



AGENDA
REGULAR MEETING OF THE CITY COUNCIL AND
JOINT MEETING OF THE CLOVERDALE COMMUNITY DEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS

TUESDAY, MAY 10, 2016

CLOSED SESSION 5:30 p.m.

CLOSED SESSION LOCATION: CITY HALL CONFERENCE ROOM, 124 N. CLOVERDALE BLVD. CLOVERDALE, CA 95425

PUBLIC BUSINESS SESSION: 6:30 p.m.

**PUBLIC BUSINESS SESSION LOCATION: CLOVERDALE PERFORMING ARTS CENTER, 209 N. CLOVERDALE BLVD.,
CLOVERDALE, CA 95425**

The Cloverdale City Council welcomes you to its meetings that are typically scheduled for the 2nd and 4th Tuesday of the month. Your interest and participation are encouraged and appreciated. ***Please silence all pagers, cellular telephones and other communications devices upon entering the meeting.***

ADDRESSING THE CITY COUNCIL:

When asked to do so by the Mayor, those wishing to address the City Council are asked to step up to the podium. Speak directly into the microphone so everyone in the audience can hear your comments and so they'll be recorded into the official record. State your name and City of Residence for the record. Per City Council Policy, three (3) minutes are typically allotted to each speaker. However, Council may at its discretion revise the amount of time allotted. Public comments will normally be received after staff presentations on an agenda item and before the City Council starts deliberations. A Talking Tips sheet is available for your use.

We may disagree, but we will be respectful of one another.
All comments will be directed to the issue at hand, and addressed to the City Council.
Personal attacks are unacceptable.

DISABLED OR SPECIAL NEEDS ACCOMMODATION: In compliance with the Americans with Disabilities Act, if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk's office at 894-2521. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

WAIVER WARNING: If you challenge decisions/directions of the City Council in court, you may be limited to raising only those issues you or someone else raised at public hearings(s) described in this Agenda, or in written correspondence delivered to the City of Cloverdale at, or prior to, the public hearing(s).

CLOSED SESSION

CLOSED SESSION: 5:30 pm

OPENING:

- Call to Order
- Roll Call
- Agenda Review - Closed Session (Changes and/or Deletions)

PUBLIC COMMENTS ON CLOSED SESSION AGENDA:

Prior to adjournment into Closed Session, the public may speak on items to be addressed in Closed Session.

RECESS TO CLOSED SESSION:

CONFERENCE WITH LEGAL COUNSEL- POTENTIAL LITIGATION (1)

Pursuant to California Government Code Section 54956.9(d)(2)

Number of Cases: 1

CONVENE PUBLIC BUSINESS SESSION – 6:30 p.m.

OPENING:

- Call to Order
- Pledge of Allegiance
- Roll Call
- Conflict of Interest Declaration
- Agenda Review – Regular Session (Changes and/or Deletions)

PUBLIC COMMENTS:

Any person wishing to speak to the City Council on any item not listed on the agenda may do so at this time. Members of the public have the right to speak on any items on the Council Agenda during that item. Pursuant to the Brown Act, the City Council is not allowed to consider issues or take action on any item not listed on the agenda. Each person wishing to speak must go to the podium when advised by the Mayor and speak directly into the microphone.

PROCLAMATIONS / PRESENTATIONS:

1. Proclamation endorsing the Community Resilience Challenge *(Page 1)*
2. Presentation by Cloverdale Library Commissioner Reece Foxen regarding activities, and her potential reappointment to the Sonoma County Library Commission *(Pages 2-4)*

CONSENT CALENDAR:

All items under Consent Calendar will be considered together by one action of the Council unless any Council Member or member of the public requests that an item be removed and considered separately.

3. Minutes of Previous Meeting: March 22, 2016 – Moore *(Pages 5-14)*
4. Minutes of Previous Meeting: April 26, 2016 – Moore *(Pages 15-20)*

COMMUNICATIONS: None

PUBLIC HEARINGS: None

NEW BUSINESS:

- 5. Action on Resolution authorizing the City Manager to execute the First Amendment to the License Agreement between the City of Cloverdale and the Cloverdale Senior Multipurpose Center, Inc. concerning the Cloverdale Senior Center at 311 North Main Street– Cayler (Page 21-56)**

Recommendation: Staff recommends that the City Council adopt the proposal resolution, thus formally amending the license agreement between the City of Cloverdale and the Senior Multipurpose Center.

SUBCOMMITTEE ACTION ITEMS:

Finance, Administration & Police

- 6. Introducing and waiving the first reading of Ordinance No. 707-2016 amending Cloverdale Municipal Code, Title 3, Chapter 3.04, "Officers Authorized to Sign - Procedure," Section 3.04.020, adding the Assistant City Manager as an officer authorized to sign on behalf of the City- Cavallari (Pages 57-60)**

Recommendation: Staff recommends that the City Council waive the full reading of Ordinance No. 707-2016, amending Municipal Code, Title 3, Chapter 3.04 "Officers Authorized to Sign - Procedure," conduct a first reading of the Ordinance by title only, and direct its return for the second reading and adoption.

- 7. Action on Resolution No. 032-2016, adopting an Investment Policy for the City of Cloverdale - Cavallari (Pages 61-66)**

Recommendation: Staff recommends that the City Council adopt Resolution No. 032-2016, adopting an Investment Policy Statement for the City of Cloverdale.

- 8. Action on Resolution No 033-2016, authorizing the City Manager to sign an agreement with the Exchange Bank and approving the City Manager and Finance Manager as signers on the Investment Account- Cavallari (Pages 67-84)**

Recommendation: Staff recommends that the City Council adopt Resolution No. 033-2016, authorizing the City Manager to sign the agreement with Exchange Bank, approving the City Manager and Finance Manager as signers on the Investment Account.

Public Works

- 9. Update and potential direction related to Solar Project at Water and Wastewater Treatment Plants- Cayler (Pages 85-96)**

Recommendation: Staff recommends that the City Council execute a Notice of Termination.

- 10. Presentation of the Public Draft Urban Water Management Plan by RMC- Apodaca (Pages 97-121)**

SUBCOMMITTEE REPORTS: (VERBAL REPORTS: 15 minutes)

- Airport (Chair, Councilmember Cox and Vice Mayor Wolter) - Next Meeting: July 19, 2016, 9:00 a.m.
- Finance, Administration & Police (Chair, Mayor Brigham and Vice Mayor Wolter) - Next Meeting: May 25, 2016, 2:00 p.m.
- Planning & Community Development (Chair, Vice Mayor Wolter and Mayor Brigham) - Next Meeting: June 21, 2016, 4:00 p.m.
- Public Works (Chair, Councilmember Russell and Councilmember Cox) - Next Meeting: May 24, 2016, 10:30 a.m.

- Joint City/Fire District (Chair, Councilmember Palla and Mayor Brigham) - Next Meeting: June 13, 2016, 5:30 p.m.
- Joint City/School District (Chair, Councilmember Palla and Councilmember Cox) – Next Meeting: May 16, 2016, 5:00 p.m.

COUNCIL REPORTS (INCLUDING STUDENT LIAISON): (VERBAL REPORTS: 15 minutes)

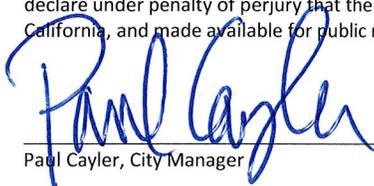
LEGISLATIVE REPORT:

CITY MANAGER/CITY ATTORNEY REPORT:

COUNCIL DIRECTION ON FUTURE AGENDA ITEMS:

ADJOURNMENT: Adjourn to a regular meeting of the City Council and Cloverdale Community Development Successor Agency, Tuesday, May 24, 2016, for Closed Session at 5:30 p.m. (at the City Hall Conference Room 124 N. Cloverdale Blvd., Cloverdale, CA 95425) and Public Business Session at 6:30 p.m. (at the Cloverdale Performing Arts Center 209 N. Cloverdale Blvd., Cloverdale, CA 95425).

The City does not transcribe its proceedings. Anyone who desires a verbatim record of this meeting should arrange for attendance by a court reporter or for other acceptable means of recordation. Such arrangements will be at the sole expense of the individual requesting the recordation. Questions about this agenda should be directed to City Hall at 707/894-2521. State of California, County of Sonoma, City of Cloverdale. CERTIFICATION I, Paul Cayler, do hereby declare under penalty of perjury that the foregoing agenda was posted on the outdoor bulletin board at the City Hall, 124 N. Cloverdale Blvd., Cloverdale, California, and made available for public review, prior to or on this 5th day of May, 2016, at or before 5:00 p.m.



Paul Cayler, City Manager

**PROCLAMATION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE
ENDORING THE COMMUNITY RESILIENCE CHALLENGE**

WHEREAS, the City Council of the City of Cloverdale is concerned about the health and well-being of its residents, and seeks to create a healthy, sustainable, and livable community; and

WHEREAS, last year, the sixth annual Community Resilience Challenge inspired thousands of people across Sonoma County to complete 8,363 actions to save water, grow food, conserve energy, reduce waste and build community; and

WHEREAS, Daily Acts is a key partner, providing programs and services that educate residents, students, businesses, and community leaders about sustainable practices; and

WHEREAS, City of Cloverdale can achieve its climate goals by growing and eating fresh, local garden produce, greening its transportation and creating energy and water-efficient homes, businesses, schools, and communities.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cloverdale proclaims to actively support the Community Resilience Challenge, and its goal to inspire thousands of actions to save water, grow food, conserve energy, reduce waste, and build community, and as a partner the City pledges to: 1) Support the Community Resilience Challenge activities within the City, and use City communications media and programming to promote the growing, eating and sharing of healthy food, waste reduction, and energy and water-efficiency; 2) Take steps to improve the opportunities for food gardening by assessing community infrastructure and looking for ways to facilitate the growing, eating and sharing of healthy food; 3) Take steps to improve the opportunities for saving water in community planning by supporting programs that facilitate increasing water efficiency and water reuse; and 4) Encourage and educate on energy efficiency and utilizing alternative energy as well as on reducing waste in our landfills and in our food system.

AND FURTHER MAY IT BE RESOLVED that the City of Cloverdale proclaims the month of May 2016 as Community Resilience Challenge Month in the City of Cloverdale, as we work together for a healthier, more vibrant and viable future.

Dated: May 10, 2016

SO ORDERED:

Vice Mayor, Gus Wolter

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**City Council/Successor Agency
Agenda Item Summary**

Agenda Item: 2
Meeting Date: May 10, 2016

Agenda Section

Proclamations/Presentations

Staff Contact

Paul Cayler, City Manager

Agenda Item Title

Presentation by Cloverdale Library Commissioner Reece Foxen regarding Activities, and Her Potential Reappointment to the Sonoma County Library Commission

Summary

Cloverdale Library Commissioner Reece Foxen requested to present to the Cloverdale City Council on activities on the Sonoma County Library Commission. In addition, Commissioner Foxen has submitted a letter formally requesting reappointment as Cloverdale’s representative on the Sonoma County Library Commission effective August 1, 2016. The library is a community institution, but so often it is taken for granted, with citizens not really knowing the magnitude of its actual contributions or understanding the library’s potential. The Sonoma County Library had more than 2 million visits this last year. Over 86,000 of those visits were people walking through the doors of the Cloverdale Library. Even more people connected to the library virtually – 2.4 million people with at least 97,000 of those virtual visits attributed to Cloverdale. Libraries are not dying; they are evolving with our culture and society; they are adapting to the community needs. The Library Commission and its staff are working hard to address the issues lingering after the Great Recession. Property values (the main source of funding based on mid-1970s budgets) are beginning to recover. Property tax revenues were 3% more than projected, thus allowing for one time projects such as an additional \$100,000 towards the Cloverdale Library refresh. Attending to deferred maintenance and upgrading facilities is an important part of the Strategic Plan, which was developed through community and focus group input. The Library is exploring the potential funding streams necessary to sustain a financially healthy 21st Century library by adding \$10 million, thereby enabling the Library to return hours, increase professional staff and critical services, and to pay for core programs such as children’s programs. It is important to understand what a powerful resource the library is for our community, and its crucial nature in building the partnerships within the community.

Options

This is presentation only in order to provide feedback and ask questions. No action required.

Budget/Financial Impact

None.

Subcommittee Recommendation

None.

Recommended Council Action

The City Manager recommends that the City Council hear the presentation from Cloverdale’s representative to the Sonoma County Library Commission, and then take public comment. As appropriate, the City Council may give feedback, ask questions, and provide general direction on the request by Commissioner Foxen for reappointment, which would be returned for formal Council action before August 1, 2016.

Attachments:

Letter from Library Commissioner Reece Foxen dated April 27, 2016.

cc:

Reece S. Foxen
241 East Third Street
Cloverdale, CA 95425
707-894-3317
reece@sonic.net

April 27, 2016

MaryAnn Brigham, Mayor
Cloverdale City Council
112 North Cloverdale Blvd.
Cloverdale, CA 95425

Dear Mayor Brigham,

Over the past 20 months I have served as Sonoma County Library Commissioner appointed by the Cloverdale City Council.

During this time I have served on the Public Relations Committee, the Revenue Enhancement Committee, the Finance Committee, and the Director's Community Outreach Group. I am Chair of two of these committees and Vice Chair of the third. I also was/am a member of the By-laws, Standard Operating Procedures, and the Retreat Planning ad hoc committees. Finally, I am a part of the group attending the Rev Sustainability Circles, laying the foundation for a sustainability action plan aligning the library with Sonoma County's climate action and sustainability efforts.

Taking the lead of the City Council, I believe that I have added to the work in rebuilding, restructuring and creating forward movement within the Sonoma County Library system and our community through the Cloverdale Regional Library.

I would very much like to continue the work I have started. Please consider reappointing me for a second term beginning August 1, 2016.

I would be more than happy to answer any questions you might have or provide you with any information you may need.

Sincerely,



Reece S. Foxen

cc: Vice Mayor Gus Wolter
Councilmember Carol Russell
Councilmember Joe Palla
Councilmember Bob Cox



**DRAFT MINUTES
REGULAR MEETING OF THE CITY COUNCIL AND
JOINT MEETING OF THE CLOVERDALE COMMUNITY DEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS**

TUESDAY, MARCH 22, 2016

PUBLIC BUSINESS SESSION: 6:30 p.m.

**PUBLIC BUSINESS SESSION LOCATION: CLOVERDALE PERFORMING ARTS CENTER, 209 N. CLOVERDALE BLVD.,
CLOVERDALE, CA 95425**

CONVENE PUBLIC BUSINESS SESSION – 6:30 p.m.

OPENING:

- Call to Order: Mayor Brigham called the meeting to order at 6:30 p.m.
- Roll Call: Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, Mayor Brigham
- Conflict of Interest Declaration: None
- Agenda Review – Regular Session (Changes and/or Deletions): None

PUBLIC COMMENTS: None

PROCLAMATIONS / PRESENTATIONS:

1. Presentation by the Sonoma County Community Development Commission regarding Homelessness

Jim Leddy, Community Development Commission, gave a presentation on homelessness in Sonoma County and discussed statistics and affordable housing options. Discussion ensued with Councilmembers expressing full support of advocating for low income housing for the homeless.

PUBLIC COMMENTS:

Jason Turner asked about plans to deal with cost of living and growth expectations. Mr. Leddy responded regarding homeless trends and future expectations.

LaReva Myles, Cloverdale, asked how many of those who have recently become homeless are due to rent increases and lack of available low income housing. Mr. Leddy confirmed that the number of people being priced out of housing is increasing. He also reported the waiting period for Section Eight low income housing is currently five to six years because of the lack of units available.

Elissa Morrash, Cloverdale, discussed the challenges of finding and qualifying for low income housing.

Colleen Halbohm, from Wallace House Emergency Shelter in Cloverdale, commented on the lack of funding for case management to oversee low income housing.

CONSENT CALENDAR:

- 2. Minutes of Previous Meeting – January 26, 2016**
- 3. Consideration of Resolution No. 005-2016 authorizing the destruction of certain records**
- 4. Ordinance Repealing and Replacing Cloverdale Municipal Code Chapter 5.24 Relating to Massage Therapy and Massage Establishments**

PUBLIC COMMENTS: None

Action: Motion was made by Vice Mayor Wolter and seconded by Councilmember Palla to approve the consent calendar. The motion passed by roll call vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Russell, Councilmember Cox, Mayor Brigham; 0-noes; 0)

COMMUNICATIONS: None.

PUBLIC HEARING:

5. Introduction and First Reading of Ordinance No. 706-2016, Amending Cloverdale Municipal Code Chapter 8.08 Related to Smoking in Public Places

Chief Cramer presented this item, explaining the details of the ordinance, requesting that the City Council introduce and waive the first reading of Ordinance No. 706-2016, amending Cloverdale Municipal Code Chapter 8.08, "Smoking in Public Places," to align regulations with current law and prohibit smoking at outdoor public events.

Mayor Brigham opened the Public Hearing

PUBLIC COMMENTS:

Clay Skelton, Cloverdale, thanked Staff and Council for the Smoking Ordinance and asked about enforcement of the ordinance. Chief Cramer responded, stating the intent is to advise the public of the no smoking areas, adding that signs would be posted and he expects that 95% of the public will voluntarily comply. Chief Cramer commented that those not complying could be issued a citation and incur a fine.

LaReva Myles, Cloverdale, asked for clarification about the 20 feet no smoking requirement and suggested a diagram be used to identify where no smoking perimeters would be for an event. City Attorney, Jose Sanchez, confirmed the 20 foot setback requirement.

Mayor Brigham closed the Public Hearing

Councilmembers discussed the ordinance and ways to inform the public about the ordinance and smoking setbacks.

Action: Motion was made by Councilmember Palla and seconded by Vice Mayor Wolter to introduce and waive the first reading of Ordinance No. 706-2016 amending Cloverdale Municipal Code Chapter 8.08, "Smoking in Public Places" to align with current laws and prohibit smoking at outdoor public events. The motion passed by roll call vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham; 0-noes).

NEW BUSINESS:

6. Consideration of Resolutions No. 022-2016, adopting a Mitigated Negative Declaration (MND) and a Mitigation Monitoring and Reporting program (MMRP) for the Clover Springs Open Space Preserve Project

Assistant City Manager/ Community Development Director, David Kelley, presented this item, stating this is a major milestone for the project. He discussed the details of the Declaration and requested the Council adopt the Mitigated Negative Declaration for the project. Mr. Kelley reported typographical corrections. He noted on page 62 of the initial study that there is a reference to the City of Healdsburg that should read the City of Cloverdale. He also reported a couple of corrections to spelling in the Resolution.

PUBLIC COMMENTS: None

Action: Motion was made by Councilmember Cox and seconded by Councilmember Russell to adopt Resolution No. 022-2016, approving a Mitigated Negative Declaration and associated Mitigation Monitoring and Reporting Plan with revised mitigation measures for new and upgraded trails and related recreation improvements within the Clover Springs Open Space Preserve. The motion passed by roll call vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham; 0-noes).

7. Action on Letter of Support for Senate Bill 1030 (McGuire) Thus Eliminating Sunset Date for the Sonoma County Regional Climate Protection Authority's (RCPA)

City Manager Cayler discussed the request received from Sonoma County Regional Climate Protection Authority requesting that the Council support Senate Bill 1030, advocating for the elimination of the Sonoma County Regional Climate Protection Authority's sunset clause.

PUBLIC COMMENTS: None

Action: Motion was made by Councilmember Palla and seconded by Councilmember Russell to authorize Mayor Brigham to sign a letter of support for SB1030 (McGuire) advocating for the elimination of the Sonoma County Regional Climate Protection Authority's sunset clause under State Law. The motion passed by voice vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham; 0-noes).

8. Motion Order to Approve the Mayor's Appointment of Bob Bialon as a Regular Member, and Jason Turner as an Alternate Member, of the Planning Commission

Assistant City Manager Kelley explained that under the Cloverdale Municipal Code Section 2.36.10, the Planning Commission shall be composed of five regular members appointed by the Mayor and, with the approval of the City Council, two alternate commissioners. Mr. Kelley reported that the Commission currently has one regular Commission vacancy and one alternate Commissioner vacancy. He shared that after interviewing three candidates, the Mayor recommended Bob Bialon to fill the regular Commissioner vacancy and Jason Turner to fill the Alternate position.

PUBLIC COMMENTS: None

Action: Motion was made by Councilmember Russell and seconded by Councilmember Palla to approve Bob Bialon as a Regular Member of the Planning Commission with a term ending March 22, 2020 and Jason Turner as an Alternate Member of the Planning Commission with a term ending March 22, 2018. The motion passed by voice vote: (5-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Councilmember Russell, and Mayor Brigham; 0-noes).

Newly appointed Commissioner, Bob Bialon, came to the podium to introduce himself. He thanked the Council for the opportunity to serve as Commissioner and promised to work hard and be worthy of their trust.

Alternate Commissioner, Jason Turner, also introduced himself and thanked the Council, stating that he would like to represent the millennium generation currently living in Cloverdale and those coming to Cloverdale.

9. Discussion of proposed revisions to the Public Works Director Job Description and Proposed Salary Range

City Manager Cayler discussed the failed recruitments for Public Works Director position, noting that the position has been vacant since October 16, 2015. He recommended removing the Engineering requirement to enable more candidates to apply. The new job description and proposed salary range was presented as a first-touch information item with the intention of agendaizing for approval at the next Council meeting.

PUBLIC COMMENTS: None

10. Presentation on the Master Plan Drawings for the “Thyme Square” Property by Collaborative Design Architects, Inc. and provide comments to City staff on the preferred conceptual design

Assistant City Manager Kelley introduced Jim Burns, President of Collaborative Designs Architects, Inc., who gave a PowerPoint presentation sharing Thyme Square Master Plan Drawings for three conceptual design alternatives. Maps showing the three schemes are attached to these minutes.

PUBLIC COMMENTS:

Matt Stromberg, Architect for Alexander Valley Health Care, stated he has been working with Jim Burns, advocating for Alexander Valley Health Care’s desire to get all of their services under one roof. He commented that schemes two and three with the health care facility located on the corner would provide site exposure for the health care facility; however, he understands that easements may be an issue. He indicated that they are amenable to the building location in scheme one, which would meet the desire to house in one building.

Debbie Howell, Alexander Valley Health Care CEO, stated that housing their facility in two buildings would increase costs in numerous areas, including staffing, IT, supplies. She emphasized the goal of one building that can offer outside activities for community members, conference rooms that could also be used for public education, ample parking and an entrance that will allow patient drop off to accommodate the less mobile. She commented that, of the three designs, she preferred scheme number one.

Clay Skelton, Cloverdale, commented on the importance of parking and voiced approval of the possibility of a three story building in the project for best utilization of space.

Marshall Kelly, Cloverdale, stated that Cloverdale has not been that good with economic development in the past and stressed that this site is a prime retail site and recommended the consideration be for highest and best use. He commented that Alexander Valley Health Clinic qualified because it serves the public need but retail is also important. Mr. Kelly went on to say that he does not feel that the Police Department being located in this project is the best use, commenting that other locations should be considered for the Police Department to allow more retail development in the project.

Mark Thayer, Cloverdale, commented that it has been a night for health care, noting that the Council first addressed homelessness, then the changes to the smoking ordinance, and now a new site for Alexander Valley Health Care Center, where they can have a Community Wellness Center. He thanked the Council for consideration of the Alexander Valley Health Care Center in the project.

LaReva Myles, Cloverdale, compared the new design options to a design plan she saw about five years ago which included a major retail component. She commented that what people see as they exit the freeway and come into Cloverdale should be the face to the world and retail would be a good choice. She also discussed funding restrictions for the affordable housing component. Ms. Myles commented that scheme one would be her preference but she would recommend some adjustments.

Larry Heiges, Geyserville, stated that he is a patient and a Board Member for Alexander Valley Health Care and voiced the importance providing quality health care to everyone in the Northern County, adding that the current facility is cramped and inadequate to provide desired services.

Paula Wrenn, Cloverdale, commented that she would chose design scheme one and expressed concerns about parking for the project, especially during Citrus Fair time. She discussed the need for the housing component to have designated parking that is not shared with the other project uses.

Discussion ensued regarding the benefit and drawback of each design plan with the Council voicing a preference for design scheme number one. Mayor Brigham suggested relocating the affordable housing to the Cherry Creek parcel if the affordable housing funding could be applied there instead. Vice Mayor Wolter suggested considering Marshall Kelly’s recommendation of relocating the Police Department to another location.

SUBCOMMITTEE ACTION ITEMS: None

SUBCOMMITTEE REPORTS:

- Airport (Chair, Councilmember Cox and Vice Mayor Wolter) - Next Meeting: April 5, 2016, 8:00 a.m.
- Finance, Administration & Police (Chair, Mayor Brigham and Vice Mayor Wolter) - Next Meeting: April 27, 2016, 2:00 p.m.
- Planning & Community Development (Chair, Vice Mayor Wolter and Mayor Brigham) - Next Meeting: April 19, 2016, 4:00 p.m.
- Public Works (Chair, Councilmember Russell and Councilmember Cox) - Next Meeting: March 29, 2016, 10:30 a.m.
- Joint City/Fire District (Chair, Councilmember Palla and Mayor Brigham) - Next Meeting: June 13, 2016, 5:30 p.m.
- Joint City/School District (Chair, Councilmember Palla and Councilmember Cox) – Next Meeting: March 28, 2016, 5:00 p.m.

COUNCIL REPORTS (INCLUDING STUDENT LIAISON):

Councilmember Russell announced that Sonoma-Marine Area Rail Transit (SMART) would be holding a meeting on March 29, 2016, and stressed the importance of attending to discuss which bus schedules will work best for Cloverdale. She reported that the Regional Climate Protection Authority and Sonoma County Transit Authority discussed the possibility of the California Energy Commission releasing a solicitation in January to fund fast charges along the Highway 101 corridor.

Vice Mayor Wolter announced that regarding the Airport subcommittee, he has had a few very good meetings with Michael Morrissey and the committee expects to come back to full Council with a game plan soon.

LEGISLATIVE REPORT: None

CITY MANAGER/CITY ATTORNEY REPORT: None

COUNCIL DIRECTION ON FUTURE AGENDA ITEMS: None

ADJOURNMENT: Mayor Brigham adjourned the meeting at 9:57 p.m. to a regular meeting of the City Council and Cloverdale Community Development Successor Agency, Tuesday, April 12, 2016, for Closed Session at 5:30 p.m. (at the City Hall Conference Room 124 N. Cloverdale Blvd., Cloverdale, CA 95425) and Public Business Session at 6:30 p.m. (at the Cloverdale Performing Arts Center 209 N. Cloverdale Blvd., Cloverdale, CA 95425).

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Scheme One

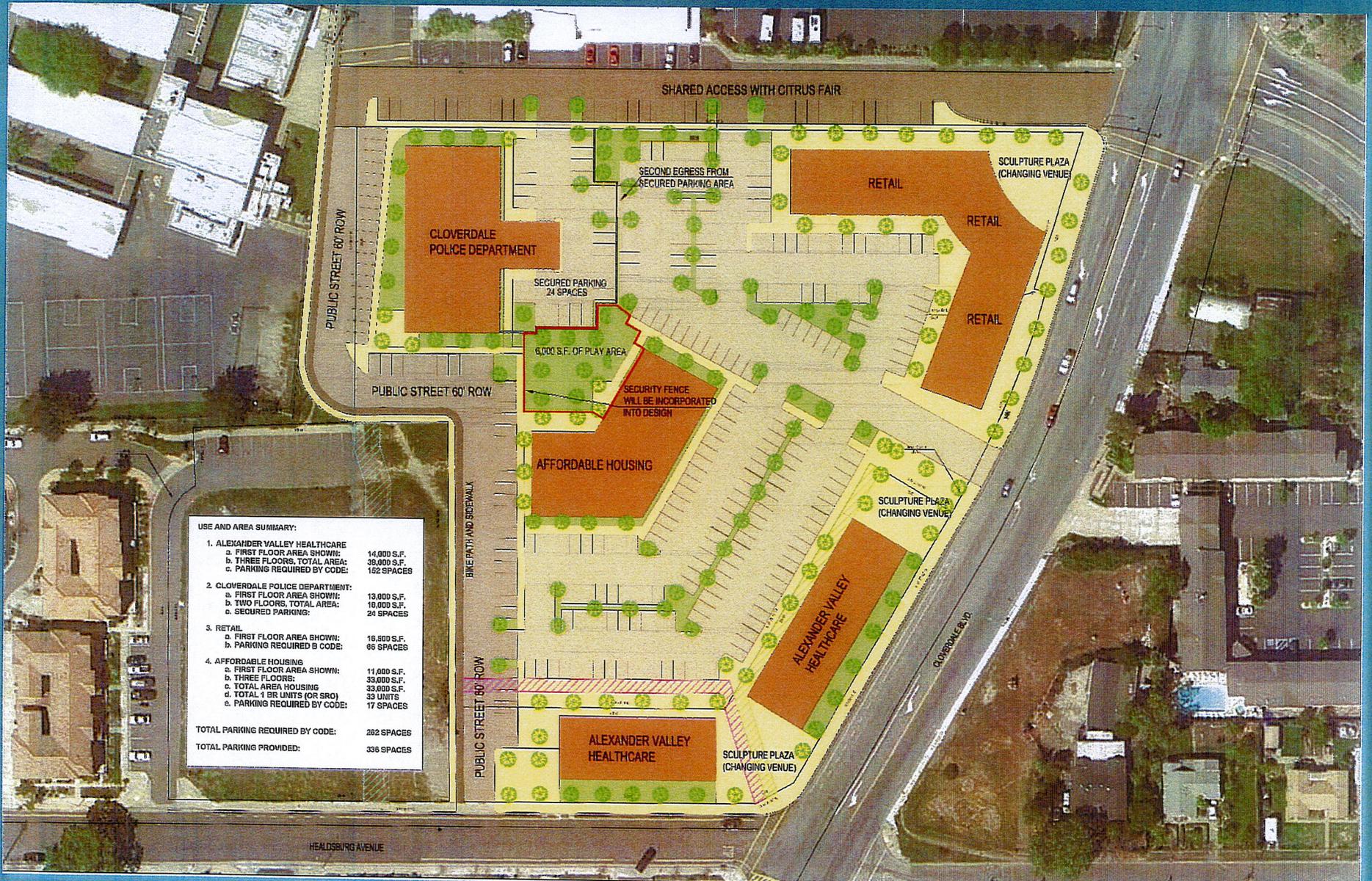


USE AND AREA SUMMARY:

- ALEXANDER VALLEY HEALTHCARE**
 - a. FIRST FLOOR AREA SHOWN: 16,000 S.F.
 - b. THREE FLOORS, TOTAL AREA: 39,000 S.F.
 - c. PARKING REQUIRED BY CODE: 152 SPACES
- CLOVERDALE POLICE DEPARTMENT:**
 - a. FIRST FLOOR AREA SHOWN: 13,000 S.F.
 - b. TWO FLOORS, TOTAL AREA: 15,000 S.F.
 - c. SECURED PARKING: 23 SPACES
- RETAIL**
 - a. FIRST FLOOR AREA SHOWN: 16,500 S.F.
 - b. PARKING REQUIRED BY CODE: 66 SPACES
- AFFORDABLE HOUSING**
 - a. FIRST FLOOR AREA SHOWN: 17,000 S.F.
 - b. THREE FLOORS:
 - i. 1ST FLOOR PARKING: 45 SPACES
 - ii. 2ND & 3RD FLOOR HOUSING: 34,000 S.F.
 - c. TOTAL AREA HOUSING: 34 UNITS
 - d. TOTAL 1 BR UNITS (OR SRO): 34 UNITS
 - e. PARKING REQUIRED BY CODE: 17 SPACES
- SKATE PARK**
 - a. AREA SHOWN: 8,700 S.F.

TOTAL PARKING REQUIRED BY CODE: 260 SPACES
TOTAL PARKING PROVIDED: 320 SPACES

Scheme Three



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**DRAFT MINUTES
REGULAR MEETING OF THE CITY COUNCIL AND
JOINT MEETING OF THE CLOVERDALE COMMUNITY DEVELOPMENT SUCCESSOR AGENCY BOARD OF DIRECTORS**

TUESDAY, APRIL 26, 2016

PUBLIC BUSINESS SESSION: 6:30 p.m.

**PUBLIC BUSINESS SESSION LOCATION: CLOVERDALE PERFORMING ARTS CENTER, 209 N. CLOVERDALE BLVD.,
CLOVERDALE, CA 95425**

CONVENE PUBLIC BUSINESS SESSION – 6:30 p.m.

OPENING:

- Call to Order: Mayor Brigham called the meeting to order at 6:30 p.m.
- Roll Call: Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Mayor Brigham, with Councilmember Russell absent
- Conflict of Interest Declaration: None
- Agenda Review – Regular Session (Changes and/or Deletions): None

PUBLIC COMMENTS: None

PROCLAMATIONS / PRESENTATIONS:

1. Proclamation proclaiming the Fourth Friday in April as Children's Memorial Flag Day throughout Sonoma County in Memory of Children Who Have Died by Violence

Mayor Brigham presented the proclamation, acknowledging MOVES (Minimizing Occurrences of Violence in Everyday Society) for their valuable work. John Goehring, Stephen Berry, and Suzanne Taylor received the proclamation on behalf of MOVES and presented a flag to the Council in appreciation.

2. Proclamation recognizing April 2016 as Sexual Assault Awareness Month

Mayor Brigham presented this proclamation to Chris Castillo, Executive Director of Verity, thanking Verity for all of their hard work. Ms. Castillo thanked the Council and the Police Department for their collaboration and great work they do for members of the community.

CONSENT CALENDAR:

- 3. Minutes of Previous Meeting: March 8, 2016**
- 4. Resolution authorizing the Sonoma County Waste Management Agency (SCWMA) to submit to the California Department of Resource Recycling and Recovery (CalRecycle) Applications for Payment Programs and Related Authorizations on Behalf of the City of Cloverdale**
- 5. Resolution No. 027-2016 approving a Professional Services Agreement with RMC Water and Environment to provide assistance to the city throughout the reissuance process for the city's National Pollution Discharge Elimination System (NPDES) permit for discharge of treated wastewater**
- 6. Resolution No. 028-2016 considering award of the CDBG Downtown ADA Accessible Parking Project to Yukon Construction in the amount of \$23,993.90, approval of the overall project budget for this project and determination of exemption from the California Environmental Quality Act**

Action: Motion was made by Councilmember Palla and seconded by Vice Mayor Wolter to approve the consent calendar. The motion passed by roll call vote: (4-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, Mayor Brigham; 0-noes; 1- Absent- Councilmember Russell)

COMMUNICATIONS: None.

PUBLIC HEARINGS:

7. Hearing to consider adopting proposed water and sewer rate structures and approving Resolutions No. 029-2016 and 030-2016 to establish new water and sewer rate schedules in accordance with Proposition 218 (California Constitution Article XIID) and rescinding Resolutions No. 008-2013 and 009-2013 to revoke existing water and sewer rate schedules

City Contract Engineer, Vanessa Apodaca, opened the public hearing and introduced Bob Reed from the Reed Group, Inc., who provided a PowerPoint presentation. He discussed the details of the Water and Sewer Study and recommended rate schedules. Mr. Reed summarized that water and sewer rate increases are needed for the City to meet service and financial obligations. Discussion ensued regarding details of the rate setting schedule and the water conservation of the community.

Mayor Brigham opened the Public Hearing Comment Period

LaReva Myles, Cloverdale, asked what the worst case scenario would be if residents continue to conserve with no rebound to water usage and the possibility of future rate increase. She commented that if rates are to increase, she would like to receive regular reports at the City Council meetings regarding water usage. Mr. Reed responded that if further conservation efforts are required and water usage is significantly lowered, rates could conceivably increase again.

Paula Wren, Cloverdale, commented that she hopes that going forward, the City will increase water saving requirements for new homes. She also commented that the State has used pre 2013 as the bar for measurement during past water conservation efforts, adding that would likely be the set point should there be another drought in the next decade, but she thinks it should be discussed with our State representatives to confirm.

Leopoldo Fernandez, Cloverdale, questioned the percentage rate increases from 2016 through 2019. Mr. Reed explained the percentage rates. Mr. Fernandez also voiced disapproval that the billing rates are not adjusted to amount used per customer. City Manager Cayler responded that although City Staff agrees, the City no longer uses the tiered system of billing due to the implications of the San Juan Capistrano lawsuit.

LaReva Myles, Cloverdale, commented that in the past Cloverdale was below the population number that would require a particular water system, but since Cloverdale has grown the City's water system has more requirements, which has increased costs to the City.

Darren Hernandez, Senior Water Treatment Plant Operator for the City, came to the podium to clarify the regulation to which Ms. Myles referred. He stated the regulation is based on service connections rather than population. He confirmed that as the City grows, more regulations are imposed, adding that the cost associated with these regulations are large, fixed costs that do not go down when demand goes down.

Mayor Brigham closed the public hearing.

City Attorney, Jose Sanchez, commented that Staff followed procedures in Proposition 218 regarding noticing requirements. He announced that Staff has corrections to the resolutions, noting that on page three, under Section two, both resolutions referenced the attached Water and Sewer Rate Study; however, the study was not included in the agenda packet. Mr. Sanchez commented that this study was posted on the internet, and went out in the notices, as required by Proposition 218 and recommended attaching the study to the resolutions for the permanent record. Mr. Sanchez also recommended amending Resolution No. 030-2016, section three regarding the sewer rates. He recommended adding the sentence "The City Council adopts the following Sewer Rate Schedule." after the word "Rates".

Councilmember Palla commented that the Staff Report stated Cloverdale has four wells and noted that the City has seven wells. Ms. Apodaca responded that the Staff Report has a typographical error and it should state seven wells.

Action: Motion was made by Vice Mayor Wolter and seconded by Councilmember Palla to adopt Resolutions No. 029-2016, as amended, adopting a new water services rate schedule in accordance with Proposition 218 of California Constitution Article XIII D, and rescinding Resolution No 008-2013 adopted March 13, 2013,. The motion passed by roll call vote: (4-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, and Mayor Brigham; 0-noes; 1- Absent- Councilmember Russell).

Action: Motion was made by Councilmember Cox and seconded by Councilmember Palla to adopt Resolutions No. 030-2016, as amended, adopting a new sewer rate schedule in accordance with Proposition 218 of California Constitution Article XIII D, and rescinding Resolution No 009-2013 adopted March 13, 2013. The motion passed by roll call vote: (4-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, and Mayor Brigham; 0-noes; 1- Absent- Councilmember Russell).

NEW BUSINESS:

8. Action to Appoint a City of Cloverdale Alternate to the City Selection Committee and the Sonoma County Mayors' and Council Members' Association Board of Directors

City Manager Cayler presented this item, recommending that the City Council appoint an official alternate representative to the City Selection Committee and the Sonoma County Mayors' and Council Members' Association (SCMCMA) Board of Directors.

PUBLIC COMMENTS: None

Action: Motion was made by Councilmember Palla and seconded by Councilmember Cox to appoint, by Minute Order, Vice Mayor Wolter as the official alternate representative to the City Selection Committee and the Sonoma County Mayors' and Council Members' Association (SCMCMA) Board of Directors. The motion passed by voice vote: (4-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, and Mayor Brigham; 0-noes; 1- Absent- Councilmember Russell).

9. Action on Annual Agreement Between the Sonoma County YMCA and the City of Cloverdale for the Operation of Summer 2016 Swimming Pool Program

City Manager Cayler discussed the agreement with the Sonoma County YMCA, recommending that the City Council approve a professional services agreement between the City of Cloverdale and the Sonoma County YMCA for the 2015 Swim Season. Mr. Cayler and the Council offered special thanks to the Sink family for their generous donations and support for the Swimming Pool Program.

PUBLIC COMMENTS: None

Action: Motion was made by Councilmember Cox and seconded by Vice Mayor Wolter, by Minute Order, approve a professional services agreement between the City of Cloverdale and the Sonoma County YMCA for the 2015 Swim Season, and further authorizes the City Manager to execute the necessary agreement. The motion passed by voice vote: (4-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, and Mayor Brigham; 0-noes; 1- Absent- Councilmember Russell).

10. Action on a Letter of Support for renewing and updating voter protections and policies for Sonoma County's community separators in 2016, including a countywide ballot measure and a county General Plan Amendment designating lands between Healdsburg and Cloverdale as a community separator

Assistant City Manager, David Kelley, presented this item, sharing background information and discussing benefits of community separators. He explained that the Greenbelt Alliance is requesting that the City of Cloverdale provide a letter of support for renewing and updating voter protections and policies for Sonoma County's

community separators in 2016, including a General Plan amendment designating lands between Healdsburg and Cloverdale as a community separator. Mr. Kelley reported four letters were received after the agenda packet was published, three letters in support and one letter received via email, which was in opposition to the community separator. These letters were supplied to the Council, City Staff, and the public, and are attached to these minutes. Discussion ensued with councilmembers expressing support for the concept of the separator but concerns about the lack of details regarding the proposed separator. Council directed Staff to make amendments to the support letter to add that the City Council would like to be involved in the process and have opportunity to offer input regarding the details of the separator.

PUBLIC COMMENTS:

Teri Shore, North Bay Regional Director of Greenbelt Alliance, thanked City Staff and Council for considering the letter of support. She reported the County of Sonoma held a public workshop in Cloverdale to get community input. She commented that now would be a good time for the Council to supply input to the County regarding the proposed separator. She stated that the County Planning Department would come to Cloverdale if the Council requested. Mayor Brigham responded that the Council would like the County Planning Department to come to Cloverdale to present information on the proposed community separator to the Council.

Paula Wren, Cloverdale, commented the process seems to be a little bit arm's length for City Council. She stated that the City Council designated people to attend the public workshop and she was one of them. She stated that participants were able to designate priority areas on maps the County supplied. She assumed Council would have received the results of this workshop and recommended that Council request this information.

LaReva Myles, Cloverdale, questioned if any issues exist for having a community separator between Cloverdale and Healdsburg without discussing Geyserville, which is in the center, commenting that they seem to be invisible. She went on to add that Cloverdale seems not to be included in past considerations for separators.

Bruce Abramson, Healdsburg, stated he supports Greenbelt Alliance and that he is pleased with the community separator between Healdsburg and Windsor, although Healdsburg did not have a lot of input when it was implemented. He commented that other cities who have been involved in community separators are very accepting and happy with the result thus far.

Melanie Bagby, Cloverdale, stated that she also attended the community outreach workshop with the County and thought it was well attended and targeted receiving input from the North County. She urged the Council to write a letter of support, adding that the Council can also ask to be involved in the process and invite the County to come make a presentation to the Council.

Action: Motion was made by Councilmember Palla and seconded by Vice Mayor Wolter, by Minute Order, to send a letter of support for renewing and updating voter protections and policies for Sonoma County's community separators in 2016 including a countywide ballot measure and a General Plan Amendment designating lands between Healdsburg and Cloverdale as a community separator, but that the letter be amended to include the Council request for the County to make a presentation to the Council, provide results from the workshop held in Cloverdale, and that the Council be advised of future meetings pertaining to the separator to allow the Council opportunity to provide input. The motion passed by voice vote: (4-ayes – Councilmember Palla, Vice Mayor Wolter, Councilmember Cox, and Mayor Brigham; 0-noes; 1- Absent- Councilmember Russell).

SUBCOMMITTEE ACTION ITEMS: None

SUBCOMMITTEE REPORTS:

- Airport (Chair, Councilmember Cox and Vice Mayor Wolter) - Next Meeting: May 3, 2016, 9:00 a.m. at the Cloverdale Performing Arts Center
- Finance, Administration & Police (Chair, Mayor Brigham and Vice Mayor Wolter) - Next Meeting: April 28, 2016, 5:00 p.m.

- Planning & Community Development (Chair, Vice Mayor Wolter and Mayor Brigham) - Next Meeting: June 21, 2016, 4:00 p.m. Vice Mayor Wolter reported that the Committee met and received a presentation from Vista Oaks regarding their request to increase the approval of homes on Vista View from 19 to 33 homes. The Committee also discussed vacation rentals.
- Public Works (Chair, Councilmember Russell and Councilmember Cox) - Next Meeting: May 24, 2016, 10:30 a.m.
- Joint City/Fire District (Chair, Councilmember Palla and Mayor Brigham) - Next Meeting: June 13, 2016, 5:30 p.m.
- Joint City/School District (Chair, Councilmember Palla and Councilmember Cox) – Next Meeting: May 16, 2016, 5:00 p.m.

COUNCIL REPORTS (INCLUDING STUDENT LIAISON):

Councilmember Cox commented that he participated in a Bicycle Rodeo, which was sponsored by the Sonoma County Bicycle Coalition, to teach children the correct way to operate a bicycle.

Councilmember Palla announced that he recently attended a REMIF Board meeting and reported that the City’s health plan will be experiencing some changes that will go into effect in July. He stated that the City Manager will be announcing the upcoming changes to staff in the near future. Councilmember Palla added that REMIF is also looking to eliminate the EPO 250 plan in the next year or two.

LEGISLATIVE REPORT: None

CITY MANAGER/CITY ATTORNEY REPORT: None

COUNCIL DIRECTION ON FUTURE AGENDA ITEMS: None

ADJOURNMENT: Mayor Brigham adjourned the meeting at 8:57 p.m. to a regular meeting of the City Council and Cloverdale Community Development Successor Agency, Tuesday, May 10, 2016, for Closed Session at 5:30 p.m. (at the City Hall Conference Room 124 N. Cloverdale Blvd., Cloverdale, CA 95425) and Public Business Session at 6:30 p.m. (at the Cloverdale Performing Arts Center 209 N. Cloverdale Blvd., Cloverdale, CA 95425).

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**City Council/Successor Agency
Agenda Item Summary**

Agenda Item: 5
Meeting Date: May 10, 2016

Agenda Section

New Business

Staff Contact

Paul Cayler, City Manager

Agenda Item Title

Action on Resolution No. 031-2016, Authorizing the City Manager to Execute the First Amendment to the License Agreement between the City of Cloverdale and the Cloverdale Senior Multipurpose Center, Inc. Concerning the Cloverdale Senior Center at 311 North Main Street

Summary

The purpose of this agenda item is to formally amend the Cloverdale Senior Multipurpose Center (Senior Center) License Agreement, so the agreement is consistent with the recently modified conditional use permit (CUP). On February 2, 2016, the Cloverdale Planning Commission approved a modification to the conditional use permit (CUP), which expanded the hours of operation, allowed up to 12 special events per year and up to 12 special educational course per year. The modified CUP was appealed by Senior Center neighbors. On March 8, 2016, the City Council heard the appeal. After much public comment and careful consideration, the City Council denied the appeal of the Senior Center’s modified CUP. The purpose of this agenda item is to formally amend the Senior Center’s license agreement in order that it is now consistent with the modified CUP. In brief, the proposed amendment to the license agreement does the following: 1) Extends the term of the license agreement until September 1, 2030; 2) Permits modified hours of operation to the hours of 7am to 7pm, Monday through Friday, and 8am to 5pm on Saturday. Hours of operation may be extended until 10pm for special events and educational courses on Friday and Saturday; and 3) The license agreement is amended so that the additional uses for the special events and special educational courses is consistent with the modified CUP.

Options

- 1) Adopt the proposed resolution that authorizes the City Manager to amend the license agreement;
- or 2) Reject the proposed resolution.

Budget/Financial Impact

There is no net change on the financial impact of the Senior Center agreement with the City of Cloverdale. The proposed amendments to the license agreement do not change any of the City’s duties and responsibilities for maintaining the building.

Subcommittee Recommendation

None.

Recommended Council Action

The City Manager recommends that the City Council adopt the proposal resolution, thus formally amending the license agreement between the City of Cloverdale and the Senior Multipurpose Center.

Attachments:

- 1. Resolution No. 031-2016
- 2. First Amendment to the License Agreement between the City of Cloverdale and the Cloverdale Senior Multipurpose Center

**CITY OF CLOVERDALE
CITY COUNCIL
RESOLUTION NO. 031-2016**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE AUTHORIZING THE CITY MANAGER TO EXECUTE THE FIRST AMENDMENT TO THE LICENSE AGREEMENT BETWEEN THE CITY OF CLOVERDALE AND THE CLOVERDALE SENIOR MULTI-PURPOSE CENTER, INC

WHEREAS, on March 27, 2003 the City of Cloverdale granted a license to the Cloverdale Senior Multipurpose Center, Inc. for the use of the Senior Center located at 311 North Main Street, Cloverdale, California, APN 001-162-005 for the uses specified and subject to the terms and conditions set forth in the License Agreement; and

WHEREAS, the License Agreement was for an initial term of twelve (12) years, ending March 27, 2015 with automatic one (1) year renewals thereafter; and

WHEREAS, the License Agreement has been automatically renewed since March 2015 and both parties wish to maintain this arrangement and amend certain provisions of the Agreement, including extending the initial term and modifying some use provisions; and

WHEREAS, the proposed changes to the uses outlined in the License Agreement required that Cloverdale Senior Multipurpose Center's Conditional Use Permit be modified to expand the hours of operation and to allow special events and special educational courses to be held now; and

WHEREAS, the City's Planning Commission approved a modification to Cloverdale Senior Multipurpose Center's conditional use permit (CUP Mod 001-2016), and said modified conditional use permit was subsequently affirmed thereafter by the City Council: and

WHEREAS, the City finds that Cloverdale Senior Multipurpose Center's continued use of the Center benefits seniors and other City residents, and is consistent with the applicable state and local regulations and requirements governing the use of the Senior Center; and

WHEREAS, the Cloverdale City Attorney developed a proposed First Amendment to the License Agreement between the City of Cloverdale and the Cloverdale Senior Multipurpose Center, which contains amended provisions consistent with the extended term and modified conditional use permit.

NOW, THEREFORE, BE IT RESOLVED that the Cloverdale City Council authorizes the City Manager to execute the First Amendment to the License Agreement between the City of Cloverdale and the Cloverdale Senior Multipurpose Center, Inc for the use of the Senior Center at 311 North Main Street.

It is hereby certified that the foregoing Resolution No. 031-2016 was duly introduced and adopted as amended by the City Council of the City of Cloverdale at its regular meeting held on the 10th day of May, 2016, by the following roll call vote: (-ayes, -noes)

AYES IN FAVOR:

NOES:

ABSENT:

ABSTAIN:

Approved:

Attested:

Gus Wolter, Vice Mayor

Linda Moore, Deputy City Clerk

**FIRST AMENDMENT TO LICENSE AGREEMENT BETWEEN THE CITY OF CLOVERDALE AND
CLOVERDALE SENIOR MULTI PURPOSE CENTER, INC. CONCERNING THE CLOVERDALE
SENIOR CENTER 311 NORTH MAIN STREET, APN 001-162-005**

This **FIRST AMENDMENT TO LICENSE AGREEMENT** (“**First Amendment**”), is made and entered into this _____ day of _____, 2016, by and between the **CITY OF CLOVERDALE**, a California municipal corporation, (the “**City**”) and **CLOVERDALE SENIOR MULTI PURPOSE CENTER, INC.**, a non-profit, public benefit corporation organized in accordance with the laws of the State of California (“**Licensee**”). The City and Licensee are hereinafter collectively referred to as the “**Parties**.”

RECITALS

WHEREAS, on March 27, 2003 the City granted Licensee a license to use the Senior Center located at 311 North Main Street, Cloverdale, California, APN 001-162-005 (“**Premises**”) for the uses specified and subject to the terms and conditions set forth in the License Agreement (the “**License Agreement**”), attached hereto as **Exhibit A**; and

WHEREAS, the License Agreement was for an initial term of twelve (12) years, ending March 27, 2015 with automatic one (1) year renewals thereafter; and

WHEREAS, the License Agreement has been automatically renewed since March 2015 and both Parties wish to maintain this arrangement and amend certain provisions of the Agreement, including extending the initial term and modifying some use provisions; and

WHEREAS, the proposed changes to the uses outlined in the License Agreement required that Licensee’s existing Conditional Use Permit (“**CUP**”) be modified to expand the hours of operation and to allow special events and special educational courses to be held now; and

WHEREAS, the City’s Planning Commission approved a modification to Licensee’s existing CUP (CUP Mod 001-2016), attached hereto as **Exhibit B**, and affirmed thereafter by the City Council, attached hereto as **Exhibit C**: and

WHEREAS, the City finds that Licensee’s continued use of the Senior Center benefits senior and other City residents and is consistent with the applicable state and local regulations and requirements governing the use of the Senior Center.

NOW, THEREFORE, the Parties hereto agree as follows:

AGREEMENT

1. The Parties agree to extend the term of the License Agreement for an additional fifteen (15) years from March 27, 2015 to September 1, 2030. Provision 2 of the Agreement, "TERM," is hereby amended to read as follows:

"The term of this License Agreement shall begin on the date first noted above and shall end on September 1, 2030, unless terminated earlier in accordance with this License Agreement. Following the conclusion of the initial term on September 1, 2030 and subject to applicable law, the term of the License will, without further action of the City or the Licensee, automatically be renewed for additional, successive extensions of one (1) year each, unless and until this License Agreement is terminated in accordance with provision 17, below."

2. The Parties agree to modify the Hours of Operation relating to special events. Provision 5.a.i of the License Agreement, "HOURS OF OPERATIONS," is hereby amended to read as follows:

"The hours of operation of the Licensee Programs are limited to the hours of 7:00 a.m. to 7:00 p.m., Monday through Friday, and 8:00 a.m. to 5:00 p.m. on Saturday. The hours of operation on Friday and Saturday are extended until 10:00 p.m. for special events or special educational courses ("**Extended Hours**"). If the City receives six (6) or more complaints over a twelve (12) month period regarding activities or events conducted during Extended Hours, City Manager consent will be required for any special event(s) or special educational course(s) held during Extended Hours.

3. The Parties agree to modify the permitted uses to include the following additional uses subject to certain terms and conditions. Provision 5.a. is hereby amended to include sub-provision vii:

"vii. ADDITIONAL USES. Licensee is authorized to hold a maximum of twelve (12) special events and a maximum of twelve (12) special educational courses per calendar year. Special events include social gatherings organized by Licensee's members and/or local non-profit organizations; meetings held by local non-profit organizations. Special educational courses include courses hosted by the Santa Rosa Junior College Older Adults Program and Sonoma State University Osher Lifelong Learning Institute. Each specific course constitutes one (1) special educational course. No more than 75 guests will be allowed at any special event. All entities or individuals conducting special events at the Premises shall submit a Certificate of Liability Insurance coverage for each special event or special educational course. Such Certificate shall provide bodily injury and property damage liability coverage in the amount of \$1,000,000. The special event shall be specified as insured and shall name the City, its officials, officers, employees, agents, and volunteers as additional insured."

4. All other terms and conditions in the License Agreement shall remain in full force and effect to the extent they are not in conflict with this Amendment.

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

CITY OF CLOVERDALE:

**CLOVERDALE SENIOR
MULTIPURPOSE CENTER, INC.**

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

ATTEST:

By: _____

By: _____

Jose M. Sanchez
City Attorney

Linda Moore
Deputy City Clerk

Date: _____

Date: _____

Attachment: Exhibit A – License Agreement, executed March 27, 2003
Exhibit B – Planning Commission Resolution No. 005-2016
Exhibit C – City Council Resolution No. 019-2016

Recording requested by and when recorded please return to:

City of Cloverdale
c/o Michele Winterbottom, City Clerk
123 North Cloverdale Boulevard
Cloverdale, California 95422

(Space above this line for recorder's use only)

**LICENSE AGREEMENT BETWEEN THE CITY OF CLOVERDALE
AND CLOVERDALE SENIOR MULTI PURPOSE CENTER, INC.
CONCERNING THE CLOVERDALE SENIOR CENTER
311 NORTH MAIN STREET, APN 001-162-005**

This license agreement is made and entered into this 27th day of March, 2003, by and between the CITY OF CLOVERDALE, a California municipal corporation, ("CITY") and CLOVERDALE SENIOR MULTI PURPOSE CENTER, INC., a non-profit, public benefit corporation organized in accordance with the laws of the State of California ("LICENSEE"), who agree as follows:

WITNESSETH

WHEREAS, there is a need in the City of Cloverdale for programs for seniors, including programs concerning meals, nutrition, recreation and other programs, as well as for a facility ("Senior Center") that can house such programs so that they may be conducted in a safe and effective manner in such a way as to contribute to the health, safety and welfare of the citizenry in general, and especially of seniors; and

WHEREAS, the Cloverdale Community Development Agency ("Agency"), a public body organized and exercising powers pursuant to the California Community Redevelopment Law (California Health and Safety Code Section 33000) entered a sale contract dated March 10, 1993 with the California Department of Transportation to purchase a parcel located in the City at 311 North Main Street, Assessors Parcel Number 001-162-005 ("Property"), that is suited for the construction of such a Senior Center; and

WHEREAS, such sale contract provides that conveyance of title to the Property is subject to the condition that the Property must be used for public purposes for a period of 20 years as described in the deed to the Property; and

WHEREAS, the deed to the Property, dated April, 1993 includes an express condition requiring that the conveyed property must be used exclusively for public purposes for a period of 20 years from the date of the deed; and

Cloverdale Senior Center License Agreement
Cloverdale Senior Multi Purpose Center, Inc.
March 25, 2003

WHEREAS, Resolution CD9-92 adopted November 17, 1992 by the Agency acknowledges the 20 year exclusive public use requirement contained in the sale contract and deed to the Property, and provides that the Property will initially be used for a Senior Center; and

WHEREAS, the Agency requested a design review for constructing a 4,500 square foot building for use as a Senior Center on the Property and a conditional use permit to operate the Senior Center on the Property; and

WHEREAS, by Resolution 4-99 adopted February 3, 1999 following an initial study conducted by the CITY Planning Department, the Cloverdale Planning Commission adopted a negative declaration pursuant to the California Environmental Quality Act ("CEQA") concerning construction and operation of the Senior Center on the Property and approved design review and conditional use permit applications submitted on behalf of the Agency; and

WHEREAS, the conditional use permit ("Permit") granted concerning the Senior Center includes numerous conditions governing construction and operation of the Senior Center, including, but not limited to, conditions governing landscaping and irrigation, signage, exterior lighting, placement of utility equipment and meters, location and screening of waste containers, hours of operation, parking, operation and maintenance, and noise; and

WHEREAS, the Agency is authorized, pursuant to California Health and Safety Code Section 33430, to sell, lease (for a period not to exceed 99 years) exchange, subdivide, transfer, assign, pledge, encumber by mortgage, deed of trust or otherwise, or otherwise dispose any real or personal property or any interest in property within the redevelopment project area; and

WHEREAS, the Agency is authorized in accordance with California Health and Safety Code Sections 33131, 33132, and 33133, to accept financial or other assistance from public or private sources; and

WHEREAS, the CITY is authorized in accordance with California Government Code Section 37350 and other applicable law to purchase, lease, receive, hold and enjoy real and personal property and control and dispose of it for the common benefit; and

WHEREAS, the CITY has received grant funding in support of construction of a Senior Center, including funding from the California State Department of Parks and Recreation and from the Community Development Block Grant program, Sonoma County Community Development Commission ("Grant Funding"); and

WHEREAS, in accordance with the requirements of the California Public Contract Code and other applicable law, the City let a construction contract to David Wight Construction ("Contractor") for construction of a Senior Center on the Property; and

WHEREAS, the Senior Center constructed at the Property is or soon will be substantially complete and ready for final inspection concerning punch list work and requirements that apply to issuance of occupancy permits and other regulatory requirements; and

Cloverdale Senior Center License Agreement
Cloverdale Senior Multi Purpose Center, Inc.
March 25, 2003

WHEREAS, the LICENSEE is a non-profit, public benefit corporation organized under California law with the stated purpose of helping older residents of Cloverdale to maintain successful independent living as long as possible by: disseminating information about available community resources; developing, encouraging and coordinating new resources; assisting with individual needs; and providing facilities for social, cultural and educational activities; and

WHEREAS, since 1986 the LICENSEE has provided programs consistent with its purpose in the City of Cloverdale, including meal and nutrition programs, and wishes to use the Center for LICENSEE senior nutrition and other programs including, but not limited to, the Senior Nutrition and Activities Program, which the LICENSEE intends to offer in conjunction with the Council on Aging; and

WHEREAS, in addition to conducting LICENSEE programs, LICENSEE has demonstrated its commitment and effectiveness in supporting senior services in the City of Cloverdale by successfully raising funds in excess of \$100,000 toward the cost of constructing the Senior Center; and

WHEREAS, the CITY intends to provide for the sound administration, management and operation of the Senior Center for the benefit of seniors and other City of Cloverdale residents and the public generally consistent with the CITY's constitutional, statutory, and other authority including, but not limited to, the CITY's general police power pursuant to California Constitution Article XI, Section 7, the authority of the Agency concerning the Property pursuant to the Community Redevelopment Law, the Center's intended purposes, the requirements of the Grant Funding received in support of the Center; the sale contract and deed relating to the Property, local land use requirements governing use of the Center, including the Permit, and other applicable law;

NOW, THEREFORE, CITY and LICENSEE agree as follows:

1. GRANT. CITY hereby licenses to LICENSEE, on the terms and conditions hereinafter set forth, the Center and other improvements at the premises located at 311 North Main Street, in the City of Cloverdale, County of Sonoma, State of California, Assessors Parcel Number 001-162-005 ("Premises"). The Premises are more fully described in Exhibit A which is attached to and made a part of this License Agreement. The right to use the Premises granted pursuant to this License Agreement consists only of the permitted uses specified in provision 5, below. The rights granted pursuant to this License Agreement expressly exclude and the CITY reserves the right to use the Premises and furnishings and equipment at the Premises on request by prior arrangement with the LICENSEE for public purposes such as public meetings and other purposes consistent with the Permit that do not conflict with scheduled activities of the LICENSEE in accordance with this License Agreement. The CITY reserves all other rights in the Premises that do not conflict with the permitted uses specified in provision 5, below, or any other rights of the LICENSEE pursuant to this License Agreement or applicable law.

Cloverdale Senior Center License Agreement
Cloverdale Senior Multi Purpose Center, Inc.
March 25, 2003

2. TERM. The initial term of this License Agreement ("License Term") shall consist of a 12-year period commencing on March 27, 2003 and concluding on March 27, 2015, unless terminated earlier in accordance with this License Agreement. Following the conclusion of the initial term on March 27, 2015 and subject to applicable law, the License Term will, without further action of the CITY or the LICENSEE, automatically be renewed for additional, successive extensions of one year each unless and until this License Agreement is terminated in accordance with provision 17, below.
3. CONSIDERATION. LICENSEE shall pay to CITY as consideration for the use of the Premises \$1 (One Dollar) within ten days of execution of this License Agreement, and thereafter, on, or before, June 30 each year this License Agreement is in effect.
4. FIRE ALARM TESTING PRIOR TO OCCUPANCY. A successful test of the Center fire alarm system must be completed to the satisfaction of the Cloverdale Fire Protection District prior to issuance of a Certificate of Occupancy for the Center. For the Center fire alarm system to be tested, telephone service must first be installed at the Center. LICENSEE agrees to establish telephone service at the Center to permit testing of the Center fire alarm system prior to LICENSEE's occupancy of the Center. Installation of telephone service at the Center, completion of a satisfactory fire alarm system test, and issuance of a Certificate of Occupancy for the Center are conditions precedent to accrual of the LICENSEE's rights of occupancy and other rights under this License Agreement. Unless and until such conditions are satisfied, the LICENSEE will have no right to occupy the Center or any other rights of use concerning the Center and the CITY will issue no keys to the Center.
5. USE OF PREMISES.
 - a. PERMITTED USES. It is understood and agreed that LICENSEE may utilize the Premises for senior nutrition and other programs or activities consistent with the purposes of the LICENSEE ("LICENSEE Programs"). It is understood that LICENSEE programs will include activities carried out in conjunction with the Council on Aging Services for Senior Nutrition and Activities Program ("Council on Aging Services"), and that the Council on Aging Services conducted at the Center will be subject to a separate license agreement between the Council on Aging and the CITY. LICENSEE Programs may, on occasion, be provided in conjunction with the participation of other organizations, so long as such LICENSEE Programs provided with the participation of other organizations constitute, in the reasonable opinion of the CITY, public purposes pursuant to the deed to the Property. The CITY reserves the right to require that participation of other organizations in the LICENSEE programs be subject to separate license agreement with the City. LICENSEE Programs, including LICENSEE programs involving the participation of other organizations, will be under the overall direction and responsibility of LICENSEE and will in all respects be subject to the terms of this License Agreement. The LICENSEE Programs and all activities under this License Agreement are subject to and must be in accordance with the requirements of the

Cloverdale Senior Center License Agreement
Cloverdale Senior Multi Purpose Center, Inc.
March 25, 2003

Permit. The Permit is attached to and made a part of this License Agreement as Exhibit B. The requirements applicable to this License Agreement and the LICENSEE Programs pursuant to the Permit include, but are not limited to, the following:

- i. HOURS OF OPERATION. The hours of operation of the LICENSEE Programs are limited to the hours of 7:00 a.m. to 7:00 p.m., Monday through Friday, and 8 a.m. to 5 p.m. on Saturday. Any deviation from this schedule for special events, other than for a meeting of the LICENSEE Board of Directors, shall require advance consent of the City Manager.
 - ii. PARKING. Parking of LICENSEE employees at the Premises is restricted to the rear service alley. LICENSEE will encourage participants and volunteers in LICENSEE programs to use alternate methods of transportation, such as CITY buses and carpooling to minimize parking impacts on the adjacent residential neighborhood.
 - iii. WOOD BURNING DEVICES. All wood burning devices used at the Premises must conform to Northern Sonoma County Air Pollution Control District and all other applicable requirements and codes.
 - iv. LANDSCAPING. The parties intend that the LICENSEE will occupy the Premises pursuant to this License Agreement before the Premises grounds are landscaped. The LICENSEE will implement the Premises landscape plan required pursuant to the Permit ("Landscape Plan"). The Landscape Plan is attached to and made a part of this License Agreement as Exhibit C. Any proposed changes to the Landscape Plan must be submitted to the CITY Community Planning and Development Department for prior approval. Any landscaping within the dripline of oak trees on the Premises must be "oak friendly."
 - v. REFUSE. All refuse must be stored in containers with tight-fitting lids and be properly disposed of on a regular basis.
 - vi. NOISE. LICENSEE Programs may not generate noise levels that exceed 45 dB LDN/CNEL for adjacent residential living spaces.
- b. PROHIBITED USES. The LICENSEE may not carry out activities at the Premises that, in the reasonable opinion of the CITY, are not public purposes pursuant to the deed to the Property. Except as expressly specified concerning permitted uses, above, the LICENSEE may not authorize any other entities or individuals to use the Premises for special events or for any other purpose. Except as expressly permitted concerning permitted uses, above, any purported authorization of any other entities or individuals to use the Premises for any reason may be deemed a default. The LICENSEE may not create nuisance conditions or permit nuisance

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Cloverdale Senior Multi Purpose Center, Inc.
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conditions to be maintained on the Premises. The LICENSEE is prohibited from utilizing any portion of the Premises for any illegal purpose. LICENSEE may not allow use to be made of the Premises or acts at the Premises that may result in an increase in the cost of fire insurance for the Premises compared with the cost of fire insurance for the premises at the time this License Agreement is executed. Nor may LICENSEE cause a cancellation of any insurance policy covering the Premises or any part thereof, or permit to be kept or used in or about the Premises any article, which may be prohibited by standard form fire insurance policies or by any Cloverdale City codes or any other applicable laws. LICENSEE may not commit or suffer to be committed any waste upon the Premises.

- c. USE OF THE PREMISES IN TIMES OF DECLARED DISASTERS. LICENSEE understands and agrees that during a local or state declared disaster it may be necessary to use the Premises for emergency services. LICENSEE will cooperate with the City during any such declared disaster.

6. CONDITION OF PREMISES.

- a. INSPECTION BY LICENSEE. LICENSEE represents that LICENSEE has inspected and examined the Premises for purposes of this License Agreement.
- b. LICENSEE MAINTENANCE AND CLEANING. LICENSEE shall, at its own expense and cost, keep and maintain the Premises in a clean and sanitary condition and free from any hazardous or dangerous conditions caused by the LICENSEE. The LICENSEE will be responsible for:
 - i. Maintaining the Senior Center building interior, including, but not limited to, window coverings, furnishings, floors, carpets and restrooms
 - ii. Routine repair of Premises facilities for which the CITY is not responsible pursuant to provision 6(c), below, or other provisions of this License Agreement. Routine repairs must be performed using licensed contractors, subject to City approval.
 - iii. Regular janitorial service sufficient to maintain the Premises in a clean and sanitary condition
 - iv. Supplies required to operate the Senior Center building, including, but not limited to, janitorial supplies, including paper supplies for restrooms, and light bulbs
 - v. Furnishings as required for the LICENSEE Programs
 - vi. All kitchen furnishings and appliances at the Senior Center building. Installation of Kitchen furnishings and appliances are subject to prior CITY

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approval to ensure consistency with Senior Center building specifications and plans and applicable codes. As applicable, LICENSEE is responsible for obtaining approval of the Sonoma County Health Department prior to installation of kitchen appliances and furnishings. Kitchen furnishings and appliances that are attached to the Premises are subject to provision 9, below.

- vii. Maintaining the kitchen facilities at the Senior Center building in accordance with Sonoma County Health Department requirements and other applicable codes
 - viii. Maintaining all computers and computer support equipment required by the LICENSEE Programs. Prior approval of the CITY is required for alterations or additions to the Senior Center building electrical system to support LICENSEE computer systems or other LICENSEE equipment.
 - ix. Installing and maintaining the Senior Center building telephone system
 - x. Maintaining the landscape irrigation systems in good repair. LICENSEE will be responsible for maintenance of minor irrigation system components such as drip lines, emitters, spray heads, and tubing elements.
 - xi. When Center interior repainting is required, CITY and LICENSEE agree to consult on the best repainting strategy and cost sharing plan.
- c. CITY MAINTENANCE AND REPAIR. When the City uses and/or licenses portions of the Premises the City will ensure that such portions of the premises are clean prior to subsequent use by the LICENSEE. The City will be responsible for maintaining the following and for consulting with the LICENSEE on building mechanical systems and maintenance as requested:
- i. Senior Center building exterior and supporting systems installed during building construction (HVAC, plumbing, electrical, lighting, roof, etc.)
 - ii. Senior Center building rain gutters and down spouts
 - iii. Senior Center building exterior painting
 - iv. Tree trimming on the Premises
 - v. Exterior fencing, hardscape walkways and external lighting on the Premises
 - vi. Premises parking lot periodic sweeping and maintenance at a maintenance level to be determined by the City

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- vii. Installation and maintenance of Premises fire extinguishers
- viii. Maintenance of major components of landscape irrigation system such as valves, timers and underground tubing.

Subject to CITY budget constraints and the availability of funds, the CITY will endeavor to maintain the Premises in a condition that is comparable to the condition of the Premises upon execution of this License Agreement. CITY will keep the roof and structural part of the walls of the Premises in good repair and tenantable condition. If, at any time during the License Term, the roof or structural part of the walls are not in good, tenantable condition, the CITY may, at its option, either repair the roof or structural part of the walls within a reasonable time after notice in writing by the LICENSEE or terminate this License Agreement in accordance with its terms.

7. BUILDING OVERSIGHT AND LIASON. A designated representative of the CITY and LICENSEE will meet on a scheduled basis to discuss the operational functioning and performance of the Premises. The CITY designated representative will be the Public Works Superintendent. The LICENSEE designated representative will be the LICENSEE Executive Director.
8. CITY ACCESS TO PREMISES. In addition to the rights in the Premises reserved by the CITY pursuant to provision 1, above, the CITY will have reasonable access to the entire Premises for inspection and review concerning performance of all systems, including, but not limited to, heating, electrical, and plumbing systems, to gather information for budgeting purposes, to ensure adequate maintenance and overall compliance with this License Agreement, and to make such repairs, alterations, or improvements that are necessary or are required by law, or for any other reason consistent with the terms of this License Agreement. The CITY will make every reasonable effort to schedule such inspection and review at mutually convenient times to permit LICENSEE representatives to be present and to accommodate where possible LICENSEE Programs.
9. ALTERATIONS TO PREMISES. LICENSEE may not make, or suffer to be made, any alteration of the Premises or any part thereof, including, but not limited to, any permanent attachment of appliances to the Premises or changes to the Premises grounds, without the prior, written consent of the CITY. Such consent will not be unreasonably withheld. The CITY understands that the LICENSEE intends to install kitchen equipment and other improvements at the Premises. The parties agree that the range hood system LICENSEE intends to install in the Center will be treated as a fixture pursuant to California Civil Code Section 660 and part of the Premises not severable by LICENSEE upon expiration or termination of this License Agreement. The parties agree that all other kitchen equipment LICENSEE intends to install in the Center pursuant to this Agreement will be treated as moveable items severable by LICENSEE upon expiration or termination of this License Agreement. Unless the parties otherwise agree in writing, the CITY may treat all other

Cloverdale Senior Center License Agreement
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attachments to the Center and/or the Premises as fixtures pursuant to California Civil Code Section 660 and part of the Premises not severable by the LICENSEE upon expiration or termination of this License Agreement.

10. LICENSES AND PERMITS. During LICENSEE's use of the Premises, the LICENSEE shall be solely responsible for obtaining and maintaining in effect at its own expense, risk and responsibility any and all licenses and/or permits and/or other regulatory approvals as may apply to the LICENSEE Programs.
11. ANNUAL REPORT. Each year on or before August 15, LICENSEE will submit to the CITY a report ("Annual Report") summarizing programs and activities during the prior fiscal year, ending June 30th. The Annual Report will be presented at a regularly scheduled meeting of the CITY Council to provide an opportunity for public discussion. Prior to preparation of the Annual Report, LICENSEE will discuss with the CITY Manager the Annual Report format and information of interest to the CITY concerning the LICENSEE Programs.
12. KEYS. Keys to the Premises will be held by both the LICENSEE and CITY. LICENSEE must ensure that all LICENSEE keys to the Premises are accounted for and used in a responsible manner subject to a written LICENSEE key policy. The LICENSEE must submit its written key policy to the CITY for its approval prior to receiving keys to the Premises.
13. UTILITIES. Waste pickup services at the Premises for the LICENSEE Programs and other use of the Premises will be provided at no cost to the LICENSEE or the CITY pursuant to the CITY's waste franchise agreement. Two water meters will be installed at the Premises. One meter is for the Senior Center building and the other is for the landscape controller. Water charges on the landscape controller meter will not be subject to sewer usage charges. The CITY will pay the reasonable cost of providing water to irrigate Premises landscaping as recorded on the landscape controller meter. LICENSEE will be responsible for the cost of all other utilities at the Premises during the License Term (including, but not limited to, electricity, gas, phone, water and sewer charges for the Senior Center building).
14. INSURANCE. As a condition precedent to the LICENSEE's rights pursuant to this License Agreement becoming effective, the LICENSEE must obtain and provide the CITY certificates of insurance and endorsement evidencing the kinds and amounts of insurance specified in this provision and otherwise comply with all of the requirements of this provision. Failure by the Licensee to maintain the kinds and amounts of insurance specified in this provision throughout the License Term may be deemed a default.
 - a. WORKERS COMPENSATION. LICENSEE 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 LICENSEE. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS

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(\$1,000,000.00) per accident. In the alternative, LICENSEE may meet the requirements of this by a program of self-insurance that complies fully with the provisions of the California Labor Code. The LICENSEE must waive all rights of subrogation against the City and its officials, officers, employees, agents and volunteers for loss arising from the LICENSEE Programs.

b. Commercial General and Automobile Liability Insurance.

- i. General requirements. LICENSEE must, at its own cost and expense, maintain commercial general and automobile liability insurance throughout the License Term in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage for losses arising from the LICENSEE Programs. 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 LICENSEE's activities and programs 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 the LICENSEE Programs, including the use of owned and non-owned automobiles.
- ii. Minimum scope of coverage. Commercial general coverage must be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 or GL 0002 (most recent editions) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 8 and 9. No endorsement may be attached limiting the coverage.

c. All Policies Requirements.

- i. 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 unless otherwise approved by the CITY.
- ii. Notice of Reduction in or Cancellation of Coverage. All required policies must be endorsed to provide that coverage will not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the CITY. In the event that any coverage required by this section is reduced, limited, cancelled, or materially affected in any other manner, LICENSEE must provide written notice to

CITY no later than ten (10) working days after LICENSEE is notified of the change in coverage.

- iii. Additional insured; primary insurance. CITY and its officials, officers, employees, agents, and volunteers must be covered as additional insureds with respect to each of the following: liability arising out of the LICENSEE Programs; premises owned, occupied, or used by LICENSEE; and automobiles owned, leased, or used by the LICENSEE in LICENSEE Programs. The coverage may contain no special limitations on the scope of protection afforded to CITY or its officials, officers, employees, agents, or volunteers. All required policies must be endorsed to provide that coverage is primary insurance with respect to the CITY and its officials, officers, employees, agents and volunteers, and that no insurance or self-insurance maintained by the CITY shall be called upon to contribute to a loss under the coverage.
 - iv. Deductibles and Self-Insured Retentions. LICENSEE must disclose to and obtain the approval of CITY for self-insured retentions and deductibles. During the License Term, LICENSEE may only increase deductibles or self-insured retentions of required policies only upon with the CITY's prior written authorization.
 - v. Waiver. The CITY may waive or reduce any of the foregoing insurance requirements upon determining that the coverage, scope, limits, or forms of such insurance are either not commercially available, or that the CITY's interests are otherwise fully protected. Such waiver must be in writing and signed by an official authorized to bind the CITY.
15. INDEMNITY. LICENSEE shall indemnify, defend with counsel acceptable to the CITY, and hold harmless the City and its officials, officers, 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 and penalties directly or indirectly resulting from exposure to hazards in violation of the California Labor Code) (collectively, "Liability") of every nature arising out of or in connection with the LICENSEE Programs or LICENSEE's failure to comply with any of its obligations contained in this License Agreement, including, but not limited to, such Liability arising from the acts or omissions of LICENSEE's officers, officials, employees and volunteers, except such Liability caused by the sole negligence or willful misconduct of the City. To the extent that this Agreement is a "construction contract" within the definition of Civil Code Section 2783, as may be amended from time to time, such indemnity shall not include liability for the active negligence of the CITY. LICENSEE agrees that for purposes of California Labor Code Section 6400 and related provisions of law the LICENSEE will be an "employer" responsible for furnishing employment and a place of employment that is safe and healthful for the employees of the LICENSEE engaged in the LICENSEE Programs. The LICENSEE agrees that neither the CITY nor its officials, officers, employees, agents,

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volunteers or consultants will be “employers” pursuant to California Labor Code Section 6400 and related provisions of law with respect to the LICENSEE or its employees. The LICENSEE’s obligations pursuant to this provision will survive the expiration or earlier termination of this License Agreement.

16. DEFAULT. If LICENSEE has defaulted in respect of any of the obligations under this License Agreement, CITY shall notify LICENSEE in writing, setting out in what respects CITY deems LICENSEE to be in default. If LICENSEE corrects any such default (except for a default due to failure to maintain the insurance specified in provision 10 of this License Agreement) within thirty days after receipt of such notice, LICENSEE shall not be deemed in default. Neither the service of said notice nor the doing of acts by LICENSEE aimed at correcting all or any of the alleged defaults shall be deemed an admission or presumption that LICENSEE has failed in any respect to perform its obligations under this License Agreement. Each and all of the remedies of the CITY pursuant to this License Agreement and applicable law and at equity are cumulative and exercise of any right or remedy by CITY shall not impair the CITY’s right to any other remedy.
17. TERMINATION AND EXPIRATION. This License Agreement may be terminated by agreement of the CITY and the LICENSEE, or by the CITY for cause by written notice to the LICENSEE specifying the material breach or uncorrected default giving cause for termination and a termination effective date not less than 60 days later than the date of the written notice of termination. Either party may terminate this License Agreement without cause after the end of the initial License Term by delivering to the other party written notice of termination by or before the commencement of the next extension period. Unless the parties otherwise agree, such termination will take effect no sooner than the conclusion of that extension period. Subject to provision 9, above, upon termination or expiration of the License Agreement and upon being so directed in writing by the City, the LICENSEE must remove from the Premises all appliances, equipment and furnishings that are not owned by the City and that are not permanently attached to the premises within thirty (30) days of the expiration or termination of this License Agreement.
18. NOTICE. Any notice required pursuant to this license agreement shall be addressed as follows:

To the CITY:
City Manager
P.O. Box 217
124 North Cloverdale Boulevard
Cloverdale, California 95425-0217

To the LICENSEE:

Cloverdale Senior Multi-Purpose Center, Inc.
President of the Board
P.O. Box 663

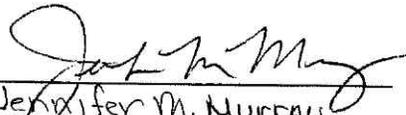
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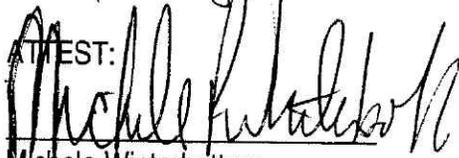
19. SURRENDER OF PREMISES. LICENSEE agrees, at the expiration of the License Term or upon the earlier termination of the License Agreement, to quit and surrender the premises to CITY in as good a state and condition as when the License Term commenced, reasonable wear and tear and damage by the elements or an act of God excepted.
20. ATTORNEY'S FEES AND COSTS. If any action at law or in equity is necessary to enforce any term of this License Agreement, the prevailing party will be entitled to reasonable attorney's fees and costs in addition to any other relief to which such party may be entitled.
21. RESOLUTION OF DISPUTES. The CITY and the LICENSEE agree to attempt to resolve any controversy or claim arising out of or relating to this license agreement by a mutually agreeable form of alternative dispute resolution. If such alternative dispute resolution is unsuccessful or if, after reasonable efforts including, at a minimum, a meeting between representatives of the CITY and the LICENSSEE, the parties cannot agree on a form of alternative dispute resolution, the CITY and the LICENSEE will be free to seek any remedies available at law or equity to resolve any dispute, controversy or claim arising from or relating to this License Agreement.
22. AMENDMENTS. Amendments to this License Agreement must be in writing and signed by representatives authorized to bind the parties.
23. NO PERSONAL LIABILITY OR JOINT VENTURE. No Cloverdale City Council member, or any other official, officer, agent, employee or volunteer of the CITY will be personally responsible for any liability arising under this License Agreement. Further, it is specifically agreed that no joint venture or partnership of any kind is created by this License Agreement.
24. STATUTORY NOTICE CONCERNING TAXABLE POSSESSORY INTEREST. By signing this License Agreement the LICENSEE understands and agrees in accordance with California Revenue and Taxation Code Section 107.6 that the interest of the LICENSEE in the Premises pursuant to this License Agreement may be subject to property taxation, and that the LICENSEE may be subject to the payment of property taxes levied on the interest of the LICENSEE in the premises. Payment of any property tax that applies to the interest of the LICENSEE in the Premises will be the sole responsibility of the LICENSEE.
25. NON-DISCRIMINATORY PRACTICES. The LICENSEE will not willfully discriminate against any employee, or user of the Premises and all will be treat LICENSEE employees and Premises users equally without regard to their race, color, age, religion, ancestry, sex, national origin, local custom, habit or sexual orientation. Any violation of this provision, the State Fair Employment Practices Act or any other Federal, State or local law, will be deemed a default.

26. ASSIGNMENT PROHIBITED. The LICENSEE may not assign part or all of this License Agreement or any right or interest of the LICENSEE under this License Agreement, or delegate any obligation or duty of the LICENSEE under this License Agreement without the prior written approval of an official authorized to bind the CITY. Any such purported assignment or delegation without such written approval on behalf of the CITY will be void and a default under this license agreement subject to all available remedies under this License Agreement and at law and equity.
27. APPLICABLE LAW AND INTEGRATION. This License Agreement will be governed by the laws of the State of California, and constitutes the entire agreement between the parties regarding its subject matter. This License Agreement supersedes all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this License Agreement. This License Agreement expressly supercedes and replaces in its entirety the Memorandum of Understanding between the CITY and the LICENSEE dated January 23, 2002.
28. SEVERABILITY. If any term or provision or portion of a term or provision of this license agreement is declared invalid or unenforceable by any court of lawful jurisdiction, then the remaining terms and provisions or portions of terms or provisions will not be affected thereby and will remain in full force and effect.

IN WITNESS WHEREOF, representatives authorized to bind the CITY and the LICENSEE have executed this license agreement on the day and year first written above in Cloverdale, California.

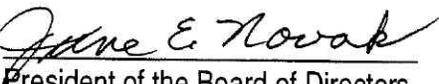
CITY OF CLOVERDALE:


 Jennifer M. MURRAY
 City Manager

ATTEST:

 Michele Winterbottom
 City Clerk

APPROVED AS TO FORM:

 Eric Danly
 City Attorney

CLOVERDALE SENIOR
 MULTIPURPOSE CENTER, INC

 President of the Board of Directors

[Attach Notary Page]
 CERTIFICATION

I hereby certify that the foregoing is a full, true, and correct copy of a ~~(resolution)~~ ^{license agreement} (ordinance) duly and regularly adopted and passed by the City Council of the city of Cloverdale, California, on the date indicated on page _____.

DATED: April 7, 2003

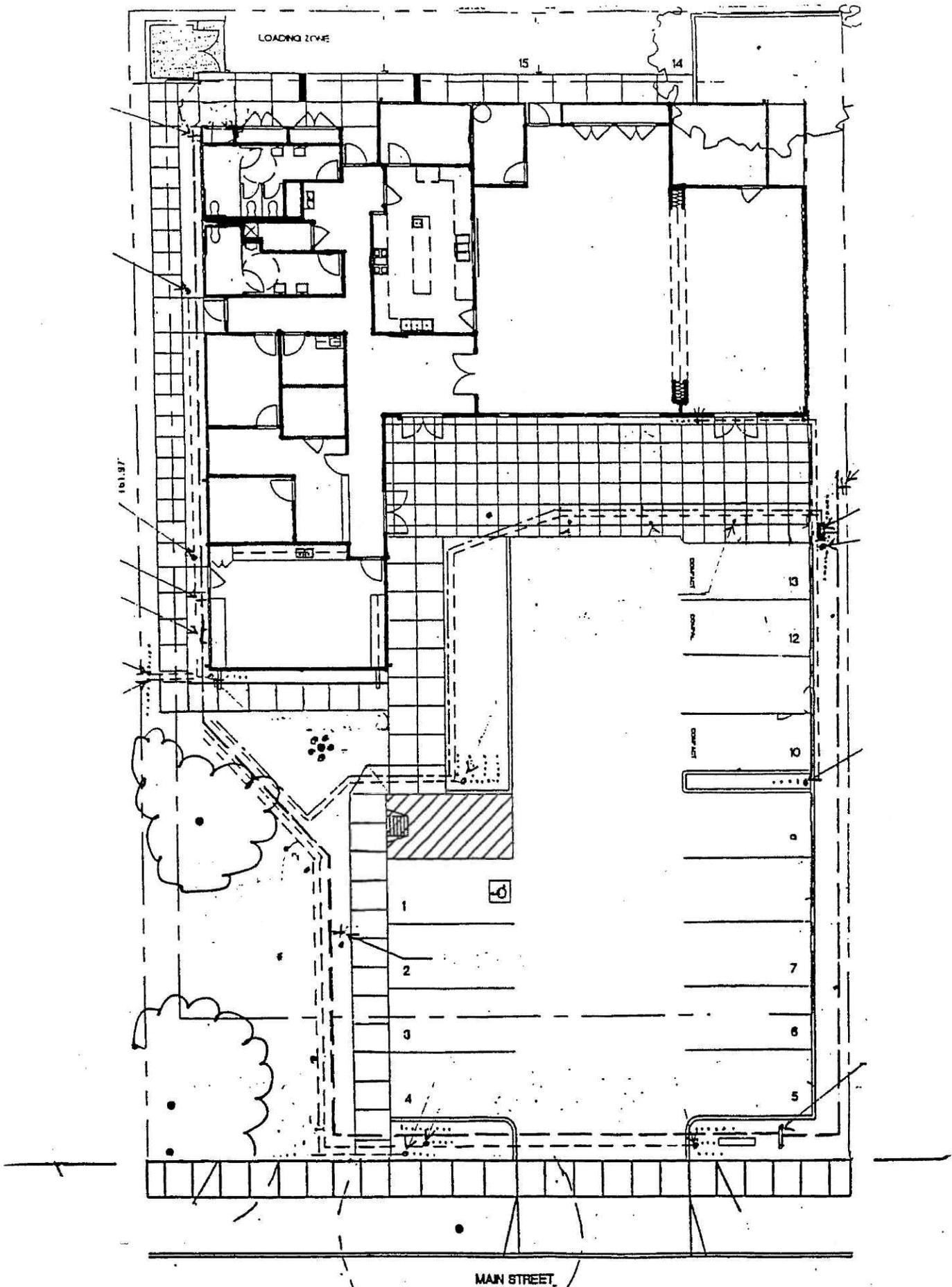
 City Clerk, City of Cloverdale

Cloverdale Senior Center License Agreement
 Cloverdale Senior Multi Purpose Center, Inc.
 March 25, 2003

Exhibits: A – Premises Description
 B – Conditional Use Permit
 C – Landscape Plan

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Cloverdale Senior Center License Agreement
Cloverdale Senior Multi Purpose Center, Inc.
March 25, 2003



SITE PLAN

Senior Center
Site Plan

Exhibit A Page 41 25

**Conditional Use Permit Issued by City Council for
the Senior Center**

A RESOLUTION OF THE CITY OF CLOVERDALE PLANNING COMMISSION APPROVING
CONDITIONAL USE PERMIT AND DESIGN REVIEW APPLICATIONS FOR THE
CLOVERDALE SENIOR CENTER AT 311 NORTH MAIN STREET
(USP 4-98. DR 5-98)

WHEREAS, the City of Cloverdale Community Development Agency has requested Conditional Use Permit and Design Review approval for constructing and operating a 4,500 square foot senior center on a 16,200 square foot parcel at 311 North Main Street, and

WHEREAS, An Initial Study has been conducted by the Cloverdale Planning Department, which has evaluated the potential for this project to cause an adverse effect - either individually or cumulatively - on wildlife resources. For this purpose, wildlife is defined as "all wild animals, birds, plants, fish, amphibians, and related ecological communities, including the habitat upon which the wildlife depends for its continued viability", and

WHEREAS, the Planning Commission finds that the Negative Declaration prepared for the Cloverdale Senior Center on December 28, 1998, is adequate with the intent and purposes of the California Environmental Quality Act (CEQA) and directs that it be adopted, and

WHEREAS, the Planning Commission finds that the proposed Conditional Use Permit and Design Review applications, as mitigated and conditioned, are in conformance with the standards set forth in the General Plan of the City of Cloverdale and the City Zoning Ordinance, and

WHEREAS, the Planning Commission finds that the proposed use will not be incompatible with surrounding uses or result in undue hazards and nuisances provided that certain operational conditions are applied, and

NOW, THEREFORE BE IT RESOLVED that the Planning Commission of the City of Cloverdale does hereby approve the Conditional Use Permit and Design Review applications for the construction and operation of the Cloverdale Senior Center at 311 N. Main St., and

BE IT FURTHER RESOLVED that the findings and conditions set forth in Exhibit "A" as attached and referenced hereto, are made a part of the approving action and shall be binding to this Use Permit.

* * * * *

Resolution No. 4-99 was duly adopted on this 3RD day of February, 1999 by the following roll call vote: (3-0)

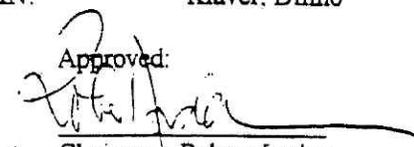
AYES in favor of: Commissioners Gutierrez, Romain and Chairman Jordan

NOES: None

ABSENT: Nixon

ABSTAIN: Klaver, Dinno

Approved:


Chairman, Robert Jordan

Attested:

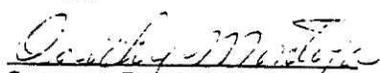

Secretary, Dorothy Montoya

EXHIBIT "A"
FINAL FINDINGS AND CONDITIONS
CLOVERDALE SENIOR CENTER USE PERMIT/DESIGN REVIEW (USP 4-98/DR 5-98)

Findings

1. The City of Cloverdale Community Development Agency has submitted an application for Conditional Use Permit and Design Review approval for constructing a 4,500 square foot senior center on a 16,200 square foot parcel at 311 N. Main St.
2. The 1992 General Plan for the City designates the project site as Medium Density Residential. The construction and operation of the Cloverdale Senior Center, as detailed in the Staff Report, is consistent with this General Plan designation and the subsequent zoning of "Two-Family Residential (R-2)".
3. The 1991 Cloverdale Downtown Specific Plan identified the site as a suitable location for a senior center due to its proximity to the downtown.
4. Provided certain mitigation measures are met prior to operation, the Cloverdale Senior Center Use Permit would not be detrimental to the health, safety and general welfare of the people in the immediate area. The operation, as modified through the conditions of approval, does not exceed any set City standards relating to on-site noise, parking or land-use density.
5. Public workshops on the proposed Cloverdale Senior Center were held on July 10, 1998 and September 28, 1998, during which public participation and input into the design and function of the Senior Center was elicited.
6. The conceptual design and proposed use of the Cloverdale Senior Center was approved by the Planning Commission at a public hearing on November 4, 1998, and by the City Council at a public hearing held on November 19, 1998.
7. The Cloverdale Community Development Agency has requested that a Parking Agreement be executed for the Cloverdale Senior Center which would establish a parking standard of 1 space per 100 sq. ft. of public assembly area, for a total on-site parking requirement of 15 spaces. The City Council has indicated that the standard proposed in the Parking Agreement is allowable with the provision that the facility is used only as a senior center, that the public assembly portion of the building is limited to 1500 sq. ft., alternative forms of transit are encouraged, and nighttime activities are limited until such time as additional parking is procured. The Planning Commission recognizes that City Ordinance #456-91 allows for the use of "Parking Agreements" between the City and property or business owners within the downtown area to defer parking requirements under special circumstances in order to encourage uses designated by the Downtown Specific Plan.
8. An Initial Study has been conducted by the Cloverdale Planning Department, which has evaluated the potential for this project to cause an adverse effect - either individually or cumulatively - on wildlife resources. For this purpose, wildlife is defined as "all wild

animals, birds, plants, fish, amphibians, and related ecological communities, including the habitat upon which the wildlife depends for its continued viability".

9. The Planning Commission finds that the Negative Declaration approved for the Cloverdale Senior Center is in accordance with the provisions of the California Environmental Quality Act (CEQA). It is the finding of the Planning Commission that the Negative Declaration addresses the impacts of the project through the mitigation measures contained within the documents.
10. There is no evidence that the Cloverdale Senior Center would have any adverse effect on wildlife resources.

Conditions

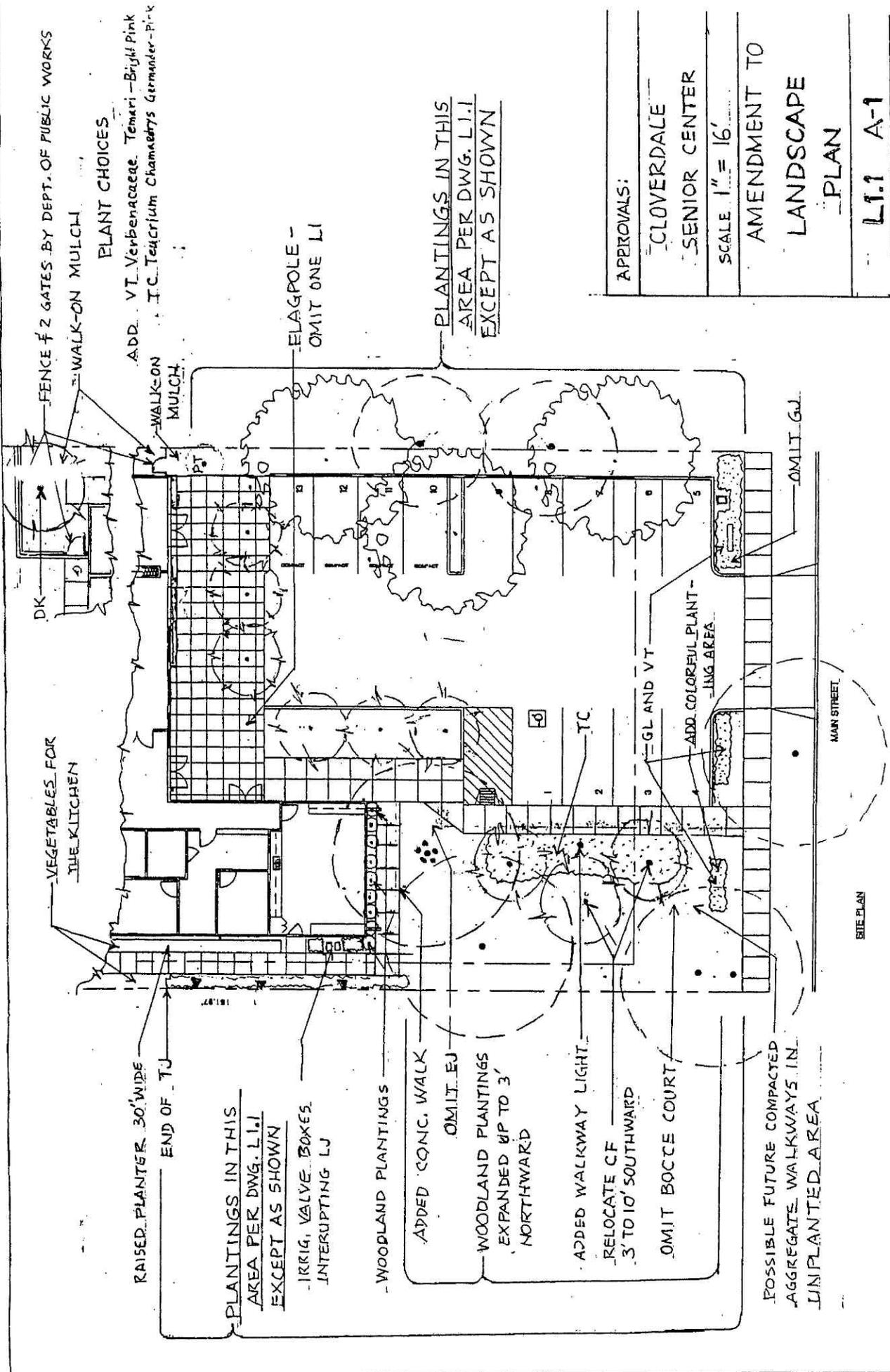
1. The applicant shall adhere to the design and specifications of the Cloverdale Senior Center Use Permit and Design Review approval as specified in the application (USP 4-98 and DR 5-98) and Staff Report (#1-99) for this project. Any deviation from the approved operation including to building location or design without prior approval of the Planning Commission may constitute grounds for revocation of this Use Permit and/or denial of Certificate of Occupancy.
2. The applicant shall comply with the Planning Department "Standard Design Conditions" in the design and operation of this project as attached and referenced hereto.
3. The applicant shall comply with all conditions listed in the attached "City Engineer Conditions of Approval".
4. The following items shall be submitted as part of the Building Permit Application package and be subject to the review and approval of the Planning Department:
 - A. Building and appurtenant structure exterior colors and materials. Paint chips of the proposed color scheme shall be submitted.
 - B. Final Landscape and Irrigation Plans.
 - C. Signage program including all graphics or lettering proposed and color scheme.
 - D. Exterior Lighting Plan including detail on light fixtures and illumination.
 - E. Utility meter, transformer, irrigation control unit location and screening.
 - F. Location and screening of solid waste containers.

All of the aforementioned plans shall incorporate all of the design specifications and criteria as shown on the site plan approved by the Planning Commission on February 3, 1999. Any significant changes from the approved plans, which may be proposed at a later date, may only be made with the approval of the Planning Commission.

5. The project shall be subject to the following performance standards during its life of operation:
 - a. The Senior Center shall operate between the hours of 7:00 a.m. to 7:00 p.m., Monday

- through Friday, and 8:00 a.m. to 5:00 p.m. on Saturday. The facility shall be used strictly for the activities and services provided by the Cloverdale Senior Center, and shall not be leased or used by other entities or individuals for special events.
- b. The Senior Center shall enter into a Parking Agreement with the City of Cloverdale prior to commencing operation of the Center. The Parking Agreement shall contain terms on limiting the uses of the facility, hours of operation and employees. The Parking Agreement shall be reviewed and approved by the City Council, and once signed by all parties, recorded against the title of the Senior center property (APN 001-162-005).
 - c. The City of Cloverdale and the Senior Center organization shall enter into an agreement that defines the operational and maintenance responsibilities for the Senior Center.
 - d. All woodburning devices shall conform to Northern Sonoma County Air Pollution Control District requirement.
 - e. Any landscaping located within the dripline of the oak trees shall be "oak friendly".
 - f. Refuse shall be stored in containers with tight-fitting lids and shall be properly disposed of on a regular basis.
 - g. The activities of the Senior Center shall not generate noise levels that exceed 45dB LDN/CNEL for adjacent residential living spaces.
6. Any signage proposed for the Senior Center shall be reviewed and approved by the Planning Commission prior to installation. Within sixty (60) days after erection of the signs, the Design Review Committee may require alteration of the illumination intensity of the signage, if the lighting of the sign is found to be excessively brilliant. For the purposes of this condition, consideration of the brilliance of said sign shall be based on the following factors:
- A. The size of the sign.
 - B. The percentage brightness of the white or light-colored portions of the sign.
 - C. The distance from the public right-of-way.
 - D. The proximity of surrounding signs.
 - E. The nature of the surrounding area.
7. In the event that archaeological or historic materials are encountered during earth disturbing activities, it is recommended that construction activities cease in the immediate vicinity until the materials are evaluated by a qualified archaeologist.
8. Construction activities shall avoid all mature trees designated to be saved and tree fencing shall be placed at the dripline of the mature oak trees onsite during the construction of the senior center.
9. Exterior lighting shall not produce glare or light spillage onto adjacent properties.
10. The project shall be subject to the recommendations contained with the Focused Traffic Assessment by W-Trans and the conditions of the City Engineer dated December 23, 1998, as follows:

- a. The intersection of Third Street/Main Street shall be converted to all-way stop controls to enhance pedestrian crossing safety.
 - b. All weather sidewalk surfaces in the vicinity of the senior center shall be considered "high priority" within the City's sidewalk priority program.
 - c. Pedestrian crossing signs (W54), marked with "Senior Crossing" below, should be placed at the approaches to the intersection of Main Street/Third Street and Cloverdale Boulevard/Third Street.
11. In any case where a use permit has not been used within one (1) year from the date of the granting thereof, or within such additional period as may be specified in the permit, such permit shall become automatically void and of no further effect, provided that, upon written request by the applicant prior to the expiration of the one year period, the permit approval may be extended for not more than one year by the authority which approved the original permit.
 12. All conditions of this Use Permit are necessary to protect the general health, safety and welfare, and to minimize or eliminate adverse environmental effects of the project. If any condition of this permit is held to be invalid by a court, then the entire permit shall be invalid. The Planning Commission specifically declares that it would not have issued this permit unless all of the conditions herein are held as valid.
 13. This permit shall be subject to revocation or modification by the Planning Commission if the Commission finds that there has been a) noncompliance with any of the foregoing conditions, or b) the Commission finds that the use for which this permit is hereby granted is so exercised as to be substantially detrimental to persons or property in the neighborhood of the use. Any such revocation shall be preceded by a public hearing noticed and heard pursuant to the City of Cloverdale Municipal Code. The Use Permit shall be valid for the life of the facility described herein.



FENCE & 2 GATES BY DEPT. OF PUBLIC WORKS

WALK-ON MULCH

PLANT CHOICES

ADD. VI. Verbenaceae. Temari - Bright Pink
TC. Teucrium Chamædrys Germander - Pink

WALK-ON MULCH

ELAGPOLE - OMIT ONE LI

PLANTINGS IN THIS AREA PER DWG. L.I.1 EXCEPT AS SHOWN

DK

VEGETABLES FOR THE KITCHEN

RAISED PLANTER 30' WIDE
END OF TJ

PLANTINGS IN THIS AREA PER DWG. L.I.1 EXCEPT AS SHOWN

IRRIQ. VALVE BOXES. INTERRUPTING LJ

WOODLAND PLANTINGS

ADDED CONC. WALK OMIT EJ
WOODLAND PLANTINGS EXPANDED UP TO 3' NORTHWARD

ADDED WALKWAY LIGHT
RELOCATE CF 3' TO 10' SOUTHWARD

OMIT BOCCE COURT

POSSIBLE FUTURE COMPACTED AGGREGATE WALKWAYS IN UNPLANTED AREA

APPROVALS:

CLOVERDALE

SENIOR CENTER

SCALE 1" = 16'

AMENDMENT TO

LANDSCAPE

PLAN

L.I.1 A-1

OMIT GJ

MAIN STREET

SITE PLAN

**CITY OF CLOVERDALE
PLANNING COMMISSION
RESOLUTION NO. 005-2016**

A RESOLUTION OF THE CITY OF CLOVERDALE PLANNING COMMISSION APPROVING A MODIFICATION TO AN EXISTING CONDITIONAL USE PERMIT (CUP MOD 001-2016) TO EXPAND THE HOURS OF OPERATION FOR THE CLOVERDALE SENIOR MULTIPURPOSE CENTER TO 10 PM ON SOME FRIDAY AND SATURDAY EVENINGS, TO ALLOW UP TO 12 SPECIAL EVENTS PER YEAR AND TO ALLOW UP TO 12 SPECIAL EDUCATIONAL COURSES PER YEAR IN ADDITION TO THE NORMAL EVERYDAY OPERATIONS OF THE CENTER LOCATED AT 311 N. MAIN STREET (APN 001-162-005)

WHEREAS, an application for a Modification to an existing Conditional Use Permit was submitted by the Cloverdale Senior Center to expand the hours of operation for the Cloverdale Senior Multipurpose Center to 10 pm on some Friday and Saturday evenings, to allow up to 12 special events per year and to allow up to 12 special educational courses per year in addition to the normal operations of the Center at 311 N. Main Street; and

WHEREAS, the site is designated Medium Density Residential (MDR) on the City's adopted General Plan Land Use Map and located in the Two-Family Residential (R-2) Zoning District, and the proposal is consistent with the MDR land use designation and R-2 Zoning District, which permits public and quasi-public uses such as churches, clubs, lodges, public utilities and public buildings with the approval of a Conditional Use Permit; and

WHEREAS, the Planning Commission approved a Conditional Use Permit application for the Cloverdale Senior Center on February 3, 1999; and

WHEREAS, Zoning Ordinance Section 18.03.110.F.1 allows modifications to an approved Conditional Use Permit, such as, but not limited to, changes in conditions of approval, expansions, intensification, location, or hours of operation; and

WHEREAS, as required by California Government Code Section 65091, the Planning Commission of the City of Cloverdale gave legal notice of a public hearing on the proposed Conditional Use Permit Modification application; and

WHEREAS, the Planning Commission held a public hearing on February 2, 2016, for the purpose of reviewing the application proposing a Modification to the Conditional Use Permit and considered all written and verbal communication, including the staff report; and

WHEREAS, the applicant and members of the public were present to speak on the application; and

WHEREAS, the Planning Commission finds that this project is exempt from the California Environmental Quality Act (CEQA) under Section 15301, Existing Facilities, because the Cloverdale Senior Multipurpose Center building and parking lot are existing and are not being expanded in any way. Furthermore, the addition of the special events and educational classes are similar to functions that the Center currently provides, and is therefore considered to be a negligible or no expansion of an existing use. Based on the application materials, existing site improvements, location of the project, none of the exceptions in CEQA Guidelines section 15300.2 would limit the above referenced categorical exemption for the project; and

WHEREAS, the Planning Commission has determined that the findings required for the Modification to the Conditional Use Permit required by Section 18.03.110 of the Zoning

Ordinance have been met. Based on the application information and the information contained in the staff report, the following findings have been made:

1. The proposed use is permitted within the subject district pursuant to the provisions of this Section (18.03.110) and complies with all the applicable provisions of this ordinance, the goals, and objectives of the Cloverdale General Plan, and the development policies and standards of the City.

According to Chapter 18.14 (Zoning Ordinance Definitions) of the Zoning Ordinance, the Cloverdale Senior Multipurpose Center is considered a public/quasi-public use for public and private gatherings and where educational courses and classes are offered to the community. Public/quasi-public uses are permitted in the R-2 Zoning District subject to Conditional Use Permit approval. A Conditional Use Permit was approved by the Planning Commission on February 3, 1999 for the Cloverdale Senior Center. As the project does not involve new construction and the site was developed in accordance to the Zoning Ordinance standards at the time, including off-street parking requirements, the project meets the development standards of, and is consistent with, the R-2 Zoning District.

Furthermore, the modification furthers the goals, policies and implementation measures of the General Plan and MDR land use designation as it provides educational courses for the community and continues the use of an existing public facilities building.

2. The proposed use would not impair the integrity and character of the Zoning District in which it is to be established or located.

The proposed use is compatible with the Two-Family Residential (R-2) Zoning District as the surrounding neighborhood is comprised of a mix of residential structures with one bed and breakfast inn, and the building was designed to blend architecturally with the surrounding neighborhood. Several mature oak trees were preserved and incorporated into the landscaping plan which helps to buffer the use from the neighborhood. The Center's continuing efforts in enforcing the parking agreement helps to ensure that no impacts or a minimal amount of traffic impacts to the surrounding neighborhood are anticipated.

To address any potential noise issues, a condition of approval has been added which prohibits the use of outdoor amplified music or microphones. The project as designed and the conditions of approval ensure the proposed use is compatible with the Two-Family Residential (R-2) Zoning District.

3. The site is suitable for the type and intensity of use or development that is proposed.

The site is developed with the Cloverdale Senior Multipurpose Center building, parking lot and related site improvements. The site is zoned for and developed with an existing public building that was designed and is currently being used for similar public/quasi-public uses. Since opening, the City has not received complaints from adjoining neighbors.

4. There are adequate provisions for water, sanitation and public utilities and services to ensure public health and safety.

The site is developed with the Cloverdale Senior Multipurpose Center building, parking lot and related site improvements with existing services. Adequate provisions for water, sanitation and public utilities and services exist to ensure public health and safety.

5. The proposed use will not be detrimental to the public health, safety, or welfare or materially injurious to properties and improvements in the vicinity.

The use is located within an existing building that was designed for use by the Senior Center. The modification is not considered to be a significant expansion or intensification of the current use of the building as the Cloverdale Senior Multipurpose Center as similar events and educational classes are currently being put on by the Center. The Senior Center is compatible with surrounding residential uses and the R-2 Zoning District, and the hours of operation are not anticipated to interfere with the surrounding residences. The conditions of approval ensure the proposed use will not be detrimental to the public health, safety, or welfare or materially injurious to properties and improvements in the vicinity.

NOW, THEREFORE BE IT RESOLVED the above recitals are true and correct and incorporated herein by reference; and

NOW, THEREFORE BE IT FURTHER RESOLVED that the Planning Commission of the City of Cloverdale does hereby grant a Modification to the existing Conditional Use Permit to expand the hours of operation for the Cloverdale Senior Multipurpose Center to 10 pm on some Friday and Saturday evenings, to allow up to 12 special events per year and to allow up to 12 special educational courses per year in addition to the normal operations of the Center at 311 N. Main Street subject to the Conditions of Approval listed below:

CONDITIONS OF APPROVAL

CLOVERDALE SENIOR MULTIPURPOSE CENTER CONDITIONAL USE PERMIT MODIFICATION 311 N. MAIN STREET

Planning:

1. A Modification to the existing Conditional Use Permit approval is granted to allow an expansion of the hours of operation for the Cloverdale Senior Multipurpose Center to 10 pm on some Friday and Saturday evenings, to allow up to 12 special events per year and to allow up to 12 special educational courses per year in addition to the normal operations of the Center at 311 N. Main Street, Cloverdale, CA as summarized above and shown in the application materials submitted to the Community Development Department. The applicant shall adhere to the Conditional Use Permit Modification application materials (CUP MOD 001-2016) and the conditions of approval. Any deviation from the conditions of approval requires Community Development Department or Planning Commission approval.
2. This approval is subject to appeal within 10 consecutive days from the date of approval.
3. All conditions of this Modification to the existing Conditional Use Permit are necessary to protect the general health, safety and welfare, and to minimize or eliminate adverse environmental effects of the project. If any condition of this permit is held to be invalid by a court, then the entire permit shall be invalid. The Planning Commission specifically

declares that it would not have issued this permit unless all of the conditions herein are held as valid.

4. This permit shall be subject to revocation or modification by the Planning Commission if the Commission finds that there has been a) noncompliance with any of the foregoing conditions, or b) the Commission finds that the use for which this permit is hereby granted is so exercised as to be substantially detrimental to persons or property in the neighborhood of the use. Any such revocation shall be preceded by a public hearing noticed and heard pursuant to the City of Cloverdale Municipal Code.
5. This Modification to the existing Conditional Use Permit (CUP MOD 001-2016) shall expire, and become null and void, two years from the date of approval unless exercised through the commencement of the business operations or a written request for an extension of time is submitted to the Community Development Department prior to the expiration date and an extension is granted by the Planning Commission.
6. The approval of this permit shall be subject to the latest adopted ordinances, resolutions, policies and fees of the City of Cloverdale. Applicant shall be responsible for any and all costs associated with any required special inspections necessary for the project.
7. The use of outdoor amplified music or sound, or the use of a microphone outdoors shall be prohibited.
8. All previous conditions of approval shall continue to apply.

Resolution No. 005-2016 was duly adopted on this the 2nd day of February 2016, by the following roll call vote: (5-ayes, 0-noes)

| | |
|-------------------|--|
| AYES in favor of: | Domke, Halliday, Shanahan, Enge, Bovee |
| NOES: | None |
| ABSTAIN: | None |
| ABSENT: | None |

Approved:



Mike Shanahan, Chair

Attested:



Linda Moore, City Clerk

**CITY OF CLOVERDALE
CITY COUNCIL
RESOLUTION NO. 019-2016**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE
DENYING AN APPEAL AND UPHOLDING THE FEBRUARY 2, 2016 DECISION OF THE PLANNING
COMMISSION TO APPROVE THE MODIFICATION TO THE EXISTING CONDITIONAL USE PERMIT
TO EXPAND THE HOURS OF OPERATION FOR THE CLOVERDALE SENIOR MULTIPURPOSE
CENTER TO 10 PM ON SOME FRIDAY AND SATURDAY EVENINGS, TO ALLOW UP TO 12 SPECIAL
EVENTS PER YEAR AND TO ALLOW UP TO 12 SPECIAL EDUCATIONAL COURSES PER YEAR IN
ADDITION TO THE NORMAL OPERATIONS OF THE CENTER AT 311 N. MAIN STREET**

WHEREAS, the Community Development Department received a request to rescind the February 2, 2016 decision by the Planning Commission to approve the Modification to the existing Conditional Use Permit to expand the hours of operation for the Cloverdale Senior Multipurpose Center to 10 pm on some Friday and Saturday evenings, to allow up to 12 special events per year and to allow up to 12 special educational courses per year in addition to the normal operations of the Center at 311 N. Main Street (APN 001-162-005), subject to the recommended conditions of approval; and

WHEREAS, the Planning Commission approved a Conditional Use Permit application for the Cloverdale Senior Center on February 3, 1999; and

WHEREAS, Zoning Ordinance Section 18.03.110.F.1 allows modifications to an approved Conditional Use Permit, such as, but not limited to, changes in conditions of approval, expansions, intensification, location, or hours of operation; and

WHEREAS, during a public hearing held on February 2, 2016 for the requested Modification to the existing Conditional Use Permit, wherein the applicant and members of the public were present to speak on the application, the Planning Commission, on a 5-0 vote, adopted Resolution No. 005-2016 which served to approve the requested Modification to the existing Conditional Use Permit; and

WHEREAS, Michael and Debra Handy filed an appeal application with the Community Development Department on February 16, 2016; and

WHEREAS, the City Council held a public hearing on March 8, 2016, for the purpose of reviewing the appeal of the February 2, 2016 decision by the Planning Commission to approve the Modification to the existing Conditional Use Permit and considered all written and verbal communication, including the staff report;

WHEREAS, the appellant, applicant and members of the public were present to speak on the application; and

WHEREAS, the City Council finds that this project is exempt from the California Environmental Quality Act (CEQA) under Section 15301, Existing Facilities, because the Cloverdale Senior Multipurpose Center building and parking lot are existing and are not being expanded in any way. Furthermore, the addition of the special events and educational classes are similar to functions that the Center currently provides, and is therefore considered to be a negligible or no expansion of an existing use. Based on the application materials, existing site improvements, location of the project, none of the exceptions in CEQA Guidelines section 15300.2 would limit the above referenced categorical exemption for the project; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOVERDALE THAT the City Council, after reviewing the evidence in the record, does deny the appeal filed by Michael and Debra Handy to rescind the Modification to the existing Conditional Use Permit to expand the hours of operation for the Cloverdale Senior Multipurpose Center to 10 pm on some Friday and Saturday evenings, to allow up to 12 special events per year and to allow up to 12 special educational courses per year in addition to the normal operations of the Center at 311 N. Main Street, and upholds the February 2, 2016 decision of the Planning Commission.

It is hereby certified that the foregoing Resolution No. 019-2016 was duly introduced and duly adopted by the City Council of the City of Cloverdale at its regular meeting held on the 8th day of March, 2016, by the following roll call vote: (Ayes-4; Noes-1).

Ayes: Councilmember Palla, Councilmember Russell, Councilmember Cox, and Mayor Brigham

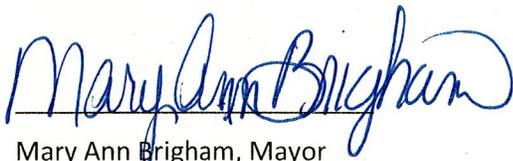
Noes: Vice Mayor Wolter,

Absent: 0

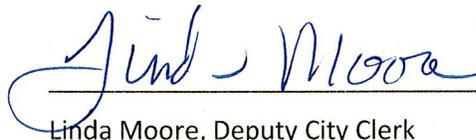
Abstain: 0

Approved:

Attested:



Mary Ann Brigham, Mayor



Linda Moore, Deputy City Clerk

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City Council/Successor Agency
Agenda Item Summary

Agenda Item: 6
Meeting Date: May 10, 2016

| | |
|---------------------------------------|---|
| Agenda Section Subcommittee | Staff Contact Joanne Cavallari, Finance Manager |
|---------------------------------------|---|

Agenda Item and Title
Consideration and possible action introducing and waiving the first reading of Ordinance No. 707-2016 amending Cloverdale Municipal Code, Title 3, Chapter 3.04, "Officers Authorized to Sign - Procedure," Section 3.04.020, adding the Assistant City Manager as an officer authorized to sign on behalf of the City.

Summary
City Staff is recommending that the Assistant City Manager be added as an officer authorized to sign warrants drawn on the city treasury, checks and appropriate signature cards.

Discussion
Section 3.04.020 authorizes the City Manager, Mayor and Vice Mayor to sign checks and warrants drawn on the City treasury. On checks or warrants, one signature must be manually executed, the other may be affixed by plate or other approved mechanical means. Presently, the manually executed signature is that of the City Manager, and the Mayor or Vice Mayor's signature is affixed electronically. Adding the Assistant City Manager as an authorized signer will allow more flexibility in the City Manager's schedule, and ensure that checks can be issued in the event of an emergency. Staff expects that the proposed changes to Title 3 of the Municipal Code will result in improved efficiency by allowing a second City staff member to sign checks for Accounts Payable, reducing the need to call on the Mayor or Vice Mayor to come into City Hall in the City Manager's absence.

The proposed amendment to the City's Municipal Code is shown in the attached draft Ordinance in bold red italic text.

- Options**
- 1) Introduce and waive first reading of Ordinance No. 707-2016 amending Municipal Code, Title 3, Chapter 3.04, or
 - 2) Provide other direction to staff.

Budget/Financial Impact
None

Subcommittee Recommendation
The recommended changes to the Municipal Code, Title 3, were reviewed and approved by the Administration, Finance, and Police Subcommittee at their meeting of August 27, 2015.

Recommended Council Action
By Motion, waive the full reading of Ordinance No. 707-2016, amending Municipal Code, Title 3, Chapter 3.04 "Officers Authorized to Sign - Procedure," conduct a first reading of the Ordinance by title only, and direct its return for the second reading and adoption.

Attachment:
Ordinance No. 707-2016 amending Title 3, Chapter 3.04 of the City's Municipal Code

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**CITY OF CLOVERDALE
CITY COUNCIL
ORDINANCE NO. 707-2016**

**AN ORDINANCE OF THE CITY OF CLOVERDALE AMENDING CLOVERDALE
MUNICIPAL CODE CHAPTER 3.04, "OFFICERS AUTHORIZED TO SIGN -
PROCEDURE," SECTIONS 3.04.020 ADDING THE ASSISTANT CITY MANAGER AS
AN OFFICER AUTHORIZED TO SIGN ON BEHALF OF THE CITY**

**THE CITY COUNCIL OF THE CITY OF CLOVERDALE DOES ORDAIN AS
FOLLOWS:**

SECTION 1. Amendment to Section 3.04.020.

The Cloverdale Municipal Code, Chapter 3.04, "Officers authorized to sign - Procedure," Section 3.04.020 is amended as follows:

3.04.020 Officers authorized to sign - Procedure.

A. The following city officers are authorized to sign on behalf of the city warrants drawn on the city treasury, checks, and appropriate bank signature cards:

1. City manager;
2. **Assistant City Manager;**
3. Mayor;
4. Vice mayor.

SECTION 2. Severability.

If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The City Council hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION 3. Effective Date.

This Ordinance shall be and the same is hereby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Council Members voting for or against

the same, in a newspaper of general circulation published in the County of Sonoma, State of California.

I hereby certify that the foregoing is a true and complete copy of an ordinance duly and regularly adopted by the City at a regular meeting thereof held on May 24, 2016, by the following vote:

PASSED, APPROVED AND ADOPTED this 24 day of May 2016 by the following roll call vote: Ayes – ; Noes -

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

ATTEST:

Gus Wolter, Vice Mayor

Linda Moore, Deputy City Clerk



City Council
Agenda Item Summary

Agenda Item: 7
Meeting Date: May 10, 2016

Agenda Section

Subcommittees

Staff Contact

Joanne Cavallari, Finance Manager

Agenda Item Title

Adoption of Resolution No. 032-2016, Adopting an Investment Policy for the City of Cloverdale

Summary

Investment of public funds is governed by the California Government Code Sections 53600 et seq. State law sets the limitations and guidelines that cities must follow to ensure maximum security and safety of the public's money.

An Investment Policy Statement is a basic document that describes how an organization will make its investments work to achieve maximum returns with limited risk. It not only defines the goals and sets the guidelines for investment activity, but can also serve as a plan for making critical decisions.

The attached Investment Policy Statement for the City of Cloverdale is based on state law and will serve as guidelines for staff that are directing the investment of the City's pooled cash reserves.

Options:

None Recommended.

Budget/Financial Impact:

None.

Subcommittee Recommendation:

The Finance Administration and Police Subcommittee reviewed the proposed policy at their meeting of August 24, 2015 and recommended that the policy be brought to the full City Council.

Recommended Council Action:

Adopt the attached Resolution Adopting an Investment Policy Statement for the City of Cloverdale.

Attachments:

1. Draft Resolution No. 032-2016
2. Investment Policy Statement

cc:

**CITY OF CLOVERDALE
CITY COUNCIL
RESOLUTION NO. 032-2016**

**A RESOLUTION OF THE CITY OF CLOVERDALE CITY COUNCIL
ADOPTING AN INVESTMENT POLICY STATEMENT**

WHEREAS, the City of Cloverdale desires to establish and follow written fiscal and budgetary policies; and

WHEREAS, in order to comply with California State Law and Generally Accepted Accounting Principles, the City has established a policy for the investment of its pooled cash reserves; and

WHEREAS, the goal of this policy is to achieve maximum returns on investments with limited risk; and

WHEREAS, the attached policy has been developed to provide guidelines to staff that are authorized to direct the City's investments, and

WHEREAS, the attached policy specifies the authorized investments and limitations for City Staff to follow to ensure that the public's funds are invested in a safe and prudent manner.

NOW THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF CLOVERDALE hereby adopts the Investment Policy Statement for the City of Cloverdale attached as Exhibit "A" and made a part of this resolution.

Resolution No 032-2016 was duly adopted on this the 10th day of May 2016, by the following roll call vote: (Ayes-; Noes-)

AYES:
NOES:
ABSTAIN:
ABSENT:

Approved:

Attested:

Gus Wolter, Vice Mayor

Linda Moore, Deputy City Clerk



INVESTMENT POLICY STATEMENT

1. **Policy**

It is the policy of the City of Cloverdale to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demand of the City and conforming to all California laws and local statutes governing the investment of public funds.

2. **Scope**

This Investment Policy applies to all the funds and investment activities under the direct authority of the City of Cloverdale as accounted for in the Comprehensive Annual Financial Report (CAFR). Policy statements outlined in this document focus on the City of Cloverdale' pooled funds, but will also apply to all other funds under the Finance Manager's span of control, unless specifically exempted by statute or ordinance. This policy is applicable, but not limited to, all funds listed below:

- ❖ General Fund
- ❖ Enterprise Funds
- ❖ Special Revenue Funds
- ❖ Capital Project Funds
- ❖ Debt Service Funds
- ❖ Trust and Agency Funds

Excluded funds are those held with a fiscal agent, which have their own specific "permitted investments" section in the bond covenants. These funds include funds reserved for debt service and pension funds.

3. **Prudence**

Investments shall be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by the City's investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The Finance Manager and/or City Manager, acting within the intent and scope of the investment policy and other written procedures 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 that result in a loss of principal are reported to the City Manager immediately, and to the City Council at their next meeting addressing appropriate actions to be taken to control adverse developments.

4. **Objective**

The primary objectives in priority order of the City of Cloverdale's investment activities shall be:

4.1 *Safety*: Safety of principal is the foremost objective of the investment program. Investments of the City of Cloverdale shall be undertaken in a manner that seeks to ensure that capital losses are avoided, whether from securities default, broker-dealer default, or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

4.2 *Liquidity*: The City of Cloverdale's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated.

4.3 *Return*: The City of Cloverdale's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

5. Delegation of Authority

Authority to manage the City's investment program is derived from the California Government Code. Management responsibility for the investment program is hereby delegated to the Finance Manager, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures shall include, but not be limited to, references to: safekeeping, wire transfer agreements, collateral/depository agreements, banking services contracts, local banking preferences, and other investment-related activities. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Manager. The Finance Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates. Delegation of authority shall expire one year from the date of adoption of this policy as required by State law.

6. Ethics and Conflicts of Interest

The City Council, City Manager and Finance Manager shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Council Members, City Manager and Finance Manager shall disclose to the City Attorney any material financial interests in financial institutions that conduct business within the jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City's portfolio. The City Attorney and City Treasurer shall review all disclosures made to insure there are no conflicts with any planned investment.

7. Authorized Financial Dealers and Institutions

The Finance Manager will maintain a list of financial institutions and primary dealers authorized to provide investment services. "Primary" dealers include those that regularly report to the Federal Reserve Bank and should qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions, dealers and cash managers who desire to become qualified bidders for investment transactions must supply the City with the following: audited financial statements, proof of National Association of Security Dealers certification when applicable, completed questionnaire and certification of having read the City of Cloverdale' investment policy and depository contracts.

8. Authorized Investments and Limitations of Investments

Investment of City funds is governed by the California Government Code Sections 53600 et seq. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest, There is no percentage limitation of the portfolio that can be invested in this category.
2. 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.
3. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool may be used up to the maximum permitted by LAIF.
4. Insured savings accounts are permitted without limitations.

Investments detailed in items 5 through 10 are further restricted to 5% of the purchase value of all investments and cash accounts (the portfolio), in any one issuer name. The total value invested in any one issuer shall also not exceed 5% of the issuer's net worth.

5. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as banker's acceptances are permitted. Banker's acceptances purchased may not exceed 180 days to maturity or 40% of the cost value of the portfolio.
6. Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided by Moody's Investor Services, Inc., Standard & Poor's, or Fitch Financial Services, inc. Commercial paper shall be issued by domestic corporations having assets in excess of \$500,000,000 and having a "AA" or better rating on its long term debentures as provided by Moody's, Standard & Poor's, or Fitch. Purchases of eligible commercial paper may not exceed 270 days to maturity nor represent more than 10% of the outstanding paper of the issuing corporation. Purchases of commercial paper may not exceed 25% of the City's portfolio.
7. Negotiable certificates of deposit issued by nationally or state chartered banks or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio.
8. Time deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 25% of the investment portfolio may be invested in this investment type.
9. Medium Term Corporate 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. Securities eligible for investment shall be rated "A" or better by Moody's or Standard & Poor's rating services. Purchase of medium term notes may not exceed 30% of the purchase value of the portfolio and no more than 5% of the purchase value of the portfolio may be invested in notes issued by one corporation.
10. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) have an investment advisor registered with the Securities and Exchange Commission with not less than five years experience investing in securities and obligations authorized by Government Code section 53601 and with assets under management in excess of \$500,000,000. The purchase price of shares shall not exceed 15% of the investment portfolio.

11. California Asset Management Program

9. Ineligible Investments

The City shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool or mortgages, or in any security that could result in zero interest accrual if held to maturity, or any other investment not listed in this policy.

10. Safekeeping and Custody

All securities owned by the City, including collateral for repurchase agreements, shall be held in safekeeping by the City's custodian bank or a third party bank trust department, acting as agent for the City under the terms of a custody or trustee agreement executed by the bank and by the City. All securities will be received and delivered using standard delivery-versus-payment (DVP) procedures.

11. Percentage Limitations

Where a section specifies a percentage limitation for a particular category of investments, that percentage is applicable only at the date of purchase. Where a section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, 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.

12. Reporting Requirements

The Finance Manager shall annually render to the City Council a statement of investment policy, which the Council shall review and approve at a public meeting. The Council at a public meeting shall also review and approve any changes to the policy.

The Treasurer shall render a quarterly investment report to the Council within 30 days after the end of the subject quarter. The quarterly report shall include for each individual investment:

- ❖ Description of investment instrument
- ❖ Issuer name
- ❖ Maturity date
- ❖ Purchase price
- ❖ Par value
- ❖ Current market value and the source of the valuation

The quarterly report also shall; (1) state compliance of the portfolio to the investment policy, or manner in which the portfolio is not in compliance, (II) include a description of any of the City's funds, investments or programs that are under the management of contracted parties, including lending programs, and (III) include a statement denoting the ability of the City to meet its expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may not be available.



City Council
Agenda Item Summary

| |
|----------------------------|
| Agenda Item: 8 |
| Meeting Date: May 10, 2016 |

| | |
|--|---|
| Agenda Section Subcommittees | Staff Contact Joanne Cavallari, Finance Manager |
|--|---|

Agenda Item Title
Action on Resolution No 033-2016, authorizing the City Manager to sign an agreement with Exchange Bank and approving the City Manager and Finance Manager as signers on the Investment Account

Summary
Presently the City’s pooled cash reserves are deposited with Exchange Bank in an interest bearing general checking account and in the California Local Agencies Investment Fund (LAIF). The interest rates on the two accounts have been very low over the last few years. For the most recent quarter ended March 31st, LAIF paid interest at 0.46%.

Staff would like to consider other investment options to increase the amount of interest income earned by the City on its cash reserves. Based on a recommendation from City Treasurer, Mike Nixon, we have received the attached proposal from Exchange Bank Trust & Investment Management for the City Council’s consideration. Exchange Bank provides investment services for other government entities in Sonoma County and is familiar with the provisions of state law related to investment of public funds.

The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated.

To open an investment account with Exchange Bank the attached agreement will need to be signed and authorized signers on the account must be approved. Staff recommends that the City Manager be authorized to sign the agreement, and that the City Manager and Finance Manager be authorized signers on the account.

Staff is proposing an initial investment of \$5 million with Exchange Bank as follows:

| <u>Fund</u> | <u>Fund Balance 6-30-15</u> | <u>Investment</u> |
|---------------------------|-----------------------------|-------------------|
| General Fund | 893,284.00 | 400,000.00 |
| Retirement Fund | 506,185.00 | 250,000.00 |
| Inclusionary Housing | 727,360.00 | 300,000.00 |
| Public Safety Impact Fees | 457,338.00 | 200,000.00 |
| Corp Yard Impact Fees | 468,330.00 | 200,000.00 |
| Water Impact Fees | 481,488.00 | 200,000.00 |
| Sewer Enterprise Fund | 1,134,416.00 | 500,000.00 |
| Non-Housing Bond Proceeds | 3,838,531.00 | 1,750,000.00 |
| Housing Bond Proceeds | 1,921,809.00 | 1,200,000.00 |

Based on the attached fee schedule, we estimate the annual fees to be approximately \$21,000. The fees and earnings will be split among the funds based on their percentage of the total balance in the account.

Options:

- 1) Approve the attached agreement with Exchange Bank.
- 2) Leave cash reserves in the General Checking Account and LAIF

Budget/Financial Impact:

Earnings in the investment account will depend on the rate of return. If the fund were to earn 1.5%, the City's interest income would increase by approximately \$50,000, net of annual account fees.

Subcommittee Recommendation:

The Finance Administration and Police Subcommittee reviewed the proposal from Exchange Bank at their meeting of April 28, 2016 and recommended it be brought to the full City Council.

Recommended Council Action:

- 1) Adopt the attached Resolution No. 033, authorizing the City Manager to sign the attached agreement with Exchange Bank and approving the City Manager and Finance Manager as signers on the Investment Account

Attachments:

1. Proposal from Exchange Bank for Investment Services
2. Draft Resolution authorizing the City Manager to sign the Agreement and approving the City Manager and Finance Manager as authorized signers on the account
3. Agreement for Investment Services with Exchange Bank
4. Authorized signers form
5. Fee Schedule
6. Local Agency Investment Guidelines

cc:



FIXED INCOME MANAGEMENT

**Exchange Bank Trust &
Investment Management Group**



INTRODUCTION

Exchange Bank is pleased to provide Cloverdale with a proposal for fee-only fiduciary asset management services. Exchange Bank provides this service through our trust powers granted to us in 1963. Since then, we have had a long heritage of providing portfolio management, as a fiduciary, to families, retirement plans, businesses, and government entities in Sonoma County.

Our services will include:

- Meeting with you on a periodic basis to review risk and return characteristics of your portfolio and your needs for liquidity and distributions
- Advising you on the design or modification of your Investment Policy Statement (IPS)
- Implementing your investment policy through securities purchases with no transaction fees imposed.
- Monitoring the portfolio as a whole as well as its individual investment holdings
- Managing portfolio risk through thoughtful rebalancing
- Providing advice on estate planning and investment issues that may arise from time to time

Our services will not include:

- Recommending that portfolio assets be invested in Exchange Bank deposit products
- Picking a few securities in an attempt to beat the market through security selection
- Making frequent market timing calls to buy and sell securities in an attempt to beat the market
- Receiving commission compensation, soft-dollar payments, 12b-1 fees, or any payments not disclosed on our fee schedule
- Using any financial or other confidential information without your express permission

INVESTMENT PHILOSOPHY

The core tenets under which we construct portfolios include the following:

1. Clients are risk averse: The only acceptable risk is that which is adequately compensated by reasonable returns over time.
2. Markets are largely efficient: It is not possible to know with certainty the future return of any market or individual security within a market. One can make guesses (be they educated or wild), but certainty is not possible. It is highly unlikely that any portfolio will succeed at consistently “beating the market” through security selection and/or market timing.
3. The asset allocation of a portfolio is more important than the selection of any individual security within the portfolio.
4. Portfolio risk can be decreased by increasing diversification (both between and within asset classes) and by lowering the correlation of returns between the asset classes.

PORTFOLIO CONSTRUCTION

The asset allocation decision begins with the principals adopted in both the Uniform Prudent Investor Act (UPIA) and the Uniform Prudent Management of Institutional Funds Act. This Act governs the activities of fee-only investment fiduciaries. From there, we work within your IPS (time horizon, liquidity needs, and risk tolerance) and Section 53601 of the State of California Government Code to allocate the portfolio’s assets between four broad investment objectives:

- Capital Preservation
- Current Yield
- Inflation Hedge
- Strategic Diversification

The goal of the allocation is to hold assets with a less than perfect correlation with the other assets in the portfolio. We use a combination of historical asset class relationship plus the current correlation, return, economic, and risk characteristics of market. In analyzing asset allocation alternatives, we use Modern Portfolio Theory, the Capital Asset Pricing Model, and the Fama/French Three Factor Model to structure portfolios to enhance expected return for the client’s targeted degree of risk.

The fact is that precise future correlations are unknown to all. Therefore, it is very important to stress that no amount of care, diligence, intelligence, or hard work can eliminate risk or structure a completely efficient risk/reward portfolio. As the risk of loss, particularly in the short-term, is unavoidable, we view our primary job as making informed, rational, and prudent decisions about providing

a reasonable probability of managing short-term risk while providing for long-term returns above the inflation rate.

Portfolio Construction Principles

1. Hold primarily high quality securities
2. Diversify between asset classes
3. Diversify within asset classes
4. Incorporate passive strategies into the portfolio
5. Avoid high portfolio turnover
7. Monitor portfolio risk
8. Thoughtfully rebalance to manage risk and taxes
9. Use mutual funds as authorized by the IPS
10. Avoid high cost investment products

RESOURCES

Exchange Bank's Trust Investment Committee makes extensive use of academic and empirical research as the basis for our investment rationale and decision making. We monitor and incorporate two areas of information: financial economics and financial service providers.

Financial Economics: Research into the behavior of financial markets has evolved over the past two decades as global free markets, trade, and communications has lowered the boundaries between countries. We stay current with global markets through carefully selected research partners, economists, and investment journals. Some of our key resources are listed below:

Research Resources Include:

- Global Insights (Economic and interest rate forecasts, industry analysis and market intelligence)
- Reliance Trust Company (One of the nation's largest independent trust companies)
- Frontier Analytics (Mean variance optimization for developing an efficient frontier)
- Standard and Poor's & Moody's
- Morningstar

Financial Service Providers: The past twenty years has seen an explosion of financial service providers and fixed income investment products. Financial service vendors offer a vast range of investment products. While some work well in a fiduciary application, most do not. The Exchange Bank Trust Investment Committee continually examines the risk structure and costs of investment products to determine which are suitable for business, trust, endowment, and private wealth management purposes. Exchange Bank places particular emphasis on cost control, historical risk adjusted performance, and fiduciary stewardship when selecting investment partners.

Investment Resources Include:

- The Vanguard Group
- Dimensional Fund Advisors
- iShares
- Federated Investors
- PIMCO
- Gateway

EXPERTISE AND QUALIFICATIONS

Exchange Bank holds approximately \$950,000,000 of client assets under administration. Of that amount, over \$700,000,000 is managed under our full discretionary authority. The asset breakdown is as follows:

- Irrevocable Trust Assets: \$150,000,000
- Private Wealth Management: \$400,000,000
- Institutional Accounts: \$400,000,000

Our staff of twenty individuals includes 13 certified officers with an aggregate of over 280 years of experience. Certifications include the following:

Certified Trust and Financial Advisor
Certified Public Accountant
Certified Securities Operations Specialist

Management Fees

Exchange Bank management fees for accounts managed under the Local Agency Investment Guidelines average approximately 0.50% (50 basis points). We will provide a specific fee schedule upon review of Cloverdale's investment policy statement, size of portfolio, and projected account activity.

SUMMARY

The Exchange Bank Trust and Investment Management has never waived in its unique approach to fee-only fiduciary services through good economic times and bad. Now in our sixth decade of providing fiduciary services in the North Bay, the Bank is committed to providing low-cost and time-tested investment strategies to help you attain your financial goals.

We welcome your comments and questions. The Trust and Investment Management team looks forward to assisting you with your investment, retirement, and estate planning needs.

Steven T. Jenkins, CTFA
Senior Vice President

**CITY OF CLOVERDALE
CITY COUNCIL
RESOLUTION NO. 033-2016**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE
AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH
EXCHANGE BANK TRUST AND INVESTMENT**

WHEREAS, the City of Cloverdale has cash reserves in its Exchange Bank general checking account and on deposit with the State of California Local Agency Investment Fund (LAIF); and

WHEREAS, interest rates on money deposited in the general checking account and LAIF have declined over the last several years; and

WHEREAS, the City desires to increase the amount of investment earnings by investing funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demand of the City; and

WHEREAS, Exchange Bank has provided a proposal to the City for Investment Services conforming to all California laws and local statutes governing the investment of public funds; and

NOW, THEREFORE, BE IT RESOLVED that the Cloverdale City Council hereby:

- 1) Authorizes the City Manager to execute an agreement with Exchange Bank Trust and Investment for the investment of the City's pooled cash reserves
- 2) Approves the City Manager and Finance Manager as authorized signers on the account

It is hereby certified that the foregoing Resolution No. 033-2016 was duly introduced and adopted by the City Council of the City of Cloverdale at its regular meeting held on the 10th day of May, 2016, by the following roll call vote: (Ayes-; Noes-).

Ayes:
Noes:
Absent:
Recuse:

Approved:

Attested:

Gus Wolter, Vice Mayor

Linda Moore, Deputy City Clerk

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MANAGED AGENCY AGREEMENT

Client hereby appoints Exchange Bank ("Bank") as agent to act as custodian of cash, securities, real property and any other property now or in the future deposited by Client with Bank.

Account Title: City of Cloverdale

Such assets are to be held in an Agency Account referred to in this Agreement as the "Account."

All securities in the Account will be held either by (1) Bank or a bank correspondent, or (2) a securities depository authorized by California law to accept deposit of securities. Securities will be registered in the name of (1) a nominee of Bank or a bank correspondent, or (2) a nominee of a securities depository.

Accountholder(s):

If more than one person or entity opens the Account, Client agrees that all singular references in this Agreement shall be read as if plural and to include all such account holders.

Management:

Bank is authorized and instructed to invest, sell, reinvest and manage the principal assets in the Account.

Income:

Bank is to receive income on the assets placed in the Account and pay income as Client may direct, from time to time, in writing. Bank shall initially pay income according to these following instructions:

Reinvest until directed otherwise in writing.

Standing Instructions and Authorizations:

Unless Client instructs otherwise, Bank is authorized to do the following in the administration of the Account:

1. Exchanges: To exchange stock certificates where required when their stated par value is revised by an issuing corporation or where merger or other corporate reorganization requires the exchange.

2. Sale of Fractional Shares: To sell all fractional shares of stock received as a result of stock dividends or other corporate action.
3. Proxies and Corporate Literature: To execute all proxies for shareholders' meetings for any securities now or subsequently held for the account.
4. Delivery of Documents: To deliver any instrument or document necessary to register securities or to complete sales or deliveries of them and, if necessary, to sign Client's name and guarantee it as Client's signature.
5. Signing of Documents: To sign and file on Client's behalf any declarations, affidavits, certificates of ownership or other documents required to service the Account.
6. Pledge of Securities: At Client's direction, to pledge securities or other property in the Account when required to furnish collateral for loans or advances for which I become obligated to Exchange Bank. Any interest on these obligations may be charged to the Account.

Frequency of Statements:

Bank will furnish Client with Monthly statements of assets and transactions.

Written Instructions:

Bank will make free delivery of securities or other non-cash property in the Account only on Client's written instructions. All instructions to Bank will be signed by Client or Client's authorized representative. If there is more than one accountholder, such instructions may be signed by any single account-holder, except as follows: Any two authorized signers may instruct Bank.

Pending receipt of written authority (including email and facsimile), Bank may in its absolute discretion at any time accept oral instructions from Client or Client's agent, provided Bank believes in good faith that the instructions are genuine.

Client agrees to indemnify Bank for any loss or expense it may incur as a result of its good faith efforts in following instructions regarding the Account from Client or Client's agent.

Value of Assets:

Client agrees to furnish Bank with the income tax cost basis and dates of acquisition of all principal assets in the Account to be carried on Bank's records. Bank will have no duty to verify the accuracy of the information furnished by Client. If Client fails to furnish such information, Bank will carry the assets at nominal value. Assets purchased in the Account will be carried at cost. All securities sales will employ the First In, First Out (FIFO) methodology for the disposition of security positions comprised of multiple tax lots.

Compensation:

Bank will be paid Account fees in accordance with its Schedule of Fees currently in effect. Client acknowledges having received and read a copy of the current Schedule. Bank shall provide a copy of any changes to the Schedule of Fees, and Client agrees that these charges will become effective 30 days after Bank mails or otherwise provides Client with such copy. Bank will also be paid for its necessary out-of-pocket expenses and reasonable compensation for services requested or approved by Client and which are beyond the scope of those duties described in this Agreement.

If this Agreement is terminated within one (1) year of its effective date, Bank will receive compensation for a full one-year period in accordance with its Schedule of Fees. If termination occurs more than one (1) year from the effective date, compensation will be pro-rated to the termination date. "Termination date" means the date when the securities and other property in the Account are delivered in accordance with Client instructions for termination. Bank will be reimbursed for its reasonable and necessary costs related to termination.

Charging the Account:

Bank is authorized to charge directly to any available funds in the Account, its authorized fees and incidental expenses as well as the amount necessary for Bank to complete any purchase (including purchase-related expenses), to make any directed disbursement, or to take any other necessary action regarding the Account. Bank shall have no duty to make any purchase, exchange, or disbursement, or to incur any expense, unless the necessary funds are available in the Account. If an overdraft is created in the Account, Bank may charge a fee to the Account. In the event of insufficient funds, Bank may, in its discretion, charge any Exchange Bank account held in Client's name, whether individually or jointly.

Allocation of Fees and Expenses for Irrevocable Trust Agency Accounts:

Unless otherwise directed in writing by the trustee(s) of an irrevocable trust, Bank shall allocate fees for investment management services 50% to income and 50% to principal pursuant to California Probate Code Section 16370 (a). All other receipts and disbursements shall be allocated to income or principal in accordance with the Uniform Principal and Income Act of the California Probate Code.

Termination:

This Agreement may be terminated at any time by thirty (30) days written notice from Client to Bank or Bank to Client, and all assets in the Account shall be delivered according to Client instructions. In addition, the Account will terminate upon actual written notification to the Bank of Client's incapacity or death. Such notification shall be that a conservator or executor of Client's estate has been appointed by a court of competent jurisdiction.

Collections:

Bank shall have no duty to enforce collections of any property, including, but not limited to, securities. However, to the extent such property is received by Bank, it shall be added to the Account.

Modification and Addendum Provisions:

This Agreement may be modified at any time in writing, signed by both Bank and Client. Any provisions or instructions contained in a signed or initialed Addendum to this Agreement which modify or change the above standard provisions shall override such standard provisions.

Governing Law:

The validity and construction of this Agreement shall be controlled by the laws of the State of California.

Real Estate:

Bank will not hold real estate as an asset unless named as Client's attorney-in-fact under a Power of Attorney prepared by Client's attorney. Bank will not be responsible for obtaining and/or maintaining hazard insurance on real estate held as an asset per above nor for payment of real estate taxes on such property unless I so direct. In that event, Bank shall be compensated for time spent on such maintenance and payments at its then existing hourly fee rate.

Rental Property and Notes (Secured and Unsecured):

Bank will collect and maintain record of rent receipts subject to a separate agreement as to its duties and fees. Bank will collect and maintain record of Note payments subject to a separate agreement as to its duties and fees.

Limitation of Liability

Bank's liability for any act or failure to act shall be limited to any direct resulting loss that Client incurs, plus interest. Unless otherwise required by law, Bank will not be liable for any damages Client incurs in connection with the Account, even if Bank is aware of the possibility of such damages. Bank shall not be liable or responsible for any damages or costs resulting from any act or omission of any broker or other agent Bank selects to purchase, sell, or hold securities for Client's account. If Client is acting in a fiduciary capacity, Bank shall not be responsible for Client's compliance with fiduciary law, or with the terms of the agreement under which the Client is acting. Bank shall not be liable for any failure to perform under this Agreement resulting from any act, negligence, omission, or default of Client or any third party, government action, mechanical or electrical breakdown, natural disaster or other event beyond the Bank's control.

The undersigned hereby agree to the terms of this Agreement, including the above standard provisions and the following attached Addenda:

Date

City of Cloverdale
Client

Accepted: EXCHANGE BANK
Santa Rosa, CA

Signature

124 N. Cloverdale Blvd.
Street Address

By: _____

Cloverdale, CA 95425
City, State, Zip Code

Signature

124 N. Cloverdale Blvd.
Street Address

Cloverdale, CA 95425
City, State, Zip Code

**City of Cloverdale
Investment Management Account**

Authorized Signers

I, _____, Secretary of _____
_____, hereby certify that the
persons whose names are set forth below are authorized to direct Exchange Bank in
the administration of the above referenced accounts, including but not limited to
asset deposits and withdrawals. Exchange Bank shall act on the instructions of any
two persons and shall not be held liable for acting in good faith on said instructions.

By: _____ Date: _____
Secretary

PRINT NAME

SIGNATURE



**City of Cloverdale
Schedule of Fees
Local Agency Investment Management**

◆ Annual Charges Based on Market Value

| | | |
|--------------------|-------------|---------|
| First | \$1,000,000 | 0.60% |
| Next | \$1,000,000 | 0.50% |
| Next | \$1,000,000 | 0.40% |
| Next | \$2,000,000 | 0.30% |
| Next | \$5,000,000 | 0.20% |
| Minimum Annual Fee | | \$3,000 |

NOTES

- ◆ Fees for termination and extraordinary services are charged on the basis of \$150 per hour.
- ◆ Fees are charged monthly in arrears.

By: _____ Date: _____

By: _____ Date: _____

Effective August 2012
(This schedule may be revised from time to time)

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2015)^A APPLICABLE TO ALL LOCAL AGENCIES^B

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

| INVESTMENT TYPE | MAXIMUM MATURITY ^C | MAXIMUM SPECIFIED % OF PORTFOLIO ^D | MINIMUM QUALITY REQUIREMENTS |
|---|-------------------------------|---|---|
| Local Agency Bonds | 5 years | None | None |
| U.S. Treasury Obligations | 5 years | None | None |
| State Obligations—CA And Others | 5 years | None | None |
| CA Local Agency Obligations | 5 years | None | None |
| U.S Agency Obligations | 5 years | None | None |
| Bankers' Acceptances | 180 days | 40% ^E | None |
| Commercial Paper—Pooled Funds ^I | 270 days | 40% of the agency's money ^G | "A-1" if the issuer has issued long-term debt it must be rated "A" without regard to modifiers ^H |
| Commercial Paper—Non-Pooled Funds ^F | 270 days | 25% of the agency's money ^G | "A-1" if the issuer has issued long-term debt it must be rated "A" without regard to modifiers ^H |
| Negotiable Certificates of Deposit | 5 years | 30% ^J (combined with placement service CDs) | None |
| Non-negotiable Certificates of Deposit | 5 years | None | None |
| Placement Service Deposits | 5 years | 30% ^J (inclusive of placement service CDs) | None |
| Placement Service Certificates of Deposit | 5 years | 30% ^J (combined with negotiable CDs) | None |
| Repurchase Agreements | 1 year | None | None |
| Reverse Repurchase Agreements and Securities Lending Agreements | 92 days ^K | 20% of the base value of the portfolio | None ^L |
| Medium-Term Notes ^M | 5 years | 30% | "A" Rating |
| Mutual Funds And Money Market Mutual Funds | N/A | 20% ^N | Multiple ^{O,P} |
| Collateralized Bank Deposits | 5 years | None | None |
| Mortgage Pass-Through Securities | 5 years | 20% | "A A" Rating ^Q |
| County Pooled Investment Funds | N/A | None | None |
| Joint Powers Authority Pool | N/A | None | Multiple ^R |
| Local Agency Investment Fund (LAIF) | N/A | None | None |
| Voluntary Investment Program Fund ^S | N/A | None | None |
| Supranational Obligations ^T | 5 years | 30% | "A A" Rating |



**City Council
Agenda Item Summary**

Agenda Item: 9
Meeting Date: May 10, 2016

| | |
|---------------------------------------|---|
| Agenda Section Subcommittee | Staff Contact Paul Cayler, City Manager |
|---------------------------------------|---|

Agenda Item Title

Update and potential direction related to Solar Project at Water and Wastewater Treatment Plants

Summary

In September of 2014, the City Council approved a Power Purchase Agreement with SolEd for installation of solar power generating facilities at the City’s Water and Wastewater Treatment Facilities. That agreement included certain action items to be completed by the City and certain action items to be completed by SolEd within 180 days of agreement execution. SolEd failed to complete their obligations due to financing and has requested the City execute an Estoppel Certificate that includes an amendment to the agreement in order to move forward with the project.

Given the time that SolEd has taken in moving forward with the project, staff has had additional time to continue analyzing its impacts. After further analysis, staff has expressed concerns that the placement of the solar facilities may result in issues with the potential future water treatment plant expansion. The City could move forward with the project and make it work now, however, given Council priorities and anticipated growth of the City, staff is also focused on future expansion issues given that the term of the Power Purchase Agreement is for 20 years.

Additionally, potential increased operations and maintenance requirements for the treatment facilities are also of concern. Installation of the solar facilities at the water plant will require the City to complete a capital water project related to filter backwash water disposal within the next year. There has been a change in the staffing since the Power Purchase Agreement first came before the City Council, and it appears that the capital water project was also planned, however, at this time such project is not scheduled.

Execution of Estoppel Certificate/Amendment

As discussed above, SolEd is requesting that the City agree to waive SolEd’s breach of the Power Purchase Agreement by executing the Estoppel Certificate. This would result in the project moving forward as agreed upon under the existing Power Purchase Agreement.

Option to Terminate

SolEd’s breach of the original agreement allows the City to explore some options. Given the breach, termination of the Power Purchase Agreement would not require the City to pay for termination costs. Unfortunately, the City has spent funds in bringing the project forward (staff, environmental, legal), however, no additional costs would need to be spent. Staff has also confirmed that terminating the agreement would not adversely impact our neighbor agencies that have entered into the solar program. Termination would require a ten (10) days’ written notice from the City to SolEd informing them of the City’s decision to terminate the Power Purchase Agreement due to the breach.

Option to Renegotiate

The City can also try to negotiate a different project, at either a different location or a reduced project. The City of St. Helena voided their contract due to SolEd’s breach of agreement, but they are renegotiating. Given the solar market, the City has been informed by SEED representatives that delays beyond October may increase rates.

Given the potential issue related to timing, staff has already reached out to SolEd to inquire whether changing the project was an option. SolEd has offered to cover a portion of engineering cost and reduce the scale of the project to eliminate the Water Treatment Plant portion of the project if the City continues to move forward on the project.

Options

1. Sign the Estoppel Certificate and continue with the project pursuant to the current agreement.
2. Direct staff to prepare and send a Notice of Termination effectively ending the current agreement.
3. Direct staff to renegotiate the Power Purchase Agreement to account for the water treatment plant concerns.
4. Provide Staff with other direction.

Budget/Financial Impact

Continuing with SolEd at this time will continue to incur consultant city engineer and city attorney fees. The project may also require City staff to move forward with a capital water project

Subcommittee Recommendation

Execute a Notice of Termination

Recommended Council Action

Direct the City Manager and City Attorney to prepare and send SolEd a ten (10)-day Notice of Termination to end the current Power Purchase Agreement with SolEd.

Attachments:

1. Estoppel Certificate provided by SolEd

ESTOPPEL CERTIFICATE AND SOLAR PPA AMENDMENT

This Estoppel Certificate and Solar PPA Amendment (this “Estoppel Certificate”) is made and entered into as of January [], 2016 (the “Estoppel Date”) by and among SolEd Solar Holdings I, LLC, a California limited liability company (“Seller”), and City of Cloverdale, California, a municipality of the State of California (“Purchaser”) for the benefit of each of the Seller and the Financing Parties identified from time-to-time by Seller and to be listed on Schedule III to this Estoppel Certificate (each, a “Financing Party”).

WHEREAS, Seller and Purchaser are party to that certain Solar Power Purchase Agreement dated as of September 30, 2014 (as amended, amended and restated, supplemented or modified from time to time, the “Agreement”) pursuant to which Seller has agreed to install the Systems (as defined in the Agreement) at the Premises of Purchaser’s Wastewater Treatment Plant and Water Treatment Plant in the City of Cloverdale, CA;

WHEREAS, SolEd Benefit Corp., a California public benefit corporation (“SolEd”), has assigned all of the membership interests in Seller in connection with financing provided to Seller for the System in accordance with Section 19(a) of the Agreement;

WHEREAS, in connection with such financing for the Systems, Seller will assign to certain Financing Parties all of its rights, title and interest in, to and under the Agreement and all proceeds collected thereunder as security for Seller’s obligations under one or more financing agreements (all such assigned rights, the “Assigned Rights”), and Seller will remain obligated for all obligations of Seller under the Agreement;

WHEREAS, pursuant to its financing agreements with such Financing Parties, Seller will agree to deposit all revenues it receives with respect to the Systems and under the Agreement into a lockbox account designated by the Financing Parties and as identified by Seller from time to time and further described on Schedule I hereto (the “Lockbox Account”); and

NOW, THEREFORE, in consideration of the premises and of other valuable consideration, the parties hereto agree as follows:

AGREEMENT

1. Consent of Assignment; Amendments; Representations & Warranties. Purchaser hereby acknowledges notice of the assignment of all of the membership interests in Seller to C2 Beta Holdings, LLC, a Delaware limited liability company, and consents in all respects to such assignment. Notwithstanding anything else in the Agreement to the contrary, Purchaser and Seller hereby agree that the Agreement is hereby amended as follows and shall remain in full force and effect except as amended below and as affected by this Estoppel Certificate. All capitalized terms used but not defined in this Estoppel Certificate shall have the meanings set forth in the Agreement.
2. Seller’s Conditions Satisfaction Dates. With respect to the Conditions Satisfaction Dates applicable to the Seller’s Conditions Precedent set forth in Section 6(a) of Exhibit 4 to the Agreement:
 - a. Seller’s Conditions Precedent described in Subsections 6(a)(i) and (ii) have been satisfied.
 - b. The Conditions Satisfaction Date for Seller’s Conditions Precedent described in Subsections 6(a)(iii)-(vi) is the date that is 90 days from the Estoppel Date.
3. Purchaser’s Conditions Satisfaction Dates. With respect to the Conditions Satisfaction Dates applicable to the Purchaser’s Conditions Precedent forth in Section 6(b) of Exhibit 4 to the Agreement:
 - a. With respect to Purchaser’s Conditions Precedent set forth in Subsection 6(b)(i), the Anticipated Commercial Operation Dates shall be as set forth in Schedule II attached hereto and Section 7 of Exhibit 1 to the Agreement is hereby modified accordingly.
 - b. Purchaser’s Conditions Precedent described in Subsection 6(b)(ii) has been satisfied.
 - c. The Conditions Satisfaction Date for Purchaser’s Conditions Precedent described in Subsections 6(b)(iii) and (v) is the date that is 90 days from this Estoppel Date.
 - d. With Respect to Purchaser’s Conditions Precedent described in Subsection 6(b)(iv), Purchaser has determined, after a public mitigated negative declaration process conducted in 2014 that the

Systems are exempt from CEQA, this Purchaser's Condition Precedent has been satisfied, and Purchaser hereby issues a notice to proceed pursuant to Subsection 6(b)(iv) of Exhibit 4 to the Agreement.

4. Amendments to Agreement.

- a. Subsection 18(c) of Exhibit 4 to the Agreement regarding a Non Appropriation Event is amended to read in its entirety as follows:

“Non Appropriation Event. Notwithstanding anything herein to the contrary, due to the constitutional limitations on Purchaser, a “budget non-appropriation event” in which Purchaser's appropriation for any year covered in this Agreement does not appropriate funds for the procurement of any utility services for Purchaser shall be addressed as follows: During the continuation of a budget non-appropriation event as defined above, if Purchaser does not otherwise have other funds available to make payments otherwise due on this Agreement, Purchaser shall owe, but shall not be obligated to pay for any services provided under this Agreement until the budget non-appropriation event has terminated. Purchaser agrees that it shall use its best efforts to seek appropriation for utility services during the term of this Agreement. If a budget non-appropriation event continues for more than 180 days, Seller (but not Purchaser) may terminate this Agreement, and call for a Termination Payment. Seller shall provide Purchaser with not less than 30 days' prior written notice of Seller's intention to terminate. Upon Purchaser's request made within seven calendar days after service of such notice, Seller shall meet and confer with Purchaser in good faith to consider alternative termination dates proposed by Purchaser.”

- b. Exhibit 9 to the Agreement, Insurance Requirements, shall be replaced in its entirety with the insurance requirements attached to this Estoppel Certificate as Schedule IV.
- c. Seller and Purchaser acknowledge that Expected Equipment, material counts, and Expected Contract Quantities shall change slightly, up and down, with final designs.

5. Notice of Assignments and Security Interest. Seller agrees that it will notify Purchaser not later than ninety (90) days after it has engaged in a further financing transaction with Financing Parties, which may include notice that it has (a) irrevocably assigned all of its right, title and interest in the Systems to one or more Financing Parties for all purposes and (b) further assigned the Assigned Rights to such Financing Parties as security for the due and punctual performance and payment of all of Seller's obligations under its agreements with Financing Parties for financing of the Systems. Such persons identified in Seller's notice shall be deemed to be “Financing Parties” as contemplated under this Estoppel Certificate and the Agreement.

6. Acknowledgments. In consideration of the transactions contemplated herein, effective upon Seller's delivery of written notice to Purchaser that it has entered into further financing transactions with Financing Parties and its identification of such Financing Parties, Purchaser hereby:

- a. acknowledges and consents to the sale of the Systems to a Financing Party and further agrees that notwithstanding Section 16 or any other provision in the Agreement to the contrary, any lessor in a sale-leaseback financing shall be the legal and beneficial owner of the Systems with title thereto for all purposes;
- b. acknowledges the collateral assignments described in Section 1(b) hereof and that further assignments by such Financing Parties are permitted, either in connection with its assignment of the Systems or their assignment to a nominee or designee after such Financing Party's exercise of rights and remedies against Seller under its financing agreements with the Seller;
- c. acknowledges and agrees that upon Default by Seller under the financing agreements with the Financing Parties or upon the end of the term of any such financing agreements, without purchase of the Systems by Seller, such Financing Parties have the right to take possession of and succeed

- to (or cause its nominee or designee to take possession of and succeed to) all of Seller's right, title, interest and obligations under the Agreement, including the right and obligation to continue to perform in place of the Seller pursuant to the terms of the Agreement, the right to require the counterparty to perform under such agreement, and the right to rely upon all representations, warranties, indemnities and agreements made by the Purchaser under or pursuant to the Agreement;
- d. acknowledges that a lessor under a sale-leaseback constitutes a Financing Party within the meaning of the Agreement and is entitled to all the notice, consent rights, cure rights and other benefits granted to Financing Party under Section 19 of the Agreement;
 - e. agrees that the Agreement is a contract for the delivery and purchase of goods and services and not a financing arrangement and accordingly, that, regardless of the characterization of the Agreement, Purchaser shall use its best efforts to obtain appropriations sufficient to cover all payments due under the Agreement, including any Termination Payments thereunder, and if it fails to obtain such appropriations, it shall use all reasonable efforts to assist Seller and any Financing Party to mitigate their damages.
 - f. agrees that if the Agreement is terminated by rejection, or otherwise, during a case in which Seller is the debtor under Title 11, United States Code, or other similar federal or state statute, then Purchaser shall, at the option of the Financing Parties, enter into a new agreement with such Financing Parties or (at the direction of Financing Parties) its nominee or designee having terms substantially identical to the Agreement pursuant to which such Financing Party or its nominee or designee shall have all of the rights and obligations of Seller under the existing Agreement (but for such bankruptcy).
7. Payments. The Purchaser agrees that, unless and until otherwise instructed by the Financing Party identified in writing by Seller, the Purchaser shall make all payments due to Seller under the Agreement directly to the Lockbox Account or such other account as the Financing Parties may from time to time hereafter specify in writing.
8. Liability of Financing Parties. Seller shall retain and remain obligated to perform all obligations of the Seller under the Agreement. Purchaser acknowledges and agrees that future Financing Parties have not assumed, and do not have any obligation or liability under or pursuant to, the Agreement, and that the exercise by a Financing Party of its rights and remedies under its agreements with Seller shall not constitute an assumption of Seller's obligations under the Agreement except to the extent any such obligations shall be expressly assumed by an instrument in writing executed by the Financing Parties or as otherwise provided herein; provided however, Purchaser shall be entitled to exercise all of its rights under the Agreement if neither Seller nor a Financing Party shall have performed or caused to be performed all of Seller's obligations thereunder.
9. Notices.
- a. All communications between the parties hereto or notices provided herein to be given may be given to the addresses listed on Schedule III hereto, which Schedule III may be updated from time to time by Seller to identify Seller's Financing Parties.
 - b. Any notice required or given hereunder shall be deemed properly given when provided in writing (a) three (3) business days after mailed first class, overnight, or certified mail, return receipt requested, postage prepaid, addressed to the designated recipient at its address set forth at the heading hereof or such other address as such party may advise by notice given in accordance with this provision or (b) upon receipt by the party to whom addressed in writing by personal delivery, commercial courier service, fax or other means which provides a permanent record of the delivery of such notice; provided, however, that if any notice is tendered to an addressee and the delivery thereof is refused by such addressee, such notice shall be effective upon such tender. Any party shall have the right to change its address for notice hereunder to any other location within the United

States by giving of ten (10) days' written notice to the other parties in the manner set forth herein above.

10. Representations and Warranties of Purchaser. Purchaser hereby represents and warrants, in favor of Seller, as of the date hereof, that (i) the execution, delivery and performance by Purchaser of this Estoppel Certificate and the Agreement have been duly authorized by all necessary governmental or other action on the part of Purchaser, (ii) each of this Estoppel Certificate and the Agreement is in full force and effect and constitutes the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and general equitable principles, (iii) Purchaser is not in default of any of its obligations under the Agreement, nor do there presently exist any disputes between Purchaser and Seller under the Agreement and (iv) Purchaser has no notice of, and has not consented to, any previous assignment by Seller of all or any part of its rights under the Agreement.
11. Successors and Assigns. This Consent is binding upon Customer and its permitted successors and assigns and shall inure to the benefit of the Seller, its designee(s) and assignee(s) and their respective successors and assigns (including, without limitation, any entity that refinances all or any portion of the Secured Obligations). The Customer hereby agrees to execute a consent to assignment substantially in the form of this Consent and such other documents as may be reasonably requested by Seller in connection with any collateral assignment of the Assigned Agreement to the lenders of Seller from time to time at the request of the Seller, including any refinancing or replacement of any Credit and/or Security Agreements.
12. Governing Law. THIS ESTOPPEL CERTIFICATE SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE AND WITHOUT REFERENCE TO CONFLICTS OF LAWS.
13. Severability. If any provision of this Estoppel Certificate or the application thereof is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to the parties hereto or circumstances other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.
14. Third Party Beneficiary; Successors and Assigns. Each Financing Party identified from time to time by Seller shall be an express third-party beneficiary of this Estoppel Certificate and the Agreement and shall have the right to enforce all rights provided for its benefit hereunder and thereunder against any party hereto. This Estoppel Certificate shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. A Financing Party may, at any time by written notice to each of the parties to this Estoppel Certificate, assign its rights and delegate its obligations hereunder to any nominee or designee of such Financing Party including, without limitation, to any purchaser of all or any portion of rights under the Agreement in connection with a default by Seller under the Seller's financing agreements with Financing Parties and a foreclosure by such Financing Parties.
15. Waiver. No amendment or waiver of any provisions of this Estoppel Certificate shall be effective unless the same shall be in writing and signed by the parties hereto, and then such amendment or waiver shall be effective only in the specific instance and for the specific purpose for which given.
16. Counterparts. This Estoppel Certificate may be executed in one or more counterparts and when signed by all the parties listed below shall constitute a single binding agreement. Delivery of an executed

counterpart of a signature page of this Estoppel Certificate by facsimile shall be effective as delivery of a manually executed counterpart of this Estoppel Certificate. Each Financing Party subsequently identified by Seller shall deliver a counterpart signature page joining such Financing Party as a party to this Estoppel Certificate.

17. Further Assurances. The Purchaser will at any time and from time to time, upon the written request of the Seller or Financing Parties, execute and deliver such further documents and do such other acts and things as Seller or any Financing Party may reasonably request in order to effectuate more fully the purposes of this Estoppel Certificate.
18. Conflicts. In the event of a conflict between any provision of this Estoppel Certificate and the provisions of the Agreement, the provisions of this Estoppel Certificate shall prevail. Notwithstanding the foregoing, Purchaser does not waive any of its rights under the Agreement except as expressly set forth herein.
19. Termination. The rights of a Financing Party hereunder shall terminate upon the termination or expiration of the Agreement in accordance with its terms (as modified hereby), including upon exercise of Purchaser's Purchase Option in accordance with Section 16(b) of the Agreement. Subject to any rights of any Financing Party to substitute for Seller's interest in the Agreement as provided herein, this Estoppel Certificate and the rights of each Financing Party hereunder shall terminate upon the termination or expiration of each of the Financing Party's financing agreements with the Seller for the Systems.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO ESTOPPEL CERTIFICATE]

IN WITNESS WHEREOF, the parties hereto have caused this Consent and Amendment Agreement to be duly executed and delivered by their duly authorized officers as of the date first above written.

SELLER:

SOLED SOLAR HOLDINGS I, LLC,
a California limited liability company

By: _____

Name: Richard Dovere, on behalf of
C2 Beta Holdings, LLC, its sole member

Title: *Manager*

PURCHASER:

CITY OF CLOVERDALE, CALIFORNIA,
a municipality of the State of California

By: _____

Name:

Title:

**SCHEDULE I:
LOCKBOX INFORMATION**

[See attached]

SCHEDULE II:
ANTICIPATED COMMERCIAL OPERATION DATE

City of Cloverdale Water Treatment Plant – April 15, 2016
City of Cloverdale Wastewater Treatment Plant – April 30, 2016

**SCHEDULE III:
FINANCING PARTIES; ADDRESSES FOR NOTICES**

[See attached]

**SCHEDULE IV:
SELLER INSURANCE REQUIREMENTS**

Seller's Insurance. At all times during the term of the Agreement, and any extension thereof, including, but not limited to, an extension of the term or for the removal of the System from the Site(s), Seller shall obtain, maintain and keep in full force and effect the following insurance for coverage of all obligations and associated activities under the Agreement, including, but not limited to, the use and occupancy of the Site(s), the business operated by the Purchaser thereon, and the construction, installation, operation, maintenance and repair of the Systems, in the amounts, and with the conditions required, as set forth in this Agreement.

Each policy required below shall include an additional insured endorsement in favor of the Purchaser for ongoing and completed operations, which endorsement shall specify that such additional insured coverage is primary and non-contributory as to any other coverage available to the additional insured.

1. Workers' Compensation Insurance for Seller's employees to the extent of statutory limits and Occupational Disease and Employer's Liability Insurance for not less than \$1,000,000.
2. Commercial General Liability Insurance, or its equivalent, including but not limited to Products and Completed Operations and Contractual Liability, as applicable to Seller's obligations under this Agreement, with limits not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate
3. Excess Liability Insurance with an aggregate limit of not less than \$5,000,000.
4. Without limitation to the foregoing, Seller shall purchase and maintain throughout the term of this Agreement insurance or indemnity protection that is co-equal with its indemnity obligations hereunder.



City Council
Agenda Item Summary

| |
|----------------------------|
| Agenda Item: 10 |
| Meeting Date: May 10, 2016 |

| | |
|---|--|
| Agenda Section Subcommittees – Public Works | Staff Contact Vanessa Apodaca, Interim City Engineer |
|---|--|

Agenda Item Title
Presentation of the Public Draft Urban Water Management Plan by RMC

Summary
Every five years, the State of California requires urban water suppliers with 3,000 or more water service connections or delivering more than 3,000 acre-feet of water per year to prepare Urban Water Management Plans. The next round of UWMPs, covering use through 2015, will be due to the California Department of Water Resources (DWR) by July 1, 2016, and for the first time the City of Cloverdale is required to comply with this portion of the California Water Code.

The 2015 UWMP is intended to meet the State’s requirements which include projecting demands to the year 2040, evaluating water supplies, comparing water supply to demand now and out to 2040, and identifying water conservation measures. The State’s “20 percent by 2020” legislation was rolled into the 2010 UWMP requirements and established water savings targets for 2015 and 2020 to achieve a 20 percent reduction in demands by the year 2020. The plan includes this evaluation and establish these targets. Additionally, recognizing the Governor’s drought response directives, the plan includes a water shortage contingency plan specific to the City and to these directives to ensure the City is fully compliant with the State’s drought response requirements.

Upon completion of the plan, the City is subject to the Urban Water Management Planning Act’s provisions which stipulate regular reporting on water conservation measures and submittal of actual water demands and supply diversions. Having a plan accepted by the Department of Water Resources will make the City eligible for State grants.

RMC provided an administrative draft of the UWMP in March 2016 and presented to the Public Works Subcommittee on March 29th. The public draft was posted to the City’s website under “Heard it through the Grapevine” in mid-April. Notification letters were sent to Sonoma County Permit and Resource Management Department, Russian River Watershed Association, and Sonoma County Water Agency in January announcing plans to prepare the UWMP and again in May announcing the public draft. Adoption of the UWMP is anticipated for the June 14th Council Agenda with submittal of the plan to the State by the July 1, 2016 deadline.

Options
N/A

Budget/Financial Impact
The proposed agreement to conduct the 2015 Urban Water Management Plan included an amount not to exceed \$106,432 to be paid for with water enterprise funds with no costs being borne by the General Fund. A cost of \$100,000 was included in the adopted FY 14/15 City budget for this effort. The additional amount of \$6,432 will come from the unappropriated water fund balance.

Subcommittee Recommendation
The Public Works Subcommittee saw the 2015 Urban Water Management Plan presentation on March 29, 2016 and supported moving forward with final preparation of the plan.

Recommended Council Action

N/A

Attachment:

Presentation

cc:



CITY OF CLOVERDALE

2015 Urban Water Management Plan



May 10, 2016

Complex Challenges | Innovative Solutions

Page 88

What is an UWMP?



- Required by Dept. of Water Resources for urban water suppliers
 - Prepared based on strict DWR requirements and guidelines
- Must be completed every 5 years
- Helps to plan for future water reliability
- Requires establishing and tracking per capita water reduction targets
- Requirement for State funding

2015 UWMP General Schedule



- Due July 1, 2016
- Must be adopted by City Council before submittal to DWR
- Schedule to address adoption requirements:
 - Recommended 30-day public review period
 - Time required for City Council adoption

Public Notification



- Notice of Intent to Update UWMP
 - Letters sent to County and Russian River Watershed Assoc. in January
 - Follow-up letter sent in March
- Notice of Public Review and Adoption
 - Billing inserts
 - Online notice
 - Newspaper notice

Primary Components of 2015 UWMP



- Population and demand analysis
- Supply analysis
- GPCD targets and compliance
- Demand Management Measures
- Water Shortage Contingency Plan
- Additional analyses
 - Water Loss Audit
 - Water-Energy Calculation
 - Climate Change Vulnerability

Components of Draft Plan



| Chapter | |
|---------|---|
| 1 | Introduction and Overview |
| 2 | Plan Preparation |
| 3 | System Description |
| 4 | System Water Use |
| 5 | Baseline and Targets |
| 6 | System Supplies |
| 7 | Water Supply Reliability |
| 8 | Water Shortage Contingency Plan |
| 9 | Demand Management Measures |
| 10 | Plan Adoption, Submittal and Implementation |

| Appendix | |
|----------|--|
| A | DWR UWMP Checklist |
| B | Demand Projections Memo |
| C | Distribution System Water Losses (AWWA Audit) |
| D | Water Savings City Ordinance and Water Code Sections |
| E | SB X7-7 Verification Tables |
| F | DWR Population Tool Output |
| G | Energy Intensity Documentation |
| H | 2014 Consumer Confidence Report |
| I | Water Shortage Contingency Plan/Ordinance |
| J | City Council Resolution 055-2015 |
| K | Notification letters |
| L | Public notice of UWMP hearing |
| M | Adoption resolution |

Population and Demand Analysis



| | 2015 | 2020 | 2025 | 2030 | 2035 | 2040 |
|----------------------------------|-------|-------|-------|--------|--------|--------|
| Population | 8,801 | 9,497 | 9,958 | 10,452 | 10,978 | 11,524 |
| Meters | 3,487 | 3,541 | 3,601 | 3,684 | 3,768 | 3,856 |
| Demand in AF | | | | | | |
| Single Family | 658 | 800 | 778 | 759 | 742 | 725 |
| Multi Family | 91 | 126 | 147 | 169 | 190 | 212 |
| Commercial | 213 | 209 | 209 | 211 | 216 | 222 |
| Irrigation | 92 | 99 | 97 | 95 | 92 | 90 |
| Other | 1 | 2 | 2 | 2 | 2 | 2 |
| Total Demand | 1,055 | 1,236 | 1,233 | 1,235 | 1,243 | 1,251 |
| Losses | 172 | 169 | 168 | 168 | 169 | 171 |
| Total Production (AF) | 1,227 | 1,404 | 1,402 | 1,404 | 1,412 | 1,421 |
| Per Capita Demand in GPCD | | | | | | |
| Residential (gpcd) | 71 | 87 | 83 | 79 | 76 | 73 |
| Total Production (gpcd) | 107 | 132 | 126 | 120 | 115 | 110 |

- Population projection from Assoc. of Bay Area Governments (2013)

- Demand Analysis/Projection from M.Cubed (subconsultant)

Supply Analysis



City will continue to rely on its Russian River water rights

| Water Supply | Projected Water Supply Report To the Extent Practicable | | | | | |
|--------------|---|-------|-------|-------|-------|------------|
| | 2015 | 2020 | 2025 | 2030 | 2035 | 2040 (opt) |
| Total (MG) | 344 | 458 | 457 | 457 | 460 | 463 |
| Total (AF) | 1,056 | 1,406 | 1,402 | 1,402 | 1,412 | 1,421 |

Supply Analysis



- Surface Water – Russian River
 - Available supply and supply reliability
 - What will be the City’s supply in the case of a drought?

| Year Type | Representative Year | Volume Available (MG) | % of Avg Supply |
|-----------------------------|---------------------|-----------------------|-----------------|
| Average Year | 1920-2014 | 463 | 100% |
| Single-Dry Year | 2013 | 485 | 105% |
| Multiple-Dry Years 1st Year | 1988 | 475 | 103% |
| Multiple-Dry Years 2nd Year | 1989 | 462 | 100% |
| Multiple-Dry Years 3rd Year | 1990 | 465 | 100% |

GPCD Calculations and Compliance

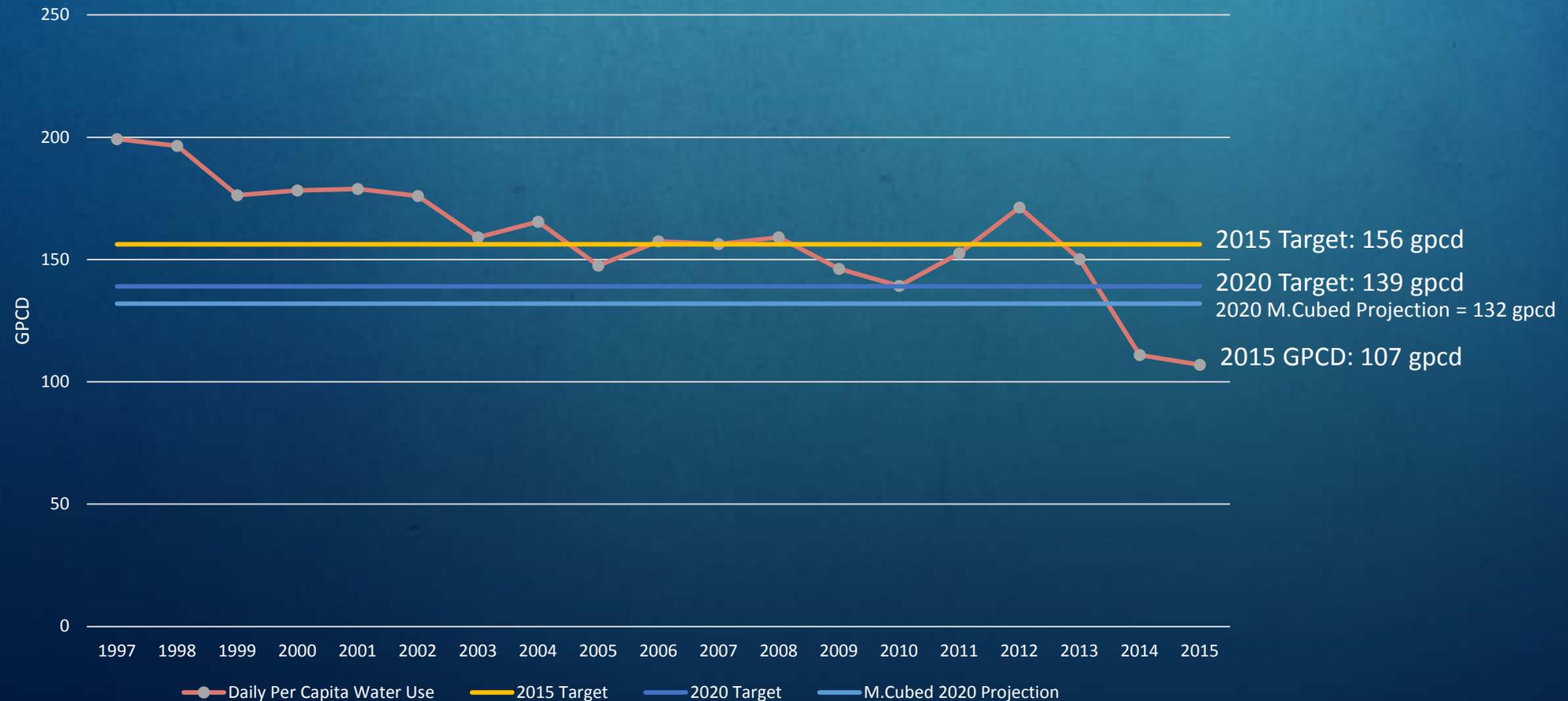


- SB X7-7 requires reductions in urban per capita water use
- GPCD baseline and targets for potable water use
- Cloverdale baseline and targets
 - Baseline – 173 gpcd
 - 2015 target – 156 gpcd
 - 2020 target – 139 gpcd

GPCD Calculations and Compliance



Cloverdale's GPCD vs. Targets



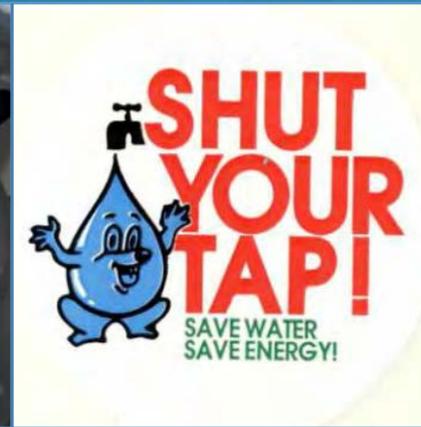
Demand Management Measures



Water waste prevention ordinance



Metering



Public education and outreach



Water conservation program coordination and staffing

Water Shortage Contingency Plan



- Assesses water supply in dry years and establishes stages to address water shortages
- City's first Water Shortage Contingency Plan
 - Based on:
 - City Municipal Code (Water Shortage)
 - Existing Water Shortage Contingency Plans from the region

Water Shortage Contingency Plan



| Stages of Water Shortage Contingency Plan | | | |
|---|--------------------------|--------------------------------------|--|
| Stage | Percent Supply Reduction | Water Supply Condition | Prohibition and Penalties |
| 1 | <15% | Up to a 15% Reduction in City Supply | Water waste prohibition and voluntary reductions |
| 2 | 15-25% | 15-25% Reduction in City Supply | Mandatory reductions (limits on non-essential use) |
| 3 | >25% | Above a 25% Reduction in City Supply | Mandatory reductions (rationing) |

Climate Change Vulnerability



- New to 2015 UWMPs
 - Discusses City and regional vulnerability to climate change
- Potential local impacts summarized in UWMP chapters:
 - Supply and demand
 - Ecosystem and habitat
 - Flooding
 - Water quality

Climate Change Vulnerability Assessment



Water Demand

- Increased temperature likely to increase irrigation demand
- More frequent and severe droughts likely to increase seasonal and annual variability

Water Supply

- Shifts in precipitation patterns likely to change timing of streamflow (although flows are regulated by Coyote Valley Dam)

Water Quality

- More severe storms likely to lead to higher turbidity
- Decrease in precipitation and increase in temperature likely to low dissolved oxygen levels and algal blooms

Ecosystem and Habitat

- Increased temperatures and decreased precipitation likely to increase wildfires and change ecosystem types
- Increased temperatures may threaten endangered aquatic species

Other

- Shifts in streamflow timing may change reservoir operations
- Sea level rise and flooding not likely to affect Cloverdale

Appendices



- Energy Intensity Calculation
 - Calculate energy use per Acre-Foot of water supplied and wastewater treated
 - Support identification of potential ways to reduce energy usage

Energy Intensity Calculation



| | Sum of All Water Management Processes | Non-Consequential Hydropower | |
|---------------------------------------|---------------------------------------|------------------------------|--------------|
| | Total Utility | Hydropower | Net Utility |
| Volume of Water Entering Process (AF) | 1,054 | 0 | 1,054 |
| Energy Consumed (kWh) | 808,902 | 0 | 808,902 |
| Energy Intensity (kWh/AF) | 767.5 | 0.0 | 767.5 |

Water

| | Collection / Conveyance | Treatment | Discharge / Distribution | Total |
|---|-------------------------|--------------|--------------------------|--------------|
| Volume of Wastewater Entering Process (AF) | 568 | 568 | 568 | 568 |
| Wastewater Energy Consumed (kWh) | 821 | 980,856 | 108,984 | 1,090,661 |
| Wastewater Energy Intensity (kWh/AF) | 1.4 | 1,727 | 192 | 1,920 |

Wastewater

Narrative is included in the UWMP discussing the City's planned use of solar energy

Appendices



- Water Loss (American Water Works Association methodology)
 - Intended to better track and address their system water loss
 - Required annually for future UWMPs
 - Support programs to identify and repair system losses

Water Loss Audit



| | | | | | |
|-------------------------------|---------------------------------------|--|---|---|---------------------------------------|
| Water Supplied 342.643 | Authorized Consumption 299.483 | Billed Authorized Consumption 295.200 | Billed Metered Consumption (water exported is removed) 295.200 | Revenue Water 295.200 | |
| | | | Billed Unmetered Consumption 0.000 | | |
| | Water Losses 43.160 | Unbilled Authorized Consumption 4.283 | | Unbilled Metered Consumption 0.000 | Non-Revenue Water (NRW) 47.443 |
| | | | | Unbilled Unmetered Consumption 4.283 | |
| | | Apparent Losses 17.131 | | Unauthorized Consumption 0.857 | |
| | | | Customer Metering Inaccuracies 15.537 | | |
| | | | Systematic Data Handling Errors 0.738 | | |
| | Real Losses 26.029 | | Leakage on Transmission and/or Distribution Mains <i>Not broken down</i> | | |
| | | | Leakage and Overflows at Utility's Storage Tanks <i>Not broken down</i> | | |
| | | | Leakage on Service Connections <i>Not broken down</i> | | |

*Note:
Water volumes
in MG*

Water Loss Audit



| | | | | | |
|---------------------------|--|--|---|---|-------------------------|
| Water Supplied 342.643 | Authorized Consumption 299.483 | Billed Authorized Consumption 295.200 | Billed Metered Consumption (water exported is removed) 295.200 | Revenue Water 295.200 | |
| | | | Billed Unmetered Consumption 0.000 | | |
| | | Unbilled Authorized Consumption 4.283 | | Unbilled Metered Consumption 0.000 | Non-Revenue Water (NRW) |
| | | | | Unbilled Unmetered Consumption 4.283 | |
| | Water Losses 43.160 | Apparent Losses 17.131 | | Unauthorized Consumption 0.857 | 47.443 |
| | | | | Customer Metering Inaccuracies 15.537 | |
| | | | | Systematic Data Handling Errors 0.738 | |
| | | | Real Losses 26.029 | Leakage on Transmission and/or Distribution Mains <i>Not broken down</i> | |
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| | Leakage on Service Connections <i>Not broken down</i> | | | | |

*Note:
Water volumes
in MG*

Schedule



| Deadline | Date(s) |
|--|---|
| Public Draft made available | April 19 th |
| Public notification regarding UWMP preparation (website, paper, bills) | March – April |
| Public Review Period | April 19 th – May 18 th |
| Council Meeting to review UWMP | May 10 th |
| Council Meeting to adopt UWMP | June 14 th |
| Submittal to DWR | July 1st |

Questions?

