closed Session at 7:05 p.m. and reconvened at 7:34 p.m.

Mayor/President Perez reported that no action was taken in Closed Session.

ADJOURNMENT

Hearing no objection from the City Council/EMID Board, Mayor/President Perez adjourned the meeting. Meeting adjourned at 7:34 p.m.

**CITY OF FOSTER CITY/
ESTERO MUNICIPAL IMPROVEMENT DISTRICT**

SPECIAL MEETING OF JUNE 24, 2016

MINUTES

CALL TO ORDER OF THE CITY COUNCIL/EMID BOARD OF DIRECTORS

The duly called and noticed special meeting of the City Council of the City of Foster City (City), sitting as said Council and as ex officio the Board of Directors of the Estero Municipal Improvement District (EMID) of June 24, 2016 was called to order at 9:00 a.m. in the City Hall Conference Room 3A, 610 Foster City Boulevard, Foster City, San Mateo County, California, by Mayor/President Herb Perez.

Councilmember/Director Catherine Mahanpour teleconferenced from 15 Vafiades Avenue Hermon, ME 04401; Telephone Number: (650) 477-5385.

ROLL CALL

The City/District Manager called the roll:

PRESENT: Councilmembers/ex officio Directors Charlie Bronitsky, Sam Hindi, Catherine Mahanpour, Gary Pollard and Mayor/President Herb Perez.

ABSENT: None.

STAFF PRESENT: Kevin M. Miller, City/District Manager; Jean Savaree, City Attorney/District Legal Counsel; and Jeff Moneda, Public Works Director.

CLOSED SESSION

Mayor/President Perez recessed the meeting into Closed Session for a Conference with Legal Counsel – Anticipated Litigation [Government Code §54956.9(b)]: One Potential Case.

Meeting recessed into Closed Session at 9:00 a.m. and reconvened at 9:34 a.m.

Mayor/President Perez reported that no action was taken in Closed Session.

ADJOURNMENT

Hearing no objection from the City Council/EMID Board, Mayor/President Perez adjourned the meeting. Meeting adjourned at 9:34 a.m.

**CITY OF FOSTER CITY/
ESTERO MUNICIPAL IMPROVEMENT DISTRICT**

SPECIAL MEETING OF JULY 7, 2016

MINUTES

CALL TO ORDER OF THE CITY COUNCIL/EMID BOARD OF DIRECTORS

The duly called and noticed special meeting of the City Council of the City of Foster City (City), sitting as said Council and as ex officio the Board of Directors of the Estero Municipal Improvement District (EMID) of July 7, 2016 was called to order at 7:34 a.m. in the City Hall Conference Room 3A, 610 Foster City Boulevard, Foster City, San Mateo County, California, by Mayor/President Herb Perez.

ROLL CALL

The City/District Manager called the roll:

PRESENT: Councilmembers/ex officio Directors Charlie Bronitsky, Sam Hindi, Catherine Mahanpour, Gary Pollard and Mayor/President Herb Perez.

ABSENT: None.

STAFF PRESENT: Kevin M. Miller, City/District Manager; Dante Hall, Assistant City Manager; Jean Savaree, City Attorney/District Legal Counsel; and Jennifer Liu, Parks and Recreation Director.

PUBLIC

Joe Goethals, San Mateo resident, addressed the City Council regarding Conference with Real Property Negotiators [Government Code Section 54956.8]; Property: Mariner's Point Golf and Practice Center [APN 094-130-010].

CLOSED SESSION

Mayor/President Perez recessed the meeting into Closed Session for the following:

1. Conference with Real Property Negotiators [Government Code Section 54956.8]
Property: Boat Park [APN: 094-472-020 & 030]
Agency Negotiators: Kevin M. Miller, Jean Savaree, Dante Hall and Jennifer Liu
Negotiating Parties: Edgewater Marine, LLC
Under Negotiation: Lease Term and Price;
2. Conference with Real Property Negotiators [Government Code Section 54956.8]
Property: Mariner's Point Golf and Practice Center [APN 094-130-010]
Agency Negotiators: Kevin M. Miller and Jean Savaree
Negotiating Parties: VB Golf, LLC
Under Negotiation: Amended Lease Agreement; and

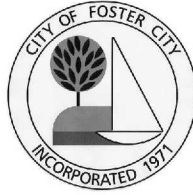
3. Conference with Legal Counsel – Anticipated Litigation [Government Code §54956.9(b)]: Three Potential Cases

Meeting recessed into Closed Session at 7:34 a.m. and reconvened at 9:03 a.m.

Mayor/President Perez reported that no action was taken in Closed Session.

ADJOURNMENT

Hearing no objection from the City Council/EMID Board, Mayor/President Perez adjourned the meeting. Meeting adjourned at 9:03 a.m.



DATE: July 18, 2016

TO: Mayor and Members of the City Council

VIA: Kevin M. Miller, City Manager

FROM: Jeff C. Moneda, Public Works Director/City Engineer

SUBJECT: AWARD OF CONSTRUCTION CONTRACT TO G. BORTOLOTTO & COMPANY, INC. FOR THE CONSTRUCTION OF STREET REHABILITATION PROJECT (CIP 301-653) AND TRANSFER OF FUNDS FROM PARK INFRASTRUCTURE IMPROVEMENTS PROJECT (CIP 301-656) AND MEASURE A FUND

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution authorizing:

1. The Mayor to execute an agreement with G. Bortolotto & Company, Inc. in the amount of \$1,880,678.91 for the construction of Street Rehabilitation Project (CIP 301-653); and
2. The transfer of funding in the amount of \$330,000 from Park Infrastructure Improvements Project (CIP 301-656) to CIP 301-653; and
3. The transfer of funding in the amount of \$302,670.94 received from the developer to pay for the Pilgrim Drive street repair work to CIP 301-653; and
4. The transfer of funding in the amount of \$325,000 from the Measure A Fund to CIP 301-653; and
5. The establishment of a contingency in the amount of \$200,000 with authorization given to the City Manager to execute contract change orders up to the contingency amount.

EXECUTIVE SUMMARY

Two (2) bids for the construction of Street Rehabilitation Project (CIP 301-653) were received and opened on Thursday, June 9, 2016. G. Bortolotto & Company, Inc.

(Bortolotto) submitted the apparent low responsible and responsive bid in the amount of \$1,880,678.91.

BACKGROUND

At the meeting on May 16, 2016, the City Council adopted Resolution No. 2016-30 approving the plans and specifications for CIP 301-653 and authorized the call for bids. Out of two (2) bids received and opened, the apparent low responsible and responsive bid of \$1,880,678.91 submitted by Bortolotto is approximately \$279,000 (17.4%) above the Engineer's Estimate.

The construction work, in general, will consist of pavement grinding, base repairs, installation and upgrade of curb ramps, asphalt concrete paving, replacement of pavement markings and striping, and traffic control on the streets as shown in Attachment A. To take advantage of economies of scale, as well as minimizing contract administration costs by combining two separate projects into one, the repair of park pathways identified in the Park Infrastructure Improvements Project (CIP 301-656), as shown in Attachment B, are also included in the project. Design of the project was performed by in-house staff to minimize project costs.

The project also includes separate bid items for the pavement restoration of Pilgrim Drive, between East Hillsdale Boulevard and Triton Drive. The Pilgrim Drive pavement was damaged during the construction of the sewer line upgrade project performed by the developer's contractor. The developer has submitted a payment in the amount of \$302,670.94 for the repairs of Pilgrim Drive.

After the award of the construction contract and before the start of construction, staff will mail an advisory letter to residents, who live on the affected streets. In addition, residents will receive two advance notices from the contractor outlining the work scheduled. To minimize inconveniences to the public, contract provisions have been incorporated to limit the allowable time during work activities. Work is limited to the hours of 8:00 AM to 5:00 PM for the residential streets and parks pathways, and 9:00 AM to 3:00 PM for the arterial streets. Provisions are also included to assess the liquidated damages for failure to complete the work within the allowable construction duration. Traffic control devices shall be provided by the contractor in and around the work area. The proposed work is being coordinated with the utility companies, as well as the City's/District's construction activities.

PAVEMENT CONDITION INDEX

The City has a goal of increasing the Pavement Condition Index (PCI) to 84 Citywide. Street pavements continuously deteriorate, resulting in a lower PCI. Currently, the Citywide PCI is 82.

ANALYSIS

The bid results are as follows:

Company Name	Total Bid	Over/(Under) Engineer's Estimate	
	\$	\$	%
Engineer's Estimate	\$1,601,674.00	-----	-----
G. Bortolotto Company, Inc.	\$1,880,678.91	\$279,004.91	17.42
Interstate Grading, Inc.	\$2,038,646.75	\$436,972.75	23.23

The apparent low bid in the amount of \$1,880,678.91 submitted by Bortolotto is approximately \$279,000 (17.4%) above the Engineer's Estimate. The speculation is that the contractors are busy due to the uptick in the economy; therefore, driving construction costs higher.

Funding for the project is available in the approved budget and a contingency of \$200,000 or approximately 11% of the total bid is requested to pay for any unforeseen conditions during construction. Construction is anticipated to start in August 2016 and to be completed by the end of October 2016.

Specialty inspection and material testing services are necessary during construction to ensure compliance with project requirements. The fees for the required specialty inspection and material testing services, as well as the printing and advertising charges, are estimated to be \$27,000. Staff will be performing the day-to-day inspections and project management.

The bid submitted by Bortolotto contained a mathematical error, which resulted in a \$0.03 difference between the bid and the award price. In the opinion of the City Attorney, it is considered a minor bid irregularity and the error can be waived. The bid documents submitted by Bortolotto have been evaluated and determined to be responsive. Reference checks made by staff indicated that Bortolotto is an acceptable contractor. Bortolotto has also successfully completed many projects for the City, including last year's street resurfacing project.

FISCAL IMPACT

BUDGET APPROVED (FY 2015/2016)

AMOUNT

Street Rehabilitation (CIP 301-653)	\$ 1,150,000.00
Park Infrastructure Improvements (CIP 301-656)	\$ 330,000.00
Appropriation from Developer's Deposit for Pilgrim Drive Repair	\$ 302,670.94
Total Approved and Available Budget	<u>\$ 1,782,670.94</u>

EXPENDITURES

Apparent Low Bid Submitted by Bortolotto	\$ 1,880,678.91
Contingency for Unforeseen Conditions – Approximately (11%)	\$ 200,000.00
Specialty Inspection and Testing	\$ 17,000.00
Miscellaneous for Printing/Advertising	\$ 10,000.00
Total Anticipated Expenses	<u>\$ 2,107,678.91</u>

The current available funding is less than the anticipated expenditures by approximately \$325,000. A fund transfer in the amount of \$325,000 from the Measure A fund is requested to fully fund the construction. This project is eligible for Measure A and there is adequate funding available for this project. Any unused money, including contingency remaining in the project budget, will be returned to the Measure A fund and CIP 301-656 at the time of project closeout.

Attachments: Resolution
 Agreement
 Attachment A – Project Street Map
 Attachment B – Parks Pathway Location Map

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOSTER CITY AUTHORIZING THE AWARD OF CONSTRUCTION CONTRACT TO G. BORTOLOTTO & COMPANY, INC. FOR THE CONSTRUCTION OF STREET REHABILITATION PROJECT (CIP 301-653) AND TRANSFER OF FUNDS FROM PARK INFRASTRUCTURE IMPROVEMENTS PROJECT (CIP 301-656) AND MEASURE A FUND

CITY OF FOSTER CITY

WHEREAS, at the meeting on May 16, 2016, the City Council adopted Resolution No. 2016-30 approving the plans and specifications and authorizing a Call for Bids for Street Rehabilitation Project (CIP 301-653); and

WHEREAS, the project also includes the repair of the park pathways identified in the Park Infrastructure Improvements Project (CIP 301-656) to take advantage of the economies of scale and minimize contract administration efforts; and

WHEREAS, the project also includes pavement restoration of Pilgrim Drive from East Hillsdale Boulevard to Triton Drive that was damaged during the construction of the sewer line upgrade project performed by the developer's contractor and the developer submitted a payment in the amount of \$302,670.94; and

WHEREAS, out of two (2) bids received and opened on Thursday, June 9, 2016, G. Bortolotto & Company, Inc. submitted the apparent low responsible and responsive bid in the amount of \$1,880,678.91; and

WHEREAS, a project contingency in the amount of \$200,000 will enable the expedient resolution of potential changes resulting from any unforeseen conditions; and

WHEREAS, a combined funding of \$1,150,000 for CIP 301-653 and \$330,000 for CIP 301-656 is available in the FY 2015/2016 approved budget for the respective projects; and

WHEREAS, the approved amount is exceeded by the anticipated final project expenditures by approximately \$325,000; and

WHEREAS, since this project is eligible, a transfer of \$325,000 from the Measure A Fund is requested to fully fund the construction; and

WHEREAS, any unused funds remaining in the project budget shall be returned to the Measure A Fund and the CIP 301-656 project account upon project closeout.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Foster City hereby authorizes:

1. The Mayor to execute an agreement with G. Bortolotto & Company, Inc. in the amount of \$1,880,678.91 for the construction of Street Rehabilitation Project (CIP 301-653); and
2. The transfer of funding in the amount of \$330,000 from CIP 301-656 to CIP 301-653; and
3. The transfer of funding in the amount of \$302,670.94 received from the developer to pay for the Pilgrim Drive street repair work to CIP 301-653; and
4. The transfer of funding in the amount of \$325,000 from the Measure A Fund to CIP 301-653; and
5. The establishment of a contingency in the amount of \$200,000 with authorization given to the City Manager to execute contract change orders up to the contingency amount.

PASSED AND ADOPTED as a resolution of the City Council of the City of Foster City at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, MAYOR

ATTEST:

DORIS L. PALMER, CITY CLERK

DOCUMENT 00 5200

AGREEMENT

THIS AGREEMENT, dated this 18th day of July, 2016, by and between G. Bortolotto & Co., Inc. whose place of business is located at 582 Bragato Road, San Carlos, CA 94070 (**Contractor**), and **CITY OF FOSTER CITY**, a California municipal corporation (**Owner**), acting under and by virtue of the authority vested in Owner by the laws of the State of California.

WHEREAS, Owner, by its Resolution No. _____ adopted on the 18th day of July, 2016 awarded to Contractor the following Contract:

CONTRACT NUMBER CIP 301-653

STREET REHABILITATION PROJECT

at

VARIOUS STREETS

FOSTER CITY, CA 94404

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, Contractor and Owner agree as follows:

ARTICLE 1 SCOPE OF WORK OF THE CONTRACT

1.01 Work of the Contract

- A. Contractor shall complete all Work specified in the Contract Documents, in accordance with the Specifications, Drawings, and all other terms and conditions of the Contract Documents (**Work**).

1.02 Price for Completion of the Work

- A. Owner shall pay Contractor the following Contract Sum of \$1,880,678.91 (**Contract Sum**) for completion of Work in accordance with Contract Documents as set forth in Contractor's Bid, attached hereto.
- B. The Contract Sum includes all allowances (if any).

See attached bid

COMMENCEMENT AND COMPLETION OF WORK

1.03 Commencement of Work

- A. Contractor shall commence Work on the date established in the Notice to Proceed (**Commencement Date**).
- B. Owner reserves the right to modify or alter the Commencement Date.

1.04 Completion of Work

- A. Contractor shall achieve Substantial Completion of the entire Work within 49 Days from the Commencement Date.
- B. Contractor shall achieve Final Completion of the entire Work 63 Days from the Commencement Date.

2.01 Owner's Project Manager

- ## 2.02 Contractor's Project Manager and Other Key Personnel

- 2.03 Architect/Engineer N/A**

- ### 3.01 Liquidated Damage Amounts

- ### 5.2.1 - 8

- E. As liquidated damages for delay Contractor shall pay Owner five hundred dollars (\$500.00) for each Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

3.02 Scope of Liquidated Damages

- A. Measures of liquidated damages shall apply cumulatively.
- B. Limitations and stipulations regarding liquidated damages are set forth in Document 00 7200 (General Conditions).

ARTICLE 4 LIQUIDATED DAMAGES FOR UNAUTHORIZED CHANGES OF KEY PERSONNEL

4.01 Liquidated Damage Amounts

- A. See Document 00 7200 (General Conditions) Paragraph 11.07.D for liquidated damages provisions pertaining to Key Personnel.

ARTICLE 5 CONTRACT DOCUMENTS

5.01 Contract Documents consist of the following documents, including all changes, Addenda, and Modifications thereto:

Document 00 5100	Notice of Award
Document 00 5200	Agreement
Document 00 5500	Notice to Proceed
Document 00 6113.13	Construction Performance Bond
Document 00 6113.16	Construction Labor and Material Payment Bond
Document 00 6290	Escrow Agreement for Security Deposits
Document 00 6325	Substitution Request Form
Document 00 6530	Release of Claims
Document 00 6536	Guaranty
Document 00 7200	General Conditions
Document 00 7316	Supplementary Conditions – Insurance and Indemnification
Document 00 7380	Apprenticeship Program
Document 00 9113	Addenda
Specifications	Divisions 01 through 02
Caltrans Standard Specifications 2010 and any Revisions	
Drawings, Table, Schedules, and technical Specifications listed in Document 00 0115	
City/District Standard Specifications and Standard Details	

5.02 There are no Contract Documents other than those listed above. The Contract Documents may only be amended, modified or supplemented as provided in Document 00 7200 (General Conditions).

5.03 NOT USED

ARTICLE 6 MISCELLANEOUS

6.01 Terms and abbreviations used in this Agreement are defined in Document 00 7200 (General Conditions) and Section 01 4200 (References and Definitions) and will have the meaning indicated therein.

6.02 It is understood and agreed that in no instance are the persons signing this Agreement for or on behalf of Owner or acting as an employee, agent, or representative of Owner, liable on this Agreement or any of the Contract Documents, or upon any warranty of authority, or otherwise,

and it is further understood and agreed that liability of Owner is limited and confined to such liability as authorized or imposed by the Contract Documents or applicable law.

- 6.03** Pursuant to Labor Code Section 1771(a), Contractor represents that it and all of its Subcontractors are currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. Contractor covenants that any additional or substitute Subcontractors will be similarly registered and qualified.
- 6.04** In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Contractor or Subcontractor offers and agrees to assign to the awarding body all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. §15) or under the Cartwright Act (Chapter 2 (commencing with §16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time Owner tenders final payment to Contractor, without further acknowledgment by the parties.
- 6.05** Copies of the general prevailing rates of per diem wages for each craft, classification, or type of worker needed to execute the Contract, as determined by Director of the State of California Department of Industrial Relations, are on file at the City's Public Works Department, may be obtained from the California Department of Industrial Relations website [<http://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>] and are deemed included in the Contract Documents, and shall be made available to any interested party on request. Pursuant to Labor Code Sections 1860 and 1861, in accordance with Labor Code Section 3700, every contractor will be required to secure the payment of compensation to his employees. Contractor represents that it is aware of the provisions of Labor Code Section 3700 that require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor shall comply with such provisions before commencing the performance of the Work of the Contract Documents.
- 6.06** This Agreement and the Contract Documents shall be deemed to have been entered into in the County in which the Project is located, State of California, and governed in all respects by California law (excluding choice of law rules). The exclusive venue for all disputes or litigation hereunder shall be in the Superior Court for the in which the Project is located.

IN WITNESS WHEREOF the parties have executed this Agreement in quadruplicate the day and year first above written.

CONTRACTOR: G. Bortolotto & Co., Inc.

By: _____
(Signature)

Its: _____
Title (If Corporation: Chairman, President
or Vice President)

By: _____
(Signature)

Its: _____
Title (If Corporation: Secretary, Assistant
Secretary, Chief Financial Officer or
Assistant Treasurer)

**OWNER: CITY OF FOSTER CITY/ ESTERO
MUNICIPAL IMPROVEMENT DISTRICT**

By: _____
(Signature)

Herb Perez
(Print Name)

Mayor
(Title)

Attest: _____
City Clerk

Doris L. Palmer
(Print Name)

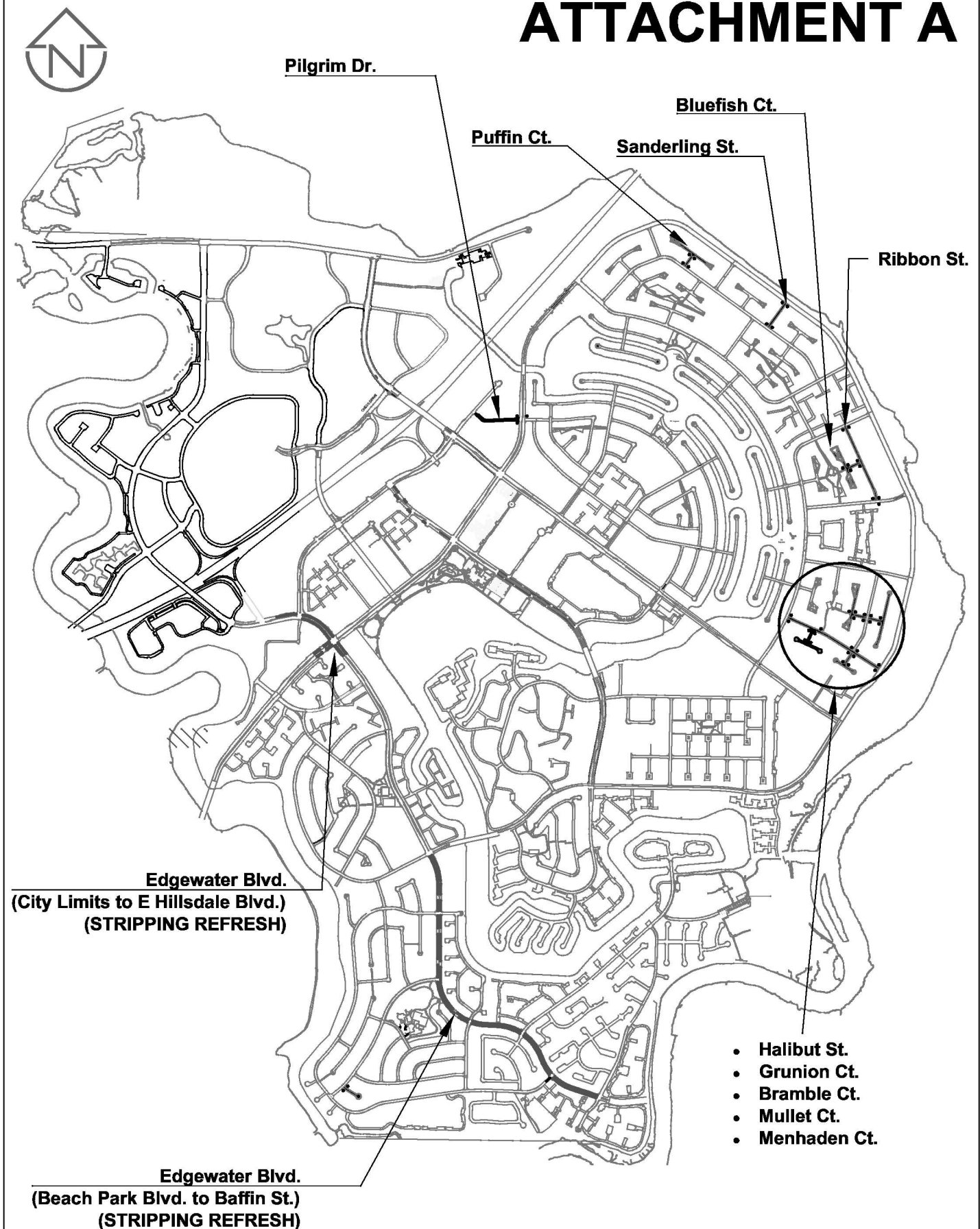
APPROVED AS TO FORM AND LEGALITY
THIS __ DAY OF _____, **2016**

By: _____
Attorney for Owner

Jean Savaree
(Print Name)

RESOLUTION NO. _____

ATTACHMENT A



ATTACHMENT B





DATE: July 18, 2016

TO: Mayor and Members of the City Council

VIA: Kevin M. Miller, City Manager

FROM: Jennifer L. Liu, Director of Parks and Recreation

SUBJECT: AUTHORIZATION TO AWARD CONTRACT FOR REPLACEMENT OF CATAMARAN PARK SYNTHETIC TURF TO FIELD TURF IN THE AMOUNT OF \$175,000

RECOMMENDATION

It is recommended that the City Council approve a resolution:

1. Authorizing the Mayor to sign and execute an agreement with Field Turf as a sole source in the amount of \$175,000 for the replacement of synthetic turf at Catamaran Park, Park Improvement Project (CIP 301-659), and
2. Establishing a construction contingency in the amount of \$25,000 with authorization given to the City Manager to execute contract change orders up to the contingency amount.

EXECUTIVE SUMMARY

Work is scheduled for August 2016 to replace the existing deteriorated synthetic turf at the Catamaran Park soccer field. Field Turf USA proposes to provide the materials and labor to complete this work for an amount not-to-exceed \$175,000. The CIP program reflects the funding in the amount of \$200,000 for this work.

This work will include:

- Installation of new top-of-the-line, state-of-the-art Field Turf product
- Minor base repairs to existing base-import of up to 50 tons of manufactured stone if required for minor base repairs
- 12 year life-span
- 8 year warranty

BACKGROUND

Synthetic turf was installed in 2009 at Catamaran Park soccer field. It was determined in November 2013 that although safe for play, the turf was no longer in a condition that is acceptable for a product of its age. Since 2013, a series of repairs have been made by Field Turf, at no cost to the City pursuant to its warranty, in order to address the deterioration. These repairs have failed to fully address and correct the problem. There are two years left on the warranty for the product that was originally installed in 2009. That product is no longer produced and has proven to be subject to early deterioration in a number of locations.

The problem with the synthetic turf appears to originate in the backing of the turf product. It is our understanding that litigation regarding this product has been ongoing between Field Turf and the manufacturers and Field Turf no longer uses this product. The deterioration in the turf backing has not, to date, negatively impacted the subsurface drainage system currently in place. There is now an opportunity to install a new product which Field Turf believes to be superior and will allow continued use of the current drainage system.

Field Turf has offered to replace the synthetic turf at Catamaran Park with a new product (i.e., "REVOLUTION 2") for \$175,000. The entire project would consist of the following components:

1. Removal and disposal of existing synthetic turf.
2. Confirm sub-base planarity and re-install synthetic turf.
3. Supply of any additional infill that will be required.
4. Installation of "REVOLUTION 2" proprietary polymer, new ridged blade design which eliminates weak points and improves resiliency, 34 oz. face weight, 3-layer 6.25 lbs. in-fill system, and porous finger coated backing.

The cost of the "REVOLUTION 2" is \$425,000, but as indicated above, Field Turf has offered to supply the materials and install the product for a total of \$175,000 because previous repairs using the existing product have not corrected the problem. A new 8-year warranty would come with this product.

ANALYSIS

Pursuant to Foster City Municipal Code § 3.04.190, the Council may award a contract to Field Turf as a sole source contractor if the "product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors." This provision in the Foster City Municipal Code is authorized by the California Public Contract Code § 22032(b) for contracts up to \$175,000. In this instance, the contract amount is \$175,000 and the product to be supplied by Field Turf is proprietary in nature. The new product will come with an 8-year warranty.

ESTIMATED PROJECT SCHEDULE

Construction	August 2016
Grand Reopening	October 2016

FISCAL IMPACT

As noted above, the contract would be capped at \$175,000 with a \$25,000 contingency.

Attachments:

- Resolution
- Agreement

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOSTER CITY
AWARDING AN AGREEMENT TO FIELD TURF IN THE AMOUNT OF \$175,000 FOR
THE REPLACEMENT OF SYNTHETIC TURF AT CATAMARAN PARK (CIP 301-659)

CITY OF FOSTER CITY

WHEREAS, funds are available and budgeted in the amount of \$175,000 for the replacement of the synthetic turf at Catamaran Park, Park Improvement Project (CIP 301-659); and

WHEREAS, the vendor agreement will not exceed \$175,000; and

WHEREAS, a construction contingency will be established in the amount of \$25,000; and

WHEREAS, staff will be contracting with Field Turf solely; and

WHEREAS, the new synthetic turf field comes with a new eight (8) year warranty; and

WHEREAS, staff feels this proposal for services to do this work is reasonable.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Foster City does hereby authorize:

1. The Mayor to sign and execute an agreement with Field Turf as a sole source in the amount of \$175,000 for the replacement of the synthetic soccer field turf at Catamaran Park, Park Improvement Project (CIP 301-659), and
2. Establishing a construction contingency in the amount of \$25,000 with authorization given to the City Manager to execute contract change orders up to the contingency amount.

PASSED AND ADOPTED as a resolution of the City Council of the City of Foster City at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, MAYOR

ATTEST:

DORIS L. PALMER, CITY CLERK

DOCUMENT 00 0105

CONSTRUCTION SERVICES PROJECT MANUAL
(Projects \$175,000 and below)

for

CATAMARAN PARK SYNTHETIC TURF REPLACEMENT PROJECT
PROJECT NO. CIP 301-659

At

**CATAMARAN PARK AT THE INTERSECTION OF SHELL BOULEVARD AND CATAMARAN
STREET, FOSTER CITY, CA 94404**

CITY OF FOSTER CITY

City of Foster City
610 Foster City Boulevard
Foster City, California 94404

July 18, 2016

Contract Number: CIP 301-659

DOCUMENT 00 0115

TABLE OF CONTENTS

A. CONTRACT FORMS AND SUPPLEMENTS

00 5105	Notice of Award
00 5205	Construction Services Agreement, including: <u>Appendix A</u> Scope of Work <u>Appendix B</u> General Conditions <u>Appendix C</u> Insurance <u>Appendix D</u> Construction Performance Bond <u>Appendix E</u> Construction Labor and Materials Payment Bond <u>Appendix F</u> Supplemental Conditions [optional]
00 5505	Notice to Proceed

B. OTHER

END OF DOCUMENT

DOCUMENT 00 5105

NOTICE OF AWARD

Dated July 18, 2016

TO: FIELD TURF

ADDRESS: 7445 Cote-de-Liessee Road Suite 200, Montreal, QC, H4T 1G2

CONTRACT NO.: CIP 301-659

CONTRACT FOR: **CITY OF FOSTER CITY/ESTERO MUNICIPAL IMPROVEMENT DISTRICT
CATAMARAN PARK SYNTHETIC TURF REPLACEMENT PROJECT AT
CATAMARAN PARK, INTERSECTION OF SHELL BOULEVARD AND CATAMARAN STREET**

The Contract Sum of your Agreement is ONE HUNDRED AND SEVENTY FIVE THOUSAND DOLLARS
(Amount in Words)
Dollars (\$175,000)

1. **Three** copies of the proposed Contract Documents listed below accompany this Notice of Award.
2. You must comply with the following conditions precedent by **5:00 p.m.** of the **20th Day** following the date of this Notice of Award, that is, by **August 8, 2016**
 - a. Deliver to Owner **two** fully executed counterparts of Document 00 5205 (Construction Services Agreement). Each copy of Document 00 5205 must bear your original signature on the signature page and your initials on each page.
 - b. Deliver to Owner one original set of the insurance certificates with endorsements required by Document 00 5205 Appendix C.
 - c. If your Contract Sum exceeds (or is expected to exceed) \$25,000, deliver to Owner one original Construction Performance Bond in form attached to Document 00 5205 as Appendix D, executed by you and your surety.
 - d. If your Contract Sum exceeds (or is expected to exceed) \$25,000, deliver to Owner one original Construction Labor and Material Payment Bond in form attached to Document 00 5205 as Appendix E, executed by you and your surety.
3. Failure to comply with these conditions within the time specified will entitle Owner to consider your Bid abandoned, to annul this Notice of Award, and to declare your Bid security forfeited.
4. Within **21 Days** after you comply with the conditions in Paragraph 2 of this Document 00 5105, Owner will return to you one fully signed counterpart of Document 00 5205 (Informal Construction Services Agreement).
5. Before you may start any Work at the Site, you are encouraged attend a pre-construction conference. The pre-construction conference may be arranged through **Peter Chiamos (650)286-3549** Questions regarding bonds and insurance may be directed to **Peter Chiamos** the same number. All other inquiries regarding the Project should be directed to **Peter Chiamos**.

6. Upon commencement of the Work, you and each of your Subcontractors shall certify and provide Owner copies of payroll records in accordance with Labor Code Section 1776.

OWNER: CITY OF FOSTER CITY

By: _____

Director of Parks and Recreation

Jennifer L. Liu

ATTEST: _____

Secretary

(Print Name)

AUTHORIZED BY CITY RESOLUTION:

NO: _____

ADOPTED: July, 18 2016

[Copy of Resolution Attached]

END OF DOCUMENT

CITY OF FOSTER CITY
610 Foster City Boulevard, Foster City, CA 94404

CONSTRUCTION SERVICES AGREEMENT

CATAMARAN PARK SYNTHETIC TURF REPLACEMENT PROJECT

Agreement No. CIP 301-659

DATE: July 18, 2015

1. IDENTIFICATION OF CONTRACTOR:

CONTRACTOR: Field Turf

LICENSE NO:

2. SCOPE OF THE WORK

See Scope of Work attached as Appendix A. To include drawings, technical specifications, etc.

- 3. COMPENSATION FOR WORK.** Contractor's total compensation for the Work performed under this Agreement (**Contract Sum**) is \$175,000, to be paid as (**check one**): (1) ☒ lump sum; (2) ☐ lump sum with progress payments; (3) ☐ per attached schedule of rates and charges, up to a guaranteed not-to-exceed amount of \$175,000. All payments (**check one**): ☐ shall ☒ shall not be subject to a five percent (5%) retention.

- 4. SCHEDULE OF PERFORMANCE FOR THE WORK.** Contractor shall commence and complete the Work by the following dates:

Commencement Date shall be on the date established in the Notice to Proceed. Owner reserves the right to modify or alter the Commencement Date of the Work.

Substantial Completion Date: Within 30 calendar days of Commencement Date.

Final Completion Date: Within 40 calendar days of Substantial Completion.

4.01 Liquidated Damage Amounts.

- A. As liquidated damages for delay Contractor shall pay Owner Five Hundred dollars (\$500.00) for each Day that expires after the time specified herein for Contractor to achieve Substantial Completion of the entire Work, until achieved.
- B. As liquidated damages for delay Contractor shall pay Owner Five Hundred dollars (\$500.00) for each Day that expires after the time specified herein for Contractor to achieve Final Completion of the entire Work, until achieved.

4.02 Scope of Liquidated Damages

- A. Contractor and Owner agree that because of the nature of the Project, it would be impractical or extremely difficult to fix the amount of such actual damages incurred by Owner because of a delay in completion of all or any part of the Work. Contractor and Owner agree that specified measures of liquidated damages shall be presumed to be the amount of such damages actually sustained by Owner, and that because of the nature of the Project, it would be impracticable or extremely difficult to fix the actual damages.
- B. Liquidated damages for delay shall cover administrative, overhead, interest on bonds, and general loss of public use damages suffered by Owner as a result of delay. Liquidated damages shall not cover the cost of completion of the Work, damages resulting from Defective Work, lost revenues or costs of substitute facilities, or damages suffered by others who then seek to recover their damages from Owner (for example, delay claims of other contractors, subcontractors, tenants, or other third-parties), and defense costs thereof. Owner may deduct from any money due or to become due to Contractor subsequent to time for completion of entire Work and extensions of time allowed pursuant to provisions hereof, a sum representing then-accrued liquidated damages.

5. TERMS AND CONDITIONS.

5.01 Contractor shall perform the Work in accordance with the terms and conditions of this Agreement and the following attachments (together, **Contract Documents**):

- A. Appendix A – Scope of Work
- B. Appendix B – General Conditions
- C. Appendix C – Insurance
- D. Appendix D – Construction Performance Bond
- E. Appendix E – Construction Labor and Materials Payment Bond
- F. Appendix F – Supplemental Conditions, if applicable

5.02 The Contract Documents are the sole and exclusive provisions that govern the Work described herein. Any provision contained in any purchase order issued in connection with this Agreement or the Work described herein shall be null and void and shall have no force or effect.

5.03 Agreement number must appear on all invoices and correspondence. Send invoices in duplicate immediately upon performance of Work ordered hereon to:

**Peter Chiamos, City of Foster City, 100 Lincoln Centre Drive, Foster City, CA
94404**

CONTRACTOR:

OWNER: **City of Foster City**

Signature

Signature

Print Name & Title

Print Name & Title

Date

Date

Appendix A to Construction Services Agreement

SCOPE OF WORK

First, we would like to thank you for your patience during the field review period; it is greatly appreciated. We value your trust in our company and look forward to building on our long standing relationship. FieldTurf is proud to have a valued customer like Foster City. As such, and in accordance with the warranty issued at time of original purchase, FieldTurf is offering the following upgrade option for early replacement that will take place in 2016:

Special Upgrade Offer:

1. FieldTurf REVOLUTION 2"

Proprietary polymer, new "ridged" blade design which eliminates weak points and improves resiliency, 34 oz face weight, 3-layer 6.25 lbs in-fill system, and porous finger coated backing. It is manufactured by FieldTurf, not a third party supplier.

Price: \$175,000.00

Option #2:

Offer remains through the end of 2016, replacement to take place after July 31st, 2016.

Upgrade option includes:

Re use of some of the current field infill in the new field mid-layer

A new 8 year warranty will be in effect at completion of replacement.

Field layout to include markings and logos

Additional costs may incur during removal stage should Brock panels need to be replaced.

Price Includes:

a) Minor base repairs to existing base— import up to 50 ton of manufactured stone if required for minor base repairs

FieldTurf – 7445 Côte-de-Liesse Road Suite 200, Montreal, QC, H4T 1G2 Tel 1-800-724-2969 - Fax (514) 340-9374

www.fieldturf.com

Price Does Not Include:

- a) Replacement or modification to the existing perimeter nailer board
- b) FieldTurf is not altering or improving the existing operating based under the existing turf limits. No removal of aggregate is included. Any ponding, flooding or undulations within the existing base will remain the responsibility of the owner.

FieldTurf requires a minimum of 21 days upon receipt of contract and final shop drawing approvals to manufacture; coordinate delivery and schedule arrival of installation crew.

We would require a 3-4 week window (subject to weather and force majeure) to complete the removal/recycle/disposal of existing product, confirm sub-base planarity and re-install each field. Please also note that some of the infill material used on the replacement fields will be re-used from your present fields. FieldTurf will supply any additional infill that will be required. This will allow for a minimum addition to any landfill site in the area and is in conformance with FieldTurf's Green initiative on recycling.

Catamaran Park (Foster City) will receive field layouts showing the dimensions and the markings for the new surface for review; before manufacturing the new surface we will need written confirmation of the product option selected and that the field dimensions, markings and colors are satisfactory and approved for production. A formal sales agreement detailing your selection will be forwarded for execution and upon return receipt, production and installation will be scheduled at an agreed upon time frame.

FieldTurf appreciates your patience during the duration of our discussions surrounding your concerns and looks forward to our continued business relationship with Foster City. If we can provide any additional information, don't hesitate to contact me directly. Thank you for being a FieldTurf customer. We appreciate your business and we will continue to work hard to earn it.

Please note this offer is valid for 60 days; let us know which option you choose so that we can work on scheduling and agreements.

Sincerely,

Martin Olinger

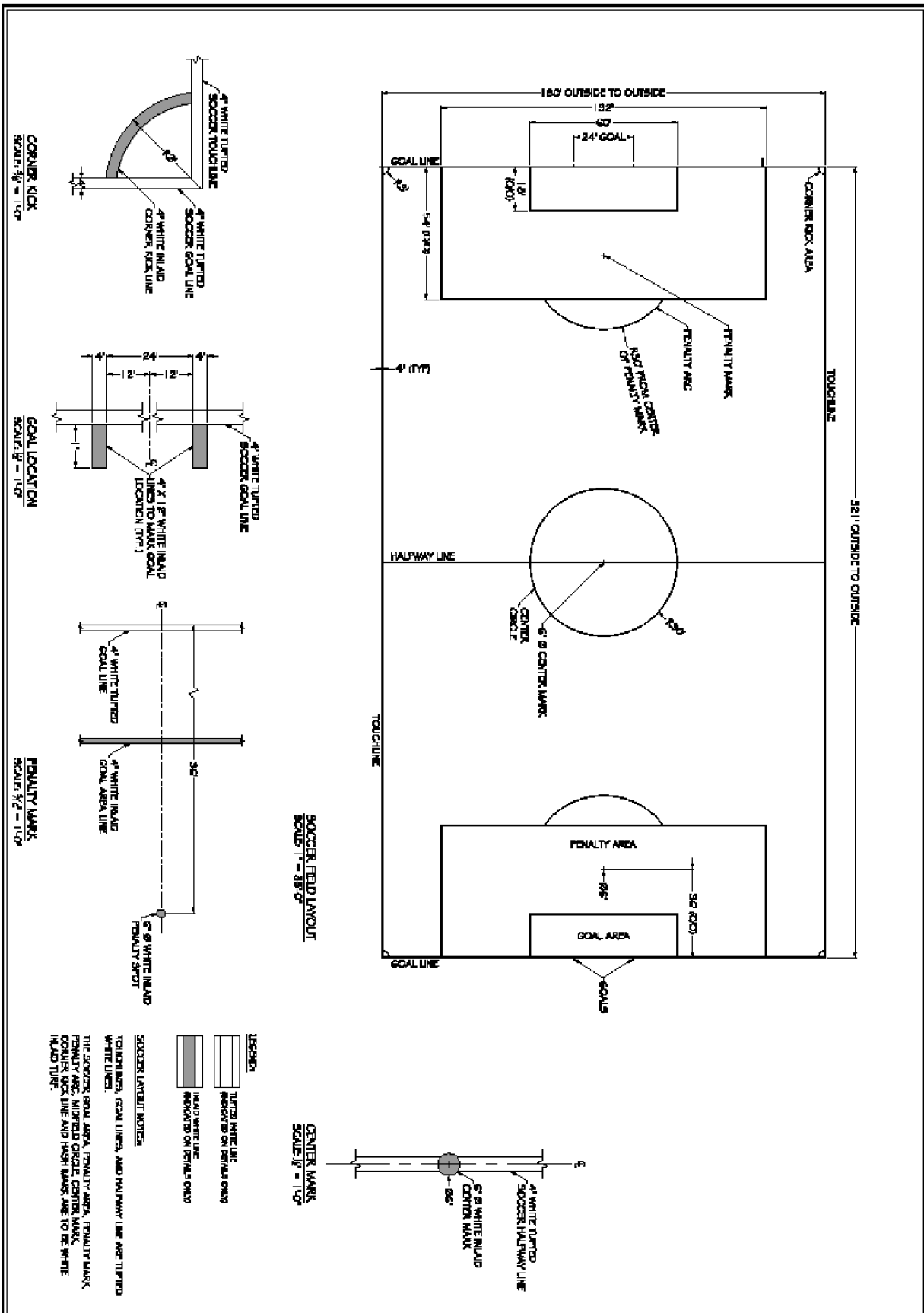
Senior Vice-President Sales

FieldTurf USA, Inc.

c.c.: Julie Paquin, Director of Customer Service - FieldTurf Inc.

Di Maulo, Project Coordinator – Customer Service - FieldTurf Inc.

Andrew Rowley – Regional VP of Sales, FieldTurf USA Inc.



CATAMARAN PARK REPLACEMENT FOSTER CITY, N.C.A

5.2.2 - 14



DATE: FEBRUARY 28TH, 2014 | SCALE: SUBMITTAL | AS-BUILT: ON MODIFIED/ADDITION

All Rights Reserved. Confidential Information. No portion of these drawings may be disclosed, used, reproduced, modified or shown, without prior written consent of FieldTurf.

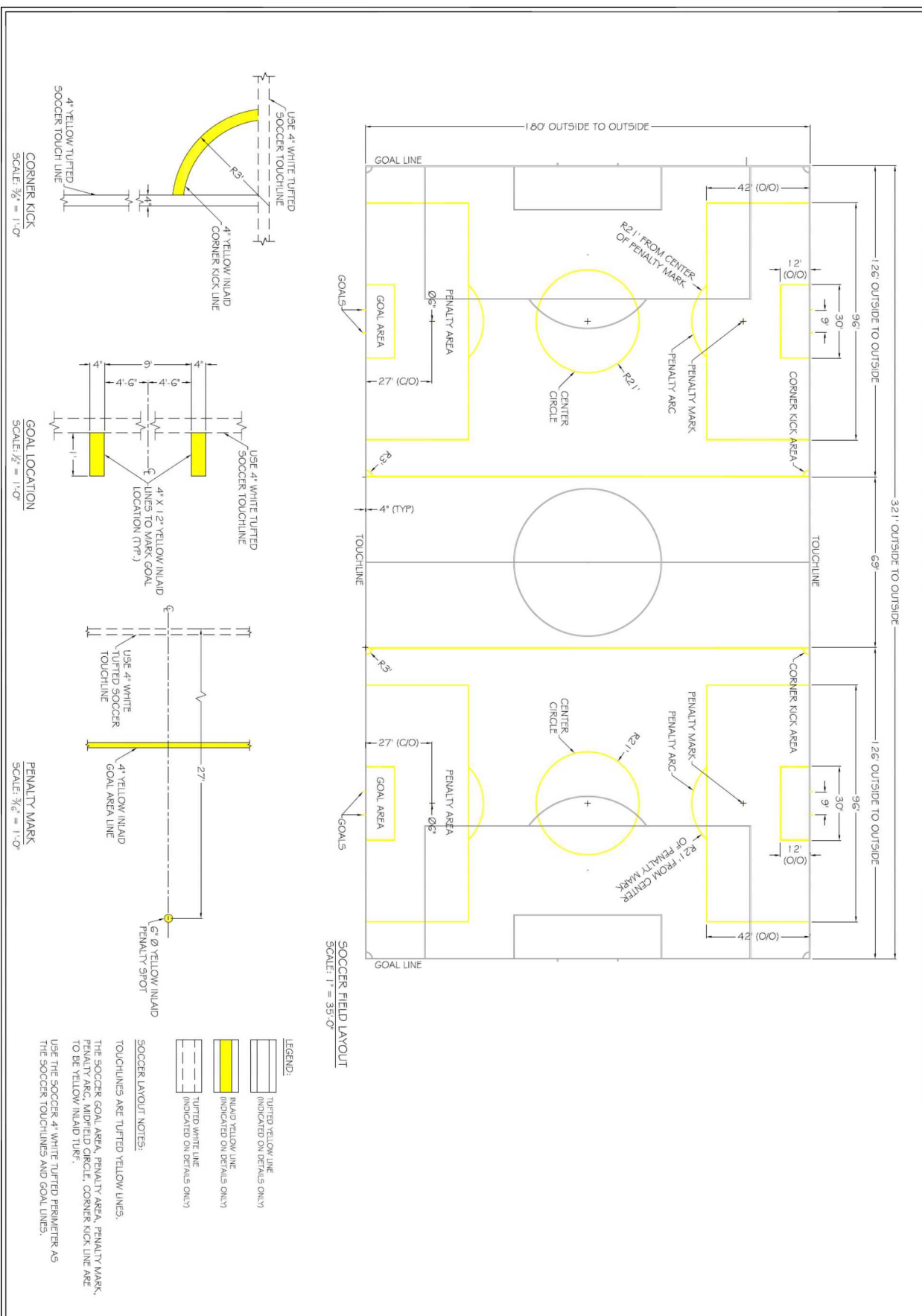
DRAWN BY:	VIL
CHECKED BY:	JLB
SCALE:	AS SHOWN



CATAMARAN PARK REPLACEMENT
FOSTER CITY, N.C.A

5.2.2-FieldTurf
A Tarkett Sports Company

DRAWN BY:	V.B.
CHECKED BY:	J.B.
SCALE:	1"=35'
FIELD AREA:	68,184 sq.ft.
TURF MANUFD:	73,170 sq.ft.
EXTRA TURF:	7.3 %



APPROVED BY:	
SIGNATURE:	
PRINTED NAME:	
TITLE:	
DATE:	

SPORT COLORS:

	SOCCER FIELD COLOR NAME: WHITE PANTONE COLOR NUMBER: WHITE
	MINI SOCCER FIELD COLOR NAME: CANARY YELLOW PANTONE COLOR NUMBER: 136C

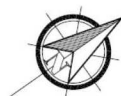
LEGEND:

	GREEN FIELDTURF 661, 064 sq.ft.
---	------------------------------------

FIELD LAYOUT NOTES (reports are in order of dominance):

1. SOCCER MARKINGS ARE 4" WHITE.
2. MINI SOCCER MARKINGS ARE 4" YELLOW.

ALL DIMENSIONS TO BE VERIFIED BEFORE ANY CONSTRUCTION BEGINS.



(FTRV-2) FieldTurf Revolution Mono filament 2"

DRAWN BY:	V.B.
CHECKED BY:	J.B.
SCALE:	1"=30'
FIELD AREA:	66,184 sq.ft.
PERIMETER:	1,073 in.ft.

FULL SUBMITTAL

COMPANY	FIELDTURF	PROJECT NAME	CATAMARAN PARK REPLACEMT
STATE	NORTH CAROLINA - NC		
TYPE OF FIELD	PARK		
TEMPLATE	NON-STANDARD		
PRODUCT 1	FTRV-2		
SPORT	COLOR	STANDARD	COMMENTS
SOCCER	WHITE	NON-STANDARD	VERDE MARKINGS
SOCCER	CANARY YELLOW	NON-STANDARD	
ADDITIONAL INFO			
Run VBA	YES		
Run "T" Command	YES		

Appendix B to Construction Services Agreement

GENERAL CONDITIONS

ARTICLE 1 TERMS OF PERFORMANCE

- 1.01 Construction Services Agreement (Agreement) Force and Effect.** The provisions of the Agreement and other Contract Documents constitute the entire agreement between the Contractor and Owner regarding the Work described herein. No representation, term or covenant not expressly specified in the Contract Documents shall, whether oral or written, be a part of this agreement. The Agreement and other Contract Documents shall govern the Work described herein (whenever performed), and shall supersede all other purchase orders and agreements between Contractor and Owner, and any proposal, with respect to the Work described herein.
- 1.02 No Modification or Waiver.** The Contract Documents may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved by fully authorized representatives of Owner and Contractor. Contract Documents headings are for convenience only and do not affect the construction of the Contract Documents.
- 1.03 Performance of Work/No Assignment.** Time is of the essence in the performance of the Work. Contractor will perform the Work in a skillful and workmanlike manner; comply fully with criteria established by Owner, and with applicable laws, codes, and all applicable industry standards. Contractor shall maintain its work area in a clean and sanitary condition, clear debris and trash at the end of each work day, and shall not damage or disrupt any property unless specifically part of the scope of the Agreement. Contractor shall not contract any portion of the Work or otherwise assign the Agreement without prior written approval of Owner. (Contractor shall remain responsible for compliance with all terms of the Contract Documents, regardless of the terms of any such assignment.) The Contractor shall permit Owner (or its designees) access to the work area, Contractor's shop, or any other facility, to permit inspection of the Work at all times during construction and/or manufacture and fabrication. The granting of any progress payment, and any inspections, reviews, approvals or oral statements by any Owner representative, or certification by any governmental entity, shall in no way limit Contractor's obligations under the Contract Documents. Either party's waiver of any breach, or the omission or failure of either party, at any time, to enforce any right reserved to it, or to require strict performance of any provision of the Contract Documents, shall not be a waiver of any other right to which any party is entitled, and shall not in any way affect, limit, modify or waive that party's right thereafter to enforce or compel strict compliance with every provision hereof. Owner shall have, at all times, set-off rights with respect to any payment and Contractor's failure to perform the terms of the Contract Documents.

ARTICLE 2 LEGAL AND MISCELLANEOUS

- 2.01 Records and Payment Requests.** Contractor shall submit all billings with all necessary invoices or other appropriate evidence of proper performance, after which Owner shall make payment within thirty (30) days. Upon Owner's written request, Contractor shall make available to Owner, its authorized agents, officers, or employees, any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the Work or the expenditures and disbursement charged to Owner, and all correspondence, internal memoranda, calculations, books and accounts, records documenting its Work under the Agreement, and invoices, payrolls, timecards, records and all other data related to matters covered by the Agreement. Contractor shall furnish to Owner, its authorized agents, officers, or employees, such other evidence or information as Owner may require with regard to the Work or any such expenditure or disbursement charged by Contractor. Contractor shall maintain all such documents and records prepared by or furnished to Contractor during the course of performing the Work for at least five years following completion of the Work, except that all such items pertaining to hazardous materials shall be maintained for at least thirty (30) years. Contractor shall permit Owner to audit, examine and make copies, excerpts and transcripts from such records. The State of California or any federal agency having an interest in the subject of the

Agreement shall have the same rights conferred to Owner by this section. Such rights shall be specifically enforceable.

- 2.02 Independent Contractor.** Contractor is an independent Contractor and does not act as Owner's agent in any capacity, whatsoever. Contractor is not entitled to any benefits that Owner provides to Owner employees including, without limitation, insurance, worker's compensation benefits or payments, pension benefits, health benefits or insurance benefits. Terms within the Contract Documents regarding directives apply to and concern the result of the Contractor's provision of Work not the means, methods, or scheduling of the Contractor's Work. Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures with respect to its provision of Work under the Contract Documents. Contractor shall pay all payroll taxes imposed by any governmental entity and will pay all other taxes not specifically identified in the Contract Documents as Owner's responsibility.
- 2.03 Indemnity/Liability.** Contractor shall defend, indemnify, and save harmless, to the fullest extent permitted by law, the Owner and each of its officers, directors, representatives, agents and employees, against all claims, suits, actions, loss, cost, damage, expense, and liability arising from or related to bodily injury to or death of any person or damage to any property, or resulting from any breach and/or Contractor's negligence in performing the Work pursuant to the Contract Documents. Notwithstanding any provision of the Contract Documents, Owner shall not be liable to Contractor or anyone claiming under it, in contract or tort, for any special, consequential, indirect or incidental damages arising out of or in connection with the Contract Documents or the Work. Owner's rights and remedies, whether under the Agreement or other applicable law, shall be cumulative and not subject to limitation. Contractor's obligations to defend, indemnify, and save harmless the Owner are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained within this Agreement. Contractor's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law.
- 2.04 Defective Work; Warranties.** Contractor warrants that all construction services shall be performed in accordance with generally accepted professional standards of good and sound construction practices, all Contract Documents requirements, and all laws, codes, standards, licenses, and permits. Contractor warrants that all materials and equipment shall be new, of suitable grade of their respective kinds for their intended uses, and free from defects. Contractor hereby grants to Owner for a period of one year following the date of completion its unconditional warranty of the quality and adequacy of all of the Work including, without limitation, all labor, materials and equipment provided by Contractor and its Subcontractors of all tiers. If either prior to completion of the Work, or within one year after completion, any Work (completed or incomplete) is found to violate any of the foregoing warranties (**Defective Work**), Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions, correct, remove and replace the Defective Work with conforming Work, and correct, remove and replace any damage to other Work or other property resulting therefrom. If Contractor fails to do so, Contractor shall pay all of the Owner's resulting claims, costs, losses and damages. Where Contractor fails to correct Defective Work, or defects are discovered outside the correction period, Owner shall have all rights and remedies granted by law.
- 2.05 Compliance with Laws; Conflict of Interests.** Contractor agrees to comply with all applicable federal and state laws, regulations and policies, as amended, including those regarding discrimination, unfair labor practices, anti-kick-back, collusion, and the provisions of the Americans with Disability Act. Contractor, its officer, partners, associates, agents, and employees, shall not make, participate in making, or in anyway attempt to use the position afforded them by the Contract Documents to influence any governmental decision in which he or she knows or has reason to know that he or she has a financial interest under applicable state, federal and local conflict of interest regulations. Contractor warrants that no person or agency has been employed or retained to solicit or obtain the Agreement upon an agreement or understanding for a contingent fee, except a bona fide employee or agency.

- 2.06 Termination; Suspension; Disputes.** Owner may direct Contractor to terminate, suspend, delay, interrupt or accelerate Work, in whole or in part, for such periods of time as Owner may determine in its sole discretion. Owner will issue such directives in writing, and may do so, in whole or in part, for its convenience or due to Contractor's fault. Owner will compensate Contractor for extra costs resulting from such directives only to the extent that Owner issues such directives for its convenience and not due to Contractor's fault (but Owner shall not compensate Contractor for costs, profit or overhead anticipated to be earned or incurred on Work terminated for Owner's convenience.) Contractor shall continue its Work throughout the course of any dispute, and Contractor's failure to continue Work during a dispute shall be a material breach of the Contract Documents. All claims by Contractor against Owner shall be submitted in writing to Owner, and shall be governed by Public Contract Code Sections 20104 – 20104.6, after which time the one year time period in Government Code Section 911.2 shall be, pursuant to Government Code Section 930.2, reduced to 90 days. Should Contractor be terminated for default, and such termination is subsequently determined to be wrongful, such termination will be converted to a termination for convenience as provided herein.
- 2.07 Execution; Venue; Limitations.** The Agreement shall be deemed to have been executed in San Mateo County, California. Enforcement of the Contract Documents shall be governed by the laws of the State of California, excluding its conflict of laws rules. Except as expressly provided in the Contract Documents, nothing in the Contract Documents shall operate to confer rights or benefits on persons or entities not party to the Agreement. As between the parties to the Agreement, any applicable statute of limitations for any act or failure to act shall commence to run on the date of Owner's issuance of the final Certificate for Payment, or termination of the Contract Documents, whichever is earlier, except for latent defects, for which the statute of limitation shall begin running upon discovery of the defect and its cause.
- 2.08 Employee Wages; Records; Apprentices.** Contractor shall pay prevailing wages to its employees on any contract in excess of \$1,000.00 (one thousand dollars). Copies of the prevailing rate of per diem wages are on file at Owner's principal office. Contractor shall comply with the 8-hours per day/40 hours per week/overtime/working hours restrictions for all employees, pursuant to the California Labor Code. Contractor and all subcontractors shall keep and maintain accurate employee payroll records for Work performed under the Agreement. The payroll records shall be certified and submitted as required by law, including Labor Code Section 1771.4 (if applicable) and 1776, including (if the Agreement is awarded on or after April 1, 2015 or continues on or after January 1, 2016) to the Labor Commissioner no less frequently than monthly. Contractor shall comply fully with Labor Code Section 1777.5 in the hiring of apprentices for work relating to the Agreement. If the Agreement exceeds \$2,000 and is funded with federal funds, then Contractor shall pay federal Davis Bacon wages and comply with applicable federal requirements.
- 2.09 Mandatory Contractor and Subcontractor Registration.** Pursuant to Labor Code Section 1771(a), Contractor represents that it and all of its Subcontractors are currently registered and qualified to perform public work pursuant to Labor Code Section 1725.5. Contractor covenants that any additional or substitute Subcontractors will be similarly registered and qualified.
- 2.10 Worker's Compensation.** Pursuant to Labor Code Sections 1860 and 1861, in accordance with the provisions of Section 3700 of the Labor Code, every contractor will be required to secure the payment of compensation to his employees. Contractor represents that it is aware of the provisions of Labor Code Section 3700 that require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Contractor shall comply with such provisions before commencing the performance of the Work.
- 2.11 Construction Performance Bond; Construction Labor and Materials Payment Bond; Securities in Lieu of Retention Escrow Account.**
- A. If Contract Sum under the Agreement exceeds (or is expected to exceed) \$25,000, Contractor shall provide a construction performance bond in form attached hereto as Appendix D –

Construction Performance Bond, and a construction labor and material payment bond, in accordance with Civil Code Section 9550 and in form attached hereto Appendix E – Construction Labor and Materials Payment Bond. Contractor may not substitute cash in lieu of the required bond(s).

- B. If the Agreement specifies performance retention, Contractor may elect to substitute securities or direct payment to an escrow account, pursuant to Public Contract Code Section 22300 (incorporated herein by this reference).

2.12 Earthwork and Underground Facilities. If the Work involves digging trenches or other excavations that extend deeper than four feet below the surface, Contractor shall notify Owner in writing of any material that Contractor believes may be hazardous waste that is required to be removed in accordance law, subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to bidders prior to the deadline for submitting bids, or unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents, pursuant to Section 7104 of the Public Contract Code. For any Work involving trench shoring that costs in excess of \$25,000, Contractor shall submit and Owner (or a registered civil or structural engineer employed by Owner) must accept, in advance of excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches, pursuant to Labor Code Section 6705. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer. Consistent with Government Code Section 4215, as between Owner and Contractor, Owner will be responsible for the timely removal, relocation, or protection of existing main or trunk line utility facilities located on the Site only if such utilities are not identified in the Contract Documents or information made available for bidding.

Appendix C to Construction Services Agreement

1. Commercial General Liability Insurance, written on an "occurrence" basis, which shall provide coverage for bodily injury, death and property damage resulting from operations, liability for slander, false arrest and invasion of privacy, blanket contractual liability, broad form endorsement, and completed operations, personal and advertising liability, with limits of not less than **\$1,000,000** general aggregate and **\$1,000,000** each occurrence, subject to a deductible of not more than **\$1,000** payable by Contractor.
2. Business Automobile Liability Insurance with limits not less than **\$1,000,000** each occurrence including coverage for owned, non-owned and hired vehicles, subject to a deductible of not more than **\$1,000** payable by Contractor.
3. Workers' Compensation Employers' Liability limits not less than **\$1,000,000** each accident, **\$1,000,000** per disease and **\$1,000,000** aggregate. Contractor's Workers' Compensation Insurance policy shall contain a Waiver of Subrogation against the City of Foster City, its officers, directors, officials, agents, employees and volunteers. In the event Contractor is self-insured, it shall furnish Certificate of Permission to Self-Insure signed by Department of Industrial Relations Administration of Self-Insurance, State of California.
4. Builder's Risk Insurance including, without limitation, coverage against loss or damage to the Work by fire, lightening, wind, hail, aircraft, riot, vehicle damage, explosion, smoke, falling objects, vandalism, malicious mischief, collapse, and other such hazards as are normally covered by such coverage. Such insurance shall be in amount equal to the replacement cost (without deduction for depreciation and subject to stipulated value in lieu of average clause) of all construction constituting any part of the Work, excluding the cost of excavations, of grading and filling of the land, and except that such insurance may be subject to deductible clauses not to exceed **[\$10,000]** for any one loss. Such insurance will not cover loss or damage to Contractor's equipment, scaffolding or other materials not to be consumed in the construction of the Work. The insurer shall waive all rights of subrogation against Owner.
5. Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to the Owner as an additional insured. The requirements for coverage and limits shall be the greater of either the minimum coverage and limits specified in this Agreement or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured.
6. Insurance policies in Appendix C shall contain an endorsement containing the following terms:
 - 6.01 City of Foster City, its officers, directors, officials, agents, employees, and volunteers, shall be named as additional insureds, but only with respect to liability arising out of the activities of the named insured, and there shall be a waiver of subrogation as to each named and additional insured.
 - 6.02 The policies shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability.
 - 6.03 Written notice of cancellation, non-renewal or of any material change in the policies shall be mailed to Owner thirty (30) days in advance of the effective date thereof.
 - 6.04 Insurance shall be primary insurance and no other insurance or self-insured retention carried or held by any named or additional insureds other than Contractor shall be called upon to contribute to a loss covered by insurance for the named insured.

7. Certificates of Insurance and Endorsements shall have clearly typed thereon the Project Name, shall clearly describe the coverage and shall contain a provision requiring the mailing of written notices of cancellation described in clause 6.03 above.
8. All policies of insurance shall be placed with insurers acceptable to Owner. The insurance underwriter(s) must be duly licensed to do business in the State of California and (other than for workers' compensation) must have an A. M. Best Company rating of **A-,VII** or better. Required minimum amounts of insurance may be increased should conditions of Work, in the opinion of Owner, warrant such increase. Contractor shall increase required insurance amounts upon direction by Owner.
9. The insurance coverage limits may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of Owner, to the extent required by this Agreement, before the Owner's insurance or self-insurance may be called upon to protect Owner as a named insured.
10. All self-insured retentions (SIR) must be disclosed to Owner for approval and shall not reduce the limits of liability coverage. Policies containing and SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named Contractor/named insured or Owner.
11. Contractor agrees to include with all subcontractors in their subcontracts the same requirements and provisions of this Agreement that is required of Contractor including, without limitation, the indemnity and insurance requirements to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Contractor shall agree to be bound to Contractor and Owner in the same manner and to the same extent as Contractor is bound to Owner under this Contract and its accompanying documents. Subcontractors shall further agree to include these same provisions with any lower tier subcontractors. A copy of the indemnity and insurance provisions of this Agreement will be furnished to the Subcontractor upon request. Contractor shall require all subcontractors to provide a valid Certificate of Insurance and the required endorsements included in the subcontract agreement, and will provide proof of compliance to the Owner prior to commencement of any work by the subcontractor.
12. Contractor shall maintain insurance as required by this Agreement to the fullest amount allowed by law and shall maintain insurance for a minimum of five (5) years following completion of this project or service. In the event Contractor fails to obtain or maintain completed operations coverage as required by this Agreement, Owner at its sole discretion may purchase the coverage required and the cost will be paid by Contractor.

Appendix D to Construction Services Agreement

CONSTRUCTION PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

1. THAT WHEREAS, **City of Foster City**, a general law City and municipal corporation of the State of California (**Owner**) has awarded to **Field Turf** as Principal a Construction Services Agreement dated the 18th day of July, 2016 (**Agreement**), titled **THE CATAMARAN PARK SYNTHETIC TURF REPLACEMENT PROJECT** in the amount of \$175,000, which Agreement is by this reference made a part hereof, for the work described as follows:

(Describe Agreement Work)

Remove existing synthetic turf. Install FieldTurf REVOLUTION 2"□Proprietary polymer, new "ridged" blade design which eliminates weak points and improves resiliency, 34 oz. face weight, 3-layer 6.25 lbs. in-fill system, and porous finger coated backing. It is manufactured by FieldTurf, not a third party supplier. Re-use of some of the current field infill in the new field mid-layer. Minor base repairs to existing base—import up to 50 ton of manufactured stone if required for minor base repairs. Field layout to include markings and logos. A new 8 year warranty will be in effect at completion of replacement.

-
2. AND WHEREAS, Principal is required to furnish a bond in connection with the Agreement, guaranteeing the faithful performance thereof;
 3. NOW, THEREFORE, we, the undersigned Principal and [REDACTED] as Surety are held and firmly bound unto Owner in the sum of 100% OF THE CONTRACT SUM to be paid to Owner or its successors and assigns; for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.
 4. THE CONDITION OF THIS OBLIGATION IS SUCH, that if Principal, or its heirs, executors, administrators, successors, or assigns approved by Owner, shall promptly and faithfully perform the covenants, conditions, and agreements of the Agreement during the original term and any extensions thereof as may be granted by Owner, with or without notice to Surety, and during the period of any guarantees or warranties required under the Agreement, and shall also promptly and faithfully perform all the covenants, conditions, and agreements of any alteration of the Agreement made as therein provided, notice of which alterations to Surety being hereby waived, on Principal's part to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify, defend, protect, and hold harmless Owner as stipulated in the Agreement, then this obligation shall become and be null and void; otherwise it shall be and remain in full force and effect.
 5. No extension of time, change, alteration, modification, or addition to the Agreement, or of the work required thereunder, shall release or exonerate Surety on this bond or in any way affect the obligation of this bond; and Surety does hereby waive notice of any such extension of time, change, alteration, modification, or addition.
 6. Whenever Principal shall be and declared by Owner in default under the Agreement, Surety shall promptly remedy the default, or shall promptly:
 - 6.01 Undertake through its agents or independent contractors, reasonably acceptable to Owner, to complete the Agreement in accordance with its terms and conditions and to pay and perform all obligations of Principal under the Agreement including, without limitation, all obligations

with respect to warranties, guarantees, indemnities, and the payment of liquidated damages;
or

- 6.02** Obtain a bid or bids for completing the Agreement in accordance with its terms and conditions, and, upon determination by Owner of the lowest responsible bidder, reasonably acceptable to Owner, arrange for a contract between such bidder and Owner and make available as work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the Contract Sum, and to pay and perform all obligations of Principal under the Agreement including, without limitation, all obligations with respect to warranties, guarantees, and the payment of liquidated damages; but, in any event, Surety's total obligations hereunder shall not exceed the amount set forth in the third paragraph hereof. The term "balance of the Contract Sum," as used in this paragraph, shall mean the total amount payable by Owner to the Principal under the Agreement and any amendments thereto, less the amount Owner paid to Principal.
7. Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Agreement, and suit may be brought against Surety and such other sureties, jointly and severally, or against any one or more of them, or against less than all of them without impairing Owner's rights against the others. Surety may not use Contractor to complete the Agreement absent Owner's written consent.
8. No right of action shall accrue on this bond to or for the use of any person or corporation other than Owner or its successors or assigns.
9. Surety may join in any proceedings brought under the Agreement and shall be bound by any judgment.
10. Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 20____.

CONTRACTOR AS PRINCIPAL

Company: _____ (Corp. Seal)

Signature

Name

Title

Street Address

City, State, Zip Code

SURETY

Company: _____ (Corp. Seal)

Signature

Name

Title

Street Address

City, State, Zip Code

Appendix E to Construction Services Agreement

CONSTRUCTION LABOR AND MATERIAL PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS:

1. THAT WHEREAS, the **City of Foster City**, a general law City and municipal corporation of the State of California (**Owner**) has awarded to **FieldTurf** as Principal a Construction Services Agreement, dated the 18th day of July, 2016 (**Agreement**), titled THE CATAMARAN PARK SYNTHETIC TURF REPLACEMENT PROJECT located at THE INTERSECTION OF SHELL BOULEVARD AND CATAMARAN STREET in the amount of \$175,000, which Agreement is by this reference made a part hereof, for the work described as follows:

(Describe Agreement Work) Remove existing synthetic turf. Install FieldTurf REVOLUTION 2"□Proprietary polymer, new "ridged" blade design which eliminates weak points and improves resiliency, 34 oz. face weight, 3-layer 6.25 lbs. in-fill system, and porous finger coated backing. It is manufactured by FieldTurf, not a third party supplier. Re use of some of the current field infill in the new field mid-layer. Minor base repairs to existing base— import up to 50 ton of manufactured stone if required for minor base repairs. Field layout to include markings and logos. A new 8 year warranty will be in effect at completion of replacement.

2. AND WHEREAS, Principal is required to furnish a bond in connection with the Agreement to secure the payment of claims of laborers, mechanics, material suppliers, and other persons as provided by law;
3. NOW, THEREFORE, we, the undersigned Principal and [REDACTED] as Surety, are held and firmly bound unto Owner in the sum of 100% OF THE CONTRACT SUM (\$ [REDACTED]), for which payment well and truly to be made we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.
4. THE CONDITION OF THIS OBLIGATION IS SUCH, that if Principal, or its heirs, executors, administrators, successors, or assigns approved by Owner, or its subcontractors shall fail to pay any of the persons named in California Civil Code Section 9100, or amounts due under the State of California Unemployment Insurance Code with respect to work or labor performed under the Agreement, or for any amounts required to be deducted, withheld, and paid over to the State of California Employment Development Department from the wages of employees of Principal and subcontractors pursuant to California Unemployment Insurance Code Section 13020 with respect to such work and labor, that Surety will pay for the same in an amount not exceeding the sum specified in this bond, plus reasonable attorneys' fees, otherwise the above obligation shall become and be null and void.
5. This bond shall inure to the benefit of any of the persons named in California Civil Code Section 9100, as to give a right of action to such persons or their assigns in any suit brought upon this bond. The intent of this bond is to comply with the California Mechanic's Lien Law.
6. Surety, for value received, hereby expressly agrees that no extension of time, change, modification, alteration, or addition to the undertakings, covenants, terms, conditions, and agreements of the Agreement, or to the work to be performed thereunder, shall in any way affect the obligation of this bond; and it does hereby waive notice of any such extension of time, change, modification, alteration, or addition to the undertakings, covenants, terms, conditions, and agreements of the Agreement, or to the work to be performed thereunder.
7. Surety's obligations hereunder are independent of the obligations of any other surety for the payment of claims of laborers, mechanics, material suppliers, and other persons in connection with the

Agreement; and suit may be brought against Surety and such other sureties, jointly and severally, or against any one or more of them, or against less than all of them without impairing Owner's rights against the other.

8. Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.

IN WITNESS WHEREOF, we have hereunto set our hands this _____ day of _____, 20____.

CONTRACTOR AS PRINCIPAL

SURETY

Company: (Corp. Seal)

Company: (Corp. Seal)

Signature

Signature

Name

Name

Title

Title

Street Address

Street Address

City, State, Zip Code

City, State, Zip Code

END OF DOCUMENT

Appendix F to Construction Services Agreement

SUPPLEMENTAL CONDITIONS

[None]

DOCUMENT 00 5505

NOTICE TO PROCEED

Dated: _____, 201__

To: FieldTurf

Address: 7445 Cote-de-Liesse Road Suite 200, Montreal, QC, H4T 1G2

AGREEMENT FOR: **CITY OF FOSTER CITY**
CATAMARAN PARK SYNTHETIC TURF REPLACEMENT PROJECT **AT THE INTERSECTION OF**
SHELL BOULEVARD AND CATAMARAN STREET

AGREEMENT NO: **CIP 301-659**

You are notified that the Contract Time under the above Agreement will commence to run on August 8th **2016**. On that date, you are to start performing your obligations with respect to Work at the Site under the Agreement. In accordance with Document 00 5205 (Construction Services Agreement), the dates of Substantial Completion and Final Completion for the entire Work are September 1st, **2016** and September 16th, **2016**, respectively.

Before you may start any Work at the Site, you must:

1. Submit certified Safety Program and related information
2. Submit copies of applicable permits

OWNER: CITY OF FOSTER CITY

By: Peter Chiamos

Its: Parks Manager

END OF DOCUMENT



DATE: July 18, 2016

TO: Mayor and Members of the City Council
President and Members of the Estero Municipal Improvement District
(EMID) Board of Directors

VIA: Kevin M. Miller, City/District Manager

FROM: Ann Ritzma, Human Resources Director
Edmund Suen, Finance Director

SUBJECT: RESTRUCTURING OF THE FINANCIAL SERVICES DEPARTMENT:
REPLACING ONE OF FOUR ACCOUNTING SPECIALIST POSITION
WITH A PAYROLL TECHNICIAN POSITION

RECOMMENDATION

It is recommended that the City Council/EMID Board of Directors adopt the attached resolutions approving the restructuring of the Financial Services Department by revising one of the four existing Accounting Specialist positions to the position of Payroll Technician.

EXECUTIVE SUMMARY

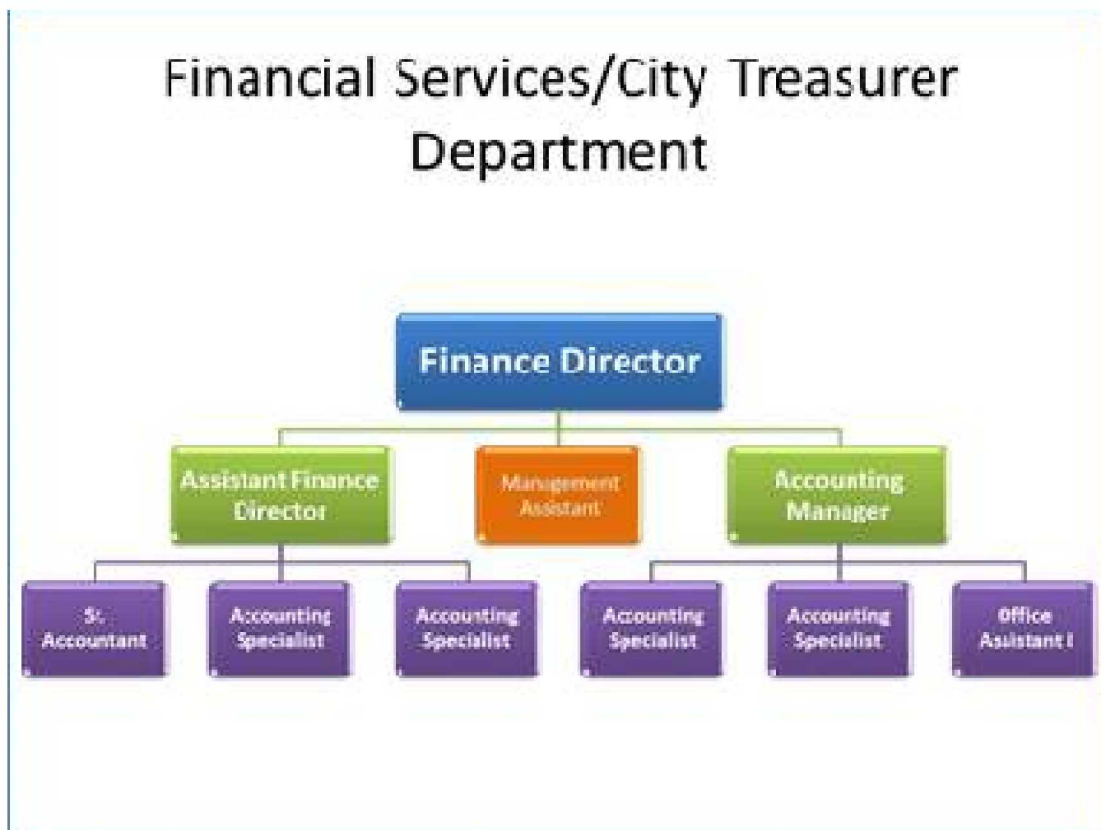
With the upcoming transfer of the incumbent Accounting Specialist in the Financial Services Department to Human Resources Analyst, effective September 1, 2016, the Financial Services Department and the Human Resources Department have reviewed the existing Financial Services Department's organizational structure and have recommended a restructuring. The City of Foster City is taking every opportunity as part of succession planning to position each department and job classifications to meet the needs of the City and attract and retain exceptional staff. The proposed restructuring would revise one of the four existing Accounting Specialist positions to a Payroll Technician position. The reclassification provides the department with a contemporary classification for the critical job functions of payroll that is consistent and competitive with other public agencies. The new classification also places the payroll function in the management group, which is appropriate for a confidential and exempt function. The position is benchmarked to the Technology Analyst I position, which has similar education, experience and scope of responsibility. There is no fiscal impact for the

Fiscal Year 2016-2017 budget. The salary difference between the Accounting Specialist and the Payroll Technician can be absorbed through the savings from the change in staffing after September 1, 2016. The position is funded 70% from the General Fund, 15% from the Wastewater Collection System Enterprise Fund and 15% from the Water Enterprise Fund.

BACKGROUND

The current staffing structure for the Financial Services Department is dependent on the experience and skills of long-term employees who have been able to perform a variety of functions and projects. With the upcoming transfer of the incumbent Accounting Specialist to the Human Resources Analyst effective September 1, staff is proposing a restructure of the department by revising one of the four existing Accounting Specialist positions to a Payroll Technician position. The new classification acknowledges the critical job functions of payroll that is consistent and competitive with other public agencies. It also allows the Payroll Technician to become a direct report to the Senior Accountant who becomes the primary backup.

The current structure is:



The proposed structure is:



The proposed staffing would accomplish the following:

- Recognizes the specialized skills of the payroll function and strengthens expertise
- Aids in the retention and recruitment of this position
- Provides a better balanced organizational structure
- Provides additional career development opportunities
- Provides the Senior Accountant with direct supervisory responsibilities and acts as the designated backup to the Payroll Technician
- Enhances the Finance classifications with additional promotional/retention opportunities
 - Finance Series:
 - Assistant Finance Director
 - Accounting Manager
 - Senior Accountant
 - Accountant I/II
 - Payroll Technician
 - Senior Accounting Specialist
 - Accounting Specialist

Staff is recommending that the City/District take the following actions to restructure the Financial Services Department:

- Approve the restructuring recommendation
- Approve the Payroll Technician job classification (job description)
- Approve the amended Pay Plan, adding salary ranges for the Payroll Technician classification

FISCAL IMPACT

The annual impact of restructuring the Financial Services Department with a Payroll Technician has no additional cost. The increased salary can be absorbed through the savings from staffing changes in FY 2016-2017.

Attachments:

1. City/District Resolutions
2. Job Description for Payroll Technician

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOSTER CITY ADDING
THE JOB CLASSIFICATION OF PAYROLL TECHNICIAN

CITY OF FOSTER CITY

WHEREAS, the City has adopted a classification plan of job class titles with associated distinguishing characteristics, examples of duties, statements of desired knowledge, skills and abilities and minimum qualifications for each class; and

WHEREAS, there is a need to periodically evaluate and revise the requirements of those classes.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Foster City does hereby approve the addition of the job description for Payroll Technician to the classification plan effective September 1, 2016.

PASSED AND ADOPTED as a resolution of the City Council of the City of Foster City at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, MAYOR

ATTEST:

DORIS L. PALMER, CITY CLERK

CITY OF FOSTER CITY

Payroll Technician

Definition:

Under general supervision, performs highly responsible duties in the preparation, administration, and maintenance of City payroll transactions and records, ensuring that the payroll function is carried out in an accurate, timely manner in accordance with legal requirements and sound financial management principles and practices; and does related work as assigned.

Class Characteristics:

The Payroll Technician classification is distinguished from other accounting support classifications by the specialization in performing as the lead worker in preparation of City payroll and related financial functions.

Essential Functions:

- Oversee and lead in the processing and preparation of the bi-weekly City payroll.
- Review timekeeping reports to identify and resolve errors in time reported; ensure availability of leave time reported; verify earnings and deductions; ensure payroll checks are calculated in accordance with legal requirements, City policies, and labor contract provisions; process stop payment requests and reissued checks.
- Verify and calculate overtime payments and verify, audit, edit, and process the final payroll, benefit program payables, and pay checks.
- Generate and check final payroll reports and registers; coordinate wire transfer of funds for direct deposit, payroll taxes, and employee deductions to various banking institutions.
- Ensure the timely and accurate posting of payroll to the financial accounting system.
- Process special payroll transactions, such as wage assignments and liens, advances, and other special payments; calculate and manually prepare special payroll transactions and pay checks.
- Ensure accurate reporting of changes in pay, payroll status, taxes, benefits, other deductions, retroactive pay adjustments, and terminations.
- Answer employee questions regarding payroll and benefits deductions by explaining requirements, policies, and procedures.
- Maintain various spreadsheets to track time and payments for designated purposes, including various City benefit programs.
- Reconcile and balance payroll accounts and process journal vouchers.
- Prepare journal vouchers for liability accounts, wage liens, garnishments, deposits for credit unions, direct bank deposits, and payroll taxes.
- Oversee the generation and mailing of monthly, quarterly, and annual payroll, retirement, and tax withholding information to federal and state government agencies and CalPERS; audit and balance accounts in preparation for

generating tax reports; generate and reconcile year-end payroll reports; prepare and mail employee W-2 forms and related tax statements.

- Prepare payment requests and verify and reconcile payments to the City's health and benefit providers and resolve billing errors and discrepancies.
- Confer with Human Resources Department on non-routine questions regarding employee benefits and individual employees regarding benefits, changes, and MOU implementation.
- Prepare records and process claim forms for participation in the City's loan programs.
- Coordinate with Human Resources Department staff to provide payroll related information for employment verification requests.
- Maintain confidentiality of records and information.
- Responsible for the enforcement and maintenance of all payroll documents as they relate to the City's records retention policy.
- Provide assistance to the City's outside auditors on payroll related questions and matters.
- Interact with co-workers at all levels in the organization in a collaborative and customer service-oriented manner.
- Maintain prompt and regular attendance.
- Perform all duties within the context of the City's Mission Statement and Organizational Values.

Qualifications:

Any combination of education and experience that provides the required knowledge, skills, and abilities to perform the essential job duties of the position is qualifying. The incumbent will possess the most desirable combination of training, skills, and experience, as demonstrated in his/her past and current employment history. A typical example includes:

Education:

- AA degree in Accounting or related field (required).
- Completed course work in accounting principles, methods and practices.

Experience:

- Two years of experience in an accounting position, with an emphasis in payroll processing and automated payroll-processing systems.
- Experience in a municipal payroll environment (highly desirable).

Considerable knowledge of:

- Procedures and practices governing payroll, time reporting, and related financial transactions.
- Office methods and practices.
- Basic principles of business mathematics and record keeping.
- Data processing systems/applications.

Ability to:

- Perform difficult clerical, financial record keeping work.
- Reconcile differences within a record keeping system using mathematical skills.
- Make arithmetic calculations quickly and accurately.
- Recognize and correct computational errors.
- Accurately compare, post, and transfer numbers.
- Operate a variety of office equipment including a ten-key calculator by touch.
- Comprehend and apply written and oral instructions.
- Work safely, efficiently, and independently.
- Understand and apply general fiscal and financial record keeping practices in the performance of assigned tasks.
- Communicate effectively, both orally and in writing.
- Establish and maintain cooperative working relationships.
- Assist others in related activity.
- Deal tactfully and courteously with internal and external customers.
- Operate a computer and use a variety of software programs.
- Use good judgment in handling highly sensitive and/or confidential matters with discretion and maintain the privacy of such information.

Special Requirements:

- Possess strong customer service skills.

Physical Tasks and Working Conditions Include the Following:

Work is performed in an office environment and requires sitting for prolonged periods of time using a computer keyboard, scanner and screen. The incumbent stands, walks, and may twist, reach, bend, crouch and kneel. The Payroll Technician may also grasp, push, pull, drag and lift boxes of files and other office items weighing 30 pounds or less. An incumbent must be able to meet the physical requirements of the class and have mobility, vision, hearing and dexterity levels appropriate to the duties to be performed.



Date: July 18, 2016

To: Mayor and Members of the City Council
President and Members of the Estero Municipal Improvement District (EMID)
Board of Directors

Via: Kevin M. Miller, City/District Manager

From: Ann Ritzma, Human Resources Director

Subject: CITY/DISTRICT AMENDED PAY PLAN FOR FISCAL YEAR 2016-2017

RECOMMENDATION

It is recommended that the City Council/EMID Board of Directors adopt resolutions adopting a City/District Amended Pay Plan for Fiscal Year 2016-2017, effective September 1, 2016.

BACKGROUND/ANALYSIS

The City/District annually approves a Pay Plan at a regularly scheduled meeting as part of the budget adoption process. When there are changes in classifications, the Pay Plan is amended to reflect the new positions. The amendment to the FY 2016-2017 Pay Plan reflects the new position of Payroll Technician, which is benchmarked to the position of Technology Analyst I. The new classification and pay scale would be effective on September 1, 2016.

The Pay Plan for FY 2016-2017 does not include any changes for positions covered under the Foster City Police Officers Association (POA) unit or International Association of Fire Fighters (IAFF) unit, as labor negotiations are still in progress. When new labor agreements for those units have been finalized, an amended FY 2016-2017 Pay Plan will be provided for approval.

FISCAL IMPACT

The addition of the new classification of Payroll Technician has no fiscal impact in FY 2016-2017 budget, as the changes in staffing create savings for the new classification.

Attachments:

1. City/District Resolutions
2. Exhibit A – City/District Pay Plan for FY 2016-2017

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOSTER CITY
APPROVING AND ADOPTING THE AMENDED PAY PLAN FOR FISCAL YEAR 2016-
2017

CITY OF FOSTER CITY

WHEREAS, the City Manager has prepared and submitted to the City Council a
schedule of pay ranges for job classifications for Fiscal Year 2016-2017; and

WHEREAS, the schedule of pay ranges is referred to as the Pay Plan; and

WHEREAS, the new classification of Payroll Technician is being added to the
classification plan; and

WHEREAS, the Pay Plan incorporates the new position in the Management
group; and

WHEREAS, the City Council of the City of Foster City must approve the Pay Plan
in order for the pay ranges to become effective.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Foster
City that the amended Pay Plan for Fiscal Year 2016-2017 is hereby adopted effective
September 1, 2016.

PASSED AND ADOPTED as a resolution of the City Council of the City of Foster
City at the Regular Meeting held on the 18th day of June, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, MAYOR

ATTEST:

DORIS L. PALMER, CITY CLERK

City of Foster City / Estero Municipal Improvement District
FY 2016-2017 Pay Plan
Effective 9-1-2016

	Step 1	Step 2	Step 3	Step 4	Step 5
<u>Executive Management</u>					
City Manager					\$ 20,400
Chief of Police	\$ 14,056	\$ 14,759	\$ 15,496	\$ 16,271	\$ 17,085
Fire Chief	\$ 14,056	\$ 14,759	\$ 15,496	\$ 16,271	\$ 17,085
Community Development Director	\$ 12,682	\$ 13,316	\$ 13,982	\$ 14,681	\$ 15,415
Director of Public Works	\$ 12,682	\$ 13,316	\$ 13,982	\$ 14,681	\$ 15,415
Assistant City Manager	\$ 12,504	\$ 13,130	\$ 13,786	\$ 14,475	\$ 15,199
Finance Director	\$ 12,327	\$ 12,943	\$ 13,590	\$ 14,270	\$ 14,984
Human Resources Director	\$ 12,327	\$ 12,943	\$ 13,590	\$ 14,270	\$ 14,984
Parks & Recreation Director	\$ 12,327	\$ 12,943	\$ 13,590	\$ 14,270	\$ 14,984
Communications Director / City Clerk	\$ 10,874	\$ 11,417	\$ 11,988	\$ 12,588	\$ 13,217
<u>Other Management</u>					
Police Captain	\$ 12,058	\$ 12,661	\$ 13,294	\$ 13,958	\$ 14,656
Fire Battalion Chief	\$ 11,267	\$ 11,830	\$ 12,422	\$ 13,043	\$ 13,695
Fire Battalion Chief (Admin)	\$ 11,267	\$ 11,830	\$ 12,422	\$ 13,043	\$ 13,695
Fire Marshal	\$ 11,267	\$ 11,830	\$ 12,422	\$ 13,043	\$ 13,695
Police Lieutenant	\$ 10,416	\$ 10,937	\$ 11,484	\$ 12,058	\$ 12,661
Information Technology Manager	\$ 9,581	\$ 10,061	\$ 10,564	\$ 11,092	\$ 11,646
Chief Building Official	\$ 9,443	\$ 9,915	\$ 10,411	\$ 10,931	\$ 11,478
Planning Manager	\$ 9,443	\$ 9,915	\$ 10,411	\$ 10,931	\$ 11,478
Assistant Finance Director	\$ 9,255	\$ 9,718	\$ 10,204	\$ 10,714	\$ 11,250
Senior Civil Engineer	\$ 9,205	\$ 9,666	\$ 10,149	\$ 10,656	\$ 11,189
Public Works Maintenance Manager	\$ 9,128	\$ 9,584	\$ 10,063	\$ 10,566	\$ 11,095
Principal Management Analyst	\$ 9,128	\$ 9,584	\$ 10,063	\$ 10,566	\$ 11,095
Sr. Systems Analyst	\$ 8,020	\$ 8,420	\$ 8,842	\$ 9,284	\$ 9,748
Senior Management Analyst	\$ 8,020	\$ 8,420	\$ 8,842	\$ 9,284	\$ 9,748
Management Analyst II	\$ 8,006	\$ 8,406	\$ 8,826	\$ 9,003	\$ 9,183
Associate Civil Engineer	\$ 7,952	\$ 8,350	\$ 8,767	\$ 9,206	\$ 9,666
Building and Vehicle Maintenance Manager	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Parks Maintenance Manager	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Public Works Maintenance Superintendent	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Recreation Manager	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Accounting Manager	\$ 7,895	\$ 8,290	\$ 8,704	\$ 9,139	\$ 9,596
Senior Accountant	\$ 7,804	\$ 8,194	\$ 8,604	\$ 9,034	\$ 9,486
Senior Planner	\$ 7,716	\$ 8,102	\$ 8,507	\$ 8,932	\$ 9,379
Senior Human Resources Analyst	\$ 7,613	\$ 7,994	\$ 8,394	\$ 8,813	\$ 9,254
Associate Planner	\$ 7,349	\$ 7,716	\$ 8,102	\$ 8,507	\$ 8,932
Human Resources Manager	\$ 7,349	\$ 7,716	\$ 8,102	\$ 8,507	\$ 8,932
Management Analyst I	\$ 7,261	\$ 7,625	\$ 8,006	\$ 8,406	\$ 8,826
Assistant Engineer	\$ 7,213	\$ 7,574	\$ 7,952	\$ 8,350	\$ 8,767
Assistant Planner	\$ 6,665	\$ 6,999	\$ 7,349	\$ 7,716	\$ 8,102
Junior Engineer	\$ 6,542	\$ 6,869	\$ 7,212	\$ 7,573	\$ 7,952
Accountant II	\$ 6,420	\$ 6,741	\$ 7,078	\$ 7,432	\$ 7,804
Technology Analyst II	\$ 6,307	\$ 6,622	\$ 6,954	\$ 7,301	\$ 7,666
Human Resources Analyst	\$ 6,263	\$ 6,577	\$ 6,905	\$ 7,251	\$ 7,613
Deputy City Clerk	\$ 6,201	\$ 6,511	\$ 6,836	\$ 7,178	\$ 7,537
Communications Coordinator/Manager	\$ 6,201	\$ 6,511	\$ 6,836	\$ 7,178	\$ 7,537
Police Records Supervisor	\$ 6,146	\$ 6,453	\$ 6,776	\$ 7,115	\$ 7,470

**City of Foster City / Estero Municipal Improvement District
FY 2016-2017 Pay Plan
Effective 9-1-2016**

	Step 1	Step 2	Step 3	Step 4	Step 5
Accountant I	\$ 5,823	\$ 6,114	\$ 6,420	\$ 6,741	\$ 7,078
Management Assistant to the City Manager	\$ 5,725	\$ 6,011	\$ 6,311	\$ 6,627	\$ 6,958
Management Coordinator	\$ 5,725	\$ 6,011	\$ 6,311	\$ 6,627	\$ 6,958
Social Media / Communication Asst/Specialist	\$ 5,725	\$ 6,011	\$ 6,311	\$ 6,627	\$ 6,958
Records Analyst II	\$ 5,624	\$ 5,905	\$ 6,200	\$ 6,511	\$ 6,836
Technology Analyst I	\$ 5,448	\$ 5,720	\$ 6,006	\$ 6,307	\$ 6,622
Payroll Technician	\$ 5,448	\$ 5,720	\$ 6,006	\$ 6,307	\$ 6,622
Management Assistant	\$ 5,193	\$ 5,452	\$ 5,725	\$ 6,011	\$ 6,312
Human Resources Technician	\$ 5,193	\$ 5,452	\$ 5,725	\$ 6,011	\$ 6,312
Records Analyst I	\$ 5,101	\$ 5,356	\$ 5,624	\$ 5,905	\$ 6,201
<u>AFSCME - Maintenance Unit</u>					
Public Works Lead Maintenance Worker	\$ 5,826	\$ 6,117	\$ 6,423	\$ 6,744	\$ 7,081
Parks Lead Maintenance Worker	\$ 5,720	\$ 6,006	\$ 6,306	\$ 6,621	\$ 6,952
Mechanic I	\$ 5,654	\$ 5,937	\$ 6,234	\$ 6,545	\$ 6,873
Public Works Maintenance Worker II	\$ 5,284	\$ 5,549	\$ 5,826	\$ 6,117	\$ 6,423
Facilities Maintenance Worker II	\$ 5,242	\$ 5,504	\$ 5,779	\$ 6,068	\$ 6,371
Parks Maintenance Worker II	\$ 5,188	\$ 5,447	\$ 5,720	\$ 6,006	\$ 6,306
Equipment Maintenance Worker	\$ 5,128	\$ 5,384	\$ 5,654	\$ 5,936	\$ 6,233
Building and Vehicle Maintenance Worker	\$ 4,884	\$ 5,129	\$ 5,385	\$ 5,654	\$ 5,937
Public Works Maintenance Worker I	\$ 4,793	\$ 5,032	\$ 5,284	\$ 5,548	\$ 5,826
Parks Maintenance Worker I	\$ 4,705	\$ 4,941	\$ 5,188	\$ 5,447	\$ 5,719
Public Works Maintenance Worker	\$ 4,347	\$ 4,565			
Parks Maintenance Worker	\$ 4,267	\$ 4,481			
<u>AFSCME - General Unit</u>					
Sr. Bldg Inspector	\$ 7,575	\$ 7,953	\$ 8,351	\$ 8,769	\$ 9,207
Building Inspector	\$ 6,870	\$ 7,214	\$ 7,574	\$ 7,953	\$ 8,351
Sr. Engineering Technician	\$ 6,095	\$ 6,400	\$ 6,720	\$ 7,055	\$ 7,408
Code Enforcement Officer II	\$ 5,452	\$ 5,724	\$ 6,010	\$ 6,311	\$ 6,626
Recreation Coordinator	\$ 5,462	\$ 5,735	\$ 6,021	\$ 6,323	\$ 6,639
Senior Accounting Specialist	\$ 5,139	\$ 5,396	\$ 5,666	\$ 5,950	\$ 6,247
Administrative Secretary	\$ 5,062	\$ 5,315	\$ 5,580	\$ 5,859	\$ 6,152
Sr. Comm. Services Officer	\$ 4,945	\$ 5,192	\$ 5,452	\$ 5,724	\$ 6,010
Code Enforcement Officer I	\$ 4,945	\$ 5,192	\$ 5,452	\$ 5,724	\$ 6,010
Accounting Specialist	\$ 4,895	\$ 5,139	\$ 5,396	\$ 5,666	\$ 5,950
Building Services Coordinator	\$ 4,884	\$ 5,128	\$ 5,384	\$ 5,654	\$ 5,936
Police Records Specialist	\$ 4,822	\$ 5,063	\$ 5,316	\$ 5,582	\$ 5,861
Building Permit Technician	\$ 4,822	\$ 5,063	\$ 5,316	\$ 5,582	\$ 5,861
Office Assistant II	\$ 4,474	\$ 4,698	\$ 4,933	\$ 5,179	\$ 5,438
Office Assistant I	\$ 4,058	\$ 4,261			
<u>FCPOA</u>					
Police Sergeant	\$ 8,762	\$ 9,200	\$ 9,660	\$ 10,143	\$ 10,651
Police Corporal	\$ 8,006	\$ 8,406	\$ 8,827	\$ 9,268	\$ 9,731
Police Dispatch Supervisor	\$ 7,375	\$ 7,744	\$ 8,131	\$ 8,537	\$ 8,964
Police Officer	\$ 7,250	\$ 7,612	\$ 7,993	\$ 8,393	\$ 8,812
Lead Police Dispatcher	\$ 6,958	\$ 7,306	\$ 7,671	\$ 8,055	\$ 8,458
Police Officer Recruit	\$ 6,576	\$ 6,905			
Police/Fire Dispatcher	\$ 6,311	\$ 6,627	\$ 6,958	\$ 7,306	\$ 7,671
<u>IAFF</u>					
Fire Captain	\$ 8,139	\$ 8,546	\$ 8,973	\$ 9,422	\$ 9,893

**City of Foster City / Estero Municipal Improvement District
FY 2016-2017 Pay Plan
Effective 9-1-2016**

	Step 1	Step 2	Step 3	Step 4	Step 5
<u>IAFF</u>					
Firefighter	\$ 6,784	\$ 7,123	\$ 7,479	\$ 7,853	\$ 8,246
<u>Hourly / Part-Time / Seasonal</u>					
Building Services Coordinator Assistant	\$ 16.00	\$ 16.40	\$ 17.10	\$ 17.90	\$ 18.30
Recreation Leader III	\$ 16.00	\$ 16.40	\$ 17.10	\$ 17.90	\$ 18.30
Recreation Leader II	\$ 13.80	\$ 14.10	\$ 14.35	\$ 14.75	\$ 15.00
Building Serv.Assistant	\$ 12.00	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.25
Clerical Assistant	\$ 12.00	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.25
Recreation Leader I	\$ 12.00	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.25
Department Intern	\$ 12.00				\$ 30.00
Videographer	\$ 20.00				\$ 30.00



DATE: July 18, 2016

TO: President and Members of the EMID Board of Directors

VIA: Kevin M. Miller, District Manager

FROM: Edmund Suen, Finance Director

SUBJECT: AWARD OF PROFESSIONAL SERVICES AGREEMENT WITH KITAHATA & COMPANY AND WILLIAM EUPHRAT MUNICIPAL FINANCE, INC. AS JOINT CONSULTANTS FOR THE WASTEWATER TREATMENT PLANT MASTER IMPROVEMENTS PROJECT (CIP 455-652)

RECOMMENDATION

It is recommended that the Estero Municipal Improvement District (EMID) Board of Directors adopt the attached resolution authorizing the Board President to execute a professional services agreement with Kitahata Company (Kitahata) and William Euphrat Municipal Finance, Inc. (Euphrat), as joint consultants, in the amount not-to-exceed \$85,000, to provide municipal advisory services and to implement financing strategies for the Wastewater Treatment Plant Master Improvements Project (CIP 455-652) and appropriating \$85,000 from the Wastewater Capital Projects Fund to said project.

EXECUTIVE SUMMARY

Staff in the City of San Mateo and the City of Foster City are currently preparing a State Water Resources Control Board's ("SWRCB") State Revolving Fund ("SRF") loan application package and reviewing available financing strategies for the Wastewater Treatment Plant Master Plant Improvements Project (CIP 455-652) - Clean Water Program for the City of San Mateo/EMID Wastewater Treatment Plant. Staff seeks the Board's approval to award a professional services agreement with Kitahata & Company and William Euphrat Municipal Finance, Inc., as joint consultants, in the amount not-to-exceed \$85,000 to provide municipal advisory services and to review the SRF loan and other financing strategies for this project.

BACKGROUND AND ANALYSIS

On August 3, 2015, the City Council/EMID Board adopted resolutions designating Kitahata & Company and William Euphrat Municipal Finance, Inc. ("Kitahata and Euphrat") as the City/District's municipal financial advisors for a term of three years from August 2015 to July 2018. The designation did not obligate the City/District to use Kitahata and Euphrat on any particular financing, but should the City/District decide to use them on a particular financing, staff would bring forth a professional services agreement for the City/District's approval. On September 8, 2015, staff did indeed bring forth a professional services agreement for Kitahata and Euphrat for the Levee Protection Planning and Improvements Project (CIP 301-657) and it was approved by the City Council.

On February 16, 2016, the Board authorized the execution of a Joint Exercise of Powers Agreement with the City of San Mateo, which lead to the formation of the San Mateo-Foster City Public Financing Authority ("SM-FC PFA"). The purpose of the SM-FC PFA is to obtain common financing and better access to the SWRCB's SRF low-interest loan program to replace the wastewater treatment plant (WWTP) that is jointly owned by the City of San Mateo and the District. As indicated in the City/District's FY 2016-2017 Five-Year CIP program that was adopted by the City/District on June 20, 2016, the estimated District share of the WWTP cost is approximately \$119 million.

Kitahata and Euphrat have been providing municipal advisory services for a combined 49 years and are the municipal advisors for the City of San Mateo for the WWTP project. Based on their relevant experience and the cost savings associated with sharing this firm with San Mateo related to the financing needs for the WWTP, staff recommends that the Board authorize the execution of the attached professional services agreement for the WWTP project for an amount not-to-exceed \$85,000.

FISCAL IMPACT

There is an approved FY 2016-2017 budget of \$10,899,000 for the District's estimated share of the WWTP project's (CIP 455-652) design and construction costs. Staff recommends that the District Board authorize an additional appropriation of \$85,000 from the Wastewater Capital Projects Fund for municipal advisory services. There are sufficient reserves in the Wastewater Capital Projects Fund for this appropriation.

Attachments:

- Resolution
- Joint Professional Services Agreement – Kitahata & Company and William Euphrat Municipal Finance, Inc.

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT APPROVING AN AGREEMENT WITH KITAHATA & COMPANY AND WILLIAM EUPHRAT MUNICIPAL FINANCE, INC. AS JOINT CONSULTANTS IN AN AMOUNT NOT-TO-EXCEED \$85,000 TO PROVIDE MUNICIPAL FINANCIAL ADVISORY SERVICES FOR THE WASTEWATER TREATMENT PLANT MASTER IMPROVEMENTS PROJECT (CIP 455-652) AND APPROVING AN APPROPRIATION OF \$85,000 FROM THE WASTEWATER CAPITAL PROJECTS FUND FOR SAID CIP PROJECT

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the Estero Municipal Improvement District ("District") is exploring financing strategies for the District's Wastewater Treatment Plant Master Plant Improvements Project (CIP 455-652) that is part of the City of San Mateo's collection wastewater treatment Clean Water Program; and

WHEREAS, the District will need to utilize debt financing to fund for its proportionate share of its project's cost that is estimated to be \$119 million; and

WHEREAS, the issuance of bonds, bank borrowings, State Water Resources Control Board State Revolving Fund, and/or related dealings will require high technical skills and specialized expertise that can be provided by qualified municipal financial advisors; and

WHEREAS, the firms of Kitahata & Company and William Euphrat Municipal Finance, Inc. have the desire and expertise to provide such municipal financial advisory services to the District; and

WHEREAS, Kitahata & Company and William Euphrat Municipal Finance, Inc., jointly submitted a proposal to assist the District with implementing financing strategies for the Wastewater Treatment Plant Master Improvements Project; and

WHEREAS, the joint proposal submitted by Kitahata & Company and William Euphrat Municipal Finance, Inc. for an amount not-to-exceed \$85,000 was reviewed and the fee for the scope of services was determined reasonable; and

WHEREAS, an appropriation of \$85,000 is necessary for the Wastewater Treatment Plant Master Improvements Project (CIP 455-652).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District does hereby:

1. Authorize the President to execute an agreement with Kitahata & Company and William Euphrat Municipal Finance, Inc. in the amount not-to-exceed \$85,000 to implement debt financing strategies for the Wastewater Treatment Plant Master Improvements Project (CIP 455-652), and
2. Approve the appropriation of \$85,000 from the Wastewater Capital Projects Fund for the Wastewater Treatment Plant Master Improvements Project (CIP 455-652).

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

**AGREEMENT TO PROVIDE MUNICIPAL FINANCIAL ADVISORY SERVICES
FOR
WASTEWATER TREATMENT PLANT MASTER PLAN IMPROVEMENTS PROJECT
(CIP 455-652)**

This Agreement is made and entered into as of the 18th day of July, 2016 by and between the Estero Municipal Improvement District hereinafter called "DISTRICT" and Kitahata & Company and William Euphrat Municipal Finance, Inc. jointly hereinafter called "CONSULTANT".

RECITALS

This Agreement is entered into with reference to the following facts and circumstances:

- A. That DISTRICT desires to engage CONSULTANT to render certain professional services in the DISTRICT;
- B. That CONSULTANT is qualified to provide such services to the DISTRICT and;
- C. That the DISTRICT has elected to engage the services of CONSULTANT upon the terms and conditions as hereinafter set forth.

- 1. Services. The services to be performed by CONSULTANT under this Agreement shall include those services set forth in Exhibit A which is, by this reference, incorporated herein and made a part hereof as though it were fully set forth herein.

Performance of the work specified in said Exhibit A is hereby made an obligation of CONSULTANT under this Agreement, subject to any changes that may be made subsequently hereto upon the mutual written agreement of the said parties.

Where in conflict, the terms of this Agreement supersede and prevail over any terms set forth in Exhibit A.

- 2. Term; Termination. (a) The term of this Agreement shall commence on as the date hereof through July 31, 2018 and shall expire upon completion of performance of services hereunder by CONSULTANT. (b) Notwithstanding the provisions of (a) above, either party may terminate this Agreement without cause by giving written notice not less than ten (10) days prior to the effective date of termination, which date shall be included in said notice. In the event of such termination, DISTRICT shall compensate CONSULTANT for services rendered, and reimburse CONSULTANT for costs and expenses incurred, to the date of termination, calculated in accordance with the provisions of paragraph 3.

In ascertaining the services actually rendered to the date of termination, consideration shall be given both to completed work and work in process of completion. Nothing herein contained shall be deemed a limitation upon the right of DISTRICT to terminate this Agreement for cause, or otherwise to exercise such rights or pursue such remedies as may accrue to DISTRICT hereunder.

3. Compensation; Expenses; Payment. DISTRICT shall compensate CONSULTANT for all services performed by CONSULTANT hereunder as follows:

Consultant shall be paid on a per financing basis. For a public offering implemented solely by DISTRICT and without the joint participation of the City of San Mateo, regardless of the entity through which Securities (as defined below) are sold, CONSULTANT's fee shall equal \$55,000. For a private placement implemented solely by the DISTRICT and without the joint participation of the City of San Mateo, regardless of the entity through which Obligations (as defined below) are sold, CONSULTANT's fee shall equal \$30,000.

For a financing implemented jointly with the City of San Mateo through the San Mateo-Foster City Joint Powers Public Financing Authority, CONSULTANT's fee will be the single-city schedule in the prior paragraph, plus an additional amount to be paid by DISTRICT based on DISTRICT's ownership percentage of the waste water treatment plant (WWTP) owned jointly by DISTRICT and the City of San Mateo such that

$$(SM)*T + (FC)*T = T \text{ where,}$$

SM = the City of San Mateo's percentage ownership of the WWTP,
 FC = DISTRICT's percentage ownership of the WWTP, and
 T = the total fee paid to CONSULTANT.

For example, in a public offering where the fee charged to the City of San Mateo is \$55,000, and, assuming that DISTRICT's ownership of the WWTP is 25% (CONSULTANT is not involved in determining the ownership split and is using this number as an example — the actual split would be used to determine the actual total fee), then

$$\begin{array}{rcl} T & = & .75T + .25T \text{ and} \\ .75T & = & \$55,000 \end{array}$$

then we solve for .25T as follows,

$$\begin{array}{rcl} T & = & 55,000 + .25T \\ T - .25T & = & 55,000 \\ T(1-.75) & = & 55,000 \end{array}$$

$$\begin{aligned}
 .75T &= 55,000 \\
 T &= 55,000/.75 \\
 T &= 73,333 \\
 .25T &= 18,333
 \end{aligned}$$

Regardless of the method of sale or whether DISTRICT conducts a sale jointly with the City of San Mateo, payment of CONSULTANT's fee shall be contingent on the sale of Securities or Obligations, as applicable. CONSULTANT will not charge for reimbursement of out-of-pocket expenses. Pre-approved out-of-state travel will be reimbursed at cost.

The term "private placement" shall mean a loan or other obligation (an "Obligation") placed with a limited number of sophisticated investors with no intent to repackage the Obligation for redistribution. The term "public offering" shall mean a bond, note, certificate of participation or other security (a "Security") offered for sale by the DISTRICT, the purchase and distribution of which is regulated by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board.

Notwithstanding the foregoing, the combined total of compensation and reimbursement of costs payable hereunder shall not exceed the sum of Eighty Five Thousand Dollars (\$85,000.00) unless the performance of services and/or reimbursement of costs and expenses in excess of said amounts have been approved in advance of performing such services or incurring such costs and expenses by DISTRICT's District Manager (for contracts less than \$30,000) or District Board (for contracts \$30,000 or more) evidenced by motion duly made and carried.

4. Additional Services. In the event DISTRICT desires the performance of additional services not otherwise included within the services described in Exhibit A, such services shall be authorized in advance of the performance thereof by DISTRICT's District Manager (for contracts less than \$30,000) or District Board (for contracts \$30,000 or more) by motion duly made and carried. Such amendment to this Agreement shall include a description of the services to be performed thereunder, the maximum compensation and reimbursement of costs and expenses payable therefor, the time of performance thereof, and such other matters as the parties deem appropriate for the accomplishment of such services. Except to the extent modified by written amendment, all other terms and conditions of this Agreement shall be deemed incorporated in each such amendment.
5. Records. CONSULTANT shall keep and maintain accurate records of all pre-approved, reimbursable out of state travel expenses incurred relating to services to be performed by CONSULTANT hereunder. Said records shall be available to DISTRICT for review and copying during regular

business hours at CONSULTANT's place of business or as otherwise agreed upon by the parties.

6. Authorization. This Agreement becomes effective when endorsed by both parties in the space provided below.
7. Reliance on Professional Skill of CONSULTANT. CONSULTANT represents that it has the necessary professional skills to perform the services required and the DISTRICT shall rely on such skills of the CONSULTANT to do and perform the work. In performing services hereunder CONSULTANT shall adhere to the standards generally prevailing for the performance of expert consulting services similar to those to be performed by CONSULTANT hereunder.
8. Documents. All documents, plans, drawings, renderings, and other papers, or copies thereof, as finally rendered, prepared by CONSULTANT pursuant to the terms of this Agreement, shall, upon preparation and delivery to DISTRICT, become the property of DISTRICT.
9. Relationship of Parties. It is understood that the relationship of CONSULTANT to the DISTRICT is that of an independent contractor and all persons working for or under the direction of CONSULTANT are its agents or employees and not agents or employees of the DISTRICT.
10. Schedule. CONSULTANT shall adhere to schedules established by DISTRICT jointly with Consultant; provided, that DISTRICT shall grant reasonable extensions of time for the performance of such services occasioned by governmental reviews of CONSULTANT's work product or other unavoidable delays; provided, further, that such unavoidable delay shall not include strikes, lockouts, work stoppages, or other labor disturbances conducted by, or on behalf of, CONSULTANT's officers or employees.

CONSULTANT acknowledges the importance to DISTRICT of DISTRICT's Project schedule and agrees to put forth its best professional efforts to perform its services under this Agreement in a manner consistent with that schedule.

11. Indemnity. To the fullest extent allowed by law, CONSULTANT hereby agrees to defend, indemnify, and save harmless the City of Foster City ("CITY") and Estero Municipal Improvement District, its Council, boards, commissions, officers, employees and agents, from and against any and all claims, suits, actions liability, loss, damage, expense, cost (including, without limitation, costs and fees of litigation) of every nature, kind or description, which may be brought against, or suffered or sustained by, CITY or Estero Municipal Improvement District, its Council, boards, commissions, officers, employees or agents caused by, or alleged to have

been caused by, the negligence, intentional tortuous act or omission, or willful misconduct of CONSULTANT, its officers, employees, subcontractors or agents in the performance of any services or work pursuant to this Agreement.

The duty of CONSULTANT to indemnify and save harmless, as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code; provided, however, that nothing herein contained shall be construed to require CONSULTANT to indemnify CITY and Estero Municipal Improvement District, its Council, boards, commissions, officers, employees and agents against any responsibility or liability in contravention of Section 2782 of the California Civil Code.

CONSULTANT's responsibility for such defense and indemnity obligations shall survive the termination or completion of this Agreement for the full period of time allowed by law.

The defense and indemnification obligations of this agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained within this Agreement.

12. Insurance. CONSULTANT shall acquire and maintain Workers' Compensation, employer's liability, commercial general liability, owned and non-owned and hired automobile liability, and professional liability insurance coverage relating to CONSULTANT's services to be performed hereunder covering DISTRICT's risks in form subject to the approval of the City Attorney and/or CITY's Risk Manager. The minimum amounts of coverage corresponding to the aforesaid categories of insurance per insurable event, shall be as follows:

<u>Insurance Category</u>	<u>Minimum Limits</u>
Workers' Compensation	statutory minimum
Employer's Liability	\$1,000,000 per accident for bodily injury or disease
Commercial General Liability	\$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury and property damage
¹ Professional Liability	\$1,000,000 per claim and aggregate

¹ Note: Professional liability insurance coverage is not required if the contractor/vendor/consultant is not providing a service regulated by the state. (Examples of service providers regulated by the state are insurance agents, professional engineers, doctors, certified public accountants, lawyers, etc.) Please check and initial the following if professional liability is **NOT** required for this agreement.

It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to the CITY/DISTRICT as an Additional Insured. Furthermore, the requirements for coverage and limits shall be the greater of either (1) the minimum coverage and limits specified in this Agreement or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named Insured.

CONSULTANT agrees to include with all subcontractors in their subcontracts the same requirements and provisions of this agreement including the indemnity and insurance requirements to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by CONSULTANT shall agree to be bound to CONSULTANT and DISTRICT in the same manner and to the same extent as CONSULTANT is bound to DISTRICT under this Agreement and its accompanying documents. Subcontractors shall further agree to include these same provisions with any sub-subcontractors. A copy of the indemnity and insurance provisions of this Agreement will be furnished to the Subcontractor upon request. CONSULTANT shall require all subcontractors to provide a valid certificate of insurance and the required endorsements included in the subcontract agreement and will provide proof of compliance to the DISTRICT prior to commencement of any work by the subcontractor.

Concurrently with the execution of this Agreement, CONSULTANT shall, on the Insurance Coverage form provided in Exhibit B, furnish DISTRICT with certificates and copies of information or declaration pages of the insurance required hereunder and, with respect to evidence of commercial general liability insurance coverage, original endorsements:

- (a) Precluding cancellation or **reduction in per occurrence limits** before the expiration of thirty (30) days (10 days for nonpayment) after DISTRICT shall have received written notification of cancellation in coverage or **reduction in per occurrence limits** by first class mail;
- (b) With respect to commercial liability insurance only, naming the CITY and Estero Municipal Improvement District, its Council, officers, boards, commissions, employees, and agents, as additional insureds; and
- (c) Providing that CONSULTANT's insurance coverage shall be primary insurance with respect to CITY and Estero Municipal Improvement District, its Council, officers, boards, commissions,

☐ Recommended _____ [Project Manager] ☐ Approved _____ [Risk Manager]

employees, and agents, and any insurance or self-insurance maintained by CITY/DISTRICT for itself, its Council, officers, boards, commissions, employees, or agents shall be in excess of CONSULTANT's insurance and not contributory with it. CONSULTANT and its insurer may not seek contribution from CITY's insurance or self-insurance.

The limits of insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of CITY/DISTRICT, to the extent required by this Agreement, before the CITY/DISTRICT's insurance or self-insurance may be called upon to protect CITY/DISTRICT as a named Insured.

All self-insured retentions (SIR) must be disclosed to DISTRICT for approval and shall not reduce the limits of liability coverage. Policies containing and SIR provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named CONSULTANT/Named Insured or CITY/DISTRICT.

CITY/DISTRICT reserves the right to obtain a full certified copy of any insurance policy and endorsements. Failure to exercise this right shall not constitute a waiver of right to exercise later.

Any and all Subcontractors shall agree to be bound to CONSULTANT and DISTRICT in the same manner and to the same extent as CONSULTANT is bound to DISTRICT under this Agreement. Subcontractors shall further agree to include the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, in any agreement with sub-subcontractors to the extent that they apply to the scope of the sub-subcontractor's work. A copy of the indemnity and insurance provisions of this Agreement shall be furnished to any subcontractor upon request.

13. WORKERS' COMPENSATION. CONSULTANT certifies that he is aware of the provisions of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code.

William Euphrat Municipal Finance, Inc. certifies that it has only one employee, that such employee is a director of the firm and owns 100% of its stock and that such employee has elected not to be covered by workers' compensation insurance in accordance with an exception to the requirement of workers' compensation insurance coverage, as provided for under Section 3351 (c) of the California Labor Code. William Euphrat

Municipal Finance, Inc. agrees to purchase workers' compensation insurance if it retains any additional employees during the term of this agreement.

Kitahata & Company certifies that it is organized as an individual doing business as Kitahata & Company and has no employees, and that it is not subject to California Labor Code requirements relating to workers compensation insurance. Kitahata & Company agrees to purchase workers' compensation insurance if it retains any employees during the term of this agreement.

14. **NON-DISCRIMINATION.** The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The CONSULTANT will take affirmative action to insure that applicants are employed and the employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, advancement, demotion, transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT shall at all times be in compliance with the requirements of the Federal Americans With Disabilities Act (Public Law 101-336) which prohibits discrimination on the basis of disability by public entities. The CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the DISTRICT setting forth the provisions of this non-discrimination clause.
15. **Notice.** All notices required by this Agreement shall be given to the DISTRICT and CONSULTANT in writing, by first class mail, postage prepaid, addressed as follows:

DISTRICT: Estero Municipal Improvement District
610 Foster Boulevard
Foster City, CA 94404-2299
Attention: Edmund Suen, Finance Director
Telephone 650 286-3265
Email: esuen@fostercity.org

CONSULTANT: Kitahata & Company, Principal
137 Joost Avenue
San Francisco, CA 94131
Telephone 415 710-1251
Email: gkitahata@gmail.com

William Euphrat Municipal Finance, Inc.
3100 Clay Street
San Francisco, CA 94115

Telephone 415 929-1564
Email: weuphrat@wemunifinance.com

16. Non-Assignment. This Agreement is not assignable either in whole or in part.
17. Amendments. This Agreement may be amended or modified only by written agreement signed by both parties.
18. Validity. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
19. Governing Law. This Agreement shall be governed by the laws of the State of California and any suit or action initiated by either party shall be brought in the County of San Mateo, California. In the event of litigation between the parties hereto to enforce any provision of the Agreement, the unsuccessful party will pay the reasonable attorney's fees and expenses of litigation of the successful party.
20. Mediation. Should any dispute arise out of this Agreement, the parties shall meet in mediation and attempt to reach a resolution with the assistance of a mutually acceptable mediator. Neither party shall be permitted to file legal action without first meeting in mediation and making a good faith attempt to reach a mediated resolution. The costs of the mediator, if any, shall be paid equally by the parties. If a mediated settlement is reached neither party shall be deemed the prevailing party for purposes of the settlement and each party shall bear its own legal costs.
21. Conflict of Interest. CONSULTANT may serve other clients, but none who are active within the City of Foster City or who conduct business that would place CONSULTANT in a "conflict of interest" as that term is defined in State law. DISTRICT acknowledges that Consultant makes certain regulatory disclosures and conflict of interest disclosures in Exhibits D and E respectively. Such disclosures are required by the Municipal Securities Rulemaking Board to be made by municipal advisors to their clients.
22. Entire Agreement. This Agreement, including Exhibits A, B, C, D and E, comprises the entire Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written by their respective officers duly authorized in that behalf.

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

Dated: _____

Herb Perez, President

ATTEST:

Dated: _____

Doris L. Palmer, District Secretary

APPROVED AS TO FORM

Dated: _____

Jean Savaree, District Legal Counsel

CONSULTANT

Dated: _____

Gary Kitahata, Principal
Kitahata & Company

Dated: _____

William F. Euphrat, President
William Euphrat Municipal Finance, Inc.

EXHIBIT A
SCOPE OF WORK AND SCHEDULE
FOR
MUNICIPAL FINANCIAL ADVISORY SERVICES

ATTACHED

Scope of Services

In connection with the development of financing alternatives, CONSULTANT shall:

1. Provide independent financial advice on possible financing alternatives;
2. Manage the funding process and negotiate key business points to accomplish CITY/DISTRICT's objectives;
3. Develop a plan of financing and prepare financing schedules, taking into account existing debt commitments and long-term financing goals;
4. Propose financing methods to be considered for accomplishing CITY/DISTRICT's objectives and evaluate legal approaches for various financing structures. This will be completed with CITY/DISTRICT staff and legal counsel;
5. Analyze the advantages and disadvantages of each proposed financing;
6. Evaluate the projected cash flows from any revenue source that may constitute security for any obligation incurred;

In connection with a negotiated sale of bonds (or a private placement), the firms will:

7. Meet and confer with CITY/DISTRICT staff, bond counsel and disclosure counsel to ascertain the scope of the (financing) project and the financial objectives of CITY/DISTRICT;
8. Recommend a plan of finance that will, in our opinion, best achieve CITY/DISTRICT's objectives and provide financial analyses in support of our recommendations;
9. Recommend a security structure and relevant marketing features that will achieve the CITY/DISTRICT's objectives and which will, in our opinion, result in the highest compatible rating and associated lowest feasible interest rates;
10. Assist in the selection of the financing team (e.g., bond counsel, disclosure counsel, underwriter, and other necessary financing professionals);
11. Prepare a schedule of events for accomplishing the proposed financing, assign duties to the appropriate parties and manage all details of the financing to assure a successful closing;
12. Prepare and distribute an underwriting Request for Proposals (or lending RFP, if applicable), evaluate the proposals received, assist with the evaluation of proposals, prepare questions for interviewees, and attend underwriter interviews (this is an alternative to a negotiated selection of underwriters or lenders);

Exhibit A

13. Evaluate all recommendations and proposed financing structures suggested by the underwriter (or lender) and assist in the negotiation of underwriter (or lender) fees;
14. Provide suggestions regarding the best financing structure and the best marketing structure and provide advice regarding the suitability of underwriter (or lender) proposals;
15. Clarify the consequences of any financial decisions requested of staff so that decisions may be made on a fully informed basis;
16. Recommend revisions in the structure or security of the financing proposed by the underwriter (or lender) that may be in the CITY/DISTRICT's best interests;
17. Review all numerical analyses provided by the underwriter (or lender) for accuracy, reasonableness of assumptions and consistency with CITY/DISTRICT's financial objectives;
18. Prior to a public negotiated sale, provide weekly market new-issue activity analyses during the month prior to the anticipated sale date;
19. Prepare memoranda and reports as is necessary on behalf of staff in connection with the financing;
20. Review the credit profile of the financing to assess the credit strength of the issue and determine the marketability of bonds and the suitability of the credit for a bond insurance submission (if applicable);
21. Attend public meeting and participate in meetings and other negotiations which may bear upon the approval of the financing and the sale of the securities;
22. Arrange for all services incidental to the financing, such as, for a public sale, trustee, rating services, official statement electronic posting and distribution, etc.;
23. Meet and confer with bond counsel, disclosure counsel, the underwriter (or lender), CITY/DISTRICT staff and other members of the financing team to assure appropriate and timely preparation of all financing documentation;
24. Review all documents pertaining to the financing and provide comments as necessary;
25. Assist disclosure counsel prepare CITY/DISTRICT's credit profile and the credit profile of the security underlying the issue for inclusion in disclosure documents (for a public sale – an official statement would not be necessary for a private placement);

Exhibit A

26. Research CITY/DISTRICT compliance with its continuing disclosure responsibilities over the past 5 years and provide a certificate of compliance noting compliance therewith and any irregularities and non-compliance;
27. Assist CITY/DISTRICT with correcting continuing disclosure non-compliance, if applicable;
28. Recommend continuing disclosure that will place the least burden on CITY/DISTRICT staff and still comply with applicable regulations;
29. Prepare staff reports for CITY Council/DISTRICT Board bond approval;
30. For a public sale, in conjunction with the managing underwriter, coordinate the preparation of rating agency presentations and meet and confer with rating agency representatives as is necessary to explain the credit underlying the issue (no rating would be necessary for a private placement);
31. For a public sale, prior to the sale, provide estimates of interest rates, prepare bond sizing analyses, interest rate savings and tax levy analyses and debt amortization schedules;
32. Advise staff regarding matters relating to CITY/DISTRICT'S financial interests during the structuring of the transaction and during the initial offering and subsequent sale of securities;
33. Prior to the execution of the purchase contract, evaluate and review with representatives of CITY/DISTRICT and representatives of the underwriter the underwriter's pricing proposals, and compare the pricing of the bonds to concurrently marketed issues in order to confirm that the pricing is as efficient as is possible vis-à-vis the market and that the proposed underwriting discount is commensurate with issues of similar term to maturity and credit quality;
34. For a public sale, advise the staff regarding the underwriter's final pricing proposal;
35. For a private placement, advise CITY/DISTRICT regarding the cost advantage (or disadvantage) of the lender's pricing proposal as compared to a public sale;
36. Coordinate with bond counsel the timely closing of the bond issue;
37. Perform such other duties as are customarily performed by municipal bond financial advisors in connection with the structuring and sale of municipal bonds and which we are competent to perform.

Exhibit A

If bonds are sold competitively, CONSULTANT will take responsibility for managing and implementing all aspects of the sale without participation of a managing underwriter or a lender, and will additionally:

38. Recommend sale terms to be included in the official notice of sale and arrange for its distribution to underwriters;
39. Prepare rating agency presentations and meet and confer with rating agency representatives as is necessary to explain the credit underlying the issue;
40. Conduct an electronic auction for the sale of the bonds;
41. When bids are submitted, verify the winning and cover bids, restructure maturities to produce the desired debt structure (level, sloping, etc.), and recommend award of the securities to the highest bidder if such award will permit the financing to proceed within acceptable interest rate levels;
42. Prepare a closing flow of funds memorandum for the financing team and the purchaser in order to coordinate the delivery of funds among the successful purchaser, bond trustee; and,
43. Perform such other duties as are customarily performed by municipal bond financial advisors in connection with the competitive structuring and sale of municipal bonds and which we are competent to perform.

Regardless of the method of sale, upon completion of the issuance of a security or obligation, CONSULTANT will prepare a post-sale summary report in which it will:

44. Provide:
 - a. a summary of the CITY/DISTRICT's major duties and responsibilities;
 - b. a summary of the transaction that describes material features so individuals unfamiliar with the issue can become knowledgeable without reading extensive legal documents;
 - c. a review of the sale, showing the range of bids (if sold competitively), discuss market conditions at the time of the sale, and provide information on comparable issues in the market at and around the time of sale;
 - d. final bond sizing analyses, savings reports and final debt service schedules; and,
 - e. a review of continuing disclosure requirements.

EXHIBIT B

INSURANCE FORMS

CONSULTANT shall provide, in addition to the Certificates of Insurance, original Endorsement affecting the coverages specified in Section 12 - INSURANCE of the Agreement on the attached form. No substitute form will be accepted.

ATTACHED

1. Insurance Coverage Form

EXHIBIT C

This **INSURANCE COVERAGE FORM** modifies or documents insurance provided under the following:

Named Insured: _____ Effective Work Date(s): _____

Description of Work/Locations/Vehicles: _____

ADDITIONAL INSURED: City of Foster City/Estero Municipal Improvement District
610 Foster City Boulevard, Foster City, CA 94404
Attention: _____

Contract Administrator

Endorsement and Certificates of Insurance Required The Additional Insured, its elected or appointed officers, officials, employees and volunteers are included as insureds with regard to damages and defense of claims arising from: (Check all that apply)	Insurer	Policy No.
<input type="checkbox"/> General Liability: (a) activities performed by or on behalf of the Named Insured, (b) products and completed operations of the Named Insured, (c) premises owned, leased occupied or used by the Named Insured, and/or (d) permits issued for operations performed by the Named Insured. {Note: MEETS OR EXCEEDS ISO Form # CG 20 10 11 85}		
<input type="checkbox"/> Auto Liability: the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Named Insured, regardless of whether liability is attributable to the Named Insured or a combination of the Named Insured and the Additional Insured, its elected or appointed officers, officials, employees or volunteers.		
<input type="checkbox"/> Other:		
Certificates of Insurance Required (no endorsement needed) (Check all that apply)	Insurer	Policy No.
<input type="checkbox"/> Workers Compensation: work performed by employees of the Named Insured while those employees are engaged in work under the simultaneous directions and control of the Named Insured and the Additional Insured.		
<input type="checkbox"/> Professional Liability:		

PRIMARY/NON-CONTRIBUTORY: This insurance is primary and is not additional to or contributing with any other insurance carried by or for the benefit of Additional Insureds.

SEVERABILITY OF INTEREST: The insurance afforded by this policy applies separately to each insured who is seeking coverage or against whom a claim is made or a suit is brought, except with respect to the insurer's limit of liability.

PROVISIONS REGARDING THE INSURED'S DUTIES AFTER ACCIDENT OR LOSS: Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Additional Insured, its elected or appointed officers, officials, employees, or volunteers.

CANCELLATION NOTICE. The insurance afforded by this policy shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days' prior written notice (ten (10) days if canceled due to non-payment) by regular mail return receipt requested has been given to the Additional Insured. Such notice shall be addressed as shown above.

WAIVER OF SUBROGATION: The insurer(s) named above agree to waive all rights of subrogation against the CITY/District, its elected or appointed officers, officials, agents, volunteers and employees for losses paid under the terms of this policy which arise from work performed by the Named Insured for the CITY/District.

Nothing herein contained shall vary, alter or extend any provision or condition of the Policy other than as above stated.

SIGNATURE OF INSURER OR AUTHORIZED REPRESENTATIVE OF THE INSURER

I, _____ (print/type name), warrant that I have authority to bind the above-named insurance company and by my signature hereon do so bind this company.

SIGNATURE OF AUTHORIZED REPRESENTATIVE (original signature required)

ORGANIZATION: _____ **TITLE:** _____

ADDRESS: _____

TELEPHONE: () _____ **DATE ISSUED:** _____

Regulatory Disclosures Required of Municipal Advisors Pursuant to MSRB Rule G-42

1. The only compensation to be received by CONSULTANT in connection with this engagement shall be that specified in section C 3 of this Agreement. No compensation, either direct or indirect, shall be charged by CONSULTANT to any other party in connection with this financing.
2. A statement of conflicts of interest is attached as Exhibit "E" to this Agreement.
3. The SEC requires that that registered municipal advisors disclose legal and disciplinary events on forms MA and MA-I and files such forms with the SEC. These forms include information regarding any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation in which a registered municipal advisor (form MA) or municipal advisor representative (form MA-I) employed by such municipal advisor has been involved. For free access to the forms MA and MA-I filed by CONSULTANT visit the SEC web page, <https://www.sec.gov/edgar/searchedgar/companysearch.html> and search the name, William Euphrat Municipal Finance Kitahata & Company.
4. There have been no changes or additions to the legal or disciplinary event disclosures on the forms MA and MA-I on file with the SEC.
5. The scope of municipal advisory services to be performed under this agreement is included as Exhibit "A" to this Agreement.
6. The term of this agreement is specified in section C 2 of this Agreement. This Agreement shall remain in effect until July 31, 2018 or until such time as DISTRICT notifies CONSULTANT in writing that the agreement is terminated, whichever shall first occur.

Conflict of Interest Disclosure

A municipal advisor must, at or prior to the inception of a municipal advisory relationship, provide the client with a document making full and fair disclosure of all material conflicts of interest, including disclosure of:

- (i) any actual or potential conflicts of interest of which it is aware after reasonable inquiry that might impair its ability either to render unbiased and competent advice to or on behalf of the client or to fulfill its fiduciary duty to the client, as applicable;
 - **CONSULTANT is not aware of any such conflict of interest.**
- (ii) any affiliate of the municipal advisor that provides any advice, service, or product to or on behalf of the client that is directly or indirectly related to the municipal advisory activities to be performed by the disclosing municipal advisor;
 - **CONSULTANT does not have any affiliates.**
- (iii) any payments made by the municipal advisor directly or indirectly to obtain or retain the client's municipal advisory business;
 - **CONSULTANT has not made any payments to retain the City of Redwood City's business.**
- (iv) any payments received by the municipal advisor from third parties to enlist the municipal advisor's recommendation to the client of its services, any municipal securities transaction or any municipal financial product;
 - **The only payments to be received by CONSULTANT relating to this engagement are the fees to be paid by CITY.**
- (v) any fee-splitting arrangements involving the municipal advisor and any provider of investments or services to the client;
 - **CONSULTANT will not participate in fees earned by other parties on any work related to this engagement.**
- (vi) any conflicts of interest that may arise from the use of the form of compensation under consideration or selected by the client for the municipal advisory activities to be performed;
 - **CONSULTANT has proposed compensation contingent on the sale of debt. This provides CONSULTANT with a financial incentive to recommend the sale of debt. CONSULTANT will receive more with from a public offering than it will from a private placement. This form of compensation provides CONSULTANT with a financial incentive in favor of a public offering.**
- (vii) any other engagements or relationships of the municipal advisor or any affiliate of the municipal advisor that might impair the advisor's ability either to render unbiased and competent advice to or on behalf of the client or to fulfill its fiduciary duty to the client, as applicable;
 - **CONSULTANT is engaged with the City of San Mateo to assist it finance improvements to the WWTP owned jointly with CITY. CONSULTANT has suggested joint financings for improvements to the WWTP. CONSULTANT could be construed to have a conflict of interest in any negotiations relating to the WWTP operating agreement between CITY and the City of San Mateo. CONSULTANT shall refrain from participating in any such negotiations. Any joint financing for WWTP improvements will benefit**

both CITY and the City of San Mateo. CONSULTANT does not believe that representing both CITY and the City of San Mateo in any such joint financing will impair its ability either to render unbiased and competent advice to or on behalf of the CITY or to fulfill its fiduciary duty to the CITY.

- (viii) the amount and scope of coverage of professional liability insurance that the municipal advisor carries (e.g., coverage for errors and omissions, improper judgments, or negligence), deductible amounts, and any material limitations on such coverage, or a statement that the advisor does not carry any such coverage; and
- **William Euphrat Municipal Finance, Inc. carries claims made and reported professional liability insurance. The policy has a \$10,000 deductible and coverage of \$1 million for each wrongful act with a \$2 million policy aggregate. A bond consultant endorsement to the policy contains specific exclusions and is attached to this Agreement. Kitahata & Company carries claims made and reported professional liability insurance. The policy has a \$50,000 deductible and coverage of \$1 million for each wrongful act with a \$2 million policy aggregate. A bond consultant endorsement to the policy contains specific exclusions and is attached to this Agreement**
- (ix) any legal or disciplinary event that is (a) material to the client's evaluation of the municipal advisor or the integrity of its management or advisory personnel; (b) disclosed by the municipal advisor on the most recent Form MA filed with the Commission; or (c) disclosed by the municipal advisor on the most recent Form MA-I filed with the Commission regarding any individual actually engaging in or reasonably expected to engage in municipal advisory activities in the course of the engagement. If a municipal advisor has disclosed a legal or disciplinary event on any form referenced in section (b) or (c) of this rule, the advisor must provide the client with a copy of the relevant sections of the form or forms. If a municipal advisor concludes that it has no material conflicts of interest, the municipal advisor must provide written documentation to the client to that effect.
- **CONSULTANT has not been subject to any legal or disciplinary events.**

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL
IMPROVEMENT DISTRICT ADDING THE JOB CLASSIFICATION OF PAYROLL
TECHNICIAN

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the District has adopted a classification plan of job class titles with associated distinguishing characteristics, examples of duties, statements of desired knowledge, skills and abilities and minimum qualifications for each class; and

WHEREAS, there is a need to periodically evaluate and revise the requirements of those classes.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Estero Municipal Improvement District does hereby approve the addition of the job description for Payroll Technician to the classification plan effective September 1, 2016.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT APPROVING AND ADOPTING THE AMENDED PAY PLAN FOR FISCAL YEAR 2016-2017

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the District Manager has prepared and submitted to the City Council a schedule of pay ranges for job classifications for Fiscal Year 2016-2017; and

WHEREAS, the schedule of pay ranges is referred to as the Pay Plan; and

WHEREAS, the new classification of Payroll Technician is being added to the classification plan; and

WHEREAS, the Pay Plan incorporates the new position into the Management group; and

WHEREAS, the Board of Directors of the Estero Municipal Improvement District must approve the Pay Plan in order for the pay ranges to become effective.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District that the amended Pay Plan for Fiscal Year 2016-2017 is hereby adopted effective September 1, 2016.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the Regular Meeting held on the 18th day of July 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

**City of Foster City / Estero Municipal Improvement District
FY 2016-2017 Pay Plan
Effective 9-1-2016**

	Step 1	Step 2	Step 3	Step 4	Step 5
<u>Executive Management</u>					
City Manager					\$ 20,400
Chief of Police	\$ 14,056	\$ 14,759	\$ 15,496	\$ 16,271	\$ 17,085
Fire Chief	\$ 14,056	\$ 14,759	\$ 15,496	\$ 16,271	\$ 17,085
Community Development Director	\$ 12,682	\$ 13,316	\$ 13,982	\$ 14,681	\$ 15,415
Director of Public Works	\$ 12,682	\$ 13,316	\$ 13,982	\$ 14,681	\$ 15,415
Assistant City Manager	\$ 12,504	\$ 13,130	\$ 13,786	\$ 14,475	\$ 15,199
Finance Director	\$ 12,327	\$ 12,943	\$ 13,590	\$ 14,270	\$ 14,984
Human Resources Director	\$ 12,327	\$ 12,943	\$ 13,590	\$ 14,270	\$ 14,984
Parks & Recreation Director	\$ 12,327	\$ 12,943	\$ 13,590	\$ 14,270	\$ 14,984
Communications Director / City Clerk	\$ 10,874	\$ 11,417	\$ 11,988	\$ 12,588	\$ 13,217
<u>Other Management</u>					
Police Captain	\$ 12,058	\$ 12,661	\$ 13,294	\$ 13,958	\$ 14,656
Fire Battalion Chief	\$ 11,267	\$ 11,830	\$ 12,422	\$ 13,043	\$ 13,695
Fire Battalion Chief (Admin)	\$ 11,267	\$ 11,830	\$ 12,422	\$ 13,043	\$ 13,695
Fire Marshal	\$ 11,267	\$ 11,830	\$ 12,422	\$ 13,043	\$ 13,695
Police Lieutenant	\$ 10,416	\$ 10,937	\$ 11,484	\$ 12,058	\$ 12,661
Information Technology Manager	\$ 9,581	\$ 10,061	\$ 10,564	\$ 11,092	\$ 11,646
Chief Building Official	\$ 9,443	\$ 9,915	\$ 10,411	\$ 10,931	\$ 11,478
Planning Manager	\$ 9,443	\$ 9,915	\$ 10,411	\$ 10,931	\$ 11,478
Assistant Finance Director	\$ 9,255	\$ 9,718	\$ 10,204	\$ 10,714	\$ 11,250
Senior Civil Engineer	\$ 9,205	\$ 9,666	\$ 10,149	\$ 10,656	\$ 11,189
Public Works Maintenance Manager	\$ 9,128	\$ 9,584	\$ 10,063	\$ 10,566	\$ 11,095
Principal Management Analyst	\$ 9,128	\$ 9,584	\$ 10,063	\$ 10,566	\$ 11,095
Sr. Systems Analyst	\$ 8,020	\$ 8,420	\$ 8,842	\$ 9,284	\$ 9,748
Senior Management Analyst	\$ 8,020	\$ 8,420	\$ 8,842	\$ 9,284	\$ 9,748
Management Analyst II	\$ 8,006	\$ 8,406	\$ 8,826	\$ 9,003	\$ 9,183
Associate Civil Engineer	\$ 7,952	\$ 8,350	\$ 8,767	\$ 9,206	\$ 9,666
Building and Vehicle Maintenance Manager	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Parks Maintenance Manager	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Public Works Maintenance Superintendent	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Recreation Manager	\$ 7,932	\$ 8,328	\$ 8,745	\$ 9,182	\$ 9,641
Accounting Manager	\$ 7,895	\$ 8,290	\$ 8,704	\$ 9,139	\$ 9,596
Senior Accountant	\$ 7,804	\$ 8,194	\$ 8,604	\$ 9,034	\$ 9,486
Senior Planner	\$ 7,716	\$ 8,102	\$ 8,507	\$ 8,932	\$ 9,379
Senior Human Resources Analyst	\$ 7,613	\$ 7,994	\$ 8,394	\$ 8,813	\$ 9,254
Associate Planner	\$ 7,349	\$ 7,716	\$ 8,102	\$ 8,507	\$ 8,932
Human Resources Manager	\$ 7,349	\$ 7,716	\$ 8,102	\$ 8,507	\$ 8,932
Management Analyst I	\$ 7,261	\$ 7,625	\$ 8,006	\$ 8,406	\$ 8,826
Assistant Engineer	\$ 7,213	\$ 7,574	\$ 7,952	\$ 8,350	\$ 8,767
Assistant Planner	\$ 6,665	\$ 6,999	\$ 7,349	\$ 7,716	\$ 8,102
Junior Engineer	\$ 6,542	\$ 6,869	\$ 7,212	\$ 7,573	\$ 7,952
Accountant II	\$ 6,420	\$ 6,741	\$ 7,078	\$ 7,432	\$ 7,804
Technology Analyst II	\$ 6,307	\$ 6,622	\$ 6,954	\$ 7,301	\$ 7,666
Human Resources Analyst	\$ 6,263	\$ 6,577	\$ 6,905	\$ 7,251	\$ 7,613
Deputy City Clerk	\$ 6,201	\$ 6,511	\$ 6,836	\$ 7,178	\$ 7,537
Communications Coordinator/Manager	\$ 6,201	\$ 6,511	\$ 6,836	\$ 7,178	\$ 7,537
Police Records Supervisor	\$ 6,146	\$ 6,453	\$ 6,776	\$ 7,115	\$ 7,470

**City of Foster City / Estero Municipal Improvement District
FY 2016-2017 Pay Plan
Effective 9-1-2016**

	Step 1	Step 2	Step 3	Step 4	Step 5
Accountant I	\$ 5,823	\$ 6,114	\$ 6,420	\$ 6,741	\$ 7,078
Management Assistant to the City Manager	\$ 5,725	\$ 6,011	\$ 6,311	\$ 6,627	\$ 6,958
Management Coordinator	\$ 5,725	\$ 6,011	\$ 6,311	\$ 6,627	\$ 6,958
Social Media / Communication Asst/Specialist	\$ 5,725	\$ 6,011	\$ 6,311	\$ 6,627	\$ 6,958
Records Analyst II	\$ 5,624	\$ 5,905	\$ 6,200	\$ 6,511	\$ 6,836
Technology Analyst I	\$ 5,448	\$ 5,720	\$ 6,006	\$ 6,307	\$ 6,622
Payroll Technician	\$ 5,448	\$ 5,720	\$ 6,006	\$ 6,307	\$ 6,622
Management Assistant	\$ 5,193	\$ 5,452	\$ 5,725	\$ 6,011	\$ 6,312
Human Resources Technician	\$ 5,193	\$ 5,452	\$ 5,725	\$ 6,011	\$ 6,312
Records Analyst I	\$ 5,101	\$ 5,356	\$ 5,624	\$ 5,905	\$ 6,201
<u>AFSCME - Maintenance Unit</u>					
Public Works Lead Maintenance Worker	\$ 5,826	\$ 6,117	\$ 6,423	\$ 6,744	\$ 7,081
Parks Lead Maintenance Worker	\$ 5,720	\$ 6,006	\$ 6,306	\$ 6,621	\$ 6,952
Mechanic I	\$ 5,654	\$ 5,937	\$ 6,234	\$ 6,545	\$ 6,873
Public Works Maintenance Worker II	\$ 5,284	\$ 5,549	\$ 5,826	\$ 6,117	\$ 6,423
Facilities Maintenance Worker II	\$ 5,242	\$ 5,504	\$ 5,779	\$ 6,068	\$ 6,371
Parks Maintenance Worker II	\$ 5,188	\$ 5,447	\$ 5,720	\$ 6,006	\$ 6,306
Equipment Maintenance Worker	\$ 5,128	\$ 5,384	\$ 5,654	\$ 5,936	\$ 6,233
Building and Vehicle Maintenance Worker	\$ 4,884	\$ 5,129	\$ 5,385	\$ 5,654	\$ 5,937
Public Works Maintenance Worker I	\$ 4,793	\$ 5,032	\$ 5,284	\$ 5,548	\$ 5,826
Parks Maintenance Worker I	\$ 4,705	\$ 4,941	\$ 5,188	\$ 5,447	\$ 5,719
Public Works Maintenance Worker	\$ 4,347	\$ 4,565			
Parks Maintenance Worker	\$ 4,267	\$ 4,481			
<u>AFSCME - General Unit</u>					
Sr. Bldg Inspector	\$ 7,575	\$ 7,953	\$ 8,351	\$ 8,769	\$ 9,207
Building Inspector	\$ 6,870	\$ 7,214	\$ 7,574	\$ 7,953	\$ 8,351
Sr. Engineering Technician	\$ 6,095	\$ 6,400	\$ 6,720	\$ 7,055	\$ 7,408
Code Enforcement Officer II	\$ 5,452	\$ 5,724	\$ 6,010	\$ 6,311	\$ 6,626
Recreation Coordinator	\$ 5,462	\$ 5,735	\$ 6,021	\$ 6,323	\$ 6,639
Senior Accounting Specialist	\$ 5,139	\$ 5,396	\$ 5,666	\$ 5,950	\$ 6,247
Administrative Secretary	\$ 5,062	\$ 5,315	\$ 5,580	\$ 5,859	\$ 6,152
Sr. Comm. Services Officer	\$ 4,945	\$ 5,192	\$ 5,452	\$ 5,724	\$ 6,010
Code Enforcement Officer I	\$ 4,945	\$ 5,192	\$ 5,452	\$ 5,724	\$ 6,010
Accounting Specialist	\$ 4,895	\$ 5,139	\$ 5,396	\$ 5,666	\$ 5,950
Building Services Coordinator	\$ 4,884	\$ 5,128	\$ 5,384	\$ 5,654	\$ 5,936
Police Records Specialist	\$ 4,822	\$ 5,063	\$ 5,316	\$ 5,582	\$ 5,861
Building Permit Technician	\$ 4,822	\$ 5,063	\$ 5,316	\$ 5,582	\$ 5,861
Office Assistant II	\$ 4,474	\$ 4,698	\$ 4,933	\$ 5,179	\$ 5,438
Office Assistant I	\$ 4,058	\$ 4,261			
<u>FCPOA</u>					
Police Sergeant	\$ 8,762	\$ 9,200	\$ 9,660	\$ 10,143	\$ 10,651
Police Corporal	\$ 8,006	\$ 8,406	\$ 8,827	\$ 9,268	\$ 9,731
Police Dispatch Supervisor	\$ 7,375	\$ 7,744	\$ 8,131	\$ 8,537	\$ 8,964
Police Officer	\$ 7,250	\$ 7,612	\$ 7,993	\$ 8,393	\$ 8,812
Lead Police Dispatcher	\$ 6,958	\$ 7,306	\$ 7,671	\$ 8,055	\$ 8,458
Police Officer Recruit	\$ 6,576	\$ 6,905			
Police/Fire Dispatcher	\$ 6,311	\$ 6,627	\$ 6,958	\$ 7,306	\$ 7,671
<u>IAFF</u>					
Fire Captain	\$ 8,139	\$ 8,546	\$ 8,973	\$ 9,422	\$ 9,893

**City of Foster City / Estero Municipal Improvement District
FY 2016-2017 Pay Plan
Effective 9-1-2016**

	Step 1	Step 2	Step 3	Step 4	Step 5
<u>IAFF</u>					
Firefighter	\$ 6,784	\$ 7,123	\$ 7,479	\$ 7,853	\$ 8,246
<u>Hourly / Part-Time / Seasonal</u>					
Building Services Coordinator Assistant	\$ 16.00	\$ 16.40	\$ 17.10	\$ 17.90	\$ 18.30
Recreation Leader III	\$ 16.00	\$ 16.40	\$ 17.10	\$ 17.90	\$ 18.30
Recreation Leader II	\$ 13.80	\$ 14.10	\$ 14.35	\$ 14.75	\$ 15.00
Building Serv.Assistant	\$ 12.00	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.25
Clerical Assistant	\$ 12.00	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.25
Recreation Leader I	\$ 12.00	\$ 12.30	\$ 12.60	\$ 12.90	\$ 13.25
Department Intern	\$ 12.00				\$ 30.00
Videographer	\$ 20.00				\$ 30.00



DATE: July 18, 2016

TO: Mayor and Members of the City Council
President and Members of the EMID Board of Directors

VIA: Kevin M. Miller, City/District Manager

FROM: Edmund Suen, Finance Director
Fiti Rusli, Assistant Finance Director

SUBJECT: APPROPRIATIONS LIMIT / PROPOSITION 4 AND 111 (GANN LIMIT)

RECOMMENDATION

It is recommended that the City Council / District Board hold a public hearing, and then adopt the attached resolutions establishing the appropriations limit for FY 2016-2017.

EXECUTIVE SUMMARY

The original Article XIIIB (Proposition 4), known as the Gann Limit, and its implementing legislation were modified by Proposition 111. Beginning with FY 1990-1991, the law provides the local agency an option to calculate the growth adjustment factors by the following:

- Inflation – either the percentage change in the California Per Capita Income or the percentage change in the local assessment roll from the proceeding year due to the addition of local non-residential construction.
- Population – either the City's own population growth or the population growth of the entire County.

The adjustments used for FY 2016-2017 are the percentage changes in California Per Capita Income and the City's population growth, both of which were published by the California Department of Finance in May 2016.

Staff has applied the adjustment factors in accordance with Proposition 111 to calculate the FY 2016-2017 limit. Based upon the current annual growth adjustment factors, the City and District are well within the appropriations limit.

BACKGROUND

Proposition 4 (Gann Initiative) was voted upon by the voters in the November 6, 1979 Special Election, which added Article XIII B to the State Constitution. Subsequent legislation added Section 7900 et seq. to the Government Code which provided additional interpretation and instructions implementing Proposition 4. The combined effect of all this legislation restricts the growth of appropriations enacted by local government in their annual budgets and subsequent adjustments to basic factors which relate to inflation and population growth. These factors are provided annually by the California Department of Finance.

In June 1990, Proposition 111 was approved by the voters which, among other things, revised the growth adjustment factors for state and local government effective July 1, 1990. The base year for determining an agency's limit was set as FY 1986-1987. After that, the appropriations limit for an agency is the limit adopted in FY 1986-1987, as subsequently adjusted by the Proposition 111 adjustment factors. Agencies are able to adjust their limit annually by either the change in the California Per Capita Personal Income from the proceeding year or the percentage change in growth in total assessed valuation due to non-residential construction. A second adjustment factor is based upon population growth, which is the annual change in population of the City's own growth or the population growth of the entire County.

ANALYSIS

The growth adjustment factors used in the calculation for FY 2016-2017 are as follows¹:

1) Change in California Per Capita Personal Income January 2015 to December 2015	5.37%
2) Population Growth in San Mateo County	0.91%
Combined Growth Rate²	6.33%

Using the methodology for calculating the appropriations limit in accordance with Proposition 111, the following chart shows the appropriation bases and the appropriation growth adjustment factors to establish the appropriations limit for FY 2016-2017.

¹ Source for Growth Factors: Price and Population Information, California Department of Finance, May 2016, http://www.dof.ca.gov/budgeting/documents/Price-Population_2015.pdf.

² Growth rate is calculated by multiplying the Per Capita Income change base percentage (which is 1.0537) and the population growth change base percentage (which is 1.0091).

APPROPRIATIONS LIMIT CALCULATIONS - FY 2016-2017 (BY AGENCY)

	CITY	DISTRICT	TOTAL
FY 2015-2016 Appropriations Limit	\$56,380,653	\$52,808,239	\$109,188,892
FY 2016-2017 Growth Factor	6.33%	6.33%	6.33%
FY 2016-2017 Appropriations Limit	\$59,949,548	\$56,151,001	\$116,100,549
FY 2016-2017 Appropriations Subject to Limit	\$15,599,690	\$14,611,256	\$30,210,946
Dollar Amount Under Limit	\$44,349,858	\$41,539,745	\$85,889,603
Percentage of Limit	26.02%	26.02%	26.02%

The total appropriations subject to the Gann limit are calculated as the total of all appropriated expenditures in the General Fund, Special Revenue Funds and the City CIP Fund, less all revenue sources that are not considered general tax proceeds (e.g., permits, recreation programs, rental income).

As required by law, the information used to calculate these limits is available in the Financial Services Department that will allow the public to determine the validity and bases for the appropriations limitation recommended for adoption. Accordingly, the City Council / District Board is requested to hold a public hearing on these limits this evening and, subject to any public testimony received, adopt the attached resolutions to approve the appropriations limit specified herein.

Attachments:

- Resolutions (2)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOSTER CITY
ESTABLISHING THE FISCAL YEAR 2016-2017 APPROPRIATIONS LIMIT
PURSUANT TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION

CITY OF FOSTER CITY

WHEREAS, voters of California have approved Propositions 4 and 111 which place various limitations on the appropriations of local government; and

WHEREAS, said Article XIII B of the California Constitution requires the governing body of each agency to adopt an appropriations limitation for each fiscal year; and

WHEREAS, the Finance Director, pursuant to Article XIII B and enacted legislation, has duly computed said appropriations limitation for FY 2016-2017 and submitted same to the City Council for review and public hearing; and

WHEREAS, notice of said public hearing was published and posted and said public hearing was held on July 18, 2016; and

WHEREAS, the inflation adjustment factor used for calculating the FY 2016-2017 appropriations limit is the percentage change in California Per Capita Personal Income; and

WHEREAS, the population adjustment factor used for calculating the FY 2016-2017 appropriations limit is the percentage increase in population growth for Foster City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Foster City that the amount of \$59,949,548 is hereby adopted as the City's appropriations limitation for FY 2016-2017.

PASSED AND ADOPTED as a resolution of the City Council of the City of Foster City at the Regular Meeting held on the 18th day of July, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, MAYOR

ATTEST:

DORIS L. PALMER, CITY CLERK

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT ESTABLISHING THE FISCAL YEAR 2016-2017 APPROPRIATIONS LIMIT PURSUANT TO ARTICLE XIIIB OF THE CALIFORNIA CONSTITUTION

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, voters of California have approved Propositions 4 and 111 which place various limitations on the appropriations of local government; and

WHEREAS, said Article XIIIB of the California Constitution requires the governing body of each agency to adopt an appropriations limitation for each fiscal year; and

WHEREAS, the Finance Director, pursuant to Article XIIIB and enacted legislation, has duly computed said appropriations limitation for FY 2016-2017 and submitted same to the District Board for review and public hearing; and

WHEREAS, notice of said public hearing was published and posted and said public hearing was held on July 18, 2016; and

WHEREAS, the inflation adjustment factor used for calculating the FY 2016-2017 appropriations limit is the percentage change in California Per Capita Personal Income; and

WHEREAS, the population adjustment factor used for calculating the FY 2016-2017 appropriations limit is the percentage increase in population growth for Foster City.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District that the amount of \$56,151,001 is hereby adopted as the District's appropriations limitation for FY 2016-2017.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the Regular Meeting held on the 18th day of July, 2016 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY



DATE: July 18, 2016

TO: Mayor and Members of the City Council

VIA: Kevin M. Miller, City Manager

FROM: Curtis Banks, Community Development Director
Marlene Subhashini, Senior Planner

SUBJECT: TEXT AMENDMENT TO FOSTER CITY MUNICIPAL CODE CHAPTER
17.29 C-A COMMERCIAL AUTOMOBILE REPAIR AND SERVICE
DISTRICT (C-A DISTRICT) – DEVELOPMENT PROJECT PRELIMINARY
REVIEW

PURPOSE

Pursuant to Chapter 17.72, Development Project Preliminary Review Procedures of Title 17, Zoning, of the Foster City Municipal Code, the purpose of this meeting is to introduce the proposed Zoning Code Text Amendment to the City Council and the public and receive feedback prior to initiating the text amendment process. No formal action will be taken at this meeting.

NOTICING/PUBLIC OUTREACH

The public was advised of this public meeting in the following ways:

- ¼ page ad in the Foster City Islander on July 6, 2016
- Foster City TV Channel 27 from July 5, 2016 thru July 18, 2016
- Public posting places located at the Foster City Public Library, Recreation Center Lobby, U.S. Post Office-Charter Square, Sea Cloud Park and Metro Center Kiosks on June 29, 2016

BACKGROUND

On January 26, 2015, Stantec Architecture, on behalf of Chevron, submitted an application for a text amendment to the C-A zoning district to remove the provision requiring that minimarts and gasoline sales only operate with automotive repair service. On March 2, 2015, a City Council Development Project Preliminary Review meeting was held to receive feedback on the proposal. The staff report of the March 2, 2015 City Council meeting is attached (Attachment 1). Following the City Council meeting, the project was scheduled for the October 15, 2015 Planning Commission Study Session. However, on October 6, 2015, the applicant emailed staff requesting that the Study

Session be continued on a future date. On January 21, 2016, the applicant emailed staff with a formal request to withdraw their application, noting that there was a lack of support for the Zoning Amendment by the Planning Commission and the City Council. In response, staff emailed back clarifying that the City Council had questions about the request, did not indicate that they would not support the request, and that the Planning Commission has not yet discussed the request. It was also noted that staff has been gathering information and had not yet determined what their recommendation would be regarding the change. On March 18, 2016, Lee LeGate, Managing Director for CBRE, on behalf of Chevron, requested to meet with staff to reinstate the text amendment process. On April 19, 2016, staff met with representatives from Chevron to discuss the text amendment proposal. On May 19, 2016, the applicant, Stantec, formally submitted an application to reinstate the request for the text amendment.

At the March 2, 2015 Special Meeting, some of the councilmembers stated that they would like to get some historical perspective with regards to the current policy/ordinances pertaining to automobile gasoline stations. They also wanted information on how other cities regulated such uses. The City Council expressed some concerns about loss of repair facilities in the City, traffic impacts, economic benefits of service stations versus minimarts, and impacts to the other two existing gasoline stations (ARCO and Valero) that currently have repair facilities. The meeting minutes of the March 2, 2015 City Council meeting are attached (Attachment 2). In response to the City Council's request, staff conducted extensive research and compiled a timeline of key events that were processed over time, including the code amendments that were made with respect to gasoline stations in Foster City. This historical information is attached to the staff report (Attachment 3).

PROJECT DESCRIPTION

The proposal is to amend certain sections of Chapter 17.29 C-A Commercial Automobile Repair and Service District (C-A District), of Title 17, Zoning, of the Foster City Municipal Code to remove the provision requiring automobile repair service stations in conjunction with gasoline sales and a minimart.

ANALYSIS

Chevron has requested the City to allow the redevelopment of the existing Chevron Service Station located at 1101 E. Hillsdale Boulevard without service bays and to include a convenience store. The basis for this request is to keep with the current business model for their company-owned stores (as opposed to franchisees), which is to move away from service bay stations. The subject site including the remaining three gasoline stations in Foster City are zoned C-A Commercial Automobile Repair and Service District (C-A District). The C-A District was created in 1999 and was specifically intended to ensure the continuation or resumption of automobile repair service in conjunction with gasoline sales and minimarts within the City at existing gasoline service stations. In accordance with the C-A zoning district, all gasoline service stations must include automobile repair services. Minimarts may be permitted by a Conditional Use Permit only in conjunction with and incidental to automobile repair service and automobile service stations. Chevron is requesting that this code section be amended to

remove the provision that requires automobile repair services in conjunction with gasoline service stations and minimarts, which would allow them to redevelop their site without service bays and to add a convenience store. Foster City currently has two auto repair service providers, Valero and ARCO, who were required to keep a minimum level of auto repair service as a condition of adding a convenience store. Even though Chevron has auto repair service bays, they have not been in operation since the 1990s.

The following code sections would need to be amended in order to allow gasoline service stations to operate with or without service bays and to be able to add a minimart/convenience store:

Chapter 17.29 C-A Commercial Automobile Repair and Service District (See Attachment 4 for Chapter 17.29 of the Foster City Municipal Code)

- Section 17.29.030.B. Permitted Uses
- Section 17.29.040 Conditional Uses

Chapter 17.24 Neighborhood Business District (See Attachment 5 for Chapter 17.24 of the Foster City Municipal Code)

- Section 17.24.010 Regulations Generally
- Section 17.24.030.I. Conditional Uses

Should the above code sections be amended, the design of the minimart would be reviewed by the Planning Commission as part of the Use Permit/Specific Development Plan process. During the process, staff would introduce design and other site-specific standards for regulation of minimarts.

Gasoline stations, like any other business, have gone through various market place changes. Auto repair and gasoline stations were commonly conducted together in the 1960s. According to an online article published by 'Reference for Business' on the Gasoline Service Stations Industry (SIC Code 5541), self-service islands came into vogue in the 1970s. The last consumer-driven shift in the gasoline service station industry was seen in the early 1990s with the emerging market domination of stations with Convenience stores or "C-stores." Aiming for gasoline sales, major oil companies installed large numbers of branded stations with ancillary food in strategic locations such as major highway intersections. According to the National Association of Convenience Stores (NACS), the U.S. convenience store count increased to 154,195 stores as of December 31, 2015, of which 80.7% of the convenience stores (a total of 124,374 stores) sell motor fuels.

The intent of the current code provisions pertaining to gasoline stations was to preserve automobile repair services for Foster City residents and the day-time workforce. Current market trends indicate that consumers these days take their cars to dealerships, independent repair shops, and specialty shops. Many individually operated service station repair shops can no longer afford the sophisticated technological and diagnostic equipment that is required to service cars. New technology has led to a decline in the frequency and type of service needed, more and more cars are being leased, and new car dealerships are offering free service packages with new car purchases with the

option of purchasing extended service warranty. At the same time, staff could not find any compelling evidence online that indicates trends demonstrating the inability of the market/petroleum products industry to provide auto repair services. Additionally, it is important to consider if there is a pressing need for a convenience store in the City given that there are other stores in town, including Safeway that is open 24 hours.

Based on City Council direction, staff conducted -research of other cities in the Peninsula, including Belmont, San Mateo, Burlingame and other Bay Area cities to see how such uses are regulated. Most cities require a Conditional Use Permit to regulate uses such as automobile gasoline stations and automobile repair shops. Some cities have designated the Light Industrial type of zoning districts for such uses (either by right or as a conditional use). None of the cities have a code provision similar to that of Foster City where automobile service repair is required to be retained in conjunction with gasoline sales in an effort to preserve automobile repair type of uses. Staff also conducted an online and phone survey of neighboring auto repair service providers. Staff found that there are approximately seven (7) service providers within a 5 mile radius, including two (2) service providers in Foster City that are currently operating as auto repair shops. Staff is not aware of any “accepted standards” for the number of auto repair service facilities or service bays necessary to serve a certain population.

The City’s General Plan Goal LUC-I states:

Provide for Economic Development

Provide for economic development which: (1) maintains the City's ability to finance City services and construction and maintenance of public improvements; (2) offers local employment opportunities for Foster City residents so that inter-city commuting can be reduced; (3) assures the availability and diversity of resident-serving goods and services; and (4) allows for specialized commercial uses, such as automobile service stations, water-oriented commercial uses and day care facilities.

The General Plan and Zoning Ordinance are intended to work together to define the land use/services needed or desired by a city and to designate locations within the city for such land uses/services. A zoning decision does not look at the market strategy of any particular company, but at the nature of the service/land use and how best to implement it. Given the lack of land available for general auto repair service type of facility, consideration needs to be given if removing the provisions of the current code would eliminate auto repair facilities altogether in Foster City and would be consistent with the City’s General Plan.

ENVIRONMENTAL

The California Environmental Quality Act (CEQA) requires that an Initial Study be prepared to provide a preliminary analysis of a proposed action to determine whether a Negative Declaration or an Environmental Impact Report should be prepared. The Initial Study provides a factual basis for the Negative Declaration, or serves to focus an EIR on the significant effects of a project. This analysis is also intended to identify ways to mitigate potential adverse environmental impacts of a proposed project. An Initial Study will be prepared and the appropriate level of environmental review will be determined. This environmental document will be prepared for the proposed code amendment and

the findings will be presented to decision makers and the public prior to making a final decision on the project.

APPROVAL ACTIONS REQUIRED

In order to review the proposed zoning code amendment request, the following City entitlements are required:

- Rezoning (Filed as: RZ-16-002)
 - o Amendment to Chapter 17.29 C-A Commercial Automobile Repair and Service District (C-A District) to remove provision requiring automobile repair service stations in conjunction with gasoline sales and a minimart
- Environmental Assessment
 - o Preparation of an Initial Study to determine level of environmental analysis required

FISCAL IMPACT

There is no fiscal impact.

KEY ISSUES TO CONSIDER

The primary issue to consider is whether the provision requiring automobile repair service associated with gasoline sales is necessary. If the amendment were ultimately approved, it is possible that the existing gasoline stations that provide auto repair may eliminate or be forced to eliminate their service bays by their parent corporation. This would mean that in the future no automobile repair service would be available within the City. The code amendment would apply to all four (4) existing stations within the C-A zoning district. If the requirements are also removed from the C-1 District regulations, then new gas stations proposed in this zone would not necessarily include automobile repair services, as is currently required.

NEXT STEPS

Following the City Council Preliminary Review, the request will be scheduled for Planning Commission review. The Planning Commission will review and consider the proposed Municipal Code Text Amendment and make a recommendation to City Council. After the Planning Commission makes a recommendation, the item will be scheduled for a City Council Public Hearing to take final action on the proposed Municipal Code Text Amendment.

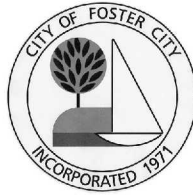
QUESTIONS

- Is the amendment to the municipal code appropriate given the history regarding the provision of automobile repair and gasoline sales within the City, as well as the purpose of creating the C-A District?
- Are the issues that led to the current code provisions still relevant given economic trends and market conditions?

- Does the City Council wish to proceed with the next steps needed to process the requested Municipal Code Amendment?
- Are there any other issues, concerns or general matters related to this item that the City Council would like to discuss or ask staff to review?

Attachments:

- Attachment 1 – March 2, 2015 City Council Staff Report (Without Attachments)
- Attachment 2 – March 2, 2015 City Council Meeting Minutes
- Attachment 3 – Historical Background Information
- Attachment 4 – Chapter 17.29 of the Foster City Municipal Code, C-A Commercial Automobile Repair and Service District
- Attachment 5 – Chapter 17.24 of the Foster City Municipal Code, C-1 Neighborhood Business District



DATE: March 2, 2015

TO: Mayor and Members of the City Council

VIA: James C. Hardy, City Manager

FROM: Curtis Banks, Community Development Director
Lisa Ring, Consultant Planner

SUBJECT: Amending Municipal Code Chapter 17.29 C-A Commercial Automobile Repair and Service District (C-A District) – Development Project Preliminary Review

PURPOSE

Pursuant to Chapter 17.72, Development Project Preliminary Review Procedures of Title 17, Zoning, of the Foster City Municipal Code, the purpose of this meeting is to introduce the proposed Zoning Code Amendment to the City Council and the public and receive feedback prior to initiating the code amendment process. No formal action will be taken at this meeting.

NOTICING/PUBLIC OUTREACH

The public was advised of this public meeting in the following ways:

- ¼ page ad in the Islander on February 18, 2015
- Foster City TV Channel 27 from February 5, 2015 to March 2, 2015
- Public posting places located at the Foster City Public Library, Recreation Center Lobby, U.S. Post Office-Charter Square, Sea Cloud Park and Metro Center Kiosks (2) on February 13, 2015
- Electronic marquee at Leo Ryan Park from February 25, 2015 to March 2, 2015

BACKGROUND

The City currently has four (4) gasoline service stations: Chevron-1101 East Hillsdale Boulevard; Valero-501 Foster City Boulevard; ARCO-880 East Hillsdale Boulevard and Touchless - 390 Foster City Boulevard. The gasoline service stations are located in the C-A-Commercial Automobile Repair and Service District (C-A District). The C-A zoning district was created in 1999 and was specifically intended to ensure the continuation or resumption of automobile repair service in conjunction with gasoline sales and minimarts within the City at existing gasoline service stations.

In 1999, there was concern that the limited number of automobile repair service bays within the City were barely adequate to meet the needs of existing residents and employees and therefore a provision was included in the C-A District that required automobile repair service in conjunction with all gasoline sales and minimarts. At the

time the C-A District was adopted, automobile repair and service locations within Foster City had been reduced from four to two with the closure of the Marlin Chevron (where Marlin Cove Shopping Center is currently located) and the closing of the service bays at the Chevron along E. Hillsdale Blvd. In addition, the four existing service station sites were in the C-1-Neighborhood Business District, which allows for a variety of commercial uses and there was concern that they could be replaced with other commercial uses. Therefore, the new C-A district was established to ensure that only an auto-service related use would be allowed to replace existing gas station at one of the four sites.

In accordance with the C-A zoning district, all gasoline service stations must include automobile repair services. As stated in Section 17.29.010, this regulation is in place to ensure the continuation of automobile repair service within the city at existing or proposed gasoline service stations. Specifically, Section 17.29.030(B) states that “no existing gasoline service station shall be permitted to alter or decrease or eliminate automobile service bays such that the automobile repair use is diminished or eliminated”. Further, Section 17.29.040 states that new gasoline sales, automobile accessory shops and minimart uses can only be permitted when automobile repair uses are in place or proposed as part of a gasoline service station.

The C-1 Neighborhood Business District (C-1 District) also has provisions regarding gasoline service stations. It specifically states that no existing gasoline service station shall be permitted to alter or convert its operations or physical plant in such a fashion that automotive service bays are decreased in number or eliminated and automotive service is diminished or eliminated.

PROJECT DESCRIPTION

On January 26, 2015, Stantec Architecture, on behalf of Chevron, submitted an application to amend the C-A zoning district to remove the provision requiring that minimarts and gasoline sales only operate with automotive repair service.

ENVIRONMENTAL

The California Environmental Quality Act (CEQA) requires that an Initial Study be prepared to provide a preliminary analysis of a proposed action to determine whether a Negative Declaration or an Environmental Impact Report should be prepared. The Initial Study provides a factual basis for the Negative Declaration, or serves to focus an EIR on the significant effects of a project. This analysis is also intended to identify ways to mitigate potential adverse environmental impacts of a proposed project. An Initial Study will be prepared and the appropriate level of environmental review will be determined. This environmental document will be prepared for the proposed code amendment and the findings will be presented to decision makers and the public prior to making a final decision on the project.

APPROVAL ACTIONS REQUIRED

In order to review the proposed zoning code amendment request, the following City entitlements are required:

- Rezoning (Filed as: RZ-15-001)
 - o Amendment to Chapter 17.29 C-A Commercial Automobile Repair and Service District (C-A District) and Chapter 17.24 C-1 Neighborhood Business District (C-1 District) to remove provision requiring automobile repair service stations in conjunction with gasoline sales and a minimart,
- Environmental Assessment
 - o Preparation of an Initial Study to determine level of environmental analysis required

KEY ISSUES TO CONSIDER

The primary issue to consider is whether the provision requiring automobile repair service associated with gasoline sales is necessary. If the amendment were ultimately approved, it is possible in the future that no automobile repair service would be available within the City. The code amendment would apply to all four (4) existing stations within the C-A zoning district. If the requirements are also removed from the C-1 District regulations, then new gas stations proposed in this zone would not necessarily include automobile repair services, as is currently required.

NEXT STEPS

Following this Development Project Preliminary Review meeting, comments provided by the City Council and the public will be considered, and if desired, a Planning Commission Study Session will be held.

QUESTIONS

1. Is the amendment to the municipal code appropriate given the history regarding the provision of automobile repair and gasoline sales within the City, as well as the reasons cited for creating the C-A District?
2. Are there any other issues, concerns or general matters related to this item that the City Council would like to discuss or ask staff to review?

Attachments:

City of Foster City Ordinance 476
City Council Staff Report-New C-A Commercial Automobile Repair and Service District-September 21, 1999
Chapter 17.29 of the Foster City Municipal Code, C-A Commercial Automobile Repair and Service District
Chapter 17.24 of the Foster City Municipal Code, C-1 Neighborhood Business District
Application submitted by Stantec Architecture, Inc. on January 26, 2015

**CITY OF FOSTER CITY/
ESTERO MUNICIPAL IMPROVEMENT DISTRICT**

REGULAR MEETING OF MARCH 2, 2015

MINUTES

CALL TO ORDER OF CITY COUNCIL/EMID BOARD OF DIRECTORS

The Regular Meeting of March 2, 2015 of the City Council of the City of Foster City, sitting as said Council and as ex officio the Board of Directors of the Estero Municipal Improvement District (EMID), was called to order at 6:30 p.m. in the Council Chambers, 620 Foster City Boulevard, Foster City, San Mateo County, California, by Mayor/President Art Kiesel.

ROLL CALL

The City Clerk/District Secretary called the roll:

PRESENT: Councilmembers/ex officio Directors Charlie Bronitsky, Steve Okamoto, Herb Perez, Gary Pollard and Mayor/President Art Kiesel.

ABSENT: None.

STAFF PRESENT: James C. Hardy, City/District Manager; Jean B. Savaree, City Attorney/District Legal Counsel; Ann Ritzma, Interim Assistant City Manager; Matt Martell, Police Chief; Kevin Miller, Parks and Recreation Director; Curtis Banks, Community Development Director; Edmund Suen, Finance Director; Jeff Moneda, Public Works Director; 'Andra Lorenz, Management Analyst; Rene Mendoza, Video Technician and Doris L. Palmer, City Clerk/Recording Secretary/District Secretary.

SPECIAL PRESENTATION

PROCLAMATION DECLARING THE MONTH OF MARCH AS "AMERICAN RED CROSS MONTH."

On behalf of the City Council, Mayor Kiesel presented the proclamation to Amy Lang, representing the American Red Cross.

CONSENT CALENDAR

Motion by Councilmember/Director Bronitsky, seconded by Vice Mayor/Vice President Pollard, and carried unanimously, 5-0-0, approving the following items on the City/District Consent Calendar:

City Consent Calendar

1. Minutes of the Regular Meeting of February 17, 2015;
2. City Resolution No. 2015-22, "A Resolution of the City Council of the City of Foster City Rejecting the Claim of Gil Flores;"
3. City Resolution No. 2015-23, "A Resolution of the City Council of the City of Foster City Authorizing an Agreement for Products and/or Services with Cypress Video for the Purchase and Installation of Security Camera Systems at the Recreation Center and the Vibe in the Amount of \$36,362;"
4. City Resolution No. 2015-24, "A Resolution of the City Council of the City of Foster City Accepting the Work by O.C. Jones and Sons for Construction of (CIP 301-632) Edgewater Park Synthetic Turf Project and Directing the City Clerk to File the Notice of Completion;"

EMID Consent Calendar

5. Minutes of the Regular Meeting of February 17, 2015; and
6. EMID Resolution No. 3289, "A Resolution of the Board of Directors of the Estero Municipal Improvement District Rejecting the Claim of Gil Flores."

NEW BUSINESS

PROPOSED ZONING CODE TEXT AMENDMENT TO AMEND CHAPTER 17.29 C-A COMMERCIAL AUTOMOBILE REPAIR AND SERVICE DISTRICT (C-A DISTRICT) OF TITLE 17, ZONING OF THE FOSTER CITY MUNICIPAL CODE TO REMOVE THE PROVISION REQUIRING AUTOMOBILE REPAIR SERVICE ASSOCIATED WITH GASOLINE SERVICE – RZ-15-001. NO ACTION TAKEN.

Community Development Director Banks presented the staff report.

No public testimony was received.

Bob Abbot, consultant to Chevron, addressed the City Council regarding Chevron's business model that no longer includes automobile repair services and their interest in constructing a mini-mart at their gas station.

Discussion ensued.

The City Council comments regarding this proposed project were as follows:

Councilmember Bronitsky

- Does not have a problem with the proposal. Believes the Planning Commission should look into the details, and wants to know the history behind this ordinance.
- Has concerns over the effect of this ordinance. Will this result in other gas stations removing their repair services and cause the city to have no repair stations. Also concerned about the traffic impact.
- Frustrated with the lack of information on this particular gatekeeper process and would like more information in the future.

Councilmember Okamoto

- Doesn't fault Chevron's business plan, which doesn't include auto repair service, but has concerns over the potential loss of business if the other service stations also stopped doing auto repairs.
- Feels uncomfortable that Foster City wouldn't have a service station and residents would have to go to San Mateo.
- Regardless of information from staff, would feel uncomfortable moving forward with this ordinance change.

Vice Mayor Pollard

- Needs more information, but agrees with Councilmember Okamoto that he has concerns over changing an ordinance that would take away service stations.
- Unsure of the tradeoff. He wants more information but also doesn't want to take service stations away from the residents. He recently read an article that people are more likely to use service stations than go to the dealers.

Councilmember Perez

- Looks at this from a different point of view. We don't tell places such as Safeway or liquor stores to sell particular products, so is it appropriate that we are involved in dictating a particular business model in this case. Although the original ordinance was enacted in the interest of public good, there are unintended consequences.
- The original idea of this ordinance was to keep a service within Foster City. If this change is considered, it would be to the detriment of the other businesses.
- Not inclined to change the ordinance but would have liked to see more information presented, such as the historical perspective in regards to when this ordinance was enacted. If we must see this again, would like to see how other cities have done it.

Mayor Kiesel

- Wants the proposal to go through the Planning Commission process. Look at the impact of removing the provision of requiring automobile repair services at gas stations to other businesses (Arco and Valero).
- Would like the Planning Commission to provide a recommendation regarding the different options of how to proceed and how this proposal would change the traffic configuration and impact other businesses.

REPORTS

FOLLOW-UP TO DISCUSSION OF FOSTER CITY MID-DAY SHUTTLE ROUTE.
MINUTE ORDER NO. 1409.

Interim Assistant City Manager Ritzma presented the staff report.

Linda Koelling, representing the Foster City Chamber of Commerce, addressed the City Council.

Discussion ensued.

Motion by Councilmember Bronitsky, seconded by Councilmember Okamoto, and carried unanimously, 5-0-0, to adopt Minute Order No. 1409, (1) directing staff to proceed with

Alternative 3: continue to work with the Chamber of Commerce and SamTrans to develop a mutually agreeable route that meets the City Council's objectives for route duration and stops; (2) encouraging all Councilmembers to contact the SamTrans Board of Directors to lobby for the proposed routes; and (3) directing staff and the Foster City Chamber of Commerce to contact local businesses to engage them in the discussion of acceptable routes that would make this mid-day shuttle program successful.

RESOLUTIONS FOR ADOPTION

FOSTER CITY'S PARTICIPATION IN A FEASIBILITY STUDY OF A COMMUNITY CHOICE AGGREGATION PROGRAM FOR SAN MATEO COUNTY. CITY RESOLUTION NO. 2015-25.

Management Analyst Lorenz presented the staff report.

Discussion ensued.

Motion by Councilmember Bronitsky, seconded by Councilmember Perez, and carried unanimously, 5-0-0, to adopt City Resolution No. 2015-25, "A Resolution of the City Council of the City of Foster City Authorizing Foster City's Participation in a Feasibility Study of a Community Choice Aggregation Program for San Mateo County."

COMMUNICATIONS

CITY/DISTRICT WARRANT OF DEMANDS. NO ACTION TAKEN.

The City/District Warrant of Demands were processed and issued on February 11, 2015, February 18, 2015 and February 23, 2015 were listed on the agenda for information purposes only. No action was taken.

COUNCIL/BOARD STATEMENTS AND REQUESTS

Councilmember/Director Perez stated the Lions Club hosted a successful cioppino dinner/fundraiser on February 28.

Councilmember/Director Perez congratulated all who participated and planned the Lunar Festival celebration as it was a very successful event.

Vice Mayor/Vice President Pollard stated the historic Fox Theater in Redwood City is preparing the stage for Les Miserables and encouraged everyone to see the show.

Councilmember/Director Bronitsky gave his condolences to the Shmueli family; Judith will be missed.

Councilmember/Director Bronitsky stated he read a national article regarding the South Bayside Waste Management Authority (SBWMA) and highlighted the member agencies' recycling efforts.

Councilmember/Director Bronitsky stated California is in its fourth year of a drought, and farms will not receive any federal-controlled water this year. However, despite these issues, the Hetch Hetchy Water System remains strong but everyone needs to continue to conserve water.

Councilmember/Director Bronitsky wished everyone a Happy Lunar New Year.

Councilmember/Director Okamoto thanked Gina Kuo and her husband for a successful Lunar New Year celebration.

Councilmember/Director Okamoto stated that the Police Athletics League (PAL) will be having a fundraiser on March 6 and anyone interested in getting tickets can contact Vice Mayor/Vice President Pollard.

Mayor/President Kiesel stated there was notable legislation being discussed in Sacramento: raising the cap on sales tax from 2% to 3% to allow for a half-cent sales tax increase for transportation, recapture of rain water, strategic growth, affordable housing funding and economic development options in the post redevelopment agency era.

ADJOURNMENT

Hearing no objection from the Council/Board, Mayor/President Kiesel adjourned the meeting. Meeting adjourned at 8:00 p.m.

HISTORICAL BACKGROUND INFORMATION

The history of gasoline service stations and associated uses in Foster City and the basis of the current code provisions to preserve automobile repair in conjunction with gasoline stations can be traced back to the 1970s. Staff conducted background research on the various permits and actions that were taken pertaining to gasoline service stations in Foster City including the creation of the C-A district and has compiled all of the relevant information from the various staff reports and put together a timeline of events in this document.

1976

- § May, 1976 – Atlantic Richfield Company (ARCO) submits an application to convert their full-service gasoline/automotive repair station located at the southwest corner of Edgewater and East Hillsdale Boulevards to a self-service gasoline station with a minimart. Under that proposal, which was denied by the Planning Commission, the service bays were proposed to be converted into a minimart. The item was appealed to the City Council but withdrawn by the applicant prior to City Council consideration.

The Planning Commission finds that the request would not be in the general interest of the City and would be a detriment to surrounding property based on the following:

- The facility was established as a convenience facility/full service station serving the residents of the surrounding area. A commercial facility would typically be established in a large commercial area that would provide adequate separation from adjacent residential uses. This was not true of the subject property.
- The service station is located in a corner and is highly visible as a neighborhood service station. It provides some degree of openness and architectural compatibility. The proposed architecture was felt to be incompatible with surrounding neighborhood uses. The type of traffic generated in association with the sale of beer and/or wine was considered undesirable as it would promote loitering and delinquency in the neighborhood.
- Traffic movements and turns at the major intersection of East Hillsdale and Edgewater Boulevards were of concern with the increased use.
- The adjacent residents expressed concerns about people parking in darkened areas of the station, squealing tires, providing a place for young people to 'hang out' and because facilities of this type usually stay open past the normal operation hours of a normal grocery store, the required lighting and activity could be a serious detriment to the adjacent houses which have bedroom windows facing the subject property.

1986

- § July 15, 1986; September 2, 1986 and October 7, 1986 – The Planning Commission holds three (3) Study Sessions to review Chevron's Use Permit request (submitted on June 23, 1986) for demolition of the existing full-service gasoline station and service bays located at 1101 E. Hillsdale Blvd. to construct a new 12' X 32' sales building, pump islands, a restroom/utility building, canopy, trash enclosure and related parking and landscaping (UP-86-017). The Commission is charged with reviewing the architecture and site-specific design acceptability and discuss any issues/concerns relative to the project site. The subject parcel is in the C-1 zoning district. During this time, policy issues regarding gasoline station conversions were being discussed and were pending final decision. In order not to unduly hold up the Chevron application from a design standpoint, the Planning Commission reviews site-specific design requirements for the Chevron station with the understanding that it was

making no commitment to the general concept of allowing conversion of existing full-service stations. The application for the Use Permit is later withdrawn.

- § August 19 and September 18, 1986 – The City receives a formal application from Chevron (see above) and with the likelihood of ARCO also approaching the City with a similar request regarding the conversion of existing full-service gasoline/automotive repair stations to self-service gasoline/minimart stations. Given the nature of the requests, the Planning Commission holds two (2) Study Sessions to review general policies relative to land use and zoning requests for conversion of existing full-service gasoline/automotive repair stations to self-service gasoline/minimart stations. The Planning Commission has a number of concerns regarding basic land use and loss of existing auto repair services (and convenient emergency repair service) to City residents and the day-time work force, as well as site-specific design related concerns. During these Study Sessions, the following issues are raised:
- What are the conditions/circumstances, if any, under which the Planning Commission would entertain a request to convert an existing full-service gasoline/automotive repair service station to a self-service/minimart station?
 - Is a gasoline/automotive repair land use essentially the same as a gasoline/minimart land use? If not, where and how are they different? Can the difference between satisfactorily mitigated?
 - Is it the appropriate role of local government to regulate the type of goods and services provided by a merchant if the basic land use conducted meets the requirements of the zoning/district/use permit?
 - Does Foster City need more convenience markets?
 - In those locations where a gasoline station abuts a residential district, can neighborhood-disturbing impacts be successfully mitigated?
 - Are there sufficient other areas/zoning districts in Foster City in which automotive repair facilities could be located?
 - Is the Planning Commission willing to amend the “use list” in Section 17.30.020.F (M-1 District) to specifically include automotive repair facilities?
 - Is it not a part of the normal ebb and flow of the “market place” that services come and go, and if a need is perceived by a business person, they will respond by re-establishing the service in that market area (so long as locations are available)?
- § October 6, 1986 – Because of the potential impact that conversion of existing gasoline stations was felt to have and because of the need to understand the City Council's position from a policy standpoint, the item is brought to the City Council at its October 6, 1986 meeting. The Council considers a zoning proposal to amend the C-1 Neighborhood Business Zoning District and C-2 General Business Zoning District standards and development review procedures in order to respond to concerns pertaining to conversion of full service gasoline station to self-service gasoline minimarts for the sale of miscellaneous goods, wares and merchandise. The intent of the zoning amendment is to provide development standards and review procedures to insure that basic visual character of the planning area is conserved, to incorporate adequate parking, noise control and to protect the surrounding community from traffic impacts, and to control the sale of alcohol at said locations.

During this meeting, the City Council adopts an Urgency Ordinance (Ordinance No. 326) suspending the processing of applications for conversion of full-service gasoline stations to self-service gasoline minimarts and the sale of alcohol in the C-1 and C-2 zoning districts until such time as the City could review its policies and ordinances with respect to such requests. The 45-day interim urgency ordinance allows the City to maintain a status quo position until staff brings forth recommended regulations.

In order to expedite the processing of any changes that the City might wish to adopt relative to conversion of full-service gas stations within the C-1 district, Council members are polled individually by staff to get their policy viewpoints on the matter related to the ordinance amendments before bringing the matter to the Planning Commission for review and recommendation. The majority of the Council does not want conversion of the existing full-service gas stations to be allowed in the C-1 district. The Council is particularly concerned about the following issues:

- The loss of automotive repair service to City residents and the resulting need for residents to travel outside of the City to obtain such services if conversion were allowed.
- Lack of a substantiated need for additional "minimart" services in the City and a lack of evidence of any inconvenience suffered by City residents because of such an alleged lack of minimarts.
- The general feeling that the existing full-service gasoline stations were originally approved and allowed in the City on the basis in part that they would provide automotive repair services to Foster City residents. Foster City never developed other service stations because it felt it had adequate service available at the existing gas stations and at this late stage in Foster City's development, it is not practical to think that other such facilities would locate in the City because of locational problems (sites are not available that have good public visibility).

§ November 6, 1986 – The Planning Commission reviews proposed revisions to Chapter 17.24 C-1 Neighborhood Business District of Title 17 of the Foster City Municipal Code based on staff recommendation. During the meeting, two residents representing 38 residents surrounding ARCO signed a petition objecting to ARCO's proposal due to concerns about noise, traffic and litter. A representative of Chevron USA notes that Chevron has determined that customers want more minimart service stations, that service bays take up too much land and are not economically productive, that there are three Chevrons within a one-mile radius (two currently have service bays, including the one that is proposed for conversion), and that cars are too technical now and cannot be fixed by "shade tree mechanics." However, the Commissioners note that Foster City is a planned community and that the site on which the Chevron station is located was planned as a full-service gasoline station area and that perhaps another oil company would be interested in the site if Chevron does not wish to conform to the City's zoning. Overall, the Commissioners are not supportive of loss of auto repair services and addition of minimarts (with or without alcohol sales) at the existing gas stations.

The Commission adopts Resolution P-150-86 recommending City Council approval of changes to Chapter 17.24 C-1 Neighborhood Business District to not allow conversion of existing full-service gas stations in the C-1 district. (EA-11-86 and RZ-10-86). No changes are made to Chapter 17.26 (C-2 General Business District) of Title 17 in order to protect against conversion of existing gasoline stations as staff determines that there are no existing gasoline stations in the C-2 district.

Section 17.24.010 of Chapter 17.24 is amended by adding a paragraph which provides that:

The specific regulations set forth in this chapter shall apply in all C-1 districts.

C. No existing gasoline service station shall be permitted to alter or convert its operations or physical plant in such a fashion that either or both of the following occur:

1. Automotive service bays are decreased in number or eliminated and automotive service is diminished or eliminated.
2. Sale of nonautomotive repair, service or operations items occurs by any means other than by use of vending machines.

Section 17.24.030 of Chapter 17.24 was amended by adding Subsections I and J:

The following uses shall be permitted only when authorized by a conditional use permit issued in accordance with Chapter 17.72:

- I. Combination minimart (sale of food or nonautomotive items) and gasoline pumping or service stations subject to Section 17.24.010;
- J. The sale of alcoholic beverages as a part of or on the same site as a use also selling gasoline.

Subsection I would require that future requests for combination minimart/gasoline stations, established after November 6, 1986, must obtain a use permit from the City and would be subject to any provisions that might apply in Section 17.24.010. The intent of this section is that the City would entertain requests for additional minimart/gas station operations in the City at sites other than those which existed prior to November 6, 1986, but only through the use permit process. Subsection J was added to provide regulatory authority through the use permit process, for the City regarding sale of alcoholic beverages as a part of any site or overall project which also sells gasoline.

- § November 17, 1986 – The City Council introduces Ordinance No. 330 amending sections 17.24.010 and 17.24.030 to Chapter 17.24 C-1, Neighborhood Business District, of Title 17 of the Foster City Municipal Code as recommended by the Planning Commission. The proposed changes to Chapter 17.24 of Title 17 of the Foster City Municipal Code prohibited the conversion of existing full-service gas stations to mini-mart /self-service gasoline stations within the C-1 Neighborhood Business District.
- § December 1, 1986 – The City Council adopts Ordinance No. 330 amending Chapter 17.25 of the Zoning Ordinance to require a Use Permit for a “combination minimart (sale of food or non-automotive items) and gasoline pumping or service stations,” or converting the operations of a physical plant in such a fashion that automotive service bays area decrease in number or eliminated and automotive service bays are decreased in number of eliminated and automotive services diminished or eliminated.”

1987

- § May 14, 1987 – ARCO submits an application to request construction of a 2,000 sq. ft. minimart addition to the existing ARCO service station located at 880 East Hillsdale Boulevard (UP-15-87). This application is later withdrawn by the applicant.
- § July 1987 – ARCO resubmits an application for a minimart (EA-4-87 and UP-11-87). Based on the ordinance amendment to the C-1 district that the Council adopted on December 1, 1986, the applicant retains the service bays and accommodates the addition by removing

one of the gas pump islands and relocating one of the two pumps on the removed island to the remaining island. Due to this, the total number of gas pumps is reduced by one.

1987 – 1988

- § September 1, 1987; May 3, 1988 and July 19, 1988 – Planning Commission holds Study Sessions to review ARCO proposal that was resubmitted to include a 2,000 sq. ft. minimart. The Commission expresses concerns over traffic, loss of gasoline service, noise impacts, impact on police services, internal circulation, parking and concurrent sale of alcoholic beverages and gasoline. Over the course of these Study Sessions, many revisions are made to the plans to satisfy staff, Planning Commission and Police Department concerns, as well as to mitigate identified environmental impacts.
- It is determined that the environmental review process for this project could be satisfied by a Negative Declaration of Environmental Impact, based upon studies conducted in the areas of traffic, noise and police services and the incorporation of mitigation measures identified by these studies.
 - Traffic and noise study reports prepared by consultants are reviewed at the May 3, 1988 Study Session meeting. The reports indicated that all identified impacts could be reduced to insignificant levels through the incorporation of mitigation measures. The mitigation measures are incorporated into the project through site plan revisions as well as through conditions of approval.
 - The Planning Commission reviews the site plan and architectural elevations and also discusses the issue of loss of service at the July 19, 1988 meeting. Following much discussion of Section 17.24.010, regarding reduction in gasoline service, some of the Commissioners feel that there would be a loss of service as defined by the ordinance due to the increase in waiting time resulting from removal of one of the pump islands. The Commission requests staff to obtain City Attorney's opinion regarding the intent of the language of this section.
- § September 1, 1988 – Based on Commission direction, staff requests an opinion from the City Attorney as to the intent of the language of Section 17.24.010 of the Zoning Ordinance regarding the loss of service at gasoline stations. In the opinion of the City Attorney, the increase in delay in the sale of gasoline during the peak hours of service, caused by the elimination of one of the pump islands, is not the type of service reduction to which the ordinance refers. Instead the references to reduction in service refer to elimination of service bays. Staff is in agreement with the opinion of the City Attorney and does not recommend denial of the project based on the language contained in Section 17.24.010. Additionally, the applicant revises the site, architectural and landscape plans to address staff's comments.

The Planning Commission adopts Resolution P-103-88 approving the Negative Declaration of Environmental Impact (EA-4-87) based on the Initial Study prepared by the Planning Division in accordance with State CEQA Guidelines for a 2,000 sq. ft. minimart addition to the existing ARCO gas service station located at 880 East Hillsdale Boulevard. However, the Resolution for the Use Permit (UP-11-87) to allow construction of a 2,000 sq. ft. minimart addition fails to pass.

Commission opposition (two Commissioners) was in part based on these concerns:

- Traffic impacts from the minimart not adequately analyzed and addressed;

- Excessive potential for crime and loitering and requirements for increased police patrol;
 - Loss of service resulting from an increased delay in gasoline service caused by the elimination of one Pump Island and one gas pump.
- § September 8, 1988 – ARCO appeals Planning Commission decision to City Council.
- § October 17, 1988 – The City Council considers the Negative Declaration of Environmental Impact and appeal of Planning Commission decision to deny Use Permit (UP-11-87) for consideration of a minimart at the existing ARCO service station. Staff recommends that the Council approve the Negative Declaration. With respect to the Use Permit, staff recommends either approving the project, subject to all the recommended conditions of approval or approve the project subject to all the recommended conditions of approval and amending Condition 1.44 to allow 6:00 a.m. to 10:00 p.m. operating hours as requested by the applicant. The City Council continues the item and directs staff to revise the conditions of approval and also to allow the applicant to prepare a new site plan addressing the site circulation concerns raised by the Council including adequate circulation of cars around the pump areas and entering and exiting the site.
- § November 21, 1988 – The City Council adopts Resolutions 88-173 and UP-11-87 approving the Negative Declaration of Environmental Impact and approving the appeal for a minimart addition filed by ARCO including retention of the service bays subject to a revised site plan illustrating new internal circulation and the revised conditions of approval as recommended by staff.

1997

- § June 3, 1997 – The Planning Commission holds a Study Session to review a proposal by EXXON to remodel and intensify the mix of uses at its gasoline station at 501 Foster City Boulevard in the C-1 zoning district by increasing the number of service pumps from four to six, remodel the existing service station to include a 1,518 sq. ft. convenience store by reducing the number of service bays from four (4) to two (2) and at the same time being able to provide a higher level of service, installing a new 929 sq. ft. automated car wash facility, add a new 240 sq. ft. storage building, increase on-site parking, signage, reorganize site facilities, and add new landscaping (EA-96-001; UP-88-005B; SR-96-013). EXXON in their proposal indicates that the under-utilized service facility at their station is typical of a regional and national trend in petroleum marketing. Most major oil companies have stopped building new automotive service facilities and have plans to convert nearly all of their existing facilities. This trend is due to changes in automotive technology and the impact on gas station dealers. They note that cars today go longer between tune-ups and require expensive diagnostic equipment and highly trained technicians. The business people who operate gas stations find it financially infeasible to continuously upgrade equipment and training. The automotive service market is shifting to automotive dealerships and specialty shops.

Staff identifies the following key planning/design issues:

- Conversion from a full gasoline service station to a combination gasoline/convenience store/car wash
- Capability of two remaining service bays to meet existing and future service demand.
- Adequacy of proposed architectural design, materials and colors for this prominent site.

Staff has the following comments/recommendations:

- The proposed plans offer the opportunity to condition the new uses in such a way as to increase site utilization and require better site maintenance given that the site has a history of poor site maintenance.
- Limiting display of alcoholic beverages and advertising for these products to ensure the responsible sale of item.
- Section 27.24.010 of the C-1 zoning district states:

“No existing gasoline service station shall be permitted to alter or convert its operations or physical plant in such a fashion that either or both of the following occur:

 - A. Automotive service bays are decreased in number or eliminated and automotive service is diminished or eliminated.
 - B. Sale of nonautomotive repair, service of operations items occurs by any means other than by use of vending machines.”

Section 17.24.030(I), Conditional Uses, allows combination minimart (sale of food or nonautomotive items) and gasoline pumping or service stations with a Use Permit and subject to the previous section (17.24.010). Taken together, these sections require that automotive service levels be maintained at existing gasoline service stations, but that a minimart may be added with approval of a Use Permit.

According to the analysis provided by EXXON, reduction in service bays from four (4) to two (2) will provide capacity for a 150% increase over current levels of automotive service at the station. Staff concludes that this finding is consistent with the requirements of Section 17.24.010.

§ July 1, 1997 – The Planning Commission holds a Study Session to review the proposal by Chevron submitted by Chevron on May 2, 1997 to demolish the existing building, replace the service bay functions with a new convenience store in the northeast corner of the site and remodel the fueling area in order to provide a more efficient fueling operation of the existing gasoline service station at 1101 East Hillsdale Boulevard (PC-97-001). The proposal is based on the following:

- Chevron is getting out of the auto repair service business. Small service operations cannot compete with larger repair shops, given the expensive and sophisticated equipment required to service today's automobiles.
- In order to provide a more modern fueling arrangement the existing center-placed building would have to be removed.
- Chevron is expanding its operations to include convenience stores.

The following issues/concerns are raised by staff:

- Would the elimination of the existing two service bays be consistent with the General Plan Land Use and Circulation Element Goal LUC-C and Policy LUC-31
 - Goal LUC-C states:

Provide for economic development which: (1) maintains the City's ability to finance City services and construction and maintenance of public improvements; (2) offers local employment opportunities for Foster City residents so that inter-city commuting can be reduced; (3) assures the availability and diversity of resident-serving goods

and services; and (4) allows for specialized commercial uses, such as automobile service stations, water-oriented commercial uses and day care facilities.

- Policy LUC-31 states:

New Auto Repair or Other Large-Scale Repair Businesses. New auto repair or other largescale repair businesses (including auto detailing businesses) shall be limited to areas northwest of Highway 92 and shall be located in the industrial park area generally bounded by Chess Drive and Hatch Drive. Existing auto repair businesses, especially those located in gasoline service stations, should be retained in order that auto repair remains available to Foster City residents. Design standards will be developed to ensure that the appearance of, and vehicular circulation for, such uses are compatible with surrounding commercial and industrial land uses.

- Would the elimination of the existing two service bays and the construction of a convenience mart be of benefit to residents of the City since it would eliminate one of the very few options for car repair service within the City?
- The existing ARCO AM/PM minimart was successful supporting Chevron's argument that customers use the convenience mart when stopping for gas rather than making another stop at a grocery store. The ARCO remodel included retention of the service bays. EXXON also included the retention of the two service bays in their proposal to add a convenience store. These two examples indicated that retention of service bays or the combination of service bays and other uses can be economically viable.
- Is a convenience store needed? There are other existing 24-hour facilities in the city where citizens can purchase groceries and sundries, indicating that the convenience store would not meet a need that is currently unmet. The only difference is that the convenience store would allow purchases to be made at the same time gas is purchased or on a more 'quick stop' basis than a large grocery store.
- Is the need for service opportunities more important than the need for more efficient gasoline fueling given the Marlin Chevron closure, if both cannot be accommodated on the site?
- The options for obtaining automobile service within Foster City are very limited. The loss of such services at this site would be felt by residents.
- No information was provided to indicate that retention of service bays in a new building is not feasible. Staff suggests alternatives be explored and presented to the Commission how service bays could be included in a reconfigured station and if the applicant believes inclusion is not feasible, why.
- Is the requirement to retain service bays realistic in light of the expensive and sophisticated equipment necessary to service today's cars? Will this requirement to retain the service bays result in the closure of gasoline stations?
- If the City requires retention of service bays and Chevron leaves, will another provider be willing to take on the operation of the service bays? If the current operator leaves, they would have the option of removing their facilities in order to eliminate the potential for future damage claims resulting from leakage of hazardous materials. If the facilities were removed, the question would then be whether another operator would be interested in constructing a gas station with service bays. The City could require as a Condition of the Use Permit, that a new gas station include service bays.

- Whether another operator would be willing to take on the operations of the service bays is essentially an economic market question. Because the long term loss of automotive repair service would be inconvenient to the residents of the City, and likewise, if unprofitable, the requirement to provide such service would be unfair to the applicant, staff recommends that economic information be provided.

Staff advises the Planning Commission that the City's consideration of an amendment to the code should not be based on one company's marketing strategy but on meeting the needs of the City. If, however, the City's requirements can be shown to be economically infeasible, then the City should consider amending its requirements. Staff recommends that the applicant retain the services of a qualified firm to develop data regarding the future viability of the subject site as a full service gasoline service station and whether the site as located and configured is viable as a locale for providing automotive repair and service. The site should be evaluated in light of current and projected market trends and needs, the types of operators and arrangements that are possible and in effect in other locations and without regard to which company owns or may own the site or provides services from it. Such third party information could serve to establish a more rationale basis for making a decision in this matter and justifying it to the public.

Staff identifies the following options:

- Retain the existing zoning text in Chapter 17.24, C-1 Neighborhood Business District, and require the retention of both service bays at Chevron
- Require partnering/joint venture with off-site provision of service bays. This could involve provision of replacement service bays in another location in the City, but linked through Use Permit conditions to the gas station such that the gas station Use Permit would only remain valid as long as the service facility was in operation.
- Amend Chapter 17.24 to allow the elimination of service bays. This would allow Chevron to move forward with their proposal to remove the existing service bays, reconfigure the fueling, and construct a convenience store.

The Planning Commission indicates that it would be willing to consider the amendment of the Municipal Code if, after receipt and evaluation of a study conducted by a qualified third party it was demonstrated that maintaining the service bays was not economically viable.

- § September 2, 1997 – The City Council is requested to provide direction to staff regarding whether to pursue consideration of an amendment to Section 17.24.010 of Chapter 17.24 (C-1 Neighborhood Business District), of Title 17, Zoning, of the Foster City Municipal Code to eliminate the requirement that service bays at gas stations be retained when a gas station is altered. (PC-97-001)
 - City Council considers PC recommendation and directed staff to pursue consideration of an amendment to Section 17.24.010 of Chapter 17.24 of Title 17 of the Foster City Municipal Code and preparation of an economic analysis based on Chevron's expense.
 - Chevron requests that the matter be tabled to allow them time to explore other alternatives, specifically to provide auto repair service in an off-site location.
- § October 2, 1997 – The Planning Commission adopts Resolution P-70-97 and P-69-97 approving an amendment to the existing Use Permit and a Negative Declaration of Environmental Impact for the EXXON gas service station to allow a 1,532 sq. ft. expansion

of the gas service building for a convenience store, reduction in the number of service bays from four to two (1,365 sq. ft.), addition of a 929 sq. ft. car wash, a 240 sq. ft. storage building, addition of two (2) gas pumps and a new 3,100 sq. ft. fuel island canopy, and other site improvements such as parking, landscaping, and signage. EXXON states that the current facility services approximately 200 vehicles per month with 4 service bays (50 vehicles/bay) which is below Exxon's regional standard of 600 vehicles per month (150 vehicles/bay). With two service bays, the station would be able to serve 300 vehicles per month by providing increased levels of automotive service and efficient use of space aided by the addition of a dedicated storage area for parts and tools.

The reduction in the number service bays is generally supported on the basis that the level of service could be increased with two more efficiently used bays compared to the current number of cars serviced in the existing four bays. The Use Permit expired on October 4, 1999 and the improvements were not constructed.

- § October 20, 1997 – Staff seeks City Council direction to approve Draft Request for Proposal to be sent to qualified consulting firms for the purpose of conducting a study to determine the economic viability of maintaining service bays at existing Chevron service station located at 1101 East Hillsdale Boulevard (RZ-97-005).
 - The Council makes a motion to table the item for 30 days to allow Chevron time to explore options related to the service bay situation.

1998

- § May 5, 1998 – Chevron submits a letter asking that the matter be brought back to the Council. Chevron requests City approval to reconstruct a 2,000 sq. ft. convenience mart in place of the current auto repair service operation, remediation of contaminated soils below grade in order to meet federally mandated environmentally regulations, and modifications to fueling facilities to meet state requirements. The letter stated that the independent auto repair service operator (who was operating the auto repair at their site), Hanley Lau, has elected to move his operation to the independently owned Chevron station on Hillsdale Boulevard on the west side of Highway 101, in San Mateo. Chevron also indicates that it will minimize the loss of repair operations to residents and commuters by the following:
 - Provide signs on-site referring customers to the other Chevron location for auto repair service along with a telephone number.
 - Allow the 1101 East Hillsdale Boulevard site to become a drop-off site for customers' vehicles to be picked up by the service providers.
 - Work with the service provider to provide pick-up and drop-off of customers who have difficulty making other arrangements.
 - Provide flyers and information sheets about the new service location to customers or visitors to the 1101 East Hillsdale Boulevard site.
- § June 15, 1998 – Staff seeks City Council direction to pursue consideration of an amendment to Section 17.24.010 of Chapter 17.24 (C-1 Neighborhood Business District), of Title 17, Zoning of the Foster City Municipal Code to eliminate the requirement that service bays at gas stations be retained when a gas station is altered.

Staff identifies the following problems with the proposal:

- Foster City has only three auto repair service providers; two of them (EXXON and ARCO) were required to keep a minimum level of service as a condition of adding a convenience store.
- Foster City's best chance of keeping auto repair services is by retaining the requirements in its Zoning Ordinance that prevent the removal or diminution of auto repair services.
- The 1101 East Hillsdale Boulevard site may be too small to contain fueling and both a convenience store and service bays, as was possible at the larger EXXON and ARCO sites.
- While industry trends and Chevron company policy may be toward the provision of auto repair services at separate sites and not in conjunction with fueling operations, there are few, if any, potential sites in Foster City for new auto repair service facilities.

Key Policy considerations include the following:

- If the ordinance is changed and service bays are eliminated at 1101 East Hillsdale Boulevard, will the City have an adequate number of auto repair facilities?
- What is the more pressing need in the City – a new convenience store or continuation of auto repair service?
- Has sufficient evidence been provided to the City to support Chevron's claim that trends demonstrate the inability of the market/petroleum products industry to provide auto repair services at the subject site?
- Is Chevron's proposal to assist auto repair service customers with obtaining auto repair services outside the City reliable in the long term?
- Does the City have sufficient information with which to make a decision on this matter?

Staff recommends that Chevron be allowed to raze the existing site and remediate contaminated soils but that any permit to rebuild must include facilities such that minor vehicle repair services can be provided, similar to those services previously offered at this location. Staff also notes the City Council may wish to rezone the three gasoline/service stations sites in the City to a zone that specifically allows only a gasoline station with service to ensure that if a new gasoline station is removed, a new freestanding retail use may not be placed there, as is currently allowed in the C-1 (Neighborhood Business) District. This could be accomplished by using the CM/PD (Commercial Mix/Planned Development) district or by creating a new variation of the C-1 District for gasoline service stations. Based on staff recommendation, City Council did not wish to consider amendment of Section 17.24.010.

- § November, 1998 – Chevron remediates contaminated soils and remodels east end of buildings. Given the code requirements, they indicate that they will retain service bays but not operate them.

1999

- § July 6, 1999 – The Planning Commission holds a Study Session to review proposed zoning district for C-A, Commercial Automobile Repair and Service District. (RZ-99-006)

The City's existing gasoline and automobile service stations were zoned C-1, Neighborhood Business District. The existing practice of applying the C-1, Neighborhood Business District

Zoning to gas stations does not preclude the sale of the site to a non-auto-related commercial business that is permitted in the C-1 District. Under the C-1 regulations, staff identifies several scenarios that could result in the conversion (or removal) of gasoline sales and/or automobile service given that there were a number of uses such as retail stores, offices, restaurants that were permitted by right in the C-1 District such as:

- A property owner or lessee can obtain a demolition permit. The City has no authority to deny a demolition permit for the removal of a gasoline service station (example Marlin Chevron). The same or a subsequent owner could then establish a new non-auto related use on the property under the C-1 regulations such as a retail store, offices, or restaurant.
- A gasoline station operator can abandon the use and the site sit vacant (example 1289 E. Hillsdale). This situation could occur under any zoning and cannot be prevented.
- A gasoline station operator can physically maintain the service bays, but choose not to provide automobile service, (example Chevron). Although the existing C-1 regulations would not preclude the loss of gasoline service stations under several scenarios. Staff consulted with the City Attorney regarding whether other means could be used to preserve the few remaining automobile service stations. Staff and City Attorney concluded that a new zoning district for auto-related used was the best approach and prepared the C-A District regulations.

Given the extremely limited number of opportunities for automotive service in Foster City, staff feels that it is important to ensure that these sites remain limited to automotive service uses. Staff concludes that a new zoning district for auto-related uses was the best approach and therefore the C-A, Commercial Automobile District was proposed. The existing gasoline service stations would be rezoned to the new C-A district regulations. The proposed zoning district would not require any changes in the existing uses on the four affected sites, but rather are intended to encourage those uses to stay.

The proposed regulations would allow only conditional uses, i.e., all uses would require a Use Permit. Automobile repair service would be allowed to operate by itself, but gasoline sales, automobile accessory shops, mini-marts, and other incidental uses would only be allowed to operate in conjunction with automobile repair service. The existing uses would be allowed to continue under their existing approvals but would be required to obtain a Use Permit or Use Permit Modification at the time they proposed a significant change in their operation facilities. Any new automobile service station would require a Use Permit.

Two of the four gasoline service stations do not currently provide automobile repair service: Chevron and Touchless. Chevron has vacant service bays. Touchless has a vacant site that has been under discussion for an automobile service use. These two gasoline service stations would be allowed to continue as they are, but would be required to provide automobile service as part of any major Use Permit modification.

The purposes of the proposed C-A District:

- To ensure the continuation of automobile repair service within the City of Foster City at existing service stations, including service stations located at 1101 East Hillsdale Boulevard/Chevron; 501 Foster City Boulevard/EXXON, 880 East Hillsdale Boulevard/ARCO.

- To protect local air quality by ensuring to the extent possible that local residents and the City's daytime workforce are afforded opportunities to tune-up automobiles in a location that is conveniently located near residences and employment centers in the City
- To provide opportunities for residents and the City's daytime workforce to keep automobiles operating in a safe and reliable manner in a location that is conveniently located near residences and employment centers in the City.
- To provide opportunities for residents and the City's daytime workforce to keep automobiles operating in a safe and reliable manner in location which eliminates the need to leave the City in order to obtain such services and thereby add to morning and afternoon traffic congestion in the City and the general area.
- To ensure to the extent possible that automobiles and other vehicles are maintained in a safe, reliable and environmentally sound condition and that the inconvenience of leaving the City in order to obtain such service is not a contributing factor influencing a vehicle owner's decision not to obtain such a service.

Staff reviews potential "takings" issues with the City Attorney. A regulatory taking is an indirect confiscation of private property through governmental regulation. A "taking" occurs when a local agency deprives a private property owner of all viable economic use of their property. Because the properties affected by the zoning ordinance amendment are currently being used as auto repair service businesses and able to continue the economically viable use on the property, the City Attorney concludes that the proposal will not constitute a regulatory taking of property.

- § August 19, 1999 – RZ-99-006 and RZ-99-007 – Planning Commission conducts a Public Hearing and adopts Resolutions P-49-99 and P-50-99 recommending City Council approval of an amendment to Title 17, Zoning, of the Foster City Municipal Code to include a new zoning designation for C-A Commercial Automobile Repair and Service District and to add related definitions to Chapter 17.04, Definitions and to amend the Foster City Zoning Map to rezone the following properties to C-A Commercial Automobile Repair and Service District:
 - 1101 East Hillsdale Boulevard (CHEVRON) – APN 094-010-180
 - 501 Foster City Boulevard (EXXON) – APN 094-010-390
 - 390 Foster City Blvd. (TOUCHLESS) – APN 094-521-160
 - 880 East Hillsdale Blvd (ARCO) – APN 094-411-320
- § September 21, 1999 – City Council introduces and passes to second reading Ordinances approving an amendment to Title 17, Zoning, to include a new zoning designation for a C-A, Commercial Automobile Repair and Service District and add related definitions to Chapter 17.04, Definitions and an amendment to the Foster City Zoning Map to rezone four properties to C-A, Commercial Automobile Repair and Service District: 1101 East Hillsdale Boulevard (CHEVRON), 501 Foster City Boulevard (EXXON), 390 Foster City Blvd. (TOUCHLESS) and 880 East Hillsdale Blvd (ARCO).
- § October 9, 1999 – City Council adopts Ordinance No. 476 approving an amendment to add Chapter 17.29, C-A, Commercial Automobile Repair and Service District, and related definitions to Chapter 17.04, Definitions, of Title 17, Zoning, of the Foster City Municipal Code (RZ-99-006) and an amendment to the Foster City Zoning Map to rezone four properties to C-A, Commercial Automobile Repair and Service District (RZ-99-007).

Chapter 17.29

C-A COMMERCIAL AUTOMOBILE REPAIR AND SERVICE DISTRICT

Sections:

- [17.29.010](#) Purpose.
- [17.29.020](#) Regulations generally.
- [17.29.030](#) Permitted uses.
- [17.29.040](#) Conditional uses.
- [17.29.050](#) Area, bulk, yard and height regulations.
- [17.29.060](#) Parking.
- [17.29.070](#) Use enclosure requirements.

17.29.010 Purpose.

The purposes of the C-A district are as follows:

- A. To ensure the continuation or resumption of automobile repair service within the city at existing service stations, including service stations with space designed for automobile service located at 1101 East Hillsdale Boulevard/Chevron; 501 Foster City Boulevard/Exxon; 880 East Hillsdale Boulevard/ARCO;
- B. To ensure the continuation of gasoline sales within the city at existing locations, including 1101 East Hillsdale Boulevard/Chevron; 501 Foster City Boulevard/Exxon; 880 East Hillsdale Boulevard/ARCO; and 390 Foster City Boulevard/Touchless;
- C. To protect local air quality by ensuring to the extent possible that local residents and the city's daytime work force are afforded opportunities to tune-up automobiles in a location that is conveniently located near residences and employment centers in the city;
- D. To provide opportunities for residents and the city's daytime work force to keep automobiles operating in a safe and reliable manner in a location that is conveniently located near residences and employment centers in the city;
- E. To provide opportunities for residents and the city's daytime work force to keep automobiles operating in a safe and reliable manner in locations which eliminate the need to leave the city in order to obtain such services and thereby add to morning and afternoon traffic congestion in the city and the general area;
- F. To ensure to the extent possible that automobiles and other vehicles are maintained in a safe, reliable and environmentally sound condition and that the inconvenience of leaving the city in order to obtain such service is not a contributing factor influencing a vehicle owner's decision not to obtain such service. (Ord. 476 Exh. A (part), 1999)

17.29.020 Regulations generally.

The specific regulations set forth in this chapter shall apply in all C-A districts. No use shall be permitted, the nature or manner of operation of which is determined by the planning commission to be unduly detrimental or injurious to other properties in the vicinity or uses thereon or to the general

public welfare by reason of the emission of odor, dust, smoke, noise, vibrations, electrical or other disturbances. (Ord. 476 Exh. A (part), 1999)

17.29.030 Permitted uses.

- A. The uses permitted within the C-A district are only those uses specified within the use permit required in connection with such district. Other uses may be approved from time to time by the planning commission and found to be similar to the uses previously approved.
- B. No gasoline service station shall be permitted to alter or convert its operations or physical plant in such a fashion that automotive service bays are decreased or eliminated with the result that automobile repair service is significantly diminished or eliminated. (Ord. 476 Exh. A (part), 1999)

17.29.040 Conditional uses.

The following uses shall be permitted only when authorized by a conditional use permit:

- A. Automobile repair service;
- B. Gasoline sales (operated only in conjunction with automobile repair service);
- C. Automobile accessory shops (operated only in conjunction with automobile repair service);
- D. Minimart (operated only in conjunction with and incidental to automobile repair service and automobile service stations);
- E. Incidental and accessory structures and uses located on the same site with and necessary to the operation of an approved conditional use that do not interfere with or diminish automobile repair service. (Ord. 476 Exh. A (part), 1999)

17.29.050 Area, bulk, yard and height regulations.

Area, bulk, yard and height regulations shall be established within the use permit required on the subject property. (Ord. 476 Exh. A (part), 1999)

17.29.060 Parking.

Parking shall be provided in accordance with Chapter 17.62, Off-Street Parking Regulations. When proposed uses allow, as determined by the city, shared parking may occur. When shared parking is requested, the number of parking spaces provided shall not be reduced below the number of spaces required by the maximum user. (Ord. 476 Exh. A (part), 1999)

17.29.070 Use enclosure requirements.

All uses permitted within this chapter, except parking and other specifically permitted outside accessory uses, shall be conducted within an enclosed building. (Ord. 476 Exh. A (part), 1999)

ATTACHMENT 5

Chapter 17.24 C-1 NEIGHBORHOOD BUSINESS DISTRICT

Sections:

- [17.24.010](#) Regulations generally.
- [17.24.020](#) Permitted uses.
- [17.24.030](#) Conditional uses.
- [17.24.040](#) Area, bulk, yard and height requirements.
- [17.24.050](#) Parking and loading.
- [17.24.060](#) Use enclosure requirements.

17.24.010 Regulations generally.

The specific regulations set forth in this chapter shall apply in all C-1 districts.

- A. No use shall be permitted the nature or manner of operation of which is determined by the planning commission to be unduly detrimental or injurious to other properties in the vicinity or uses thereon or to the general public welfare by reason of the emission of odor, dust, smoke, noise, vibrations, electrical or other disturbances.
- B. Any recreational or instructional school or business teaching or offering dance, music, singing, gymnastics, boxing, wrestling, martial arts, sports training, and fitness training shall, with the exception of allowing ingress into and egress out of the school or business, keep all of the windows and doors serving the facility closed when conducting noise-generating activities such as classes, training, instructions, recitals, exhibitions or performances.
- C. No existing gasoline service station shall be permitted to alter or convert its operations or physical plant in such a fashion that either or both of the following occur:
 - 1. Automotive service bays are decreased in number or eliminated and automotive service is diminished or eliminated.
 - 2. Sale of nonautomotive repair, service or operations items occurs by any means other than by use of vending machines. (Ord. 565 § 1 (part), 2011: Ord. 330 1, 1986: Ord. 38 1 (part), 1972: prior code 10-404.071)

17.24.020 Permitted uses.

The following uses shall be permitted and/or limited in the C-1 districts:

- A. Retail stores and service establishments which supply commodities or provide services primarily to meet the needs of residents of the surrounding residential districts, such as grocery stores, bakery outlets, drugstores, barber or beauty shops, liquor stores (package goods only), delicatessens, florist shops, laundromats, clothes cleaning pickup stations, variety stores, hardware stores, TV repair shops and other uses which, in the opinion of the city planning director (director of planning and development services), are similar. Shopping center use limitations and regulations adopted as use permit conditions of approval, which were in effect on (ordinance codified in this subsection adoption date) notwithstanding, retail stores which, in the sole judgment of the city, are determined to be other

than primarily neighborhood-serving may, upon prior review and written approval of the director of planning and development services, be allowed but shall be limited to a maximum of thirty-three percent of a neighborhood shopping center's gross square footage. In addition, such uses shall not create a demand for parking which exceeds the existing capacity of the parking lot serving the center, nor shall they individually or collectively violate any provision of Chapter [17.68](#) of this title. The determination regarding whether or not there is sufficient parking capacity to serve the proposed use (s) and all other existing uses shall be made solely by the city after it receives information from the shopping center owner establishing the gross square footage of the center and individual stores. In determining whether or not to approve a request to allow a retail store which is other than primarily neighborhood-serving, the director of planning and development services shall base such a decision on an assessment of the demand for parking that will be created by the store, the existing capacity of the parking lot serving the shopping center, the presence or possible occurrence of parking problems due to insufficient parking to serve the proposed store or existing stores, an assessment of the ability of the proposed store to meet the provisions of Chapter [17.68](#) of this title, as well as any other possible public nuisance impacts;

- B. Administrative, professional and business offices;
- C. Restaurants (except drive-in or walk-up restaurants), tea rooms, cafes or soda fountains not including entertainment or the sale of alcoholic beverages for consumption upon the premises;
- D. Parking lots improved in conformity with the standards prescribed for required off-street parking facilities in Chapter [17.62](#);
- E. Emergency shelters pursuant to Chapter [17.82](#). (Ord. 578 § 7, 2013; Ord. 384 1, 1991; Ord. 38 1 (part), 1972: prior code 10-404.072)

17.24.030 Conditional uses.

The following uses shall be permitted only when authorized by a conditional use permit issued in accordance with Chapter 17.72:

- A. Automobile service station;
- B. The on-premises sale of alcoholic beverages where food is served;
- C. Walk-up or take-out restaurants designed for food consumption on the premises but outside of the building;
- D. Churches and other religious institutions;
- E. Private clubs and lodges;
- F. Public buildings and grounds, public utility and public service structures or installations when found by the commission to be necessary for public health, safety or welfare;
- G. Incidental and accessory structures and uses located on the same site with and necessary to the operation of a conditional use;

H. Live entertainment;

I. Combination minimart (sale of food or nonautomotive items) and gasoline pumping or service stations subject to Section [17.24.010](#);

J. The sale of alcoholic beverages as a part of or on the same site as a use also selling gasoline. (Ord. 330

2, 1986: Ord. 211 3, 1981; Ord. 38 1 (part), 1972: prior code 10-404.073)

17.24.040 Area, bulk, yard and height requirements.

The following area, bulk, yard and height regulations shall apply in the C-1 districts:

Minimum							Minimum	
Building Site		Minimum Yards			Maximum		Open	Green
Average	Minimum	Required			Height		Coverage	Area
Width	Area	Front	Side	Rear	Permitted		Permitted	Require
(ft.)	(sq. ft.)	(ft.)	(ft.)	(ft.)	Stories	Ft.	(%)	(%)
50	5,000	0	0	0	1	20	25	15

Where a neighborhood commercial zone abuts a residential zone, no building shall be closer than twenty-eight feet to the residential zone. (Ord. 38 1 (part), 1972: prior code 10-404.074)

17.24.050 Parking and loading.

Parking and loading facilities shall be provided in accordance with the provisions of Chapter [17.62](#). (Ord. 38 1 (part), 1972: prior code 10-404.075)

17.24.060 Use enclosure requirements.

All uses permitted within this chapter, except parking and other permitted outside accessory uses, shall be conducted within an enclosed building. (Ord. 38 1 (part), 1972: prior code 10-404.076)

The Foster City Municipal Code is current through Ordinance 600, passed March 21, 2016.

Disclaimer: The City Clerk's Office has the official version of the Foster City Municipal Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.



DATE: July 18, 2016

TO: President and Members of the EMID Board of Directors

VIA: Kevin M. Miller, District Manager

FROM: Edmund Suen, Finance Director
Jeff Moneda, Public Works Director/District Engineer

SUBJECT: STATE REVOLVING FUND APPLICATION REQUIREMENTS FOR THE
CLEAN WATER PROGRAM – DISTRICT’S WASTEWATER TREATMENT
PLANT MASTER IMPROVEMENTS PROJECT (CIP 455-652)

RECOMMENDATION

It is recommended that the Estero Municipal Improvement District (District) Board of Directors adopt five resolutions required by the State Water Resources Control Board (SWRCB) to finance specific projects related to the Clean Water Program, using the Clean Water State Revolving Fund (CWSRF). These resolutions will:

1. Authorize the application for a Clean Water State Revolving Fund loan with the State Water Resources Control Board for specific projects related to the Clean Water Program (District’s Wastewater Treatment Plant Master Improvements Project – CIP 455-652) and designate the San Mateo-Foster City Public Financing Authority to execute a financing agreement for the benefit of the City of San Mateo (San Mateo) and Estero Municipal Improvement District in an amount not-to-exceed \$750,000,000 during the duration of the Clean Water Program. The Estero Municipal Improvement District is responsible for a percentage of this loan, as negotiated by Joint Powers Agreements, which is estimated to be \$88,000,000.
2. Designate the Public Works Director as an authorized representative of the Estero Municipal Improvement District to certify compliance with agreements laid out by the State Water Resources Control Board.
3. Dedicate and pledge revenues or funds for the repayment of the Clean Water State Revolving Fund loan with the State Water Resources Control Board for the specific projects related to the Clean Water Program.

4. Resolve to comply with Treasury Regulation 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of the Clean Water State Revolving loan with the State Water Resources Control Board for the specific projects related to the Clean Water Program.
5. Resolve the intention to reimburse expenditures for public improvements related to the Clean Water Program from the proceeds of obligations to be issued by or for the District and directing certain actions.

EXECUTIVE SUMMARY

Staff in the City of San Mateo and the District are jointly preparing a State Water Resources Control Board's Clean Water State Revolving Fund (CWSRF) loan application package in order to pursue low interest financing for the Clean Water Program (District's Wastewater Treatment Plant Master Improvements Project – CIP 455-652). The SWRCB requires each agency (City of San Mateo and the District) to adopt resolutions in order to apply for the CWSRF loan.

BACKGROUND AND ANALYSIS

The District and the City of San Mateo (San Mateo) are joint owners of the San Mateo Wastewater Treatment Plant (WWTP), with San Mateo designated as the lead agency. As established under a Joint Powers Agreement between the District and San Mateo, the District is responsible for its applicable share of costs for the WWTP (San Mateo owns 75% and the District 25%) improvements. The District is not responsible for San Mateo's collection system improvements.

In response to Cease and Desist Order No. R2-2009-0020 issued by the Regional Quality Control Board, the City of San Mateo partnering with the District, created the Clean Water Program (CWP) to implement capital improvement projects (District's WWTP Master Plan Improvements Project – CIP 455-652) for the purpose of eliminating sanitary sewer overflows (SSOs) and wet weather blending under the 2013 NPDES permit. Given the need for significant new capital investment, alternate funding mechanisms have been identified to minimize the impact on future rate increases necessary to fund the Program. CWSRF is anticipated to be the largest funding source of the \$900 million Clean Water Program (with the District's share estimated at \$119 million); the balance of the requirement is expected to be from traditional bonds, which will be provided to the District Board at a later time.

In 1987, the State Water Resources Control Board established the Clean Water State Revolving Fund program, which offers low interest financing agreements for water quality projects. District staff recommends the CWSRF loan program as a preferred funding mechanism over the use of revenue bonds because the CWSRF loan interest rates are generally lower than comparable bond rates and CWSRF loans have advantageous debt service schedules. Comparable CWSRF loan interest rates are currently roughly half of traditional bond rates, resulting in significant cost savings.

However, the CWSRF loan application process requires submittal of extensive documentation, including technical, environmental, and financial details of both the wastewater enterprise and the specific projects related to the CWP. The process also requires five actions by the Board of Directors to fulfill legal requirements of the CWSRF program:

1. The first action is to adopt a resolution authorizing the Board of Directors of the San Mateo-Foster City Public Financing Authority (SM-FC PFA), comprised of the City of San Mateo and the Estero Municipal Improvement District, to submit and execute a financial agreement with CWSRF. Under the proposed legal structure, the SM-FC PFA would borrow money from CWSRF. The SM-FC PFA would pledge "Revenues" as security for its obligation to repay CWSRF. The Revenues would consist of payments that the SM-FC PFA receives pursuant to separate Financing Agreements with San Mateo and the District. Under their respective Financing Agreements, each of San Mateo and the District would agree to pay its share of the loan made by CWSRF to the SM-FC PFA. As security for their payment obligations under their respective Financing Agreements, each of San Mateo and the District would each pledge net revenues of its wastewater enterprise, subject to existing and future parity payment obligations. The District has no obligation to pay San Mateo's share of the loan if San Mateo fails to comply with its payment obligation under its Financing Agreement. Similarly, San Mateo has no obligation to pay the District's share.
2. The second action is to designate the Public Works Director as an authorized representative of the Estero Municipal Improvement District, to attest to and certify the compliance with all local, state, and federal regulations and requirements of the State Water Resources Control Board.
3. The third action is for the District to adopt a resolution pledging funds to ensure repayment of its share of the CWSRF loan. That share is estimated to be \$88,000,000. The District's rate consultant will annually review the Department's financial reports and determine necessary rate increases to ensure sufficient future revenue to repay the District's share of the loan on these projects.
4. The fourth action is to adopt a resolution related to Treasury Regulation Section 1.150-2, which indicates an official intent to use the loan for eligible capital improvement projects and comply with regulations relating to the qualification for reimbursement.
5. The fifth action is to adopt a resolution of intention to reimburse expenditures for public improvements related to the Clean Water Program from the proceeds of obligations to be issued by or for the District and directing certain actions.

Passing all five resolutions is necessary to comply with CWSRF program application requirements and federal law. These resolutions are being brought before both the Estero Municipal Improvement District's Board of Directors and the City of San Mateo's City Council.

ENVIRONMENTAL DETERMINATION

The City of San Mateo prepared a Final Programmatic Environmental Impact Report (Final PEIR) in accordance with the California Environmental Quality Act (CEQA) (SCH No. 2015032006). The Final PEIR was certified and the In-System Storage and Wastewater Treatment Plant Alternative was adopted by their City Council on June 6, 2016. The Final PEIR included analyses that address specific "CEQA-Plus" requirements, necessary to include with the SRF loan application.

A Notice of Preparation (NOP) was filed with the State Clearinghouse on March 2, 2015, which initiated the 30-day scoping period for the PEIR. The PEIR was prepared and circulated for public review and comment from October 20, 2015 to January 22, 2016. Three public hearings were held in the City of San Mateo on November 13, 2015, December 9, 2015 and January 13, 2016 to receive comments from the public on the contents of the PEIR.

In accordance with CEQA, the Final PEIR serves as the primary environmental compliance document for implementation of the CWP In-System Storage alternative and the New Headworks and Primary Clarifier projects. It is recognized that additional environmental review may be required for specific projects associated with the CWP (for example, the in-system storage basin) as they move further into design and final location selection.

The City of San Mateo has also prepared a separate "CEQA-Plus" document that addresses all environmental review items that are required for Federal Coordination on the SRF loan application (Section E1 of the Environmental Package). The CEQA-Plus document, combined with the Final PEIR, satisfy the necessary environmental review requirements for submittal of the loan application to the State Water Resources Control Board.

FISCAL IMPACT

The CWSRF program provides funding on a reimbursable basis for actual costs incurred over the course of the project. Funds expended by San Mateo and the District during the design phase of the project will be reimbursed through the CWSRF funding agreement as a lump sum payment at time of construction contract award. A revolving line of credit will be used on a cash flow basis to fund project costs prior to CWSRF reimbursement. Construction costs will be reimbursed on a monthly basis during the construction phase. Repayment of the loan will begin one year after completion of the construction of the project. This means the District must fund the initial project activities using alternate funding source(s) until the CWSRF loan begins reimbursing the project costs. Bond proceeds cannot be used for initial funding of projects receiving CWSRF loans. The SM-FC PFA anticipates executing a line of credit to cover expenditures until reimbursement from CWSRF occurs.

The CWP is a ten (10) year program, with a majority of large projects beginning construction in the first four (4) years. The debt service structure of this loan advantageously allows the District to raise sewer rates gradually over the course of several years during construction, as opposed to requiring immediate revenues to fund the program.

However, in order to obtain CWSRF funding, the District must demonstrate that it has approved and will continue to approve the necessary rate increases sufficient to cover future debt service. Financing CWP projects through the CWSRF program will greatly reduce the overall project costs. The estimated total program savings in finance charges for the CWP projects addressed herein is approximately \$250 million, as shown below:

Traditional Bonds at 3.5%	= \$460 million (interest cost)
CWSRF Financing at 1.7%	= \$210 million (interest cost)
Estimated Savings	= \$250 million

The Estero Municipal Improvement is responsible for a percentage of the cost share of the Clean Water Program, which is estimated to be \$119 million, subject to current and future joint powers agreements between the District and the City of San Mateo. Of that cost share, an estimated \$88 million will be financed through CWSRF loans. The estimated cost savings for the Estero Municipal Improvement District is:

Traditional Bonds at 3.5%	= \$56 million (interest cost)
CWSRF Financing at 1.7%	= \$25 million (interest cost)
Estimated Savings	= \$31 million

While there is no guarantee of securing CWSRF financing, the overall cost savings make it worth pursuing and these resolutions allow the Clean Water Program to move forward in pursuing funding.

Attachments:

1. Resolution – Authorizing for Application of State Revolving Loans
2. Resolution – Designating Authorized Representative
3. Resolution – Pledged Source of Revenue
4. Resolution – Intent to Comply with Treasury Regulations for Reimbursement
5. Resolution – Intent to Reimburse Expenditures for Public Improvements
6. Treasury Regulation 1-150.2 – Proceeds of Bonds Used for Reimbursement

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT APPLYING FOR STATE REVOLVING LOANS FOR PROJECTS WITHIN THE CLEAN WATER PROGRAM

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, in 1987 the State Water Resources Control Board established the Clean Water State Revolving Fund program ("CWSRF") which offers low interest financing agreements for water quality projects; and

WHEREAS, the Estero Municipal Improvement District wishes to utilize the CWSRF for the projects within the scope of the Clean Water Program ("CWP"); and

WHEREAS, the Clean Water Program was created in response to the Cease and Desist Order No. R2-2009-0020, dated March 2009 and NPDES Permit No. CA0037541 dated May 2013, and is eligible for the CWSRF program.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District does hereby determine that:

1. California Environmental Quality Act requirements were fulfilled when the San Mateo City Council approved the Programmatic Environmental Impact Review (PEIR) on June 6, 2016.
2. The San Mateo-Foster City Public Financing Authority is authorized and directed to sign and file, for and on behalf of the Estero Municipal Improvement District, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of any projects contained within the scope of the Clean Water Program.
3. The Estero Municipal Improvement District agrees and further does authorize the San Mateo-Foster City Public Financing Authority, or its designee, to certify that the Estero Municipal Improvement District has and will comply with all applicable state and federal statutory and regulatory requirements related to any financing or financial assistance received from the State Water Resources Control Board.
4. The San Mateo-Foster City Public Financing Authority is authorized to negotiate a financial assistance agreement from the State Water Resources Control Board and any amendments or change orders thereto and certify financial agreement disbursements on behalf of the Estero Municipal Improvement District.
5. The District Secretary is instructed to attest to the signatures of the San Mateo-Foster City Public Financing Authority if required.

6. The District Secretary is instructed to provide a certified copy of this Resolution to accompany the application, if required.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT DESIGNATING THE PUBLIC WORKS DIRECTOR AS THE AUTHORIZED REPRESENTATIVE TO CERTIFY AND ATTEST TO THE REQUIREMENTS FOR THE CLEAN WATER PROGRAM

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the Estero Municipal Improvement District ("District") is preparing projects which are a part of the Clean Water Program ("Projects") for the Clean Water State Revolving Loan Fund application; and

WHEREAS, the Projects are necessary for the District to comply with key provisions in the Regional Water Board Cease and Desist Order No. R2-2009-0020 and NPDES Permit No. CA0037541; and

WHEREAS, the California Water Resources Control Board requires an authorized representative to certify or attest to technical components of the Projects, the District's compliance with requirements set forth by the State Water Resources Control Board, and local, state, and federal regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District does hereby determine and order the Public Works Director be an authorized representative of the Estero Municipal Improvement District to certify or attest to compliance with regulations and requirements of the State Water Resources Control Board for the purposes of a Clean Water State Revolving Fund Loan Agreement.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT DEDICATING A SOURCE OF REVENUE RELATED TO THE CLEAN WATER STATE REVOLVING LOAN AGREEMENTS BETWEEN THE SAN MATEO-FOSTER CITY PUBLIC FINANCING AUTHORITY AND THE STATE WATER RESOURCES CONTROL BOARD

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the Estero Municipal Improvement District ("District") is preparing projects which are a part of the Clean Water Program ("CWP") for the Clean Water State Revolving Loan Fund application; and

WHEREAS, under the proposed legal structure, (i) the San Mateo-Foster City Public Financing Authority (the "Authority") would borrow money from the State Water Resources Control Board (the "Board") and would pledge "Revenues" as security for its obligation to repay the Board, (ii) the Revenues pledged by the Authority would consist of payments that the Authority receives pursuant to separate financing agreements with the City of San Mateo ("San Mateo") and the District, (iii) under their respective financing agreements, each of San Mateo and the District would agree to pay its share of the loan made by the Board to the Authority and, as security for their payment obligations under their respective financing agreements, each of San Mateo and the District would pledge net revenues of its wastewater enterprise, subject to existing and future parity payment obligations; and

WHEREAS, the Projects are necessary for the District to comply with key provisions in the Regional Water Board Cease and Desist Order No. R2-2009-0020 and NPDES Permit No. CA0037541; and

WHEREAS, the Board requires a resolution dedicating a source of revenue as a part of the Clean Water State Revolving Fund loan application; and

WHEREAS, the District is responsible for a portion of the costs of the CWP, as determined by existing and future Joint Powers Agreements with the City of San Mateo.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District that the District does hereby determine and dedicate the District's net revenue from the wastewater enterprise fund for payment of the District's payment obligations under its financing agreements with the Authority in connection with any and all Clean Water State Revolving Fund Program financing for the projects listed herein, as determined by Joint Powers Agreements with the City of San Mateo and the San Mateo-Foster City Public Financing Authority, subject to the right to pledge such net revenues to existing and future parity obligations as set forth in such financing agreements. This dedicated source of revenue shall remain in effect throughout the term of such financing unless modification or change or such dedication is approved in writing by the State Water Resources Control Board.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT EXPRESSING ITS INTENT IN ORDER TO COMPLY WITH TREASURY REGULATIONS FOR CLEAN WATER STATE REVOLVING FUND LOANS FOR PROJECTS WITHIN THE CLEAN WATER PROGRAM

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the Estero Municipal Improvement District ("District") desires to finance the costs of construction of certain public facilities and improvements relating to its wastewater system, pipelines and other infrastructure as part of its Clean Water Program (the "CWP"); and

WHEREAS, the District intends to finance the construction and/or reconstruction of the CWP or portions of the CWP with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board ("State Water Board"); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"); and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the District desires to incur certain capital expenditures (the "Expenditures") with respect to the CWP from available moneys of the District; and

WHEREAS, the District has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the District for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District does hereby determine and order:

1. The District hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.
2. The reasonably expected amount of the Project Funds is \$900,000,000 with the reasonably expected maximum principal amount for the program to be financed through Clean Water State Revolving Funds is \$750,000,000. The reasonably expected amount of the Project Funds to be provided by the Estero Municipal Improvement District is \$119,000,000 with the reasonably expected

maximum principal amount to be financed through Clean Water State Revolving Funds is \$88,000,000.

3. This resolution is being adopted no later than 60 days after the date on which the District will expend moneys for the portion of the CWP costs to be reimbursed with Project Funds.
4. Each District expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.
5. To the best of our knowledge, this District is not aware of the previous adoption of official intents by the District that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued. Because, in order to comply with State Water Board regulations, this resolution is limited in scope to financings from the State Water Board, the District is concurrently adopting a reimbursement resolution for the full amount of all of the CWP costs.
6. This resolution is adopted as official intent of the District in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of CWP costs.
7. All the recitals in this Resolution are true and correct and this District so finds, determines and represents.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF INTENTION THE BOARD OF DIRECTORS OF THE ESTERO MUNICIPAL IMPROVEMENT DISTRICT EXPRESSING ITS INTENTION TO REIMBURSE EXPENDITURES FOR PUBLIC IMPROVEMENTS RELATED TO THE CLEAN WATER PROGRAM FROM THE PROCEEDS OF OBLIGATIONS TO BE ISSUED BY OR FOR THE DISTRICT AND DIRECTING CERTAIN ACTIONS

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

WHEREAS, the City of San Mateo (the "City") and the Estero Municipal Improvement District (the "District") jointly own the San Mateo Wastewater Treatment Plant; and

WHEREAS, in response to Cease and Desist Order No. R2-2009-0020 issued by the California Regional Quality Control Board - San Francisco Bay Region, the City and the District created the Clean Water Program (the "CWP") to implement capital improvement projects for the purpose of eliminating sanity sewer overflows and wet weather blending (collectively, the "Projects"); and

WHEREAS, the City prepared a Final Programmatic Environmental Impact Report for the Projects ("Final PEIR") in accordance with the California Environmental Quality Act ("CEQA") (SCH No. 2015032006), and the Final PEIR was certified by the City Council on June 6, 2016; and

WHEREAS, additional environmental review may be required for specific Projects as they move further into design and final location selection; and

WHEREAS, the District proposes to issue debt for the Projects, or to cause the issuance of debt for which it would pay all or a portion of the debt service, and to use a portion of the proceeds of such debt to reimburse expenditures made for the Projects prior to the issuance of the debt; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the District declares its official intent to reimburse the expenditures referenced herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Estero Municipal Improvement District does hereby determine that:

1. In accordance with the California Environmental Quality Act Guidelines section 15061(b)(3), adoption of this resolution of intention is not a project subject to the California Environmental Quality Act because it can be seen with certainty that it will not have a significant effect on the environment.
2. The foregoing recitals are correct.
3. The District hereby declares that it reasonably expects (i) to pay certain costs of the Projects prior to the date of issuance of the Obligations and (ii) to use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Projects that are paid before the date of issuance of the Obligations.
4. The maximum principal amount of the Obligations is \$119,000,000.
5. The District is concurrently adopting a reimbursement resolution (the "Water Board Resolution") in the form required by the State of California, acting by and through the State Water Resources Control Board ("Water Board"), in order to comply with the rules governing applications to the Water Board for Clean Water State Revolving Fund loans. The Water Board Resolution is a supplemental statement of intent that addresses a subset of the total CWP costs.

PASSED AND ADOPTED as a resolution of the Board of Directors of the Estero Municipal Improvement District at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, PRESIDENT

ATTEST:

DORIS L. PALMER, DISTRICT SECRETARY

Sec. 1.150-2 Proceeds of bonds used for reimbursement

(a) *Table of contents.* This table of contents contains a listing of the headings contained in §1.150–2.

(a) Table of contents.

(b) Scope.

(c) Definitions.

(d) General operating rules for reimbursement expenditures.

(1) Official intent.

(2) Reimbursement period.

(3) Nature of expenditure.

(e) Official intent rules.

(1) Form of official intent.

(2) Project description in official intent.

(3) Reasonableness of official intent.

(f) Exceptions to general operating rules.

(1) De minimis exception.

(2) Preliminary expenditures exception.

(g) Special rules on refundings.

(1) In general—once financed, not reimbursed.

(2) Certain proceeds of prior issue used for reimbursement treated as unspent.

(h) Anti-abuse rules.

(1) General rule.

(2) One-year step transaction rule.

(i) Authority of the Commissioner to prescribe rules.

(j) Effective date.

(1) In general.

(2) Transitional rules.

(b) *Scope*. This section applies to reimbursement bonds (as defined in paragraph (c) of this section) for all purposes of sections 103 and 141 to 150.

(c) *Definitions*. The following definitions apply:

Issuer means—

(1) For any private activity bond (excluding a qualified 501(c)(3) bond, qualified student loan bond, qualified mortgage bond, or qualified veterans' mortgage bond), the entity that actually issues the reimbursement bond; and

(2) For any bond not described in paragraph (1) of this definition, either the entity that actually issues the reimbursement bond or, to the extent that the reimbursement bond proceeds are to be loaned to a conduit borrower, that conduit borrower.

Official intent means an issuer's declaration of intent to reimburse an original expenditure with proceeds of an obligation.

Original expenditure means an expenditure for a governmental purpose that is originally paid from a source other than a reimbursement bond.

Placed in service means, with respect to a facility, the date on which, based on all the facts and circumstances—

(1) The facility has reached a degree of completion which would permit its operation at substantially its design level; and

(2) The facility is, in fact, in operation at such level.

Reimbursement allocation means an allocation in writing that evidences an issuer's use of proceeds of a reimbursement bond to reimburse an original expenditure. An allocation made within 30 days after the issue date of a reimbursement bond may be treated as made on the issue date.

Reimbursement bond means the portion of an issue allocated to reimburse an original expenditure that was paid before the issue date.

(d) *General operating rules for reimbursement expenditures.* Except as otherwise provided, a reimbursement allocation is treated as an expenditure of proceeds of a reimbursement bond for the governmental purpose of the original expenditure on the date of the reimbursement allocation only if:

(1) *Official intent.* Not later than 60 days after payment of the original expenditure, the issuer adopts an official intent for the original expenditure that satisfies paragraph (e) of this section.

(2) *Reimbursement period*—(i) *In general.* The reimbursement allocation is made not later than 18 months after the later of—

(A) The date the original expenditure is paid; or

(B) The date the project is placed in service or abandoned, but in no event more than 3 years after the original expenditure is paid.

(ii) *Special rule for small issuers.* In applying paragraph (d)(2)(i) of this section to an issue that satisfies section 148(f)(4)(D)(i) (I) through (IV), the “18 month” limitation is changed to “3 years” and the “3-year” maximum reimbursement period is disregarded.

(iii) *Special rule for long-term construction projects.* In applying paragraph (d)(2)(i) to a construction project for which both the issuer and a licensed architect or engineer certify that at least 5 years is necessary to complete construction of the project, the maximum reimbursement period is changed from “3 years” to “5 years.”

(3) *Nature of expenditure.* The original expenditure is a capital expenditure, a cost of issuance for a bond, an expenditure described in §1.148-6(d)(3)(ii)(B) (relating to certain extraordinary working capital items), a grant (as defined in §1.148-6(d)(4)), a qualified student loan, a qualified mortgage loan, or a qualified veterans' mortgage loan.

(e) *Official intent rules.* An official intent satisfies this paragraph (e) if:

(1) *Form of official intent.* The official intent is made in any reasonable form, including issuer resolution, action by an appropriate representative of the issuer (e.g., a person authorized or designated to declare official intent on behalf of the issuer), or specific legislative authorization for the issuance of obligations for a particular project.

(2) *Project description in official intent*—(i) *In general.* The official intent generally describes the project for which the original expenditure is paid and states the maximum principal amount of obligations expected to be issued for the project. A project includes any property, project, or program (e.g., *highway capital improvement program, hospital equipment acquisition, or school building renovation*).

(ii) *Fund accounting.* A project description is sufficient if it identifies, by name and functional purpose, the fund or account from which the original expenditure is paid (e.g., *parks and recreation fund—recreational facility capital improvement program*).

(iii) *Reasonable deviations in project description.* Deviations between a project described in an official intent and the actual project financed with reimbursement bonds do not invalidate the official intent to the extent that the actual project is reasonably related in function to the described project. For example, *hospital equipment* is a reasonable deviation *from hospital building improvements*. In contrast, a *city office building rehabilitation* is not a reasonable deviation from *highway improvements*.

(3) *Reasonableness of official intent.* On the date of the declaration, the issuer must have a reasonable expectation (as defined in §1.148–1(b)) that it will reimburse the original expenditure with proceeds of an obligation. Official intents declared as a matter of course or in amounts substantially in excess of the amounts expected to be necessary for the project (e.g., *blanket declarations*) are not reasonable. Similarly, a pattern of failure to reimburse actual original expenditures covered by official intents (other than in extraordinary circumstances) is evidence of unreasonableness. An official intent declared pursuant to a specific legislative authorization is rebuttably presumed to satisfy this paragraph (e)(3).

(f) *Exceptions to general operating rules—(1) De minimis exception.* Paragraphs (d)(1) and (d)(2) of this section do not apply to costs of issuance of any bond or to an amount not in excess of the lesser of \$100,000 or 5 percent of the proceeds of the issue.

(2) *Preliminary expenditures exception.* Paragraphs (d)(1) and (d)(2) of this section do not apply to any preliminary expenditures, up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the issuer to finance the project for which the preliminary expenditures were incurred. Preliminary expenditures include architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

(g) *Special rules on refundings—(1) In general—once financed, not reimbursed.* Except as provided in paragraph (g)(2) of this section, paragraph (d) of this section does not apply to an allocation to pay principal or interest on an obligation or to reimburse an original expenditure paid by another obligation. Instead, such an allocation is analyzed under rules on refunding issues. See §1.148–9.

(2) *Certain proceeds of prior issue used for reimbursement treated as unspent.* In the case of a refunding issue (or series of refunding issues), proceeds of a prior issue purportedly used to reimburse original expenditures are treated as unspent proceeds of the prior issue unless the purported reimbursement was a valid expenditure under applicable law on reimbursement expenditures on the issue date of the prior issue.

(h) *Anti-abuse rules—(1) General rule.* A reimbursement allocation is not an expenditure of proceeds of an issue under this section if the allocation employs an abusive arbitrage device under §1.148–10 to avoid the arbitrage restrictions or to avoid the restrictions under sections 142 through 147.

(2) *One-year step transaction rule*—(i) *Creation of replacement proceeds*. A purported reimbursement allocation is invalid and thus is not an expenditure of proceeds of an issue if, within 1 year after the allocation, funds corresponding to the proceeds of a reimbursement bond for which a reimbursement allocation was made are used in a manner that results in the creation of replacement proceeds (as defined in §1.148–1) of that issue or another issue. The preceding sentence does not apply to amounts deposited in a bona fide debt service fund (as defined in §1.148–1).

(ii) *Example*. The provisions of paragraph (h)(2)(i) of this section are illustrated by the following example.

Example. On January 1, 1994, County A issues an issue of 7 percent tax-exempt bonds (the 1994 issue) and makes a purported reimbursement allocation to reimburse an original expenditure for specified capital improvements. A immediately deposits funds corresponding to the proceeds subject to the reimbursement allocation in an escrow fund to provide for payment of principal and interest on its outstanding 1991 issue of 9 percent tax-exempt bonds (the prior issue). The use of amounts corresponding to the proceeds of the reimbursement bonds to create a sinking fund for another issue within 1 year after the purported reimbursement allocation invalidates the reimbursement allocation. The proceeds retain their character as unspent proceeds of the 7 percent issue upon deposit in the escrow fund. Accordingly, the proceeds are subject to the 7 percent yield restriction of the 1994 issue instead of the 9 percent yield restriction of the prior issue.

(i) *Authority of the Commissioner to prescribe rules*. The Commissioner may by revenue ruling or revenue procedure (see §601.601(d)(2)(ii)(b) of this chapter) prescribe rules for the expenditure of proceeds of reimbursement bonds in circumstances that do not otherwise satisfy this section.

(j) *Effective date*—(1) *In general*. The provisions of this section apply to all allocations of proceeds of reimbursement bonds issued after June 30, 1993.

(2) *Transitional rules*—(i) *Official intent*. An official intent is treated as satisfying the official intent requirement of paragraph (d)(1) of this section if it—

(A) Satisfied the applicable provisions of §1.103–8(a)(5) as in effect prior to July 1, 1993, (as contained in 26 CFR part 1 revised as of April 1, 1993) and was made prior to that date, or

(B) Satisfied the applicable provisions of §1.103–18 as in effect between January 27, 1992, and June 30, 1993, (as contained in 26 CFR part 1 revised as of April 1, 1993) and was made during that period.

(ii) *Certain expenditures of private activity bonds*. For any expenditure that was originally paid prior to August 15, 1993, and that would have qualified for expenditure by reimbursement from the proceeds of a private activity bond under T.D. 7199, section 1.103–8(a)(5), 1972–2 C.B. 45 (see §601.601(d)(2)(ii)(b)) of this chapter, the requirements of that section may be applied in lieu of this section.

[T.D. 8476, 58 FR 33551, June 18, 1993; 58 FR 44453, Aug. 23, 1993]



DATE: July 18, 2016

TO: Mayor and Members of the City Council

VIA: Kevin M. Miller, City Manager

FROM: Jeff C. Moneda, Public Works Director/City Engineer

SUBJECT: TRANSFER OF PG&E RULE 20A CREDITS TO CITY OF HALF MOON BAY

RECOMMENDATION

It is recommended that the City Council of the City of Foster City adopt the attached resolution authorizing staff to:

1. Execute an agreement with the City of Half Moon Bay to transfer \$437,189 of City of Foster City Rule 20A Credits in exchange for \$200,000 in General Fund dollars from the City of Half Moon Bay; and
2. Authorize the expenditure of \$200,000 upon receipt of said funding for Solar Rebate purposes at \$1,000 per single family dwelling or \$10,000 for each Homeowner's Association (HOA).

EXECUTIVE SUMMARY

The City of Foster City currently has \$437,189 of PG&E Rule 20A Credits available for the conversion of overhead electrical utilities to underground, which cannot be used for any other purposes. However, all distribution utilities are currently undergrounded and the existing overhead transmission utilities are not eligible for reimbursement. The City Council for the City of Half Moon Bay recently authorized their staff to enter into an agreement with Foster City for said transfer of funds, in exchange for \$200,000 in Half Moon Bay's General Fund dollars, to be used at the City of Foster City's discretion.

BACKGROUND

As part of PG&E electricity charges, ratepayers currently contribute to Rule 20A funding, for the purposes of converting overhead electrical utilities to underground facilities. The City of Foster City currently has \$437,189 of PG&E Rule 20A Credits for

the conversion of overhead utilities to underground, which cannot be used for any other purposes.

All distribution utilities in Foster City are currently undergrounded and the existing overhead transmission utilities traversing the City are not eligible for reimbursement. The City Council for the City of Half Moon Bay recently authorized their staff to enter into an agreement with Foster City for the transfer of all Foster City PG&E Rule 20A funds (\$437,189), in exchange for \$200,000 in Half Moon Bay's General Fund dollars.

Staff recommends utilizing the \$200,000 received to fund a new Solar Rebate Program for solar panel installation purposes as outlined by the following:

- \$1,000 rebate for each residential single family dwelling
- Reimbursement to be made following installation by a qualified licensed contractor and passing inspection by the City of Foster City Planning Department

It should be noted that the City has issued 262 residential solar panel installation permits in the past three years. In addition, the City transferred PG&E Rule 20A Credits, in the amount of \$1,853,626, to the City of Belmont, with no compensation in March 2009. At the time, it was determined that the State of California Public Utilities Commission may take any surplus of PG&E Rule 20A Program funds and allocate said funds to be used to other agencies with active projects which are eligible for funding. Staff has received approval from PG&E for the proposed transfer of funds.

INFRASTRUCTURE SUBCOMMITTEE

The subject staff report has been presented to the Infrastructure Subcommittee, consisting of Mayor Perez and Councilmember Mahanpour, who both support the recommendation outlined in this staff report.

FISCAL IMPACT

Funding received from the City of Half Moon Bay, in the amount of \$200,000, may be used as funding for the proposed Solar Rebate Program, until all funds have been exhausted.

Attachments: Resolution
Memorandum of Understanding

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOSTER CITY APPROVING THE AGREEMENT WITH THE CITY OF HALF MOON BAY FOR THE TRANSFER OF \$437,189 OF CITY OF FOSTER CITY RULE 20A CREDITS IN EXCHANGE FOR \$200,000 IN GENERAL FUND DOLLARS, AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT, AND AUTHORIZING THE EXPENDITURE OF OBTAINED FUNDS FOR SOLAR PANEL REBATE PURPOSES

CITY OF FOSTER CITY

WHEREAS, the City of Foster City currently has \$437,189 of PG&E Rule 20A Credits available for the conversion of overhead electrical utilities to underground and cannot be used for any other purposes; and

WHEREAS, all distribution utilities are currently undergrounded and the existing overhead transmission utilities are not eligible for reimbursement; and

WHEREAS, the City Council for the City of Half Moon Bay recently authorized their staff to enter into an agreement with Foster City for said transfer of funds, in exchange for \$200,000 in Half Moon Bay's General Fund dollars, to be used at the City of Foster City's discretion; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Foster City does hereby approve the Mayor to execute Rule 20A Transfer of Funds Agreement with the City of Half Moon Bay, and authorizes staff to use obtained funds for solar panel rebate purposes.

PASSED AND ADOPTED as a resolution of the City Council of the City of Foster City at the regular meeting held on the 18th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

HERB PEREZ, MAYOR

ATTEST:

DORIS L. PALMER, CITY CLERK

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into the ____ day of _____ (Effective Date), by and between the City of Foster City (FOSTER CITY) and the City of Half Moon Bay (HMB). FOSTER CITY AND HMB are sometimes individually referred to herein as "Party" and collectively as "Parties."

RECITALS

A. Electric Utilities collect and annually allocate credits to communities to convert overhead electric facilities to underground electric facilities. (These credits are commonly referred to as Rule 20A Funds). The amount of said funds allocated by PG&E to the CITY are hereafter referred to as the "CITY Allocation."

B. HMB hereby represents that it established _____ Underground District on _____, located on _____ between _____ and _____ (PROJECT).

C. On _____, the FOSTER CITY City Council authorized the FOSTER CITY Mayor to enter into this agreement with HMB for the transfer of Rule 20A Funds.

AGREEMENT

NOW, THEREFORE, the Parties hereto agree as follows:

1. FOSTER CITY agrees to assign, for use by HMB, its rights and interests in the CITY Allocation to HMB, and HMB agrees to acquire, for consideration, the CITY Allocation in accordance with the terms of this MOU. This MOU shall be subject to the approval of each the HMB and the FOSTER CITY and shall become effective on the date when both such approvals have been obtained (Effective Date). Notwithstanding the foregoing, if this MOU has not become effective as of _____, then either Party may terminate this MOU on five (5) business days' written notice to the other Party without incurring any liability, costs, or further obligations to the other party or any third party.
2. FOSTER CITY agrees to provide acquisition priority to HMB for uncommitted Rule 20A allocations, at a purchase rate of \$200,000 for \$437,189 of Rule 20A Funds.
3. Within five (5) business days of the Effective Date, HMB shall make a payment to FOSTER CITY in the amount of \$200,000 (Acquisition Price). The Acquisition Price shall be made in immediately available funds via check or wire transfer to an account designated by CITY. The Acquisition Price shall constitute full consideration for the transfer and assignment of the CITY Allocation.
4. Within five (5) business days of FOSTER CITY'S receipt of the Acquisition Price funds, FOSTER CITY shall deliver a written request to PG&E, with a copy to HMB, making a formal request to transfer and assign \$437,189 of the Rule 20A Funds contained in the FOSTER CITY Allocation to and for the benefit of HMB. FOSTER CITY shall cooperate in good faith with HMB to provide any additional documentation or information that is reasonably requested by PG&E to complete the transfer. In the

event that PG&E is unable to complete the transfer, FOSTER CITY shall return the Acquisition Price funds to HMB within ten (10) business days of HMB's notification to FOSTER CITY.

5. HMB acknowledges and agrees that it has conducted its own investigation as to the applicability and transferability of the FOSTER CITY Allocation for use in the PROJECT and that FOSTER CITY has not made any representation or warranty to HMB with respect to same. The actual use of the FOSTER CITY Allocation by HMB shall be subject to the rules and procedures adopted by PG&E, CPUC, and such other conditions or requirements as are set forth in the Public Utilities Code.

6. HMB shall indemnify, defend, and hold harmless FOSTER CITY, its elected officials, officers, employees, and agents, from any claim, damage, or liability arising in connection with the use of Rule 20A Funds from the FOSTER CITY Allocation in connection with the construction of the Project, including legal challenges of all types or natures, including but not limited to administrative, judicial, or legislative actions.

7. In the event that either Party is in breach of its obligations as set forth in this MOU, then the non-defaulting Party shall have the right to terminate this MOU on ten (10) business days' written notice to the defaulting Party unless the default is cured within the notice period. Upon termination for breach, the non-defaulting Party may exercise any right or remedy which it may have under applicable law. Within ten (10) business days of termination pursuant to this Section 7, CITY shall return the Acquisition Price funds to HMB.

8. All notices to be given pursuant to this MOU shall be delivered in person, by U.S. mail, or by commercial overnight delivery and shall be effective upon receipt. All notices shall be sent and addressed to the representative of the Party that signs this MOU on behalf of the Party.

9. This MOU shall be governed and construed in accordance with the laws of the State of California, and any action brought relating to this MOU shall be adjudicated in a court of competent jurisdiction in the County of San Mateo.

10. Each Party shall at its own cost and expense comply with all statutes, ordinances, regulations and requirements of all governmental entities, including federal, state, county or municipal, whether now in force or hereinafter enacted.

11. A waiver by either Party of any breach of any term, covenant, or conditions contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

12. The terms of this MOU shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of the MOU or any other rule of construction with might otherwise apply.

13. If any term or portion of this MOU is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this MOU shall continue in full force and effect.

14. In the event of any dispute or legal action arising under this MOU, the prevailing Party shall not be entitled to attorney's fees.

15. This MOU may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, FOSTER CITY AND HMB have executed this contract on the day and year first hereinabove set forth.

CITY OF FOSTER CITY

Dated: _____

Herb Perez, Mayor

ATTEST:

Dated: _____

Doris L. Palmer, City Clerk

APPROVED AS TO FORM

Dated: _____

Jean Savaree, City Attorney

CITY HALF MOON BAY

Dated: _____

Rick Kowalczyk, Mayor

ATTEST:

Dated: _____

Jessica Blair, Interim City Clerk

APPROVED AS TO FORM

Dated: _____

Tony Condotti, City Attorney

City of Foster City, CA
Accounts Payable Check Register

9.1 - 1

Check Date	Check Number	Vendor Name	Description	Check Amount
6/15/2016	123582	BANNER PRINTING & BUSINESS FORMS	GREEN DOOR HANGERS FOR UTILITY	694.14
6/15/2016	123583	CARMEN RACY	CLASS REFUND: SOCCER	145.00
6/15/2016	123584	CHRIS DOLBERG	VISION REIMBURSEMENT	200.00
6/15/2016	123585	CHRISTINA USHIJIMA	CLASS REFUND: CAMP BREAKAWAY	1,410.00
6/15/2016	123586	CA NARCOTICS OFFICERS ASSOCIATION	POST TRAINING	90.00
6/15/2016	123587	DEVCON CONSTRUCTION, INC.	METER DEPOSIT REFUND	3,033.98
6/15/2016	123588	FARIDA DANISH	VISION REIMBURSEMENT	200.00
6/15/2016	123589	FITI RUSLI	EMPLOYEE REIMBURSEMENT	105.39
6/15/2016	123590	GILBERTO CHAVEZ	DEPOSIT REFUND: BOOTHBAY PARK	100.00
6/15/2016	123591	INFOSEND INC.	ONLINE UTILITY BILLING	2,339.03
6/15/2016	123592	JENNA GRIMALDI	POST TRAINING	34.56
6/15/2016	123593	JOHN CASTANHA	EMPLOYEE REIMBURSEMENT	370.48
6/15/2016	123594	JUSTIN CARLSON	POST TRAINING	13.50
6/15/2016	123595	LAWRENCE CHU	DEPOSIT REFUND: BOOTHBAY PARK	95.00
6/15/2016	123596	LONG BEACH BMW MOTORCYCLES	2016 BMW MOTORCYCLE	27,171.70
6/15/2016	123597	MELISSA LIN	VISION REIMBURSEMENT	200.00
6/15/2016	123598	PACIFIC GAS & ELECTRIC COMPANY	ELECTRICITY-TRAFFIC SIGNALS	30,110.14
6/15/2016	123599	PEI MIN LI	VISION REIMBURSEMENT	200.00
6/15/2016	123600	PRISCILLA TAM	EMPLOYEE REIMBURSEMENT	99.86
6/15/2016	123601	SF PUBLIC UTILITIES COMMISSION - WATER	WATER: 05/11/16 - 06/10/16	796,114.00
6/15/2016	123602	SEGUE CONSTRUCTION	METER DEPOSIT REFUND	2,210.40
6/15/2016	123603	SMCLETMA	POST TRAINING	850.00
6/15/2016	123604	TLC ADMINISTRATORS INC	125H PLAN PARTICIPANT FEES	132.00
6/15/2016	123605	URBAN INSIGHT, INC.	CALOPPS WEB REDESIGN SERVICES	10,846.60
				<u>876,765.78</u>

Submitted for Information:

Edmund Suen, City Treasurer

CHECKS ON THIS REGISTER PROCESSED AND MAILED ON RUSH REGISTER OF JUNE 15, 2016

City of Foster City, CA
Accounts Payable Check Register

9.1 - 2

Check Date	Check Number	Vendor Name	Description	Check Amount
6/22/2016	123606	AMERICAN MEDICAL RESPONSE WEST	1 CARDIAC MONITOR COMPRESSION SYSTEM	35,418.46
6/22/2016	123607	ANDREAS GEORGE ZAMENES	FOURTH OF JULY MUSICAL PERFORMANCE	450.00
6/22/2016	123608	AUDIO PRODUCTION GROUP INC.	FOURTH OF JULY SOUND TECHNICIAN	4,860.00
6/22/2016	123609	CHEVRON & TEXACO BUSINESS CARD SERVICES	GAS	304.63
6/22/2016	123610	CHOW ENGINEERING INC.	CIP 645: LIFT STATION 59	7,115.50
6/22/2016	123611	COIT SERVICES, INC	UPHOLSTERY CLEANING SERVICES	2,535.00
6/22/2016	123612	GINA KUO	ART GALLERY RECEPTION APRIL 2016	45.55
6/22/2016	123613	GOLDEN STATE EMERGENCY VEHICLE SERVICE	HIGH RESOLUTION GRAPHICS	472.18
6/22/2016	123614	IRVINE & JACHENS, INC.	UNIFORM BUCKLE AND COLLAR INSIGNIA	231.08
6/22/2016	123615	THE REFUGEES	FOURTH OF JULY MUSICAL PERFORMANCE	1,500.00
6/22/2016	123616	LAMON CONSTRUCTION CO. INC.	FIRE TRAINING TOWER INSTALLATION	8,500.00
6/22/2016	123617	LOCAL GOVERNMENT COMMISSION	PROFESSIONAL SERVICES: MAY 2016	3,297.29
6/22/2016	123618	LOVEFOOL	FOURTH OF JULY MUSICAL PERFORMANCE	1,500.00
6/22/2016	123619	NATIONAL CONSTRUCTION RENTALS, INC.	FENCE RENTAL	867.36
6/22/2016	123620	PACIFIC GAS & ELECTRIC COMPANY	GAS-WATER BOOSTER STATION	58.33
6/22/2016	123621	PETTY CASH/FOSTER CITY POLICE DEPT	PETTY CASH: POLICE	391.60
6/22/2016	123622	PJT ENTERPRISES MUSIC & ENTERTAINMENT INC.	SUMMER CONCERT: 07/15/16	1,350.00
6/22/2016	123623	PREFERRED ALLIANCE	"DOT" COMPLIANCE EXPENSES: MAY 2016	280.95
6/22/2016	123624	RAMY ABDEL-SAMAD	EMPLOYEE REIMBURSEMENT	200.00
6/22/2016	123625	TRAN CHUNG	CITATION REFUND	303.00
6/22/2016	123626	1157 DESIGNCONCEPTS	COMMUNITY WALL OF FAME NAMEPLATES	128.58
				<u>69,809.51</u>

Submitted for Information:

Edmund Suen, City Treasurer

CHECKS ON THIS REGISTER PROCESSED AND MAILED ON RUSH REGISTER OF JUNE 22, 2016

City of Foster City, CA
Accounts Payable Check Register

9.1 - 3

Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123627	AARONSON, DICKERSON, COHN & LANZONE	PZ 08-88800001 DA-08-001	2,860.00
6/27/2016	123628	ADVANTAGE ROOFING, INC.	CONSTRUCTION AND DEMOLITION	500.00
6/27/2016	123629	AFTEROURS CALIFORNIA	PULMONARY TESTING APRIL 2016	3,330.00
6/27/2016	123630	AIDI, INC.	ILLUMINA CHEMICAL INVENTORY REVIEW	700.00
6/27/2016	123631	AIR EXCHANGE INC.	VEHICLE EXHAUST SYSTEM SERVICE	1,398.88
6/27/2016	123632	ALICE KANG	CLASS REFUND: GAME DESIGN	200.00
6/27/2016	123633	ALL SEASONS ROOFING & WATERPROOFING	CONSTRUCTION AND DEMOLITION	8,025.00
6/27/2016	123634	AMIT GOSWAMI	CLASS REFUND: ROBOTICS	212.00
6/27/2016	123635	ANAND MISRA	CLASS REFUND: CAMP OUTBACK	230.00
6/27/2016	123636	ANURAG SINGH	CLASS REFUND: CAMP BREAKAWAY	2,522.00
6/27/2016	123637	ANY APPLIANCE REPAIR CO.	WASHER REPAIR	125.00
6/27/2016	123638	AQUATEK PLUMBING INC.	BUSINESS LICENSE REFUND	18.75
6/27/2016	123639	BALARKA VELIDI	TOILET REBATE	100.00
6/27/2016	123640	BAY AREA ASPHALT & CEMENT WORKS	BUSINESS LICENSE REFUND	30.85
6/27/2016	123641	BAY AREA BARRICADE	TRAFFIC CONTROL SIGNS	3,690.89
6/27/2016	123642	BAYSIDE BUILDING MATERIALS	MISCELLANEOUS SUPPLIES: STREETS	122.26
6/27/2016	123643	BIGGS CARDOSA ASSOCIATES, INC.	CIP 621: VINTAGE PARL APRIL 2016	21,560.16
6/27/2016	123644	BURKE, WILLIAMS & SORENSEN, LLP	PZ 12-88800003 DA-12-003	3,235.44
6/27/2016	123645	CABLECOM LLC	ENCROACHMENT REFUND	315.00
6/27/2016	123646	CAL-WEST LIGHTING & SIGNAL MAINTENANCE INC	STREET LIGHT REPAIR	1,376.46
6/27/2016	123647	CALDA	DEPOSIT REFUND: MIST ROOM	200.00
6/27/2016	123648	CALIFORNIA PLANNING & DEVELOPMENT	SUBSCRIPTION RENEWAL	238.00
6/27/2016	123649	CALIFORNIA SOLAR THERMAL, INC.	PERMIT FEE REFUND: #16-122	1,288.40
6/27/2016	123650	CAPITOL BARRICADE, INC.	RADAR TRAILER REPLACEMENT	16,344.55
6/27/2016	123651	CHEMSEARCH	ECOFLOW BIOAMP PROGRAM	1,204.45
6/27/2016	123652	CHIN, KENNETH W.	INSTRUCTOR FEE: DANCE	96.00

City of Foster City, CA
Accounts Payable Check Register

9.1 - 4

Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123653	CITY OF BURLINGAME	CPR TRAINING COURSE	154.73
6/27/2016	123654	CITY OF SAN MATEO	ICS TRAINING COURSE	3,332.96
6/27/2016	123655	CLARK PEST CONTROL	PEST AWAY SERVICE	580.00
6/27/2016	123656	CLEANSERV UNIVERSAL SERVICES	JANITORIAL SERVICES JUNE 2016	1,945.00
6/27/2016	123657	COLANTUONO, HIGHSMITH & WHATLEY	LEGAL CONSULTATION SERVICES	300.00
6/27/2016	123658	COLLEEN GOTTHARDT	VISION REMIBURSEMENT	200.00
6/27/2016	123659	CONSTRUCTION MARKET DATA GROUP LLC	CIP 301-653: NOTICE FOR BIDS	378.00
6/27/2016	123660	CONTRACT SWEEPING SERVICES INC.	STREETS CLEANING SERVICES	7,979.20
6/27/2016	123661	CORODATA RECORDS MANAGEMENT INC	OFF-SITE STORAGE	89.38
6/27/2016	123662	CORODATA SHREDDING, INC.	RECORDS SHREDDING	120.00
6/27/2016	123663	CORY CALL	EMPLOYEE REIMBURSEMENT	51.66
6/27/2016	123664	CYNTHIA P. LARSON PHOTOGRAPHY	BUSINESS LICENSE REFUND	8.75
6/27/2016	123665	DEBBIE BELLONI	CLASS REFUND: CAMP WAY OUTBACK	902.00
6/27/2016	123666	DEEPALI SHAHANE	CLASS REFUND: CAMP WAY OUTBACK	190.00
6/27/2016	123667	DEVON FRANCO	CLASS REFUND: BASEBALL	450.00
6/27/2016	123668	DIVYA REDDY	CLASS REFUND: CAMP BREAKAWAY	225.00
6/27/2016	123669	DOLEZAL TREE SURGERY INC	BUSINESS LICENSE REFUND	3.75
6/27/2016	123670	EAST BAY FLOORCOVERING, INC.	BUSINESS LICENSE REFUND	100.00
6/27/2016	123671	ELECTRO-MOTION INC	DIAGNOSE GENERATOR SET	1,200.85
6/27/2016	123672	ELITE BACKGROUNDS	PRE-EMPLOYMENT BACKGROUND CHECKS	1,425.00
6/27/2016	123673	ERLER & KALINOWSKI, INC.	CONSULTING SVCS MAY 2016	5,366.52
6/27/2016	123674	ESTERO UTILITY SERVICES	WATER SERVICE: 3RD ANCHOR RD	722.56
6/27/2016	123675	EWING IRRIGATION PRODUCTS	MISCELLANEOUS SUPPLIES: PARKS	5,659.15
6/27/2016	123676	FASTENAL COMPANY	SAFETY SUPPLIES	1,074.38
6/27/2016	123677	FELIPE GARCIA	VISION REIMBURSEMENT	200.00
6/27/2016	123678	FORELAND PARTS INC.	AUTO PARTS	1,548.90

City of Foster City, CA
Accounts Payable Check Register

9.1 - 5

Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123679	FOSTER CITY ISLANDER	CIP 653: NOTICE FOR BIDS	1,392.00
6/27/2016	123680	GEETA BHAGWANANI	CLASS REFUND: SOCCER CAMP	199.00
6/27/2016	123681	GLADYS KANG	CLASS REFUND: CAMP WAY OUTBACK	230.00
6/27/2016	123682	GOLDFARB & LIPMAN	HOUSING NEXUS STUDY REVIEW	855.50
6/27/2016	123683	GONZALO LARIOS	EMPLOYEE REIMBURSEMENT	70.00
6/27/2016	123684	GRACE WHIPKEY	CLASS REFUND: GAME DESIGN	200.00
6/27/2016	123685	GRANITE ROCK COMPANY	MISCELLANEOUS SUPPLES: STREET	1,946.41
6/27/2016	123686	GREENTECH LANDSCAPE SERVICES	LANDSCAPING SERVICE MAY 2016	520.00
6/27/2016	123687	HAIM ZION	TOILET REBATE	100.00
6/27/2016	123688	HF&H CONSULTANTS, LLC.	WATER/WASTEWATER CONNECTION	8,332.50
6/27/2016	123689	HIP HOUSING, INC.	REPLACE BLINDS	150.06
6/27/2016	123690	HISAKO KANAMARU	CLASS REFUND: KAMP KOALA	90.00
6/27/2016	123691	HOME DEPOT CREDIT SERVICES	MISCELLANEOUS SUPPLIES: PARKS	3,347.17
6/27/2016	123692	HORIZON	DOLOMARK FIELD MARKERS	657.05
6/27/2016	123693	HOUSE OF COFFEE	COFFEE SUPPLIES	802.50
6/27/2016	123694	HOWARD ROME MARTIN & RIDLEY LLP	PROFESSIONAL SERVICES MAY 2016	280.50
6/27/2016	123695	HULA TRUCK	BUSINESS LICENSE REFUND	3.75
6/27/2016	123696	HYDROSCIENCE ENGINEERS	D524: SHELL SEWER UPGRADE	38,994.08
6/27/2016	123697	INFOSEND INC.	WATER REPORT: POSTAGE/INSERTS	367.23
6/27/2016	123698	INTERSTATE TRAFFIC	MISCELLANEOUS SUPPLIES: STREETS	3,079.58
6/27/2016	123699	IRENE OEI	CLASS REFUND: CAMP BREAKAWAY	185.00
6/27/2016	123700	ISABEL FUENTES	CLASS REFUND: HARMONICA	64.00
6/27/2016	123701	IZMIRIAN ROOFING & SHEET METAL	BUSINESS LICENSE REFUND	25.00
6/27/2016	123702	JENNIFER WEN	CLASS REFUND: WRITING	580.00
6/27/2016	123703	JOANNE CHON	CLASS REFUND: ENGINEERING	270.00
6/27/2016	123704	JOYCE LEW	CLASS REFUND: CAMP WAY OUTBACK	200.00

City of Foster City, CA
Accounts Payable Check Register

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Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123705	JUDY BUGARIN	VISION REIMBURSEMENT	200.00
6/27/2016	123706	JUDY TING	EMPLOYEE REIMBURSEMENT	78.19
6/27/2016	123707	JW ENTERPRISES	PORTABLE TOILET RENTAL	75.50
6/27/2016	123708	KATHLEEN MAKRANYI	CLASS REFUND: GAME DESIGN	400.00
6/27/2016	123709	DPR CONSTUCTION	CONSTRUCTION AND DEMOLITION	4,900.00
6/27/2016	123710	KELLY-MOORE PAINT COMPANY INC.	PAINT SUPPLIES	67.41
6/27/2016	123711	KEVIN LEE	VISION REIMBURSEMENT	200.00
6/27/2016	123712	KEVIN WACKNOV GRAPHIC DESIGNER	BUSINESS LICENSE REFUND	3.31
6/27/2016	123713	KRISTINA SURBER	CLASS REFUND: CAMP OUTBACK	760.00
6/27/2016	123714	KUMAR KANNAN	CLASS REFUND: CAMP OUTBACK	950.00
6/27/2016	123715	LANYI XIN	CLASS REFUND: CAMP BREAKAWAY	515.00
6/27/2016	123716	LAURA GALLI	EMPLOYEE REIMBURSEMENT	200.00
6/27/2016	123717	LIBERTY LOUIS ALLEN & BETSY	PENALTY REFUND: #16-729	1,695.80
6/27/2016	123718	LIEBERT CASSIDY WHITMORE	REGISTRATION FEE: JULIE PAPING	60.00
6/27/2016	123719	LORAL LANDSCAPING INC.	TREE TRIMMING SERVICES	14,736.67
6/27/2016	123720	LOS GATOS ROOFING	CONSTRUCTION AND DEMOLITION	625.00
6/27/2016	123721	LUCIANO CONCRETE CONSTRUCTION	CONCRETE SIGN REPAIR	5,900.00
6/27/2016	123722	LYNDSEY CASTRO-STEVENSON	VISION REIMBURSEMENT	200.00
6/27/2016	123723	MARIA LICUP-FAJARDA	CLASS REFUND: ENGINEERING	375.00
6/27/2016	123724	MATTHEW RYAN	VISION REIMBURSEMENT	165.00
6/27/2016	123725	MAXON PRECISION MOTORS, INC.	BUSINESS LICENSE REFUND	150.00
6/27/2016	123726	METROMOBILE COMMUNICATIONS	REPAIR HEADSET SYSTEM	1,656.67
6/27/2016	123727	MICHAEL O'SHAUGHNESSY CONSTRUCTION	CIP 645: EMERGENCY REPAIR LIFT 59	844.08
6/27/2016	123728	MICHIKO SAITO	CLASS REFUND: CAMP BREAKAWAY	445.00
6/27/2016	123729	MID PENINSULA PLUMBING	BUSINESS LICENSE REFUND	3.75
6/27/2016	123730	MIMI LAM	VISION REIMBURSEMENT	200.00

City of Foster City, CA
Accounts Payable Check Register

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Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123731	MORRIS MOUSSA	CLASS REFUND: CERAMICS	30.00
6/27/2016	123732	MR ROOFING	CONSTRUCTION AND DEMOLITION	500.00
6/27/2016	123733	NBC SUPPLY CORP	MISCELLANEOUS SUPPLIES: SEWER	137.08
6/27/2016	123734	NINA POTSIADLO	DEPOSIT REFUND: VIBE	500.00
6/27/2016	123735	NISHA DANN	CLASS REFUND: CAMP BREAKAWAY	185.00
6/27/2016	123736	NO MORE DIRT INC.	JANITORIAL SERVICES JUNE 2016	16,250.00
6/27/2016	123737	O.C. JONES & SONS, INC.	CIP 621: VINTAGE OVERCROSS	415,481.65
6/27/2016	123738	OFFICE DEPOT	OFFICE SUPPLIES-POLICE	213.79
6/27/2016	123739	OTIS ELEVATOR COMPANY	ELEVATOR MAINTENANCE SERVICES	550.49
6/27/2016	123740	OZ JIMENEZ	VISION REIMBURSEMENT	200.00
6/27/2016	123741	PACIFIC AUXILIARY FIRE CO	FIRE ALARM INSPECTION	950.86
6/27/2016	123742	PAPER DIRECT, INC.	CERT JACKETS	345.85
6/27/2016	123743	PENINSULA POWER WASH	PRESSURE WASHING SERVICES	4,950.00
6/27/2016	123744	PIONEER MANUFACTURING COMPANY INC	FIELD MARKERS	2,998.60
6/27/2016	123745	PITNEY BOWES INC.	SUPPLIES FOR MAIL MACHINE	578.04
6/27/2016	123746	PORT SUPPLY	BOAT MAINTENANCE SUPPLIES	334.21
6/27/2016	123747	PREFERRED INVESTIGATIONS	BACKGROUND INVESTIGATIONS	900.00
6/27/2016	123748	PRIORITY 1	CODE 3 EQUIPMENT	58.86
6/27/2016	123749	PRITI SABADRA	CLASS REFUND: CAMP OUTBACK	230.00
6/27/2016	123750	PRUDENTIAL OVERALL SUPPLY	TOWEL/UNIFORM LAUNDRY SERVICE	103.92
6/27/2016	123751	QIANG WANG	CLASS REFUND: WRITING	295.00
6/27/2016	123752	R.E.P. NUT N BOLT GUY	MISCELLANEOUS SUPPLIES: WATER	1,714.58
6/27/2016	123753	R&B COMPANY	D505: PARTS AND VALVES FOR LS 27	13,603.57
6/27/2016	123754	RADHAKRISHNAN RAJARAMAN	CLASS REFUND: GYMNASTICS	160.00
6/27/2016	123755	RAFAEL TORREZ JR.	VISION REIMBURSEMENT	200.00
6/27/2016	123756	READYREFRESH BY NESTLE	BOTTLE WATER SUPPLY	26.93

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Accounts Payable Check Register

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Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123757	RYLKO BUILDERS	PERMIT FEE REFUND: #16-213	975.10
6/27/2016	123758	SAI MANOHARAN	CLASS REFUND: CAMP OUTBACK	540.00
6/27/2016	123759	SAN FRANCISCO PUBLIC UTILITIES	WATER QUALITY TESTING	1,350.00
6/27/2016	123760	COUNTY OF SAN MATEO	SAN MATEO ISD-INFO SERVICES	3,096.88
6/27/2016	123761	SAN MATEO COUNTY	MOSQUITO ABATEMENT SERVICES	4,377.27
6/27/2016	123762	SAN MATEO LAWN MOWER SHOP	MISCELLANEOUS SUPPLIES: PARKS	520.56
6/27/2016	123763	SAN MATEO-FOSTER CITY SCHOOL DISTRICT	FACILITY USE AT AUDUBON ELEMENTARY	1,457.84
6/27/2016	123764	SANCO PIPELINES, INC.	BUSINESS LICENSE REFUND	200.00
6/27/2016	123765	SANTA CLARA CONSTRUCTION & ENGINEERING INC	BUSINESS LICENSE REFUND	70.00
6/27/2016	123766	SERVICE PRESS INC.	BUSINESS CARDS	22.89
6/27/2016	123767	SHARON EGAN	VISION REIMBURSEMENT	200.00
6/27/2016	123768	SHERRY BURTON	DEPOSIT REFUND: LAGOON ROOM	450.00
6/27/2016	123769	SIGNATURE BUILDERS INC.	CONSTRUCTION AND DEMOLITION	2,500.00
6/27/2016	123770	SIGNATURE GLASS & WINDOWS, INC.	BUSINESS LICENSE REFUND	100.00
6/27/2016	123771	SKYLINE CONSTRUCTION INC	CONSTRUCTION AND DEMOLITION	1,000.00
6/27/2016	123772	SMITH-EMERY SAN FRANCISCO	CIP 621: VINTAGE PARK INSPECTION	5,494.75
6/27/2016	123773	SOLOMON TSAI	CONSTRUCTION AND DEMOLITION	30,000.00
6/27/2016	123774	SONANG KIM	CLASS REFUND: MATH OLYMPIAD	365.00
6/27/2016	123775	SOPHIA WONG	CLASS REFUND: MATH OLYMPIAD	295.00
6/27/2016	123776	STACEY LI	CLASS REFUND: CAMP BREAKAWAY	235.00
6/27/2016	123777	STAPLES ADVANTAGE (DBA)	OFFICE SUPPLIES	15.28
6/27/2016	123778	STAPLES CREDIT PLAN	OFFICE SUPPLIES	61.68
6/27/2016	123779	SWRCB FEES	CERT EXAM: FRANK FANARA	65.00
6/27/2016	123780	STEVE COHEN	CLASS REFUND: KAYAKING	70.00
6/27/2016	123781	SUPPLYWORKS	JANITORIAL SUPPLIES	1,023.97
6/27/2016	123782	SUSAN PAYROVI	CLASS REFUND: SOCCER	269.00

City of Foster City, CA
Accounts Payable Check Register

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Check Date	Check Number	Vendor Name	Description	Check Amount
6/27/2016	123783	T.H.E. OFFICE CITY	CITYWIDE OFFICE SUPPLIES	3,676.37
6/27/2016	123784	TELECOMMUNICATIONS ENGINEERING	RADIO EQUIPMENT FEE	1,896.00
6/27/2016	123785	THERMAL MECHANICAL INC.	HVAC REPAIRS/MAINTENANCE AND SERVICES	2,096.20
6/27/2016	123786	TODD HAENA	VISION REIMBURSEMENT	173.51
6/27/2016	123787	TOTAL AUTOMATIC SPRINKLER CO.	BUSINESS LICENSE REFUND	4.50
6/27/2016	123788	TOWNE FORD SALES	AUTO PARTS	121.30
6/27/2016	123789	TURF & INDUSTRIAL EQUIPMENT CO	EQUIPMENT PARTS	177.33
6/27/2016	123790	URBAN INSIGHT, INC.	CALOPPS WEB REDESIGN SERVICES	14,124.30
6/27/2016	123791	URBAN PLANNING PARTNERS INC.	PZ 14-99900007 EA-14-007	3,050.22
6/27/2016	123792	VALLEY CREST LANDSCAPE MAINTENANCE	CIP 621: IRRIGATION LATERAL REPAIR	250.00
6/27/2016	123793	VERONICA PHANTHAVONG	CLASS REFUND: ANIMATION	200.00
6/27/2016	123794	VIJAY VISWANATHAN	CLASS REFUND: KAYAKING	90.00
6/27/2016	123795	WE GO LOGO	UNIFORMS FOR PARKS STAFF	2,453.98
6/27/2016	123796	WECO INDUSTRIES LLC	MISCELLANEOUS SUPPLIES: SEWER	310.50
6/27/2016	123797	WILLY CHUA ONG	CLASS REFUND: KAYAKING	270.00
6/27/2016	123798	WILSEY HAM	D525: WAVERLY LOT	579.00
6/27/2016	123799	WORKERS.COM	TEMPORARY MAINTENANCE WORKERS	4,554.00
6/27/2016	123800	YUHUI ZHU	CLASS REFUND: MATH OLYMPIAD	365.00
6/27/2016	123801	YVETTE MARUCUT	CLASS REFUND: SOCCER	111.00
6/27/2016	123802	ZHEYI YANG	CLASS REFUND: GAME DESIGN	200.00
				753,436.45

Submitted for Information:

Edmund Suen, City Treasurer

CHECKS ON THIS REGISTER PROCESSED AND MAILED ON JUNE 27, 2016

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Accounts Payable Check Register

Check Date	Check Number	Vendor Name	Description	Check Amount
6/29/2016	123803	CHEVRON & TEXACO BUSINESS CARD SERVICES	GAS	154.27
6/29/2016	123804	CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC	LIGHT POLES	4,634.90
6/29/2016	123805	ENERGY REAL ESTATE, INC.	PARTIAL UTILITY REFUND: 60413-2412	70.00
6/29/2016	123806	LAURIE HAZEN-MCCARTHY	MOULAGE MAKEUP	83.96
6/29/2016	123807	MICHELLE URETA	CLASS REFUND: CAMP WAY OUTBACK	160.00
6/29/2016	123808	NO MORE DIRT INC.	JANITORIAL SERVICES: 6/11/16 AND 6/12/16	789.64
6/29/2016	123809	PACIFIC GAS & ELECTRIC COMPANY	ELECTRIC & GAS/CULDESACS	35,517.55
6/29/2016	123810	PWM RESIDENTIAL VENTURES LLC	TAX INCREMENT AND UTILITY SUBSIDIES	235,390.14
6/29/2016	123811	SILVERADO AVIONICS, INC.	CONTROL HEAD KIT AND CABLE	1,658.20
6/29/2016	123812	SMCLETMA	POST TRAINING	100.00
6/29/2016	123813	SOFTWAREONE INC.	VM-WARE SUBSCRIPTION	9,926.38
6/29/2016	123814	SUAREZ & MUNOZ CONSTRUCTION INC.	CIP301-650: CATAMARAN RENOVATION	63,032.50
6/29/2016	123815	VPI, INC.	VPI MAINTENANCE AND HARDWARE	2,378.53
				<u>353,896.07</u>

Submitted for Information:

Edmund Suen, City Treasurer

CHECKS ON THIS REGISTER PROCESSED AND MAILED ON RUSH REGISTER OF JUNE 29, 2016

City of Foster City, CA
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Check Date	Check Number	Vendor Name	Description	Check Amount
9/25/2015	120514	INGA DYI	VOID AND REISSUE #123825	-91.36
7/6/2016	123816	ABAG PLAN CORPORATION	ABAG DUES: FY 16/17	7,034.00
7/6/2016	123817	STEVEN ARCHER	LONGEVITY: 6/16/16-7/15/16	140.00
7/6/2016	123818	BUTLER AMUSEMENTS, INC.	METER DEPOSIT REFUND	5,722.08
7/6/2016	123819	CINTAS CORPORATION	UNIFORM/LAUNDRY SERVICE	1,402.13
7/6/2016	123820	WILLIAM CLARK	LONGEVITY: 6/16/16-7/15/16	210.00
7/6/2016	123821	FOSTER CITY FIREFIGHTERS #2400	UNION DUES: 6/1/16-6/30/16	3,942.00
7/6/2016	123822	FOSTER CITY FIREFIGHTERS ASSN	ASSN DUES: 6/01/16-6/30/16	1,595.00
7/6/2016	123823	GRANITE ROCK COMPANY #26462	MISCELLANEOUS SUPPLIES: WATER	662.22
7/6/2016	123824	HUMAN INVESTMENT PROJECT INC.	HIP MANAGEMENT FEES JULY 2016	1,200.00
7/6/2016	123825	ICMA	ICMA FEES: FY 16/17	2,723.46
7/6/2016	123826	INGA DYI	CLASS REFUND: VOLLEYBALL	91.36
7/6/2016	123827	JOINT VENTURE: SILICON VALLEY NETWORK	SVEDA DUES: FY16/17	3,000.00
7/6/2016	123828	MOSHE JOSHUA	LONGEVITY: 6/16/16-7/15/16	275.00
7/6/2016	123829	KEVIN MILLER	EMPLOYEE REIMBURSEMENT	96.09
7/6/2016	123830	METLIFE-GROUP BENEFITS	GROUP #KM05922100: VISION PLAN	269.20
7/6/2016	123831	MUNICIPAL MAINTENANCE EQUIP INC.	VAC-CON TRAINING	500.00
7/6/2016	123832	PACIFIC GAS & ELECTRIC COMPANY	ELECTRICITY AND GAS/MEDIAN	72.80
7/6/2016	123833	PERS LONG-TERM CARE PROGRAM	LONG TERM CARE INSURANCE PREMIUM	178.86
7/6/2016	123834	SAN FRANCISCO CHRONICLE	SUBSCRIPTION	527.80
7/6/2016	123835	DAVID VILLANUEVA	LONGEVITY: 6/16/16-7/15/16	200.00
7/6/2016	123836	VISION SERVICE PLAN - (CA)	VISION INSURANCE PREMIUM: JULY 2016	444.40

Prepared Date 07/06/2016

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/6/2016	123837	ZAHEED DANISH	EMPLOYEE REIMBURSEMENT	302.11
				<hr/>
				30,497.15

Submitted for Information:

Edmund Suen, City Treasurer
CHECKS ON THIS REGISTER PROCESSED AND MAILED ON RUSH REGISTER OF JULY 06, 2016

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/11/2016	123838	A SERVANT'S HEART	NO PARKING SIGN	654.00
7/11/2016	123839	AILEEN CADIZ	VISION REIMBURSEMENT	200.00
7/11/2016	123840	AIRGAS NCN	MISCELLANEOUS SUPPLIES: STREETS	181.53
7/11/2016	123841	ALL SEASONS ROOFING AND WATERPROOFING	CONSTRUCTION AND DEMOLITION REFUND	15,300.00
7/11/2016	123842	ANNA KIM	CLASS REFUND: CAMP BREAKAWAY	145.00
7/11/2016	123843	ANNIE CHENG	CLASS REFUND: GOLF	149.00
7/11/2016	123844	ARTISTIC STONE KITCHEN AND BATH INC.	COUNTERTOP FABRICATION	1,400.04
7/11/2016	123845	ATLAS AUTOGLASS	AUTO PARTS AND REPAIR	522.00
7/11/2016	123846	BANNER PRINTING AND BUSINESS FORMS	LETTERHEADS PRINTING	384.76
7/11/2016	123847	BAY AREA BARRICADE	TRAFFIC CONES	2,995.48
7/11/2016	123848	BAY AREA FLOORS AND DESIGN	REPLACE DAMAGED FLOORING	3,365.00
7/11/2016	123849	BAYSIDE BUILDING MATERIALS	MISCELLANEOUS SUPPLIES: PARKS	1,416.02
7/11/2016	123850	BECKI HANAN	EMPLOYEE REIMBURSEMENT	200.00
7/11/2016	123851	BERMUDA DAYCARE AND MONTESSORI	DEPOSIT REFUND	200.00
7/11/2016	123852	CA-NV SECTION, AWWA	WATER EDUCATION SEMINAR	440.00
7/11/2016	123853	CAL-WEST LIGHTING & SIGNAL MAINTENANCE INC	D524: RECREATION CENTER AND SHELL BLVD	19,819.51
7/11/2016	123854	CALIFORNIA POLICE CHIEF'S ASSOCIATION	ANNUAL MEMBERSHIP DUES	419.00
7/11/2016	123855	CALPELRA	CALOPPS CONFERENCE BOOTH FEES	5,000.00
7/11/2016	123856	CHRISTOPHER S. RUDNICKI	GOOSE CONTROL SERVICES: JUNE 2016	4,450.50
7/11/2016	123857	CITY OF BURLINGAME	TOURISM ASSESSMENT: JUNE 2016	8,745.60
7/11/2016	123858	CITY OF SAN MATEO	RANGE FEES: FY 15/16	2,470.00
7/11/2016	123859	CLARK PEST CONTROL	PEST AWAY SERVICE: BUILDING	204.00
7/11/2016	123860	CLAUDIA KLOSSNER	CLASS REFUND: GOLF	159.00
7/11/2016	123861	CLINTON COLLINS	VISION REIMBURSEMENT	200.00
7/11/2016	123862	CONSTANT LOOK	VISION REIMBURSEMENT	200.00

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Accounts Payable Check Register

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/11/2016	123863	CORA	ERP SERVICES: 7/1/16-6/30/17	5,965.00
7/11/2016	123864	CSG CONSULTANTS INC.	PLAN REVIEW SERVICES: MAY 2016	19,567.50
7/11/2016	123865	CURTIS BANKS	EMPLOYEE REIMBURSEMENT	200.00
7/11/2016	123866	CWEA-TCP	MEMBERSHIP FEES	1,008.00
7/11/2016	123867	DANIEL THOMAS	TOILET REBATE	100.00
7/11/2016	123868	DENISE SORENSEN	CLASS REFUND: CERAMICS	60.00
7/11/2016	123869	DODGE DATA & ANALYTICS	CIP 301-653 REHABILITATION NOTICE	922.50
7/11/2016	123870	ELDORADO FORKLIFT CO.	TRUCK PARTS AND REPAIRS	229.64
7/11/2016	123871	EPC IT SOLUTIONS	EXCHANGE SERVER UPGRADE	9,940.00
7/11/2016	123872	ESTERO UTILITY SERVICES	WATER SERVICE: 388 VINTAGE PARK	34.50
7/11/2016	123873	EWING IRRIGATION PRODUCTS	MISCELLANEOUS SUPPLIES: PARKS	1,059.43
7/11/2016	123874	FARALLON GEOGRAPHICS, INC.	GIS CONSULTING SERVICES	60,660.00
7/11/2016	123875	FASTENAL COMPANY	ORANGE SAFETY FENCING	818.46
7/11/2016	123876	FEDERAL EXPRESS CORPORATION	COURIER FEE: PD MOTORCYCLE	69.17
7/11/2016	123877	FIELDTURF USA INC.	FIELD GROOMING	7,650.00
7/11/2016	123878	FORELAND PARTS INC.	AUTO PARTS	223.77
7/11/2016	123879	FRANK FANARA	VISION REIMBURSEMENT	200.00
7/11/2016	123880	FRANK SCHOENING	VISION REIMBURSEMENT	200.00
7/11/2016	123881	GARRETT GOTTHARDT	VISION REIMBURSEMENT	200.00
7/11/2016	123882	GAURAV DHADIWAL	CLASS REFUND: PRESCHOOL	50.00
7/11/2016	123883	GEOFORENSICS, INC.	DENSITY TESTING AT CATAMARAN PARK	280.00
7/11/2016	123884	GERANO MUNOZ	VISION REIMBURSEMENT	200.00
7/11/2016	123885	GERARD MCCAHILL	VISION REIMBURSEMENT	200.00
7/11/2016	123886	GINGER SCALZO	VISION REIMBURSEMENT	200.00
7/11/2016	123887	GOLDEN STATE FLOW MEASUREMENT INC.	REMOTE REPEATER AND MODEM	20,255.79

City of Foster City, CA
Accounts Payable Check Register

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/11/2016	123888	GOLDFARB & LIPMAN	HOUSING NEXUS STUDY REVIEW	177.00
7/11/2016	123889	GONZALO LARIOS	VISION REIMBURSEMENT	200.00
7/11/2016	123890	GOODYEAR COMMERCIAL TIRE & SERVICE CENTER	TIRE SERVICES	1,256.29
7/11/2016	123891	GRAINGER	MISCELLANEOUS SUPPLIES: PARKS	2,343.27
7/11/2016	123892	HAGOP MANUELIAN	SYNTHETIC TURF REBATE	1,600.00
7/11/2016	123893	HINES, EDM, INC.	SIRE DOCUMENT IMAGING	2,963.92
7/11/2016	123894	HOME DEPOT CREDIT SERVICES	MISCELLANEOUS SUPPLIES: GARAGE	2,117.95
7/11/2016	123895	INTERSTATE TRAFFIC	STREETS PROGRAM SUPPLIES	239.80
7/11/2016	123896	J & K ROOFING	CONSTRUCTION AND DEMOLITION REFUND	500.00
7/11/2016	123897	JAMES ECHEVERRIA	VISION REIMBURSEMENT	200.00
7/11/2016	123898	JENNA GRIMALDI	EMPLOYEE REIMBURSEMENT	94.35
7/11/2016	123899	JING-TYAN MA	CLASS REFUND: CERAMICS	60.00
7/11/2016	123900	JON SCHMEECKLE	VISION REIMBURSEMENT	82.28
7/11/2016	123901	JOSEPH PIERUCCI	VISION REIMBURSEMENT	200.00
7/11/2016	123902	JOYCE LEE	CLASS REFUND: TAP II	90.00
7/11/2016	123903	KATERINA KARAKOULKA	PERMIT FEE REFUND: #16-783	598.40
7/11/2016	123904	KELLY MCCARTY	CLASS REFUND: GOLF	170.00
7/11/2016	123905	KIMBERLY CRUZ	TOILET REBATE	200.00
7/11/2016	123906	L.N. CURTIS & SONS	REEL BULLET CHAIN	4,856.79
7/11/2016	123907	LAN TRINH	CLASS REFUND: CAMP BREAKAWAY	145.00
7/11/2016	123908	LOLLI FREEDMAN	DEPOSIT REFUND: LAGOON ROOM	350.00
7/11/2016	123909	LORAL LANDSCAPING INC.	TREE TRIMMING SERVICES	43,182.39
7/11/2016	123910	LUCIANO CONCRETE CONSTRUCTION	SIGN REPAIR	4,400.00
7/11/2016	123911	MARAH CURRY	LAWN BE GONE REBATE	870.14
7/11/2016	123912	MARISELA GONZALEZ	CLASS REFUND: CAMP OUTBACK	200.00

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/11/2016	123913	MARK LEE	EMPLOYEE REIMBURSEMENT	54.49
7/11/2016	123914	MICHAEL NGO	VISION REIMBURSEMENT	200.00
7/11/2016	123915	MICHELLE RIEGO	DEPOSIT REFUND: VIBE	450.00
7/11/2016	123916	MIKE GOSZULAK	CLASS REFUND: CAMP BREAKAWAY	565.00
7/11/2016	123917	MORSE, VIRGIL	UNIFORM ALLOWANCE	60.00
7/11/2016	123918	MUKUND AMBARGE	CLASS REFUND: WRITING	1,014.00
7/11/2016	123919	NINA FARABEE	CLASS REFUND: CAMP OUTBACK	380.00
7/11/2016	123920	OFFICE DEPOT	OFFICE SUPPLIES	306.85
7/11/2016	123921	ORLAND DEJESUS	DEPOSIT REFUND: LAGOON ROOM	300.00
7/11/2016	123922	PENINSULA POWER WASH	PRESSURE WASHING SERVICES	7,541.00
7/11/2016	123923	PORT SUPPLY	BOAT MAINTENANCE SUPPLIES	69.69
7/11/2016	123924	PRIMA CALIFORNIA CHAPTER	PRIMA MEMBERSHIP DUES	385.00
7/11/2016	123925	PRIORITY 1	CODE 3 UPFITTING POLICE VEHICLE	12,172.26
7/11/2016	123926	PRO-PLUMBING	PLUMBING SERVICE: FIRE DEPARTMENT	253.75
7/11/2016	123927	PRUDENTIAL OVERALL SUPPLY	TOWEL/UNIFORM LAUNDRY SERVICE	58.51
7/11/2016	123928	PUBLIC SAFETY SOFTWARE GROUP	VIMS SOFTWARE: APRIL 2016-2017	384.00
7/11/2016	123929	R.E.P.NUT N BOLT GUY	MISCELLANEOUS SUPPLIES: SEWER	291.84
7/11/2016	123930	RADHAKRISHNAN RAJARAMAN	CLASS REFUND: TENNIS	78.00
7/11/2016	123931	RENEE WORKMAN	CLASS REFUND: KAMP KOALA	400.00
7/11/2016	123932	ROGER FISHER	RESERVE OFFICER PAY	155.00
7/11/2016	123933	RUKSANA DEAN	DEPOSIT REFUND: LAGOON ROOM	450.00
7/11/2016	123934	RUSSELECTRIC INC.	AUTOMATIC TRANSFER SWITCH REPAIR	5,161.35
7/11/2016	123935	SAN MATEO CO NARCOTICS TASK FORCE	SMCNTF STIPEND: FY 16/17	44,907.00
7/11/2016	123936	SAN MATEO LAWN MOWER SHOP	MISCELLANEOUS SUPPLIES: PARKS	64.74
7/11/2016	123937	SEPIDEH SAYAR	CLASS REFUND: TENNIS	78.00

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/11/2016	123938	SERVICE PRESS INC.	BUSINESS CARDS	22.89
7/11/2016	123939	SHANTHI KRISHNAMOORTHY	CLASS REFUND: KAMP KOALA	180.00
7/11/2016	123940	SHAPE INC.	4 FLYGT PUMPS	27,864.76
7/11/2016	123941	SHARON HARTLEY	CLASS REFUND: CAMP BREAKAWAY	245.00
7/11/2016	123942	SMITHA ANUP	CLASS REFUND: PRESCHOOL	50.00
7/11/2016	123943	SOFTWAREONE INC.	SERVER UPGRADE	946.52
7/11/2016	123944	STARVISTA	FIRST CHANCE CONTRIBUTION	26,630.45
7/11/2016	123945	STATE OF CALIFORNIA JUSTICE DEPARTMENT	FINGERPRINTING SERVICES	32.00
7/11/2016	123946	SUPPLYWORKS	PARKS JANITORIAL SUPPLIES	597.27
7/11/2016	123947	SUSHAMA NAIK	CLASS REFUND: TAP I	85.00
7/11/2016	123948	T.H.E. OFFICE CITY	CITYWIDE OFFICE SUPPLIES	366.59
7/11/2016	123949	TECHNOLOGY INTEGRATION GROUP	3 DELL OPTIPLEX PCS	1,338.71
7/11/2016	123950	TIRRELL KANG	VISION REIMBURSEMENT	186.15
7/11/2016	123951	TMT ENTERPRISES, INC.	PLAYFIELDS MIX	569.72
7/11/2016	123952	TOWNE FORD SALES	AUTO PARTS	206.74
7/11/2016	123953	TRACEY KAKAKURA	CLASS REFUND: CAMP BREAKAWAY	245.00
7/11/2016	123954	TRACKER, A DIVISION OF C2, LLC.	ACCOUNTING/REPORT: FY16/17	3,420.00
7/11/2016	123955	TURF & INDUSTRIAL EQUIPMENT CO	PARKS EQUIPMENT PARTS	810.46
7/11/2016	123956	ULISES RENTERIA	VISION REIMBURSEMENT	200.00
7/11/2016	123957	UP-GRADE ELECTRIC	PERMIT #16-795 REFUND	701.82
7/11/2016	123958	VAULT ACCESS SOLUTIONS	VAULT LID REPLACEMENT	16,350.00
7/11/2016	123959	VAVRINEK, TRINE, DAY & CO., LLP.	AUDIT SERVICES 2016	19,000.00
7/11/2016	123960	VERITIV OPERATING COMPANY	BUILDING JANITORIAL SUPPLIES	2,502.48
7/11/2016	123961	VICKI SCHIFFERLI	CLASS REFUND: TAP II	100.00
7/11/2016	123962	ALEXANDER VOLOKITIN	UNIFORM ALLOWANCE	60.00

Prepared Date 07/11/2016

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Check Date	Check Number	Vendor Name	Description	Check Amount
7/11/2016	123963	WECO INDUSTRIES LLC	MISCELLANEOUS SUPPLIES: SEWER	204.36
7/11/2016	123964	WORKERS.COM	PW TEMPORARY MAINTENANCE WORKERS	3,036.00
7/11/2016	123965	YANG SONG	TOILET REBATE	425.56
7/11/2016	123966	YATENDRA SINGH	DEPOSIT REFUND: LAGOON ROOM	200.00
7/11/2016	123967	ZALLES RACQUET SPORTS	INSTRUCTOR FEE: TENNIS	1,344.00
				<hr/> 450,313.74

Submitted for Information:

Edmund Suen, City Treasurer
CHECKS ON THIS REGISTER PROCESSED AND MAILED ON JULY 11, 2016

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