



REGULAR CITY COUNCIL MEETING AGENDA

City Hall - Council Chambers
4381 Broadway St., Suite 201, American Canyon
September 17, 2024
6:30 PM

Mayor: Leon Garcia

Vice Mayor: David Oro

Councilmembers: Mariam Aboudamous, Mark Joseph, Pierre Washington

Tonight's meeting is a limited public forum. American Canyon promotes respectful and responsible behavior among its meeting participants, whether they are present in person or remotely. Using offensive language or remarks that promote, foster, or perpetuate discrimination based on race, creed, color, age, religion, gender marital status, status regarding public assistance, national origin, physical or mental disability or sexual orientation/gender identification, as well as any other category protected by federal, state or local laws will not be tolerated. In the case of an occurrence, the speaker will be immediately disconnected from the microphone.

PUBLIC PARTICIPATION

City Council and other public meetings will be conducted in person. This meeting is also available via Zoom, is broadcast live to residents on Napa Valley TV, on our [website](#) and on [YouTube](#).

Zoom Link: [Click here](#). **Webinar ID:** 849 9699 3806; **Passcode:** 12345. **Phone in to Zoom:** 408-638-0968

Oral comments, during the meeting: Oral comments can be made in person during Open and Closed Session or through Zoom in Open Session only. On Zoom use the "raise your hand" tool during any public comment period. To avoid confusion, hands raised outside of Public Comment periods will be lowered.

Written comments: Submit written comments by the [eComments link](#), located on the Meetings & Agendas page of our website. eComments are available to council members in real time. To allow for Council review of comments, eComments will close at 3:00 pm on the day of the meeting.

The above identified measures exceed all legal requirements for participation in public comment, including those imposed by the Ralph M. Brown Act. For more information, please call the Office of the City Clerk at (707) 647-4369 or email cityclerk@americancanyon.gov.

AGENDA MATERIALS: City Council agenda materials are published 72 hours prior to the meeting and are available to the public via the City's website at www.americancanyon.gov.

AMERICANS WITH DISABILITIES ACT: The City Council will provide materials in appropriate alternative formats to comply with the Americans with Disabilities Act. Please send a written request to City Clerk at 4381 Broadway, Suite 201, American Canyon, CA 94503 or by email to cityclerk@americancanyon.gov. Include your name, address, phone number and brief description of the requested materials, as well as your preferred alternative format or auxiliary aid, at least three calendar days before the meeting.

4:00 P.M. – CLOSED SESSION

The mayor will call the meeting to order and conduct roll call. Council will immediately convene into Closed Session after hearing any public comment on Closed Session items. At 6:30 p.m. the Council will reconvene into Open Session and then resume Closed Session at the end of the meeting to address outstanding items, if necessary.

CALL TO ORDER - CLOSED SESSION

ROLL CALL - CLOSED SESSION

PUBLIC COMMENTS - CLOSED SESSION ITEMS

This time is reserved for members of the public to address the City Council on Closed Session Items only. Comments must be made in person and are limited to 3 minutes. Comments for items on the Open Session agenda will be taken when the item is called in Open Session. Comments for Items not on the Closed Session or Open Session agenda will be heard during the Open Session Public Comment period.

MEETING RECESS - COUNCIL TO CONVENE IN CLOSED SESSION

CLOSED SESSION ITEMS

1. **Conference with Legal Counsel – Anticipated Litigation. Authorized pursuant to Government Code Section 54956.9 (d)(2). Two (2) Matters.
Recommendation:**
2. **Conference with Legal Counsel - Existing Litigation. Authorized pursuant to Government Code Section 54956.9(d)(1):**
 - a. ***City of American Canyon v. City of Vallejo, et al.* (Sacramento Superior Court Case No. 34-2022-00327471).**
 - b. ***City of Vallejo v. City of American Canyon et al.* (Sacramento County Superior Court Case No. 23WM000055).**
 - c. ***City of Vallejo v. City of American Canyon et al.* (Sacramento County Superior Court Case No. 24WM000078).**
 - d. ***City of Vallejo v. City of American Canyon et al.* (Marin County Superior Court Case No. CV0003752).**
3. **Conference with Real Property Negotiators - Authorized Pursuant to Government Code Section 54956.8**
 - a. **Property: Northeast corner of Eucalyptus Drive and Greenwing. APNs: 058-030-016-000, 058-030-018-000; Agency negotiator: Jason Holley, City Manager; Under negotiation: Price and terms of payment**
 - b. **Property Address: 25 Medeiros Lane (APN 058-270-001-000); Agency negotiator: Jason Holley, City Manager; Under negotiation: Price and terms of payment**
 - c. **Property Address: 5750 South Kelly Road (APN's 057-090-065, 066 & 068) Agency negotiator: Jason Holley, City Manager; Under negotiation: Price and terms of payment.**

6:30 P.M. OPEN SESSION - REGULAR MEETING

CALL TO ORDER - COUNCIL TO RECONVENE IN OPEN SESSION

PLEDGE OF ALLEGIANCE

ROLL CALL - OPEN SESSION

REPORT ON CLOSED SESSION/CONFIRMATION OF REPORTABLE ACTION

PROCLAMATIONS AND PRESENTATIONS

4. **Proclamation - Suicide Prevention Month**
5. **Proclamation - National Recovery Month**
6. **Presentation - Napa County Mosquito Abatement District**

PUBLIC COMMENTS - ITEMS NOT ON CLOSED SESSION OR OPEN SESSION AGENDA

This time is reserved for members of the public to address the City Council on items that are not on the Closed Session or Open Session agenda and are within the subject matter jurisdiction of the City Council. Comments are limited to 3 minutes. Comments for items on the Open Session agenda will be taken when the item is called in Open Session. The City Council is prohibited by law from taking any action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the City Council does not respond to public comment at this time.

AGENDA CHANGES

The Mayor and Council may change the order of the agenda or request discussion of a Consent Item. A member of the Public may request discussion of a Consent Item by making that request during Public Comment.

CONSENT CALENDAR

7. **Minutes of September 3, 2024**
Recommendation: Approve the minutes of the Regular City Council meeting of September 3, 2024.
8. **Report Upon Return from Closed Session**
Recommendation: Approve the Report Upon Return from Closed Session for the Regular City Council meeting of September 3, 2024.
9. **City Investment Policy**
Recommendation: Adopt a Resolution amending the City's Investment Policy.
10. **Rancho Del Mar Paving and Utility Improvements Project Design Amendment**
Recommendation: Adopt a Resolution approving Amendment #1 to Agreement 2023-64 with Bennett Engineering Services for design services, increasing the contract amount \$19,160, for a total contract amount not to exceed \$553,182, in conjunction with the Rancho Del Mar Paving and Utility Improvements Project (TR24-0300).
11. **Approve Excused Absence for Council Member Aboudamous.**

Recommendation: Adopt a Minute Order approving excused absence for Council Member Aboudamous from June 4 to December 3, 2024 and authorizing the regular compensation due to Council Member Aboudamous for the City Council meetings, former County Water District Board meetings, and American Canyon Fire Protection District Board meetings during this time period.

PUBLIC HEARINGS

There are no Public Hearing items.

BUSINESS

12. [Wastewater Capacity Fee Deferral for SDG Commerce 217 Warehouse Distribution Center Project](#)

Recommendation: Adopt a Resolution approving Wastewater Capacity Fee Deferral Agreement for the SDG Commerce 217 Warehouse Distribution Center Project (PL 21-0006).

13. [Newell Open Space Improvements Project \(PR13-0200\)](#)

Recommendation: Adopt a Resolution: 1) amending the FY2024-25 Capital Budget and increasing the Project Budget from \$354,235 to \$610,133; 2) awarding a construction contract to Globe Engineering Development in the amount of \$401,534 and 3) authorizing the Public Works Director to approve and execute Contract Change Orders in an aggregate amount not to exceed the Project Budget, in conjunction with the Newell Open Space Improvements Project (PR13-0200).

MANAGEMENT AND STAFF ORAL REPORTS

MAYOR/COUNCIL COMMENTS AND COMMITTEE REPORTS

The Mayor and Council may comment on matters of public concern and announce matters of public interest; no collective council action will be taken.

FUTURE AGENDA ITEMS

14. [Future Agenda Items of Note](#)

ADJOURNMENT

CERTIFICATION

I, Taresa Geilfuss, City Clerk for the City of American Canyon, do hereby declare that the foregoing agenda of the City Council was posted in compliance with the Brown Act prior to the meeting date.

Taresa Geilfuss, CMC, City Clerk

CITY OF AMERICAN CANYON PROCLAMATION



Suicide Prevention Month - September 2024

WHEREAS, the Napa County Suicide Prevention Council (NCSPC), a public/private collaborative of people and organizations who are dedicated to reducing stigma surrounding suicide, supporting those who have lost loved ones to suicide, identifying and advocating for resources and promoting a safe, connected and resilient community dedicated to reducing the risk of suicide;

WHEREAS, in the last seven years NCSPC has worked tirelessly to reach their vision of a suicide-free community through education and training, stigma reduction, linkage to services, and provision of resources to combat suicide; and

WHEREAS, from 2020-2022, the suicide rate in California was 10.7 deaths per 100,000 population and Napa County's was 11.9 deaths per 100,000 population, placing Napa County higher than the State average; and

WHEREAS, in Napa County in Calendar Year 2023, residents between the ages of 18-35 had the highest suicide rate. The most common mechanism for suicide was by firearms (40%), and hanging (40%); and

WHEREAS, in Calendar Year 2023, 15 individuals completed suicide in Napa County; and

WHEREAS, in FY 23-24, the NCSPC trained 768 community members in the Question, Persuade, Refer (QPR) model of suicide prevention to help prevent suicides; and

WHEREAS, in January 2024, the NCSPC published a 3-year Strategic Plan for Suicide Prevention which reflects the priorities, accomplishments, and needs for suicide prevention in our county and outlines a comprehensive approach to suicide prevention.

WHEREAS, in partnership with Napa County Health and Human Services, the NCSPC is hosting the first annual Suicide Prevention Conference on September 18th, Hope Beyond Darkness: Uniting for Suicide Prevention; and

WHEREAS, every Napa County resident can be an ally by knowing the signs of suicide, finding the words to communicate with someone they are concerned about, and reaching out to local resources for help.

NOW, THEREFORE I, Mayor Leon Garcia, on behalf of the City of American Canyon, do hereby proclaim the month of September 2024 as Suicide Prevention Month in American Canyon.

Dated: September 17, 2024

Leon Garcia, Mayor

CITY OF AMERICAN CANYON PROCLAMATION



September 2024 Recovery Month in American Canyon

WHEREAS, since 1989, in the United States of America the month of September has been recognized as National Recovery Month; setting aside designated time to promote the power of recovery for all people who have struggled with, or are currently facing, an addiction or mental health issue; and

WHEREAS, there are millions of Americans whose lives have been transformed through recovery, who often go unrecognized. National Recovery Month intentionally celebrates the success, strength and courage that it takes to live in recovery, and highlights that recovery is possible; and

WHEREAS, National Recovery Month brings to light the ongoing need to increase awareness and foster a greater understanding about mental and substance use disorders, and this observance reinforces the positive message that behavioral health is part of overall health; and

WHEREAS, as part of Recovery Month, National Addiction Professionals Day will be celebrated on September 20 to honor the dedication of professionals who help make recovery in all of its forms possible. The evidence-based treatment and recovery services they deliver improves the health and well-being of Napa County's residents struggling with addiction; and

WHEREAS, the City of American Canyon and Napa County continues to provide a safe and welcoming place for people to connect with treatment providers with the love and support of family, friends, and allies, who together build a strong and proud recovery community.

NOW, THEREFORE I, Mayor Leon Garcia, on behalf of the American Canyon City Council, do hereby proclaim **September 2024** as **National Recovery Month** in the City of American Canyon, and in doing so we encourage community members to contribute to our collective understanding that behavioral health is essential to overall health, prevention works, treatment is effective, and people can and do recover.

Date: September 17, 2024

Leon Garcia, Mayor

Napa County Mosquito Abatement District

Phone: 707-553-9610

Website: napamosquito.org

Brief Overview

- District History
- General Mosquito Biology
- Ways to Manage Mosquitos
 - Physical Control
 - Biological Control
 - Chemical Control
 - Public Education

The key to minimizing human mosquito interactions is to effectively manage the water in and around your home.



Anything that will hold water for more than a few days can breed mosquitoes!

Image from: Citrus County Mosquito

Non-Native Yellow Fever Mosquito



Aedes aegypti Adult Mosquito

Image from: entnemdept.ufl.edu

**CITY OF AMERICAN CANYON
REGULAR CITY COUNCIL MEETING**

ACTION MINUTES
September 3, 2024

5:30 P.M. – CLOSED SESSION

CALL TO ORDER - CLOSED SESSION

The City Council meeting was called to order at 5:30 p.m.

ROLL CALL - CLOSED SESSION

Present: Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

Absent: None

Excused: Councilmember Mariam Aboudamous

PUBLIC COMMENTS - CLOSED SESSION ITEMS

Mayor Garcia called for public comment. Written comments: none. Oral comments: none. The public comment period was closed.

MEETING RECESS - COUNCIL TO CONVENE IN CLOSED SESSION

5:30 P.M. CLOSED SESSION ITEMS

1. Conference with Legal Counsel – Anticipated Litigation. Authorized pursuant to Government Code Section 54956.9 (d)(2). Three (3) Matters.

Action:

2. Conference with Legal Counsel - Existing Litigation. Authorized pursuant to Government Code Section 54956.9(d)(1):

- a) City of American Canyon v. City of Vallejo, et al. (Sacramento Superior Court Case No. 34-2022-00327471).
- b) City of American Canyon v. Leon Dale Schmidt (Napa County Superior Court Cases No. 22CV001041 and 23PR00161).
- c) City of Vallejo v. City of American Canyon et al. (Sacramento County Superior Court Case No. 23WM000055).
- d) City of Vallejo v. City of American Canyon et al. (Sacramento County Superior Court Case No. 24WM000078).
- e) City of Vallejo v. City of American Canyon et al. (Napa County Superior Court Case No. 24CV000544).

- f) Joanne Perez v. City of American Canyon (Napa County Superior Court Case No. 23CV001474).

6:30 P.M. OPEN SESSION - REGULAR MEETING

CALL TO ORDER - COUNCIL TO RECONVENE IN OPEN SESSION

The City Council meeting was called to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL - OPEN SESSION

Present: Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

Absent: None

Excused: Councilmember Mariam Aboudamous

REPORT ON CLOSED SESSION/CONFIRMATION OF REPORTABLE ACTION

A report on Closed Session and confirmation of reportable action was given by City Attorney William Ross.

PROCLAMATIONS AND PRESENTATIONS

3. National Hispanic Heritage Month

Mayor Garcia announced the National Hispanic Heritage Month proclamation. It was received by President Jorge Gonzalez, Napa County Hispanic Network and Quetzalli Ballet Folklorico Napa Solano, who performed three dances.

PUBLIC COMMENTS - ITEMS NOT ON CLOSED SESSION OR OPEN SESSION AGENDA

Mayor Garcia called for public comments. Written comments: none. Oral comments: Beth Marcus was called to speak; Cecilia Pacheco was called to speak; Jorge Gonzalez was called to speak. The public comment period was closed.

AGENDA CHANGES

Councilmember Mark Joseph requested to remove Item 6 from the Consent Calendar, to be discussed after Item 7.

CONSENT CALENDAR

Action: Motion to adopt CONSENT CALENDAR, except for Item 6 made by Councilmember Pierre Washington, seconded by Councilmember Mark Joseph, and CARRIED by roll call vote.

Ayes: Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

Nays: None

Abstain: None

Excused: Councilmember Mariam Aboudamous

4. Minutes of Regular City Council Meeting of August 20, 2024

Action: Approved the minutes of the Regular City Council meeting of August 20, 2024.

5. Minutes of Special Joint Meeting of August 20, 2024

Action: Approved the minutes of the Special Joint City Council/Planning Commission meeting of August 20, 2024.

7. Notice of Completion for Via Bellagio Playground Surface Project (PR23-0800)

Action: Adopted Resolution 2024-68 accepting the project as complete and authorizing the Public Works Director to file a Notice of Completion (Agreement 2024-07-R) in conjunction with the Via Bellagio Playground Surface Project (PR23-0800).

6. Water Treatment Plant Membrane Replacement

City Manager Jason Holley provided clarification on the resolution content.

Action: Motion to adopt Resolution 2024-67 authorizing the City Manager to purchase ultra-membrane filters from Veolia Water Technologies & Solutions for the Water Treatment Plant in the amount not to exceed \$1,103,777 made by Councilmember Mark Joseph, seconded by Councilmember Pierre Washington, and CARRIED by roll call vote.

Ayes: Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

Nays: None

Abstain: None

Excused: Councilmember Mariam Aboudamous

PUBLIC HEARINGS

There were no public hearing items.

BUSINESS

8) 2024 National Community Survey Report

Council received a 2024 National Community Survey Report staff report and presentation from Communications Manager Jen Kansanback. Mayor Garcia called for public comments. Written comments: none. Oral comments: none. The public comments period was closed. No action was taken on this item.

9) City Council Code of Conduct and Governance Protocols

Council received a City Council Code of Conduct and Governance Protocols staff report from City Manager Jason Holley and provided feedback on the draft document. Mayor Garcia called for public comments. Written comments: none. Oral comments: Beth Marcus was called to speak. The public comments period was closed.

Action: Motion to receive and file made by Councilmember Mark Joseph, seconded by Councilmember Pierre Washington, and CARRIED by roll call vote.

Ayes: Councilmember Mark Joseph, Councilmember Pierre Washington, Vice Mayor David Oro, Mayor Leon Garcia

Nays: None

Abstain: None

Excused: Councilmember Mariam Aboudamous

MANAGEMENT AND STAFF ORAL REPORTS

Council received oral updates from Parks & Recreation Director Alexandra Ikeda.

MAYOR/COUNCIL COMMENTS AND COMMITTEE REPORTS

The mayor and council members provided oral reports and announced items of community interest.

FUTURE AGENDA ITEMS

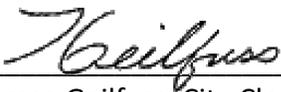
10. Future Agenda Items of Note

ADJOURNMENT

The meeting was adjourned at 8:28 p.m.

CERTIFICATION

Respectfully Submitted,



Taresa Geilfuss, City Clerk

SEPTEMBER 3, 2024 CITY COUNCIL MEETING

Proclamations & Accolades

- **Hispanic Heritage Month** : Proclamation received by Jorge Gonzalez, President of the Napa County Hispanic Network and the Quetzalli Ballet Folklorico Napa Solano



City Action

- Received and filed the 2024 National Community Survey
- Provided feedback on a draft City Council Code of Conduct and Governance Protocols

Next time...

Join our
September 17
meeting to learn
more about:

- Special September observances
- SDG 217 Wastewater Capacity Fee Deferral Agreement
- ...and more!

View presentations, agenda packets and meeting details:



William D. Ross
David P. Schwarz
Kypros G. Hostetter
Christina M. Bellardo

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File No: 199/6

September 5, 2024

VIA E-MAIL

The Honorable Leon Garcia, Mayor
and Members of the City Council
City of American Canyon
4381 Broadway, Suite 201
American Canyon, CA 94503

Re: Report Upon Return from Closed Session; Regular City Council Closed Session Meeting of the American Canyon City Council of September 3, 2024

Dear Mayor Garcia and Members of the City Council:

This communication sets forth reportable action, if any, of the City Council (“Council”) of the City of American Canyon (“City”), consistent with provisions of the Ralph M. Brown Opening Meeting Act (Government Code Section 54950, *et seq.*) resulting from the Closed Session of the Regular City Council Closed Session Meeting of September 3, 2024, consistent with Government Code Section 54957.1.

Mayor Garcia convened the Council in Open Session at 5:30 p.m. and after ascertained that there were no public comments on the matters agendized for Closed Session consideration and adjourned to Closed Session at 5:31 p.m.

There were two matters agendized for City Closed Session consideration:

1. Conference with Legal Counsel – Anticipated Litigation
Authorized Pursuant to Government Code Section 54956.9(d)(2)
Three (3) Matters
2. Conference with Legal Counsel – Existing Litigation
Authorized Pursuant to Government Code Section 54956.9(d)(1)
 - a. *City of American Canyon v. City of Vallejo, et al.* (Sacramento Superior Court Case No. 34-2022-00327471);
 - b. *City of American Canyon v. Leon Dale Schmidt*, (Napa County Superior Court Case No. 22CV001041 and 23PR00161);

- c. *City of Vallejo v. City of American Canyon et al.* (Napa County Superior Court Case No. 23WM000055) [Giovannoni Project];
- d. *City of Vallejo v. City of American Canyon et al.* (Sacramento County Superior Court Case No. 24WM000078) [Paoli/Watson Lane Annexation].
- e. *City of Vallejo v. City of American Canyon et al.* (Napa County Superior Court Case No. 24CV000544) [Measure K].
- f. *Joanne Perez v. City of American Canyon* (Napa County Superior Court Case No. 23CV001474)

With respect to Closed Session Agenda Item No. 1., there was no reportable action with respect to each of the three (3) matters considered under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(2).

With respect to Closed Session Agenda Item No. 2.a., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 2.b., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 2.c., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 2.d., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 2.e., there was no reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

With respect to Closed Session Agenda Item No. 2.f., there was reportable action in the form of Defense Counsel indicating that an Amended Complaint had been filed which had eliminated all but one (1) of the causes of action advanced against the City in the original

The Honorable Leon Garcia, Mayor
and Members of the City Council
September 5, 2024
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Complaint. Except as indicated, there was no other reportable action under the common law attorney-client privilege and that provided by Government Code Section 54956.9(d)(1).

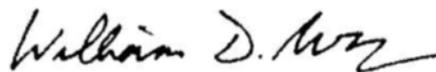
Your Council concluded the Closed Session at 6:03 p.m.

In Open Session, it was indicated that a written report upon return from Closed Session consistent with Government Code Section 54957.1, would be prepared concerning the matters agendized for Closed Session.

This communication should be reviewed under the Consent portion of the Agenda of your next Regular or Special City Council Meeting.

Should you have questions concerning this Report, it may be taken off the Consent calendar when agendized in the future, or our office may be contacted in the interim.

Very truly yours,



William D. Ross
City Attorney

WDR:jf

cc: Jason B. Holley, City Manager
Maria Ojeda, Assistant City Manager
Taresa Geilfuss, City Clerk



TITLE

City Investment Policy

RECOMMENDATION

Adopt a Resolution amending the City's Investment Policy.

CONTACT

Juan Gomez, Finance Director/Treasurer

BACKGROUND & ANALYSIS

The City's Investment Policy requires the Treasurer/Finance Director to submit a written allowable policy to the City Council annually within 120 days of the end of the fiscal year. The Policy defines the scope and authority for investment activities, objectives, strategies, allowable investments, and reporting requirements.

The City contracts with Chandler Asset Management to assist in the management of this City's pooled cash investment portfolio. The City also maintains investments with the California Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). The revised policy incorporates the following updates,

- Section Six: Included language regarding the completion of Form 700s for those part of the investment process (6.3).
- Section Eight: Elaborated on the institutions eligible to transact investment business with the City (8.3).
- Section Ten: Amended the sector to the current naming convention (10.2.10).
- Section Twenty-One: Updated the section to include new definitions and removed definitions of words not mentioned in the body of the investment policy.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Organizational Effectiveness: "Deliver exemplary government services."

FISCAL IMPACT

The Recommended Action will have no direct fiscal impact.

ENVIRONMENTAL REVIEW

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

ATTACHMENTS:

1. [Resolution - Investment Policy](#)
2. [Exhibit A - Investment Policy](#)
3. [Exhibit B - Investment Policy Redlined](#)

RESOLUTION NO. 2024-_____

**A RESOLUTION ADOPTING AMENDMENTS TO
THE CITY OF AMERICAN CANYON’S INVESTMENT POLICY**

WHEREAS, pursuant to California Government Code Sections 53601 and 53635; the City’s Investment Policy must be submitted to Council annually for adoption; and

WHEREAS, staff proposed amending the City’s Investment Policy to reflect the addition of Section 6.3 regarding participants in the investment process comply with the Political Reform Act and Fair Political Practices Commission Regulations and completion of form 700; and

WHEREAS, staff proposed modifications to Section 8.3 elaborating on institutions eligible to transact investment business with the City; and Section 10.2.10 amending the sector to the current naming convention and Section 21 updating glossary terms.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of American Canyon hereby adopts the Investment Policy as set forth in Exhibit A attached hereto and incorporated by reference.

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of American Canyon held on the 17th day of September 2024, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

Taresa Geilfuss, City Clerk

William D. Ross, City Attorney

CITY OF AMERICAN CANYON INVESTMENT POLICY

Section One: Introduction

- 1.1 The purpose of this policy is to establish a prudent and systematic investment policy, and to organize and formalize investment-related activities. This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).
- 1.2 The City's Investment Policy is authorized under the California Government Code, section 53600, et, seq. as it applies to the investment of public funds, and the American Canyon Municipal Code, Section 2.16.030.

Section Two: Scope

- 2.2 This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:
- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
 - Any other funds specifically exempted by the City Council.
- 2.3 Pooling of Funds: Apart from fiduciary funds with additional investment restrictions, and any other funds directed by City Council, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

Section Three: Prudence

- 3.1 Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the Prudent Investor Standard:
- “...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring,

exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”

- 3.2 The Finance Director and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes provided that the Finance Director or other authorized persons acted in good faith. Deviations from expectations of a security’s credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

Section Four: Objectives

- 4.1 The City’s overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.
- 4.2 Safety - It is the primary duty and responsibility of the Finance Director to protect, preserve and maintain cash and investments placed in his/her trust on behalf of the citizens of American Canyon. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- 4.3 Liquidity - The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. An adequate percentage of the City's investment portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary, to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity to market risk.
- 4.4 Return on Investments – Yield and return should become a consideration only after the basic requirements of safety and liquidity have been met. The portfolio should be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances or resolutions that restrict investments.

Section Five: Delegation of Authority

- 5.1 Authority to manage the City's investment program is derived from California Government Code, Sections 41006 for City Treasurers and 53600 *et seq.*
- 5.2 The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Finance Director.
- 5.3 The Finance Director will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director.
- 5.4 The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.
- 5.5 The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

Section Six: Ethics and Conflicts of Interest

- 6.1 All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus, employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.
- 6.2 Employees and investment officials shall disclose to the Chief Executive Officer any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.
- 6.3 All participants in the investment process are required to comply with terms of the Political Reform Act, Fair Political Practices Commission Regulations promulgated

thereunder (2 C.C.R. §§ 18110 through 18998), the City's Conflict of Interest Policy, including, without limitation, filing of Form 700, notification and recusal obligations, and Government Code section 1090 prohibitions.

Section Seven: Internal Controls

7.1 A system of internal control shall be established and documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City.

7.2 Controls deemed most important include:

- a. The control of collusion and separation of duties;
- b. Custodial safekeeping of funds invested or on deposit;
- c. Minimizing the number of authorized Investment Officers; and
- d. Written documentation of procedures and transactions.

7.3 In selecting financial institutions for the deposit or investment of City funds, the Finance Director shall consider the credit-worthiness of the institution. Such credit-worthiness shall be monitored on a regular basis throughout the period in which City funds are deposited or invested.

- a. Any deposit or investment of funds shall be in writing, signed by the Finance Director and the authorized representative of the institution.
- b. All transfers must be made by authorized personnel and properly logged and documented.

7.4 The Finance Director shall encourage peer review of the Finance Director's investments and investment practices. In addition, the City's cash management and investment practices shall be included in any outside financial audit of the City.

7.5 An annual Cash Flow Forecast may be prepared by the Finance Director and would be used to assist in the development of the annual operating budget for the City.

Section Eight: Authorized Financial Institutions, Depositories, and Broker/Dealers

8.1 To the extent practicable, the Finance Director shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Finance Director will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

8.2 The Finance Director shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence. Due diligence shall

determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

8.3 In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Institutions licensed by the state and proof of FINRA certification as a broker-dealer as defined in Section 25004 of the Corporations Code;
- Institutions that are members of a federally regulated securities exchange;
- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers;
- Nationally or state-chartered banks;
- Savings association or federal association (as defined in Section 5102 of the Financial Code);
- The Federal Reserve Bank; or
- Direct issuers of securities eligible for purchase.

8.4 Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

8.5 All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Finance Director with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Finance Director will conduct an annual review of the financial condition and registrations of such qualified bidders.

8.6 Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

8.7 Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

Section Nine: City's Investment Strategy

9.1 The most effective method of increasing investment yields without sacrificing safety is to extend the investment horizon commensurate with the City's cash requirements. To that end, improved cash forecasting and management is the preferred investment strategy for the City.

- a) Cash management activities include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and a short-term borrowing program, when needed, that coordinates working capital requirements and investment opportunity.

Section Ten: Allowable Investment Instruments

10.1 The City investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and minimum credit quality requirements listed in this section apply at the time the security is purchased. Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

10.2 All investments of City funds shall be made in accordance with California Government Code Sections 53600, *et seq.*, or in accordance with California Government Code 16429.1 authorizing investments into the State Local Agency Investment Fund (LAIF). Investments will be authorized by the City Finance Director. An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and issuer to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers:

1. Municipal Securities include obligations of the City, the State of California and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or better by at least one Nationally Recognized Statistical Rating Organization ("NRSRO").
- No more than 5% of the total portfolio may be invested in any single issuer.
- No more than 30% of the total portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. Municipal Securities (Registered treasury notes or bonds) of any of the other 49 states in addition to California, including bonds payable solely out of the

revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

- The securities are rated in a rating category of “A” or its equivalent or better by at least one NRSRO.
- No more than 5% of the total portfolio may be invested in any single issuer.
- No more than 30% of the total portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

3. U.S. Treasuries and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:

- The maximum maturity is five (5) years.

4. Federal Agencies or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal Agency or Government-Sponsored Enterprises (GSEs), provided that:

- No more than 30% of the total portfolio may be invested in any single Agency/GSE issuer.
- The maximum maturity does not exceed five (5) years.
- No more than 20% of the total portfolio may be invested in callable agency securities.

5. Banker’s Acceptances, provided that:

- They are issued by institutions which have short-term debt obligations rated “A-1” or its equivalent or better by at least one NRSRO; or long-term debt obligations which are rated in a rating category of “A” or its equivalent or better by at least one NRSRO.
- No more than 40% of the total portfolio may be invested in Banker’s Acceptances.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 180 days.

6. Commercial Paper, provided that the securities are issued by an entity that meets all of the following conditions in either paragraph (a) or (b) and other requirements specified below:

- a. Securities issued by corporations:

1. A corporation organized and operating in the United States with assets more than \$500 million.
2. The securities are rated "A-1" or its equivalent or better by at least one NRSRO.
3. If the issuer has other debt obligations, they must be rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

b. Securities issued by other entities:

1. The issuer is organized within the United States as a special purpose corporation, trust, or limited liability company.
2. The securities must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
3. The securities are rated "A-1" or its equivalent or better by at least one NRSRO.

- No more than 25% of the total portfolio may be invested in Commercial Paper.
- The City may not own more than 10% of the outstanding commercial paper of any single issuer.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 270 days.

7. Negotiable Certificates of Deposit (NCDs), issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
- Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

8. Federally Insured Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- The amount per institution is limited to the maximum covered under federal

insurance.

- No more than 20% of the total portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

9. Collateralized Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:

- No more than 20% of the total portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

10. Placement Service Deposit, provided that:

- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
- Under a provision sunseting on January 1, 2026, no more than 50% of the portfolio may be invested in deposits through a placement service, including Certificates of Deposit, if the Agency is a city, district or local agency that does not pool money with other local agencies.
- The maximum maturity does not exceed five (5) years.

11. Collateralized Bank Deposits. City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651. There are no limits on the dollar amount or percentage that the City may invest in collateralized bank deposits.

12. Repurchase Agreements collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:

- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
- Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
- The maximum maturity does not exceed one (1) year.

13. State of California Local Agency Investment Fund (LAIF), provided that:

- The City may invest up to the maximum amount permitted by LAIF.
- LAIF's investments in instruments prohibited by or not specified in the City's

policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Finance Director to adequately judge the risk inherent in LAIF's portfolio.

14. Local Government Investment Pools

- CalTrust/ California Asset Management Program (CAMP)
- Other LGIPs permitted by the City.
- There is no issuer limitation for Local Government Investment Pools

15. Corporate Medium-Term Notes (MTNs), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations from issuers not defined in sections 3 and 4 of the Allowable Investment Instruments section of this policy, provided that:

- The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the total portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer.
- The maximum maturity does not exceed five (5) years.

17. Mutual Funds and Money Market Mutual Funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. **Mutual Funds** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:
 - (i) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 - (ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and

obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.

- No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
- b. **Money Market Mutual Funds** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
- (i) Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 - (ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
- No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
- c. No more than 20% of the total portfolio may be invested in these securities.

18. Supranationals, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

Section Eleven: Prohibited Investment Vehicles and Practices

- 11.1 State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
- 11.2 In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- 11.3 Investment in any security that could result in a zero interest accrual if held to

maturity is prohibited. Under a provision sunsetting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.

- 11.4 Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- 11.5 Purchasing or selling securities on margin is prohibited.
- 11.6 The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- 11.7 The purchase of foreign currency denominated securities is prohibited.
- 11.8 Agencies that are not Qualified Institutional Buyers (QIB) as defined by the Securities and Exchange Commission are prohibited from purchasing Private Placement Securities. The SEC defines a QIB as having at least \$100,000,000 in securities owned and invested.
- 11.9 The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is prohibited.

Section Twelve: Investment Pools/Mutual Funds

- 12.1 The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. Annually, the Finance Director shall seek responses to the following questions from any investment pool or mutual fund in which the Agency invests:
 - A description of eligible investment securities, and a written statement of investment policy and objectives.
 - A description of interest calculations and how it is distributed, and how gains and losses are treated.
 - A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
 - A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
 - A schedule for receiving statements and portfolio listings.
 - Are reserves, retained earnings, etc. utilized by the pool/fund?
 - A fee schedule, and when and how it is assessed.
 - Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

Section Thirteen: Collateralization

- 13.1 **Collateralization of Certificates of Deposit (CD):** The City shall require any commercial bank or savings and loan association to deposit eligible securities with

an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

- 13.2 **Collateralization of Bank Deposits:** This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.
- 13.3 **Repurchase Agreements:** The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

Section Fourteen: Delivery, Safekeeping and Custody

- 14.1 **Delivery-versus-Payment (DVP).** All investment transactions shall be conducted on a delivery-versus-payment basis.
- 14.2 **Safekeeping and Custody.** To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.
- 14.3 The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of

deposit, and, (iii) mutual funds and money market mutual funds, since the purchased securities are not deliverable.

Section Fifteen: Maximum Maturity

- 15.1 To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.
- 15.2 The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

Section Sixteen: Risk Management and Diversification

16.1 Mitigating Credit Risk in the Portfolio

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the “Allowable Investment Instruments” section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be deposited with or invested in securities issued by any single issuer unless otherwise specified in this policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City’s risk preferences.
- If the credit ratings of any security owned by the City are downgraded to a level below the quality required by this investment policy, the following steps will be taken.
- If a security is downgraded to a level below the quality required by this investment policy, the Finance Director will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- Any actions taken related to the downgrade by the City’s professional investment manager will be communicated to the Finance Director in a timely manner.
- If a decision is made to retain a security downgraded to a level below the quality required by this investment policy in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

16.2 **Mitigating Market Risk in the Portfolio**

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

16.3 The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

Section Seventeen: Review of Investment Portfolio

17.1 The Finance Director shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

Section Eighteen: Performance Evaluation

18.1 The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

18.2 The Finance Director shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Finance Director's quarterly report. The Finance Director shall select an appropriate, readily available index to use as a market benchmark.

Section Nineteen: Reporting Requirements

- 19.1 The Finance Director shall submit annually a written investment policy to the City Council. The Council shall consider the investment policy at a public meeting.
- 19.2 The Finance Director shall submit a quarterly investment report to the City Council. The report must be submitted within 45 days following the end of the month covered by the report. Such report shall include at least the following information:
- Types of investments;
 - Name of the institution in which funds are invested or deposited;
 - Date of maturity, if applicable;
 - Par and dollar amount investment on all securities;
 - Percent distribution of each type of investment or deposit;
 - Current market value as of the date of the report, including source of the valuation except those under LAIF;
 - Rate of interest;
 - Average weighted yield of all investments;
 - The accrued interest earnings fiscal year-to-date for each investment;
 - A statement relating the report to the City's Investment Policy; and
 - A statement that there are sufficient funds to meet the City's next six months' financial obligations.

The Finance Director shall also submit the above information annually to the external auditors.

- 19.3 Periodic reports shall be prepared as required by circumstances or as directed by City Council. Such circumstances include, but are not limited to, notification that any City investment may be in jeopardy, or a sudden and significant drop in the current market value of any City investment.

Section Twenty: Review of Investment Policy

- 20.1 The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.
- 20.2 Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Section Twenty-One: Glossary of Investment Terms

Agencies. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of

GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

Asset Backed Securities. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

Average Life. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

Banker’s Acceptance. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

Benchmark. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

Broker. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

California Asset Management Program. (CAMP) A California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with investment services. The CAMP Pool is a fully liquid, stable net asset value (NAV) investment option with a AAA rating from Standard and Poor’s, that stresses daily liquidity and safety of principle as the two primary objectives.

Callable. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a

lower rate of interest.

Certificate of Deposit (CD). A time deposit with a specific maturity evidenced by a certificate.

Certificate of Deposit Account Registry SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. Intrafi is an entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

Collateral. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

Collateralized Bank Deposit. A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

Collateralized Mortgage Obligations (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

Collateralized Time Deposit. Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

Commercial Paper. The short-term unsecured debt of corporations.

Coupon. The rate of return at which interest is paid on a bond.

Credit Risk. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

Dealer. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

Delivery vs. Payment (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

Discount. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

Diversification. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

Duration. The weighted average time to maturity of a bond where the weights are the

present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

Federal Deposit Insurance Corporation (FDIC). The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

Federally Insured Time Deposit. A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

Fiduciary. A person or organization that acts on behalf of another person(s) or organization that puts their clients' interest ahead of their own as they are bound both legally and ethically to act in the other's best interests.

Leverage. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

Liquidity. The speed and ease with which an asset can be converted to cash.

Local Agency Investment Fund (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

Local Government Investment Pool. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

Make Whole Call. A type of call provision on a bond that allows the issuer to pay off the remaining [debt](#) early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

Margin. The difference between the market value of a security and the loan a broker makes using that security as collateral.

Market Risk. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

Market Value. The price at which a security can be traded.

Maturity. The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

Medium Term Notes. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

Modified Duration. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

Money Market. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

Money Market Mutual Fund. A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at \$1 per share.

Mortgage Pass-Through Securities. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

Municipal Securities. Securities issued by state and local agencies to finance capital and operating expenses.

Mutual Fund. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

Nationally Recognized Statistical Rating Organization (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

Negotiable Certificate of Deposit (CD). A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

Paydown. A reduction in the principal amount owed on a bond, loan or other debt.

Primary Dealer. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

Prudent Investor (Prudent Person) Rule. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

Repurchase Agreement. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

Safekeeping. A service to bank customers whereby securities are held by the bank in the customer's name.

Securities and Exchange Commission (SEC). The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for

protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

Securities and Exchange Commission (SEC) Rule 15c3-1. An SEC rule setting capital requirement for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

Structured Note. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

Supranational. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

Total Rate of Return. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. Treasury Obligations. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

Treasury Bills. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

Treasury Notes. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

Treasury Bonds. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

Yield to Maturity. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

CITY OF AMERICAN CANYON INVESTMENT POLICY

Section One: Introduction

- 1.1 The purpose of this policy is to establish a prudent and systematic investment policy, and to organize and formalize investment-related activities. This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).
- 1.2 The City's Investment Policy is authorized under the California Government Code, section 53600, et, seq. as it applies to the investment of public funds, and the American Canyon Municipal Code, Section 2.16.030.

Section Two: Scope

- 2.2 This policy covers all funds and investment activities under the direct authority of the City, as set forth in the State Government Code, Sections 53600 *et seq.*, with the following exceptions:
- Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
 - Any other funds specifically exempted by the City Council.
- 2.3 Pooling of Funds: Apart from fiduciary funds with additional investment restrictions, and any other funds directed by City Council, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

Section Three: Prudence

- 3.1 Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the Prudent Investor Standard:
- “...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring,

exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.”

- 3.2 The Finance Director and other authorized persons responsible for managing City funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes provided that the Finance Director or other authorized persons acted in good faith. Deviations from expectations of a security’s credit or market risk should be reported to the City Council in a timely fashion and appropriate action should be taken to control adverse developments.

Section Four: Objectives

- 4.1 The City’s overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.
- 4.2 Safety - It is the primary duty and responsibility of the Finance Director to protect, preserve and maintain cash and investments placed in his/her trust on behalf of the citizens of American Canyon. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- 4.3 Liquidity - The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. An adequate percentage of the City's investment portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary, to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity to market risk.
- 4.4 Return on Investments – Yield and return should become a consideration only after the basic requirements of safety and liquidity have been met. The portfolio should be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and State and local laws, ordinances or resolutions that restrict investments.

Section Five: Delegation of Authority

- 5.1 Authority to manage the City's investment program is derived from California Government Code, Sections 41006 for City Treasurers and 53600 *et seq.*
- 5.2 The City Council is responsible for the management of the City's funds, including the administration of this investment policy. Management responsibility for the cash management of the City's funds is hereby delegated to the Finance Director.
- 5.3 The Finance Director will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate officials and employees. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director.
- 5.4 The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with this investment policy.
- 5.5 The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that in a diversified portfolio, occasional measured losses may be inevitable and must be considered within the context of the overall portfolio's return and the cash flow requirements of the City.

Section Six: Ethics and Conflicts of Interest

- 6.1 All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus, employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.
- 6.2 Employees and investment officials shall disclose to the Chief Executive Officer any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.
- 6.3 All participants in the investment process are required to comply with terms of the Political Reform Act, Fair Political Practices Commission Regulations promulgated

thereunder (2 C.C.R. §§ 18110 through 18998), the City's Conflict of Interest Policy, including, without limitation, filing of Form 700, notification and recusal obligations, and Government Code section 1090 prohibitions.

Section Seven: Internal Controls

7.1 A system of internal control shall be established and documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City.

7.2 Controls deemed most important include:

- a. The control of collusion and separation of duties;
- b. Custodial safekeeping of funds invested or on deposit;
- c. Minimizing the number of authorized Investment Officers; and
- d. Written documentation of procedures and transactions.

7.3 In selecting financial institutions for the deposit or investment of City funds, the Finance Director shall consider the credit-worthiness of the institution. Such credit-worthiness shall be monitored on a regular basis throughout the period in which City funds are deposited or invested.

- a. Any deposit or investment of funds shall be in writing, signed by the Finance Director and the authorized representative of the institution.
- b. All transfers must be made by authorized personnel and properly logged and documented.

7.4 The Finance Director shall encourage peer review of the Finance Director's investments and investment practices. In addition, the City's cash management and investment practices shall be included in any outside financial audit of the City.

7.5 An annual Cash Flow Forecast may be prepared by the Finance Director and would be used to assist in the development of the annual operating budget for the City.

Section Eight: Authorized Financial Institutions, Depositories, and Broker/Dealers

8.1 To the extent practicable, the Finance Director shall endeavor to complete investment transactions using a competitive bid process whenever possible. The City's Finance Director will determine which financial institutions are authorized to provide investment services to the City. It shall be the City's policy to purchase securities only from authorized institutions and firms.

8.2 The Finance Director shall maintain procedures for establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes that are selected through a process of due diligence. Due diligence shall

determine whether such authorized broker/dealers, and the individuals covering the City are reputable and trustworthy, knowledgeable and experienced in Public Agency investing and able to meet all of their financial obligations. These institutions may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (uniform net capital rule).

8.3 In accordance with Section 53601.5, institutions eligible to transact investment business with the City include:

- Institutions licensed by the state and proof of FINRA certification as a broker-dealer as defined in Section 25004 of the Corporations Code;
- Institutions that are members of a federally regulated securities exchange;
- Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers;
- Nationally or state-chartered banks;
- Savings association or federal association (as defined in Section 5102 of the Financial Code);
- The Federal Reserve Bank; or
- Direct issuers of securities eligible for purchase.

8.4 Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

8.5 All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Finance Director with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the City's investment policy. The Finance Director will conduct an annual review of the financial condition and registrations of such qualified bidders.

8.6 Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

8.7 Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

Section Nine: City's Investment Strategy

9.1 The most effective method of increasing investment yields without sacrificing safety is to extend the investment horizon commensurate with the City's cash requirements. To that end, improved cash forecasting and management is the preferred investment strategy for the City.

- a) Cash management activities include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and a short-term borrowing program, when needed, that coordinates working capital requirements and investment opportunity.

Section Ten: Allowable Investment Instruments

10.1 The City investments are governed by California Government Code, Sections 53600 *et seq.* Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between this policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and minimum credit quality requirements listed in this section apply at the time the security is purchased. Any investment currently held at the time the policy is adopted which does not meet the new policy guidelines can be held until maturity and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

10.2 All investments of City funds shall be made in accordance with California Government Code Sections 53600, *et seq.*, or in accordance with California Government Code 16429.1 authorizing investments into the State Local Agency Investment Fund (LAIF). Investments will be authorized by the City Finance Director. An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and issuer to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers:

1. Municipal Securities include obligations of the City, the State of California and any local agency within the State of California, provided that:

- The securities are rated in a rating category of "A" or its equivalent or better by at least one Nationally Recognized Statistical Rating Organization ("NRSRO").
- No more than 5% of the total portfolio may be invested in any single issuer.
- No more than 30% of the total portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

2. Municipal Securities (Registered treasury notes or bonds) of any of the other 49 states in addition to California, including bonds payable solely out of the

revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

- The securities are rated in a rating category of “A” or its equivalent or better by at least one NRSRO.
- No more than 5% of the total portfolio may be invested in any single issuer.
- No more than 30% of the total portfolio may be in Municipal Securities.
- The maximum maturity does not exceed five (5) years.

3. U.S. Treasuries and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in U.S. Treasuries, provided that:

- The maximum maturity is five (5) years.

4. Federal Agencies or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in Federal Agency or Government-Sponsored Enterprises (GSEs), provided that:

- No more than 30% of the total portfolio may be invested in any single Agency/GSE issuer.
- The maximum maturity does not exceed five (5) years.
- No more than 20% of the total portfolio may be invested in callable agency securities.

5. Banker’s Acceptances, provided that:

- They are issued by institutions which have short-term debt obligations rated “A-1” or its equivalent or better by at least one NRSRO; or long-term debt obligations which are rated in a rating category of “A” or its equivalent or better by at least one NRSRO.
- No more than 40% of the total portfolio may be invested in Banker’s Acceptances.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 180 days.

6. Commercial Paper, provided that the securities are issued by an entity that meets all of the following conditions in either paragraph (a) or (b) and other requirements specified below:

- a. Securities issued by corporations:

1. A corporation organized and operating in the United States with assets more than \$500 million.
2. The securities are rated "A-1" or its equivalent or better by at least one NRSRO.
3. If the issuer has other debt obligations, they must be rated in a rating category of "A" or its equivalent or better by at least one NRSRO.

b. Securities issued by other entities:

1. The issuer is organized within the United States as a special purpose corporation, trust, or limited liability company.
2. The securities must have program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
3. The securities are rated "A-1" or its equivalent or better by at least one NRSRO.

- No more than 25% of the total portfolio may be invested in Commercial Paper.
- The City may not own more than 10% of the outstanding commercial paper of any single issuer.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed 270 days.

7. Negotiable Certificates of Deposit (NCDs), issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank, provided that:

- The amount of the NCD insured up to the FDIC limit does not require any credit ratings.
- Any amount above the FDIC insured limit must be issued by institutions which have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in NCDs (combined with CDARS).
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

8. Federally Insured Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- The amount per institution is limited to the maximum covered under federal

insurance.

- No more than 20% of the total portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

9. Collateralized Time Deposits (Non-Negotiable Certificates of Deposit) in state or federally chartered banks, savings and loans, or credit unions in excess of insured amounts which are fully collateralized with securities in accordance with California law, provided that:

- No more than 20% of the total portfolio will be invested in a combination of federally insured and collateralized time deposits.
- The maximum maturity does not exceed five (5) years.

10. Placement Service Deposit, provided that:

- No more than 30% of the total portfolio may be invested in a combination of Certificates of Deposit, including CDARS.
- Under a provision sunseting on January 1, 2026, no more than 50% of the portfolio may be invested in deposits through a placement service, including Certificates of Deposit, if the Agency is a city, district or local agency that does not pool money with other local agencies.
- The maximum maturity does not exceed five (5) years.

11. Collateralized Bank Deposits. City's deposits with financial institutions will be collateralized with pledged securities per California Government Code, Section 53651. There are no limits on the dollar amount or percentage that the City may invest in collateralized bank deposits.

12. Repurchase Agreements collateralized with securities authorized under California Government Code, maintained at a level of at least 102% of the market value of the Repurchase Agreement. There are no limits on the dollar amount or percentage that the City may invest, provided that:

- Securities used as collateral for Repurchase Agreements will be delivered to an acceptable third party custodian.
- Repurchase Agreements are subject to a Master Repurchase Agreement between the City and the provider of the repurchase agreement. The Master Repurchase Agreement will be substantially in the form developed by the Securities Industry and Financial Markets Association (SIFMA).
- The maximum maturity does not exceed one (1) year.

13. State of California Local Agency Investment Fund (LAIF), provided that:

- The City may invest up to the maximum amount permitted by LAIF.
- LAIF's investments in instruments prohibited by or not specified in the City's

policy do not exclude the investment in LAIF itself from the City's list of allowable investments, provided LAIF's reports allow the Finance Director to adequately judge the risk inherent in LAIF's portfolio.

14. Local Government Investment Pools

- CalTrust/ California Asset Management Program (CAMP)
- Other LGIPs permitted by the City.
- There is no issuer limitation for Local Government Investment Pools

15. Corporate Medium-Term Notes (MTNs), provided that:

- The issuer is a corporation organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- The securities are rated in a rating category of "A" or its equivalent or better by at least one NRSRO.
- No more than 30% of the total portfolio may be invested in MTNs.
- No more than 5% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

16. Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations from issuers not defined in sections 3 and 4 of the Allowable Investment Instruments section of this policy, provided that:

- The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
- No more than 20% of the total portfolio may be invested in these securities.
- No more than 5% of the total portfolio may be invested in any single Asset-Backed or Commercial Mortgage security issuer.
- The maximum maturity does not exceed five (5) years.

17. Mutual Funds and Money Market Mutual Funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:

- a. **Mutual Funds** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:
 - (i) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 - (ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and

obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.

- No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
- b. **Money Market Mutual Funds** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
- (i) Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
 - (ii) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
- No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.
- c. No more than 20% of the total portfolio may be invested in these securities.

18. Supranationals, provided that:

- Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- The securities are rated in a rating category of "AA" or its equivalent or better by a NRSRO.
- No more than 30% of the total portfolio may be invested in these securities.
- No more than 10% of the total portfolio may be invested in any single issuer.
- The maximum maturity does not exceed five (5) years.

Section Eleven: Prohibited Investment Vehicles and Practices

- 11.1 State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
- 11.2 In accordance with Government Code, Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
- 11.3 Investment in any security that could result in a zero interest accrual if held to

maturity is prohibited. Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.

- 11.4 Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
- 11.5 Purchasing or selling securities on margin is prohibited.
- 11.6 The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
- 11.7 The purchase of foreign currency denominated securities is prohibited.
- 11.8 Agencies that are not Qualified Institutional Buyers (QIB) as defined by the Securities and Exchange Commission are prohibited from purchasing Private Placement Securities. The SEC defines a QIB as having at least \$100,000,000 in securities owned and invested.
- 11.9 The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is prohibited.

Section Twelve: Investment Pools/Mutual Funds

- 12.1 The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. Annually, the Finance Director shall seek responses to the following questions from any investment pool or mutual fund in which the Agency invests:
 - A description of eligible investment securities, and a written statement of investment policy and objectives.
 - A description of interest calculations and how it is distributed, and how gains and losses are treated.
 - A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
 - A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
 - A schedule for receiving statements and portfolio listings.
 - Are reserves, retained earnings, etc. utilized by the pool/fund?
 - A fee schedule, and when and how it is assessed.
 - Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

Section Thirteen: Collateralization

- 13.1 **Collateralization of Certificates of Deposit (CD):** The City shall require any commercial bank or savings and loan association to deposit eligible securities with

an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

13.2 **Collateralization of Bank Deposits:** This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

13.3 **Repurchase Agreements:** The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

- The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
- Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
- The City shall receive monthly statements of collateral.

Section Fourteen: Delivery, Safekeeping and Custody

14.1 **Delivery-versus-Payment (DVP).** All investment transactions shall be conducted on a delivery-versus-payment basis.

14.2 **Safekeeping and Custody.** To protect against potential losses due to failure of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City. All investment transactions will require a safekeeping receipt or acknowledgment generated from the trade. A monthly report will be received by the City from the custodian listing all securities held in safekeeping with current market data and other information.

14.3 The only exceptions to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of

deposit, and, (iii) mutual funds and money market mutual funds, since the purchased securities are not deliverable.

Section Fifteen: Maximum Maturity

- 15.1 To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.
- 15.2 The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment.

Section Sixteen: Risk Management and Diversification

16.1 Mitigating Credit Risk in the Portfolio

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- The diversification requirements included in the “Allowable Investment Instruments” section of this policy are designed to mitigate credit risk in the portfolio.
- No more than 5% of the total portfolio may be deposited with or invested in securities issued by any single issuer unless otherwise specified in this policy.
- The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity or yield of the portfolio in response to market conditions or City’s risk preferences.
- If the credit ratings of any security owned by the City are downgraded to a level below the quality required by this investment policy, the following steps will be taken.
- If a security is downgraded to a level below the quality required by this investment policy, the Finance Director will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
- Any actions taken related to the downgrade by the City’s professional investment manager will be communicated to the Finance Director in a timely manner.
- If a decision is made to retain a security downgraded to a level below the quality required by this investment policy in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

16.2 **Mitigating Market Risk in the Portfolio**

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

16.3 The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

- The City will maintain a minimum of six months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements.
- The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20%) of a Market Benchmark, an index selected by the City based on the City's investment objectives, constraints and risk tolerances.

Section Seventeen: Review of Investment Portfolio

17.1 The Finance Director shall periodically, but no less than quarterly, review the portfolio to identify investments that do not comply with this investment policy and establish protocols for reporting major and critical incidences of noncompliance to the City Council.

Section Eighteen: Performance Evaluation

18.1 The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio, and state and local laws, ordinances or resolutions that restrict investments.

18.2 The Finance Director shall monitor and evaluate the portfolio's performance relative to the chosen market benchmark(s), which will be included in the Finance Director's quarterly report. The Finance Director shall select an appropriate, readily available index to use as a market benchmark.

Section Nineteen: Reporting Requirements

- 19.1 The Finance Director shall submit annually a written investment policy to the City Council. The Council shall consider the investment policy at a public meeting.
- 19.2 The Finance Director shall submit a quarterly investment report to the City Council. The report must be submitted within 45 days following the end of the month covered by the report. Such report shall include at least the following information:
- Types of investments;
 - Name of the institution in which funds are invested or deposited;
 - Date of maturity, if applicable;
 - Par and dollar amount investment on all securities;
 - Percent distribution of each type of investment or deposit;
 - Current market value as of the date of the report, including source of the valuation except those under LAIF;
 - Rate of interest;
 - Average weighted yield of all investments;
 - The accrued interest earnings fiscal year-to-date for each investment;
 - A statement relating the report to the City's Investment Policy; and
 - A statement that there are sufficient funds to meet the City's next six months' financial obligations.

The Finance Director shall also submit the above information annually to the external auditors.

- 19.3 Periodic reports shall be prepared as required by circumstances or as directed by City Council. Such circumstances include, but are not limited to, notification that any City investment may be in jeopardy, or a sudden and significant drop in the current market value of any City investment.

Section Twenty: Review of Investment Policy

- 20.1 The investment policy will be reviewed and adopted at least annually within 120 days of the end of the fiscal year, to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.
- 20.2 Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

Section Twenty-One: Glossary of Investment Terms

Agencies. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of

GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

Asset Backed Securities. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

Average Life. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

Banker’s Acceptance. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

Benchmark. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

Broker. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

California Asset Management Program. (CAMP) A California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with investment services. The CAMP Pool is a fully liquid, stable net asset value (NAV) investment option with a AAA rating from Standard and Poor’s, that stresses daily liquidity and safety of principle as the two primary objectives.

Callable. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a

lower rate of interest.

Certificate of Deposit (CD). A time deposit with a specific maturity evidenced by a certificate.

Certificate of Deposit Account Registry SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. Intrafi is an entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

Collateral. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

Collateralized Bank Deposit. A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

Collateralized Mortgage Obligations (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

Collateralized Time Deposit. Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

Commercial Paper. The short-term unsecured debt of corporations.

Coupon. The rate of return at which interest is paid on a bond.

Credit Risk. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

Dealer. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

Delivery vs. Payment (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

Discount. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

Diversification. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

Duration. The weighted average time to maturity of a bond where the weights are the

present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

Federal Deposit Insurance Corporation (FDIC). The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

Federally Insured Time Deposit. A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

Fiduciary. A person or organization that acts on behalf of another person(s) or organization that puts their clients' interest ahead of their own as they are bound both legally and ethically to act in the other's best interests.

Leverage. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

Liquidity. The speed and ease with which an asset can be converted to cash.

Local Agency Investment Fund (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

Local Government Investment Pool. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

Make Whole Call. A type of call provision on a bond that allows the issuer to pay off the remaining [debt](#) early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

Margin. The difference between the market value of a security and the loan a broker makes using that security as collateral.

Market Risk. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

Market Value. The price at which a security can be traded.

Maturity. The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

Medium Term Notes. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

Modified Duration. The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

Money Market. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

Money Market Mutual Fund. A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at \$1 per share.

Mortgage Pass-Through Securities. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

Municipal Securities. Securities issued by state and local agencies to finance capital and operating expenses.

Mutual Fund. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

Nationally Recognized Statistical Rating Organization (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

Negotiable Certificate of Deposit (CD). A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

Paydown. A reduction in the principal amount owed on a bond, loan or other debt.

Primary Dealer. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

Prudent Investor (Prudent Person) Rule. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

Repurchase Agreement. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

Safekeeping. A service to bank customers whereby securities are held by the bank in the customer's name.

Securities and Exchange Commission (SEC). The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for

protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

Securities and Exchange Commission (SEC) Rule 15c3-1. An SEC rule setting capital requirement for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

Structured Note. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

Supranational. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

Total Rate of Return. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. Treasury Obligations. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

Treasury Bills. All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

Treasury Notes. All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

Treasury Bonds. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

Yield to Maturity. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.



TITLE

Rancho Del Mar Paving and Utility Improvements Project Design Amendment

RECOMMENDATION

Adopt a Resolution approving Amendment #1 to Agreement 2023-64 with Bennett Engineering Services for design services, increasing the contract amount \$19,160, for a total contract amount not to exceed \$553,182, in conjunction with the Rancho Del Mar Paving and Utility Improvements Project (TR24-0300).

CONTACT

Erica Ahmann Smithies, P.E., Public Works Director/City Engineer
Ron Ranada, P.E., Senior Civil Engineer

BACKGROUND & ANALYSIS

On March 15, 2022, City Council approved Resolution No. 2022-27 appropriating approximately \$2,624,000 of American Rescue Plan Act (ARPA) funding to the Rancho Del Mar Paving and Utility Improvements Project (TR24-0300) ("Project"). The Project is one of six capital projects identified in Resolution No. 2022-27 to receive a portion of the City's ARPA funding. There are three main improvement components to the Rancho Del Mar project. The first two components include water main replacements and sewer main rehabilitation within the project area. The third component is reconstructing Rio Del Mar from Highway 29 to Carolyn Drive and applying various pavement treatments to Los Altos Place east of Carolyn Drive, Cassayre Drive, Flamingo Court, Del Rio Court, Alta Loma Drive, Joan Drive from Carolyn Drive to Los Altos Place, and Carolyn Drive from Rio Del Mar to Los Altos Place. With the pavement treatments, there will be curb ramp upgrades, sidewalk gap closures, as well as striping and pavement marking improvements in line with the City's bicycle and pedestrian plans.

On June 6, 2023, City Council approved Resolution No. 2023-43, authorizing the City Manager to execute an agreement with Bennett Engineering Services ("Bennett") for engineering design services on the Project. Bennett has steadily progressed on its preparation of the Project's bid documents and is scheduled to provide the 100% design plans for review within the month. This will accommodate the City's objective of bidding and awarding the Project prior to the end of the

calendar year. That said, staff recently identified additional needed work on the water distribution system within the Project's limits, which was not captured in the original design scope. Staff quickly requested, and Bennett promptly responded with a proposal to include the additional work for an additional fee of \$19,160. Bennett has further confirmed its ability to incorporate the additional design elements without negatively impacting the Project's delivery schedule; submission of the 100% PS&E package is still anticipated within the month of September.

Staff has evaluated the proposal scope and fee, finds the proposal agreeable, and recommends the Council approve the suggested action.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Infrastructure: "Develop and maintain infrastructure resources to support sustainable growth."

FISCAL IMPACT

The appropriate fund source for the additional scope related to water distribution system improvements is Fund 510 (Water Operations). Per the adopted FY 24-25 Capital Budget, the Project has been budgeted \$1,162,000 from Fund 510, which is sufficient to cover the additional fee.

ENVIRONMENTAL REVIEW

The Recommended Actions (to approve contact amendments) is not a "Project" subject to environmental review under the California Environmental Quality Act (CEQA).

The Rancho Del Mar Paving and Utility Improvements Project (TR24-0300) is categorically exempt from CEQA per Section 15301c, Existing Facilities.

ATTACHMENTS:

- [1. Resolution - Bennett Amendment Design](#)

RESOLUTION NO. 2024-

ADOPTING A RESOLUTION APPROVING AMENDMENT #1 TO AGREEMENT 2023-64 WITH BENNETT ENGINEERING SERVICES, IN THE AMOUNT OF \$19,160, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$553,182, IN CONJUNCTION WITH THE RANCHO DEL MAR PAVING AND UTILITY IMPROVEMENTS PROJECT (TR24-0300)

WHEREAS, on June 6, 20, the City Council approved Agreement #2023-64 with Bennett Engineering Services (Bennett) for design services in conjunction with the Rancho Del Mar Paving and Utility Improvements Project (Project) (TR24-0300); and

WHEREAS, the existing domestic water distribution system in Rio Del Mar from SR29 to Carolyn Drive has aged past its service life, and is thus in need of replacement; and

WHEREAS, Bennett has submitted a proposal in the amount of \$19,160 for the cost to complete the design for replacement of the water facilities in Rio Del Mar, and to deliver the improvements as part of the bid package of the Project; and

WHEREAS, sufficient funds to complete the design have been allocated to the Project from Fund 510 (Water Operations) via the adopted FY24-25 Capital Budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of American Canyon hereby authorizes the City Manager to execute Amendment #1 to Agreement 2023-64 with Bennett Engineering Services, in the amount of \$19,160, for a total contract amount not to exceed \$553,182, in conjunction with the Rancho Del Mar Paving and Utility Improvements Project (TR24-0300).

PASSED, APPROVED and ADOPTED at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 17th day of September, 2024 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Leon Garcia, Mayor

ATTEST:

APPROVE AS TO FORM:

Taresa Geilfuss, CMC, City Clerk

William D. Ross, City Attorney



TITLE

Approve Excused Absence for Council Member Aboudamous.

RECOMMENDATION

Adopt a Minute Order approving excused absence for Council Member Aboudamous from June 4 to December 3, 2024 and authorizing the regular compensation due to Council Member Aboudamous for the City Council meetings, former County Water District Board meetings, and American Canyon Fire Protection District Board meetings during this time period.

CONTACT

Jason Holley, City Manager

BACKGROUND & ANALYSIS

When discussing Council Member attendance at meeting, Section V.(1) of the American Canyon Governance Protocols (Attachment 1) states: "An excused absence may be granted for illness, unanticipated or planned family matters, and vacations up to two times a calendar year." The Protocols then require: "After the second excused absence, the full Board, Commission, Standing Committee or City Council must rule on the request."

Council Members receive monthly compensation for serving on the City Council, and monthly compensation for serving on the American Canyon Fire Protection District Board and additional compensation for matters involving of the former American Canyon County Water District.

Council Member Aboudamous will be absent from June 4 to December 3, 2024, due to a "planned family matter". Although Council Member Aboudamous will not attend the City Council and Fire Board meetings during this time, Council Member Aboudamous reviews the agenda packet and is briefed afterwards by the City Manager and Fire Chief.

For record-keeping purposes, it is appropriate for the Council to memorialize approval of excused absences for Council Member Aboudamous through the adoption of a Minute Order - including the approval of the regular compensation for the City Council meetings, former County Water District Board meetings, and American Canyon Fire Protection District Board meetings.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Organizational Effectiveness: "Deliver exemplary government services."

FISCAL IMPACT

Not Applicable

ENVIRONMENTAL REVIEW

15378(b) - The action is not a "Project" subject to the California Environmental Quality Act ("CEQA") because it does not qualify as a "Project" under Public Resources Code Sections 21065 and 21080 and in Section 15378(b) of Title 14 of the California Code of Regulations.

ATTACHMENTS:

1. [Portion of Section 5 Governance Protocol.](#)

V RULES OF PROCEDURES FOR COUNCIL, BOARDS, COMMISSIONS AND STANDING COMMITTEE MEETINGS AND COUNCIL DECISION PROCESS

1. GENERAL PROCEDURE

City Council meetings are joint meetings with the American Canyon Fire District, and are held the first and third Tuesdays of the month, unless otherwise posted. Special Meetings or workshops are also called as needed during the course of the year. The Council, sitting as the ex-officio Board of Directors, will hold a non-joint Fire District Board meeting at 4381 Broadway, every fifth Tuesday (except for the month of July when there is a City Council recess).

The City Council is the legislative body of the City, and as such, prepares for meetings by carefully reviewing all agenda material and clarifying issues with the City Manager prior to the meeting.

A. The City's business on the City Council Agenda is the focus of the meeting. Matters that are not on the agenda are not acted upon, but may be placed on a later agenda for consideration. City Council will take reasonable measures to limit interruptions. Cellular phones and pagers must be turned off or set on vibrate during a Council meeting. It is the policy of the Council not to become involved in entanglements over "parliamentary procedure." Any issue of procedure relating to conduct of a meeting or hearing not otherwise provided for herein may be determined by the Mayor (a.k.a. Chair or Presiding Officer), subject to appeal to the full Council.

- 1) The mayor will, from time to time, recess the Council as needed.
- 2) To be eligible for an excused absence the requesting member of a Board, Commission, Standing Committee, or City Council must contact the Mayor, the Chair of the respective Board, Commission, Standing Committee or the City Manager, prior to the meeting informing them of the reason for the absence. An absence may be granted for illness, unanticipated or planned family matters, and vacations up to two times a calendar year. An excused absence may be granted whenever an individual attends a public meeting in consultation with the Mayor or Chairperson on behalf of the City.

After the second excused absence, the full Board, Commission, Standing Committee or City Council must rule on the request.

Upon being granted an excused absence the requesting member will be compensated in the usual manner provided they have been briefed following the missed meeting by the Chair, the Mayor, City Manager or their designee on the matters discussed during the excused absence.

After the second excused absence, any compensation due the member shall be withheld until the Council acts to consider the absence. Compensation will only be forthcoming if the City Council grants the absence as being an excused absence. Failure to secure the excuse absence after the second absence may result in the subject member not being eligible for compensation and being removed from the Board, Commission, or Standing Committee. In the case of a City Council Member, in addition to withholding compensation for an unexcused absence the member may be sanctioned by the City Council.

These procedures are intended to comply with and are governed by the Ralph M. Brown Act, Government Code Section 54950 et seq. (The "Brown Act")

2. POLICY DECISION MAKING PROCESSES

Several groups or individuals may be involved in the City Council Policy Decision making process. A request to Council for consideration of new policies or legislation or a review of existing laws or policies is not uncommon. This may be initiated by recommendations or reports from Standing or Ad Hoc Committees, or may involve requests or recommendations from individual citizens, citizen groups, outside public agencies, individual Councilmembers or City staff. State law also frequently dictates the Council Policy Decision making process. The final decision as to whether to proceed with a request to consider new or existing policy or law must be made by the City Council.

- A. **Standing Committees** for the City Council are subject to Open Meeting Laws, frequently referred to as the "Brown Act". Standing Committees make specific recommendations to the City Council. It is the responsibility of committee members to report directly to the City Council their on-going activity during a regular or special council meeting.



TITLE

Wastewater Capacity Fee Deferral for SDG Commerce 217 Warehouse Distribution Center Project

RECOMMENDATION

Adopt a Resolution approving Wastewater Capacity Fee Deferral Agreement for the SDG Commerce 217 Warehouse Distribution Center Project (PL 21-0006).

CONTACT

Jason Holley, City Manager

BACKGROUND & ANALYSIS

The SDG Commerce 217 Warehouse Distribution Center Project involves the creation of a new warehouse and distribution center at 1075 Commerce Court (Attachment 2). The Project consists of a 217,294 square foot single story wine storage and distribution center with 134 parking spaces, 21 trucking docks, approximately 1.43 acres of landscaping (Attachment 3). On February 25, 2021, the Planning Commission unanimously approved the Project.

The shell building is nearly complete and tenant improvements (TI) will begin shortly. The proposed tenant is a winery who be relocating a portion of its operations to this location. The developer Stravinsky Development Group (or SDG) has requested to defer payment of the Wastewater Capacity Fee.

The deferral term would be for 18 months with an option to defer another 60 months. The amount to be deferred is \$373,520.61. The interest rate is 5.65% and begins to accrue at the time of TI building permit issuance. A lump sum payment (principal + interest) would be due with no prepayment penalty. Should the developer decide to exercise its option for the 60-mo deferral, the lump sum would continue to accrue interest until payment is made – again, with no pre-payment penalty.

Staff recommends the Council approve the agreement in Attachment 1, Ex. A.

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Economic Development and Vitality: "Attract and expand diverse business and employment opportunities."

FISCAL IMPACT

The recommended action will delay the receipt of \$373,520 in wastewater capacity fees. The fee amount to be paid remains unchanged and interest will accrue at a 5.65%, which is comparable to interest rates the city receives for its other cash on hand (i.e. CAMP and LAIF). Once the project is complete the city will have a 4th Significant Industrial User (SIU) - thereby expanding its commercial customer base and furthering the economic sustainability of the wastewater enterprise.

ENVIRONMENTAL REVIEW

The project was evaluated consistent with the California Environmental Quality Act (CEQA) and a Mitigated Negative Declaration (MND) was prepared. The MND included mitigation measures that result in the project causing no significant environmental impacts. The MND was sent to the State Clearinghouse and circulated for a 30-day public review from December 18, 2020, to January 18, 2021. The City of American Canyon recirculated the SDG 217 Mitigated Negative Declaration in accordance with the California Environmental Quality Act (CEQA) from April 3, 2021, to June 3, 2021 (State Clearinghouse Number: 2020120302). The basis for the recirculated Mitigated Negative Declaration (MND) is the finding that the proposed project will not have a significant effect on the environment because mitigation measures will reduce the impacts to less than significant are part of project conditions.

ATTACHMENTS:

1. [Resolution - SDG Fee Deferral Agreement](#)
2. [Exhibit A - SDG Fee Deferral Agreement](#)
3. [Location Map](#)
4. [SDG 217 Site Plan](#)

RESOLUTION NO. 2024-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON, CALIFORNIA
APPROVING A WASTEWATER CAPACITY FEE DEFERRAL AGREEMENT FOR THE SDG
COMMERCE 217 WAREHOUSE DISTRIBUTION CENTER PROJECT (PL 21-0006)**

WHEREAS, a Conditional Use Permit application (PL20-0008) was filed by Stravinski Development Group, LLC (SDG) for a new 217,294 square-foot single story 35-foot tall wine warehouse on a 10.39-acre site with parking, truck and trailer loading spaces, drive aisles, landscaping, and a stormwater detention pond at 1075 Commerce Court, APN 058-030-065 (SDG Commerce 217 Warehouse Distribution Center Project or Project); and

WHEREAS, the City of American Canyon determined that the Project was subject to the California Environmental Quality Act (CEQA) and prepared an Initial Study pursuant to CEQA evaluating the potential environmental effects of the project; and

WHEREAS, pursuant to the California Environmental Quality Act (“CEQA”), a Mitigated Negative Declaration (“MND”), that includes a “Mitigation and Monitoring Reporting Plan (“MMRP”) was prepared for the Project and circulated for 30 days starting December 18, 2020 (State Clearinghouse Number: 2020120302) and then recirculated the SDG 217 Mitigated Negative Declaration in accordance with the California Environmental Quality Act (CEQA) from April 3, 2021 to June 3, 2021 (State Clearinghouse Number: 2020120302); and

WHEREAS, the City of American Canyon Planning Commission adopted Resolution 2021-02 for the SDG 217 Mitigated Negative Declaration (MND) and the Conditional Use Permit Resolution 2021-03 at a duly noticed public hearing on February 25, 2021; and

WHEREAS, construction of the shell building is nearly complete and tenant improvements (TI) in conjunction with the Project will begin shortly; and

WHEREAS, the proposed tenant is a winery who be relocating a portion of its operations to this location and SDG has requests to defer payment of the Wastewater Capacity Fee from June 2024 to December 2025 (18 months), with an option to defer another 60 months (to December 2030).

WHEREAS, the amount Wastewater Capacity Fee to be deferred is \$373,520.61 and the details of repayment are set forth in a Fee Deferral Agreement.

NOW, THEREFORE, BE IT RESOLVED that the American Canyon City Council finds the Mitigated Negative Declaration and Mitigation Monitoring Plan has been completed in compliance with CEQA and consistent the State of California Guidelines for the Implementation of the California Environmental Quality Act.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City of American Canyon City Council hereby approves the Fee Deferral Agreement shown in Exhibit A and incorporated by reference.

PASSED, APPROVED and ADOPTED at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 17th day of September 2024, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

Taresa Geilfuss, City Clerk

William D. Ross, City Attorney

EXHIBITS:

A. Fee Deferral Agreement

COMPLIMENTARY RECORDING REQUESTED
PURSUANT TO GOVERNMENT
CODE SECTION 27383

EXEMPT FROM DOCUMENTARY
TRANSFER TAX PER R & T CODE 11922

When Recorded Mail To:

CITY OF AMERICAN CANYON
4381 Broadway Street, Suite 201
AMERICAN CANYON, CA 94503

Exempt from recording fee pursuant to Government Code Section 27383

(Space Above for Recorder's Use)

CITY OF AMERICAN CANYON

AGREEMENT FOR DEFERRAL OF PAYMENT OF IMPACT FEES

This Agreement is entered into as of this ___ day of September, 2024, by and between SDG Commerce 217, a California Limited Liability Company, (hereafter referred to as "Developer") and the City of American Canyon, a municipal corporation (hereafter referred to as "City").

RECITALS

- A. Developer applied for a Conditional Use Permit application (PL20-0008) for a new 217,294 square-foot single story 35-foot tall wine warehouse on a 10.39-acre site with parking, truck and trailer loading spaces, drive aisles, landscaping, and a stormwater detention pond at 1075 Commerce Court, APN 058-030-065 (the "Project").
- B. The City prepared a Mitigated Negative Declaration ("MND"), that includes a "Mitigation and Monitoring Reporting Plan ("MMRP") pursuant to the California Environmental Quality Act (Pub. Resources Code § 21000 *et seq.*) for the Project.
- C. On February 25, 2021, the City Planning Commission at a properly-noticed public hearing, adopted Resolution 2021-02 for the Project MND and the Conditional Use Permit Resolution 2021-03 ("Project Approvals").
- D. Work has progressed on the Project, and construction of the shell building is nearing completion.
- E. The contemplated tenant is a winery business and Developer has applied for Building Permits to construct Tenant Improvements ("TI") for the Project,

- which require, among other things, the purchase and installation of winery-related operations equipment that require significant expense and time to install.
- F. The City may exact development or mitigation impact fees (“Mitigation Fees”) as a condition of granting discretionary land use and development permits and approvals and pursuant to its police power under California Constitution Article XI, Section 7, subject to the limitations of the Mitigation Fee Act, Government Code Section 66000 *et seq.* (the "Mitigation Fee Act"). The City has discretion as to when the City collects Mitigation Fees.
 - G. Consistent with the Mitigation Fee Act, the City has established Wastewater Connection Fees as set out in Chapter 14.06 of the American Canyon Municipal Code, (the “Wastewater Fees”), which Fees are required to be paid prior to the issuance of building permits for new construction, unless the City Council authorizes an alternative to the timing of such fees by resolution.
 - H. Government Code Section 66007(a), a provision of the Mitigation Fee Act, authorizes the City to Wastewater Fees on the date of issuance of a certificate of occupancy.
 - I. Developer has requested that payment of the Fees for the Project be deferred as provided for in Section 14.06.020 (A) of the City Municipal Code.
 - J. The deferral of the Wastewater Fees for the Project will allow for the economic feasibility of the TI for the Developer, which in turn will result in a Project that increases economic growth in the City.
 - K. Developer and City have agreed that it is in the best interests of the parties for the City to grant Developer a deferral in payment of Wastewater Fees for 18 months, subject to the terms set forth in this Agreement.

NOW, THEREFORE, based upon the mutual consideration hereinafter set forth, the parties agree as follows:

1. Payment of Fees. Developer shall pay all Wastewater Fees deferred hereunder from the execution of this Agreement in September 2024 to March 2026 (18 months) with an option to extend to defer another 60 months (to March 2031). The amount to be deferred is \$373,520.61. A lump sum payment (principal + interest) would be due Dec. 2025, with no prepayment penalty. The amounts of the deferred Wastewater Fees are as follows:
 - (a) Fee Total Deferred. Wastewater Connection Impact Fee as set out in Chapter 14.06 of the American Canyon Municipal Code, is calculated for the Project as \$373,520.61.
 - (b) No Prepayment Penalty. Payment of total deferral of Wastewater Fees (principal + interest) is due in March 2026. No prepayment penalty will incur for payment prior to that date, nor shall any prepayment penalty be incurred if the deferment extension option in this Section 1 of this Agreement is exercised (up to 60 months).

2. Interest. The interest rate for deferment is 5.65% and shall begin to accrue at the time of TI building permit issuance. If the deferment extension option in Section 1 of this Agreement is exercised (up to 60 months), the interest rate set forth herein shall continue to be incurred until final full payment (principal + interest) is made.
3. Changes in Fees During Deferral. If any of the deferred Fees are increased based on a recalculation pursuant to a *California Government Code Section 66000 et seq* nexus study during the deferral period pursuant to this Agreement, the Developer shall have ninety (90) days from notice from the City of such increase to pay the deferred Fee at the amount in effect before such increase. If the deferred Wastewater Fees are not paid within ninety (90) days, the deferred Wastewater Fees shall be recalculated at the new fee amount and the amount owed adjusted accordingly.
4. Certificate of Completion. City shall not issue the final inspection or a certificate of occupancy for the first building on the Project site, whichever is earlier, unless and until Developer complies with the obligation to timely pay Fees as required by paragraphs 1, 2, and 3 of this Agreement.
5. Recordation. This Agreement shall be recorded in order to provide notice that payment of the Fees is a condition of final inspection or the issuance of a certificate of occupancy for the first building on the Project site, whichever is earlier.
6. Whole Agreement. This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and no obligations other than those set forth in this Agreement shall be recognized by or be binding upon the parties.
7. Remedies in Event of a Default. In the event of Developer's default:
 - (a) City reserves to itself all remedies available to it at law or in equity. Any remedies specified herein are in addition to and not in lieu of other remedies available to City. Developer agrees that City has full discretion in choosing the remedy or remedies to pursue and that the failure of City to take enforcement action shall not be construed as a waiver of that or any subsequent default or breach.
 - (b) Developer shall fully reimburse City for its reasonable costs and expenses (including reasonable attorney's fees and costs) including interest thereon at the maximum rate allowed by law from the date of notification of such cost and expense until paid. Such obligation for reimbursement shall not be limited by the amount of the estimates set forth or by such security as may

have been provided to City in connection with this Agreement. Such amount and interest accrued thereon shall constitute a lien on the Subject Property.

- (c) City need not issue any certificate, letter otherwise required to show satisfactory completion of the Project until the required Fees are paid.
 - (d) City may record a Notice of Violation against the Subject Property and/or withhold or revoke all building, zoning and occupancy permits.
8. Indemnification. To the fullest extent permitted by law, Developer agrees to defend (with legal counsel selected by the City), including, without limitation, cost and fees of litigation, to defend, indemnify and hold harmless City, its elected and appointed officials, officers, attorneys, agents, and employees and each of them from and against any and all liability, loss, damage, expense, costs of every nature arising out of or in connection with Developer's performance hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the City.
- a. General. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns, or heirs of Developer and shall survive the termination of this Agreement or this paragraph. By execution of this Agreement, Developer acknowledges and agrees that it has read and understands the provisions hereof and that this paragraph is a material element of consideration. The parties agree that if any part of this Indemnification is found to conflict with applicable laws, such part shall be unenforceable only insofar as it conflicts with said laws, and that this indemnification shall be judicially interpreted and rewritten to provide the broadest possible indemnification legally allowed and shall be legally binding upon Developer.
 - b. Survival. Developer'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.
9. Attorney's Fees. In the event any party to this Agreement brings an action to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to recover reasonable attorney's fees from the other party, whether or not such action or proceeding is prosecuted to judgement.
10. Time of Essence. Time is of the essence in the performance of this Agreement.

11. Severability. The provisions of this Agreement are severable. If any portion is held invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.
12. Successors and Assigns. This Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties hereto.
13. Waiver. Any waiver at any time by either party hereto of its rights with respect to a default or any other matter arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other default or matter.
14. Modifications. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
15. Agreement Interpretation. Each party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither party shall rely upon Civil Code section 1654 in order to interpret any uncertainty in the meaning of the Agreement.
16. Entire Agreement. This Agreement, including all documents incorporated herein by reference, comprises the entire integrated understanding between the parties concerning the subject matter described herein.
17. Jurisdiction. This Agreement shall be governed and construed in accordance with California law. The venue for any legal action in State court filed by a party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement shall be in the Superior Court of California, County of Napa. The venue for any legal action in Federal court filed by a party to this Agreement for the purpose of interpreting or enforcing any provision of this Agreement within the jurisdiction of the Federal courts shall be the Northern District of California. The appropriate venue for arbitration, mediation or similar legal proceeding under this Agreement shall be in Napa County, California; however nothing in this Agreement paragraph shall obligate a party to submit to arbitration any dispute arising under this Agreement.
18. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of Developer and City.
19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which, taken together, constitute one and the same agreement.

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

DEVELOPER:

SDG Commerce 217, LLC
a California limited liability company
By: Peter T Stravinski & Associates, Inc., a California
Corporation, its Manager

By: _____
Peter T. Stravinski, President

CITY:

CITY OF AMERICAN CANYON
A Municipal Corporation

By: _____
Jason B. Holley
City Manager

APPROVED AS TO FORM:

William D. Ross, City Attorney

ATTACHMENT 2 – VICINITY MAP



SDG 217 Warehouse Site Plan





TITLE

Newell Open Space Improvements Project (PR13-0200)

RECOMMENDATION

Adopt a Resolution: 1) amending the FY2024-25 Capital Budget and increasing the Project Budget from \$354,235 to \$610,133; 2) awarding a construction contract to Globe Engineering Development in the amount of \$401,534 and 3) authorizing the Public Works Director to approve and execute Contract Change Orders in an aggregate amount not to exceed the Project Budget, in conjunction with the Newell Open Space Improvements Project (PR13-0200).

CONTACT

Erica Ahmann Smithies, P.E., Public Works Director/City Engineer
Ron Ranada, P.E., Senior Civil Engineer

BACKGROUND & ANALYSIS

The Newell Open Space (NOS) Preserve is a 640-acre property donated in 1999 by the Newell Family to the City of American Canyon. The NOS Preserve was donated with the purpose of preserving the hillsides, protecting wildlife, and offering outdoor recreation to the public.

In 2012, the City Council established a goal of providing a permanent public access trail to this open space preserve. In 2015, the City built a crude dirt trail along the Newell Creek. In 2016, the City received a State Habitat Conservation Fund (HCF) Grant to construct the nature trail.

Currently, there is an informal trailhead and unpaved parking area on Newell Drive, approximately 500 feet north of East Donaldson Way.

The Newell Open Space Improvements Project (PR13-0200) includes construction of the access trail to the NOS Preserve, trailhead, parking lot and ADA improvements. The design is complete; however, property acquisition for a portion of the trail is outstanding.

Due to grant funding deadlines, staff recommends proceeding with the trailhead/parking lot improvements now. Once property acquisition is complete and additional funding sources identified, then the City can complete the access trail.

The current scope includes asphalt paving, ADA and other access improvements to the parking lot and trailhead on the Newell Open Space Preserve. The work includes pollution prevention, traffic control, earthwork, concrete curb and gutter, sidewalk, driveway approach, pedestrian crossings, ADA improvements, AB trail, asphalt paving, and new signage and striping. The work is subject to the Citywide Project Labor Agreement with the Napa-Solano Building Trades Council.

The City solicited competitive bids on August 14, 2024 with an Engineer's Estimate was \$340,000. On September 5, 2024, the following bids received:

Bidder	Total Bid Amount
Globe Engineering Development	\$401,534.00
KM 106 Construction Inc.	\$438,180.00
Norgo Engineering	\$479,001.00
Argonaut Constructors	\$484,386.50
Benchmark Civil Construction	\$492,186.90
Martin Brothers Construction	\$500,698.00

The bid submitted by Globe Engineering Development in the amount of \$401,534 is the apparent low bid. Staff has reviewed the bid from Globe Engineering Development and found it to be both responsive and responsible. Staff has verified the contractor's qualifications including valid Class A license, DIR registration, and references, and found them to be satisfactory and acceptable. The prices of the Bid Items reflect reasonable and customary costs of completing the work. Staff recommends the Council award a construction contract to Globe Engineering Development in the amount of \$401,534 in conjunction with the Newell Open Space Improvements Project (PR13-0200).

COUNCIL PRIORITY PROGRAMS AND PROJECTS

Outdoors and Recreation: "Expand opportunities for use of outdoor recreation and an active and healthy lifestyle."

FISCAL IMPACT

The FY 24-25 Capital Budget currently includes a Project Budget of \$354,235. The table below is the proposed Project Budget.

Category	Amount
Design	\$95,200
Construction	\$401,534
Contingency (15% of Construction)	\$60,230
Material Testing Services	\$28,200
<u>Construction Management/Inspection</u>	<u>\$25,000</u>
Construction Budget	\$610,133

The proposed sources of funding are:

Source	Current	Increase	Proposed
Fund 230, Habitat Conservation Grant Fund	\$85,967	\$0	\$85,967
Fund 350, Developer Contributions Fund	\$0	\$0	\$0
Fund 252, Newell Open Space Maintenance Fund	\$0	\$100,000	\$100,000
Fund 310, Parks Impact Fee Fund	\$266,932	\$155,898	\$422,830
Fund 350, CIP Fund	\$1,336	\$0	\$1,336
Total	\$354,235	\$255,904	\$610,133

The recommended action will reduce the current estimated Fund 310 Fund Balance from \$1,757,000 to \$1,439,000.

ENVIRONMENTAL REVIEW

15301 - The Project is exempt from review under the California Environmental Quality Act ("CEQA") under the Class 1 exemption of existing facilities of Section 15301 of Title 14 of the California Code of Regulations and said exemption is not negated by any exception under Section 15300.2 of said Regulations.

ATTACHMENTS:

- [1. Resolution - Newell Open Space Improvements Project Resolution.docx](#)

RESOLUTION NO. 2024-_____

ADOPT A RESOLUTION: 1) AMENDING THE FY2024-25 CAPITAL BUDGET AND INCREASING THE PROJECT BUDGET FROM \$354,235 TO \$610,133; 2) AWARDDING A CONSTRUCTION CONTRACT TO GLOBE ENGINEERING DEVELOPMENT IN THE AMOUNT OF \$401,534 AND 3) AUTHORIZING THE PUBLIC WORKS DIRECTOR TO APPROVE AND EXECUTE CONTRACT CHANGE ORDERS IN AN AGGREGATE AMOUNT NOT TO EXCEED THE PROJECT BUDGET, IN CONJUNCTION WITH THE NEWELL OPEN SPACE IMPROVEMENTS PROJECT (PR13-0200).

WHEREAS, the Newell Open Space Improvements Project (PR13-0200) includes construction of the access trail to the Newell Open Space Preserve, trailhead, parking lot and ADA improvements; and

WHEREAS, due to property acquisition delays and grant expenditure deadline approaching, the scope of work is narrowed down to complete the parking lot and trailhead improvements; and

WHEREAS, the Project consists of approximately 9,800 square feet of asphalt paving, ADA and other access improvements to the parking lot and trailhead on the Newell Open Space; and

WHEREAS, the Engineer’s Estimate for the Project is \$340,000; and

WHEREAS, the City solicited competitive bids for the Project on August 14, 2024, and on September 5, 2024, the following bids were received; and

Bidder	Total Bid Amount
Globe Engineering Development	\$401,534.00
KM 106 Construction Inc.	\$438,180.00
Norgo Engineering	\$479,001.00
Argonaut Constructors	\$484,386.50
Benchmark Civil Construction	\$492,186.90
Martin Brothers Construction	\$500,698.00

WHEREAS, staff has reviewed the bid from Globe Engineering Development and found it to be both responsive and responsible; and

WHEREAS, staff has verified the contractor’s qualifications and references, and found them to be satisfactory and acceptable; and

WHEREAS, staff finds the prices of the Bid Items reflect reasonable and customary costs of completing the work; and

WHEREAS, upon completion of the design and re-scope of the Project, it was determined that additional funds are required to complete the improvements

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of American Canyon, hereby amends the FY 2024-25 Capital Budget as follows; and

Budget Line Item	Name	Amount
252-85-450-48310	Newell Open Space Maintenance Fund Transfer to CIP Fund (Fund 350)	\$100,000
310-85-450-48310	Parks Impact Fee Fund Transfer to CIP Fund (Fund 350)	\$318,000
350-85-450-46110	CIP Fund Capital Outlay	\$418,000

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of American Canyon, hereby amends the Project Budget for the Newell Open Space Improvements Project, increasing it as follows; and

Source	Current Amount	New Amount
Fund 230, Habitat Conservation Grant Fund	\$85,967	\$85,967
Fund 252, Newell Open Space Maintenance Fund	\$0	\$100,000
Fund 310, Parks Impact Fee Fund	\$266,932	\$422,830
Fund 350, CIP Fund	\$1,336	\$1,336
Total	\$354,235	\$610,133

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of American Canyon hereby 1) awards a construction contract to Globe Engineering Development in the amount of \$401,534.00 and 2) authorizes the Public Works Director to approve and execute change orders in an aggregate amount not to exceed the Project Budget in conjunction with the Newell Open Space Improvements Project (PR13-0200).

PASSED, APPROVED and ADOPTED at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 17th day of September, 2024, by the following vote:

AYES:
 NOES:
 ABSTAIN:
 ABSENT:

 Leon Garcia, Mayor

ATTEST:

APPROVE AS TO FORM:

 Taresa Geilfuss, CMC, City Clerk

 William D. Ross, City Attorney

RESOLUTION NO. 2024-_____

ADOPT A RESOLUTION: 1) AMENDING THE FY2024-25 CAPITAL BUDGET AND INCREASING THE PROJECT BUDGET FROM \$354,235 TO \$610,133; 2) AWARDING A CONSTRUCTION CONTRACT TO GLOBE ENGINEERING DEVELOPMENT IN THE AMOUNT OF \$401,534 AND 3) AUTHORIZING THE PUBLIC WORKS DIRECTOR TO APPROVE AND EXECUTE CONTRACT CHANGE ORDERS IN AN AGGREGATE AMOUNT NOT TO EXCEED THE PROJECT BUDGET, IN CONJUNCTION WITH THE NEWELL OPEN SPACE IMPROVEMENTS PROJECT (PR13-0200).

WHEREAS, the Newell Open Space Improvements Project (PR13-0200) includes construction of the access trail to the Newell Open Space Preserve, trailhead, parking lot and ADA improvements; and

WHEREAS, due to property acquisition delays and grant expenditure deadline approaching, the scope of work is narrowed down to complete the parking lot and trailhead improvements; and

WHEREAS, the Project consists of approximately 9,800 square feet of asphalt paving, ADA and other access improvements to the parking lot and trailhead on the Newell Open Space; and

WHEREAS, the Engineer’s Estimate for the Project is \$340,000; and

WHEREAS, the City solicited competitive bids for the Project on August 14, 2024, and on September 5, 2024, the following bids were received; and

Bidder	Total Bid Amount
Globe Engineering Development	\$401,534.00
KM 106 Construction Inc.	\$438,180.00
Norgo Engineering	\$479,001.00
Argonaut Constructors	\$484,386.50
Benchmark Civil Construction	\$492,186.90
Martin Brothers Construction	\$500,698.00

WHEREAS, staff has reviewed the bid from Globe Engineering Development and found it to be both responsive and responsible; and

WHEREAS, staff has verified the contractor’s qualifications and references, and found them to be satisfactory and acceptable; and

WHEREAS, staff finds the prices of the Bid Items reflect reasonable and customary costs of completing the work; and

WHEREAS, upon completion of the design and re-scope of the Project, it was determined that additional funds are required to complete the improvements

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of American Canyon, hereby amends the FY 2024-25 Capital Budget as follows; and

Budget Line Item	Name	Amount
252-85-450-48310	Newell Open Space Maintenance Fund Transfer to CIP Fund (Fund 350)	\$100,000
310-85-450-48310	Parks Impact Fee Fund Transfer to CIP Fund (Fund 350)	\$318,000
350-85-450-46110	CIP Fund Capital Outlay	\$418,000

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of American Canyon, hereby amends the Project Budget for the Newell Open Space Improvements Project, increasing it as follows; and

Source	Current Amount	New Amount
Fund 230, Habitat Conservation Grant Fund	\$85,967	\$85,967
Fund 252, Newell Open Space Maintenance Fund	\$0	\$100,000
Fund 310, Parks Impact Fee Fund	\$266,932	\$422,830
Fund 350, CIP Fund	\$1,336	\$1,336
Total	\$354,235	\$610,133

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of American Canyon hereby 1) awards a construction contract to Globe Engineering Development in the amount of \$401,534.00 and 2) authorizes the Public Works Director to approve and execute change orders in an aggregate amount not to exceed the Project Budget in conjunction with the Newell Open Space Improvements Project (PR13-0200).

PASSED, APPROVED and ADOPTED at a regularly scheduled meeting of the City Council of the City of American Canyon held on the 17th day of September, 2024, by the following vote:

AYES:
 NOES:
 ABSTAIN:
 ABSENT:

 Leon Garcia, Mayor

ATTEST:

APPROVE AS TO FORM:

 Taresa Geilfuss, CMC, City Clerk

 William D. Ross, City Attorney

Future Agenda Items

September 26, 2024, Planning Commission Meeting 6:30 p.m.

Oat Hill Apartment Project Major Modification (Recommendation)

October 1, 2024, Regular City Council Meeting 6:30 pm

Appointment of Youth Commissioners

Proclamation - Filipino Heritage Month

Proclamation - National Code Enforcement Appreciation Month

Proclamation - National Community Planning Month

Playground Replacement Project Notice of Completion

Oat Hill Apartment Project Major Modification

October 2, 2024, OSATS Commission 6:30 pm

Trail Standards

Newell Management Plan Update

October 10, 2024, Parks and Community Services Meeting 6:30 pm

Facility Naming

Skatepark Use Regulations

Parks and Recreation Refund Policy

October 15, 2024, Regular City Council Meeting 6:30 pm

Proclamation - Domestic Violence Awareness Month (NEWS)

Proclamation - Veterans Day

Quarterly Investment Report

FY 24/25 Capital Improvement Plan Q2 Update

Newell Drive Extension Next Steps * *Council requested item*

Green Island Road Project Phase 2 Contract Award

October 24, 2024, Planning Commission Meeting 6:30 p.m.

Commerce 220 Warehouse (Recommendation)

Crawford Way Apartment Townhome (Approval)

November 5, 2024, Regular City Council Meeting – CANCELLED DUE TO MUNICIPAL ELECTION

November 6, 2024, OSATS Commission 6:30 p.m.

Countywide Bike Plan (NVRTA)

Bicycle Friendly Community Application

November 14, 2024, Parks and Community Services Meeting. 6:30 p.m.

November 19, 2024, Regular City Council Meeting. 6:30 p.m.

Annual Impact Fee Inflation Adjustment

Quarterly Investment Report

AB1600 Annual Report

Commerce 220 Warehouse

November 21, 2024, Planning Commission Meeting. 6:30 p.m. - Special Date Due to Holiday

December 3, 2024, Regular City Council Meeting. 6:30 p.m.

2025 Council Meeting Calendar

Certify November Election Results and Oath of Office

December 4, 2024, OSATS Meeting. 6:30 p.m.

Presentation on MCE Deep Green (MCE)

Presentation on Habitat Conservation Plan 101

Jaeger Open Space Acquisition

December 12, 2024, Parks and Community Services Meeting. 6:30 p.m.

December 17, 2024, Regular City Council Meeting. 6:30 p.m.

Local Appointments List - Maddy Act Compliance

Annual List of Proclamations

Selection of Vice Mayor and 2025 City Council Committee Assignments

FY 2023-24 Auditors Report

December 19, 2024, Planning Commission Meeting. 6:30 p.m. - Special Date Due to Holiday

Unscheduled		Date of	
Council Requested Items	Councilmember	Council Vote	Notes
Review and File American Canyon History Report	Washington	7/18/2023	Work in progress, council date TBD
Revisit Alignment of West Side Connector	Joseph	10/17/2023	On hold pending General Plan update.
All Electric Reach Code (Discussion only)	Joseph	11/7/2023	On hold pending RCAAP and Berkeley litigation.