COUNCILMEMBERS
Melissa Hernandez, Mayor
Jean Josey, Vice Mayor
Shawn Kumagai, Councilmember
Dr. Sherry Hu, Councilmember
Michael McCorriston, Councilmember



City Council Chamber
Dublin Civic Center
100 Civic Plaza
Dublin, CA 94568
www.dublin.ca.gov

Regular Meeting of the

DUBLIN CITY COUNCIL

Tuesday, September 6, 2022

Location: City Council Chamber
100 Civic Plaza
Dublin, CA 94568

CLOSED SESSION 6:00 PM
REGULAR MEETING 7:00 PM

Pursuant to AB 361, the City is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public, without making available any physical location for the public.

Additional Meeting Procedures Available During the COVID-19 Pandemic

This City Council meeting will be broadcast live on Comcast T.V. channel 28 beginning at 7:00 p.m. This meeting will also be livestreamed at www.tv30.org and on the City's website at: https://dublin.ca.gov/ccmeetings

Members of the public who wish to participate in the meeting electronically have the option of giving public comment via Zoom, subject to the following procedures:

• Fill out an online speaker slip available at www.dublin.ca.gov. The speaker slip will be made available at 10:00 a.m. on Tuesday, September 6, 2022. Upon submission, you will receive Zoom link information from the City Clerk. Speakers slips will be accepted until the public comment period ends, or until the public comment period on non-agenda items is closed.

• Once connected to the Zoom platform using the Zoom link information from the City Clerk, the public speaker will be added to the Zoom webinar as an attendee and muted. The speaker will be able to observe the meeting from the Zoom platform.

• When the agenda item upon which the individual would like to comment is addressed, the City Clerk will announce the speaker in the meeting when it is their time to give public comment. The speaker will then be unmuted to give public comment via Zoom.

CLOSED SESSION 6:00 PM

I. Conference with Legal Counsel – Anticipated Litigation
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: 1 case

II. Public Employee Performance Evaluation
Title: City Attorney

II. Conference with Labor Negotiators
Agency Designated Representatives: Mayor Hernandez and Councilmember Hu
Unrepresented Employee: City Attorney

REGULAR MEETING 7:00 PM

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. REPORT ON CLOSED SESSION

3. ORAL COMMUNICATIONS

3.1 Presentation of the Constitution Week Proclamation and Certificate of Recognition to Daughters of the American Revolution Poster Contest Winner
The City Council will present the Constitution Week Proclamation to the Daughters of the American Revolution (DAR) and a Certificate of Recognition to Dublin resident and DAR poster contest winner, Bilal Tariq Rauf.
STAFF RECOMMENDATION:
Present the proclamation and certificate of recognition.
Staff Report
Attachment 1 - Constitution Week Proclamation
Attachment 2 - Certificate of Recognition

3.2 Presentation of Lawrence Livermore Laboratory's 70th Anniversary Commendation
The City Council will present a commendation to the Lawrence Livermore Laboratory in celebration of its 70th anniversary.
STAFF RECOMMENDATION:
Present the commendation.
Staff Report
Attachment 1 - Lawrence Livermore Laboratory's 70th Anniversary Commendation

3.3 Preview of Splatter
The City Council will receive a presentation previewing Splatter, taking place September 10, 2022 at Emerald Glen Park.
STAFF RECOMMENDATION:
Receive the presentation.
Staff Report
Item 3.3 - PowerPoint Presentation

3.4 Public Comment

At this time, the public is permitted to address the City Council on non-agendized items. Please step to the podium and clearly state your name for the record. COMMENTS SHOULD NOT EXCEED THREE (3) MINUTES. In accordance with State Law, no action or discussion may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked, or may request Staff to report back at a future meeting concerning the matter. Any member of the public may contact the City Clerk's Office related to the proper procedure to place an item on a future City Council agenda. The exceptions under which the City Council MAY discuss and/or take action on items not appearing on the agenda are contained in Government Code Section 54954.2(b)(1)(2)(3).

4. CONSENT CALENDAR

Consent Calendar items are typically non-controversial in nature and are considered for approval by the City Council with one single action. Members of the audience, Staff or the City Council who would like an item removed from the Consent Calendar for purposes of public input may request the Mayor to remove the item.

4.1 Approval of the August 16, 2022 Regular City Council Meeting Minutes

The City Council will consider approval of the minutes of the August 16, 2022 Regular City Council Meeting.

STAFF RECOMMENDATION:

Approve the minutes of the August 16, 2022 Regular City Council Meeting.

Staff Report

Attachment 1 - August 16, 2022 Regular City Council Meeting Minutes

4.2 City Manager's Employment Agreement

The City Council will consider approving the Second Amendment to the City Manager's Employment Agreement. The sole change would be to extend the timeframe in which the City Manager may be removed following any City election for membership on the City Council.

STAFF RECOMMENDATION:

Approve and authorize the Mayor to execute the Second Amendment to City Manager's Employment Agreement.

Staff Report

Attachment 1 - Proposed Second Amendment to City Manager's Employment Agreement

Attachment 2 - City Manager's Employment Agreement and First Amendment

4.3 2022 Development Agreement Review

The City Council will receive a report on the annual review of active Development Agreements to ensure compliance with the terms and provisions of the Agreements pursuant to the California Government Code, Sections 65864 - 65869.5, and to Chapter 8.56 of the Dublin Municipal Code.

STAFF RECOMMENDATION:

Adopt the Resolution Finding that Developers Having Obligations Under Active Development Agreements and Supplemental Agreements as Amended, Have Complied in Good Faith with the Terms and Provisions of the Agreements.

Staff Report

Attachment 1 - Resolution Finding that Developers Having Obligations Under Active Development Agreements and Supplemental Agreements as Amended, Have Complied in Good Faith with the Terms and Provisions of the Agreements

4.4 Authorizing Remote Meetings of City Council and City Commissions Due to Increase in COVID-19 Cases

From March 2020 through September 2021, the City conducted meetings of its legislative bodies remotely pursuant to various executive orders that suspended certain Brown Act provisions. In October 2021, the City returned to in-person meetings and the Brown Act was amended to allow for teleconferencing during a state of emergency. Under the new law, AB 361, the City can continue to conduct virtual meetings where the Governor has proclaimed a State of Emergency, or state or local health officials have imposed or recommended social distancing, if the City Council makes certain required findings. From January 11 – February 10, 2022, and since May 3, 2022, the City Council has operated under a resolution pursuant to AB 361 authorizing teleconferenced meetings for at least 30 days. The City Council will consider adopting a resolution that would allow for virtual attendance for the next 30 days.

STAFF RECOMMENDATION:

Adopt the **Resolution** Finding That There is a Proclaimed State of Emergency; Finding That Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Legislative Bodies of the City of Dublin Pursuant to AB 361.

Staff Report

Attachment 1 - Resolution Finding That There is a Proclaimed State of Emergency; Finding That Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Legislative Bodies of the City of Dublin Pursuant to AB 361

4.5 Second Reading of Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System and Approval of Resolution Adopting the City of Dublin Official District Map

The City Council will consider adopting an Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System and Approving a Resolution Adopting the City of Dublin Official District Map. The City Council waived the first reading and introduced the Ordinance on August 16, 2022 and is now requested to waive the second reading and adopt the Ordinance.

STAFF RECOMMENDATION:

Waive the second reading and adopt the **Ordinance** Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System and approve the **Resolution** Adopting the City of Dublin Official District Map.

Staff Report

Attachment 1 - Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System

Attachment 2 - Resolution Adopting the City of Dublin Official District Map

Attachment 3 - Exhibit A to the Resolution - Map 112

4.6 Purchase of Replacement Chairs, Tables, and Related Equipment for Shannon Community Center

The City Council will consider authorizing the purchase of replacement chairs, tables, and related equipment from MityLite for Shannon Community Center.

STAFF RECOMMENDATION:

Adopt the Resolution Authorizing the Purchase of Replacement Chairs, Tables, and Related Equipment from MityLite for Shannon Community Center.

Staff Report

Attachment 1 - Resolution Authorizing the Purchase of Replacement Chairs, Tables, and Related Equipment from MityLite for Shannon Community Center

Attachment 2 - Exhibit A to the Resolution - MityLite Government Pricing Schedule

4.7 First Amendment to the Agreement with European Mobile Werks

The City Council will consider approving an amendment to the agreement with European Mobile Werks to increase the not-to-exceed compensation amount.

STAFF RECOMMENDATION:

Adopt the Resolution Approving the First Amendment to the Contractor Services Agreement with European Mobile Werks for On-Call Maintenance and Repair Services.

Staff Report

Attachment 1 - Resolution Approving the First Amendment to the Contractor Services Agreement with European Mobile Werks for On-Call Maintenance and Repair Services

Attachment 2 - Exhibit A to the Resolution - First Amendment to the Contractor Services Agreement Between the City of Dublin and European Mobile Werks

Attachment 3 - Contractor Services Agreement Between the City of Dublin and European Mobile Werks

4.8 Annual Review of City's Investment Policy

The City Council will consider approval of the City's Investment Policy, including proposed changes to enable the City to purchase securities with a final maturity greater than five years as permitted by California Government Code. While not required by statute, annual review of a local agency's investment policy is recommended by the California Debt and Investment Advisory Commission and is included as a requirement in the City Policy.

STAFF RECOMMENDATION:

Adopt the Resolution Approving the 2022 Annual Review of Investment Policy and Delegation of Authority to Complete Investment Transactions.

Staff Report

Attachment 1 - Resolution Approving the 2022 Annual Review of Investment Policy and Delegation of Authority to Complete Investment Transactions

Attachment 2 - Exhibit A to the Resolution - Statement of Investment Policy for the City of Dublin

Attachment 3 - 2022 Statement of Investment Policy for the City of Dublin (Redline)

5. WRITTEN COMMUNICATION – None.

6. PUBLIC HEARING – None.

7. UNFINISHED BUSINESS

7.1 Climate Action Plan 2030 and Beyond Reach Codes Report

The City Council will receive a report on potential code options for three measures included in the City of Dublin's Climate Action Plan 2030 and Beyond. The three measures under consideration include Measure EE-1, Achieve All-Electric New Construction; Measure SM-1, Adopt an Electric Vehicle Charging Station Ordinance; and Measure MM-2, Reduce the Embodied Greenhouse Gas Emissions Associated with Building Materials.

STAFF RECOMMENDATION:

Receive the report and provide direction on the three Climate Action Plan 2030 and Beyond measures.

Staff Report (REVISED)
Attachment 1 - Resolution 100-20 Adopting the City of Dublin Climate Action Plan 2030 and Beyond
Attachment 2 - Measures EE-1, SM-1, and MM-2 excerpts from the Climate Action Plan 2030 and Beyond
Attachment 3 - Resolution 04-21 Requesting East Bay Community Energy Enroll City of Dublin Residential Accounts in Renewable 100 as the Default Electricity Product
Attachment 4 - Resolution 28 -22 Requesting East Bay Community Energy Enroll Dublin Non-Residential Accounts in Renewable 100 as the Default Electricity Product
Item 7.1 - PowerPoint Presentation

7.2 Parks and Community Services Report on Dublin-Based Non-Profit and Fundraising Fees

The City Council will receive a report on Dublin-based non-profit and fundraising fees at City of Dublin facilities and their fiscal impact. Options for the City Council to consider are included.

STAFF RECOMMENDATION:

Receive the report and provide direction on Dublin-based non-profit and fundraising fees.

Staff Report

8. NEW BUSINESS – None.

9. OTHER BUSINESS

Brief information only reports from City Council and/or Staff, including committee reports and reports by City Council related to meetings attended at City expense (AB1234).

10. ADJOURNMENT

This AGENDA is posted in accordance with Government Code Section 54954.2(a)

If requested, pursuant to Government Code Section 54953.2, this agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section

202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132), and the federal rules and regulations adopted in implementation thereof. To make a request for disability-related modification or accommodation, please contact the City Clerk's Office (925) 833-6650 at least 72 hours in advance of the meeting.

Mission

The City of Dublin promotes and supports a high quality of life, ensures a safe and secure environment, fosters new opportunities, provides equity across all programs, and champions a culture of diversity and inclusion.

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Presentation of the Constitution Week Proclamation and Certificate of Recognition to Daughters of the American Revolution Poster Contest Winner
Prepared by: Cierra Fabrigas, Executive Aide

EXECUTIVE SUMMARY:

The City Council will present the Constitution Week Proclamation to the Daughters of the American Revolution (DAR) and a Certificate of Recognition to Dublin resident and DAR poster contest winner, Bilal Tariq Rauf.

STAFF RECOMMENDATION:

Present the proclamation and certificate of recognition.

FINANCIAL IMPACT:

None.

DESCRIPTION:

The Daughters of the American Revolution (DAR), a nonprofit organization promoting patriotism and history, created Constitution Week in 1955 to promote the celebration and study of the nation's founding document. Constitution Week was later adopted by the U.S. Congress and signed into public law on August 2, 1956, by President Dwight D. Eisenhower. It is celebrated annually during the week of September 17-23.

The aims of the Constitution Week celebration are to:

- Emphasize citizens' responsibilities to protect and defend the Constitution.
- Inform people that the Constitution is the basis for America's great heritage and the foundation for our way of life.
- Encourage the study of the historical events which led to the framing of the Constitution in September 1787.

The City Council will present the Constitution Week proclamation and recognize Dublin resident Bilal Tariq Rauf, winner of the 2022 poster contest sponsored by the DAR.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Constitution Week Proclamation
2) Certificate of Recognition

A PROCLAMATION OF THE CITY COUNCIL
CITY OF DUBLIN, CALIFORNIA

"Constitution Week"
September 17-23, 2022

WHEREAS, September 17, 2022 marks the 235th anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

WHEREAS, the National Society of the Daughters of the American Revolution (NSDAR) upholds the goals of Constitution Week, supporting Dublin libraries, schools, and civic organizations in teaching all citizens, especially youth and newly naturalized citizens, about our founding documents; and

WHEREAS, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW, THEREFORE, BE IT RESOLVED, that the Dublin City Council does hereby proclaim September 17, 2022 through September 23, 2022, as Constitution Week, and encourages our citizens to reaffirm the ideals that the framers of the Constitution had in 1787 by vigilantly protecting the freedom guaranteed to us through this guardian of our liberties, and remembering that lost rights may never be regained.

DATED: September 6, 2022

Mayor Melissa Hernandez

Vice Mayor Jean Josey

Councilmember Sherry Hu

Councilmember Shawn Kumagai

Councilmember Michael McCorriston

CERTIFICATE OF RECOGNITION

Given to

BILAL TARIQ RAUF

In recognition of winning the *Constitution Week Poster Contest* 1st Place Honors from the Daughters of the American Revolution, and demonstrating the outstanding qualities of dependability, service, leadership, and patriotism in your home, school, and in the Dublin community.

Presented by the

The City of Dublin

Dated: September 6, 2022

Mayor Melissa Hernandez

Vice Mayor Jean Josey

Councilmember Sherry Hu

Councilmember Shawn Kumagai

Councilmember Michael McCorriston

Agenda Item 3.2

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Presentation of Lawrence Livermore Laboratory's 70th Anniversary Commendation
Prepared by: Cierra Fabrigas, Executive Aide

EXECUTIVE SUMMARY:

The City Council will present a commendation to the Lawrence Livermore Laboratory in celebration of its 70th anniversary.

STAFF RECOMMENDATION:

Present the commendation.

FINANCIAL IMPACT:

None.

DESCRIPTION:

The Lawrence Livermore National Laboratory (LLNL) is celebrating its 70th anniversary as one of the nation's leading applied science and research institutions, with world class contributions in national security, supercomputing, energy research, high energy density physics, engineering, materials science, physics, chemistry, and biotechnology.

The Livermore Lab Foundation is a nonprofit organization that works with the LLNL to provide outreach programs for students of Science, Technology, Engineering, and Math (STEM) and internships and fellowship programs at collegiate levels.

The City Council will recognize the LLNL and the Foundation for continuing to expand the Lab's reach, impact, and opportunities in the advancement of science and technology, providing outstanding science and research for seven decades, with strong leaders dedicated to our nation's best interests.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Lawrence Livermore Laboratory's 70th Anniversary Commendation

A COMMENDATION OF THE CITY COUNCIL
CITY OF DUBLIN, CALIFORNIA

Lawrence Livermore Laboratory – 70th Anniversary

WHEREAS, Lawrence Livermore National Laboratory (the Lab) was founded September 2, 1952 in Livermore, California, and is managed by Lawrence Livermore National Security, LLC, for the U.S. Department of Energy's National Nuclear Security Administration; and

WHEREAS, for more than 70 years the Lab has served as one of the nation's leading applied science and research institutions, with world class contributions in national security, supercomputing, energy research, high energy density physics, engineering, materials science, physics, chemistry, and biotechnology; and

WHEREAS, these accomplishments are now setting the stage for even greater opportunities ahead, with the Lab continuing to demonstrate how to make the 'impossible possible'; and

WHEREAS, the Livermore Lab Foundation is a 501c3 nonprofit organization dedicated to promoting science in the national interest as well as the development of philanthropic investments and public-private partnerships at the Lab; and

WHEREAS, since the Foundation's inception in 2016, it has strived to open the door to the next generation of Science, Technology, Engineering, and Math (STEM) students by accelerating outreach programs for high school students and implementing Lab internships and fellowship programs at the undergraduate and graduate level, impacting more than 2,300 students nationwide and creating a strong alumni network and pool of future Lab leaders; and

WHEREAS, the Foundation's fundamental research investments, via private philanthropic contributions in neurodegenerative diseases and climate resiliency, have also expanded the Lab's reach, impact, and opportunities in the advancement of science and technology; and

WHEREAS, both the Foundation and the Lab continue to add to this important legacy by providing an historic glimpse in how the Lab has served at the nexus of outstanding science and research for seven decades, with strong leaders dedicated to our nation's best interests.

NOW, THEREFORE, BE IT RESOLVED that the Dublin City Council does hereby commend the Lawrence Livermore National Laboratory, including all current and former employees, on this 8th day of September 2022, for 70 years of science and research excellence on behalf of the nation.

BE IT FURTHER RESOLVED that the Livermore Lab Foundation is also commended in its efforts as a private philanthropic partner in providing an opportunity for all in our community to embrace the idea that 'science does matter.'

DATED: September 6, 2022

_____
Mayor Melissa Hernandez

_____
Vice Mayor Jean Josey

_____
Councilmember Sherry Hu

_____
Councilmember Shawn Kumagai

_____
Councilmember Michael McCorriston

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Preview of Splatter
Prepared by: Lauren Marriott, Recreation Coordinator

EXECUTIVE SUMMARY:

The City Council will receive a presentation previewing Splatter, taking place September 10, 2022 at Emerald Glen Park.

STAFF RECOMMENDATION:

Receive the presentation.

FINANCIAL IMPACT:

Splatter is included in the City's annual operating budget.

DESCRIPTION:

Splatter will take place on Saturday, September 10, 2022, at Emerald Glen Park. This year's event will continue to celebrate music, food, art, and culture while also wrapping up the City's celebration of its 40th anniversary of incorporation.

Multicultural Focus
Splatter will continue to celebrate the diversity of Dublin and surrounding communities by incorporating multicultural elements throughout the festival's footprint.

As part of the recommendations from the City's Task Force on Diversity, Equity, and Inclusion, a focus group was convened and tasked with reviewing the 2021 event and providing input on how these efforts can be expanded for 2022 and beyond. On May 4, 2022, Staff conducted a meeting with the focus group. The focus group included the following individuals: Margaret Laing, Sameer Hakim, Kristin Speck, Vanessa Thomas, Adam Lumia, Regis Harvey, Beatriz Ballesteros, Michele Wayland, Natasha Tripplett, and Julia Tomtania. Suggestions for Splatter 2022 from the focus

group included:

- Utilize varying food options to focus on cultural diversity. The focus group believed that one of the best representations of a culture is its food and suggested including a diverse selection of food vendors to develop a "small plates" program that allows event goers to sample from multiple vendors rather than choosing just one for a meal.
- Further develop the passport/scavenger hunt activity to keep people engaged in various multicultural-themed activities.
- Continue to expand on the inclusion of multicultural music and entertainment throughout the event.
- Utilize books and story reading as an activity to highlight and represent the community's diversity and to share stories from different cultures.

Staff has incorporated these suggestions into the 2022 event. In addition, Splatter will showcase multicultural performances including Bollywood, Chinese Dance, Kung Fu demonstrations, and more. A diverse and unique blend of food vendors will be available in the "Dine Around the World" food court featuring a multitude of cuisines from various regions of the world. Similarly, guests will have the opportunity to shop around the world in the "Arts and Crafts World Market." Visitors will be given a passport that will guide them through the events and get stamped to collect a prize.

Additionally, the city has collaborated with the Dublin Library to bring the mobile library to Splatter. The mobile library will have a collection of books and stories celebrating Dublin's diversity.

<u>Entertainment</u>
Splatter will feature three stages of live performances as well as roaming entertainment scattered throughout the event footprint. The amphitheater stage will feature an array of multicultural performances. The Side Yard Stage will highlight the community's talents in performing arts such as music, dance, and poetry. The Main Stage will feature live musical entertainment during the day. At night, this Main Stage will become the focal point of a "community dance party" lead by headliners *Neon Velvet*, a high energy dance band, and *Tainted Love,* a 1980's cover band that will take attendees back to the early days of cityhood.

<u>Food and Beverage</u>
As mentioned earlier, guests will be invited to "Dine Around the World' and receive an elevated culinary experience that features a vast array of international cuisines. Participating food vendors will provide "small plates" in the $5-$8 range. The Rotary Club of Dublin will be serving local craft beer and wine from the Livermore valley.

The Arts

Splatter will continue to celebrate the arts throughout the event footprint with activities for all. The "I Am Dublin" community mural will return this year due to its overwhelmingly positive response. Hosted in coordination with the Dublin Arts Collective, "The High Life" art exhibit will be on display inside The Wave. The exhibit will display fine arts originated by local high school artists.

Grand Finale

Lastly, given the positive response from 2021 and growing popularity, the evening will culminate with a synchronized, 100-drone light show. This year's drone show will be customized to celebrate Dublin's 40th anniversary and the Splatter event.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

None.

DUBLIN
CALIFORNIA

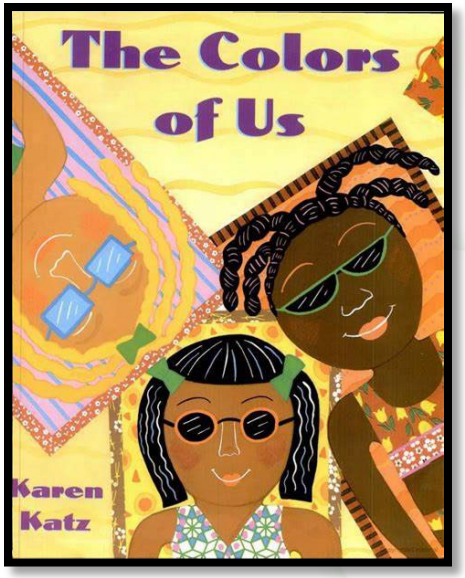
splatter

City Council Meeting
September 6, 2022

Event Details

- Saturday, September 10, 2022 – Emerald Glen Park
- Time: 12:00 p.m. – 8:30 p.m.
- Day Time – Family Friendly Events & Entertainment
- Late Afternoon/Evening – Headlining Entertainers & Grand Finale Celebrating Dublin's 40th Anniversary
- Expanded Multicultural Focus Throughout Event

Multicultural Experiences









Splatter 2022

- Three Stages of Entertainment
  - Main Stage
    - Headliners & Grand Finale
  - Amphitheater Stage
    - Community & Multicultural Performances
  - Side Yard Stage
    - Local Acoustic Musicians & Performances
- Roaming Entertainment







Splatter 2022 contd.

- Dine Around the World
- Arts & Crafts World Market
- Carnival & Games
- Interactive Arts & Crafts
- Festival Scavenger Hunt
- "High Life" – Art Gallery featuring local High School students









Headlining Entertainment





Featuring:

Neon Velvet and Tainted Love

Grand Finale Drone Show



DUBLIN
CALIFORNIA

Questions?

Agenda Item 4.1

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Approval of the August 16, 2022 Regular City Council Meeting Minutes
Prepared by: Marsha Moore, MMC, City Clerk

EXECUTIVE SUMMARY:

The City Council will consider approval of the minutes of the August 16, 2022 Regular City Council Meeting.

STAFF RECOMMENDATION:

Approve the minutes of the August 16, 2022 Regular City Council Meeting.

FINANCIAL IMPACT:

None.

DESCRIPTION:

The City Council will consider approval of the minutes of the August 16, 2022 Regular City Council Meeting.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) August 16, 2022 Regular City Council Meeting Minutes

MINUTES OF THE CITY COUNCIL OF THE CITY OF DUBLIN

Regular Meeting: August 16, 2022

The following are minutes of the actions taken by the City of Dublin City Council. A full video recording of the meeting with the agenda items indexed and time stamped is available on the City's website at: https://dublin.ca.gov/ccmeetings

CLOSED SESSION 6:00 PM

I. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: 1 case.

II. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 985-27-2 and APN 905-1-6-3
Agency Negotiator: City Manager
Negotiating Parties: GH PacVest LLC
Under Negotiation: Price and terms of payment

III. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 901-1-5-2
Agency Negotiator: City Manager
Negotiating Parties: Milton Righetti and Gloria Righetti
Under Negotiation: Price and terms of payment

IV. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 905- 1-1-2 and APN 905-1-3-2
Agency Negotiator: City Manager
Negotiating Parties: Livbor Manning LLC
Under Negotiation: Price and terms of payment

V. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 905-1-4-4
Agency Negotiator: City Manager
Negotiating Parties: Bex Development LLC
Under Negotiation: Price and terms of payment

VI. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN 905-1-4-3
Agency Negotiator: City Manager
Negotiating Parties: Town and County H Fund LLC and CHMH Dublin LLC
Under Negotiation: Price and terms of payment

DRAFT

REGULAR MEETING 7:00 PM

A Regular Meeting of the Dublin City Council was held on **Tuesday, August 16, 2022**, in the City Council Chamber. The meeting was called to order at 7:07 PM., by Mayor Hernandez.

1) CALL TO ORDER

Attendee Name	Status
Melissa Hernandez, Mayor	Present
Jean Josey, Vice Mayor	Present
Shawn Kumagai, Councilmember	Present - via Zoom
Michael McCorriston, Councilmember	Present
Dr. Sherry Hu, Councilmember	Present

Mayor Hernandez reported there was no reportable action out of Closed Session.

2) PLEDGE OF ALLEGIANCE

3) ORAL COMMUNICATIONS

3.1) Presentation of a Resolution from Assemblymember Bauer-Kahan Recognizing the City of Dublin's 40th Anniversary

The City Council received a resolution from Assemblymember Rebecca Bauer-Kahan in recognition of the City of Dublin's 40th Anniversary.

3.2) Employee Introduction

New City of Dublin Staff member, Jason Earl, with the Community Development Department was introduced.

3.3) Presentation of American Muslim Appreciation and Awareness Month Proclamation

The City Council presented the American Muslim Appreciation and Awareness Month proclamation.

3.4) Public Comment

Krishna Yalamanchi provided public comment.

4) CONSENT CALENDAR

4.1) Approved the July 19, 2022 Regular City Council Meeting Minutes.

4.2) Received a report of the Two-Year Strategic Plan Accomplishments.

4.3) Adopted the following proclamations for the month of September in the City of Dublin: Alcohol and Drug Addiction Recovery Month, Wilderness Month, Childhood Cancer Awareness Month, Childhood Obesity Awareness Month, Hispanic Heritage Month, Ovarian Cancer Awareness Month, Preparedness Month, Prostate Cancer Awareness Month, and Suicide Prevention Awareness Month.

This item was pulled from the Consent Calendar by Mayor Hernandez to call attention to the proclamations.

4.4) Waived the second reading and adopted Ordinance No. 09-22 titled, "Approving Amendments to Dublin Municipal Code Section 8.12.050 (Permitted and Conditionally Permitted Land Uses), Section 8.76.080 (Parking Requirements by Use Type), and Section 8.108.020 (Uses Permitted with a Temporary Use Permit)."

4.5) Adopted Resolution No. 101-22 titled, "Finding That There is a Proclaimed State of Emergency; Finding That Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Legislative Bodies of the City of Dublin Pursuant to AB 361."

4.6) Received the City Treasurer's Informational Report of Investments for the Quarter Ending June 30, 2022.

4.7) Received a report on the Dublin Transit Center Parking Garage Public Art Project.

4.8) Adopted Resolution No. 102-22 titled, "Approving Amendment #1 to the Agreement with All City Management Services Inc. for Crossing Guard Services."

Motion by Mayor Hernandez, seconded by Councilmember McCorriston, and by unanimous vote, the City Council adopted the Consent Calendar items, except item 4.3.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVED BY:	Jean Josey, Vice Mayor
SECOND:	Sherry Hu, Councilmember
AYES:	Hernandez, Josey, Kumagai, McCorriston, Hu

Motion by Mayor Hernandez, seconded by Councilmember McCorriston, and by unanimous vote, the City Council adopted Consent Calendar item 4.3.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVED BY:	Melissa Hernandez, Mayor
SECOND:	Michael McCorriston, Councilmember

AYES:	Hernandez, Josey, Kumagai, McCorriston, Hu

5) WRITTEN COMMUNICATION - None.

6) PUBLIC HEARING

6.1) Dublin Districts—Public Hearing 5: Final Map Selection, Introduction of Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System

The City Council held a Public Hearing to give the community an opportunity to provide feedback regarding the boundaries and composition of the Draft Final Maps 112 and 112b.

Mayor Hernandez opened the public hearing.

Upon receiving no public comment, Mayor Hernandez closed the public hearing.

On motion by Vice Mayor Josey, seconded by Councilmember McCorriston, and by unanimous vote, the City Council waived the reading, introduced the Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System, and approved Map 112.

RESULT:	**UNANIMOUS**
MOVED BY:	Jean Josey, Vice Mayor
SECOND:	Michael McCorriston, Councilmember
AYES:	Hernandez, Josey, Kumagai, McCorriston, Hu

7) UNFINISHED BUSINESS

7.1) Bicycle and Pedestrian Plan Update

The City Council received an update on the draft Bicycle and Pedestrian Plan, which updates and replaces the City's 2014 Bicycle and Pedestrian Master Plan and will inform future infrastructure and program and policy recommendations.

The City Council asked clarifying questions and provided their input on the draft plan.

7.2) Update on the Dublin Boulevard Extension Project

The City Council received an update on the Dublin Boulevard Extension Project. The City of Dublin, in cooperation with the City of Livermore, Alameda County Transportation Commission, and Alameda County, proposes to extend Dublin Boulevard approximately 1.5 miles eastward through unincorporated Alameda County and connect to North Canyons Parkway in Livermore, from its current terminus at Fallon Road.

The City Council asked clarifying questions and provided their input on the project.

8) NEW BUSINESS

8.1) Review of Childcare in Downtown Dublin

The City Council received a report reviewing childcare within the City and in the Downtown. This item was in response to an Item 9 request by the City Council for information regarding childcare, particularly for those families living in affordable units in the Downtown area.

8.1) Designation of Voting Delegates for the 2022 National League of Cities City Summit

The City Council appointed Vice Mayor Josey as a voting delegate, and Councilmembers Hu and McCorriston as alternates, to attend and vote on the City's behalf at the National League of Cities City Summit in November 2022.

9) OTHER BUSINESS

The City Council and Staff provided brief information-only reports, including committee reports and reports by City Council related to meetings attended at City expense (AB1234).

10) ADJOURNMENT

Mayor Hernandez adjourned the meeting at 9:34 p.m.

_____
Mayor

ATTEST:

_____
City Clerk

Agenda Item 4.2

STAFF REPORT

CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Agency Negotiating Team (Vice Mayor Josey and Councilmember McCorriston)

SUBJECT: City Manager's Employment Agreement

EXECUTIVE SUMMARY:

The City Council will consider approving the Second Amendment to the City Manager's Employment Agreement. The sole change would be to extend the timeframe in which the City Manager may be removed following any City election for membership on the City Council.

STAFF RECOMMENDATION:

Approve and authorize the Mayor to execute the Second Amendment to the City Manager's Employment Agreement.

FINANCIAL IMPACT:

Sufficient funding is available in the Fiscal Year 2022-23 Budget.

DESCRIPTION:

On March 1, 2022, the City Council appointed an Agency Negotiating Team, consisting of Vice Mayor Josey and Councilmember McCorriston, to meet with the City Manager to discuss terms and conditions of employment. As a result of those discussions, the City's Agency Negotiating Team, after consulting with the City Council in closed session, is recommending that the City Council approve an amendment to the City Manager's employment agreement, to be effective July 1, 2022. The sole change reflected in the amendment would be to extend the timeframe in which the City Manager may be removed following any City election for membership on the City Council. Specifically, Section V.B.3. of the Agreement would be amended to read as shown in underline:

"The City Manager shall not be removed during the 90-day period preceding or the 180-day period following any City election for membership on the City Council, or during the 90-day period following any change in membership of the City Council, except upon four-fifths vote of the City

Council."

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Proposed Second Amendment to City Manager's Employment Agreement
2) City Manager's Employment Agreement and First Amendment

SECOND AMENDMENT TO
AGREEMENT BETWEEN CITY OF DUBLIN
AND
LINDA SMITH
FOR EMPLOYMENT AS CITY MANAGER

This Second Amendment is made and entered into this 6th day of September, 2022 by and between the City of Dublin, California, a municipal corporation and general law (the "City"), and Linda Smith, an individual (the "City Manager").

Recitals

A. City and City Manager are parties to an Employment Agreement, dated November 5, 2019 (the "Agreement").

B. On June 1, 2021, the City Council approved an amendment to the Employment Agreement to make adjustments to the salary, management leave and deferred compensation.

C. The Parties desire to amend the Agreement, effective July 1, 2022, to extend the timeframe in which the City Manager may be removed following any City election for membership on the City Council.

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants herein contained, the parties agree to amend the Agreement as follows:

1. Section V.B.3. of the Agreement is amended to read as follows:

"The City Manager shall not be removed during the 90-day period preceding or 180-day period following any City election for membership on the City Council, or during the 90-day period following any change in membership of the City Council, except upon four-fifths vote of the City Council."

2. The foregoing amendments shall become effective on July 1, 2022.

3. Except as amended herein, the Agreement shall remain in full force and effect, as amended.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment in duplicate at Dublin, California, the day and year first above written.

City

By: _____
Mayor Melissa Hernandez

ATTEST:

_____
Marsha Moore, City Clerk

City Manager

_____
Linda Smith, City Manager

AGREEMENT
BETWEEN THE CITY OF DUBLIN
AND LINDA SMITH
FOR EMPLOYMENT AS CITY MANAGER

This Agreement is entered as of November 5, 2019 by and between the City of Dublin, California, a municipal corporation and general law city (the "City"), and Linda Smith, an individual (the "City Manager"). The City and the City Manager are sometimes individually referred to as a "Party" and collectively as "Parties" in this Agreement.

RECITALS

WHEREAS, the City requires the services of a City Manager; and,

WHEREAS, the City Manager has the necessary education, executive ability, and qualifications to serve as the City's City Manager; and,

WHEREAS, the City Council of the City of Dublin (the "City Council) desires to employ the City Manager to serve as the City Manager of City.

WHEREAS, in consideration of these Recitals and the performance by the Parties of the promises, covenants, and conditions contained in this Agreement, the Parties agree as follows:

AGREEMENT

I. EMPLOYMENT OF THE CITY MANAGER.

The City, consistent with the provisions of City Municipal Code Chapter 2.04 (all subsequent Chapter or Section references are to the Municipal Code unless otherwise noted), appoints and employs, effective upon the separation of the City's current City Manager, which is anticipated to be on December 30, 2019, Linda Smith as its City Manager, and Linda Smith hereby accepts such employment effective on December 31, 2019 ("the Appointment Date"). During the term of employment, the City Manager shall not undertake any employment other than as City Manager of the City except that she may also serve as the chief executive of other legal entities without violating this Agreement when appointed to such position or positions by the City Council.

II. COMMITMENTS OF THE PARTIES.

A. City Manager Commitments.

1. Duties and Authority.

(a) The City Manager shall have those powers and perform all of the duties of the City Manager as set forth in the laws of the State of California, Municipal Code Chapter 2.04, and City policies and procedures approved by the City Council from time to time.

(b) The City Manager shall administer and enforce policies established by the City Council and promulgate rules and regulations as necessary to implement City Council policies and direct the work of all appointive City officers and departments except those that are directly appointed by or report directly to the City Council.

2. Hours of Work.

(a) The City Manager is an exempt, at-will employee but is expected to engage in those hours of work that are necessary to fulfill the obligations of the City Manager's position. The City Manager does not have set hours of work as the City Manager is expected to be available at all times.

(b) It is recognized that the City Manager must devote a great deal of time to the business of the City outside of the City's customary office hours, and to that end the City Manager's schedule of work each day and week shall vary in accordance with the work required to be performed. The City Manager shall spend sufficient hours on site to perform the City Manager's duties; however, the City Manager has discretion over the City Manager's work schedule and work location.

3. Disability or inability to perform.

In the event the City Manager becomes mentally or physically incapable of performing the City Manager's functions and duties with reasonable accommodation and it reasonably appears such incapacity will last for more than six months, the City Council may terminate the City Manager. If the City Council does elect to terminate the City Manager due to incapacity, the City Manager shall receive all severance benefits provided in Section V.C below.

B. City Commitments.

1. As of the Appointment Date, the City shall provide the City Manager with the compensation and benefits, as set forth in Section III below.

2. The City shall pay for or provide the City Manager reimbursement for all actual business expenses consistent with Government Code section 53234 et seq., also known as "AB 1234." The City shall provide the City Manager a City credit card to charge legally authorized and necessary City business expenses.

3. The City agrees to pay the professional dues or membership dues and subscriptions on behalf of the City Manager as may be agreed by City Manager and City Council, including the International City Manager's Association ("ICMA").

4. The City agrees to pay the travel and subsistence expenses of the City Manager to pursue official and other functions for the City, and meetings and occasions to continue the professional development of the City Manager, including, but not limited to, national, regional, state, and local conferences, and governmental groups and committees upon which the City Manager serves as a member, subject to annual review by the City Council.

5. The City also agrees to pay for the travel and subsistence expenses of the City Manager for short courses, institutes and seminars that are necessary for the performance of City Manager duties as set forth in Municipal Code Section 2.04.060.

C. City Council Commitments.

1. The City Council sets policy for the governance and administration of the City, and it implements its policies through the City Manager.

2. The City Council recognizes that to meet the challenges facing the City it must exercise decisive policy leadership. As one step in carrying out this leadership responsibility, the City Council commits to spending time each year outside of regular City Council meetings to work with the City Manager and staff on creating and revisiting the City's strategic plan, for setting goals and priorities for the City government, and to work on issues that may be inhibiting the maximal

achievement of City goals. Likewise, each member of the City Council will make sufficient time available to the City Manager each week to provide an opportunity to be briefed on City issues.

3. The City Council agrees none of its individual members will order the appointment or removal of any person to any office or employment under the supervision and control of the City Manager.

D. Mutual Commitments.

1. Strategic Workshops.

(a) As soon as practicable after January 1, 2020, the City Council and the City Manager will meet to review the City's existing Strategic Plan and/or set out goals and priorities for the City Manager to implement prior to the City Manager's annual performance evaluation or such other dates as determined in the course of the meeting.

(b) Thereafter the review and update of the City Council's Strategic Plan will occur bi-annually between January 1st and March 31st, in accordance with the City's budget cycle. For purposes of clarity, the City Council and the City Manager shall further establish a relative priority among those goals and objectives within the Strategic Plan.

2. Annual Performance Evaluation.

(a) The City Council shall conduct an evaluation of the City Manager's performance at least once each year. The City Council and the City Manager agree that performance evaluations, for the purpose of mid-course corrections, may occur at any time. The parties agree that the initial evaluation shall occur approximately six months following the Appointment Date and that subsequent evaluations shall occur shortly before or after May 1 of each year thereafter.

(b) The annual review and evaluation shall be in accordance with specific criteria developed jointly by the City Council and the City Manager during the initial strategic planning and goal setting workshop described in Section II.D.1(a) above. Such criteria may from time to time be added to or deleted as the City Council determines in consultation with the City Manager.

(c) In addition to the annual strategic plan workshops the City Council and the City Manager may further define such goals and performance

objectives during the annual evaluation as they mutually determine are necessary for the proper operation of the City for the attainment of the City Council's policy objectives. The City Council and the City Manager shall further establish a relative priority among those goals and performance objectives. The Parties may use an outside facilitator paid for by City to assist them in conducting the City Manager's annual performance evaluation.

(d) The City Manager shall hold annual team building retreats with key Departmental personnel.

3. ICMA Code of Ethics.

(a) The Parties acknowledge that the City Manager is a member of the ICMA and desire that the City Manager be subject to and comply with the ICMA Code of Ethics, a copy of which is attached as Exhibit A.

(b) The City and the City Council agree that neither the City Council nor any of its members will give the City Manager any order, direction, or request that would require the City Manager to violate the ICMA Code of Ethics.

III. COMPENSATION.

The City agrees to provide the following compensation to the City Manager:

A. Compensation and Required Employer Costs.

1. Base Salary.

(a) The initial salary for the position of City Manager shall be $24,238 per month. On July 1, 2021 and each July 1 thereafter during the Initial Term (as defined in Section VI.A.1), the then-existing salary shall be increased (but not decreased) by the percentage change between February of the then-prior year and February of the then-current year in the consumer product index for urban wage earners and clerical workers in San Francisco-Oakland-Hayward, California. Notwithstanding anything to the contrary, any automatic increase implemented pursuant to the foregoing sentence shall not be less than 0.5% nor more than 3.5%. The City agrees to reevaluate the salary after each performance evaluation following the initial performance evaluation described in Section II.D.2(a) above.

(b) The City Manager shall be paid at the same intervals and in the same manner as regular City employees.

(c) The City shall not at any time during the term of this Agreement reduce the base salary, compensation or other financial benefits of the City Manager, unless as part of a general City management salary reduction, and then in no greater percentage than the average reduction of all designated management employees.

2. Pay-for-Performance.

(a) To provide a recognition for the City Manager to produce laudable results for the organization, the City Council agrees to consider providing a Pay-for-Performance payment for meeting or exceeding specific goals established by City Council that are achieved by the City Manager. The City Manager will be eligible at the sole discretion of the City Council for a Pay-for-Performance payment that is equivalent to the miscellaneous employees Pay-for-Performance program.

(b) Any adjustment in earnings under this section shall be included as "compensation earnable" by the City Manager in reporting to the California Public Employees Retirement System (CalPERS) for annual pension credit, but only to the extent, if any, that CalPERS will consider it to be "compensation earnable."

3. Required State Costs.

The following costs, to the extent they are applicable, shall be borne by the City:

(a) Unemployment Compensation.

(b) California Public Employees Retirement System (CalPERS). The City contracts with the CalPERS for retirement benefits. The City shall pay the same amount of employer and the employee contributions to CalPERS as provided for classic CalPERS miscellaneous employees of the City of Dublin. In addition, the City Manager shall be eligible for the CalPERS Third Level 1959 Survivor Benefits. The City shall pay the portion required by CalPERS, and the City Manager shall pay $2 per month.

(c) The cost of any fidelity or other bonds required by law for the City Manager.

(d) The cost to defend and indemnify the City Manager as provided in Section VI.E below.

(e) Workers Compensation.

B. Basic Benefits.

1. Holidays.

The City Manager shall receive the same paid holidays as allocated to miscellaneous general City employees.

2. Leave Allowance:

(a) General Leave:

City Manager shall receive thirty-five (35) days of general leave on January 1, 2020 and each January 1 thereafter so long as the Agreement remains in effect. Such leave shall be subject to the same rules applicable to the miscellaneous general City employees, except that City Manager maximum general leave accrual limit shall be five-hundred (500) hours. Annually on December 31 each year, City Manager may elect to be compensated for any unused general leave granted the previous year not to exceed 160 hours.

(b) Management Leave:

On January 1 of each year during the term of this agreement, City Manager shall receive twelve (12) days of "Management Leave." This leave is treated differently than other leave, in that if the City Manager is unable to use this leave by January 1 of the year following the City Manager's receiving it, City Manager will be compensated for any unused Management Leave at that time. Such compensation shall be based upon the City Manager's base salary identified in Section III.A.1(a) above.

(c) Payments upon Resignation or Termination:

In the event that the City Manager's services are terminated for any reason, the City Manager shall be compensated for any unused general leave and management leave, but not for general leave that has been converted to sick leave. Such compensation shall be based upon the City Manager's base salary identified in Section III.A.1(a) above.

3. Automobile Allowance.

Beginning January 1, 2020, the City Manager shall be provided a monthly automobile allowance of $550.00 for the use of a personal vehicle for CITY purposes, which allowance shall be paid on the first payroll of the month.

4. Benefits that Accrue to Other Employees.

The City Manager shall be entitled to all compensation benefits, rights, and privileges accorded to City's designated management employees except as otherwise provided in this Agreement. If there is any conflict between this Agreement and any resolution fixing compensation and benefits for City's designated management employees or other unclassified/miscellaneous employees, this Agreement shall control.

5. Technology Allowance.

Given the importance of technological tools to the effective and efficient business of City government, the City shall provide the City Manager with an annual $1,500 technology allowance. The technology allowance shall be paid with the first of the City's adopted pay periods following January 1 of each year, beginning with 2020.

IV. SECURITY.

A. Pensions.

1. California Public Employees Retirement System (CalPERS).

For the purposes of CalPERS reporting, the City shall treat as "compensation earnable" all payments that CalPERS will consider to be "compensation earnable."

2. Deferred Compensation.

The City agrees to the City Manager's participation in a Deferred Compensation Plan. City shall contribute $9,500 annually to such a Plan on the City Manager's account commencing in January 2020. The annual contribution shall be prorated on a monthly basis.

B. Insurance.

The City Manager shall receive the same health, dental, vision, life, long term disability coverage available to the designated management employees of the City.

V. SEPARATION.

A. Resignation.

The City Manager may resign at any time and agrees to give the City at least 60 days advance written notice of the effective date of the City Manager's resignation, unless the Parties to this agreement mutually agree to other notice.

B. Non-Renewal of Employment Agreement, Termination & Removal.

1. The City Manager is an at-will employee serving at the pleasure of the City Council, as provided in Government Code Section 36506.

2. The City Council may terminate the City Manager at any time, with or without cause, by a majority vote of its members. Notice of termination or non-renewal of this employment agreement shall be provided to the City Manager in writing consistent with this Agreement.

3. The City Manager shall not be removed during the 90-day period preceding or following any City election for membership on the City Council, or during the 90-day period following any change in membership of the City Council, except upon four-fifths vote of the City Council.

4. Given the at-will nature of the position of City Manager, an important element of the employment agreement pertains to termination. It is in both the City's interest and that of the City Manager that any separation of the City Manager is done in a businesslike manner.

C. Severance Pay.

1. In the event the that the City Council terminates the City Manager's employment for reasons other than for "cause" as further defined under subparagraph D below, the City shall pay to the City Manager a Severance Payment. The Severance Payment shall be equal to twelve (12) months of the base salary on the effective date of termination. Beginning with the first anniversary of the Appointment Date, and every anniversary of the Appointment Date thereafter, the

number of months used to calculate the amount of the Severance Payment shall be increased by one (1) month, except that in no event shall the total number of months used to calculate the Severance Payment exceed eighteen (18) months. In the event that the City is obligated to make the Severance Payment, the amount shall be paid to the City Manager, at the City Manager's option, in either equal monthly installments commencing on the 10th work day following the date of termination or in a lump sum. Notwithstanding anything to the contrary in the foregoing, the Parties agree that in no event shall the City Manager receive a cash settlement upon termination of this Agreement in excess of the maximum cash settlement authorized by subdivision (a) of Government Code section 53260.

2. In addition, in accordance with Government Code section 53261, the City will reimburse the City Manager for the premiums for the City Manager's medical and dental insurances for a period following the effective date of termination equal to the number of months then being used to calculate the amount of the Severance Payment under Section V.C.1. at the rates in effect on such dates, provided that such reimbursements will terminate upon the City Manager's retirement or when the City Manager finds other employment so long as the other employment includes paid coverage for medical and dental insurance.

3. In the event the City refuses, following written notice of noncompliance, to comply with any provision in this Employment Agreement benefiting the City Manager, or the City Manager resigns following a suggestion, whether formal or informal, by a majority of the City Council that the City Manager resign, or the City Council imposes a material reduction in the powers and authority of the City Manager, then, in that event, the City Manager may, at the City Manager's option, be deemed to be "terminated" as of the date of such refusal to comply or suggestion to resign and this severance pay provision shall be actuated.

D. Separation for Cause.

1. Notwithstanding the provisions of Section V.C above, the City Manager may be terminated for cause. For purposes of this Agreement, "cause" shall mean one or more the following:

(a) Conviction of a felony, or conviction of a misdemeanor involving moral turpitude;

(b) Commission of an act of moral turpitude;

(i) the City Council will not make a finding or determination about whether the City Manager has engaged in such conduct without first providing the City Manager a full, fair opportunity to rebut, defend and justify any such alleged act involving moral turpitude in an open or closed session, at the sole choice of the City Manager.

(c) Abuse of non-prescription or prescription drugs, alcohol or controlled substances that affect the performance of the Manager's duties;

(d) Repeated and extended absences from the City Manager's office and duties, which absences have not been approved by the City Council.

(e) Violation of the City's policies concerning sexual harassment;

(f) Material breach of the terms and conditions of this Agreement.

2. In the event the City terminates the City Manager for cause, then the City may terminate this Agreement immediately, and the City Manager shall be entitled to only the compensation accrued up to the date of termination and such other termination benefits and payments as may be required by law. The City Manager shall not be entitled to any severance benefits provided by Section V.C above.

3. In the event the City terminates the City Manager for cause, the City, the Mayor and/or the City Council members and the City Manager agree that neither Party shall make any written or oral statements to members of the public or the press concerning the City Manager's termination except in the form of a joint press release which is mutually agreeable to both Parties. The joint press release shall not contain any text or information that would be disparaging to either Party. Provided, however, that either Party may verbally repeat the substance of any such press release in response to inquiries by members of the press or public.

E. Payment for Unused Leave Balance.

In the event the City Manager dies while employed by the City under this Agreement, the City Manager's beneficiaries, or those entitled to the City Manager's estate, shall be entitled to the City Manager's earned but then-unpaid salary, and

any in-lieu payments for then-accrued benefits, including compensation for any unused general and management leave in accordance with Section III.B.2(c) above.

VI. GENERAL PROVISIONS.

A. Term.

1. The Initial Term shall be for a period of 60 months commencing on December 31, 2019, and continuing until December 30, 2024 ("the Termination Date").

2. This Agreement shall automatically renew as provided herein unless the City gives the City Manager timely notice of non-renewal. The City must give the City Manager written notice of non-renewal at least twelve (12) months prior to the Termination Date or any succeeding Termination Date, as defined in the next sentence. Unless such notice of non-renewal is timely given, this Agreement shall automatically renew for an additional three-year Term and a new Termination Date shall be accordingly established.

B. Provisions that Survive Termination.

Many sections of this Agreement are intended by their terms to survive the City Manager's termination of employment with the City, including but limited to Sections IV, V.C, V.E, and VI.E above. These sections, and the others so intended, shall survive termination of employment and termination of this Agreement.

C. Amendments.

This Agreement may be amended at any time by mutual written agreement of the City and the City Manager.

D. Conflict of Interest.

1. The City Manager shall not engage in any business or transaction or shall have a financial or other personal interest or association, direct or indirect, which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties. Personal as distinguished from financial interest includes an interest arising from blood or marriage relationships or close business, personal, or political associa-

tions. This section shall not serve to prohibit independent acts or other forms of enterprise during those hours not covered by active City employment, providing such acts do not constitute a conflict of interest as defined herein.

2. The City Manager shall also be subject to the conflict of interest provisions of the California Government Code and any conflict of interest code applicable to the City Manager's City employment.

3. The City Manager is solely responsible for submitting to the City Clerk the appropriate Conflict of Interest Statements at the time of appointment, annually thereafter, and at the time of separation from the position.

E. Indemnification.

1. The City shall defend, save harmless and indemnify the City Manager against any claim or action to the extent required by, and subject to the limitations contained in, Government Code sections 825-825.6 and Government Code sections 995–996.6. The City may compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

2. In the event that the City Manager shall serve as the chief executive of other City-controlled legal entities, then the City agrees, for the purposes of the indemnity and defense obligations under this section and Government Code sections 825-825.6 and 995-996.6, that any actions or omissions within the scope of those duties shall be treated as within the scope of City Manager's employment by the City.

F. Severability.

If any clause, sentence, part, section, or portion of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, such clause, sentence, part, section, or portion so found shall be regarded as though it were not part of this Agreement and the remaining parts of this Agreement shall be fully binding and enforceable by the Parties hereto.

G. Jurisdiction and Venue.

This Agreement shall be construed in accordance with the laws of the State of California, and the Parties agree that venue for legal action concerning any aspect of the Agreement in State Court shall be maintained in Alameda County Superior

Court and for an action in Federal Court shall be in the United States District Court for the Northern District of California.

H. Entire Agreement.

This Agreement represents the entire agreement of the Parties, which has been jointly drafted by the Parties, and no representations have been made or relied upon except as set forth in this Agreement which may be amended or modified only by a written, fully executed agreement of the Parties.

I. Notice.

Any notice, amendments, or additions to this Agreement, including change of address of either party during the term of this Agreement, which the City Manager or the City shall be required, or may desire, to make shall be in writing and shall be sent by prepaid first class mail or hand-delivered to the respective Parties as follows:

If to the City:

City Clerk
City of Dublin
100 Civic Plaza
Dublin, CA 94568

If to the City Manager:

Linda Smith
[redacted]

VII. EXECUTION

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT in duplicate at Dublin, California, as of the date set forth above.

CITY OF DUBLIN CITY MANAGER

By: _____
David Haubert, Mayor

_____
Linda Smith

ATTEST:

_____
Caroline Soto, City Clerk

APPROVED AS TO FORM:

_____
John Bakker, City Attorney

3391681.9

ICMA Code of Ethics

The mission of ICMA is to create excellence in local governance by developing and fostering professional local government management worldwide. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

1. We believe professional management is essential to efficient and democratic local government by elected officials.
2. Affirm the dignity and worth of local government services and maintain a deep sense of social responsibility as a trusted public servant.
3. Be dedicated to the highest ideals of honor and integrity in all public and personal relationships in order that the member may merit the respect and confidence of the elected officials, of other officials and employees, and of the public.
4. Serve the best interests of the people.
5. Submit policy proposals to elected officials; provide them with facts and advice on matters of policy as a basis for making decisions and setting community goals; and uphold and implement local government policies adopted by elected officials.
6. Recognize that elected representatives of the people are entitled to the credit for the establishment of local government policies; responsibility for policy execution rests with the members.
7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.
8. Make it a duty continually to improve the member's professional ability and to develop the competence of associates in the use of management techniques.
9. Keep the community informed on local government affairs; encourage communication between the citizens and all local government officers; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.
10. Resist any encroachment on professional responsibilities, believing the member should be free to carry out official policies without interference, and handle each problem without discrimination on the basis of principle and justice.
11. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern a member's decisions pertaining to appointments, pay adjustments, promotions, and discipline.
12. Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

Adopted by the ICMA Executive Board in 1924, and most recently revised by the membership in October 2019.

ICMA

FIRST AMENDMENT TO
AGREEMENT BETWEEN CITY OF DUBLIN
AND
LINDA SMITH
FOR EMPLOYMENT AS CITY MANAGER

This First Amendment is made and entered into this 1st day of June, 2021 by and between the City of Dublin, California, a municipal corporation and general law (the "City"), and Linda Smith, an individual (the "City Manager").

Recitals

A. City and City Manager are parties to an Employment Agreement, dated November 5, 2019 (the "Agreement").

B. Following the 2021 Annual Performance Evaluation of City Manager, the Parties desire to amend the Agreement, effective July 1, 2021, to increase the City Manager's base salary by three percent (3%), increase the City's annual deferred compensation contribution by $1000, and increase the annual management leave by two days.

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants herein contained, the parties agree to amend the Agreement as follows:

1. Section III.A.1.(a) of the Agreement is amended to read as follows:

"(a) The salary for the position of City Manager shall be $25,415 per month. On July 1, 2022 and each July 1 thereafter during the Initial Term as defined in Section VI.A.1), the then-existing salary shall be increased (but not decreased) by the percentage change between February of the then-prior year and February of the then-current year in the consumer product index for urban wage earners and clerical workers in San Francisco-Oakland-Hayward, California. Notwithstanding anything to the contrary, any automatic increase implemented pursuant to the foregoing sentence shall not be less than 0.5% nor more than 3.5%. The City agrees to reevaluate the salary after each performance evaluation following the initial performance evaluation described in Section II.D.2(a) above."

2. Section III.B.2(b) of the Agreement is amended to read as follows:

"(b) Management Leave:

Beginning January 1, 2021 and on January 1 of each year thereafter during the term of this Agreement, City Manager shall receive fourteen (14) days of "Management Leave." This leave is treated differently than other leave, in that if the City Manager is unable to use this leave by January 1 of the year following the City Manager' s receiving it, City Manager will be compensated for any unused Management Leave at that time. Such compensation shall be based upon the City Manager' s base salary identified in Section III.A.1(a) above."

3. Section IV.A.2 (a) of the Agreement is amended to read as follows:

"2. Deferred Compensation.

The City agrees to the City Manager's participation in a Deferred Compensation Plan. City shall contribute $10,500 annually to such a Plan on the City Manager' s account commencing in January 2021. The annual contribution shall be prorated on a monthly basis."

4. The foregoing amendments shall become effective on July 1, 2021.

5. Except as amended herein, the Agreement shall remain in full force and effect, as amended.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment in duplicate at Dublin, California, the day and year first above written.

City

DocuSigned by:
By: M. Hernandez
97C94F7A46A8461...
Mayor Melissa Hernandez

City Manager

DocuSigned by:
Linda Smith
E33836CEFC044E0...
Linda Smith

ATTEST:
DocuSigned by:
Marsha Moore
9BB70845D22F40A...
Marsha Moore, City Clerk

Agenda Item 4.3

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: 2022 Development Agreement Review
Prepared by: Jeff Baker, Community Development Director and Anastasia Nelson, Acting Administrative Aide

EXECUTIVE SUMMARY:

The City Council will receive a report on the annual review of active Development Agreements to ensure compliance with the terms and provisions of the Agreements pursuant to the California Government Code, Sections 65864 - 65869.5, and to Chapter 8.56 of the Dublin Municipal Code.

STAFF RECOMMENDATION:

Adopt the **Resolution** Finding that Developers Having Obligations Under Active Development Agreements and Supplemental Agreements as Amended, Have Complied in Good Faith with the Terms and Provisions of the Agreements.

FINANCIAL IMPACT:

The fiscal impacts of these projects were addressed as part of a fiscal analysis performed for each approved project. All financial obligations of the subject developers have been met pursuant to the terms provided in their respective Development Agreements.

DESCRIPTION:

An annual review of active Development Agreements is required by California Government Code Section 65865.1 and Chapter 8.56 of the Dublin Municipal Code. During the review period, occurring in July and August of each year, Staff reviews each active Development Agreement to ensure compliance with the terms and provisions of the agreement. The burden of demonstrating good faith compliance is on the respective developer and/or property owner. Staff from the Administrative Services, Community Development, Fire Prevention, Parks and Community Services, and Public Works departments complete a thorough and detailed assessment of the developer's compliance with the requirements contained in the applicable agreements.

Following the review, Staff presents the findings and recommends to the City Council to either: (1) determine that the parties are in compliance and conclude the review; or, (2) determine that the parties have not complied in good faith, in which case the City Council must request that the matter of compliance be considered at a noticed public hearing. At said public hearing, the City Council may modify or terminate the Development Agreement upon making certain findings based on substantial evidence that the developer has not complied in good faith with the Agreement.

The following active Development Agreements, identified in Table 1 below, were subject to the 2022 annual review. Based on Staff's review, all required public improvements, payments, and scheduled financial obligations have been satisfied by each of the developers and property owners. Staff concluded that each of the developers/owners are proceeding in good faith with the terms of their Development Agreement, and is therefore recommending that the report be accepted by the City Council and the annual review be concluded.

Table 1: Active Development Agreements

No.	Development Project	Expiration Date	Compliant
1.	Ashton at Dublin Station	08/16/2023	Yes
2.	Dublin Crossings (Boulevard)	12/20/2033	Yes
3.	Dublin Ranch West (Wallis Ranch)	02/19/2024	Yes
4.	Kaiser Dublin Medical Center	11/04/2041	Yes

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

No public notice is required. However, a formal notification of the 2022 Development Agreement Annual Review was sent to the parties of the Development Agreements. The City Council Agenda was posted.

ATTACHMENTS:

1) Resolution Finding that Developers Having Obligations Under Active Development Agreements and Supplemental Agreements as Amended, Have Complied in Good Faith with the Terms and Provisions of the Agreements.

RESOLUTION NO. XX – 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

FINDING THAT DEVELOPERS HAVING OBLIGATIONS UNDER ACTIVE DEVELOPMENT AGREEMENTS AND SUPPLEMENTAL AGREEMENTS AS AMENDED, HAVE COMPLIED IN GOOD FAITH WITH THE TERMS AND PROVISIONS OF THE AGREEMENTS

WHEREAS, as of July 1, 2022, the following projects have active Development Agreements with the City of Dublin: Ashton at Dublin Station, Dublin Crossings (Boulevard), Dublin Ranch West (Wallis Ranch), and Kaiser Dublin Medical Center; and

WHEREAS, the annual review of active Development Agreements is required by California Government Code Sections 65864 – 65869.5, and Chapter 8.56 of the Dublin Municipal Code; and

WHEREAS, during the review period, occurring in July and August of each year, Staff reviews the development agreements to ensure compliance of the terms and provisions of the Agreements; and

WHEREAS, the burden of demonstrating good faith compliance with the Agreements rests with the Developers; and

WHEREAS, the appropriate City Departments have reviewed each of the active Development Agreements, and confirmed that the developers are in compliance with the terms of the Agreements; and

WHEREAS, Staff presents and recommends the City Council determine the parties are in compliance and conclude the review.

NOW, THEREFORE, BE IT RESOLVED that the Dublin City Council concludes its review of the above referenced active Development Agreements and Supplemental Agreements as Amended, and determines that the Developers having obligations under said Agreements have complied in good faith with the terms and provisions of the Agreements.

PASSED, APPROVED AND ADOPTED this 6th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

Agenda Item 4.4

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Authorizing Remote Meetings of City Council and City Commissions Due to Increase in COVID-19 Cases
Prepared by: John Bakker, City Attorney

EXECUTIVE SUMMARY:

From March 2020 through September 2021, the City conducted meetings of its legislative bodies remotely pursuant to various executive orders that suspended certain Brown Act provisions. In October 2021, the City returned to in-person meetings and the Brown Act was amended to allow for teleconferencing during a state of emergency. Under the new law, AB 361, the City can continue to conduct virtual meetings where the Governor has proclaimed a State of Emergency, or state or local health officials have imposed or recommended social distancing, if the City Council makes certain required findings. From January 11 – February 10, 2022, and since May 3, 2022, the City Council has operated under a resolution pursuant to AB 361 authorizing teleconferenced meetings for at least 30 days. The City Council will consider adopting a resolution that would allow for virtual attendance for the next 30 days.

STAFF RECOMMENDATION:

Adopt the **Resolution** Finding That There is a Proclaimed State of Emergency; Finding That Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Legislative Bodies of the City of Dublin Pursuant to AB 361.

FINANCIAL IMPACT:

None.

DESCRIPTION:

On March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State address the broader spread of COVID-19.

On March 18, 2020, the City Council adopted a resolution ratifying the proclamation of a local state of emergency by the Director of Emergency Services due to COVID-19.

On March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20, which suspended certain provisions of the Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means. Additionally, the State implemented a shelter-in-place order, requiring all non-essential personnel to work from home.

At that time and through September 2021, the City's legislative bodies met by teleconference. On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which among other things, rescinded certain clauses of Executive Order N-29-20 after September 30, 2021, including clauses that suspended certain provisions of the Brown Act. Thus, effective October 1, 2021, agencies would have had to transition back to public meetings held in full compliance with the Brown Act. The City of Dublin began meeting in person beginning in October 2021.

Since the Governor issued Executive Order N-08-21, the highly contagious Delta variant has emerged, causing a spike in cases throughout the state and within the Alameda County. Additionally, since then, the Omicron variants have emerged and been designed as a variant of concern by the United States, and the number of cases in the City have increased over the last month.

On September 16, 2021, the Governor signed AB 361 (2021) which allows for local legislative and advisory bodies to continue to conduct meetings via teleconferencing under specified conditions and includes a requirement that the Council make specified findings. AB 361 took effect immediately.

AB 361 allows local legislative bodies to continue to meet remotely after the expiration of the clauses of Executive Order N-29-20. Under AB 361, the City and its legislative bodies may meet remotely when:

- The local agency holds a meeting during a declared state of emergency;
- State or local health officials have imposed or recommended measures to promote social distancing;
- Legislative bodies declare the need to meet remotely due to present imminent risks to the health or safety of attendees.

On January 11, 2022, the City Council adopted a resolution authorizing remote teleconferenced meetings for a period of 30 days pursuant to AB 361. That resolution expired on February 10, 2022.

At its April 19, 2022 meeting, the City Council directed Staff to bring a resolution to the May 3, 2022 meeting to allow the City Council and the City's legislative bodies to meet virtually, including hybrid meetings, pursuant to AB 361. At its May 3, May 17, June 7, June 21, July 19, and August 16, 2022 meetings, the City Council adopted Resolution Nos. 39-22, 48-22, 65-22, 84-22, 92-22, and 101-22 respectively, that included the necessary findings pursuant to AB 361 to allow the City Council and the City's legislative bodies to meet remotely or in a hybrid format for 30 days.

The City meets the requirements to hold meetings remotely in order to ensure the health and safety of the public:

- The Governor has declared a State of Emergency, and the City Council has ratified the proclamation of a local emergency by the Director of Emergency Services;
- The CDC recommends social distancing of at least six feet due to COVID-19;
- There's been an increase of COVID-19 cases within the state and throughout Alameda County;
- Meeting in person would present imminent risks to the health or safety of attendees, the legislative bodies, and staff.

The proposed resolution includes the necessary findings pursuant to AB 361 to allow the City Council and the City's legislative bodies to meet remotely or in a hybrid format for the next 30 days. The City Council would need to adopt a subsequent resolution declaring the need to continue to meet remotely to allow for such meetings after that 30-day period.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Resolution Finding That There is a Proclaimed State of Emergency; Finding That Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the State of Emergency; and Authorizing Remote Teleconferenced Meetings of the Legislative Bodies of the City of Dublin Pursuant to AB 361

RESOLUTION NO. xx-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

FINDING THAT THERE IS A PROCLAIMED STATE OF EMERGENCY; FINDING THAT MEETING IN PERSON WOULD PRESENT IMMINENT RISKS TO THE HEALTH OR SAFETY OF ATTENDEES AS A RESULT OF THE STATE OF EMERGENCY; AND AUTHORIZING REMOTE TELECONFERENCED MEETINGS OF THE LEGISLATIVE BODIES OF THE CITY OF DUBLIN PURSUANT TO AB 361

WHEREAS, all meetings of the City of Dublin's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code sections 54950 – 54963), so that any member of the public may attend, participate, and watch the City's legislative bodies conduct their business; and

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the State prepare for a broader spread of the novel coronavirus disease 2019 ("COVID-19"); and

WHEREAS, on March 18, 2020, the City Council adopted a resolution ratifying the proclamation of a local emergency by the Director of Emergency Services due to COVID-19; and

WHEREAS, on March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow local legislative bodies to conduct meetings telephonically or by other means; and

WHEREAS, as a result of the COVID-19 pandemic, and pursuant to Executive Order N-29-20 and its successors, the City Council met primarily virtually through September 2021; and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21, which, effective September 30, 2021, ended the provisions of Executive Order N-29-20 that allows local legislative bodies to conduct meetings telephonically or by other means; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 (2021) which allows for local legislative bodies and advisory bodies to conduct meetings via teleconferencing under specified conditions and includes a requirement that the City Council make specified findings. AB 361 (2021) took effect immediately; and

WHEREAS, under AB 361 (2021), an agency meeting virtually requires that the Governor declare a State of Emergency pursuant to Government Code section 8625; and

WHEREAS, AB 361 (2021) further requires that state or local officials have imposed or recommended measures to promote social distancing, or, requires that the legislative body determines that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the City, specifically, Governor Newsom has

declared a State of Emergency due to COVID-19; and

WHEREAS, since the issuance of Executive Order N-08-21, the highly contagious Delta variant of COVID-19 has emerged, causing an increase in COVID-19 cases throughout the State and Alameda County; and

WHEREAS, on November 30, 2021, the Omicron variant was designated as a variant of concern by the United States; and

WHEREAS, cases of the highly contagious Omicron variant, including a subvariant called BA.2, have caused surges of COVID-19 and there has been an increase in cases during the last month in Alameda County; and

WHEREAS, the Centers for Disease Control and Prevention ("CDC") continues to recommend physical distancing of at least 6 feet from others outside of the household; and

WHEREAS, because of the recent rise in COVID-19 cases due in part to the highly contagious Omicron variants of COVID-19, the City is concerned about the health and safety of all individuals who intend to attend City Council and meetings of the City's other legislative bodies; and

WHEREAS, the City Council finds that the imminent risks of the City's legislative bodies holding in person meetings to the health or safety of attendees exists due in part to the Omicron variants of COVID-19; and

WHEREAS, the City Council finds, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of all legislative bodies created by the City Council pursuant to Government Code section 54952(b), that the presence of COVID-19 and the Delta and Omicron variants would present imminent risks to the health or safety of attendees, staff, and members; and

WHEREAS, teleconference meetings may include hybrid meetings, in which all or some members of the legislative body meet in person while others attend by teleconference, and members of the public are either allowed to participate only by teleconference or both in person and by teleconference ("hybrid meetings"). The purpose of hybrid meetings is to allow for multiple modes of attending meetings while reducing the risks of COVID-19, including the Delta and Omicron variants; and

WHEREAS, the City shall ensure that its meetings comply with the provisions required by AB 361 (2021) for holding teleconferenced meetings.

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

1. The above recitals are true and correct, and incorporated into this Resolution.

2. In compliance with AB 361 (2021), and in order to continue to conduct teleconference meetings without complying with the usual teleconference meeting requirements of the Brown Act, the City Council makes the following findings:

   a) The City Council has considered the circumstances of the state of emergency; and

   b) The state of emergency, as declared by the Governor and City Council, and as specifically related to the current increase in cases apparently resulting from the

Omicron variant, directly impacts the ability of the City Council and the City's legislative bodies, as well as staff and members of the public, to meet safely in person; and

c) The CDC continues to recommend physical distancing of at least six feet due to COVID-19 and as a result of the presence of COVID-19 and the increase of cases due to the Omicron variant, meeting in person would present imminent risks to the health or safety of attendees, the legislative bodies and staff.

3. City staff is directed to facilitate any teleconference meetings, including hybrid meetings, of the City Council and City's legislative bodies in compliance with AB 361, in order to better ensure the health and safety of the public for a period of thirty days following the adoption of this resolution.

PASSED, APPROVED, AND ADOPTED this 6th day of September 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____

Mayor

ATTEST:

_____

City Clerk

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Second Reading of Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System and Approval of Resolution Adopting the City of Dublin Official District Map
Prepared by: John Stefanski, Assistant to the City Manager

EXECUTIVE SUMMARY:

The City Council will consider adopting an Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System and Approving a Resolution Adopting the City of Dublin Official District Map. The City Council waived the first reading and introduced the Ordinance on August 16, 2022, and is now requested to waive the second reading and adopt the Ordinance.

STAFF RECOMMENDATION:

Waive the second reading and adopt the **Ordinance** Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System and approve the **Resolution** Adopting the City of Dublin Official District Map.

FINANCIAL IMPACT:

None.

DESCRIPTION:

On February 15, 2022, the City Council adopted Resolution 17-22 declaring its intention to transition from an at-large election system to a district-based election system in conformance with the California Voting Rights Act and established a timeframe for doing so. The result of this work is the City Council's selection of Map 112 (Attachment 3) and an election sequence where Districts 1 and 3 would occur at the November 2024 municipal election and every four years thereafter, and elections for Districts 2 and 4 occurring at the November 2026 municipal election and every four years thereafter.

On August 16, 2022, the City Council waived the reading and introduced an ordinance (Attachment 1) to amend Chapter 2.32 of the Dublin Municipal Code establishing a District-Based Election System.

Attachment 2 includes the Resolution which adopts Map 112 as the City's Official District Map.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Ordinance Amending Chapter 2.32 of the Dublin Municipal Code Establishing a District-Based Election System e number outline for Attachments
2) Resolution Adopting the City of Dublin Official District Map
3) Exhibit A to the Resolution – Map 112

ORDINANCE NO. XX – 22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUBLIN

AMENDING CHAPTER 2.32 OF THE DUBLIN MUNICIPAL CODE ESTABLISHING A DISTRICT-BASED ELECTION SYSTEM

WHEREAS, members of the City Council of the City of Dublin ("City") are currently elected in "at-large" elections, in which each City Councilmember is elected by the registered voters of the entire City; and

WHEREAS, California Government Code Section 34886 permits the legislative body of a city to adopt an ordinance to change its method of election from an "at-large" system to a "district-based" system in which each councilmember is elected only by the voters in the district in which the candidate resides; and

WHEREAS, the City received a letter on January 4, 2022, from Kevin Shenkman of the law firm of Shenkman & Hughes, on behalf of Southwest Voter Registration Education Project and its unidentified members residing within Dublin, alleging that the City's at-large councilmember electoral system violates the California Voting Rights Act ("CVRA") and threatening litigation if the City declines to voluntarily change to a district-based election system for electing councilmembers; and

WHEREAS, under Elections Code section 14028(a), a violation of the CVRA is established if it is shown that racially polarized voting occurs in elections. "Racially polarized voting" means voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate (Elections Code Section 14026, subd. (e)); and

WHEREAS, under the provisions of California Elections Code Section 10010, a city that changes from an at-large city council method of election to a district-based city council method of election must hold a series of public hearings, which includes at least two public hearings regarding potential voting district boundaries prior to the release and consideration of any draft voting district maps, and at least two public hearings following the release of draft voting district maps; and

WHEREAS, on February 15, 2022, the City Council adopted Resolution 17-22 declaring its intention to transition from an at-large election system to a district-based election system in conformance with the CVRA and establishing the timeframe for doing so; and

WHEREAS, the City retained the services of a qualified demographer to provide a detailed analysis of the City's current demographics and to prepare draft maps that divide the City into voting districts in a manner consistent with the intent and purpose of the CVRA and all other applicable laws; and

WHEREAS, as required by California Elections Code Section 10010, the City Council held public hearings on April 19, 2022 and May 17, 2022 to consider input from the public on the composition of the City Council districts and criteria for determining district boundaries; and

WHEREAS, as required by California Elections Code Section 10010, the City Council held public hearings on June 21, 2022, and July 19, 2022, where the public was invited to provide comments and input on the draft maps and the proposed sequence of elections; and

WHEREAS, throughout the foregoing process, the City engaged in a significant amount of public outreach and engagement beyond the public hearings and other procedures required by California Elections Code Section 10010, including but not limited to hosting two community workshop meetings, creating a dedicated district elections web page and a multi-media outreach approach with significant social media engagement. Additional outreach included a Citywide Community Workshop postcard to all Dublin postal customers, several press releases, emails to website districting subscribers, calls and emails to civic and community business organizations, and process flyers posted to the website and distributed at the Dublin Farmers' Market; and

WHEREAS, the City Council considered all oral and written information, testimony, and comments received during the public review process. All draft maps were published more than seven days before the public hearing at which they were discussed; and

WHEREAS, at a public hearing on July 19, 2022, the City Council agreed to sequence elections such that elections for Districts 1 and 3 would occur at the November 2024 municipal election, and every four years thereafter, and elections for Districts 2 and 4 would occur at the November 2026 municipal election, and every four years thereafter; and

WHEREAS, at a public hearing on August 16, 2022, the City Council voted to proceed with a final map, identified as Map 112; and

WHEREAS, the purpose of this Ordinance is to enact, pursuant to California Government Code Section 34886, an ordinance providing for the election of members of the City Council of the City of Dublin by district in four single-member districts and this change in the method of electing members of City Council is being made in furtherance of the purposes of the California Voting Rights Act of 2001. The City will maintain the at-large election for Mayor.

NOW, THEREFORE, The City Council of the City of Dublin does ordain as follows:

Section 1. Municipal Code Amendment. Chapter 2.32 (Elections) of the Dublin Municipal Code is hereby amended to add the following:

2.32.030 District Based Electoral System.

A. Subject to Section 2.32.050, Councilmembers shall be elected on a district-based electoral system from four single-member city council districts pursuant to Government Code Sections 34886 and 34871. For purposes of this section, the term "district-based electoral system" shall mean the election of Councilmembers by the voters of the district alone.

B. Except as provided in subsection C, below, each Councilmember elected to represent a district must reside in that district and be a registered voter in that district, and any candidate for City Council must reside in, and be a registered voter in, the district in which they seek election at the time nomination papers are issued, pursuant to Government Code Section 34882 and Elections Code Section 10227. Termination of residency in a district by a Councilmember shall create an immediate vacancy for that district unless a substitute residence within the district is established within thirty (30) days after that termination of residency.

C. An at-large Councilmember shall continue in office until the expiration of the full term to which they were elected or appointed and until their successor is qualified. If vacancies in Councilmember offices elected at-large occur before expiration of the full term thereof, such vacancies shall be filled pursuant to California Government Code Section 36512.

D. Upon expiration of the full term of each Councilmember elected at-large, that Councilmember's successor shall be elected on a by-district basis in the districts established in Section 2.32.040.A and as provided in Section 2.32.050.

2.32.040 City Council Districts Established By Resolution.

A. Subject to Section 2.32.050, Councilmembers shall be elected on a by-district basis from the Council Districts depicted on the Official District Map, as adopted separately by resolution and incorporated by this reference, a copy of which shall be on file in the City Clerk's office.

B. The Council Districts specified in 2.32.040 subsection A, above, shall continue in effect until they are amended or repealed in accordance with law. The Council Districts shall be adjusted following each decennial federal census, as required by the Elections Code and other applicable law.

2.32.050 Election Schedule.

Councilmembers shall be elected in Council Districts 1 and 3 beginning at the general municipal election in November 2024, and every four years thereafter. Councilmembers shall be elected in Council Districts 2 and 4 beginning at the general municipal election in November 2026, and every four years thereafter. The term and election schedule for the Mayor is not affected by this Section.

Section 2. Technical Adjustments. If necessary to facilitate the implementation of this Ordinance, the City Clerk is authorized to make technical adjustments to the district boundaries that do not substantively affect the populations in the districts, the eligibility of candidates, or the residence of elected officials within any district. The City Clerk shall consult with the City Manager and City Attorney concerning any technical adjustments deemed necessary and shall advise the City Council of any such adjustments required in the implementation of the districts.

Section 3. CEQA. The City Council finds that the proposed amendments to the Dublin Municipal Code are exempt from the requirements of the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 4. Severability. If any part of this ordinance is declared invalid by a court, such invalidity shall not affect any of the remaining parts.

Section 5. Effective Date. This Ordinance shall take effect and be enforced thirty (30) days following its final adoption.

Section 6. **Posting.** The City Clerk of the City of Dublin shall cause this Ordinance to be posted in at least three (3) public places in the City of Dublin in accordance with Section 36933 of the Government Code of the State of California.

PASSED, APPROVED AND ADOPTED this 6th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

5160199.3

RESOLUTION NO. XX – 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

ADOPTING THE CITY OF DUBLIN OFFICIAL DISTRICT MAP

WHEREAS, members of the City Council of the City of Dublin ("City") are currently elected in "at-large" elections, in which each City Councilmember is elected by the registered voters of the entire City; and

WHEREAS, California Government Code Section 34886 permits the legislative body of a city to adopt an ordinance to change its method of election from an "at-large" system to a "district-based" system in which each councilmember is elected only by the voters in the district in which the candidate resides; and

WHEREAS, the City received a letter on January 4, 2022, from Kevin Shenkman of the law firm of Shenkman & Hughes, on behalf of Southwest Voter Registration Education Project and its unidentified members residing within Dublin, alleging that the City's at-large councilmember electoral system violates the California Voting Rights Act ("CVRA") and threatening litigation if the City declines to voluntarily change to a district-based election system for electing councilmembers; and

WHEREAS, under Elections Code section 14028(a), a violation of the CVRA is established if it is shown that racially polarized voting occurs in elections. "Racially polarized voting" means voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate (Elections Code Section 14026, subd. (e)); and

WHEREAS, under the provisions of California Elections Code Section 10010, a city that changes from an at-large city council method of election to a district-based city council method of election must hold a series of public hearings, which includes at least two public hearings regarding potential voting district boundaries prior to the release and consideration of any draft voting district maps, and at least two public hearings following the release of draft voting district maps; and

WHEREAS, on February 15, 2022, the City Council adopted Resolution 17-22 declaring its intention to transition from an at-large election system to a district-based election system in conformance with the CVRA and establishing the timeframe for doing so; and

WHEREAS, the City retained the services of a qualified demographer to provide a detailed analysis of the City's current demographics and to prepare draft maps that divide the City into voting districts in a manner consistent with the intent and purpose of the CVRA and all other applicable laws; and

WHEREAS, as required by California Elections Code Section 10010, the City Council held public hearings on April 19, 2022 and May 17, 2022 to consider input from the public on the composition of the City Council districts and criteria for determining district boundaries; and

WHEREAS, as required by California Elections Code Section 10010, the City Council held public hearings on June 21, 2022, and July 19, 2022, where the public was invited to provide comments and input on the draft maps and the proposed sequence of elections; and

WHEREAS, throughout the foregoing process, the City engaged in a significant amount of public outreach and engagement beyond the public hearings and other procedures required by California Elections Code Section 10010, including but not limited to hosting two community workshop meetings, creating a dedicated district elections web page and a multi-media outreach approach with significant social media engagement. Additional outreach included a Citywide Community Workshop postcard to all Dublin postal customers, several press releases, emails to website districting subscribers, calls and emails to civic and community business organizations, and process flyers posted to the website and distributed at the Dublin Farmers' Market; and

WHEREAS, the City Council considered all oral and written information, testimony, and comments received during the public review process. All draft maps were published more than seven days before the public hearing at which they were discussed; and

WHEREAS, at a public hearing on July 19, 2022, the City Council agreed to sequence elections such that elections for Districts 1 and 3 would occur at the November 2024 municipal election, and every four years thereafter, and elections for Districts 2 and 4 would occur at the November 2026, and every four years thereafter; and

WHEREAS, at a public hearing on August 16, 2022, the City Council voted to proceed with a final map, identified as Map 112, and introduced Ordinance No. 10-22 to establish a district-based electoral system.

NOW, THEREFORE, BE IT RESOLVED after due consideration of the considerable public comment and testimony received, the City Council of the City of Dublin adopts the map attached as "**Exhibit A**" to this Resolution as the City of Dublin Official District Map; and

BE IT FURTHER RESOLVED, a copy of this Official District Map shall be maintained at all times in the Office of the City Clerk until the map is superseded or replaced by subsequent City Council resolution.

BE IT FURTHER RESOLVED, the City Clerk is directed to provide a copy of the Official District Map to the Alameda County Elections Division.

{Signatures on the following page}

PASSED, APPROVED AND ADOPTED this 6th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

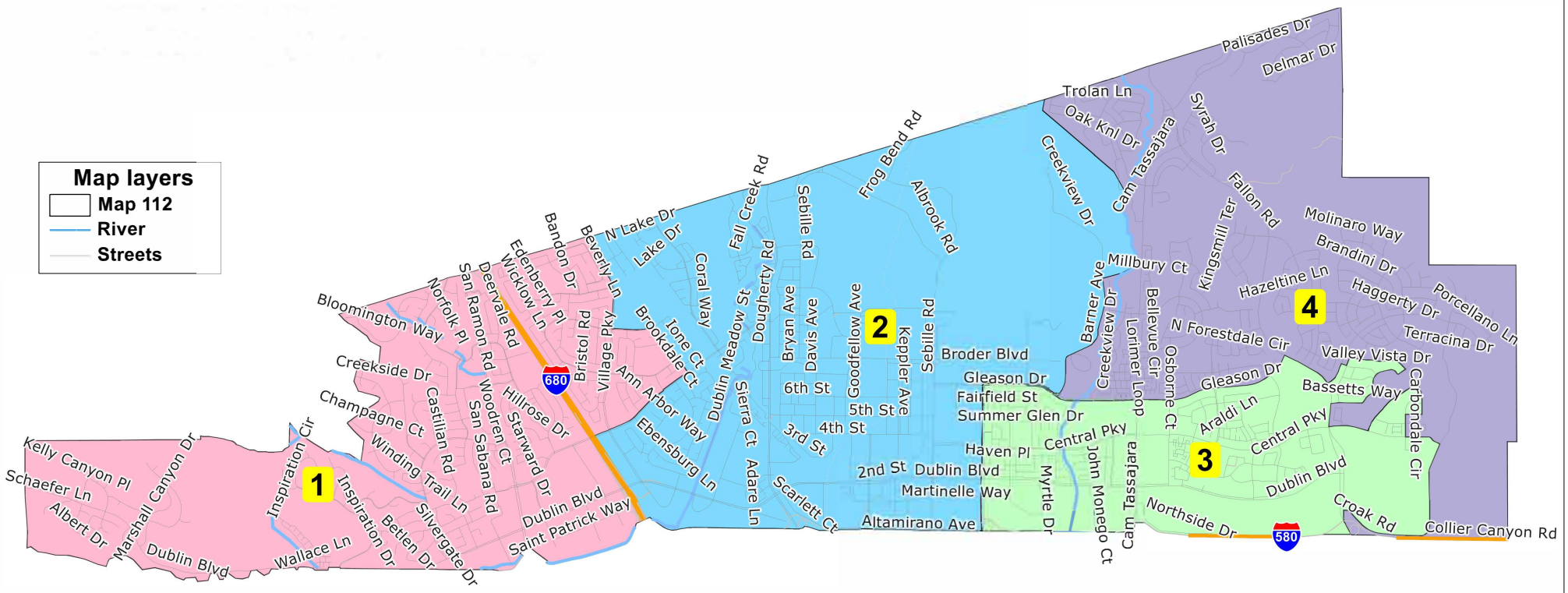
5160201.1

Dublin 2022 Districting

Map 112

1.79% Total Deviation

Selected Election Sequence:
2024: Districts 1 and 3
2026: Districts 2 and 4



©2021 CALIPER

Map 112						
District		1	2	3	4	Total
	Total Pop	17,867	18,057	17,737	17,807	71,468
	Deviation from ideal		190	-130	-60	320
	% Deviation	0.00%	1.06%	-0.73%	-0.34%	1.79%
Total Pop	% Hisp	15.0%	18%	6%	5%	11%
	% NH White	39%	32%	18%	11%	25%
	% NH Black	3%	7%	4%	2%	4%
	% Asian-American	40%	39%	70%	80%	57%
Citizen Voting Age Pop	Total	13,714	14,417	12,458	11,794	52,383
	% Hisp	14%	18%	7%	4%	11%
	% NH White	42%	34%	20%	13%	28%
	% NH Black	3%	7%	4%	2%	4%
	% Asian/Pac.Isl.	37%	37%	66%	79%	54%
Voter Registration (Nov 2020)	Total	10,907	7,581	7,126	8,593	34,207
	% Latino est.	13%	13%	10%	7%	11%
	% Spanish-Surnamed	12%	12%	9%	7%	10%
	% Asian-Surnamed	16%	17%	30%	45%	26%
	% Filipino-Surnamed	3%	3%	3%	3%	3%
	% NH White est.	66%	60%	49%	37%	54%
	% NH Black	3%	7%	8%	6%	6%
Voter Turnout (Nov 2020)	Total	9,270	6,338	6,013	7,507	29,128
	% Latino est.	13%	12%	9%	7%	10%
	% Spanish-Surnamed	12%	11%	9%	7%	10%
	% Asian-Surnamed	16%	17%	31%	44%	26%
	% Filipino-Surnamed	3%	3%	3%	3%	3%
	% NH White est.	66%	61%	48%	38%	54%
	% NH Black	3%	7%	8%	6%	5%
Voter Turnout (Nov 2018)	Total	6,726	3,808	3,567	4,134	18,235
	% Latino est.	12%	11%	10%	7%	10%
	% Spanish-Surnamed	12%	11%	9%	7%	10%
	% Asian-Surnamed	12%	11%	26%	42%	21%
	% Filipino-Surnamed	2%	3%	3%	3%	3%
	% NH White est.	71%	65%	52%	41%	59%
	% NH Black est.	3%	6%	8%	5%	5%
ACS Pop. Est.	Total	16,939	13,304	16,586	13,504	60,333
Age	age0-19	25%	25%	30%	32%	28%
	age20-60	56%	61%	58%	56%	58%
	age60plus	19%	14%	12%	12%	14%
Immigration	immigrants	27%	39%	42%	50%	39%
	naturalized	60%	43%	45%	57%	51%
Language spoken at home	english	67%	57%	41%	40%	52%
	spanish	7%	6%	4%	3%	5%
	asian-lang	18%	20%	36%	34%	27%
	other lang	8%	17%	18%	23%	16%
Language Fluency	Speaks Eng. "Less than Very Well"	11%	14%	18%	17%	15%
Education (among those age 25+)	hs-grad	30%	25%	16%	13%	22%
	bachelor	37%	39%	38%	38%	38%
	graduatedegree	20%	25%	37%	38%	30%
Child in Household	child-under18	40%	41%	51%	63%	47%
Pct of Pop. Age 16+	employed	69%	72%	74%	74%	72%
Household Income	income 0-25k	5%	7%	5%	5%	5%
	income 25-50k	9%	9%	7%	1%	7%
	income 50-75k	8%	8%	7%	2%	7%
	income 75-200k	50%	55%	44%	36%	47%
	income 200k-plus	28%	21%	37%	55%	34%
Housing Stats	single family	87%	50%	56%	90%	70%
	multi-family	13%	50%	44%	10%	30%
	rented	23%	55%	42%	15%	35%
	owned	77%	45%	58%	85%	65%

Total population data from the 2020 Decennial Census.

Surname-based Voter Registration and Turnout data from the California Statewide Database.

Latino voter registration and turnout data are Spanish-surname counts adjusted using Census Population Department undercount estimates. NH White and NH Black registration and turnout counts estimated by NDC. Citizen Voting Age Pop., Age, Immigration, and other demographics from the 2015-2019 American Community Survey and Special Tabulation 5-year data.

Agenda Item 4.6

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Purchase of Replacement Chairs, Tables, and Related Equipment for Shannon Community Center
Prepared by: Tyler Phillips, Recreation Supervisor

EXECUTIVE SUMMARY:

The City Council will consider authorizing the purchase of replacement chairs, tables, and related equipment from MityLite for Shannon Community Center.

STAFF RECOMMENDATION:

Adopt the **Resolution** Authorizing the Purchase of Replacement Chairs, Tables, and Related Equipment from MityLite for Shannon Community Center.

FINANCIAL IMPACT:

The funding to purchase replacement tables, chairs, and related equipment, at an estimated cost of $72,000, is included in the Fiscal Year 2022-23 General Fund Budget.

DESCRIPTION:

The City replaces tables, chairs, and other furniture when these items reach the end of service life or become unsafe for use. The banquet furniture at Shannon Community Center is designated to be replaced and is more than 12 years old. The furniture is used for private events, recreation programs, and various other activities in the banquet room and multi-purpose rooms.

Staff is recommending procurement of MityLite brand furniture. The City has existing MityLite furniture at Shannon Community Center, the Dublin Senior Center, and other City facilities. Replacement with similar furniture will allow for the use of current storage racks and carts and the ability to share matching furniture amongst facilities/rooms as needed. The quality of MityLite products and customer service has been well-regarded by Staff. MityLite also offers warranties on furniture that range from 12 to 15 years. The total cost of the replacement furniture is estimated

at $72,000, which exceeds the City Manager's purchasing authority. The attached Resolution (Attachment 1) authorizes this transaction.

Furthermore, Staff seeks to waive the competitive bidding process for these purchases via Section 2.36.100.B.9 of the City Municipal Code. This section provides an exemption to a competitive bidding process "when another public agency has administered a competitive bidding process and has a current valid agreement for the same or substantially similar consultant or professional services, general services, supplies, or equipment". MityLite offers its products at negotiated prices to local government agencies based on pricing submitted through a negotiated contract utilizing the California Department of General Services (DGS) and BuyBoard, a purchasing cooperative that conducted the bidding process. DGS Multiple Award Schedules are long-term government contracts with commercial firms providing federal, state, and local government buyers with access to commercial supplies and services at discount pricing. The DGS Authorized Multiple Award Schedule (CMAS #4-22-07-1020), and BuyBoard contract #667-22 are valid through March 2023 and provided as Attachment 2 to this Staff Report.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

None.

ATTACHMENTS:

1) Resolution Authorizing the Purchase of Replacement Chairs, Tables, and Related Equipment from MityLite for Shannon Community Center
2) Exhibit A to the Resolution – MityLite Government Pricing Schedule

RESOLUTION NO. XX – 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

AUTHORIZING THE PURCHASE OF REPLACEMENT CHAIRS, TABLES, AND RELATED EQUIPMENT FROM MITYLITE FOR SHANNON COMMUNITY CENTER

WHEREAS, the City requires chairs, tables, and related equipment at Shannon Community Center, and routinely replaces furniture and related equipment that has reached the end of its useful life; and

WHEREAS, Section 2.36.100(B)(9) of the Dublin Municipal Code allows for exceptions to the typical public bidding process when the City is able to procure items from a competitive bid process administered by another public agency; and

WHEREAS, MityLite has a valid pricing agreement (CMAS #4-22-07-1021 and BuyBoard #667-22) attached hereto as **Exhibit A**) publicly bid by the BuyBoard purchasing cooperative, which meets this Municipal Code provision for a publicly bid agreement, and the contract is valid through March, 2023; and

WHEREAS, Section 2.36.090 of the Dublin Municipal Code requires City Council approval of equipment and services with a cost greater than or equal to forty-five thousand dollars ($45,000).

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dublin hereby authorizes the City Manager to procure chairs, tables, and related equipment from MityLite, in excess of $45,000 and subject to available budget appropriations, under a purchasing agreement previously publicly bid and valid through the term of the contract.

PASSED, APPROVED AND ADOPTED this 6th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

CALIFORNIA DEPARTMENT OF GENERAL SERVICES

Procurement Division
707 Third Street, 2nd Floor, MS #2-202
West Sacramento, CA 95605-2811

State of California

MULTIPLE AWARD SCHEDULE

Mity-Lite, Inc.

CMAS NUMBER:	**4-22-07-1020**
CMAS TERM DATES:	07/22/2022 through 03/31/2023
CMAS CATEGORY:	Non Information Technology Commodities
APPLICABLE TERMS & CONDITIONS:	January 20, 2022
MAXIMUM ORDER LIMIT:	State Agencies: **See Purchasing Authority Dollar Threshold provision** Local Government Agencies: **Unlimited**
FOR USE BY:	State & Local Government Agencies
BASE BUYBOARD #:	667-22
BASE BUYBOARD HOLDER:	Mity-Lite

This California Multiple Award Schedule (CMAS) provides for the purchase and warranty of furniture for school, office, science, library and dormitory.

NOTICE: Products and/or services on this CMAS may be available on a Mandatory Statewide Contracts. If this is the case, the use of this CMAS is restricted unless the State agency has an approved exemption as explained in the Statewide Contract User Instructions. Information regarding Statewide Contracts can be obtained at the: Statewide Contract Index Listing (www.dgs.ca.gov/PD/About/Page-Content/PD-Branch-Intro-Accordion-List/Acquisitions/Statewide-Contracts). This requirement is not applicable to local government agencies.

State agencies cannot use this CMAS to purchase products available through the California Prison Industry Authority (CALPIA) without a one-time exemption from CALPIA. Agencies may request an exemption at the following website: www.calpia.ca.gov/products-services/customer-support/exemption-process/. A copy of the approved exemption must be kept with the purchase order for audit purposes.

The most current Ordering Instructions and Special Provisions, CMAS Terms and Conditions, and products and/or services are included herein. All purchase orders issued by State agencies shall incorporate these Ordering Instructions and Special Provisions and CMAS Terms and Conditions.

Original Signature on File

Effective Date: **07/22/2022**

John Dickinson, Program Analyst, California Multiple Award Schedules Unit

CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
MITY-LITE, INC.
CMAS NO. 4-22-07-1020

Agency non-compliance with the requirements may result in the loss of delegated authority to use the CMAS program.

CMAS contractor non-compliance with the requirements may result in termination.

CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS)
MITY-LITE, INC.
CMAS NO. 4-22-07-1020

CMAS PRODUCT & SERVICE CODES

Product & Service Codes listed below are for marketing purposes only. Review the base contract for the products and/or services available.

Brand-Mity-Lite
Furniture-Chairs
Furniture-Chairs Stacking
Furniture-Folding Chairs
Furniture-Tables
Furniture-Upholstered

AVAILABLE PRODUCTS AND/OR SERVICES

All of the products in the base BuyBoard contract are available within the scope of this CMAS.

The ordering agency must verify all products are currently available on the base BuyBoard contract. To access the Mity-Lite pricing go to the link: https://www.buyboard.com/home.aspx, and create an account and login. Once logged in, go to the "Shop" tab and click on "Vendors". Type "Mity-Lite" in the vendors search box, and then type the contract number "667-22" in the contracts search box. Then click on "See Products" to view the available products and pricing on the base BuyBoard contract.

ISSUE PURCHASE ORDER TO

Agency purchase orders must be sent to the following:

Mity-Lite, Inc.
1301 West 400 North
Orem, UT 84057
Attn: John King

E-mail: john.king@mityinc.com

Agencies with questions regarding products and/or services may contact the CMAS contractor as follows:

Contact: John King
Phone: (800) 362-5820
E-mail: john.king@mityinc.com

TOP 500 DELINQUENT TAXPAYERS

In accordance with Public Contract Code (PCC) 10295.4, and prior to placing an order for non-IT goods and/or services, **agencies must verify** with the Franchise Tax Board and the California Department of Tax and Fee Administration that this CMAS contractor's name does not appear on either list of the 500 largest tax delinquencies pursuant to Revenue and Taxation Code 7063 or 19195. **See next paragraph for information.**

The Local Government Purchasing Cooperative

For the Period 04/01/2022 to 03/31/2023

Final Catalog Award Report for Furniture for School, Office, Science, Library and Dormitory 667-22

2. Discount (%) Off Catalog /Pricelist for All Auditorium Seating Furniture

Vendor Name	Vendor Catalog Information	Percent Discount	Award
Krueger International, Inc.	Krueger International pricelist	43%	No
Krug Inc.	Krug pricelist	56%	No
Liberty Office Products	Liberty Office Products pricelist	15%	No
Alamo Classroom Solutions	Marco Group pricelist	36%	No
Educator's Depot, Inc.	MityLite pricelist	35%	No
Mity-Lite	MityLite pricelist	59%	Yes
Evans Facility Consultants	National Public Seating pricelist	37%	Yes
Kay-Twelve	National Public Seating pricelist	35%	Yes
Educator's Depot, Inc.	National Public Seating pricelist	30%	No
NorvaNivel USA, LLC	NorvaNivel pricelist	30%	No
Thompson Educational Furnishings, LLC	NPS & Oklahoma Sound pricelist	41%	Yes
Office Furniture Distributors	OFD pricelist	50%	No
Library Interiors of Texas, LLC	OFS/Carolina pricelist	40%	No
Paragon Furniture, LP	Paragon Furniture pricelist	40%	No
PS Furniture, Inc.	PS Furniture pricelist	55%	No
Educator's Depot, Inc.	PS Furniture pricelist	35%	No
Library Interiors of Texas, LLC	RFM pricelist	30%	Yes
3 Oaks Resource Group International	SAFCO Products pricelist	50%	No
Sauder Manufacturing Co.	Sauder Manufacturing Co. pricelist	55%	Yes
SchoolOutlet.com	SchoolOutlet pricelist	7%	Yes
Sedia Systems, Inc.	Sedia Systems pricelist	51%	Yes
Indeco Sales, Inc.	Sedia Systems pricelist	51%	Yes
Shiffler Equipment Sales, Inc.	Shiffler catalog	10%	No
Smith System Manufacturing	Smith System pricelist	35%	Yes

The Local Government Purchasing Cooperative

For the Period 04/01/2022 to 03/31/2023

Final Catalog Award Report for Furniture for School, Office, Science, Library and Dormitory 667-22

3. Discount (%) Off Catalog /Pricelist for All Cafeteria/Dining Room Furniture

Vendor Name	Vendor Catalog Information	Percent Discount	Award
Mien Company, Inc.	MiEN Buyboard pricelist	45%	No
Educator's Depot, Inc.	Mitchell pricelist	32%	Yes
Mity-Lite	MityLite pricelist	55%	Yes
J. R., Inc.	Mooreco pricelist	40%	No
Hertz Furniture Systems, LLC	Mooreco pricelist	39%	No
ABF USA Ltd.	Muzo pricelist	25%	No
3 Oaks Resource Group International	Muzo pricelist	25%	No
Library Interiors of Texas, LLC	Muzo pricelist	30%	No
J. R., Inc.	National Public Seating pricelist	40%	Yes
Indeco Sales, Inc.	National Public Seating pricelist	37%	Yes
Evans Facility Consultants	National Public Seating pricelist	37%	Yes
MeTEOR Education, LLC	National Public Seating pricelist	33%	No
School Specialty, LLC	National Public Seating pricelist	34%	No
School Outfitters	National Public Seating pricelist	35%	No
South Texas School Furniture	National Public Seating pricelist	20%	No
National Business Furniture	NBF pricelist	2%	Yes
Neutral Posture, Inc.	Neutral Posture Seating pricelist	53%	No
Library Interiors of Texas, LLC	Nevins pricelist	35%	Yes
Library Interiors of Texas, LLC	Nienkamper pricelist	35%	No
Library Interiors of Texas, LLC	Nook pricelist	30%	Yes
NorvaNivel USA, LLC	NorvaNivel pricelist	30%	No
School Outfitters	Norwood Commercial Furniture pricelist	32%	Yes
Hertz Furniture Systems, LLC	NPS pricelist	43%	Yes
Library Interiors of Texas, LLC	Oasis/Berco pricelist	40%	No

The Local Government Purchasing Cooperative

For the Period 04/01/2022 to 03/31/2023

Final Catalog Award Report for Furniture for School, Office, Science, Library and Dormitory 667-22

8. Discount (%) Off Catalog /Pricelist for All Office Furniture

Vendor Name	Vendor Catalog Information	Percent Discount	Award
Officewise Furniture and Supply	Lorell pricelist	20%	No
3 Oaks Resource Group International	Luxor Furniture pricelist	33%	Yes
Library Interiors of Texas, LLC	Luxout Shades pricelist	15%	No
South Texas School Furniture	Maverick pricelist	20%	Yes
Office Design Concepts, LLC	Maxon pricelist	50%	No
Hertz Furniture Systems, LLC	Maxon pricelist	69%	Yes
Library Interiors of Texas, LLC	Media Technologies pricelist	40%	No
Steelcase	MGBW 187 pricelist	18%	Yes
Mien Company, Inc.	MiEN Buyboard pricelist	45%	No
Mity-Lite	MityLite pricelist	56%	Yes
Library Interiors of Texas, LLC	Montel pricelist	40%	Yes
Best Buy Stores, L.P.	MooreCo pricelist	10%	No
Hertz Furniture Systems, LLC	Mooreco pricelist	39%	Yes
J. R., Inc.	Mooreco pricelist	40%	Yes
Mediatechnologies	MT pricelist	44%	Yes
ABF USA LTD.	Muzo pricelist	25%	Yes
Indeco Sales, Inc.	National Office Furniture pricelist	61%	Yes
MeTEOR Education, LLC	National Office Furniture pricelist	40%	No
Perry Office Plus	National Office pricelist	52%	No
School Outfitters	National Public Seating pricelist	35%	No
National Business Furniture	NBF pricelist	2%	Yes
Neutral Posture, Inc.	Neutral Posture Equity pricelist	64%	No
South Texas School Furniture	Neutral Posture pricelist	20%	No
Neutral Posture, Inc.	Neutral Posture Seating pricelist	53%	No

The Local Government Purchasing Cooperative

For the Period 04/01/2022 to 03/31/2023

Final Catalog Award Report for Furniture for School, Office, Science, Library and Dormitory 667-22

14. Discount (%) Off Catalog /Pricelist for All Other Business and Workplace Furniture

Vendor Name	Vendor Catalog Information	Percent Discount	Award
Office Design Concepts, LLC	Maxon pricelist	50%	No
Mien Company, Inc.	MiEN Buyboard pricelist	45%	Yes
Mity-Lite	MityLite pricelist	55%	Yes
Best Buy Stores, L.P.	MooreCo pricelist	10%	No
ABF USA LTD.	Muzo pricelist	25%	Yes
3 Oaks Resource Group International	Muzo pricelist	25%	Yes
MeTEOR Education, LLC	National Office Furniture pricelist	40%	Yes
National Business Furniture	NBF pricelist	2%	Yes
Neutral Posture, Inc.	Neutral Posture Equity pricelist	64%	No
Neutral Posture, Inc.	Neutral Posture Seating pricelist	53%	No
NorvaNivel USA, LLC	NorvaNivel pricelist	30%	No
ECFS, LLC	Nova Desk pricelist	44%	Yes
Library Interiors of Texas, LLC	Oasis/Berco pricelist	40%	No
Office Furniture Distributors	OFD pricelist	60%	Yes
Evans Facility Consultants	Office Source pricelist	50%	Yes
OFGO Studio	OFGO Studio pricelist	50%	Yes
Office Furniture for Less	OFL pricelist	50%	Yes
School Outfitters	OFM pricelist	40%	Yes
School Specialty, LLC	OFM pricelist	49%	Yes
Palmer Hamilton, LLC	Palmer Hamilton pricelist	30%	Yes
Hertz Furniture Systems, LLC	Palmer Hamilton pricelist	44%	Yes
3 Oaks Resource Group International	Palmieri Furniture pricelist	50%	Yes
Paragon Furniture, LP	Paragon Furniture pricelist	40%	No
Hertz Furniture Systems, LLC	Penco Lockers & Shelving pricelist	55%	No

Agenda Item 4.7

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: First Amendment to the Agreement with European Mobile Werks
Prepared by: Nate Schmidt, Captain Dublin Police Services

EXECUTIVE SUMMARY:

The City Council will consider approving an amendment to the agreement with European Mobile Werks to increase the not-to-exceed compensation amount.

STAFF RECOMMENDATION:

Adopt the **Resolution** Approving the First Amendment to the Contractor Services Agreement with European Mobile Werks for On-Call Maintenance and Repair Services.

FINANCIAL IMPACT:

The original agreement with European Mobile Werks was not to exceed $44,500. The amendment to the agreement adds $120,000 for a total not-to-exceed cost of $164,500. There is sufficient funding in the Police Services budget for the current year costs. Future costs will be included in the Fiscal Year 2023-24 budget proposal.

DESCRIPTION:

On September 1, 2021, the City of Dublin engaged European Mobile Werks in an agreement for on-call maintenance and repair services for emergency police vehicles that are not currently under factory warranty. European Mobile Werks responds to the Public Safety Complex to provide service to such vehicles, eliminating the time and cost of towing the vehicles to an alternative location. This is the sole vendor in the area to provide this mobile service.

The current agreement with European Mobile Werks includes a not-to-exceed compensation of $44,500 and has an expiration date of June 30, 2024. However, because there is a limited supply of new police vehicles, many of Dublin Police Services' existing vehicles are now outside the factory warranty period; additionally, maintenance and repair costs have increased significantly. As a

result, Dublin Police Services has utilized the entire contract amount with two fiscal years remaining in the agreement term.

The proposed amendment adds $120,000 to the agreement for a total not-to-exceed amount of $164,500. This proposed additional cost is based on estimated maintenance needs and historical data. There is sufficient funding in the Police Services budget for anticipated costs in the current year. The remainder of the contract will be included in next year's budget proposal.

STRATEGIC PLAN INITIATIVE:

None

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Resolution Approving the First Amendment to the Contractor Services Agreement with European Mobile Werks for On-Call Maintenance and Repair Services
2) Exhibit A to the Resolution – First Amendment to the Contractor Services Agreement Between the City of Dublin and European Mobile Werks
3) Contractor Services Agreement Between the City of Dublin and European Mobile Werks

RESOLUTION NO. XX – 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

APPROVING THE FIRST AMENDMENT TO THE CONTRACTOR SERVICES AGREEMENT WITH EUROPEAN MOBILE WERKS FOR ON-CALL MAINTENANCE AND REPAIR SERVICES

WHEREAS, the City of Dublin uses European Mobile Werks for on-call maintenance and repair services of Dublin Police vehicles; and

WHEREAS, on September 1, 2021, the City of Dublin and European Mobile Werks entered into an agreement for on-call maintenance and repair to police vehicles with a not-to-exceed amount of $44,500; and

WHEREAS, the current agreement with European Mobile Werks expires on June 30, 2024; and

WHEREAS, due to an aging fleet of police vehicles outside the factory warranty, and increases in maintenance and repair costs, the current not-exceed amount of $44,500 was utilized in Fiscal Year 2021-22; and

WHEREAS, the City and European Mobile Werks now wish to amend the agreement to increase the not-to-exceed amount by $120,000 for a total of $164,500 based on anticipated maintenance and historical data; and

WHEREAS, there is sufficient funding in the Police Operating budget for this amendment in the current year, with the balance included in the Fiscal Year 2023-24 proposed budget.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dublin does hereby approve the First Amendment to the Contractor Services Agreement with European Mobile Werks attached hereto as **Exhibit A**.

BE IT FURTHER RESOLVED that the City Council authorizes the City Manager to execute the amendment to the agreement with European Mobile Werks and make any necessary minor adjustments to carry out the intent of this Resolution.

{Signatures on the following page}

PASSED, APPROVED AND ADOPTED this 6th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

DocuSign Envelope ID: A64F5B27-3932-4EC4-9C79-F16BA52D0C77

FIRST AMENDMENT TO THE CONTRACTOR SERVICES AGREEMENT BETWEEN THE CITY OF DUBLIN AND EUROPEAN MOBILE WERKS FOR ON-CALL MAINTENANCE AND REPAIR SERVICES

WHEREAS, on September 1, 2021, the City of Dublin (hereinafter referred to as "CITY") and European Mobile Werks (hereinafter referred to as "CONTRACTOR") entered into a Contractor Services Agreement for On-Call Maintenance and Repair Services for Emergency Police Vehicles (hereinafter referred to as the “AGREEMENT”); and

WHEREAS, the existing AGREEMENT expires on June 30, 2024; and

WHEREAS, due to an aging fleet of police vehicles outside the factory warranty, maintenance and repair costs have increased significantly; and

WHEREAS, the current not-to-exceed amount of $44,500 was utilized for vehicle maintenance and repair in Fiscal Year 2021-22 with two Fiscal Years remaining in the agreement; and

WHEREAS, THE CITY and CONTRACTOR now wish to amend the AGREEMENT to increase the not-to-exceed amount by $120,000 for a total of $164,500 based on anticipated maintenance and historical data.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the AGREEMENT is amended as follows:

1) Section 2 - shall be rescinded and replaced with the following:
owing:

COMPENSATION. City hereby agrees to pay CONTRACTOR a sum not to exceed $164,500, notwithstanding any contrary indications that may be contained in CONTRACTOR’s proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and CONTRACTOR’s proposal, attached as Exhibit B, regarding the amount of compensation, the Agreement shall prevail. City shall pay CONTRACTOR for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to CONTRACTOR for services rendered pursuant to this Agreement. CONTRACTOR shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City in writing, CONTRACTOR shall not bill City for duplicate services performed by more than one person.

CONTRACTOR and City acknowledge and agree that compensation paid by City to CONTRACTOR under this Agreement is based upon CONTRACTOR’s actual costs of providing the services required hereunder, including salaries and benefits of

DocuSign Envelope ID: A64F5B27-3932-4EC4-9C79-F16BA52D0C77

employees and subcontractors of CONTRACTOR. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which CONTRACTOR and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2) Except to the extent inconsistent with this First Amendment, the Parties ratify and confirm all of the terms and conditions of the AGREEMENT.

3) All requisite insurance policies to be maintained by the CONTRACTOR pursuant to the Agreement, as may have been amended from time to time, shall include coverage for the amended term, as described above.

4) The individuals executing this Amendment and the instruments referenced in it on behalf of CONTRACTOR each represent and warrant that they have the legal power, right and actual authority to bind CONTRACTOR to the terms and conditions of this Amendment.

SIGNATURES ON THE FOLLOWING PAGE

DocuSign Envelope ID: A64F5B27-3932-4EC4-9C79-F16BA52D0C77

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed as of the date of the City Manager's signature below.

CITY OF DUBLIN

By: _____
Linda Smith, City Manager

Dated: _____

EUROPEAN MOBILE WERKS

DocuSigned by:
By: Milton Rodriguez
6BA4C3653E424C2...
Milton Rodriguez, Owner

ATTEST:

By: _____
Marsha Moore, City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

CONTRACTOR SERVICES AGREEMENT BETWEEN THE CITY OF DUBLIN AND EUROPEAN MOBILE WERKS FOR ON-CALL VEHICLE MAINTENANCE AND REPAIR SERVICES

THIS AGREEMENT for vehicle maintenance and repair services is made by and between the City of Dublin ("City") and European Mobile Werks ("Contractor") (together sometimes referred to as the "Parties") as of September 1, 2021 (the "Effective Date").

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

1.1 **Term of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 30, 2024, the date of completion specified in Exhibit A, and Contractor shall complete the work described in Exhibit A on or before that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Contractor to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as referenced in Section 8. Notwithstanding the foregoing this Agreement may be extended on a month to month basis for up to 6 months upon the written consent of the Contractor and the City Manager, provided that: a) sufficient funds have been appropriated for such purchase, b) the price charged by the Contractor for the provision of the serves described in Exhibit A does not increase. None of the foregoing shall affect the City's right to terminate the Agreement as provided for in Section 8.

1.2 **Standard of Performance.** Contractor shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged.

1.3 **Assignment of Personnel.** Contractor shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Contractor shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 **Time.** Contractor shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Subsection 1.2 above and to satisfy Contractor's obligations hereunder.

1.5 **[Intentionally deleted].**

1.6 **[Intentionally deleted].**

Section 2. COMPENSATION. City hereby agrees to pay Contractor a sum not to exceed $44,500, notwithstanding any contrary indications that may be contained in Contractor's proposal, for services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Contractor's proposal, attached as Exhibit A, regarding the amount of compensation, the Agreement shall prevail. City shall pay Contractor for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Contractor for services rendered pursuant to this Agreement. Contractor shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City in writing, Contractor shall not bill City for duplicate services performed by more than one person.

Contractor and City acknowledge and agree that compensation paid by City to Contractor under this Agreement is based upon Contractor's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Contractor. Consequently, the Parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Contractor and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Contractor shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. No individual performing work under this Agreement shall bill more than 2,000 hours in a fiscal year unless approved, in writing, by the City Manager or his/her designee. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- The total number of hours of work performed under the Agreement by Contractor and each employee, agent, and subcontractor of Contractor performing services hereunder;
- The Contractor's signature;
- Contractor shall give separate notice to the City when the total number of hours worked by Contractor and any individual employee, agent, or subcontractor of Contractor reaches or exceeds 800 hours within a 12-month period under this Agreement and any other agreement between Contractor and City. Such notice shall include an estimate of the time necessary to complete work described in Exhibit A and the estimate of time necessary to complete work under any other agreement between Contractor and City, if applicable.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Contractor.

2.3 **Final Payment.** City shall pay the last 10% of the total sum due pursuant to this Agreement within 60 days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.4 **Total Payment.** City shall pay for the services to be rendered by Contractor pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Contractor in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Contractor submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 **Hourly Fees.** Fees for work performed by Contractor on an hourly basis shall not exceed the amounts shown on the compensation schedule attached hereto as Exhibit B.

2.6 **[Intentionally Deleted].**

2.7 **Payment of Taxes.** Contractor is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

2.8 **Payment upon Termination.** In the event that the City or Contractor terminates this Agreement pursuant to Section 8, the City shall compensate the Contractor for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Contractor shall maintain adequate logs and timesheets to verify costs incurred to that date.

2.9 **Authorization to Perform Services.** The Contractor is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Contractor shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Contractor only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Contractor's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

Section 4. INSURANCE REQUIREMENTS. Before fully executing this Agreement, Contractor, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance

listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Contractor shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects, and that such insurance is in effect prior to beginning work. Contractor shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Contractor's bid or proposal. Contractor shall not allow any subcontractor to commence work on any subcontract until Contractor has obtained all insurance required herein for the subcontractor(s) and provided evidence to City that such insurance is in effect. VERIFICATION OF THE REQUIRED INSURANCE SHALL BE SUBMITTED AND MADE PART OF THIS AGREEMENT PRIOR TO EXECUTION. Contractor shall maintain all required insurance listed herein for the duration of this Agreement.

4.1 Workers' Compensation.

4.1.1 General Requirements. Contractor shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Contractor. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than $1,000,000 per accident. In the alternative, Contractor may rely on a self-insurance program to meet these requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the entity for all work performed by the Contractor, its employees, agents, and subcontractors.

4.1.2 Submittal Requirements. To comply with Subsection 4.1, Contractor shall submit the following:

a. Certificate of Liability Insurance in the amounts specified in the section; and

b. Waiver of Subrogation Endorsement as required by the section.

4.2 Commercial General and Automobile Liability Insurance.

4.2.1 General Requirements. Contractor, at its own cost and expense, shall maintain commercial general liability insurance for the term of this Agreement in an amount not less than $1,000,000 and automobile liability insurance for the term of this Agreement in an amount not less than $1,000,000 per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability

form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum Scope of Coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (most recent edition) covering comprehensive General Liability on an "occurrence" basis. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001, Code 1 (any auto). No endorsement shall be attached limiting the coverage.

4.2.3 **Additional Requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The Insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

b. City, its officers, officials, employees, and volunteers are to be covered as additional insureds as respects: liability arising out of work or operations performed by or on behalf of the Contractor; or automobiles owned, leased, hired, or borrowed by the Contractor.

c. Contractor hereby agrees to waive subrogation which any insurer or contractor may require from vendor by virtue of the payment of any loss. Contractor agrees to obtain any endorsements that may be necessary to effect this waiver of subrogation.

d. For any claims related to this Agreement or the work hereunder, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

4.2.4 **Submittal Requirements.** To comply with Subsection 4.2, Contractor shall submit the following:

a. Certificate of Liability Insurance in the amounts specified in the section;

b. Additional Insured Endorsement as required by the section;

c. Waiver of Subrogation Endorsement as required by the section; and

d. Primary Insurance Endorsement as required by the section.

4.3 **All Policies Requirements.**

4.3.1 **Acceptability of Insurers.** All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.3.2 **Verification of Coverage.** Prior to beginning any work under this Agreement, Contractor shall furnish City with complete copies of all Certificates of Liability Insurance delivered to Contractor by the insurer, including complete copies of all endorsements attached to the policies. All copies of Certificates of Liability Insurance and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. If the City does not receive the required insurance documents prior to the Contractor beginning work, it shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete copies of all required insurance policies at any time.

4.3.3 **Deductibles and Self-Insured Retentions.** Contractor shall disclose to and obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, employees, and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

4.3.4 **Wasting Policies.** No policy required by this Section 4 shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense).

4.3.5 **Endorsement Requirements.** Each insurance policy required by Section 4 shall be endorsed to state that coverage shall not be canceled by either party, except after 30 days' prior written notice has been provided to the City.

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

4.4 **Remedies.** In addition to any other remedies City may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Contractor's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;

- Order Contractor to stop work under this Agreement or withhold any payment that becomes due to Contractor hereunder, or both stop work and withhold any payment, until Contractor demonstrates compliance with the requirements hereof; and/or

- Terminate this Agreement.

Section 5. INDEMNIFICATION AND CONTRACTOR'S RESPONSIBILITIES. Contractor shall indemnify, defend with counsel acceptable to City, and hold harmless City and its officers, officials, employees, agents and volunteers from and against any and all liability, loss, damage, claims, expenses, and costs (including without limitation, attorney's fees and costs and fees of litigation) (collectively, "Liability") of every nature arising out of or in connection with Contractor's performance of the Services or its failure to comply with any of its obligations contained in this Agreement, except such Liability caused by the sole negligence or willful misconduct of City.

The Contractor's obligation to defend and indemnify shall not be excused because of the Contractor's inability to evaluate Liability or because the Contractor evaluates Liability and determines that the Contractor is not liable to the claimant. The Contractor must respond within 30 days, to the tender of any claim for defense and indemnity by the City, unless this time has been extended by the City. If the Contractor fails to accept or reject a tender of defense and indemnity within 30 days, in addition to any other remedy authorized by law, so much of the money due the Contractor under and by virtue of this Agreement as shall reasonably be considered necessary by the City, may be retained by the City until disposition has been made of the claim or suit for damages, or until the Contractor accepts or rejects the tender of defense, whichever occurs first.

Notwithstanding the forgoing, to the extent this Agreement is a "construction contract" as defined by California Civil Code Section 2782, as may be amended from time to time, such duties of Contractor to indemnify shall not apply when to do so would be prohibited by California Civil Code Section 2782.

In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Contractor shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONTRACTOR.

6.1 Independent Contractor. At all times during the term of this Agreement, Contractor shall be an independent contractor and shall not be an employee of City. This Agreement shall not be construed as an agreement for employment. City shall have the right to control Contractor only insofar as the results of Contractor's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subsection 1.3; however, otherwise

City shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement. Contractor further acknowledges that Contractor performs Services outside the usual course of the City's business; and is customarily engaged in an independently established trade, occupation, or business of the same nature as the Contractor performs for the City and has the option to perform such work for other entities. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Contractor and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

6.2 **Contractor Not an Agent.** Except as City may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Contractor and any subcontractors shall comply with all laws and regulations applicable to the performance of the work hereunder, including but not limited to, the California Building Code, the Americans with Disabilities Act, and any copyright, patent or trademark law. Contractor's failure to comply with any law(s) or regulation(s) applicable to the performance of the work hereunder shall constitute a breach of contract.

7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Contractor and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.

7.4 **Licenses and Permits.** Contractor represents and warrants to City that Contractor and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Contractor represents and warrants to City that Contractor and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Contractor and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

7.5 **Nondiscrimination and Equal Opportunity.** Contractor shall not discriminate, on the basis of a person's race, sex, gender, religion (including religious dress and grooming practices), national origin, ancestry, physical or mental disability, medical condition (including cancer and genetic characteristics), marital status, age, sexual orientation, color, creed, pregnancy, genetic information, gender identity or expression, political affiliation or belief, military/veteran status, or any other classification protected by applicable local, state, or federal laws (each a "Protected Characteristic"), against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Contractor under this Agreement.

Contractor shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** City may cancel this Agreement at any time and without cause upon written notification to Contractor.

Contractor may cancel this Agreement upon 30 days' written notice to City and shall include in such notice the reasons for cancellation.

In the event of termination, Contractor shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Contractor delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Contractor or prepared by or for Contractor or the City in connection with this Agreement.

8.2 **Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Contractor understands and agrees that, if City grants such an extension, City shall have no obligation to provide Contractor with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Contractor for any otherwise reimbursable expenses incurred during the extension period.

8.3 **Amendments.** The Parties may amend this Agreement only by a writing signed by all the Parties.

8.4 **Assignment and Subcontracting.** City and Contractor recognize and agree that this Agreement contemplates personal performance by Contractor and is based upon a determination of Contractor's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Contractor. Contractor may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Contractor shall not subcontract any portion of the

performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

8.5 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Contractor shall survive the termination of this Agreement.

8.6 **Options upon Breach by Contractor.** If Contractor materially breaches any of the terms of this Agreement, City's remedies shall include, but are not limited to, the following:

8.6.1 Immediately terminate the Agreement;

8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Contractor pursuant to this Agreement;

8.6.3 Retain a different Contractor to complete the work described in Exhibit A not finished by Contractor; or

8.6.4 Charge Contractor the difference between the cost to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Contractor pursuant to Section 2 if Contractor had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 **Records Created as Part of Contractor's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Contractor prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Contractor hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Contractor agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both Parties.

9.2 **Contractor's Books and Records.** Contractor shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of 3 years, or for any longer period required by law, from the date of final payment to the Contractor to this Agreement.

9.3 **Inspection and Audit of Records.** Any records or documents that Subsection 9.2 of this Agreement requires Contractor to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of

the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds $10,000.00, the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of 3 years after final payment under the Agreement.

Section 10. MISCELLANEOUS PROVISIONS.

10.1 Attorneys' Fees. If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 Venue. In the event that either party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Alameda or in the United States District Court for the Northern District of California.

10.3 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

10.6 Conflict of Interest. Contractor may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Contractor in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Contractor shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Section 1090 *et seq.*

Contractor hereby warrants that it is not now, nor has it been in the previous 12 months, an employee, agent, appointee, or official of the City. If Contractor was an employee, agent, appointee, or official of the City in the previous 12 months, Contractor warrants that it did not participate in any manner in the forming of this Agreement. Contractor understands that, if this Agreement is made in violation of California Government Code Section 1090 *et seq.*, the entire Agreement is void and Contractor will not be entitled to any compensation

for services performed pursuant to this Agreement, including reimbursement of expenses, and Contractor will be required to reimburse the City for any sums paid to the Contractor. Contractor understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of California Government Code Section 1090 *et seq.*, and, if applicable, will be disqualified from holding public office in the State of California.

At City's sole discretion, Contractor may be required to file with the City a Form 700 to identify and document Contractor's economic interests, as defined and regulated by the California Fair Political Practices Commission. If Contractor is required to file a Form 700, Contractor is hereby advised to contact the Dublin City Clerk for the Form 700 and directions on how to prepare it.

10.7 **Solicitation.** Contractor agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.8 **Contract Administration.** This Agreement shall be administered by the City Manager ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his or her designee.

10.9 **Notices.** Any written notice to Contractor shall be sent to:

European Mobile Werks
Attn: Milton Rodriguez
331 N Sierra Madre St
Tracy, CA 95391

Any written notice to City shall be sent to:

City of Dublin
Attn: Police Services
100 Civic Plaza
Dublin, CA 94568

10.10 **Integration.** This Agreement, including the scope of work attached hereto and incorporated herein as Exhibits A and B represents the entire and integrated agreement between City and Contractor and supersedes all prior negotiations, representations, or agreements, either written or oral.

Exhibit A	Scope of Services
Exhibit B	Compensation Schedule & Reimbursable Expenses

10.11 **Counterparts and Electronic Signatures**. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement. Counterparts delivered and/or signatures executed by City-approved electronic or digital means shall have the same force and effect as the use of a manual signature. Both Parties desire this Agreement to be electronically signed in accordance

with applicable federal and California law. Either Party may revoke its agreement to use electronic signatures at any time by giving notice to the other Party.

10.12 **Certification per Iran Contracting Act of 2010.** In the event that this contract is for one million dollars ($1,000,000.00) or more, by Contractor's signature below Contractor certifies that Contractor, and any parent entities, subsidiaries, successors or subunits of Contractor are not identified on a list created pursuant to subdivision (b) of Section 2203 of the California Public Contract Code as a person engaging in investment activities in Iran as described in subdivision (a) of Section 2202.5, or as a person described in subdivision (b) of Section 2202.5 of the California Public Contract Code, as applicable.

SIGNATURES ON FOLLOWING PAGE

The Parties have executed this Agreement as of the Effective Date. The persons whose signatures appear below certify that they are authorized to sign on behalf of the respective Party.

CITY OF DUBLIN

DocuSigned by:
Linda Smith
E33836CFFC044E0...
Linda Smith, City Manager

EUROPEAN MOBILE WERKS

DocuSigned by:
6BA4C3653E424C2...
Milton Rodriguez, Owner

Attest:

DocuSigned by:
Marsha Moore
9BB70815D22F40A...
Marsha Moore, City Clerk

Approved as to Form:

DocuSigned by:
Jordyn Bishop for
5ED7F38973DC484...
City Attorney

3070368.1

EXHIBIT A

SCOPE OF SERVICES

Provide repair, maintenance and equipment installation services for emergency police vehicles.

EXHIBIT B

COMPENSATION SCHEDULE & REIMBURSABLE EXPENSES

European Mobile Werks will be charging labor at $100.00 per hour during normal business hours and $135.00 per hour after hours and on weekends and holidays. Parts markup will be 33% of cost.

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Annual Review of City's Investment Policy
Prepared by: Chris Rhoades, Financial Analyst

EXECUTIVE SUMMARY:

The City Council will consider approval of the City's Investment Policy, including proposed changes to enable the City to purchase securities with a final maturity greater than five years as permitted by California Government Code. While not required by statute, annual review of a local agency's investment policy is recommended by the California Debt and Investment Advisory Commission and is included as a requirement in the City Policy.

STAFF RECOMMENDATION:

Adopt the **Resolution** Approving the 2022 Annual Review of Investment Policy and Delegation of Authority to Complete Investment Transactions.

FINANCIAL IMPACT:

None.

DESCRIPTION:

The current Investment Policy, adopted on August 21, 2007, states that it is subject to annual review by the City Council and that the review shall be conducted by the second meeting in September (Section XVIII). The Policy was last reviewed on August 17, 2021, with revisions made to be consistent with the California Government Code.

After consultation with the City's investment advisor, Chandler Asset Management, Staff is proposing changes to the following sections of the Policy, as described below.

Revise Sections IX.1 United States Treasury Issues, IX.2 Federal Agency Obligations, and IX.12 Municipal Securities

The proposed changes extend the maximum maturity of these securities from five years to 10 years as permitted by California Government Code. This is consistent with the City's primary investment objectives of Safety, Liquidity, Return, and Diversification, while providing the flexibility to leverage the City's substantial portfolio to take on added risk over a longer investment cycle to enhance total returns. The investments in these securities with maturity beyond five years can begin three months after September 6, 2022, the date of change to the Policy.

Revise Section IX.11 Asset Backed Mortgages

The proposed change adds language in the section header to better differentiate that Government Sponsored Mortgage securities are accounted for in the Federal Agency section (IX.2).

There are no other changes proposed to the Policy with this annual review. The Administrative Services Director is still designated as the City Treasurer and the City Manager and/or Assistant Administrative Services Director as the Deputy City Treasurer, as dictated in Section IV Delegation of Authority. The attached Resolution documents the annual review and confirms the delegation of authority to Staff to complete investment transactions. The Policy is attached as Exhibit A to the Resolution.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Resolution Approving the 2022 Annual Review of Investment Policy and Delegation of Authority to Complete Investment Transactions
2) Exhibit A to the Resolution - Statement of Investment Policy for the City of Dublin
3) 2022 Statement of Investment Policy for the City of Dublin (Redline)

RESOLUTION NO. XX – 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

APPROVING THE 2022 ANNUAL REVIEW OF INVESTMENT POLICY AND DELEGATION OF AUTHORITY TO COMPLETE INVESTMENT TRANSACTIONS

WHEREAS, on August 21, 2007 the City Council adopted Resolution 152-07 approving a City Investment Policy (Policy); and

WHEREAS, Section XVIII of the Policy requires an annual review by the City Council no later than the second meeting in September; and

WHEREAS, the last modification to the Policy was approved by the Council at the City Council meeting of August 17, 2021; and

WHEREAS, the focus of the annual review is to allow for any adjustments as a result of changes in State laws or other recommended modifications; and

WHEREAS, consistent with the provisions of Government Code Section 53607, the Policy provides for the City Council to delegate for a one-year period the authority to invest City funds to the City Treasurer and any duly appointed Deputy City Treasurer; and

WHEREAS, Staff recommends changes to the Investment Policy aligning with current best practices and clarifying language; and

WHEREAS, the City Council reviewed the Investment Policy at the September 6, 2022 meeting.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dublin does hereby in accordance with California Government Code 53646(a)(2) complete and approve the 2022 Annual Review of the Investment Policy, as attached hereto as **Exhibit A**.

BE IT FURTHER RESOLVED that the City Council action explicitly renews the delegation of authority to complete investment transactions by City Staff (Administrative Services Director designated as the City Treasurer and the City Manager and/or Assistant Administrative Services Director designated as the Deputy City Treasurer), as described in Section IV of the Policy.

{Signatures on the following page}

PASSED, APPROVED AND ADOPTED this 6th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
Mayor

ATTEST:

_____
City Clerk

STATEMENT OF INVESTMENT POLICY FOR THE CITY OF DUBLIN

I. INTRODUCTION

This Statement of Investment Policy is intended to identify various policies and procedures that will foster a prudent and systematic investment program designed to seek the City's objectives of safety, liquidity and return through a diversified investment portfolio. This policy also serves to organize and formalize the City's investment-related activities, while complying with all applicable status governing the investment of public funds.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City of Dublin, as set forth in the State Government Code, sections 53600 et seq., excluding any bond- related proceeds or reserves, which are governed by their bond indentures. Cash held by the City shall be pooled in order to more effectively manage City cash resources. All pooled funds are accounted for in the City's Comprehensive Annual Financial Report and include:

Funds
General Fund
Special Revenue Funds
Capital Project Funds
Internal Service Funds
Enterprise Funds
Agency Funds

This original investment policy was adopted by the City of Dublin (the "City"), on August 21, 2007. This update to the Policy is effective on September 6, 2022 and replaces any previous versions.

III. OBJECTIVES

The overall program shall be designed and managed with a degree of professionalism worthy of the public trust. The primary objectives, in order of priority, of the City's investment activities shall be:

I) *Safety:* Safety of principal is the foremost objective of the investment program. The City's investments shall be undertaken in a manner that seeks to safeguard the principal of the funds under its control by maintaining an appropriate risk level.

2) *Liquidity:* The City's investment portfolio will remain sufficiently liquid to enable the City to meet its reasonably anticipated cash flow requirements.

3) *Return:* Return should become a consideration only after the basic requirements of safety and liquidity have been met. The City seeks to attain market average rate of return on its investments throughout economic cycles, consistent with constraints imposed by its safety objectives and cash flow considerations.

4) *Diversification:* The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. This shall also conform with applicable sections of the Government Code.

IV. DELEGATION OF AUTHORITY

As authorized in Government Code Section 53607, the City Council delegates the authority to invest funds of the City to the City Treasurer and/or any duly appointed Deputy City Treasurer. The City Treasurer and any duly appointed Deputy City Treasurer shall make all investment decisions and transactions in strict accordance with State law and this investment policy. The Administrative Services Director shall be designated as the City Treasurer and the City Manager and/or Assistant Administrative Services Director shall be designated as the Deputy City Treasurer. This delegation shall be for a one-year period until the delegation of authority is revoked or expires. The City Council may renew the authority each year as part of an annual review of this policy.

The City Treasurer shall establish procedures for the operation of the investment program. The City Treasurer shall be also responsible for all transactions undertaken and establishing a system of controls to regulate the activities of subordinates.

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. Authorized individuals acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The City may engage the services of one or more external investment managers to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this investment policy. Such managers must be registered under the Investment Advisors Act of 1940.

V. PRUDENCE

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: "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 agency, 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 agency."

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall acts as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Thus employees and officials involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program, or impairs their ability to make impartial investment decisions. Additionally, the City Treasurer and the Deputy Treasurer shall file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Periodically as deemed appropriate by City Management and/or the City Council an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

To the extent practical the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. It shall be the City's policy to purchase securities only from authorized institutions and firms. No deposit of public funds shall be made except in a qualified public depository as

established by state laws.

Institutions eligible to transact investment business with the City include:

1. Primary government dealers as designated by the Federal Reserve Bank and non-primary government dealers
2. Nationally or state chartered banks
3. The Federal Reserve Bank
4. Direct issuers of securities eligible for purchase

The Treasurer shall maintain procedures for the establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes. These may include primary or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-l (uniform net capital rule). The City requires each firm that will be used for the purchase or sale of securities to be evaluated by the Treasurer prior to any investments. The firms shall submit current financial statements, and annual audited financial statements each year thereafter, which are to be evaluated by the Treasurer. At a minimum, the firm must be financially sound and have been in business a minimum of three years. In addition, the firms must provide: proof of National Association of Security Dealers membership, proof of state registration or exemption, and certificate of having read the City's investment policy.

If an investment adviser is retained by the City, then that adviser will be permitted to use their own list of approved broker/dealers and financial institutions for investment purposes.

IX. AUTHORIZED AND SUITABLE INVESTMENTS

The City's investments are governed by Government Code, Sections 53600 et seq. Within the investments permitted by the Government Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event an apparent discrepancy is found between this Policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits 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 most current Policy.

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 institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

1. United States Treasury Issues. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be invested in this category. The maximum maturity of these securities is ten years. The City Council authorized investments in United States Treasury Issues beyond five years on September 6, 2022.

2. Federal Agency Obligations. Federal agency 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 is no limitation as to the percentage of the portfolio that may be invested in this category. However, the portfolio's exposure to any one federal agency issuer is limited to 35% of the overall portfolio. The limit of the overall portfolio's exposure to callable federal agency securities is 25%. The maximum maturity for agency securities is ten years. The City Council authorized investments in Federal Agency Obligations beyond five years on September 6, 2022.

3. Bankers' Acceptances. Bankers' acceptances, otherwise known as bills of exchange or time drafts, that are drawn on and accepted by a commercial bank. Bankers' acceptances must be secured by the irrevocable primary obligation of the accepting domestic bank. Purchasers are limited to issuers whose short-term debt is rated "A-1" or higher, or the equivalent, by a Nationally Recognized Statistical-Rating Organization (NRSRO). Bankers' acceptances cannot exceed a maturity of 180 days. A maximum of 40% of the portfolio may be invested in this category. The amount invested in bankers' acceptances with any one financial institution in combination with any other debt from that financial institution shall not exceed 20% of the portfolio.

4. Commercial Paper. Commercial paper of "prime" quality rated "A-1" or higher, or the equivalent, by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (A) or paragraph (B):

   (A) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars ($500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.

   (B) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10% of the outstanding paper of an issuing corporation. A maximum of 25% of the portfolio may be invested in this category. Under a provision of the California Government Code sunsetting on January 1, 2026, no more than 40% of the portfolio may be invested in Commercial Paper if the Agency's investment assets under management are greater than $100,000,000. The amount invested in commercial paper of any one issuer in combination with any other debt from that issuer shall not exceed 20% of the portfolio.

5. Negotiable Certificates of Deposit**.** 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 state-licensed branch of a foreign bank. Purchases are limited to institutions which have long-term debt rated "A" or better and/or have short-term debt rated at least "A-1" or higher, or the equivalent by a NRSRO. A maximum of 30% of the portfolio may be invested in this category. The amount invested in NCDs with any one financial institution in combination with any other debt from that financial institution shall not exceed 20% of the portfolio. The maximum maturity of these securities is five years.

6. Time Certificates of Deposit. Time Certificates of Deposit (TCDs) placed with commercial banks and savings and loans. The purchase of TCDs from out-of-state banks or savings and loans is prohibited. The amount on deposit shall not exceed the shareholder's equity in the financial institution. To be eligible for purchase, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided Government Code Section 53635.2. TCDs are required to be collateralized as specified under Government Code Section 53630 et. seq. The Treasurer, at his discretion, may waive the collateralization requirements for any portion that is covered by federal (FDIC) insurance. The City shall have a signed agreement with the depository per Government Code Section 53649. The maximum maturity of these securities may not exceed one (1) year in maturity. A maximum of 10% of the portfolio may be invested in this category.

7. 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:
   1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
   2. 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.
   3. 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:
   1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
   2. 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.
   3. No more than 20% of the total portfolio may be invested in Money Market Mutual Funds.

c. No more than 20% of the total portfolio may be invested in these securities.
   .

8. State of California Local Agency Investment Fund (LAIF). The City may invest up to the maximum as permitted by LAIF. For due diligence, the Treasurer shall maintain on file a copy of LAIF's current Answer Book.

9. California Asset Management Program (CAMP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (n), inclusive of Government Code Section 53601. For due diligence, the Treasurer shall maintain on file a copy of CAMP's current Information Statement.

10. Medium-Term Notes. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations 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. Purchases are limited to securities rated

"A" or higher, or the equivalent, by a NRSRO. A maximum of 30% of the City's portfolio may be invested in this category and a maximum of 5% with any one issuer. The maximum maturity of these securities is five years.

11. Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations, from issuers not defined in the Federal Agency Obligations Subdivision. The City may purchase such securities provided that they are rated "AA" or higher, or the equivalent, by a NRSRO. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio, and a maximum of 5% per issue. The maximum maturity of these securities is five years.

12. Municipal Securities. Obligations of the State of California, any of the other 49 states, or any local agency within the state of California, may be purchased by the City provided that long-term obligations are rated "A" or higher, or the equivalent, by at least one NRSRO. There are no limits on the dollar amount or percentage that the city may invest in municipal securities; however, investments in these securities are limited to a maximum of 5% with any single issuer. The maximum maturity of these securities is ten years. The City Council authorized investments in Municipal Securities beyond five years on September 6, 2022.

13. 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 must be rated in a rating category of “AA” or its equivalent by a NRSRO. No more than 30% of the portfolio may be invested in these securities, and no more than 10% of the portfolio may be invested in any single issuer. The maximum maturity does not exceed five (5) years.

X. AUTHORIZED INVESTMENTS FOR BOND PROCEEDS

Bond proceeds shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in securities permitted by this Policy. Notwithstanding the provisions of Policy, the percentage or dollar portfolio limitations listed in elsewhere in this Policy do not apply to bond proceeds. In addition to the securities listed in Section IX above, bond proceeds may be invested in structured investment products if approved by the Treasurer.

XI. PROHIBITED INVESTMENT PRACTICES AND INSTRUMENTS

The City shall not make investments for the purpose of trading or speculation as the dominate criterion such as anticipation of appreciation of capital value through changes in market rates. Securities are purchased with the intent to hold to maturity.

Any investment in a security not specifically listed as an Authorized and Suitable Investment above, but otherwise permitted by the Government Code, is prohibited without the prior approval of the City Council. Section 53601.6 of the Government Code specifically disallows investments in invoice floaters, range notes, or interest-only strips that are derived from a pool of mortgages. Under a provision of the California Government Code sunsetting on January 1, 2026, securities backed by the United States Government that could result in a zero or negative interest accrual if held to maturity are permitted.

XII. REVIEW OF INVESTMENT PORTFOLIO

The City Treasurer 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.

XIII. TERM OF INVESTMENTS

Funds of the City will be invested in accordance with sound treasury management principles. It is the objective of this Policy to provide a system which will accurately monitor and forecast revenues and expenditures so that the City can invest funds to the fullest extent possible.

The maximum maturity of individual investments shall not exceed the limits set forth in under Authorized and Suitable Investments. No investment shall exceed a maturity of five years from the date of purchase unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

XIV. INVESTMENT RISK

(A) MARKET RISK

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

The City further recognizes that certain types of securities, including variable rate securities, securities with principal pay-downs 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:

1) The maximum stated final maturity of individual securities in the portfolio shall be five years, unless otherwise stated in this policy;

2) The City shall maintain a minimum of three months of budgeted operating expenditures in cash, cash equivalents and short term investments; and

3) The duration of the portfolio will typically be approximately equal to the duration of a market index, selected by the City as its performance benchmark, which meets the City's needs for cash flow and level of risk tolerance plus or minus 20%.

(B) CREDIT RISK

In general, the City's portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions, such as credit risk. Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City shall mitigate credit risk by adopting the following strategies:

I) The diversification requirements included in Section IX are designed to mitigate credit risk in the portfolio;

2) 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.

3) The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity or return of the portfolio in response to market conditions or the City's risk preferences; and

4) If a security owned by the City is downgraded to a level below the requirements of this policy, making the security ineligible for additional purchases, the following steps will be taken:

   a) Any actions taken related to the downgrade by the investment manager will be communicated to the City in a timely manner.

b) If a decision is made to retain the security, the credit situation will be monitored and reported back to the City.

XV. SAFEKEEPING AND CUSTODY

Investment securities are to be purchased when possible in book-entry form in the City's name. All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. All cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party bank trust department, 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 safekeeping institution listing all securities held in safekeeping with current market data and other information. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable. Term and non-negotiable instruments, such as certificates of deposit, can be held by the Treasurer, or in safekeeping as the Treasurer deems appropriate.

XVI. PERFORMANCE BENCHMARK

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

XVII. REPORT INFORMATION

The Treasurer shall prepare a report to the City Council not less than semi-annually which is available each year within 60 days following December 31st and June 30th. The semi-annual report shall be presented at a subsequent regularly scheduled City Council Meeting. The report shall be inclusive of a monthly listing of investment transactions. At a minimum the report shall include the following *(Revised 9-18-2012):*

a) Type of Investment
b) Issuer
c) Date of Maturity

d) Par and dollar amount invested
e) Current Market Value as of the date of the report
f) Source of the market value information
g) A list of investment transactions.
h) A statement of compliance with the investment policy
i) A statement as to the ability of the City to meet its expenditure requirements for the next six months

In addition, the City Treasurer will submit a monthly transaction report to the City Council.

XVIII. REVIEW OF INVESTMENT POLICY

This policy shall be subject to review by the City Council on an annual basis, by the second Council meeting in September. Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

GLOSSARY OF TERMS

ACCRUED INTEREST: Interest earned but not yet received.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises. Examples of well-known agencies that issue bonds are Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"), Federal National Mortgage Association (FNMA or "Fannie Mae"), and the Federal Home Loan Bank.

AMORTIZATION: An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

ASKED: The price at which securities are offered.

ASSET BACKED SECURITIES: Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: One basis point is one hundredth of 1% (.01).

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID PRICE: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BOND: A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

BOOK ENTRY: The system maintained by the Federal Reserve, by which most money market securities are delivered to an investor's custodial bank. The Federal Reserve maintains a computerized record of the ownership of these securities and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment.)

BOOK VALUE: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

BROKER: A broker brings buyers and sellers together for a commission.

CALLABLE BOND: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

CALL PRICE: The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

CALL RISK: The risk to a bondholder that a bond may be redeemed prior to maturity.

CERTIFICATE OF DEPOSIT (CD): A deposit insured up to $100,000 by the FDIC at a set rate for a specified period of time.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATION (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.

COMMERCIAL PAPER: An unsecured promissory note of industrial corporations, utilities and bank holding companies having assets in excess of $500 million and an "A" or higher rating for the issuer's debentures. Interest is discounted from par and calculated using the actual number of days on a 360-day year. The notes are in bearer form, mature from one to 270 days and generally start at $100,000. There is a secondary market for commercial paper and an investor may sell them prior to maturity. Unused lines of credit back commercial paper from major banks.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual financial report for the City. It includes combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP). Supplemental information is also included including a detailed multi-year comparative statistics.

COST YIELD: The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

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.

CURRENT YIELD: The interest paid on an investment expressed as a percentage of the current price of the security.

CUSTODY: A banking service that provides safekeeping for the individual securities in a

customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, and to buy, sell, receive and deliver securities when ordered to do so by the account holder.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): Delivery versus payment is delivery of securities with an exchange of money for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.

DIVERSIFI CATI0N: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). The corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

FED WIRE: A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac): A United States government sponsored corporation.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities
influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass- throughs" is often used to describe Ginnie Maes.

HAIRCUT: The margin or difference between the actual market value of a security and the value assessed by the lending side of a transaction (i.e. a repo).

INTEREST RATE: The annual yield earned on an investment, expressed as a percentage.

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: Refers to the ability to easily and rapidly convert a security into cash.

LOCAL AGENCY INVESTMENT FUND (LAIF): The local Agency Investment Fund (LAIF) is a special fund in the California State Treasury created and governed pursuant to Government Code Sections 16429.1 *et seq.* There are limits on the maximum dollars deposited by a city as well as

the number of transactions allowed each month.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in custody of the State Treasurer for investment and reinvestment.

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 is trading and could presumably be purchased or sold on a specific date.

MARKING TO MARKET: The process of posting current market values for securities in a portfolio.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM TERM NOTES (MTNs): 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: Mutual funds that invest solely in money market instruments (short- term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, and federal funds).

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.

NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD): A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS (NSROs); Credit rating agencies whose ratings are permitted to be used for regulatory purposes such as those imposed by the Securities and Exchange Commission.

NEGOTIABLE CERTIFICATE OF DEPOSIT: A large denomination certificate of deposit which can be sold in the open market prior to maturity.

NEW ISSUE: Term used when a security is originally "brought" to market.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve' s most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PREMIUM: The amount by which the price paid for a security exceeds the security's par value.

PREPAYMENT SPEED: A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW: The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRINCIPAL: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

PRUDENT PERSON (PRUDENT INVESTOR) 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."

PURCHASE DATE: The date in which a security is purchased for settlement on that or a later date.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REALIZED YIELD: The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER: A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

RULE 2a-7 OF THE INVESTMENT COMPANY ACT: Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

SAFEKEEPING: See CUSTODY.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors m securities transactions by administering securities legislation.

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds.

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.

TENNESSEE VALLEY AUTHORITY (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.

TIME CERTIFICATE OF DEPOSIT: A non-negotiable certificate of deposit which cannot be sold prior to maturity.

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.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year and are sold on a discount basis.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of I to 10 years.

U.S. GOVERNMENT AGENCIES: Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

VOLATILITY: The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

WEIGHTED AVERAGE MATURITY (WAM): The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

YIELD TO MATURITY: The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

YIELD CURVE: The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

ZERO-COUPON SECURITY: Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

STATEMENT OF INVESTMENT POLICY FOR THE CITY OF DUBLIN

I. INTRODUCTION

This Statement of Investment Policy is intended to identify various policies and procedures that will foster a prudent and systematic investment program designed to seek the City's objectives of safety, liquidity and return through a diversified investment portfolio. This policy also serves to organize and formalize the City's investment-related activities, while complying with all applicable status governing the investment of public funds.

II. SCOPE

This policy covers all funds and investment activities under the direct authority of the City of Dublin, as set forth in the State Government Code, sections 53600 et seq., excluding any bond- related proceeds or reserves, which are governed by their bond indentures. Cash held by the City shall be pooled in order to more effectively manage City cash resources. All pooled funds are accounted for in the City's Comprehensive Annual Financial Report and include:

Funds
General Fund
Special Revenue Funds
Capital Project Funds
Internal Service Funds
Enterprise Funds
Agency Funds

This original investment policy was adopted by the City of Dublin (the "City"), on August 21, 2007. This update to the Policy is effective on September 6, 2022 and replaces any previous versions.

III. OBJECTIVES

The overall program shall be designed and managed with a degree of professionalism worthy of the public trust. The primary objectives, in order of priority, of the City's investment activities shall be:

I) *Safety:* Safety of principal is the foremost objective of the investment program. The City's investments shall be undertaken in a manner that seeks to safeguard the principal of the funds under its control by maintaining an appropriate risk level.

2) *Liquidity:* The City's investment portfolio will remain sufficiently liquid to enable the City to meet its reasonably anticipated cash flow requirements.

3) *Return:* Return should become a consideration only after the basic requirements of safety and liquidity have been met. The City seeks to attain market average rate of return on its investments throughout economic cycles, consistent with constraints imposed by its safety objectives and cash flow considerations.

4) *Diversification:* The investment portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions. This shall also conform with applicable sections of the Government Code.

IV. DELEGATION OF AUTHORITY

As authorized in Government Code Section 53607, the City Council delegates the authority to invest funds of the City to the City Treasurer and/or any duly appointed Deputy City Treasurer. The City Treasurer and any duly appointed Deputy City Treasurer shall make all investment decisions and transactions in strict accordance with State law and this investment policy. The Administrative Services Director shall be designated as the City Treasurer and the City Manager and/or Assistant Administrative Services Director shall be designated as the Deputy City Treasurer. This delegation shall be for a one-year period until the delegation of authority is revoked or expires. The City Council may renew the authority each year as part of an annual review of this policy.

The City Treasurer shall establish procedures for the operation of the investment program. The City Treasurer shall be also responsible for all transactions undertaken and establishing a system of controls to regulate the activities of subordinates.

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. Authorized individuals acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The City may engage the services of one or more external investment managers to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this investment policy. Such managers must be registered under the Investment Advisors Act of 1940.

V. PRUDENCE

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: "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 agency, 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 agency."

VI. ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall acts as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Thus employees and officials involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program, or impairs their ability to make impartial investment decisions. Additionally, the City Treasurer and the Deputy Treasurer shall file applicable financial disclosures as required by the Fair Political Practices Commission (FPPC).

VII. INTERNAL CONTROLS

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Periodically as deemed appropriate by City Management and/or the City Council an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

VIII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

To the extent practical the Treasurer shall endeavor to complete investment transactions using a competitive bid process whenever possible. It shall be the City's policy to purchase securities only from authorized institutions and firms. No deposit of public funds shall be made except in a qualified public depository as established by state laws.

Institutions eligible to transact investment business with the City include:

1. Primary government dealers as designated by the Federal Reserve Bank and non-

primary government dealers
2. Nationally or state chartered banks
3. The Federal Reserve Bank
4. Direct issuers of securities eligible for purchase

The Treasurer shall maintain procedures for the establishing a list of authorized broker/dealers and financial institutions which are approved for investment purposes. These may include primary or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-l (uniform net capital rule). The City requires each firm that will be used for the purchase or sale of securities to be evaluated by the Treasurer prior to any investments. The firms shall submit current financial statements, and annual audited financial statements each year thereafter, which are to be evaluated by the Treasurer. At a minimum, the firm must be financially sound and have been in business a minimum of three years. In addition, the firms must provide: proof of National Association of Security Dealers membership, proof of state registration or exemption, and certificate of having read the City's investment policy.

If an investment adviser is retained by the City, then that adviser will be permitted to use their own list of approved broker/dealers and financial institutions for investment purposes.

IX. AUTHORIZED AND SUITABLE INVESTMENTS

The City's investments are governed by Government Code, Sections 53600 et seq. Within the investments permitted by the Government Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event an apparent discrepancy is found between this Policy and the Government Code, the more restrictive parameters will take precedence. Percentage holding limits 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 most current Policy.

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 institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

1. United States Treasury Issues. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be invested in this category. The maximum maturity of these securities is ~~five~~ ten years. The City Council authorized investments in United States Treasury Issues beyond five years on September 6, 2022.

2. Federal Agency Obligations. Federal agency 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 is no limitation as to the percentage of the portfolio that may be invested in this category. However, the portfolio's exposure to any one federal agency issuer is limited to 35% of the overall portfolio. The limit of the overall portfolio's exposure to callable federal agency securities is 25%. The maximum maturity for agency securities is ~~five~~ ten years. The City Council authorized investments in Federal Agency Obligations beyond five years on September 6, 2022.

3. Bankers' Acceptances. Bankers' acceptances, otherwise known as bills of exchange or time drafts, that are drawn on and accepted by a commercial bank. Bankers' acceptances must be secured by the irrevocable primary obligation of the accepting domestic bank. Purchasers are limited to issuers whose short-term debt is rated "A-1" or higher, or the equivalent, by a Nationally Recognized Statistical-Rating Organization (NRSRO). Bankers' acceptances cannot exceed a maturity of 180 days. A maximum of 40% of the portfolio may be invested in this category. The amount invested in bankers' acceptances with any one financial institution in combination with any other debt from that financial institution shall not exceed 20% of the portfolio.

4. Commercial Paper. Commercial paper of "prime" quality rated "A-1" or higher, or the equivalent, by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (A) or paragraph (B):

   (A) The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars ($500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.

   (B) The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

   Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10% of the outstanding paper of an issuing corporation. A maximum of 25% of the portfolio may be invested in this category. Under a provision of the California Government Code sunsetting on January 1, 2026, no more than 40% of the portfolio may be invested in Commercial Paper if the Agency's investment assets under management are greater than $100,000,000. The amount invested in commercial paper of any one issuer in combination with any other debt from that issuer shall not exceed 20% of the portfolio.

5. Negotiable Certificates of Deposit. 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 state-licensed branch of a foreign bank. Purchases are limited to institutions which have long-term debt rated "A" or better and/or have short-term debt rated at least "A-1" or higher, or the equivalent by a NRSRO. A maximum of 30% of the portfolio may be invested in this category. The amount invested in NCDs with any one financial institution in combination with any other debt from that financial institution shall not exceed 20% of the portfolio. The maximum maturity of these securities is five years.

6. Time Certificates of Deposit. Time Certificates of Deposit (TCDs) placed with commercial banks and savings and loans. The purchase of TCDs from out-of-state banks or savings and loans is prohibited. The amount on deposit shall not exceed the shareholder's equity in the financial institution. To be eligible for purchase, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided Government Code Section 53635.2. TCDs are required to be collateralized as specified under Government Code Section 53630 et. seq. The Treasurer, at his discretion, may waive the collateralization requirements for any portion that is covered by federal (FDIC) insurance. The City shall have a signed agreement with the depository per Government Code Section 53649. The maximum maturity of these securities may not exceed one (1) year in maturity. A maximum of 10% of the portfolio may be invested in this category.

7. 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:
      1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
      2. 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.
      3. 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:
      1. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
      2. 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.

3. No more than 20% of the total portfolio may be invested in Money Market Mutual Funds.

c. No more than 20% of the total portfolio may be invested in these securities.
.

8. State of California Local Agency Investment Fund (LAIF). The City may invest up to the maximum as permitted by LAIF. For due diligence, the Treasurer shall maintain on file a copy of LAIF's current Answer Book.

9. California Asset Management Program (CAMP). Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (n), inclusive of Government Code Section 53601. For due diligence, the Treasurer shall maintain on file a copy of CAMP's current Information Statement.

10. Medium-Term Notes. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations 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. Purchases are limited to securities rated "A" or higher, or the equivalent, by a NRSRO. A maximum of 30% of the City's portfolio may be invested in this category and a maximum of 5% with any one issuer. The maximum maturity of these securities is five years.

11. Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities, and Collateralized Mortgage Obligations, ~~Securities~~from issuers not defined in the Federal Agency Obligations Subdivision. The City may purchase such securities provided that they are rated "AA" or higher, or the equivalent, by a NRSRO. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio, and a maximum of 5% per issue. The maximum maturity of these securities is five years.

12. Municipal Securities. Obligations of the State of California, any of the other 49 states, or any local agency within the state of California, may be purchased by the City provided that long-term obligations are rated "A" or higher, or the equivalent, by at least one NRSRO. There are no limits on the dollar amount or percentage that the city may invest in municipal securities; however, investments in these securities are limited to a maximum of 5% with any single issuer. The maximum maturity of these securities is ~~five~~ ten years. The City Council authorized investments in Municipal Securities beyond five years on September 6, 2022.

13. 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 must be rated in a rating category of “AA” or its

equivalent by a NRSRO. No more than 30% of the portfolio may be invested in these securities, and no more than 10% of the portfolio may be invested in any single issuer. The maximum maturity does not exceed five (5) years.

X. AUTHORIZED INVESTMENTS FOR BOND PROCEEDS

Bond proceeds shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in securities permitted by this Policy. Notwithstanding the provisions of Policy, the percentage or dollar portfolio limitations listed in elsewhere in this Policy do not apply to bond proceeds. In addition to the securities listed in Section IX above, bond proceeds may be invested in structured investment products if approved by the Treasurer.

XI. PROHIBITED INVESTMENT PRACTICES AND INSTRUMENTS

The City shall not make investments for the purpose of trading or speculation as the dominate criterion such as anticipation of appreciation of capital value through changes in market rates. Securities are purchased with the intent to hold to maturity.

Any investment in a security not specifically listed as an Authorized and Suitable Investment above, but otherwise permitted by the Government Code, is prohibited without the prior approval of the City Council. Section 53601.6 of the Government Code specifically disallows investments in invoice floaters, range notes, or interest-only strips that are derived from a pool of mortgages. Under a provision of the California Government Code sunsetting on January 1, 2026, securities backed by the United States Government that could result in a zero or negative interest accrual if held to maturity are permitted.

XII. REVIEW OF INVESTMENT PORTFOLIO

The City Treasurer 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.

XIII. TERM OF INVESTMENTS

Funds of the City will be invested in accordance with sound treasury management principles. It is the objective of this Policy to provide a system which will accurately monitor and forecast revenues and expenditures so that the City can invest funds to the fullest extent possible.

The maximum maturity of individual investments shall not exceed the limits set forth in under Authorized and Suitable Investments. No investment shall exceed a maturity of five years from the date of purchase unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

XIV. INVESTMENT RISK

(A) MARKET RISK

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

The City further recognizes that certain types of securities, including variable rate securities, securities with principal pay-downs 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:

1) The maximum stated final maturity of individual securities in the portfolio shall be five years, unless otherwise stated in this policy;

2) The City shall maintain a minimum of three months of budgeted operating expenditures in cash, cash equivalents and short term investments; and

3) The duration of the portfolio will typically be approximately equal to the duration of a market index, selected by the City as its performance benchmark, which meets the City's needs for cash flow and level of risk tolerance plus or minus 20%.

(B) CREDIT RISK

In general, the City's portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions, such as credit risk. Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City shall mitigate credit risk by adopting the following strategies:

I) The diversification requirements included in Section IX are designed to mitigate credit risk in the portfolio;

2) 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.

3) The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity or return of the portfolio in response to market conditions or the City's risk preferences; and

4) If a security owned by the City is downgraded to a level below the requirements of this policy, making the security ineligible for additional purchases, the following steps will be taken:

   a) Any actions taken related to the downgrade by the investment manager will be communicated to the City in a timely manner.
   b) If a decision is made to retain the security, the credit situation will be monitored and reported back to the City.

XV. SAFEKEEPING AND CUSTODY

Investment securities are to be purchased when possible in book-entry form in the City's name. All security transactions entered into by the City shall be conducted on a delivery-versus-payment (DVP) basis. All cash and securities in the City's portfolio shall be held in safekeeping in the City's name by a third party bank trust department, 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 safekeeping institution listing all securities held in safekeeping with current market data and other information. The only exception to the foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money mutual funds, since the purchased securities are not deliverable. Term and non-negotiable instruments, such as certificates of deposit, can be held by the Treasurer, or in safekeeping as the Treasurer deems appropriate.

XVI. PERFORMANCE BENCHMARK

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

XVII. REPORT INFORMATION

The Treasurer shall prepare a report to the City Council not less than semi-annually which is available each year within 60 days following December 31st and June 30th. The semi-annual report shall be presented at a subsequent regularly scheduled City Council Meeting. The report shall be inclusive of a monthly listing of investment transactions. At a minimum the report shall include the following *(Revised 9-18-2012):*

a) Type of Investment
b) Issuer
c) Date of Maturity
d) Par and dollar amount invested
e) Current Market Value as of the date of the report
f) Source of the market value information
g) A list of investment transactions.
h) A statement of compliance with the investment policy
i) A statement as to the ability of the City to meet its expenditure requirements for the next six months

In addition, the City Treasurer will submit a monthly transaction report to the City Council.

XVIII. REVIEW OF INVESTMENT POLICY

This policy shall be subject to review by the City Council on an annual basis, by the second Council meeting in September. Any recommended modifications or amendments shall be presented by Staff to the City Council for their consideration and adoption.

GLOSSARY OF TERMS

ACCRUED INTEREST: Interest earned but not yet received.

AGENCIES: Federal agency securities and/or Government-sponsored enterprises. Examples of well-known agencies that issue bonds are Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"), Federal National Mortgage Association (FNMA or "Fannie Mae"), and the Federal Home Loan Bank.

AMORTIZATION: An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

ASKED: The price at which securities are offered.

ASSET BACKED SECURITIES: Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: One basis point is one hundredth of 1% (.01).

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID PRICE: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BOND: A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

BOOK ENTRY: The system maintained by the Federal Reserve, by which most money market securities are delivered to an investor's custodial bank. The Federal Reserve maintains a computerized record of the ownership of these securities and records any changes in ownership corresponding to payments made over the Federal Reserve wire (delivery versus payment.)

BOOK VALUE: The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

BROKER: A broker brings buyers and sellers together for a commission.

CALLABLE BOND: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

CALL PRICE: The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

CALL RISK: The risk to a bondholder that a bond may be redeemed prior to maturity.

CERTIFICATE OF DEPOSIT (CD): A deposit insured up to $100,000 by the FDIC at a set rate for a specified period of time.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATION (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.

COMMERCIAL PAPER: An unsecured promissory note of industrial corporations, utilities and bank holding companies having assets in excess of $500 million and an "A" or higher rating for the issuer's debentures. Interest is discounted from par and calculated using the actual number of days on a 360-day year. The notes are in bearer form, mature from one to 270 days and generally start at $100,000. There is a secondary market for commercial paper and an investor may sell them prior to maturity. Unused lines of credit back commercial paper from major banks.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual financial report

for the City. It includes combined statements and basic financial statements for each individual fund and account group prepared in conformity with Generally Accepted Accounting Principles (GAAP). Supplemental information is also included including a detailed multi-year comparative statistics.

COST YIELD: The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

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.

CURRENT YIELD: The interest paid on an investment expressed as a percentage of the current price of the security.

CUSTODY: A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, and to buy, sell, receive and deliver securities when ordered to do so by the account holder.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT (DVP): Delivery versus payment is delivery of securities with an exchange of money for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value, e.g., U.S. Treasury Bills.

DIVERSIFI CATI0N: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to $100,000 per deposit.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks) which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA or Fannie Mae): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). The corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

FED WIRE: A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC or Freddie Mac): A United States government sponsored corporation.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities
influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass- throughs" is often used to describe Ginnie Maes.

HAIRCUT: The margin or difference between the actual market value of a security and the value assessed by the lending side of a transaction (i.e. a repo).

INTEREST RATE: The annual yield earned on an investment, expressed as a percentage.

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: Refers to the ability to easily and rapidly convert a security into cash.

LOCAL AGENCY INVESTMENT FUND (LAIF): The local Agency Investment Fund (LAIF) is a special fund in the California State Treasury created and governed pursuant to Government Code Sections 16429.1 *et seq.* There are limits on the maximum dollars deposited by a city as well as the number of transactions allowed each month.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in custody of the State Treasurer for investment and reinvestment.

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 is trading and could presumably be purchased or sold on a specific date.

MARKING TO MARKET: The process of posting current market values for securities in a portfolio.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM TERM NOTES (MTNs): 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: Mutual funds that invest solely in money market instruments (short- term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, and federal funds).

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.

NATIONAL ASSOCIATION OF SECURITIES DEALERS (NASD): A self-regulatory organization (SRO) of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS (NSROs); Credit rating agencies whose ratings are permitted to be used for regulatory purposes such as those imposed by the Securities and Exchange Commission.

NEGOTIABLE CERTIFICATE OF DEPOSIT: A large denomination certificate of deposit which can be sold in the open market prior to maturity.

NEW ISSUE: Term used when a security is originally "brought" to market.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve' s most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PREMIUM: The amount by which the price paid for a security exceeds the security's par value.

PREPAYMENT SPEED: A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW: The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRINCIPAL: The face value or par value of a debt instrument, or the amount of capital invested in a given security.

PRUDENT PERSON (PRUDENT INVESTOR) 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."

PURCHASE DATE: The date in which a security is purchased for settlement on that or a later date.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REALIZED YIELD: The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER: A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security

"buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

RULE 2a-7 OF THE INVESTMENT COMPANY ACT: Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar ($1.00).

SAFEKEEPING: See CUSTODY.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors m securities transactions by administering securities legislation.

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds.

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.

TENNESSEE VALLEY AUTHORITY (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.

TIME CERTIFICATE OF DEPOSIT: A non-negotiable certificate of deposit which cannot be sold prior to maturity.

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.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year and are sold on a discount basis.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct

obligations of the U.S. Government and having initial maturities of I to 10 years.

U.S. GOVERNMENT AGENCIES: Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

VOLATILITY: The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

WEIGHTED AVERAGE MATURITY (WAM): The average maturity of all the securities that comprise a portfolio that is typically expressed in days or years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

YIELD TO MATURITY: The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

YIELD CURVE: The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

ZERO-COUPON SECURITY: Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

REVISED STAFF REPORT

CITY COUNCIL

DATE: **September 6, 2022**

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Climate Action Plan 2030 and Beyond Reach Codes Report
Prepared by: Shannan Young, Environmental & Sustainability Manager

EXECUTIVE SUMMARY:

The City Council will receive a report on potential code options for three measures included in the City of Dublin's Climate Action Plan 2030 and Beyond. The three measures under consideration include Measure EE-1, Achieve All-Electric New Construction; Measure SM-1, Adopt an Electric Vehicle Charging Station Ordinance; and Measure MM-2, Reduce the Embodied Greenhouse Gas Emissions Associated with Building Materials.

STAFF RECOMMENDATION:

Receive the report and provide direction on the three Climate Action Plan 2030 and Beyond measures.

FINANCIAL IMPACT:

There is no immediate impact to the General Fund. Depending on the direction received from City Council regarding the potential code options, there may be financial impacts associated with each specific future code adoption. Financial impact analyses will be included as part of any future City Council code adoption consideration. A discussion of the potential financial impacts to the community is included in the discussion below.

DESCRIPTION:

On September 15, 2020, the City Council approved Resolution 100-20 Adopting the City of Dublin Climate Action Plan 2030 and Beyond (CAP 2030, Attachment 1). CAP 2030 includes five strategies with a total of 22 measures intended to reduce greenhouse gas (GHG) emissions by 40% below 1990 levels by 2030 and to put the City on the path to reach carbon neutrality by 2045. The five strategies are:

- Strategy 1 – Renewable and Carbon Free Electricity (CF)
- Strategy 2 – Building Efficiency and Electrification (EE)
- Strategy 3 – Sustainable Mobility and Land Use (SM)
- Strategy 4 – Materials and Waste Management (MM)
- Strategy 5 – Municipal Leadership (ML)

This report is about three CAP 2030 measures that intend to address GHG emissions associated with the built environment and transportation (Attachment 2). These are:

- Measure EE-1: Achieve All-Electric New Building Construction
- Measure SM-1: Adopt an Electric Vehicle Charging Station Ordinance
- Measure MM-2: Reduce the Embodied GHG Emissions Associated with Building Materials

Measure EE-1: Achieve All-Electric New Construction

Adopt an all-electric building reach code for new construction to reduce natural gas use and limit the development of new gas infrastructure in the City of Dublin.

Coupled with the communitywide 100% GHG-free energy achieved by implementing Measure CF-1, Opt-Up to 100% Renewable and Carbon-Free Electricity, all-electric new construction would result in homes and businesses that do not emit GHGs. The City Council adopted Resolution 04-21 Requesting East Bay Community Energy Enroll City of Dublin Residential Accounts in Renewable 100 as the Default Electricity Product on January 12, 2021 (Attachment 3). On April 5, 2022, the City Council adopted Resolution 28-22 Requesting East Bay Community Energy Enroll City of Dublin Non-Residential Accounts in Renewable 100 as the Default Electricity Product (Attachment 4). Community-wide enrollment in Renewable 100 will be complete by October 2022. The GHG emissions reduction potential with the implementation of Measure EE-1 in conjunction with Measure CF-1 is estimated to be 2,633 metric tons (MT) carbon dioxide equivalent (CO_2e) by 2025 and 4,828 MT CO_2e by 2030.

Electrification Policy Types

Options for building electrification in California can generally be broken into three categories:

- All-Electric Municipal Ordinance. This option prohibits any gas hookups, with minimal exceptions, via municipal ordinance. The benefit of this option is that it is not tied to the building code and can be adopted indefinitely. The cons are that a municipal code may not cover buildings which have already received entitlements and there are uncertainties regarding potential legal challenges.
- All-Electric Building Code. This option is a local amendment to Title 24 of the

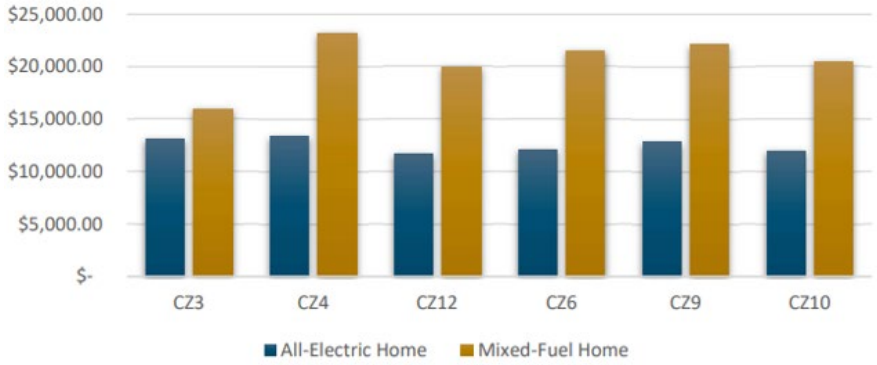
California Building Code (CALGreen). The local amendment would be a Reach Code that requires all-electric appliances. Examples of potential exemptions include commercial cooking and industrial processes. The benefits of this approach are that it can be adopted as part of the current 2022 CALGreen building code update and that it may cover buildings that have received entitlements but have not had building permits issued. The con is that it must be re-adopted with every building code cycle.

- Electric Preferred Building Code. This is the base code in the 2022 California Energy Code. The code allows for mixed-fuel buildings with higher energy performance, requires additional energy efficiency measures, pre-wiring for buildings to be electric-ready, and higher ventilation rates for gas stoves. If builders install gas appliances, they will be required to install the infrastructure for an electric appliance replacement. The pro for following the 2022 CALGreen building code is that Staff can adopt the code by reference. However, this option is not recommended since the base code may not reduce GHG emissions enough to achieve the CAP 2030 GHG emissions goals. In addition, the CAP 2030 serves as the City's qualified GHG Reduction Plan and programmatic tiering document for the purposes of the California Environmental Quality Act (CEQA) analyses of GHG emissions and climate change. The GHG emissions reduction analysis completed for the CAP 2030 anticipated an electrification ordinance. Allowing for mixed-fuel buildings would mean that the CAP 2030 could not be used for project streamlining.

Cost of Electrification

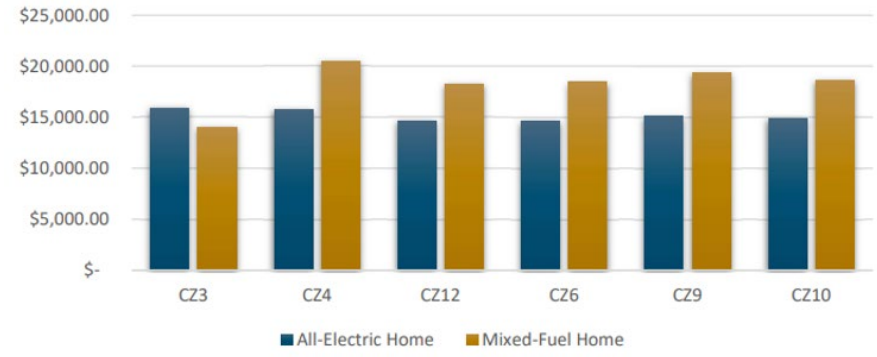
In most cases, all-electric buildings are less expensive to build. Cost savings are achieved from not having to run gas lines, having to install fewer appliances, and the time savings of avoided inspections and sign-off of gas meters by Pacific Gas & Electric (PG&E). As an example, the cost for appliances in multifamily dwellings is less for all-electric appliances versus high efficiency gas appliances in all climate zones except climate zone 3 (Dublin is in Climate Zone 12). Figures 1 and 2 provide comparisons for upfront capital costs of appliances in all-electric homes versus mixed fuel homes. These cost savings are estimated to range from approximately $3,000 to $8,000 in climate zone 12. All electric homes typically experience lifecycle savings of $130 to $540 per year.

*Figure 1. Capital Cost of High-Efficiency Appliances vs. Gas Alternatives in Single Family Home New Construction (Source: E3, Residential Building Electrification in California, 2019)**



*"CZ" means climate zone.

Figure 2. Capital Cost of High-Efficiency Appliances vs. Gas Alternatives in Low Rise Multifamily New Construction (Source: E3, Residential Building Electrification in California, 2019.)



Another study completed by Frontier Energy on cost-effectiveness of low rise residential new construction in 2019 showed that all-electric housing is expected to be between $3,361 and $6,171 cheaper to build on average and cost about $2,000 to $5,000 less to operate over 30 years compared to a mixed-fuel building.

Availability of Electric Technologies

It is an emerging trend that jurisdictions throughout California are adopting electrification ordinances. Staff polled cities with existing electrification codes to determine if builders would be able to acquire the electric appliances required by an all-electric code. The feedback received from Bay Area cities indicates that builders have not had issues, above and beyond Covid-19 supply chain issues, procuring all-electric appliances including induction cooktops/ranges, heat pump water heaters, or heat pump space heating/cooling appliances. Feedback indicated some developers and contractors lack familiarity regarding installing all-electric appliances. The Bay Area Regional Energy Network (BayREN) is addressing this knowledge gap by providing virtual training events for contractors. Examples of the training

include heat pump water heater training for contractors and implementing energy efficiency and electrification in multifamily buildings.

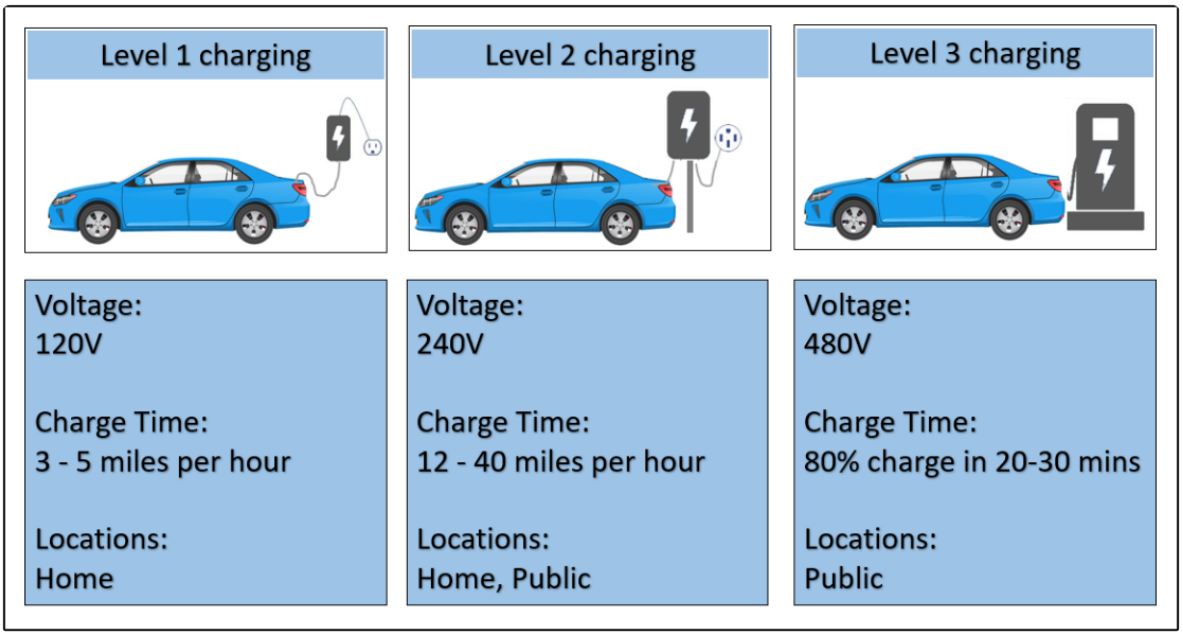
Measure SM-1: Adopt an Electric Vehicle Charging Station Ordinance

The City of Dublin will adopt an electric vehicle (EV) charging station ordinance for multifamily and commercial buildings to increase access to charging stations and promote the use of electric vehicles.

Increasing access to reliable electric vehicle (EV) charging stations at home and at work are key components to increasing EV adoption. Lack of access to EV charging infrastructure at home, and particular at multifamily dwellings (MFDs), is a major hurdle to EV ownership for residents. Increasing the number of EV charging stations (EVCS) will help reduce range anxiety and increase EV ownership towards the CAP 2030 goal of 33% EV ownership by 2030. At this level of EV ownership, Dublin's GHG emissions would reduce by an estimated 26,288 MT CO_2e by 2030.

Measure SM-1 outlines an EVCS ordinance that would require all new commercial and MFDs make 25% of parking spaces be "EV Ready," and install Level 2 EVCS in 3% of stalls (or comparable amount of Direct Current Fast Chargers). Figure 3 illustrates the three levels of EV charging. Level 1 charging uses a standard 120-volt electrical outlet and typically takes between 20 and 43 hours to recharge a vehicle depending on the battery size. A Level 2 EVCS uses 208/240 volt chargers to fully charge vehicles in 4 to 8 hours. Direct Current Fast Chargers (DCFCs), also known as Level 3 chargers, use 480V 3-phase power and charge the typical EV in 30 minutes to one hour.

Figure 3. Standard Electric Vehicle Charging Stations (image credit to Shradha Jadhav on LinkedIn)



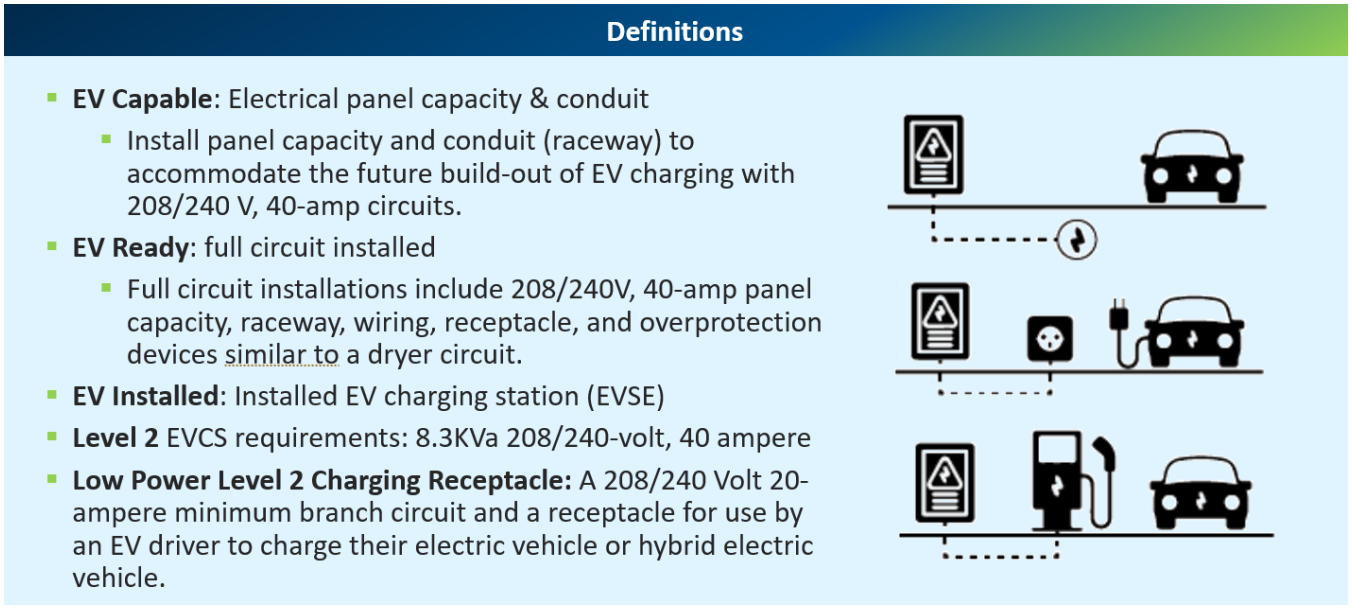
CALGreen Building Code

The 2022 CALGreen building code update includes new minimum and voluntary Tier 1 and Tier 2 EVCS requirements that meet or exceed the CAP 2030 requirements for MFD and commercial properties, as indicated in Tables 1 through 3 below. Shaded areas in the tables correspond to codes that meet or exceed the goals in the CAP 2030. Note the terminology in the CALGreen code does not match the terminology in the CAP 2030. The CAP 2030 definition of "EV Ready" is analogous to CALGreen's definition of "EV Capable" which includes installing panel capacity and conduit to the parking stalls. CALGreen code definitions are summarized in Figure 4. Tables 1 through 3 list the CAP EV Ready requirements under EV Capable to align CALGreen definitions. Dublin currently has adopted the 2019 CALGreen Tier 2 requirements. Those requirements are included in the tables for reference.

Bay Area Reach Codes

A consortium of organizations including East Bay Community Energy, Peninsula Clean Energy, Silicon Valley Clean Energy, the San Mateo County Office of Sustainability, the County of Santa Clara, and StopWaste developed a website and resources to assist cities with 2022 Building Electrification and EV Infrastructure Reach Code Initiatives. The goal of the consortium is to facilitate the reduction of GHG emissions in their service territories by developing forward-thinking reach codes. Template code language and other resources are provided on the website bayareareachcodes.org. The Bay Area Reach Codes model code has the advantage of pushing for higher levels of infrastructure relative to CALGreen. Considering that it is much more expensive to retrofit infrastructure, it is more cost effective to include as much infrastructure as possible during new construction. Pleasanton and Livermore staff have indicated that they will be bringing similar reach codes to those proposed in Tables 1 through 3 under the column header "Reach Codes" to their respective City Councils for consideration this Fall.

Figure 4. CALGreen EV Charging Definitions (image credit: Willdan Energy Solutions)



Multifamily Dwellings New Construction

As shown in Table 1, the CALGreen base code meets and exceeds the CAP 2030 goals for MFDs with twenty or more units. Table 2 shows that only the Bay Area Reach Code meets the CAP 2030 goals for MFDs with less than 20 units. The Bay Area Air Quality Management District (BAAQMD)'s "Justification Report: CEQA Thresholds for Evaluating the Significance of Climate Impacts From Land Use Projects and Plans" describes how the 2022 CALGreen base code requirements were established to meet anticipated EV charging demand through the year 2025. Base code requirements may not provide enough charging infrastructure given the higher EV adoption expected in the Bay Area and California. Consequently, the BAAQMD recommends using the CALGreen Tier 2 standards to evaluate whether new land use development projects meet their "fair share" of EV charging infrastructure in CEQA analyses. The Bay Area Reach Codes consortium recommends an even higher level of EV charging infrastructure at multifamily dwellings, aiming for 100% of the parking to include some level of EV charging infrastructure.

*Table 1. Multifamily Residential (20+ units) Codes Comparison for New Construction**

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code
EV Capable	20%	25%	10%	-	-	85%
EV Ready	-		25%	35%	40%	-
EVCS Installed**	-	3%	5%	10%	15%	15%

*The percentages in the columns are additive, not subsets of each other (i.e., the 2022 CALGreen base code will have a total of 30% electrified spaces with 5% EVCS installed plus 25% EV Ready).
**All percentages are for Level 2 chargers, or for infrastructure capable of supporting Level 2 EVCS.

*Table 2. Multifamily Residential (<20 units) Codes Comparison for New Construction**

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code
EV Capable	20%	25%	10%	-	-	85%
EV Ready	-		25%	35%	40%	-
EVCS Installed	-	3%	-	-	-	15%**

*The percentages in the columns are additive, not subsets of each other (i.e., the 2022 CALGreen base code will have a total of 25% EV Ready plus 10% EV Capable).
**All percentages are for Level 2 EVCS, or infrastructure capable of supporting Level 2 EVCS.

Commercial New Construction

Table 3 shows the code comparison for commercial new construction related to the CAP 2030 goals. As noted, all the codes except the 2022 CALGreen base code fulfill the CAP 2030 goals. Note that the commercial codes are not additive as they are with multifamily residential. As with the MFD tables, all percentages in Table 3 are for Level 2 EVCS, or infrastructure capable of supporting Level 2 EVCS.

*Table 3. Commercial Codes Comparison for New Construction**

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code		
						Office	Hotel	All Other
EV Capable	20%	25%	20%	30%	45%	30%	10%	10%
EV Ready	-		-	-	-	-	25%	-
EVCS Installed **	-	3%	5% (25% of the 20%)	10% (33% of the 30%)	15% (33% of the 45%)	20%	5%	10%

* All percentages are for Level 2 EVCS, or infrastructure capable of supporting Level 2 EVCS.
**Percentages are not additive; instead they are a subset of the total spaces impacted.

Single-Family New Construction and Existing Parking Lots

The CALGreen building code and Bay Area Reach Codes also include requirements for single-family new construction and certain modifications to existing parking lots which go above and beyond Measure SM-1 in CAP 2030. The requirements are included in Tables 4 and 5 below for reference. Communication with Pleasanton and Livermore staff indicate that they are not considering Bay Area Reach Codes for existing parking lots.

Table 4. Single Family New Construction Codes Comparison

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code
EV Capable	100%	-	All SF garages	-	-	-
EV Ready	-	-	-	All SF garages	All SF garages	All SF garages
EVCS Installed	-	-	-	-	-	-

Table 5. Existing Construction Codes Comparison

Existing Parking Lots	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	Reach Code
Multifamily	-	-	If adding stalls or altering lighting/electrical systems, 10% of altered spots required to be EV capable.	If adding stalls or altering lighting/electrical systems, 10% of altered spots required to be EVCS.
Commercial	-	-	-	

Costs of Installing EV Chargers and Equipment

Multiple studies show it is cost effective to install EV charging infrastructure as part of new construction projects as opposed to retrofitting existing sites. In 2019, the California Air Resources Board found that adding an EV capable spot during nonresidential new construction projects costs between $870 to $960 per space, as opposed to $7,000 to $8,000 per parking space when retrofitting existing sites. An additional study completed by Peninsula Clean Energy (PCE) and Silicon Valley Clean Energy (SVCE) in 2019 also found installing EV infrastructure during new construction was cost effective compared to including EV infrastructure during retrofits for a variety of building types. Those study results are summarized in Table 6.

Table 6. PCE and SVCE November 2019 EV Infrastructure Cost Effectiveness Study

Code Scenario	**Market Rate 25% Level 2/75% Level 1**	**Market Rate 25% Level 2/75% Level 1**	**Affordable Housing 10% Level 2/90% Level 1**	**Affordable Housing 10% Level 2/90% Level 1**
Building Type	New Construction	Retrofit	New Construction	Retrofit
60 Unit MFD	$1,410	$4,443	$1,049	$3,982
150 Unit MFD	$1,197	$4,101	$1,002	$3,854
60 Unit Office Building	$1,166	$3,232	N/A	N/A

Measure MM-2: Reduce the Embodied GHG Emissions Associated with Building Materials
The City of Dublin will require the use of low carbon concrete in new construction projects to reduce lifecycle GHG emissions and the embodied carbon associated with construction projects.

The embodied GHG emissions of a building are emissions generated by making and transporting materials to a building site, including mining, refining, and shipping. Cement production accounts for as much as 7% of global GHG emissions. Although the CAP 2030 does not quantify the lifecycle GHG emissions from the consumption of materials such as concrete, adopting a low carbon concrete building code would be a meaningful way of reducing GHG emissions associated with construction activities.

There is a variety of ways cement makers can reduce the embodied carbon of their cements. Adding secondary cementitious materials (SCM) or more aggregate to cement mixtures can reduce GHG emissions. For instance, adding 10% SCM can reduce GHG emissions by about 10%. Low-carbon concrete must have minimum specified compressive strengths given the various applications. Adding SCM reduces the compressive strength of concrete, therefore it is important to ensure that the concrete specification applies a maximum ordinary Portland cement content to ensure compressive strength, while also meeting the maximum embodied carbon concentration. Despite the challenges, feasibility of working with low-carbon concrete is evidenced by the fact that the California Department of Transportation has been using low carbon concrete and has an authorized list of approved SCMs and blended cements available on their website.

It was anticipated in Measure MM-2 that Staff would develop a low-carbon concrete building code based on the Marin County model ordinance. Staff has discovered that Marin County has adopted, but not yet enforced, a low-carbon concrete code that can serve as a basis for Dublin's code. Therefore, Staff proposes that the City develops template specifications that would be piloted on future City capital improvement projects before presenting a proposed low-carbon concrete building code to the City Council. Future capital improvement projects may include Wallis Ranch Community Park, Iron Horse Nature Park and Open Space, and Dublin Boulevard Extension. The advantage of conducting pilot projects would be that the

City would learn how to incorporate low-carbon concrete into projects and adjust the code as necessary based on direct experience prior to officially incorporating it into the building code. Staff is currently investigating local availability of the SCMs and cost to shift to low-carbon concrete. Thus far, feedback received is that it should be cost-neutral to incorporate SCMs.

Conclusion

The three building code measures included in CAP 2030 can meaningfully impact GHG emissions reductions and transform the way infrastructure in Dublin is built. Cities throughout the Bay Area, including Dublin's Tri-Valley neighbors Pleasanton and Livermore are considering similar building reach codes.

An all-electric building or municipal code ordinance has the potential to reduce GHG emission by 4,828 MT CO_2e by 2030 and has had support from Pacific Gas & Electric (PG&E) in municipalities that have already adopted electrification codes. An all-electric code has the additional potential benefit of streamlining the plan review and inspection process compared to the 2022 California Energy Code electric-preferred building code since gas infrastructure would be minimized or eliminated.

An EVCS ordinance helps to set the stage for the transition to EVs that is mandated by the State of California. California will no longer allow the sale of traditional internal combustion engines as of 2035. State and local governments can facilitate the transition, ease range anxiety, and decrease the cost of the infrastructure required to support the huge increase in EVs by adopting an electrification ordinance.

Requiring projects to specify low-carbon concrete in construction, while maintaining strength and durability standards, will help Dublin start working towards addressing lifecycle GHG emissions. Piloting projects with low carbon concrete on Dublin capital improvement projects first will demonstrate the continued municipal leadership Dublin has shown regarding implementation of the CAP 2030 and provide invaluable learning before introducing the low carbon concrete standards into the building code.

Next Steps

Based upon direction from City Council, Staff will conduct public outreach on the selected electrification and EV charger codes and subsequently bring the codes to the City Council for consideration later this calendar year.

STRATEGIC PLAN INITIATIVE:

Strategy 3: Infrastructure Maintenance and Reinvestment: Continue to Implement the CAP 2030.
Objective E: Continue to implement measures identified in the Climate Action Plan.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

1) Resolution 100-20 Adopting the City of Dublin Climate Action Plan 2030 and Beyond
2) Measures EE-1, SM-1, and MM-2 Excerpts from the Climate Action Plan 2030 and Beyond
3) Resolution 04-21 Requesting East Bay Community Energy Enroll City of Dublin Residential Accounts in Renewable 100 as the Default Electricity Product
4) Resolution 28-22 Requesting East Bay Community Energy Enroll City of Dublin Non-Residential Accounts in Renewable 100 as the Default Electricity Product

RESOLUTION NO. 100 - 20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

* * * * * * * * *

ADOPTING THE CITY OF DUBLIN CLIMATE ACTION PLAN 2030 AND BEYOND

WHEREAS, on November 16, 2010 the City Council adopted Resolution 167-10 approving the City of Dublin Climate Action Plan establishing greenhouse gas (GHG) reduction goals for 2020; and

WHEREAS, under the California Environmental Quality Act (CEQA) a city may prepare a qualified GHG Reduction Strategy or Climate Action Plan to evaluate a community's cumulative impact due to GHG emissions from future planned development; and

WHEREAS, if a project is consistent with an adopted, qualified GHG Reduction Strategy or Climate Action Plan, the Strategy/Plan can be used as a basis for determining that the project would have a less than significant impact on a community's cumulative GHG emissions under CEQA; and

WHEREAS, on October 15, 2013 the City Council adopted Resolution 177-13 approving the City of Dublin Climate Action Plan Update to use as a basis for determining that a future project that was consistent with the adopted Climate Action Plan Update would have a less than significant impact on Dublin's cumulative GHG emissions under CEQA through 2020; and

WHEREAS, the City of Dublin is on track to meet the 2020 GHG reduction goals established by the Plans; and

WHEREAS, in 2016, the California Legislature adopted Senate Bill (SB) 32 to extend the State's commitment to GHG emissions reductions by tightening the target to 40% below 1990 levels by 2030; and

WHEREAS, in 2018, Governor Brown adopted Executive Order (EO) B-55-18 setting a Statewide goal of reaching carbon neutrality by no later than 2045; and

WHEREAS, on December 17, 2019, the City Council provided consensus to align the City's future Climate Action Plan with both SB 32 and EO B-55-18 goals and consensus to proceed with the draft strategies and measures to achieve those goals; and

WHEREAS, the Climate Action Plan 2030 and Beyond establishes the following targets:

1. Reduce GHG emissions to 40% below 1990 levels by 2030
2. Reach carbon neutrality by 2045; and

WHEREAS, the Climate Action Plan 2030 and Beyond contains 22 measures grouped into the five strategies listed below to reduce GHG emissions by roughly 73,000 metric tons carbon dioxide equivalent by 2030:

1. 100% Renewable and Carbon-Free Electricity
2. Building Efficiency and Electrification
3. Sustainable Mobility and Land Use

4. Material and Waste Management
5. Municipal Leadership; and

WHEREAS, the implementation of the Climate Action Plan 2030 and Beyond will result in co-benefits in the following areas: economic growth, reduced traffic congestion, improved public health, healthier ecosystems, robust landscapes, carbon sequestration, enhanced resilience, equity and inclusion, community leadership and partnerships, and cutting-edge technologies; and

WHEREAS, the City Council held a properly noticed public hearing on the Climate Action Plan 2030 and Beyond and related Negative Declaration on September 15, 2020; and

WHEREAS, the City Council did review and consider the Negative Declaration and the Climate Action Plan 2030 and Beyond and all said reports, recommendations, and testimony herein and set forth prior to making its decision on the Climate Action Plan 2030 and Beyond.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dublin does hereby approve and adopt the Climate Action Plan 2030 and Beyond attached hereto as **Exhibit A** to the Resolution and authorizes Staff to make any non-substantive grammatical or editing changes in the final document.

PASSED, APPROVED AND ADOPTED this 15th day of September 2020, by the following vote:

AYES: Councilmembers Goel, Hernandez, Josey, Kumagai and Mayor Haubert

NOES:

ABSENT:

ABSTAIN:

DocuSigned by:
4B4A9732E4974C5...
Mayor

ATTEST:

DocuSigned by:
9BB70815D22F40A...
City Clerk

Measure EE-1: Achieve All-Electric New Building Construction

Adopt an all-electric building reach code for new construction to reduce natural gas use and limit the development of new gas infrastructure in the City of Dublin.

Coupled with the communitywide 100% carbon-free energy of Measure CF-1, new building electrification results in homes and businesses that emit no GHGs.

It is estimated that if an electric building reach code is not adopted, new construction would add over three million therms of natural gas use in Dublin by 2045. Developing all-electric buildings has been found to be less expensive to construct and operate in Dublin's climate zone compared to constructing residential and commercial buildings with both gas and electric utilities, especially when paired with solar photovoltaic and solar thermal installations, which are not yet mandatory under Title 24 of the California Building Code.

In order to meet the long-term goal of carbon neutrality by 2045, the direct GHG emissions from natural gas will need to be phased out. Therefore, it is critical to limit new natural gas infrastructure and construct buildings today that are ready for tomorrow.

Key Target Metrics

Adopt a new-building electrification ordinance in 2020.

GHG Emissions Reduction Potential

2,633 MT CO_2e by 2025

4,828 MT CO_2e by 2030

MT= Metric Tons; CO_2e= carbon dioxide equivalents

Measure EE-1 Actions

1	Conduct outreach to the community as well as builders/developers to educate them on the proposed ordinance, the associated GHG emissions reductions, and cost benefits.
2	Draft a City Ordinance that favors all-electric new construction for City Council consideration.
3	Provide training to City staff on new electric preferred ordinance requirements.
4	Continue to evaluate cost effective opportunities to add additional building types into the electrification ordinance.

Co-Benefits:

Community Cost: $

Cost effectiveness studies conducted for Dublin's climate zone show all-electric construction to be less expensive both in construction costs and operation over the lifetime of the buildings and will therefore save Dublin residents, businesses, and developers money in the short and long term.[1]

City Cost: $ $

Staff time will be required for community outreach, reach code development, drafting an ordinance for City Council consideration, and implementation of the new ordinance. This work is estimated to cost between $7,000 and $10,0000.



Benefits of All-Electric New Buildings

All-electric new buildings can offer several advantages over traditional mixed fuel buildings. With advances in modern heat pump technologies, all-electric homes can be more cost-effective in both up-front construction costs and long-term operational costs compared to mixed fuel homes, allowing for lower cost housing to be developed in Dublin and improved housing equity[1]. A large portion of these cost savings comes from not having to install natural gas infrastructure in the home. All-electric new buildings can also be operated with no GHG emissions due to Measure CF-1 which brings 100% carbon-free electricity to Dublin. Electrification also provides health benefits. Research has identified that natural gas combustion and low indoor ventilation rates can cause significant health issues including asthma[2]. Homes that decide to include solar and battery storage can also operate without electricity distributed by the grid, providing the benefit of additional resilience.

[1] https://localenergycodes.com/content/2019-local-energy-ordinances/

[2] https://www.atsjournals.org/doi/abs/10.1164/arrd.1984.129.3.366?journalCode=arrd

Measure SM-1: Adopt an Electric Vehicle Charging Station Ordinance

The City of Dublin will adopt an electric vehicle (EV) charging station ordinance for multifamily and commercial buildings to increase access to charging stations and promote the use of electric vehicles.

Access to reliable electric vehicle charging stations at home and work are key components to facilitate the purchase of EV over gas vehicles. Lack of home access to EV charging infrastructure in multifamily buildings is a major hurdle to EV ownership. An EV charging station ordinance will ensure that access to EV charging stations will be available to all those living, working, or visiting the City of Dublin. Increased access to EV chargers will reduce range anxiety and encourage a shift to EV ownership at a rate that achieves the goal of 33% EV ownership in Dublin by 2030.

To facilitate this increase in electric vehicle use, the City will adopt an electric vehicle charging station ordinance. The ordinance will require all new commercial and multifamily buildings to ensure 25% of parking spaces be "EV Ready" (conduit and electrical panel capacity installed), with 3% parking required to have installed and operable Level 2 EV charging stations or a comparable level of service provided by DC Fast Charging or other technology as appropriate.

Key Target Metrics

Adopt an EV Charger Ordinance in 2021

12% EV ownership by 2025

33% EV ownership by 2030

GHG Emissions Reduction Potential

8,537 MT CO_2e by 2025

26,288 MT CO_2e by 2030

MT= Metric Tons; CO_2e= carbon dioxide equivalents

Measure SM-1 Actions

1	Conduct outreach to the community as well as builders/developers about the ordinance.
2	Draft an updated City ordinance that requires all new commercial and multifamily buildings to include 25% of parking spaces as "EV Ready" (conduit and electrical panel capacity installed), with 3% parking required to have installed operable Level 2 EV charging stations or a comparable level of service provided by DC Fast Charging or other technology as appropriate.
3	Provide training to permit counter and building code staff on the updated new building EV charging station requirements.
4	Provide education as needed to builders and developers on the requirements of the ordinance.
5	Track progress including the number of chargers installed and the percent of EV's in Dublin through the Department of Motor Vehicles website.

Co-Benefits:

Community Cost: $ $

While the EV Infrastructure Ordinance will increase construction costs by $400 or more per space, overall costs for EV charging station installation will save money compared to the cost of retrofits. The ordinance will also ensure more individuals can have access to the benefits of an EV.

City Cost: $ $

Staff time to develop and implement an EV charging station ordinance is expected to cost $8,000-$14,000 in one-time staff costs.



Benefits of Increasing Community EV Use

Installation of EV charging station infrastructure during building construction can save up to $5,500 for two parking spaces.[1] While installation of EV charging stations with new construction costs approximately $400 per parking spot, retrofit projects can cost upwards of $2,700 per space. Therefore, including charging infrastructure as part of new construction projects will lead to significant long-term savings of up to 76%.[1]

Without charging infrastructure in multifamily homes, residents are limited in their ability to own an electric vehicle. While this ordinance may lead to increased construction costs by a small percentage, the long-term savings to Dublin residents are considerable. Installing infrastructure with new construction will ensure homes and businesses will not need as many retrofits in the future and that charging stations are available to both renters and homeowners. Electric vehicles result in no local air emissions, are quiet, and have lower lifecycle GHG emissions and costs compared to internal combustion engines.[2] EVs will also help improve air quality both at the building site and throughout Dublin. Thus, lower vehicle emissions mean improved health as well as reduced costs for the community.[3]

[1] https://fremont.gov/DocumentCenter/View/31450/PEV-Infrastructure-Cost-Effectiveness-Report_Energy-Solutions_July-2016

[2] http://fsec.ucf.edu/en/publications/pdf/fsec-cr-2053-17.pdf

[3] https://www.epa.gov/mobile-source-pollution/research-health-effects-exposure-risk-mobile-source-pollution

Measure MM-2: Reduce the Embodied GHG Emissions Associated with Building Materials

The City of Dublin will require the use of low carbon concrete in new construction projects to reduce lifecycle GHG emissions and the embodied carbon associated with construction projects.

Although this Climate Action Plan does not quantify the lifecycle GHG emissions from the consumption of materials, the City recognizes the growing science on embodied GHG emissions in the built environment.

The "embodied emissions" of a building are emissions of carbon dioxide or other GHGs generated by making and transporting materials to a building site, including mining, refining, and shipping. Globally, embodied emissions account for 11% of a building's lifecycle emissions[1]. The concrete industry is a major producer of carbon dioxide in the world, resulting in approximately 7% of worldwide GHG emissions. New technologies that replace cement with alternatives such as fly ash or carbon absorbing particles can reduce embodied GHG emissions by up to 50%.[2]

Requiring projects to specify low carbon concrete in their projects, while maintaining required strength and durability standards, will help the community work towards addressing lifecycle GHG emissions and make an ever-larger impact on global CO_2e emissions. Although this measure will reduce GHG emissions, it is difficult to quantify and is not currently included in the State GHG inventory. Therefore, this measure is considered supportive.

[1] http://www.carbonleadershipforum.org/about/why-embodied-carbon/
[2] https://materialspalette.org/concrete/

Key Target Metrics

Adopt an ordinance mandating low carbon concrete for all new development projects by 2023

GHG Reduction Potential

Supportive

Measure MM-2 Actions

1	Conduct outreach to the development community regarding low carbon concrete using the Bay Area Low Carbon Concrete Codes Project.
2	Present a low carbon concrete ordinance to City Council based on the Marin County model ordinance with specifications for residential and non-residential development applications.
3	Educate City staff, and the development community on the new reach code requirements.
4	Keep current on new model ordinances that identify other building materials to target for additional embodied carbon reductions.

Co-Benefits:



Community Cost: $

Low carbon concrete is approximately equal in cost to standard high carbon concrete due to a currently available significant local supply of fly ash in the Bay Area.

City Cost: $ $ $

Staff time will be required to update the City of Dublin Building Code and implement the new requirements. A low carbon concrete building code update can be modeled off the work done by Marin County under a grant from the Bay Area Air Quality Management District. Costs for staff time is estimate at $10,000-$15,000.



Benefits of Reducing Embodied Emissions Associated with Concrete

Concrete is the most widely used construction material in the world and contributes the most lifecycle GHG emissions of any single building material, resulting in approximately 7% of global GHG emissions.[4] New technologies allow concrete to be produced with less cement (the binding agent in concrete) while maintaining strength and durability. Some additives can even help sequester more carbon during the curing process. By adopting these requirements, the City of Dublin will join a list of pioneering cities working to address lifecycle GHG emissions and embodied carbon[5]. Based on data provided by the Marin County low carbon concrete ordinance, the use of low carbon concrete is expected to be cost competitive with traditional concrete in the Bay Area.

[4] https://materialspalette.org/concrete/

[5] https://www.marincounty.org/depts/cd/divisions/sustainability/low-carbon-concrete-project

RESOLUTION NO. 04 – 21

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

REQUESTING EAST BAY COMMUNITY ENERGY ENROLL CITY OF DUBLIN RESIDENTIAL ACCOUNTS IN RENEWABLE 100 AS THE DEFAULT ELECTRICITY PRODUCT

WHEREAS, the City of Dublin has been a leader in the fight against climate change, having adopted its first Climate Action Plan in 2010 with an update in 2013, with the goal to reduce greenhouse gas emissions to 1990 levels by 2020; and

WHEREAS, on September 15, 2020, the City Council of the City of Dublin adopted the City of Dublin Climate Action Plan 2030 and Beyond that includes a goal of reducing greenhouse gas emissions by 40% below 1990 levels by 2030 to align with California Senate Bill 32 and to put the City on a path to reach carbon neutrality by 2045; and

WHEREAS, Climate Action Plan 2030 and Beyond identifies renewable and carbon-free electricity as the biggest opportunity to reduce greenhouse gas emissions within the City of Dublin; and

WHEREAS, the City of Dublin's electricity provider, East Bay Community Energy (EBCE), offers a 100% carbon-free and 100% renewable electricity product called Renewable 100; and

WHEREAS, enrolling residential accounts in the Renewable 100 carbon-free electricity option is the most cost-effective way to reduce greenhouse gas emissions in Dublin and would cost the average homeowner approximately four dollars per month more than current electricity rates; and

WHEREAS, residential accounts on California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and medical baseline accounts will remain on the current default electric power product, EBCE's Bright Choice power product, offered at a slight discount compared to Pacific Gas & Electric's (PG&E) standard product; and

WHEREAS, the City of Dublin and EBCE will reach out to commercial, industrial, and institutional customers to encourage opting-up to the Renewable 100 power portfolio and the City of Dublin intends to re-evaluate Renewable 100 as the default product for these customers within the next year; and

WHEREAS, residential customers in the City of Dublin would retain the option to "opt down" to an electric power portfolio with a lower percentage of carbon-free electricity or "opt out" to PG&E's electricity; and

WHEREAS, establishing a renewable and carbon-free default electricity product for residential customers would allow Dublin to showcase its environmental leadership and demonstrate efforts to create a sustainable community in line with the goals of Climate Action Plan 2030 and Beyond.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Dublin does request that East Bay Community Energy hereby enroll the City of Dublin in the Renewable 100 electric power portfolio as the default electricity product for all residential accounts, except for CARE, FERA, and medical baseline accounts which would remain on the Bright Choice electric power portfolio.

BE IT FURTHER RESOLVED that the City Council of the City of Dublin requests that the EBCE Board consider Dublin's Renewable 100 default power portfolio request at the earliest possible upcoming EBCE Board Meeting.

PASSED, APPROVED AND ADOPTED this 12th day of January 2021, by the following vote:

AYES: Councilmembers Hu, Josey, Kumagai, McCorriston and Mayor Hernandez

NOES:

ABSENT:

ABSTAIN:

DocuSigned by:
M. Hernandez
97C94F7A46A8461...
Mayor

ATTEST:
DocuSigned by:
Marsha Moore
9BB70815D22F40A...
City Clerk

RESOLUTION NO. 28 – 22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUBLIN

REQUESTING EAST BAY COMMUNITY ENERGY ENROLL CITY OF DUBLIN NON-RESIDENTIAL ACCOUNTS IN RENEWABLE 100 AS THE DEFAULT ELECTRICITY PRODUCT

WHEREAS, the City of Dublin has been a leader in the fight against climate change, having adopted its first Climate Action Plan in 2010 with an update in 2013, with the goal to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020; and

WHEREAS, on September 15, 2020, the City Council adopted the City of Dublin Climate Action Plan 2030 and Beyond (CAP 2030) which includes goals to reduce GHG emissions by 40% below 1990 levels by 2030 and to put the City on a path to reach carbon neutrality by 2045; and

WHEREAS, CAP 2030 identifies renewable and carbon-free electricity as the biggest opportunity to reduce GHG emissions within the City of Dublin; and

WHEREAS, the City's electricity provider, East Bay Community Energy (EBCE), offers a 100% carbon-free and 100% renewable electricity product called Renewable 100; and

WHEREAS, residential accounts were enrolled in Renewable 100 beginning January 1, 2022, reducing GHG emissions in Dublin by approximately 28%; and

WHEREAS, enrolling non-residential accounts in Renewable 100 has the potential to reduce GHG emissions in Dublin by an additional 25%; and

WHEREAS, non-residential accountholders in the City would retain the option to opt down to EBCE's discounted power portfolio, Bright Choice, which offers a lower percentage of carbon-free electricity, or opt out to electricity provided by Pacific Gas & Electric; and

WHEREAS, establishing Renewable 100 as the default electricity for both residential and non-residential accounts would allow Dublin to showcase its continued environmental leadership and demonstrate efforts to create a sustainable community in line with the goals of CAP 2030.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dublin does request that EBCE hereby enroll the City of Dublin in the Renewable 100 electric power portfolio as the default electricity product for all non-residential accounts in the City.

BE IT FURTHER RESOLVED that the City Council of the City of Dublin requests that the EBCE Board consider Dublin's Renewable 100 default power portfolio request at the earliest possible upcoming EBCE Board Meeting.

{Signatures on the following page}

PASSED, APPROVED AND ADOPTED this 5th day of April 2022, by the following vote:

AYES: Councilmembers Hu, Josey, Kumagai, McCorriston, and Mayor Hernandez

NOES:

ABSENT:

ABSTAIN:

DocuSigned by:
M. Hernandez
97C94E7A46A8461...
Mayor

ATTEST:

DocuSigned by:
Marsha Moore
9BB79815D22F40A...
City Clerk

DUBLIN
CALIFORNIA

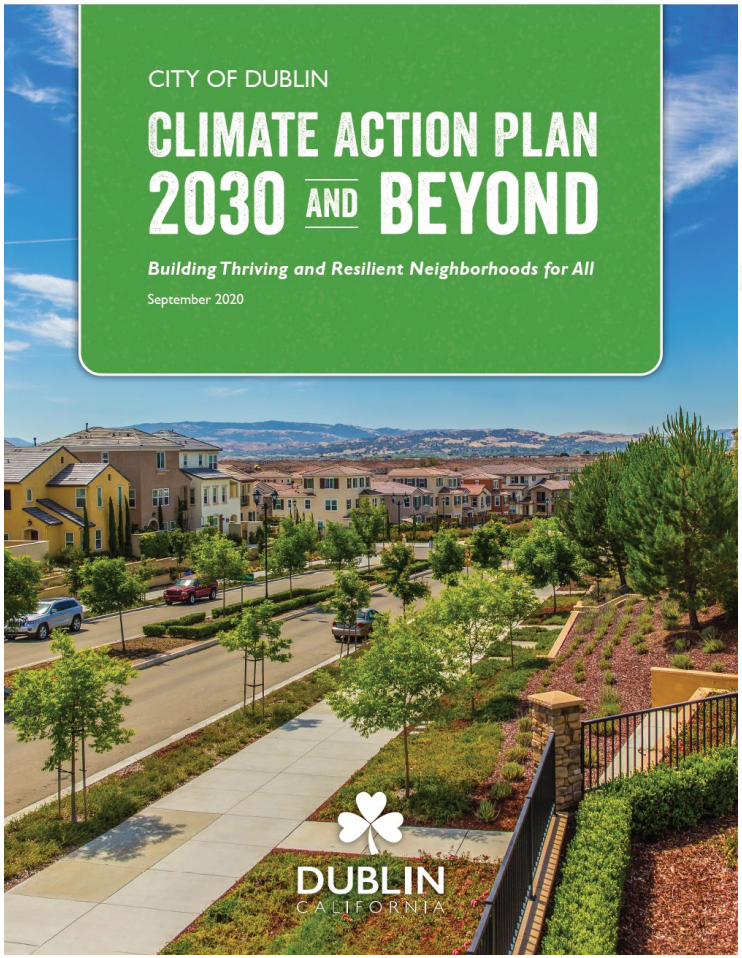
Climate Action Plan 2030 and Beyond Reach Codes Report

September 6, 2022

Outline

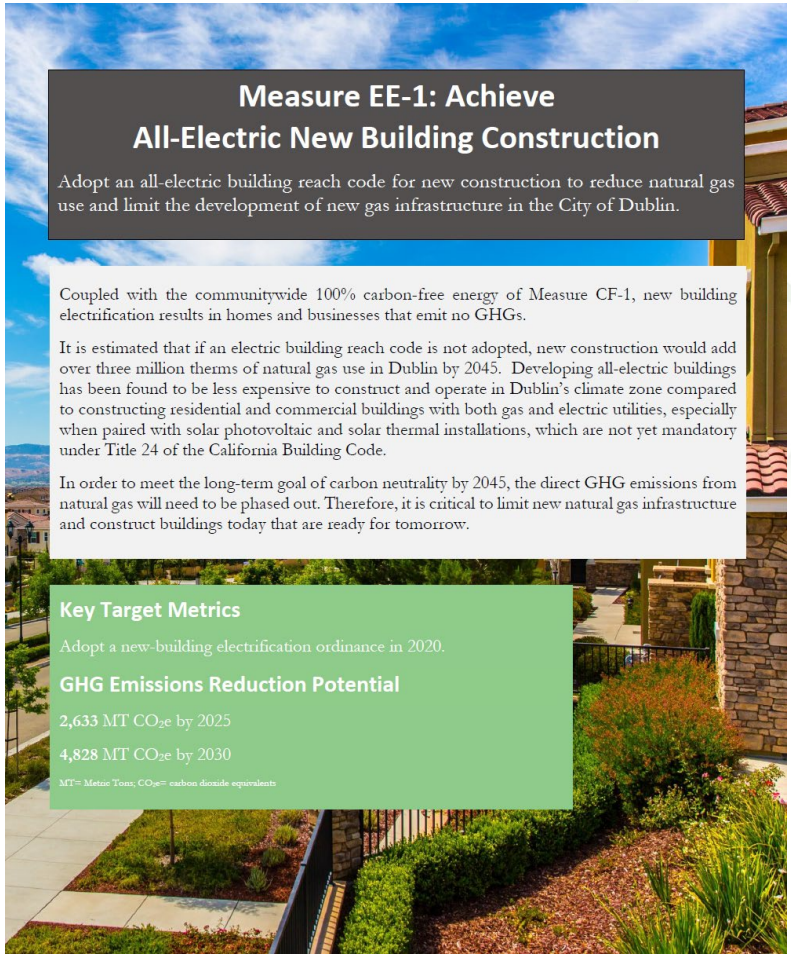
- Overview of the Climate Action Plan 2030 and Beyond.
- Measure EE-1: Achieve All-Electric New Construction
- Measure SM-1: Adopt an Electric Vehicle Charging Station Ordinance
- Measure MM-2: Reduce the Embodied Greenhouse Gas (GHG) Emissions Associated with Building Materials

Climate Action Plan 2030 and Beyond



- Five strategies in the Climate Action Plan 2030 and Beyond (CAP 2030):
  - Renewable and Carbon Free Electricity (CF)
  - Building Efficiency and Electrification (EE)
  - Sustainable Mobility and Land Use (SM)
  - Materials and Waste Management (MM)
  - Municipal Leadership (ML)

Measure EE-1



- Implementing Measure EE-1 plus Measure CF-1, Opt-up to 100% Renewable and Carbon-Free Electricity, would result in buildings that do not emit GHGs.
- GHG emissions reduction potential is estimated to be 2,633 metric tons (MT) carbon dioxide equivalent (CO_2e) by 2025 and 4,828 MT CO_2e by 2030.

All-Electric Municipal Ordinance

All-Electric Municipal Ordinance would prohibit gas hookups via municipal ordinance.

- Pro: Can be adopted indefinitely since it is not tied to the building code.
- Con: May not cover buildings which have already received entitlements.
- Con: There are uncertainties regarding potential legal challenges.

All-Electric Building Code

All-Electric Building Code is a local amendment to Title 24 of the California Building Code (CALGreen) that would require electric appliances.

- Pro: Can be adopted as part of the 2022 CALGreen building code update.
- Pro: May cover buildings that have received entitlements.
- Con: Must be re-adopted with every building code cycle.

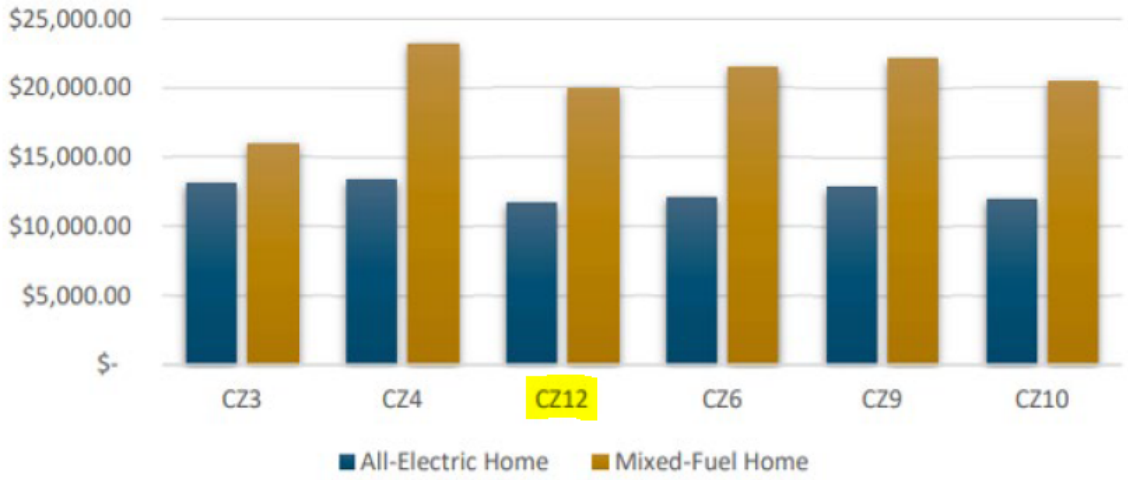
Electric Preferred Building Code

Electric-Preferred Building Code. This is the base code in the 2022 California Energy Code. Allows for mixed-fuel buildings with higher energy performance and pre-wiring for electric-ready buildings.

- Pro: 2022 CALGreen building code can be adopted by reference.
- Con: May not reduce GHG emissions enough to meet the CAP 2030 goals.
- Con: The CAP 2030 could not be used for CEQA streamlining.

Cost of Electrification

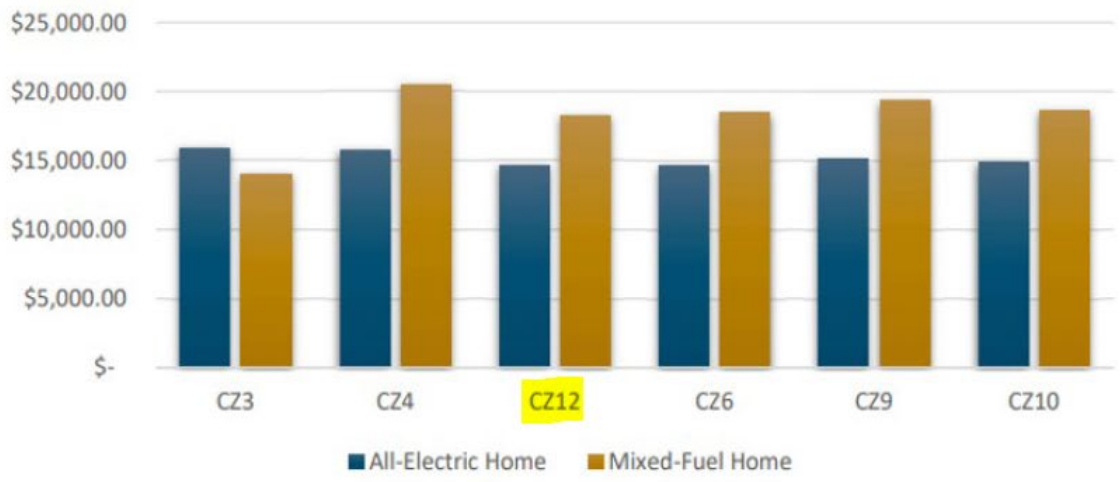
*Figure 1. Capital Cost of High-Efficiency Appliances vs. Gas Alternatives in Single Family Home New Construction (Source: E3, Residential Building Electrification in California, 2019)**



*"CZ" means climate zone.

Cost of Electrification

Figure 2. Capital Cost of High-Efficiency Appliances vs. Gas Alternatives in Low Rise Multifamily New Construction (Source: E3, Residential Building Electrification in California, 2019.)



Availability of Electric Technologies

- All-electric appliances are available to local builders.
  - Induction cooktops/ranges, heat pump water heaters, heat pump space heating/cooling appliances.
- Some developers and contractors lack familiarity with installing all-electric appliances.
  - Bay Area Regional Energy Network is providing training events to address the knowledge gap.

Measure SM-1

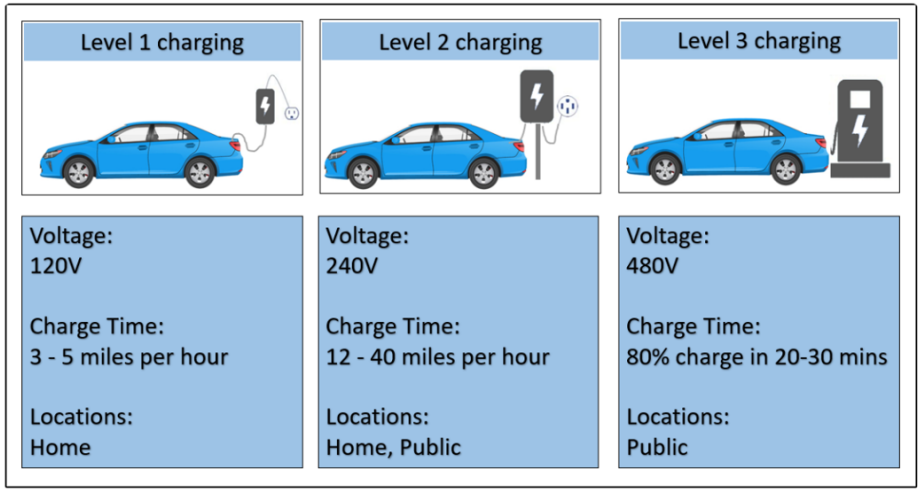


- CAP 2030 goal is for 33% of vehicles in Dublin to be electric vehicles (EV) by 2030.
- This would result in a reduction of approximately 26,288 MT CO_2e by 2030.

Measure SM-1

- CAP 2030 target is 25% parking spaces "EV Ready."
  - Panel capacity and conduit installed.
- 3% of stalls have installed Level 2 chargers, or comparable amount of Direct Current Fast Chargers.

Figure 3. Standard Electric Vehicle Charging Stations (image credit to Shradha Jadhav on LinkedIn)



2022 CALGreen Building Code

- 2022 CALGreen building code includes new minimum and voluntary Tier 1 and Tier 2 EV charging station requirements.
- CAP 2030 definition of "EV Ready" is analogous to the CALGreen definition of "EV Capable."
- Tables shown later in presentation are CALGreen definitions.

Bay Area Reach Codes

- Consortium of organizations including:
  - East Bay Community Energy (EBCE)
  - Peninsula Clean Energy (PCE)
  - Silicon Valley Clean Energy (SVCE)
  - San Mateo County Office of Sustainability
  - County of Santa Clara
  - StopWaste
- Developed template code language and other resources which are provided on the bayareareachcodes.org website.

Multifamily Residential (20+ Units)

*Table 1. Multifamily Residential (20+ units) Codes Comparison for New Construction**

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code
EV Capable	20%	25%	10%	-	-	85%
EV Ready	-		25%	35%	40%	-
EVCS Installed**	-	3%	5%	10%	15%	15%

*The percentages in the columns are additive, not subsets of each other (i.e., the 2022 CALGreen base code will have a total of 30% electrified spaces with 5% EVCS installed plus 25% EV Ready).
**All percentages are for Level 2 chargers, or for infrastructure capable of supporting Level 2 EVCS.

EV Capable: Electrical panel capacity and conduit installed for future build out of Level 2 Chargers.

EV Ready: Full circuit installed (Level 2 panel capacity, conduit, wiring, receptacle and overprotection devices similar to a dryer circuit).

Multifamily Residential (<20 Units)

*Table 2. Multifamily Residential (<20 units) Codes Comparison for New Construction**

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code
EV Capable	20%	25%	10%	-	-	85%
EV Ready	-		25%	35%	40%	-
EVCS Installed	-	3%	-	-	-	15%**

*The percentages in the columns are additive, not subsets of each other (i.e., the 2022 CALGreen base code will have a total of 25% EV Ready plus 10% EV Capable).
**All percentages are for Level 2 EVCS, or infrastructure capable of supporting Level 2 EVCS.

EV Capable: Electrical panel capacity and conduit installed for future build out of Level 2 Chargers.

EV Ready: Full circuit installed (Level 2 panel capacity, conduit, wiring, receptacle and overprotection devices similar to a dryer circuit).

Commercial

*Table 3. Commercial Codes Comparison for New Construction**

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code		
						Office	Hotel	All Other
EV Capable	20%	25%	20%	30%	45%	30%	10%	10%
EV Ready	-		-	-	-	-	25%	-
**EVCS Installed ** **	-	3%	5% (25% of the 20%)	10% (33% of the 30%)	15% (33% of the 45%)	20%	5%	10%

* All percentages are for Level 2 EVCS, or infrastructure capable of supporting Level 2 EVCS.
**Percentages are not additive; instead they are a subset of the total spaces impacted.

EV Capable: Electrical panel capacity and conduit installed for future build out of Level 2 Chargers.

EV Ready: Full circuit installed (Level 2 panel capacity, conduit, wiring, receptacle and overprotection devices similar to a dryer circuit).

Single Family and Existing Construction

Table 4. Single Family New Construction Codes Comparison

	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	2022 Tier 1	2022 Tier 2	Reach Code
EV Capable	100%	-	All SF garages	-	-	-
EV Ready	-	-	-	All SF garages	All SF garages	All SF garages
EVCS Installed	-	-	-	-	-	-

Table 5. Existing Construction Codes Comparison

Existing Parking Lots	2019 Tier 2 Code (Adopted)	CAP 2030	2022 Base	Reach Code
Multifamily	-	-	If adding stalls or altering lighting/electrical systems, 10% of altered spots required to be EV capable.	If adding stalls or altering lighting/electrical systems, 10% of altered spots required to be EVCS.
Commercial	-	-	-	

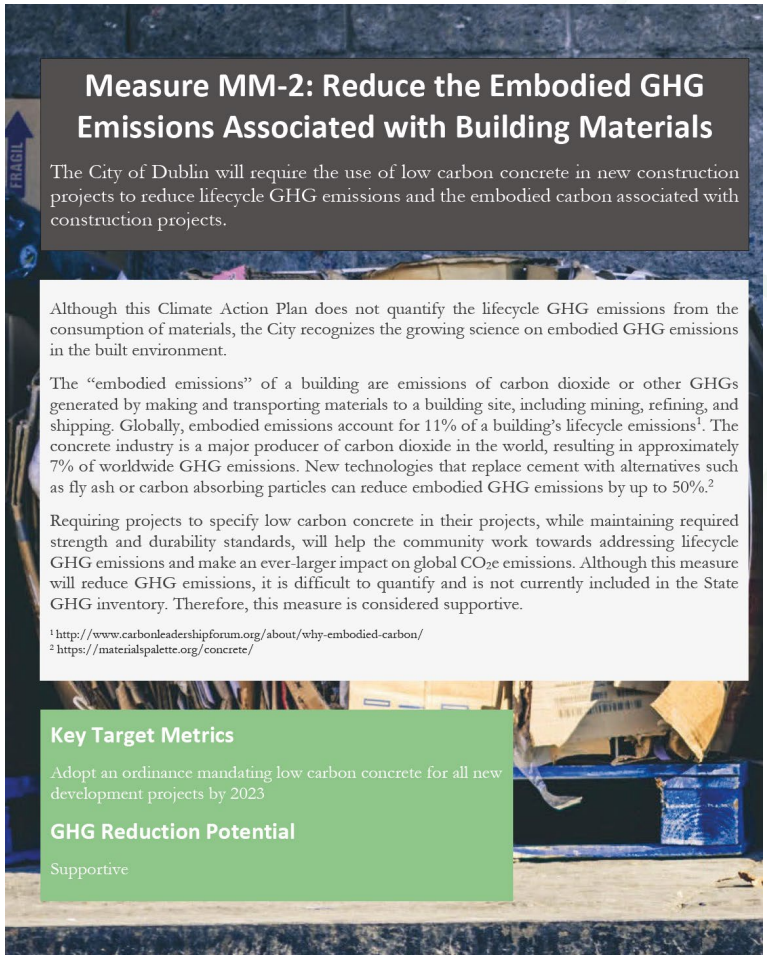
Costs of Installing EV Chargers

- 2019 California Air Resources Board Study
  - New construction: $870 - $960 per space
  - Existing construction: $7,000 - $8,000 per space

Table 6. PCE and SVCE November 2019 EV Infrastructure Cost Effectiveness Study

Code Scenario	**Market Rate 25% Level 2/75% Level 1**	**Market Rate 25% Level 2/75% Level 1**	**Affordable Housing 10% Level 2/90% Level 1**	**Affordable Housing 10% Level 2/90% Level 1**
Building Type	New Construction	Retrofit	New Construction	Retrofit
60 Unit MFD	$1,410	$4,443	$1,049	$3,982
150 Unit MFD	$1,197	$4,101	$1,002	$3,854
60 Unit Office Building	$1,166	$3,232	N/A	N/A

Measure MM-2



- Cement production accounts for as much as 7% of global GHG emissions.
- Embodied carbon in cement can be reduced through addition of secondary cementitious materials.
- Pilot specifications first.

Conclusion

- All-electric building or municipal code could reduce GHG emissions and has had support from Pacific Gas & Electric. The code could help streamline plan review and inspection.
- EV charging station ordinance sets the stage for the transition to EVs mandated by the State.
- Low carbon concrete code would help Dublin start working towards addressing life cycle GHG emissions.

Next Steps

- Based upon direction from City Council, Staff will conduct public outreach on the selected electrification and EV charger codes and subsequently bring the codes to City Council for consideration later this calendar year.

Agenda Item 7.2

STAFF REPORT
CITY COUNCIL

DATE: September 6, 2022

TO: Honorable Mayor and City Councilmembers

FROM: Linda Smith, City Manager

SUBJECT: Parks and Community Services Report on Dublin-Based Non-Profit and Fundraising Fees
Prepared by: Jackie Dwyer, Director of Parks and Community Services

EXECUTIVE SUMMARY:

The City Council will receive a report on Dublin-based non-profit and fundraising fees at City of Dublin facilities and their fiscal impact. Options for the City Council to consider are included.

STAFF RECOMMENDATION:

Receive the report and provide direction on Dublin-based non-profit and fundraising fees.

FINANCIAL IMPACT:

The City Council may implement any fee adjustments from the proposed options. Based on historical information—if the fundraising fee is eliminated, the cost to the City will be approximately $5,000 annually.

DESCRIPTION:

Background

On June 21, 2022, the City Council requested that the Parks and Community Services Department provide a report regarding the impact of non-profit versus fundraising fees for Dublin-based non-profit fundraising rentals at City of Dublin facilities. The City Council further expressed some interest in potential changes to the fees to allow for either a split fee, or the elimination of the fundraising fee. These options are outlined at the end of the report.

As part of the due diligence, Staff reached out to various non-profit groups that use the City's rental facilities. A survey was sent in which Staff received two responses. Staff began following up directly with some of the users to get feedback on possible changes. In summary, the non-profit user groups were supportive of changing the rate structure but did not provide direct feedback on

the best approach when given the options to consider, most likely because both options presented were beneficial to the groups.

Current Fee Structure

The below fees were gathered from the fee schedule adopted on June 21, 2022. Tables reflect only those facilities with fundraising rates.

Table 1: Heritage Park & Museum – St. Raymond Church

Type (per hour)	Fee	Discount
Resident (R)	$63	
Dublin-based commercial business (C)	$83	
Dublin-based non-profits	$17	73% off R / 80% off C
Dublin-based non-profits for fundraising	$47	25% off R / 43% off C

Table 2: Heritage Park & Museum – St. Raymond Church Outdoor Patio

Type (per hour)	Fee	Discount
Resident (R)	$60	
Dublin-based commercial business (C)	$80	
Dublin-based non-profits	$17	72% off R / 79% off C
Dublin-based non-profits for fundraising	$45	25% off R / 44% off C

Table 3: Heritage Park & Museum – Kolb Sunday School Barn

Type (per hour)	Fee	Discount
Resident (R)	$104	
Dublin-based commercial business (C)	$140	
Dublin-based non-profits during business hours	$17	84% off R / 88% off C
Dublin-based non-profits	$26	75% off R / 81% off C
Dublin-based non-profits for fundraising	$79	24% off R / 44% off C

Table 4: Heritage Park & Museum – Lawn Area

Type (per hour)	Fee	Discount
Resident (R)	$78	
Dublin-based commercial business (C)	$104	
Dublin-based non-profits	$17	78% off R / 84% off C
Dublin-based non-profits for fundraising	$59	24% off R / 43% off C

Table 5: Library Community Room

Type (per hour)	Fee	Discount
Resident (R)	$94	
Dublin-based commercial business (C)	$125	
Dublin-based non-profits	$0	100% off R / 100% off C
Dublin-based non-profits for fundraising	$71	25% off R / 43% off C

Table 6: Senior Center – Alamilla Springs Ballroom

Type (per hour)	Fee	Discount
Resident (R)	$193	
Dublin-based commercial business (C)	$256	
Dublin-based non-profits	$48	75% off R / 81% off C
Dublin-based non-profits for fundraising	$145	23% off R / 43% off C

Table 7: Senior Center – Classroom A and C/D

Type (per hour)	Fee	Discount
Resident (R)	$39	
Dublin-based commercial business (C)	$51	
Dublin-based non-profits	$17	56% off R / 67% off C
Dublin-based non-profits for fundraising	$24	39% off R / 40% off C

Table 8: Senior Center – Classroom B

Type (per hour)	Fee	Discount
Resident (R)	$29	
Dublin-based commercial business (C)	$40	
Dublin-based non-profits	$17	41% off R / 58% off C
Dublin-based non-profits for fundraising	$24	17% off R / 53% off C

Table 9: Shannon Community Center – Ambrose Hall

Type (per hour)	Fee	Discount
Resident (R)	$261	
Dublin-based commercial business (C)	$346	
Dublin-based non-profits during business hours	$17	93.5% off R / 95% off C
Dublin-based non-profits	$89	66% off R / 74% off C
Dublin-based non-profits for fundraising	$196	25% off R / 43% off C

Table 10: Shannon Community Center – Outdoor Patio

Type (per hour)	Fee	Discount
Resident (R)	$123	
Dublin-based commercial business (C)	$164	
Dublin-based non-profits during business hours	$17	86% off R / 90% off C
Dublin-based non-profits	$31	75% off R / 81% off C
Dublin-based non-profits for fundraising	$92	25% off R / 44% off C

Table 11: Shannon Community Center – Multipurpose Room

Type (per hour)	Fee	Discount
Resident (R)	$73	
Dublin-based commercial business (C)	$97	
Dublin-based non-profits during business hours	$17	77% off R / 83% off C
Dublin-based non-profits	$24	67% off R / 75% off C
Dublin-based non-profits for fundraising	$55	25% off R / 43% off C

Table 12: Shannon Community Center – Classroom

Type (per hour)	Fee	Discount
Resident (R)	$31	
Dublin-based commercial business (C)	$42	
Dublin-based non-profits	$17	45% off R / 60% off C
Dublin-based non-profits for fundraising	$24	25% off R / 43% off C

Table 13: Dublin-based Non-Profit Fundraising Rental Examples

The below fees represent the most commonly used rental time frames (based on actuals) at various locations. Totals included here do not consider fees for linens, alcohol insurance, dance floor, stage, or other items that may be added.

Hours / Location	Cost	Lost Revenue
11 AM-11 PM (12 hours) / Shannon Community Center – Ambrose Hall	$2,352 Fundraising Rate If all non-profit: $1,068 If Split Cost @ 2 hours non-profit—total: $2,138 If Split Cost @ 3 hours non-profit—total: $2,031	 All non-profit: $1,284 Split @ 2: $214 Split @ 3: $321
11AM - 12 AM (11 hours) / Heritage Park & Museum – St. Raymond Church	$517 Fundraising Rate If all non-profit: $187 If Split Cost @ 2 hours non-profit—total: $457 If Split Cost @ 3 hours non-profit—total: $427	 All non-profit: $330 Split @ 2: $60 Split @ 3: $90
2 PM-12 AM (10 hours) / Heritage Park & Museum – Kolb Sunday School Barn	$790 Fundraising Rate If all non-profit: $260 If Split Cost @ 2 hours non-profit—total: $684 If Split Cost @ 3 hours non-profit—total: $631	 All non-profit: $530 Split @ 2: $106 Split @ 3: $159
4 PM-12 AM (8 hours) / Senior Center – Alamilla Springs Ballroom	$1,160 Fundraising Rate If all non-profit: $384 If Split Cost @ 2 hours non-profit—total: $966 If Split Cost @ 2 hours non-profit—total: $869	 All non-profit: $776 Split @ 2: $194 Split @ 3: $291

Options

Staff is seeking direction from the City Council on whether the time that non-profits use for fundraising should continue to be charged at the fundraising rate for the entire rental, or changed to one of the following options:

1. Split Fees: Allow for two or three hours (total) at the Dublin-based non-profit rate. This time can be used for setup and/or takedown, but the remaining rental time will be charged

at the Dublin-based non-profit fundraising rate.

2. Eliminate the fundraising rate for Dublin-based non-profits. All Dublin-based non-profits will pay the Dublin-based non-profit rate regardless of the event.

STRATEGIC PLAN INITIATIVE:

None.

NOTICING REQUIREMENTS/PUBLIC OUTREACH:

The City Council Agenda was posted.

ATTACHMENTS:

None.