

**CONCURRENT MEETING
CITY COUNCIL/CRA/RCFC**

TUESDAY, February 19, 2008

5:30 p.m. – Regular Meeting

AGENDA



Linda Budge, Mayor

Dan Skoglund, Vice Mayor

Ken Cooley, Council Member

Robert J. McGarvey, Council Member

David Sander, Council Member

MAKING YOUR POINT – MAKING IT COUNT

Government decision-making takes time—time for public input, time for analysis, and time for weighing both sides of the issue before making an informed decision.

People sometimes complain that the process takes too long, delay progress, costs extra money and is frustrating for discussion participants. Others say that the process doesn't give people enough time to comment and that decisions are made too quickly without enough consideration for all sides of the issue.

The foundation for democracy in America is our constitutional right to tell our elected leaders what we think about issues that affect us. This right is enjoyed by all citizens, regardless of education, background, or experience. Rancho Cordova leaders welcome you to public meetings and encourage you to participate in discussions that affect you.

The way you present your message at the podium can help or hurt your ability to persuade your audience. It can either facilitate or obstruct the public participation process. Whether you are an experienced public speaker or speaking at the podium for the first time, it may be helpful to remember these public meeting tips:

- Identify your main points. Writing them down will help you organize your thoughts and remember them when you're at the podium.
- Check your facts. Accuracy improves your credibility and helps you make a positive impression.
- Handouts summarizing your position may be distributed to policy makers and staff before or after your presentation. Busy leaders appreciate clear, concise information (one or two pages) that helps them identify your key points and remember your presentation.
- Don't be nervous. If you are, don't apologize for it. Public Officials see many citizens who are nervous when speaking in front of an audience. It may help to take a deep breath and exhale slowly just before you approach the podium.



- As you begin to speak, state your name and address clearly for the record. If you represent a group or organization, please state that information as well.
- Make your position known at the beginning, then present supporting information. You will sound organized, which helps people to understand your position.
- Keep your presentation short and simple. Attention spans are brief and people will remember a short presentation better than they will one that rambles and includes too much information.
- Don't repeat yourself. It uses valuable time and people tune out when they hear the same thing over and over. If a previous speaker has already made the point you planned to make, simply refer to that speaker and emphasize your support for that position.
- Be cautious about using humor which is very subjective. While some may laugh, others may be offended.
- Persuade, don't badger your audience. Compelling presentations can be very persuasive to both policy makers and public meeting audiences; however, insulting or degrading language can make you appear belligerent, reducing your credibility as well as the power of your message.
- Close your comments with an action statement such as, "Adopt this resolution" or "I urge you to vote 'no' on this ordinance."

Rancho Cordova City leaders appreciate your interest in issues that affect the community. We hope these tips will help you prepare and present your remarks so they will be clear, concise, accurate and credible. If you follow these guidelines, your audience is likely to listen, pay attention, and maybe even agree with you!

Rancho Cordova City government is not the City Council, City staff or Rancho Cordova citizens – it's all of us working together to understand each others' opinions so we can make the best decisions for our community.

THANK YOU FOR PARTICIPATING!



**CONCURRENT MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/
RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

City Hall
2729 Prospect Park Drive, Rancho Cordova

TUESDAY, February 19, 2008

5:30 P.M. – Regular Meeting
David B. Roberts Council Chambers

AGENDA

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Council Members Cooley, McGarvey, Sander, Skoglund, and Mayor Budge

2. METRO CABLE TV TELECAST ANNOUNCEMENT

The Mayor will announce the meetings video recording and playback schedules.

3. PLEDGE OF ALLEGIANCE

The Mayor will call on someone in attendance to lead the Pledge.

4. INVOCATION

Chaplain Frank Russell, Rancho Cordova Law Enforcement, Emergency Responders will give the invocation.

5. PRESENTATIONS

- 5.1 Introduction of New City Employees:
 - Stacey Peterson, Human Resources Manager by Joe Chinn, Assistant City Manager.
- 5.2 Presentation by Bruce Forman of the 2007 Salmon Festival in appreciation for City sponsorship.
- 5.3 Presentation by American Airlines Sales Manager Mark Davis on the California Capital Airshow Update at Mather Airport on March 15-16, 2008.
- 5.4 Proclamation to Scottie Moore for Spay Day USA 2008 on February 26th.
- 5.5 Proclamation to WEAVE, Inc. Board President Denise Garland and Executive Director Beth Hassett for the organization's 30th Anniversary.

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BREAK

Council will break for refreshments in the lobby in honor of WEAVE, Inc's 30th Anniversary.

6. PUBLIC COMMENT

Citizens wishing to address the Council for any matter on the Consent Calendar or not on the agenda may do so at this time by completing and submitting a (blue) Speaker Card to the City Clerk. **For items on the agenda, speakers will be called up to the podium by the Mayor at the point on the agenda when the item will be heard.** Speakers are encouraged to keep comments to three minutes or less and to state name and community of residence.

Note, under the provisions of the California Government Code, the City Council is prohibited from discussing or taking immediate action on any unagendized item unless it can be demonstrated to be of an emergency nature or the need to take immediate action arose after the posting of the agenda.

7. COUNCIL REPORTS

8. CONSENT CALENDAR ITEMS

8.1 **Subject:** Minutes of City Council Meetings:

1. Special Meeting of January 14-15, 2008
2. Regular Meeting of February 4, 2008
3. Special Meeting of February 12, 2008

Recommendation: Adopt Minutes.

8.2 **Subject:** Resolution in Support of Adopting the New Membership, Structure, and Rule Changes to the Sacramento Cities / County Solid Waste Advisory Committee ("SWAC") / AB 939 Task Force and Appointing Steve Harriman and Bruce Risley as the City's SWAC Representatives.

Recommendation: Resolution No. 11-2008.

Result of Recommended Action: Council approval will allow for City representation of the Sacramento Cities / County Solid Waste Advisory Committee ("SWAC") / AB 939 Task Force, as well as, compliance with local task force requirement of Assembly Bill 939.

Staff Report: Cyrus Abhar and Steve Harriman, Public Works Department

Advances Goals: 1, 4, 8, 10 and 13

8.3 **Subject:** Community Redevelopment Agency Resolution Authorizing Reimbursement of Expenditures from Redevelopment Bond Proceeds.

Recommendation: Agency Board Adopt Resolution No. CRA 2-2008.

Result of Recommended Action: Approval will authorize the Executive Director, or designee, to declare an official intention to reimburse from bond proceeds any redevelopment project expenditures paid prior to the date of issuance of redevelopment bond obligations.

Staff Report: Curt Haven and Micah Runner, Economic Development Department

Advances Goals: 1, 4, 8, 10 and 13

Growing Strong Neighborhoods

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8.4 **Subject:** Investment Policy.

Recommendation: Adopt Resolution No. 17-2008.

Result of Recommended Action: Adoption of this resolution will approve the Investment Policy that will guide the City's investment of excess funds through December 31, 2008.

Staff Report: Donna Silva, Finance Department

Advances Goal: 11

9. CONSENT PUBLIC HEARING ITEM

9.1 **Subject:** Resolution Authorizing the Utilization of the State of California's Citizens Option for Public Safety Program (COPS) Funds.

Recommendation: Adopt Resolution No. 16-2008.

Result of Recommended Action: Adoption of this resolution will authorize the utilization of funds available from the State Supplemental Law Enforcement Fund (SLESF) which funds the State of California's "Citizen's Option for Public Safety Program" (COPS) in the amount of \$125,000 for the FY 2007-08, and the reauthorization of the remaining \$128,632 from the FY 2005-06 and FY 2006-07.

Staff Report: Donna Silva, Finance Department

Advances Goals: 4, 6 and 11

10. PUBLIC HEARING ITEMS

None

11. REGULAR CALENDAR ITEMS

11.1 **Subject:** American River Parkway Joint Powers Authority (ARP JPA) Presentation and Discussion.

Recommendation: That Council:

- 1) Hear a presentation related to the proposed American River Parkway Joint Powers Authority (ARP JPA);
- 2) Receive public comment;
- 3) Provide direction to staff;
- 4) Continue the discussion of conceptual approval of the ARP JPA to a future meeting.

Result of Recommended Action: Staff will take Council comments and continue discussions with the Parkway Steering Committee on the draft ARP JPA document with the goal of returning to Council at a future date for conceptual approval of the ARP JPA.

Staff Report: Joe Chinn, City Manager's Office

Advances Goals: 1, 4, 8 and 13

12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

13. CITY MANAGER'S REPORT

City Manager's Office, Administrative Support and Communications Office's Departmental Update to Council.

14. ADJOURNMENT

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ADDITIONAL INFORMATION

The agenda items are accessible on the City's website at www.cityofranhocordova.org on Thursdays prior to the Regular City Council Meeting.

CITYWIDE GOALS - (Adopted March 20, 2006)	
1.	Foster a Positive Image of Rancho Cordova
2.	Improve Transportation & Connectivity
3.	Champion Employee Development & High Performance Work Environment
4.	Ensure the Availability of the Best Public Services in the Region
5.	Establish a Vibrant Downtown
6.	Ensure a Safe Community
7.	Improve the Quality of Housing In Rancho Cordova
8.	Sustain a Livable Community
9.	Drive Diverse Economic Opportunities
10.	Foster Responsible Citizenship
11.	Practice Sound Fiscal Management
12.	Establish Logical (City) Boundaries
13.	Continue To Provide Regional Leadership

UPCOMING MEETINGS	
<i>Tuesday, February 26, 2008</i>	<i>5:30 p.m. Work Session on Zoning Code Update</i>
<i>Monday, March 3, 2008</i>	<i>4:00 p.m. Study Session on Highway 50 HOV Project Update</i> <i>5:30 p.m. Regular Meeting</i>
<i>Monday, March 17, 2008</i>	<i>5:30 p.m. Regular Meeting</i>
<i>Tuesday, March 25, 2008</i>	<i>5:30 p.m. Work Session on Zoning Code Update and Highway 50 HOV Project Update</i>
<i>Monday, April 7, 2008</i>	<i>MEETING CANCELLED DUE TO COUNCIL CONFERENCE TRAVEL</i>
<i>Tuesday, April 15, 2008</i>	<i>5:30 p.m. Work Session TBD</i>
<i>Monday, April 21, 2008</i>	<i>5:30 p.m. Regular Meeting</i>
<i>Tuesday, April 29, 2008</i>	<i>5:30 p.m. Work Session TBD</i>

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If you have any technical questions related to the agenda items, please contact the appropriate department as follows:

DEPARTMENTAL GENERAL TELEPHONE NUMBERS	
Building Department	(916) 851-8760
Finance Department	(916) 851-8730
Planning Department	(916) 851-8750
Public Works Department	(916) 851-8710
Redevelopment & Economic Development Department	(916) 851-8780

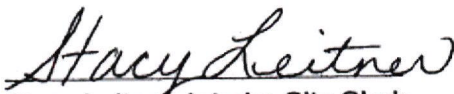
The Rancho Cordova City Council/CRA/RCFC will be videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel on the Comcast, SureWest and Strategic Technologies Cable Systems. Closed Captioning will be available on the playback cablecast. Tune to Metro Cable Channel 14, for playback times. A VHS copy is also available for check out from any library branch. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 48 hours prior to the meeting.

CERTIFICATION OF POSTING OF AGENDA

I, Stacy Leitner, Interim City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the February 19th, 2008 Regular Meeting of the Rancho Cordova City Council/CRA/RCFC was posted and available for review on February 14, 2008 at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city web site at www.cityofranhocordova.org.

Signed this 14th day of February 2008 at Rancho Cordova, California.

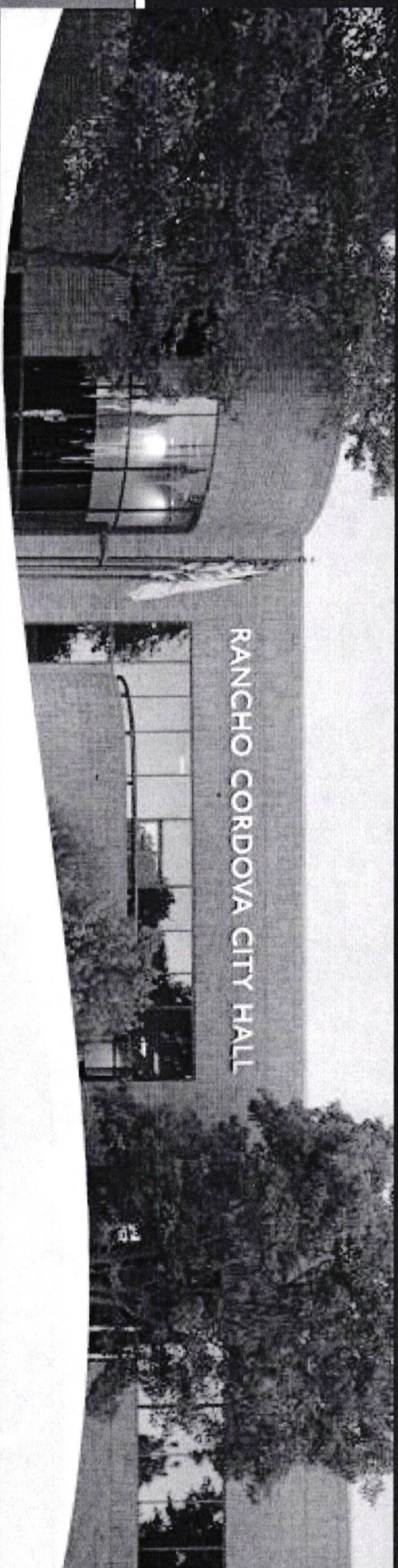

Stacy Leitner, Interim City Clerk

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City Manager's Office

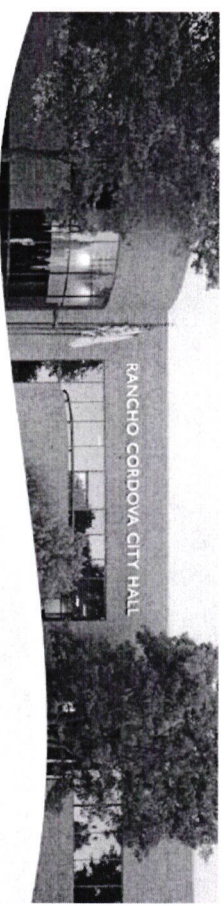
Who, what, when, how ... we know the "why"



City Manager's Office

Sets the vision, culture, and innovative environment.

Supports all departments, clears obstacles and manages all City functions.

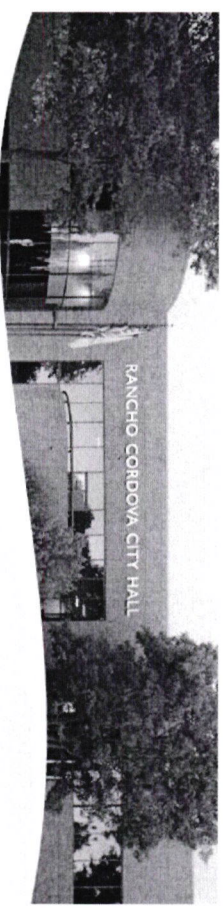


City Manager

Ted Gaebler

Visionary ... Leader ... Reinventor ...

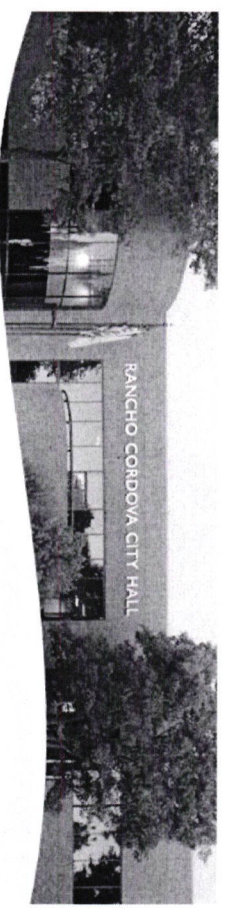
The Boss.



Assistant City Manager

Joe Chinn

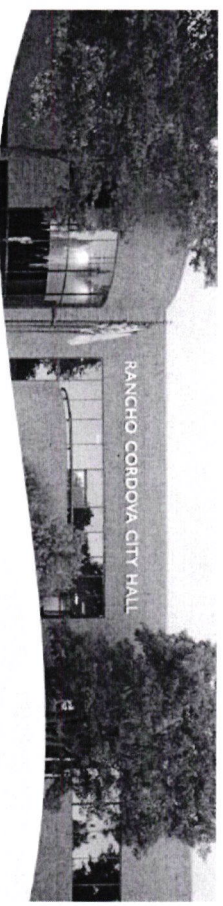
- Finance, Human Resources, and IT are direct reports
- Served as Interim Human Resources Manager from Nov. 2006 until today
- Work with all departments on day-to-day issues and ensuring overall work performance of departments
- Work with outside government entities
- Special project management: Finger Annexation, Library JPA, Children's Museum location
- Oversee Police contract, issues, budget, and future facility options
- City leasing manager



Management Support & Analysis

Stephanie Snyder
Alexandra Miller

- Analytical and staff support as needed to City Council, City Manager, Department Heads and interdepartmental coordination with City staff
- Legislative program (strategy, communications and grant management)
- Special projects, i.e. website redesign, public opinion survey, “Awards Central”, and Sister Cities program
- Ongoing: MyCityHall Online (Comcate) administration, six 2 x 2 meetings, etc.



Communications

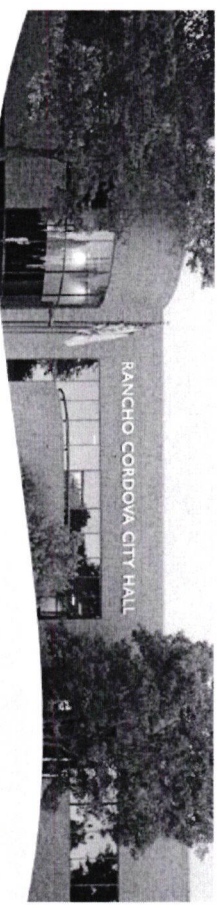
Nancy Pearl

- Strategic Communications Planning and Approach
- Community Involvement
- Interaction with staff, Council, community
- Media Relations

Proactive/generating stories

Reactive/timely response to media requests

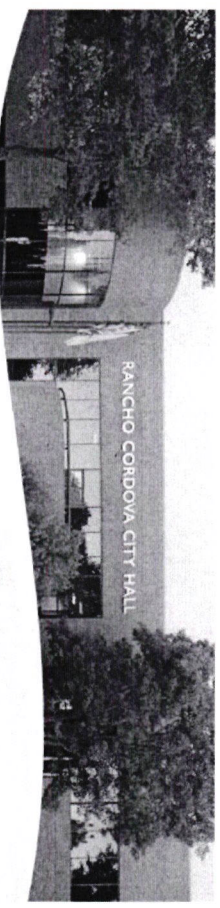
- Graphic Design/Coordination
- Special Events/Projects
- Support of all departments' projects



Special Projects

Sandy Salerno

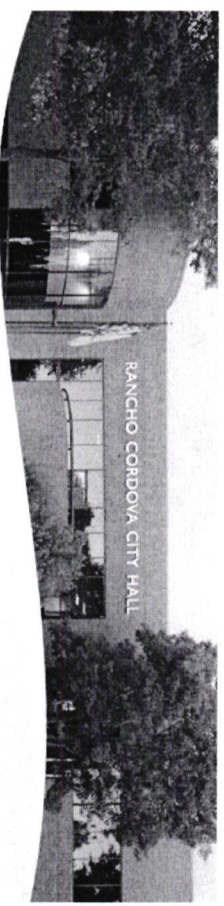
- Special Projects
 - Redevelopment
 - Emergency Operations Plan
 - Police Budget & Facility
 - Risk Management
- Other Roles
 - Negotiation Team
 - City Manager's Advisory Team
 - Troubleshooting



Special Projects

Donna Hall

- Organization/Special Projects
 - Leadership Rancho Cordova
 - Chamber of Commerce Recovery
 - Troubleshooter
- Major Internal Events Organizer
 - Council and Management Retreats
- Organizational Effectiveness
- Confidential Project Manager

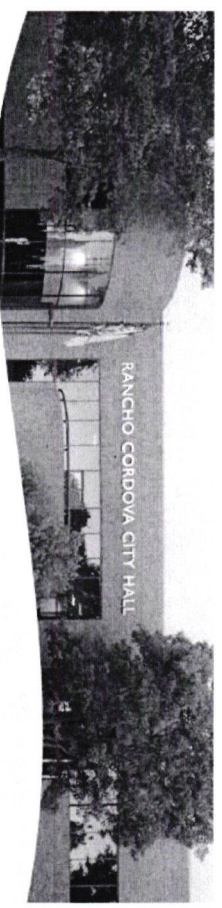


Administrative Support

Stacy Leitner, Stephanie Nobriga,
Evelyn Richardson, Jeani Donaldson

Mindy Cuppy

- Responsible for first impressions
- Provide support to the Mayor, City Council, City Manager, Assistant City Manager, Finance, IT, Human Resources and Special Projects teams
- Create and maintain systems and processes to organize and manage time and tasks
- Coordination of meetings, speaking engagements, and conference coordination for staff and council
- Manage internship programs
- Administrative and Customer Service team development



Thank you.



**CITY COUNCIL AND PLANNING COMMISSION
JOINT SPECIAL MEETING**

**CSUS Aquatic Center
1901 Hazel Avenue
Gold River, CA 95670**

**8:00 A.M. to 5:00 P.M. – Monday, January 14, 2008
8:00 A.M. to 5:00 P.M. – Tuesday, January 15, 2008**

DRAFT MINUTES

WORK SESSION

Mayor Budge called the Joint Special meeting to order on January 14, 2008 at 8:42 a.m.

Council Members Present:	Cooley, McGarvey, Sander, Skoglund, and Mayor Budge
Planning Commissioners Present:	Vance and Cummings
Planning Commissioners Absent:	Burke, Konarski, Moe, Savorn and Smith
Staff Present:	Meeks, Lindgren, Chinn, Trimberger, Hadley, Edmond, Flory, Runner, Gaebler, Snyder, Haven, Junker, Abhar, Leitner, Lehr, Miller, and Simpson

Mayor Budge called the Joint Special meeting to order on January 15, 2008 at 8:45 a.m.

Council Members Present:	Cooley, McGarvey, Sander, Skoglund, and Mayor Budge
Planning Commissioners Present:	Vance and Cummings
Planning Commissioners Absent:	Burke, Konarski, Moe, Savorn and Smith
Staff Present:	Meeks, Lindgren, Chinn, Trimberger, Hadley, Edmond, Flory, Runner, Gaebler, Snyder, Haven, Junker, Abhar, Leitner, Lehr, Miller, and Simpson

Oral Communications

None

Work Session Topic

Staff and Council Learning Retreat.

ACTION: Discussion item only; no action taken.

ADJOURNMENT

Mayor Budge adjourned the Joint Special meeting on January 14, 2008 at 5:39 p.m.
Mayor Budge adjourned the Joint Special meeting on January 15, 2008 at 5:12 p.m.

Stacy Leitner, Interim City Clerk



**CONCURRENT MEETING
CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY (CRA)/
RANCHO CORDOVA FINANCING CORPORATION (RCFC)**

City Hall
2729 Prospect Park Drive, Rancho Cordova

Monday, February 4, 2008

4:00 P.M. – Study Session
American River Community Room - North

5:30 P.M. – Regular Meeting
David B. Roberts Council Chambers

DRAFT MINUTES

A. STUDY SESSION - CALL TO ORDER / ROLL CALL

Mayor Budge called the special meeting to order in the American River Community Room - North at 4:15 p.m.

Present: Council Members McGarvey, Sander, Skoglund, and Mayor Budge
Absent: Cooley
Staff Present: Gaebler, Lindgren, Leitner, Lehr, Flory, Haven, D. Snyder, Abhar, Junker

B. PUBLIC COMMENT

None

C. STUDY SESSION ITEM

- C.1. **Subject:** Community Development Block Grant (CDBG) Program.
Recommendation: Discussion only on the overview of the CDBG Program, and the schedule and funding available for the 2008-2009 CDBG Program Year.
Result of Recommended Action: Council comments and direction will allow staff to continue efforts on CDBG priorities for funding activities in the 2008-2009 program year. No formal action is required or anticipated.
Staff Report: Reed Flory, Economic Development Department

ACTION: No action taken; discussion item only.

D. ADJOURNMENT OF STUDY SESSION

Mayor Budge adjourned the special meeting at 5:25 p.m.

1. REGULAR MEETING – CALL TO ORDER / ROLL CALL

Mayor Budge called the regular meeting to order in the David B. Roberts Council Chambers at 5:50 p.m.

Present: Council Members Cooley, McGarvey, Sander, Skoglund, and Mayor Budge
Staff Present: Gaebler, Lindgren, Leitner, Lehr, Abhar, Meeks, Silva, Haven, S. Snyder and Junker

2. METRO CABLE TV TELECAST ANNOUNCEMENT

The Mayor announced the video recording and playback schedules.

3. PLEDGE OF ALLEGIANCE

Susan Patterson, led the Pledge.

4. INVOCATION

Pastor John Plastow, First Covenant Church, gave the invocation.

5. PRESENTATIONS

- 5.1. Proclamation to WEAVE Inc. Board President Denise Garland and Executive Director Beth Hassett for the organization's 30th Anniversary was delayed until February 19th.
- 5.2. Susan Patterson, Sacramento Municipal Utility District (SMUD), Board Director of Ward 2 gave a presentation on January 2008 storm update.
- 5.3. Tim Murphy, GenCorp. Director of Public Affairs gave a presentation on Aerojet Environmental Activities update.

The following individual addressed the Council:

- Larry Ladd on discussions regarding the Aerojet Environmental Activities can be addressed at the Community Advisory Board.

6. PUBLIC COMMENT

The following individuals addressed the Council:

- Joy Moon on need for City to provide a chain saw and crane to cut down trees in her neighborhood in order to create a safer environment.
- Walt Meyers on American River Parkway 2x2 discussions.
- David Ivazian on American River Parkway Joint Power Report.

The following Agenda Item No. 8 was re-ordered by the Mayor to be heard before the Consent Calendar Items:

8. COUNCIL REPORTS

Council Members reported on various events since the last Council meetings.

7. CONSENT CALENDAR ITEMS – ROLL CALL VOTE

ACTION: Motion by Cooley second by McGarvey and carried by a 5:0 vote, the Consent Calendar was approved, except Items 7.1 and 7.4 were pulled for separate discussion.

- 7.2. **Subject:** Community Redevelopment Agency Resolution Approving Budget Adjustment and Redevelopment Funding Identification for Grandee Apartment Purchase.
Recommendation: Agency Board Adopt Agency Resolution No. CRA 1-2008.
Result of Recommended Action: Approval of this agency resolution will adjust the 2007/08 expenditure budget for the Redevelopment Agency reflecting previous authorization from the City Council to purchase the Grandee Apartment building.
Staff Report: Micah Runner, Economic Development Department
- 7.3. **Subject:** Resolution Authorizing the City Manager to Execute a Second Amendment Contract with Willdan, Inc. for Consulting Services in the Amount of \$200,000.
Recommendation: Adopt Resolution No. 13-2008.
Result of Recommended Action: Adoption of this resolution will authorize the City Manager to execute Contract No. 25-2008 between the City of Rancho Cordova and Willdan, Inc. to increase the current contract amount from \$150,000 to \$350,000 to provide additional building plan review and inspection services support to the Building and Safety Department.
Staff Report: Tom Trimberger, Building and Safety Department
- 7.5. **Subject:** Resolution Authorizing the City Manager to Execute a Contract with BakerCrew Consulting for Project Management to Complete the Hansen Community Development and Regulations Application for Planning and Code Enforcement Department Modules in the Amount of \$150,000.
Recommendation: Adopt Resolution No. 14-2008.
Result of Recommended Action: Adoption of this resolution will authorize the City Manager to execute Contract No. 27-2008 between the City of Rancho Cordova and BakerCrew Consulting to provide project management and technical services that will result in the implementation of the Hansen V7 Planning and Code Enforcement Modules.
Staff Report: Jay Hadley, Information Technology Department
- 7.6. **Subject:** Quarterly Treasurer's Report.
Recommendation: Receive and File Report.
Result of Recommended Action: This report is intended to provide Council with information concerning the City's investment portfolio. This report will meet requirements as provided by state law.
Staff Report: Donna Silva, Finance Department

The following items were pulled for separate discussion:

- 7.1. **Subject:** Ordinance Establishing a Special Tax for Transit-Related Services for the BloodSource Laboratory Building.
Recommendation: Waive second reading and adopt Ordinance No. 2-2008. **(Roll Call Vote)**
Result of Recommended Action: Adoption of this ordinance will assist the City to meet the costs of providing transit-related services by establishing a special tax for transit-related services for the BloodSource Laboratory Project.
Staff Report: Cyrus Abhar, Public Works Department

ACTION: Motion by Skoglund second by Cooley and carried by a 4:0 roll call vote (Council Member Sander recused himself), Council waived the second reading and adopted Ordinance No. 2-2008.

7.4. **Subject:** Approval of the Road Maintenance Project List for Proposition 1B Funding.
Recommendation: Council approval of the Road Maintenance Project List for submission to the California Department of Finance for claim of the FY 2007/08 Proposition 1B Local Streets and Roads Funds.

Result of Recommended Action: Approval of this road maintenance project list will allow Public Works staff to apply for the FY 2007/08 allocation of FY 2007/08 Proposition 1B funding for local streets and roads.

Staff Report: Cyrus Abhar, Public Works Department

ACTION: Motion by Cooley second by McGarvey and carried by a 5:0 vote, Council approved the Road Maintenance Project List for submission to the California Department of Finance for claim of the FY 2007/08 Proposition 1B Local Streets and Roads Funds.

9. CONSENT PUBLIC HEARING ITEMS – ROLL CALL VOTE

9.1. **Subject:** Ordinance Amending Title 22.40.035 of the Rancho Cordova Municipal Code Relating to the Household Population Factors for Purposes of Calculating Park Dedication Requirements, as Provided in Government Code § 66477 (Quimby Fee). **(Continued from December 17th)**

Recommendation: Continue item to March 3rd.

Result of Recommended Action: Continuing this item will allow the development community to provide additional input on the updating of the City's Household Population Factors. Input from the development community might result in revisions to staff's proposal on this item.

Staff Report: Paul Junker, Planning Department

Mayor Budge opened the public hearing on Item 9.1. There were no speakers. Mayor Budge closed the public hearing on Item 9.1.

ACTION: Motion by Cooley second by Skoglund and carried by a 5:0 vote, Council continued Item 9.1 to March 3rd.

9.2. **Subject:** Ross Center Pad #2, Design Review, Project No. RC-07-322, Located at 2800 Zinfandel Drive.

Recommendation: Adopt Resolution No. 12-2008.

Result of Recommended Action: Approval of this design review will allow for remodeling of the Ross Center Pad #2 building, along with landscaping and access improvements to bring the site into compliance with City standards.

Staff Report: Katja Irvin, Planning Department

Mayor Budge opened the public hearing on Item 9.2. There were no speakers. Mayor Budge closed the public hearing on Item 9.2.

ACTION: Motion by McGarvey second by Cooley and carried by a 5:0 vote, Council continued Item 9.2 to March 3rd to allow staff the appropriate time to make the following changes to the design plans:

- Remove any potted plants that will inhibit accessibility to sidewalk.
- Remove Condition of Approval to transplant olive trees and add new trees instead.

- Match color palette of trash enclosure to building, use graffiti resistant paint, include climbing vines, and planter strip.
- Replace existing Donut King and Hoagy's signage and plastic canned sign face.
- Add a pathway from the stop to the building, preferably with special pavement, but at least painted on the asphalt. Run the path along the edge of the site and cut across the drive aisle to the building.
- Coordinated color scheme with Chipotle Grill.
- Clarify in staff report what the process will be if Council recommendations conflict with Building Department requirements for ADA compliance for walkways.
- Obtain Public Works and RCPD comments on safety of the driveway next to the rail tracks.

10. PUBLIC HEARING ITEMS

None

11. REGULAR CALENDAR ITEMS

11.1 **Subject:** Legislative Priorities for Fiscal Year (FY) 2009.

Recommendation: The Council:

- 1) Provide direction to staff for FY 2009 appropriations requests, and a platform for discussions with legislators during the National League of Cities Congressional Conference, March 8-12, 2008; and
- 2) Receive update on City's Legislative Program and provide direction about the 2008 program.

Result of Recommended Action: The recommended actions will authorize submission of at least two requests for federal funding for projects consistent with the Council's and community's priorities, and provide topics for discussions that the Mayor and Council Members will hold with congressional representatives during the March conference in Washington, D.C. Staff will also proceed with recommended changes and actions for the City's legislative program.

Staff Report: Stephanie Snyder, City Manager's Office

ACTION: Staff presented the item and noted comments from Council regarding priorities about federal appropriations requests. Council also expressed an interest in assistance from a state lobbyist.

12. COUNCIL REQUESTS FOR FUTURE AGENDA ITEMS

None

13. CITY MANAGER'S REPORT

None

14. CLOSED SESSION

Council adjourned to Closed Session at 8:17 in the Community Board Room to discuss the following item:

Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(a) – (one case) – Name of case: *California Native Plant Society v. City of Rancho Cordova et al*; Case No. 07CS01311.

15. OPEN SESSION – REPORT FROM CLOSED SESSION

City Attorney Adam Lindgren reported there was no reportable action.

16. ADJOURNMENT

Mayor Budge adjourned the meeting at 9:45 p.m.

Stacy Leitner, Interim City Clerk



**SPECIAL JOINT MEETING
CITY COUNCIL & PLANNING COMMISSION**

**City Hall
American River Community Room - North
2729 Prospect Park Drive, Rancho Cordova**

Tuesday, February 12, 2008

12:00 p.m. to 5:00 p.m. – Special Meeting

DRAFT MINUTES

1. SPECIAL MEETING – CALL TO ORDER / ROLL CALL

Mayor Budge called the joint special meeting to order in the American River North Community Room at 12:35 p.m.

Council Members Present:	Cooley, McGarvey, Sander, and Mayor Budge
Council Members Absent:	Skoglund
Planning Commissioners Present:	Burke, Savorn, and Vance
Planning Commissioners Absent:	Cummings, Konarski, Moe, and Smith
Staff Present:	Gaebler, Lindgren, Hall, Cuppy, D. Snyder, Boerger, Lehr, Leitner, Pearl, Simpson, S. Snyder, Haven, McMurtry, Miller, Santini, Sparkman, Chinn, Taylor, Silva, Behrends, Trimberger, Borre, Meisner, Junker, Brisco, Runner, Salerno, Flory, Brown, Abhar, Campbell and Hadley

2. WORK SESSION ITEM

Subject: Second Annual Financial Issues Workshop

Recommendation: Receive information and discuss.

Result of Recommended Action: This is an educational work session in which the City Council, staff and public will have an opportunity to gain a better understanding of the City's fiscal health, including future projections.

Staff Report: Donna Silva, Finance Department

Advances Goals: 1 through 13

ACTION: Discussion item only; no action taken.

3. PUBLIC COMMENT

None

4. ADJOURNMENT

Mayor Budge adjourned the meeting at 4:47 p.m.

Stacy Leitner, Interim City Clerk

MEMORANDUM



DATE: February 19, 2008

TO: Honorable Mayor and Council Members

FROM: Cyrus Abhar, Public Works Director
Steve Harriman, Integrated Waste Manager

SUBJECT: **RESOLUTION APPROVING THE NEW MEMBERSHIP, STRUCTURE, AND RULE CHANGES TO THE SACRAMENTO CITIES/COUNTY SOLID WASTE ADVISORY COMMITTEE (SWAC)/AB 939 LOCAL TASK FORCE AND APPOINTING RANCHO CORDOVA SWAC REPRESENTATIVES**

RECOMMENDATION

Adopt Resolution No. 11-2008

RESULT OF RECOMMENDED ACTION

Adoption of **Resolution No. 11-1008 (Attachment 1)** will result in City of Rancho Cordova representation on Sacramento Cities/County Solid Waste Advisory Committee (SWAC), as well as compliance with the local task force requirement of California Integrated Waste Management Act (AB 939).

BACKGROUND AND SUMMARY

SWAC addresses two fundamental needs regarding local solid waste and recycling issues. First, SWAC satisfies the requirement of AB 939 that all local governments convene a Local Task Force to advise local elected officials on solid waste and recycling plans, programs, strategies, and facilities. Second, SWAC provides a forum for the local jurisdictions within Sacramento County to discuss and coordinate on regional issues, including long-range facility planning, collaborative development of programs and strategies, uniform regulation of commercial solid waste haulers and recyclers, and implementation of regional public education and outreach campaigns. Since incorporation in 2003, Rancho Cordova staff have attended SWAC meetings, however the City has not officially appointed members to the committee thus far.

SWAC was originally established in the early 1970's pursuant to State legislation requiring County Solid Waste Management Plans. In 1990, SWAC and its five-member subcommittees, along with the City of Sacramento and the County of Sacramento Recycling Advisory Committees, were designated as the Local Task Force required by AB 939. In June 1995, SWAC was reorganized to establish membership for the cities of Folsom, Isleton, and Galt. Subsequent reorganizations in 1997 and 2000 provided membership for the newly incorporated cities of Citrus Heights and Elk Grove.

In February 2007, a subcommittee was formed to develop recommendations on the SWAC mission, rules, membership and structure. The subcommittee included four SWAC members as

well as solid waste staff from Sacramento County and the cities of Sacramento, Citrus Heights, Folsom, Elk Grove and Rancho Cordova. In September 2007, the subcommittee recommendations were presented to SWAC (Attachment B), which voted unanimously to approve them. Since that time, Sacramento County and the Cities of Sacramento, Elk Grove and Citrus Heights have approved the new SWAC rules.

FISCAL IMPACT

SWAC members serve without compensation. There is no fiscal impact resulting from the adoption of Resolution No. 11-2008.

ISSUES AND DISCUSSION

As stated above, Resolution No. 11-2008 approves the newly adopted SWAC rules and appoints two Rancho Cordova SWAC members. The following provides a summary discussion of these two issues:

New SWAC Rules

The full version of the new SWAC Rules is included in **Attachment 2**.

- Committee Representation Formula: The most significant change to the new SWAC rules is the method to establish representation on the committee. The new formula basically reduces the representation by the City and County of Sacramento, and increases the representation of the cities of Rancho Cordova, Elk Grove, Citrus Heights, and Folsom. The new formula is as follows:
 - A jurisdiction with less than 20,000 residents shall have one member;
 - A jurisdiction with greater than 20,000 but less than 300,000 residents shall have up to two members; and
 - A jurisdiction with greater than 300,000 residents shall have up to three members.

The remaining portion of the new rules addresses the following subjects:

- Absences
- Responsibilities
- SWAC/LTF Meetings
- Committee Compensation and Support

City SWAC Appointments

Staff recommends that the Council appoint the following two Rancho Cordova SWAC representatives to two year terms through January 2010:

- Bruce Risley: Mr. Risley is the founder of American Environmental, a hazardous waste collection company based in Rancho Cordova. He has an excellent working knowledge of local solid waste issues and will be an asset to both SWAC and the City.

- Steve Harriman, Integrated Waste Manager: Mr. Harriman has attended SWAC meetings since the early 1990's, and is currently involved with the on-going development and administration of the City's solid waste programs.

MOTION

"I move that the City Council adopt Resolution No. 11-2008 appointing Bruce Risley and Steve Harriman to two year SWAC terms, and approving the newly adopted SWAC rules."

ATTACHMENT

Resolution No. 11-2008 including **(Exhibit A)** Proposed New SWAC Rules.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 11-2008

**A RESOLUTION OF THE CITY COUNCIL
AUTHORIZING THE NEW MEMBERSHIP, STRUCTURE, AND RULE CHANGES TO THE
SACRAMENTO CITIES/COUNTY SOLID WASTE ADVISORY COMMITTEE / AB 939 TASK
FORCE AND APPOINTING RANCHO CORDOVA SWAC REPRESENTATIVES**

WHEREAS, Assembly Bill 939 (AB 939), the California Integrated Waste Management Act of 1989, mandates that each City and County, as separate jurisdictions, develop programs and strategies to divert 50% of waste from landfill disposal by the year 2000; and

WHEREAS, AB 939 requires each county, in cooperation with local cities, to form a Local Task Force to assist with integrated waste management planning and advise local elected officials on solid waste issues; and

WHEREAS, the Sacramento Cities/County Solid Waste Advisory Committee (SWAC) is the Local Task Force for Sacramento County and its cities; and

WHEREAS, SWAC provides a forum for the jurisdictions within Sacramento County to discuss and coordinate on a variety of regional issues, as well as provide valuable comment and feedback to local elected officials; and

WHEREAS, AB 939 requires that changes to SWAC organization and representation be approved by the County and by the majority of the cities that contain the majority of the incorporated area population; and

WHEREAS, the proposed Rancho Cordova SWAC representatives will represent the City's interests on SWAC as well as provide valuable input on the discussion and development of regional solid waste and recycling programs, facilities and strategies; and

WHEREAS, the members of the committee shall serve without compensation.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF RANCHO CORDOVA that the Council does hereby authorize the new membership, structure, and rule changes to the Sacramento Cities/County Solid Waste Advisory Committee and appoint Bruce Risley and Steve Harriman as the City's SWAC representatives for a two-year term through January 2010.

PASSED AND ADOPTED by the City Council of on the 19th day of February, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Linda Budge, Mayor

ATTEST:

Stacy Leitner, Interim City Clerk

**CITIES/COUNTY SOLID WASTE ADVISORY COMMITTEE (SWAC)
AND LOCAL TASK FORCE (LTF) RESPONSIBILITIES AND ORGANIZATION**

Proposed New SWAC Rules
Recommended by SWAC at its September 4, 2007 Meeting

I. MEMBERSHIP, APPOINTMENTS, AND TERMS OF OFFICE

- A. A jurisdiction becomes a SWAC/LTF member agency upon adopting these rules.
- B. SWAC membership shall be based on population as follows:
 - 1. If a jurisdiction has less than 20,000 residents, it shall have one member;
 - 2. If a jurisdiction has greater than 20,000 but less than 300,000 residents, it shall have up to two members; and
 - 3. If a jurisdiction has greater than 300,000 residents, it shall have up to three members.
- C. SWAC member term, appointment method, and composition shall be determined by the individual appointing authority. Vacancies shall be filled by the appointing authority as soon as possible after a membership seat has been vacated.

II. ABSENCES

The appointment of any member who fails to attend three or more consecutive meetings without the approval of the majority of the members of the committee shall automatically become vacant. An emergency or other event out of the control of a member may be deemed as an excusable absence by the committee after the fact. At a SWAC meeting following the third consecutive absence of a SWAC member, the Chairman will call for a vote of the committee to determine if any of the absences are excusable. If the member is determined by the vote of the committee to have three unexcused absences, that member shall be informed by the Chairman that he/she is no longer a member of the committee, and SWAC staff shall notify the appointing jurisdiction and call for the appointment of a new member. The affected member may be at the meeting to make his/her case to the committee to excuse the absences. But, if the affected member is not at the meeting, the Chairman and the committee shall act without such input from the affected member.

III. RESPONSIBILITIES

- A. The Committee shall advise the County Board of Supervisors, the city councils of the cities of the county, and the Sacramento Regional County Solid Waste Authority (SWA) on:
 - All matters relating to the County of Sacramento Integrated Waste Management plan and all of its state-mandated city and/or county unincorporated area waste management planning documents;
 - All matters relating to integrated waste management, including public education, source reduction, recycling, composting, transformation, materials recovery/resource recovery and marketing, and refuse and recyclables storage, collection, transfer, processing, and disposal.
- B. SWAC shall be the Local Task Force as required by California Public Resources Code Section 40950.
- C. Staff for the jurisdictions represented on SWAC shall be expected to report to SWAC on:

- AB939 matters
- Proposals for new waste management facilities,
- Significant changes to diversion programs,
- Waste management issues, programs, or facilities potentially of concern to more than one jurisdiction
- Matters to be considered by the Board of Supervisors or City Councils of the member jurisdictions

Staff for the jurisdictions represented on SWAC shall not be expected to report to SWAC on:

- Personnel matters,
- Utility rate-setting
- Business-related matters

IV. SWAC/LTF MEETINGS

- A. The committee shall hold regular meetings at a time and place selected by a majority vote of the committee. The meeting schedule shall be set in keeping with the need to accomplish countywide integrated waste management work.
- B. A quorum shall be present for the committee to take action. When a quorum is present, all issues shall be resolved and business acted upon by a simple majority vote of the members present. A quorum is:
 - 50% of the appointed members present
 - With representatives present from at least three SWAC member jurisdictions.
- C. All issues shall be resolved and business acted upon by a simple majority vote of the members present.

V. COMMITTEE COMPENSATION AND SUPPORT

- A. Members of the committee shall serve without any compensation except for County pre-approved reimbursement for necessary travel and expenses.
- B. The expense of the committee work shall be borne by the County of Sacramento.
- C. The County shall be the fiscal agent for the committee, and a County staff person shall serve as staff to the committee.

MEMORANDUM



DATE: February 19, 2008

TO: Community Redevelopment Agency of the City of Rancho Cordova

FROM: Micah Runner, Economic Development Manager

SUBJECT: **COMMUNITY REDEVELOPMENT AGENCY RESOLUTION
AUTHORIZING REIMBURSEMENT OF EXPENDITURES FROM
REDEVELOPMENT BOND PROCEEDS**

RECOMMENDATION

Agency Board Adopt Resolution No. CRA 2-2008.

RESULT OF RECOMMENDED ACTION

Approval will authorize the Executive Director to declare an official intention to reimburse from bond proceeds any redevelopment project expenditures paid prior to the date of issuance of redevelopment bond obligations.

BACKGROUND

The Rancho Cordova redevelopment area and Final Redevelopment Plan were finalized on August 6, 2006. The intent of the Redevelopment Plan is to alleviate blight and address the physical and economic conditions that are present in the redevelopment project area.

It is anticipated that the Redevelopment Agency will undertake various redevelopment projects as part of the Redevelopment Plan and intends to issue bonds or other tax exempt debt for these projects. The first issuance is expected to happen within the next six months.

In order for the Agency to reimburse funds expended prior to issuance of bonds there needs to be an official Declaration of Intent in order to reimburse. This Resolution delegates that authority to the Executive Director to issue such a declaration and qualify for reimbursement from a future bond or other tax exempt debt financing.

ATTACHMENT

Resolution No. CRA 2-2008

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF RANCHO CORDOVA

RESOLUTION NO. CRA 2-2008

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF RANCHO CORDOVA
DECLARING INTENTION TO REIMBURSE
EXPENDITURES FROM THE PROCEEDS OF OBLIGATIONS
TO BE ISSUED BY THE AGENCY AND DIRECTING CERTAIN ACTIONS**

WHEREAS, the Community Development Agency of the City of Rancho Cordova (the "Agency") proposes to undertake redevelopment projects from time to time, and to issue one or more series of bonds or other tax-exempt debt for such projects and to use a portion of the proceeds of such debt to reimburse expenditures made for the project to be financed prior to the issuance of the debt for such project;

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

WHEREAS, the Board of Directors of the Agency desires to delegate to certain officers of the Agency the authority to declare such intention to so reimburse expenditures made on such future Projects; and

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

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS
OF THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF RANCHO CORDOVA:**

1. That the Agency intends to issue obligations (the "Obligations") for the purpose of paying the costs of various redevelopment projects of benefit to the Agency's Rancho Cordova Redevelopment Project Area (the "Project").
2. The Agency hereby recognizes that in some cases it will reasonably expect (i) to pay certain costs of the Project prior to the date of issuance of the Obligations and (ii) to use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Project that are paid before the date of issuance of the Obligations.
3. The Agency hereby delegates the authority to its Executive Director on behalf of the Agency, to declare an official intention to reimburse from proceeds of Obligations any Project expenditure paid prior to the date of issuance of such Obligations for the financing all or part of such Project, in accordance with any requirements of United States Income Tax Regulations Section 1.150-2.

4. Such authority shall be exercised by a written declaration of intent signed by the authorized officer, which declaration shall include the maximum amount of the Obligations to be issued in connection with such Project.

PASSED AND ADOPTED by the Board of Directors of the Community Development Agency of the City of Rancho Cordova on the 19th day of February, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Linda Budge, Executive Director

ATTEST:

Stacy Leitner, Interim Agency Secretary

MEMORANDUM



DATE: February 19, 2008
TO: Honorable Mayor and Council Members
FROM: Donna Silva, Finance Director
SUBJECT: INVESTMENT POLICY

RECOMMENDATION

Adopt Resolution No. 17-2008

RESULT OF RECOMMENDED ACTION

Approval of this resolution will guide the City's investment of excess funds through December 31, 2008.

BACKGROUND

State laws require all local agencies to develop an annual investment policy that must be considered by the City Council at a public meeting. A good investment policy drives the cash, treasury and investment management functions of a City. It serves as a guide for setting and achieving program objectives, defines rules and establishes benchmarks, and reduces the exposure to liability of both the City staff and the City Council.

The City's first Investment Policy was last amended on November 15, 2004. Since it has been over a year since the policy was approved it is necessary for a new policy to be adopted. The proposed policy does not change from what was approved in 2004. The City's policy is always to protect investment principal (safety), and to provide funds to meet cash demands (liquidity) while earning a market rate of return.

ATTACHMENT

Resolution No. 17-2008 including **(Exhibit A)** Investment Policy.

CITY OF RANCHO CORDOVA

RESOLUTION NO. 17-2008

**A RESOLUTION OF THE CITY COUNCIL
ADOPTING THE 2008 INVESTMENT POLICY**

WHEREAS, California Government Code Section requires that a City adopt an annual investment policy; and

WHEREAS, the 2008 Investment Policy is in compliance with current guidelines for the investment of public funds.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF RANCHO CORDOVA that the Council approves Resolution No. 17-2008 adopting the 2008 Investment Policy.

PASSED AND ADOPTED by the City Council of on the 19th day of February, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Linda Budge, Mayor

ATTEST:

Stacy Leitner, Interim City Clerk

CITY OF RANCHO CORDOVA,
CALIFORNIA
2008 STATEMENT OF INVESTMENT POLICY

EXHIBIT A TO THE RESOLUTION
ADOPTED
REVISED

CITY OF RANCHO CORDOVA, CALIFORNIA 2008 STATEMENT OF INVESTMENT POLICY

POLICY

It is the policy of the City of Rancho Cordova, CA (the "City") to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all state and local statutes governing the investment of public funds.

SCOPE

This investment policy applies to all financial assets of the City. These funds are accounted for in the City Comprehensive Annual Financial Report and may include:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Permanent and Private Purpose Trust Funds

This Policy shall also apply to all funds of the City of Rancho Cordova including those funds which may be created during the period ending December 31, 2008 as well as any other fund under the control of the City Treasurer.

PRUDENCE

Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City.

OBJECTIVE

The primary objective in priority order, of the City's investment activities shall be:

➤ **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective is to mitigate credit risk and interest rate risk summarized as follows:

- **Credit Risk:** This is a risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:
 - Limiting investments to the safest types of securities.
 - Pre-qualifying the financial institution, broker/dealers, intermediaries and advisors with which an entity will do business.

- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
 - **Interest rate risk:** This is a risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:
 - Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market before maturity.
 - Investing operating funds primarily in shorter-term securities.
- **Liquidity:** The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).
- **Return on Investments (Yield):** The City's investments shall be designed with the objective of attaining a market rate of return throughout the budget and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a reasonable return relative to the risk being assumed. Securities shall not be sold before maturity with the following exceptions:
- A declining credit security could be sold early to minimize loss of principal.
 - A security swap would improve the quality, yield or target duration in the portfolio.
 - Liquidity needs of the portfolio require that the security be sold.
 - A capital gain would be realized that better positions the overall portfolio in achieving investment policy goals.

DELEGATION OF AUTHORITY

The City Treasurer is appointed by the City Manager. The City Treasurer is currently the Acting City Administrative Officer. Pursuant to the Government Code, the City Council delegates the authority to invest or to reinvest funds, or to sell or exchange securities so purchased, to the City Treasurer for a one-year period. The City Treasurer is charged with the responsibility for carrying out the policies of the City Council and shall assume full responsibility for investment transactions until the delegation of authority is revoked or expires.

The daily cash management, investment transactions and account reconciliation's are the primary responsibilities of the City Treasurer. These activities are also carried out by other members of the Finance Department under the direction of the City Treasurer. The City Treasurer shall establish procedures for the operation consistent with this investment policy.

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

ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program or which could impair their ability to make impartial decisions. Officers and employees involved in the investment process shall abide by the Conflict of Interest Code, (California Government Code Section 1090 et seq.) and the California Political Reform Act (California Government Code Section 81000 et seq.).

PERMITTED INVESTMENTS

California Government Code Sections 53601, 53635 and 16429.1 governs the investments permitted for purchase by the City. Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the investments listed below.

Percentage limitations, where indicated, apply at the time of the purchase. Rating requirements, where indicated, apply at the time of purchase. In the event a security held by the City is subject to a rating change that brings it below the minimum specified rating requirement, the City Treasurer shall notify the City Council of the change. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the rate drop, prognosis for recovery or further rate drops, and the market price of the security. Investment maturities shall be based on review of cash flow forecasts. Maturities will be scheduled so as to permit the City to meet all projected obligations.

No investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement, 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 no less than three months prior to the investment.

ELIGIBLE INVESTMENTS

- A. **State of California Local Agency Investment Fund ("LAIF")**. The City may invest in LAIF. A maximum of \$40 million may be invested in this category.
- B. **California Asset Management Trust**. The City may invest in the shares in the California Asset Management Trust, so long as the portfolio is rated among the top two rating categories by one of the nationally recognized rating agencies. A maximum of \$40 million may be invested in this category, net of bond proceeds.
- C. **Certificates of Deposit**. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California. Eligible investments are restricted to those issuing institutions that have been in business at least five years. The maximum term for deposits shall be one year. Investments in certificates of deposit are further limited to 20% of surplus funds. All time deposits must be collateralized in accordance with California Government Code

section 53561. The City, at its discretion, may waive the collateralization requirements for any portion of the deposit that is covered by federal insurance.

- D. **Negotiable Certificates of Deposit.** Negotiable certificates of deposit issued by a nationally or state chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated "AA" or better by Moody's or Standard & Poor's. Investments in negotiable certificates of deposit are limited to 30% of the portfolio
- E. **Banker's Acceptances.** Banker's acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System. Purchases of banker's acceptances may not exceed 180 days maturity. Eligible banker's acceptances are restricted to issuing financial institutions with short-term paper rated in the highest category by one or more nationally recognized rating services. Investments in banker's acceptances are further limited to 40% of the portfolio with no more than 30% of surplus invested in the banker's acceptances of any one commercial bank.
- F. **U.S. Government Issues.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- G. **Federal Agency Securities.** 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.
- H. **Repurchase Agreements.** Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The City may enter into repurchase agreements with primary government securities dealers rated "A" or better by two nationally recognized rating services. Counterparties should have (i) a short-term credit rating of at least "A-1/P-1"; (ii) minimum assets and capital of \$25 billion in assets and \$350 million in capital; (iii) five years of acceptable audited financial results; and (iv) a strong reputation among market participants. A maximum of 20% of the portfolio may be invested in this category.

The following collateral restrictions will be observed:

Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the City's custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of the total dollar value of the money invested by the City for the term of the investment. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral.

The City or its' Trustee shall have perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreements. The City shall have properly executed a Professional Services Agreement with each counter party with which it enters into repurchase agreements.

- I. **Commercial Paper.** Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided by a nationally recognized statistical-rating organization (NRSRO). The entity that, issues commercial paper shall meet all of the following conditions in one of the following

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

(or)

- b. The entity meets the following criteria:
 - i. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - ii. Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.

Investments in commercial paper are limited to a maximum of 25% of the portfolio. Purchases shall not exceed 10 percent of the outstanding paper of the issuing corporation. The maximum investment maturity is restricted to 270 days.

- J. **Money Market Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission (SEC) under the Investment Company Act of 1940 (15 U.S.C., Sec. 80a-1, et seq.).

The City may invest in shares of beneficial interest issued by a company shall have met either of the following criteria:

- a. Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized rating services.

(or)

- b. Retained an investment advisor registered or exempt from registration with the SEC with not less than five years experience in managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge. Investments in Money Market Funds are limited to 20% of the portfolio.

- K. **Local Agency Bonds.** Bonds, including Certificates of Participation, notes or evidences of indebtedness issued by any state, municipality or local agency, whether payable from any fund of such entity or from special revenues pledged for such payment.

ELIGIBLE INVESTMENTS FOR BOND PROCEEDS

Bond proceeds shall be invested in securities permitted by the applicable bond documents. If the bond documents are silent as to the permitted investments, bond proceeds will be invested in securities permitted by this Policy.

With respect to maximum maturities, the Policy authorizes investing bond reserve fund proceeds beyond five years if prudent in the opinion of the City Treasurer.

INELIGIBLE INVESTMENTS

As provided in California Government Code section 53601.6, the City shall not invest any funds in inverse floaters, range notes, mortgage derived interest-only strips or in any security that could result in zero interest accrual if held to maturity.

The purchase of any security not listed above, but permitted by the California Government Code is prohibited unless the City Council approves the investment either specifically or as a part of an investment program approved by the Council

BROKERS

In selecting securities brokers, the City Treasurer shall conduct credit and capitalization analysis to determine that firms are adequately financed to conduct public business.

LOCAL INVESTMENT POOL POLICIES AND REPORTS

To the extent there are investments in the State or CAMP investment pools, the City Treasurer shall review and maintain current copies of the adopted investment policies of the State and CAMP. The policies shall be reviewed for concurrence with the investment policy of the City.

SAFEKEEPING AND CUSTODY

All security transactions entered into by the City of Rancho Cordova, CA shall be conducted on a delivery-versus payment basis. A third party custodian designated by the City Treasurer and evidenced by safekeeping receipts will hold securities.

The only exceptions to the foregoing are Local Agency Investment Pools, Certificates of Deposit, and Money Market funds since the purchased securities are not deliverable. In all cases, purchased securities shall be held in the City's name.

INTERNAL CONTROL

The City Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City will measure the portfolio's performance against a market benchmark that is commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

REPORTING

The City Treasurer shall provide a monthly investment report to the City Council, which provides a clear picture of the status of the current investment portfolio, including transactions. This report will be formally submitted to the City Council each quarter at a public meeting.

Schedules in the quarterly Treasurer's Report will include the following:

- A list of individual securities held at the end of the reporting period by authorized investment category
- Average life and final maturity of all investments
- Earnings rate on an annualized basis
- Market value, par value and amortized book value
- Percentage of the portfolio by investment category

The quarterly report shall state compliance of the portfolio to the investment policy, or manner in which the portfolio is not in compliance. The quarterly report shall also 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.

POLICY REVIEW

The investment policy shall be adopted by resolution of the City Council on, at minimum, an annual basis. The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. Any amendments to the policy shall be forwarded to the City Council for approval.

**CITY OF RANCHO CORDOVA
2008 STATEMENT OF INVESTMENT POLICY**

**GLOSSARY OF TYPES OF INVESTMENTS
AVAILABLE TO LOCAL GOVERNMENTS**

STATE INVESTMENT POOL (LAIF)

The Local Agency Investment Fund (LAIF) is a voluntary program created by statute; began in 1977 as an investment alternative for California's local governments and special districts. The enabling legislation for the LAIF is Section 16429.1 et seq. of the California Government Code.

This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the Treasurer's Office investment staff at no additional cost to the taxpayer. This in-house management team is comprised of civil servants who have each worked for the State Treasurer's Office for an average of 20 years.

The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1953 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller.

The Local Investment Advisory Board (LIAB) provides oversight for LAIF. The Board consists of five members as designated by statute. The Chairman is the State Treasurer or his designated representative. Two members qualified by training and experience in the field of investment or finance, and the State Treasurer appoints two members who are treasurers, finance or fiscal officers or business managers employed by any county, city or local district or municipal corporation of this state. The term of each appointment is two years or at the pleasure of the appointing authority.

All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

Additionally, the PMIA has Policies, Goals and Objectives for the portfolio to make certain that our goals of Safety, Liquidity and Yield are not jeopardized and that prudent management prevails. These policies are formulated by investment staff and reviewed by both the PMIB and the LIAB on an annual basis.

The State Treasurer's Office is audited by the Bureau of State Audits on an annual basis and the resulting opinion is posted to the STO website following its publication. The

Bureau of State Audits also has a continuing audit process throughout the year. All investments and LAIF claims are audited on a daily basis by the State Controller's Office as well as an in-house audit process involving three separate divisions.

Under Federal Law, the State of California cannot declare bankruptcy, thereby allowing the Government Code Section 16429.3 to stand. This Section states that "moneys placed with the Treasurer for deposit in the LAIF by cities, counties, special districts, nonprofit corporations, or qualified quasi-governmental agencies shall not be subject to either of the following: (a) transfer or loan pursuant to Sections 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency."

During the 2002 legislative session, California Government Code Section 16429.4 was added to the LAIF's enabling legislation. The Section states that "the right of a city, county, city and county, special district, nonprofit corporation, or qualified quasi-governmental agency to withdraw its deposited moneys from the LAIF, upon demand, may not be altered, impaired, or denied in any way, by any state official or state agency based upon the state's failure to adopt a State Budget by July 1 of each new fiscal year."

The LAIF has grown from 293 participants and \$468 million in 1977 to 2,750 participants and \$19.8 billion in 2004.

There is a limitation of \$40 million per legal entity within an agency. There is also a maximum of fifteen transactions, deposits or withdrawals per month.

CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP)

CAMP provides California public agencies, together with any bond trustee acting on behalf of such public agency, assistance with the investment of and accounting for bond proceeds and surplus funds. For bond proceeds, the objective of CAMP is to invest and account of such proceeds in compliance with arbitrage management and rebate requirements of the Internal Revenue Service. The program includes the California Asset Management Trust, a California common law trust organized in 1989. The Trust currently offers a professionally managed money market investment portfolio, the Cash Reserve Portfolio, to provide public agencies with a convenient method of pooling funds for temporary investment pending their expenditure. The Trust also provides record keeping, custodial and arbitrage rebate calculation services for bond proceeds. As part of the program, public agencies may also establish individual, professionally managed investment accounts.

The Pool seeks to attain as high a level of current income as is consistent with the preservation of principal. The Pool purchases only investments of the type in which public agencies are permitted by statute to invest surplus funds and proceeds of their own bonds.

CERTIFICATES OF DEPOSITS (CD)

Certificates of Deposits, sometimes known as "Jumbo Accounts" or "Fixed CD's" are savings accounts with Banks or Savings and Loans. These accounts are for a specific amount, have a set interest rate, and set maturity date. There is a substantial interest penalty if the CD is withdrawn prior to the maturity date.

The State law requires Public Fund CD's to be collateralized by the financial institution at 110% with US Government notes/bonds or at 150% with quality First Trust Deeds. This collateral can be waived if Federal Insurance (FDIC for banks or FSLIC for savings and loans) is available. These federal agencies will insure each account up to \$100,000.

The City generally waives the collateralization requirements for the FDIC or FSLIC insurance. The waiver of collateral is a wide spread practice and will generally generate higher interest rates and provide the greatest security for the funds from the Federal Insurance Agencies. For deposits in excess of \$100,000, the collateralization requirements are not waived.

NEGOTIABLE CERTIFICATE OF DEPOSIT (NCD)

This investment is similar to the Fixed CD's above. However, the NCD can be sold through a broker on a "secondary market" prior to the maturity date. Normally, NCD's are issued in \$500,000 and \$1,000,000 amounts. The State Code limits NCD's to not more than 30% of the local agency's portfolio and to a five-year maximum term. The security is the credit worthiness of the issuer. These deposits are uninsured and uncollateralized promissory notes.

BANKER'S ACCEPTANCES (BA)

A Banker's Acceptance is a time draft of invested funds, which has been drawn on and accepted for repayment by a bank. This financial instrument is generally used for short term (30 and 180 days) financing of export, import, or storage of goods. By accepting the draft (investment of City funds), the bank is liable for the payment at maturity. This bank liability makes the Banker's Acceptance a marketable investment. The State Code limits BA's to not more than 180 days to maturity and 40% of the local agency's portfolio. In addition, not more than 30% of the local agency's portfolio may be placed in any one bank.

US TREASURY BILLS

Commonly referred to as T-Bills, these are short-term marketable securities sold as obligations of the US Government. They are offered in three month, six month, nine month and one-year maturities. T-Bills do not accrue interest but are sold at a discount, and pay the face value at maturity.

US TREASURY NOTES

These are marketable, interest-bearing securities sold as obligations of the US Government with original maturities of one to ten years. Interest is paid semi-annually.

US TREASURY BONDS

These are the same as US Treasury Notes except they have original maturities of ten years or longer.

FEDERAL AGENCY ISSUES

Many Federal Government Agencies are authorized to issue short term and long term obligations that are used to finance various programs such as home loans, business loans, farm loans, etc. These Agencies were created by the Federal Government in the 1930's

and have since become independent quasi-public agencies. The security for their issues is the guarantee of the Agency to pay. The Federal Government has only an implied liability to the extent that the Agency has an open credit line to borrow from the U.S. Treasury. It is widely accepted that Federal Agency issues are as secure as U.S. Government notes.

There is an active secondary market available to sell these issues prior to maturity. The issues are fairly liquid depending on the prevailing market interest rates at the time of sale.

Some of the more common agency notes are issued by the Federal National Mortgage Association (Fannie Mae), Federal Home Loan Banks, Federal Home Loan Mortgage Corporation (Freddie Mac), and the Federal Farm Credit Banks.

REPURCHASE AGREEMENTS AND REVERSE REPURCHASE AGREEMENTS (REPOS)

A Repurchase Agreement is a short-term investment agreement to loan City funds for a fixed period in return for a fixed interest rate and secured collateral, such as U.S. Treasuries or Agency Notes. This type of investment is usually done for overnight or very short term (7 days) investment of funds left in the general operating checking account. Reverse Repurchase agreements is a short-term investment, which is used to take advantage of market interest rate changes and increase the size of the portfolio. State law was amended in 1996 to limit the use of both repurchase and reverse repurchase agreements. The City Council must approve each reverse repurchase agreement.

COMMERCIAL PAPER (CP)

Commercial Paper is unsecured promissory notes of industrial corporations, utilities and bank holding companies. The notes are in bearer form in amounts starting at \$100,000. State law limits the City to investments in United States corporations having assets in excess of five hundred million dollars with an "A" or higher rating. Cities may not invest more than 25% of the portfolio in commercial paper and the CP's may not exceed a term of 270 days.

MUTUAL FUNDS

An investment company that pools money and can invest in a variety of securities, including fixed-income securities and money market instruments, cities may invest in Mutual Funds or Money Market funds that receive the highest ranking or the highest letter and numerical rating by two of the three largest nationally recognized rating services. The Mutual Funds must abide by the same investment restrictions and regulations that apply to public agencies in California. Money Market Funds must follow regulations specified the Security and Exchange Commission under the Investment Company Act of 1940. The City must verify that the Mutual Fund is in compliance with state laws for public agencies prior to purchasing shares.

GUARANTEED INVESTMENT CONTRACT (GIC)

This is an agreement acknowledging receipt of funds for deposit, specifying terms for withdrawal and guaranteeing a rate of interest to be paid. The investment follows all state laws for the investment of public funds.

MEMORANDUM



DATE: February 19, 2008

TO: Honorable Mayor and Council Members

FROM: Donna Silva, Finance Director

SUBJECT: **RESOLUTION AUTHORIZING THE UTILIZATION OF STATE OF CALIFORNIA'S CITIZENS OPTION FOR PUBLIC SAFETY PROGRAM FUNDS (COPS)**

RECOMMENDATION

Adopt Resolution No. 16-2008 authorizing the utilization of funds available from the State Supplemental Law Enforcement Fund (SLESF) which funds the State's "Citizen's Option for Public Safety" (COPS) program in the amount of \$113,559 and the reauthorization of \$128,632 of COPS funds available from FY 2005-06 and 2006-07.

RESULT OF RECOMMENDED ACTION

This action will provide an additional budget appropriation of \$242,191 for the FY 2007-08 Police Department budget and comply with the Government Code 30061, providing for an adopted plan for the expenditure of the SLESF funds.

BACKGROUND

The State of California budget for FY 2007-08 includes appropriations for the State Supplemental Services Fund for distribution to cities and counties to support jails, criminal prosecutions and front-line law enforcement operations and services. These funds are limited as follows:

- In the cases of cities, these funds must be used exclusively to fund front-line police operations and services in accordance with a written request from the Police Chief.
- For both counties and cities, these funds must supplement existing services and cannot be used to supplant existing funding for current law enforcement services.

Government Code Section 30061 mandates that cities develop a plan for the expenditures of SLESF funds and that the City Council approve such expenditures as a separate matter (apart from the normal budget process). The funding for the City is \$113,559. In addition, the Police Department has carryover funds of \$128,632 from FY 2005-06 and 2006-07 that requires re-appropriation. The Police Department has requested that these funds be used for "one-time" purchases which are outlined in the attached memo from Lt. Rich Merideth.

ATTACHMENT(S)

1. Memo from Lt. Rich Merideth
2. Resolution No. 16-2008



RANCHO CORDOVA POLICE DEPARTMENT

Memorandum

January 10, 2008

To : DONNA SILVA
Finance Director, City of Rancho Cordova

From : LIEUTENANT RICH MERIDETH
Assistant Chief of Police, Rancho Cordova Police Department

Subject : **CITIZEN'S OPTION FOR PUBLIC SAFETY PROGRAM (COPS)**

The Rancho Cordova Police Department is recommending the following expenditures, totaling \$113,559 for the fiscal year 07/08 COPS Grant funding, in addition to the remaining funds, totaling \$128,632, from FY 06/07:

ETS Tracker Units	\$34,691
Crime Prevention Events/ Promotional Supplies	\$30,000
Night Vision Binoculars	\$18,000
Additional shed for detective storage	\$1,000
Additional awnings for traffic officers	\$1,800
Narcotic Canine purchase for RCPD	\$15,000
One time supplies for Narc Canines x 2 (kennels,etc)	\$5,000
Lean-to type tents for Public events & checkpoints	\$1,200
Crime prevention/identification camera system x 2	\$60,000
<i>(placement in various locations including businesses and light rail)</i>	
Stop Stik devices for patrol cars	\$23,000
Storage locker signs/golf carts/trailers	\$10,400
One time Training for Stop Stik,	\$20,000
Training public relations/city goals	\$20,000

The remaining \$2,100 will be utilized for system and equipment upgrades, as needed or required to meet department and city standards.

Cc: Reuben Meeks, Chief of Police
Patty Lohse, City of Rancho Cordova Finance
File

CITY OF RANCHO CORDOVA

RESOLUTION NO. 16-2008

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RANCHO CORDOVA TO UTILIZE THE STATE OF CALIFORNIA'S
CITIZENS OPTION FOR PUBLIC SAFETY PROGRAM FUNDS (COPS)

WHEREAS, under the State Supplemental Law Enforcement Services Fund (SLESF), the State appropriated funding for local law enforcement operations and services for Fiscal Year 2007-08; and

WHEREAS, Rancho Cordova's portion of the SLESF funding is \$113,559 for the FY 2007-08; and

WHEREAS, Rancho Cordova has remaining \$128,632 in SLESF funding from FY 2005-06 and 2006-07 that has not been expended; and

WHEREAS, the City Council, at a public hearing held on February 19th, 2008, considered these written requests separate and apart from the process applicable to propose allocations of the City's General Fund.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF RANCHO CORDOVA that the Council hereby accepts the grant for the State's Citizen's Option for Public Safety Funding and increases the Fiscal Year 2007-08 Police Grants Fund revenue and expense budget by \$113,559 and \$128,632 for the remainder of the Fiscal Year's 2005-06 and 2006-07 funds.

PASSED AND ADOPTED by the City Council of the City of Rancho Cordova on the 19th day of February, 2008 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Linda Budge, Mayor

ATTEST:

Stacy Leitner, Interim City Clerk

MEMORANDUM



DATE: February 19, 2008

TO: Honorable Mayor and Council Members

FROM: Joe Chinn, Assistant City Manager

SUBJECT: **AMERICAN RIVER PARKWAY JOINT POWERS AUTHORITY
(ARP JPA) PRESENTATION AND DISCUSSION**

RECOMMENDATION

That Council:

- 1) Hear a presentation related to the proposed American River Parkway Joint Powers Authority (ARP JPA);
- 2) Receive public comment;
- 3) Provide direction to staff; and
- 4) Continue the discussion of conceptual approval of the ARP JPA to a future meeting.

RESULT OF RECOMMENDED ACTION

Staff will take Council comments and continue discussions with the Parkway Steering Committee on the draft ARP JPA document with the goal of returning to Council at a future date for conceptual approval of the ARP JPA.

BACKGROUND

The American River Parkway is the natural resource "crown jewel" of the Sacramento Region utilized by an estimated 8,000,000 users annually. It is a legacy amenity that should be preserved and protected for generations to come. The Parkway is a recreational, ecological, environmental, social and economic asset that routinely affects peoples' lives.

Regular and special funding for the maintenance and operation of the Parkway has been at risk on a number of occasions over the last 30 years. At times, Sacramento County has found it difficult to fund Parkway services and programs at minimally desired levels. Furthermore, the Parkway is "deficient" by \$1.5 million dollars a year in "best practices" operational and maintenance funding, and another \$70 million in unmet capital needs.

Various efforts to create a sustainable and dedicated source of funding for the American River Parkway have been in place for over a decade. In recent years, a Parkway 2 X 2 Committee was formed to address long-term Parkway funding. The Parkway Committee has included County Supervisors Peters and Nottoli; Sacramento City Mayor Fargo, and Council Members Cohn and Tretheway; Rancho Cordova Council Members Budge and

McGarvey; and most recently, Folsom Council Members Morin and Howell. The "2 x 2" Committee has also included the County Executive and City Managers of each jurisdiction with other staff involved.

The renewed funding effort has focused exclusively on investigating and developing a new funding source for the American River Parkway. Initial discussions focused on the lower county controlled 23 miles which is currently maintained by Sacramento County, but most recently, the effort has considered the entire 31 plus miles from the confluence of the American and Sacramento Rivers to Folsom Lake, which includes the State of California portion as well.

MILESTONES

Over the past two years, the "2 x 2" effort to explore and secure new funding for the Parkway has produced some very valuable and important information including the following:

1. Summer 2006: Update of the 2000 American River Parkway Financial Needs Study identifying Parkway best practices funding for operations and maintenance, and capital improvement funding deficiencies (there is an annual gap of \$1.5 million in operations and maintenance budget funding and \$70 million in deferred maintenance, capital improvements, acquisition, and equipment needs over a 10-year period). The original 2000 study and 2006 updated study were conducted by the Dangermond Group.
2. Spring 2007: A Fairbank, Maslin, Maullin & Associates countywide phone survey of 700 single-family home owners/registered voters testing knowledge, interest and support for American River Parkway; the phone survey also tested the concept of annual Parkway benefit assessment of \$30 to run for a 20-year term.

Findings: 49% of persons responding to a phone survey supported \$30, 20-year benefit assessment; 58% of persons responding in "river communities" supported \$30, 20-year benefit assessment.

3. Summer 2007: SCI Consulting sent a mailed survey to over 21,000 property owners of all types within 3 miles of either side of American River Parkway. Portions or all of the following communities were surveyed: Sacramento, Arden-Arcade, Carmichael, Fair Oaks, Folsom, Orangevale, Rancho Cordova, Gold River and Rosemont. The mail survey tested recognition, value, support of American River Parkway and interest in approving a "zonal" benefit assessment of varying rates ranging from \$9/\$18, \$15/\$30, and \$24/\$48 per year. All of the proposed zonal assessment amounts received more than the required 50% plus one "weighted" support for passage at each of the levels. The "weighted" support for the different rates is as follows:

Rate	\$9/\$18	\$15/\$30	\$24/\$48
Weighted Support	60.7%	56.0%	50.3%

4. In January 2008, the members of the Parkway Committee decided to move forward with reports to the respective governing bodies requesting conceptual

approval of the ARP JPA except for the City of Sacramento which decided to drop out of the process.

With the aforementioned American River Parkway Financial Needs Study and the phone and mail surveys in hand, the Parkway Committee began discussing the simplest and most expeditious vehicle to carry the benefit assessment forward. It was suggested that a Joint Exercise of Powers Agency be created to accomplish that goal.

American River Parkway JPA

An ARP JPA would be formed to implement, oversee and administer the Parkway benefit assessment. Prior to the benefit assessment ballot proceeding, one of the initial steps the ARP JPA would take is to establish what programs and projects would be funded by a benefit assessment district, set final boundaries, zones, and rates for the benefit assessment district.

The ARP JPA would be granted the power to conduct a Proposition 218 benefit assessment proceeding within an identified area in Sacramento County three miles on either side of the American River Parkway, beginning at the eastern Sacramento City limit (generally between miles 9 and 10 of the Parkway) and extending to Beals Point/Folsom Lake. The ARP JPA would also identify programs and projects to be funded from annual assessments, prepare an annual budget, expenditure plan and account for annual expenditures at the conclusion of each fiscal year.

The ARP JPA would be composed of representatives from each of the jurisdictions having territory within the benefit assessment district which includes Sacramento County, and the cities of Rancho Cordova and Folsom. Cal Expo could be appointed to the governing board with the consent of the three underlying local governments. If the benefit assessment district is expanded in the future into any additional incorporated city, including the City of Sacramento, that city would also be entitled to a seat on the authority with the consent of the original jurisdictions.

The "2 x 2" group is proposing that the County would have two seats, and Rancho Cordova and Folsom would each have one seat.

The power of the ARP JPA would be limited to the establishment of the benefit assessment district, identifying projects to be funded, preparing an annual expenditure plan for proceeds generated from the assessment and accounting for those expenditures at year's end. The ARP JPA would terminate if the Authority has not levied a special assessment by January 1, 2010. Sacramento County would remain in control of the lower 23 miles of the Parkway both in terms of "governance" and base maintenance and operational costs; similarly, the State Park system would continue to be responsible for the state-maintained portion from Hazel Avenue to Folsom Lake.

A copy of the current draft Joint Powers Agreement is attached. City staff has a number of comments related to the current draft and is currently working with the Parkway Steering Committee to edit the document. Staff is seeking language that more clearly defines that any benefit assessment funds approved only be used to fund additional services and facilities above the level currently being provided by the County (i.e. no supplantation of existing County funding). In addition, language is needed to clarify that the only funding obligation needed for the ARP JPA from the underlying jurisdictions

would be solely limited to agreed to costs and services prior to and including the Proposition 218 benefit assessment proceeding.

FISCAL IMPACT

There is no cost associated with the conceptual approval of the ARP JPA. However, there is a total estimated cost ranging from \$350,000 to \$600,000 (the range depending on the level of the outreach and education program) to proceed with the formation of an American River Parkway Benefit Assessment District. The City of Rancho Cordova's cost share would likely be around \$100,000. If a benefit assessment is approved, these costs would all be reimbursable from the first year's assessment.

At the different proposed assessment rates, the total dollars that can be raised for the Parkway are noted below.

ESTIMATED FUNDING GENERATED FROM PROPOSED BENEFIT ASSESSMENT AT DIFFERENT RATES

Jurisdiction	Parcel Counts	Single Family Equivalent	Rates		
			\$18/\$9	\$30/\$15	\$48/\$24
Folsom	22,603 ¹	29,361	\$52,850	\$88,083	\$140,933
Rancho Cordova	15,785	25,782	\$232,038	\$386,730	\$618,768
Unincorporated Area	81,185	108,460	\$976,140	\$1,626,900	\$2,603,040
<i>Total</i>	<i>119,033</i>	<i>163,603</i>	<i>\$1,261,028</i>	<i>\$2,101,713</i>	<i>\$3,362,741</i>

How these revenues will be spent will be determined as part of the benefit assessment proceedings, and will clearly be defined for the property owners as part of the ballot language.

Staff recommends that any parcel assessment ballot proceeding should occur in 2009 prior to the time needed to place the assessment on the Fiscal Year 2009-10 tax roll.

ATTACHMENT

Draft Joint Powers Agreement Between the City of Folsom, the City of Rancho Cordova, and the County of Sacramento Creating the American River Parkway Authority.

¹ Folsom and the State maintained portion of the Parkway: from Hazel Avenue to Folsom Lake, the Federal Bureau of Reclamation and the State of California own, operate and maintain this section of the Parkway. This leg of the Parkway—mile 23 to 31—is bordered on the north by portions of Fair Oaks, Folsom and Orangevale and on the south by Folsom as well. The unincorporated section of this upper reach of the Parkway would be treated like the lower 23 miles, zoned with two different rates and proceeds accruing to the lower 23 miles. The benefit assessment district within the city of Folsom would function somewhat differently than the remainder of the district. At the request of the city of Folsom, the assessment district would be city-wide and have one uniform rate. Further, proceeds generated from the assessment would be allocated as follows: 40% for existing and new Folsom trails and connectivity to the Parkway; 40% to the State Park system for maintenance and operation of the State controlled portion of the Parkway; and the remaining 20% dedicated to the lower 23 miles of the Parkway.

**JOINT POWERS AGREEMENT BETWEEN THE CITY OF FOLSOM, THE
CITY OF RANCHO CORDOVA, AND THE COUNTY OF SACRAMENTO
CREATING THE AMERICAN RIVER PARKWAY AUTHORITY**

This Agreement is made and entered into this _____ day of _____ 200__, by
and between the following public entities ("Parties"):

- (a) CITY OF RANCHO CORDOVA ("Rancho Cordova"), and CITY OF FOLSOM ("Folsom") municipal corporations of the State of California;
and
- (b) COUNTY OF SACRAMENTO ("County"), a political subdivision of the State of California.

RECITALS

WHEREAS, the American River Parkway was created by Sacramento County to preserve and protect this most unique urban natural resource; and

Whereas, in 1962 an American River Parkway Plan was adopted in concept by Sacramento County and incorporated into the Recreation Element of the County General Plan; and

WHEREAS, the county of Sacramento has the principal responsibility for administration and management of the Parkway as guided by the American River Parkway Plan from the confluence of the Sacramento River to Hazel Avenue, and the State of California has the responsibility for administration and management of the Parkway from Hazel Avenue to Folsom Dam also under the guidance of the Parkway Plan; and

Whereas, the County and State of California have, and will continue to have the following responsibilities over the respective areas designated as the American River Parkway:

1. Land use and natural resource planning functions
2. Lead agency for the approval of the American River Parkway Plan, specific projects, any amendments to the Plan and any required permits for uses within the Parkway
3. Acquiring, selling or trading of land and approval of easements.
4. Review and approval of an annual budget for the financing of County staff, specific projects and the management and maintenance of the American River Parkway
5. Approval of mitigation and rehabilitation plans

WHEREAS, in 1985 Sacramento county, the city of Sacramento and the California State Legislature recognizing the value and importance of the American River Parkway adopted a master plan (American River Parkway Master Plan) which codified the concept, goals and policies for the Parkway; and

WHEREAS, the American River Parkway is the most utilized recreational asset in the region and provides a tremendous economic benefit for properties and businesses located near it, attracts visitors and creates significant tourism for the region positively contributing to local government and business revenues; and

WHEREAS, the need for a stable and long term funding mechanism for the Parkway is necessary and long overdue and will be facilitated by the creation of a limited purpose Joint Powers Agency (the Parkway Authority); and

Whereas, the Parkway Authority will administer and manage only benefit assessment funding created by Proposition 218 assessments and the County and State will continue to manage and administer base funding for respective portions of the Parkway;

Whereas, any projects funded by benefit assessment will consistent with projects approved by property owners in Proposition 218 proceeding and American River Parkway Master Plan

WHEREAS, the Parties to this Agreement have and possess the power and authorization to finance, develop, maintain, and patrol parks facilities for the purpose of providing public park and recreation service; and

WHEREAS, the Parties to this Agreement have and possess the power to levy special benefit assessments to fund capital park improvements and operation and maintenance of park improvements; and

WHEREAS, there is a need for coordinated planning and financing for the operation, maintenance and preservation of the American River Parkway; and

WHEREAS there is a need and desire to provide maximum benefit from limited public funds; and

WHEREAS, such a coordinated system can best be achieved through the cooperative action of the Parties operating through a Joint Exercise of Powers Agency; and

WHEREAS, each of the Parties is authorized to contract with each other for the joint exercise of any common power under Article 1, Chapter 5, Division 7, Title 1 of the Government Code;

NOW, THEREFORE, based upon the mutual promises contained herein the Parties hereby agree as follows:

1. PURPOSE OF THE AGREEMENT; COMMON POWER TO BE EXERCISED:

Each Party has in common the power to study, plan for, develop, finance, maintain, repair, manage, operate and control property for park purposes. The purpose of this Agreement is to jointly exercise the foregoing common powers in the manner hereinafter set forth, including the levy, collection and expenditure of special benefit assessments for park purposes.

2. ESTABLISHMENT OF THE AUTHORITY:

There is hereby established pursuant to the Joint Exercise of Powers Act (Section 6500 et seq. of the California Government Code) an Authority which shall be a public entity separate from the Parties to this Agreement. The name of said Authority shall be the AMERICAN RIVER PARKWAY AUTHORITY, and shall hereinafter be referred to as the "Authority."

3. MEMBERSHIP OF THE GOVERNING BOARD:

(a) The Governing Board of the Authority shall initially consist of the following members:

- (1) two (2) members of the Sacramento County Board of Supervisors, who shall be appointed by and serve during

their term of office at the pleasure of the Sacramento County Board of Supervisors; and

(2) one (1) member of the Rancho Cordova City Council, who shall be appointed by and serve during his or her term of office at the pleasure of the Rancho Cordova City Council; and

(3) one (1) member of the Folsom City Council, who shall be appointed by and serve during his or her term of office at the pleasure of the Folsom City Council; and who shall not be an appointee of Sacramento, Rancho Cordova, or County.

4. QUORUM:

A majority of the members of the Governing Board shall constitute a quorum for the transaction of business, except that less than a quorum may vote to adjourn a meeting.

5. VOTES:

Each member of the Governing Board shall have one (1) vote. The Governing Board may take action only by the affirmative vote of at least a majority of members of the Governing Board.

6. TERMS OF OFFICE:

Subject to Section 3 or unless sooner removed by his or her appointing authority, the term of office of each member of the Governing Board shall be coextensive with the term of the office which the member

holds. Any vacancy shall be filled by the appointing authority for that seat.

7. ALTERNATES:

Each appointing authority shall, in addition to their regular appointments, appoint one or more alternate members who shall be empowered to cast votes in the absence of the regular members or in the event of a regular member's disqualification to vote because of a conflict of interest.

8. ORGANIZATION OF THE AUTHORITY

- (a) The Authority shall elect a chair, a vice-chair, and such other officers as the Authority shall find appropriate to serve the Authority.
- (b) The Governing Board may adopt from time to time such rules and regulations for the conduct of its affairs as may be required.
- (c) The Governing Board shall create an Citizens Oversight Committee to advise the Authority. Such Committee shall be representative of Parkway interest groups including, but not by way of limitation, The Save the American River Association, the American River Parkway Foundation, the American River Natural History Association, members from city and county park and recreation commissions, adjacent neighborhood associations, taxpayer groups, State Parks Department and

shall be generally reflective of the geographic area of the Authority.

- (d) The Authority Director shall serve as the chief administrative officer of the Authority and shall be responsible to the Governing Board for the proper and efficient administration of the Authority as is or hereafter may be placed in his or her charge, or under his or her jurisdiction or control, pursuant to the provisions of this Agreement, or of any ordinance, resolution or order of the Governing Board. The Authority Director shall serve as Secretary to the Governing Board, a non-voting office.

9. ADMISSION OF NEW PARTIES:

It is recognized that public entities, other than the original Parties, may wish to participate in the Authority. Additional public entity may become Parties of the Authority as follows:

- (a) any portion of the entity's geographic boundary lies within or in contact with geographic boundary of the Parkway; and
- (b) with the unanimous consent of each existing Party of the Authority, evidenced by the execution of a written addendum to this Agreement signed by the Parties, including the additional Party.

10. TREASURER, AUDITOR-CONTROLLER, LEGAL COUNSEL:

- (a) The Treasurer and the Auditor-Controller (Controller) of the County of Sacramento shall be the Treasurer and Controller of

the Authority. The Treasurer and the Controller shall comply strictly with the provisions of the statutes relating to their duties found in Chapter 5, Division 7, Title 1 of the Government Code, beginning with Section 6500.

(b) The Controller of the Authority shall cause an independent audit of the Authority finances to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Government Code. The Controller of the Authority shall draw warrants to pay demands against the Authority or by its authorized representative pursuant to any delegation of authority adopted by the Authority. The auditor shall account for all funds belonging to the Authority and shall prepare reports of all receipts and disbursements in accordance with standard accounting procedures.

(c) The Treasurer of the Authority shall be the depositor and the custodian of all the money of the Authority from whatever source and shall to the fullest extent permitted by law invest any surplus or trust fund for the benefit of the Authority.

(d) Legal counsel to the Authority shall be selected by the Governing Board and shall either be the City Attorney for for RANCHO CORDOVA, or the City Attorney for FOLSOM.

11. AUTHORITY DIRECTOR:

- (a) The Authority Director shall be the Director of the Sacramento County Department of Regional Parks, and staff will be employees of Sacramento County Department of Regional Parks, unless noted otherwise.
- (b) In addition to the other powers and duties provided, the Authority Director shall have the power:
- (1) under the policy direction of the Governing Board, to plan, organize, and direct all Authority activities;
 - (2) to authorize expenditures within the designations and limitations of the approved budget;
 - (3) to make recommendations to and requests of the Governing Board concerning all of the matters which are to be performed, done or carried out by the Governing Board;
 - (4) to have charge of, handle, or have access to any property of the Authority;
 - (5) to apply and negotiate for and administer grants and subventions from the State or Federal governments or other funding sources. All applications requiring matching or contributory funds must be approved by the Governing Board;
 - (6) to hire, supervise, and dismiss as necessary all authorized staff of the Authority.

12. MEETINGS:

- (a) The Authority shall provide for regular meetings and special meetings in accordance with the Ralph M. Brown Act, Chapter 9, Part 1, Division 2, Title 5, of the Government Code beginning with Section 54950, or in accordance with such other regulations as the legislature may hereafter provide.
- (b) The Governing Board shall set regular meetings. The date, time and place of each regular meeting shall be fixed by the Governing Board. The Governing Board shall meet no less than two (2) times per year.
- (c) Records of all actions taken by the Governing Board shall be kept and made available to the public in accordance with applicable law.
- (d) The Governing Board may provide for the compensation of its members for attending meetings at rates which do not exceed \$100 per meeting, per member, total monthly compensation not to exceed \$200 per member.

13. POWERS:

The Authority shall have the power in its own name to do any of the following; provided, however, that the powers enumerated below shall be exercised solely as necessary to conduct special assessment proceedings; managing and allocating funds derived from such

assessments; and managing and allocating other funds which may be received solely in a manner consistent with the approved Parkway Master Plan and adopted and approved Parkway and Authority budgets:

- (a) To exercise jointly the common powers of its Parties in studying, planning and implementing ways and means to provide a reasonable level of services and to develop a plan of operation and funding thereof.
- (b) To participate in financing or refinancing Parkway services or facilities in accordance with state law.
- (c) To make and enter contracts necessary to the full exercise of its powers.
- (d) To hire and fire special consultants.
- (e) To contract for the services of attorneys, planners, financial consultants, and separate and apart therefrom, to employ such other persons as it deems necessary.
- (f) To acquire, hold and dispose of property necessary to the full exercise of its powers.
- (g) To incur debts, liabilities or obligations subject to limitations herein set forth.
- (h) To levy and collect special benefits assessments and to issue revenue bonds as may be statutorily authorized.
- (i) To sue and be sued in its own name.

- (j) To apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid necessary for the Authority's full exercise of its powers from any agency of the United States of America, the State of California, or any other public or private entity.
- (k) To accept and receive gifts, contributions, donations, and bequests of property, funds, services and other forms of assistance as necessary for the Authority's full exercise of its powers.
- (l) To administer, to the fullest extent not prohibited by law, any trust declared or created for the Parkway.
- (m) To receive on behalf of the County of Sacramento by grant, gift, devise, or bequest and hold in trust or otherwise, property situated in this State or elsewhere and, where not otherwise provided, dispose of such property for the benefit of the Authority.
- (n) To perform all acts necessary and proper to carry out fully the purpose of this Agreement and not inconsistent with any other provision of law.
- (o) To the extent not herein specifically provided for, to exercise any powers in the manner and according to methods provided under the laws applicable to the City of Folsom.

14. IMPOSITION OF TAXES OR ASSESSMENTS:

The provisions of Section 13 notwithstanding, the Governing Board shall have no power to impose taxes or assessments within any Party's jurisdiction unless the respective Party's governing body first passes a resolution consenting to the tax or assessment.

15. ADDITIONAL POWERS TO BE EXERCISED:

In addition to those powers common to each of the Parties, the Authority shall have those powers which may be conferred upon it by subsequently enacted legislation.

16. POWERS AND LIMITATIONS THEREON:

All the powers and authority of the Authority will be exercised by the Governing Board of the Authority, subject, however, to any rights expressly reserved by the Parties as herein set forth.

17. LIABILITIES:

The debts, liabilities and obligations of the authority shall not be the debts, liabilities and obligations of the Parties.

18. Expenditures:

- (a) The Authority is responsible for authorizing expenditures of its funds in the manner and for the purposes set forth in this Agreement and as permitted by any proceedings authorizing special assessments on taxes consistent with the purposes of this Agreement.

- (b) Each year, Authority Director shall develop and update an American River Parkway Expenditure Plan ("Expenditure Plan") law for facilities and services within the American River Parkway. The Expenditure Plan will be submitted to the Governing Board for approval or amendment.
- (c) The Governing Board may not authorize any expenditure if such expenditure will supplant the use of County funds which have been spent or are being spent on operation, maintenance or facilities within the Parkway.

19. INSURANCE:

The Authority shall maintain adequate liability insurance or a self-insurance program and shall give the Parties adequate assurance that the Parties, their officers and employees, are not deemed to assume any liability for intentional or negligent acts or omissions of the Authority or any officer or employee thereof.

20. LIABILITY OF GOVERNING BOARD:

Except as otherwise provided in this Agreement, the funds of the Authority shall be used to defend, indemnify and hold harmless any member of the Governing Board for his or her actions taken within the scope of the authority of the Authority. Nothing herein shall limit the right of the Authority to purchase insurance to provide such coverage as is hereinabove set forth.

21. BUDGETS:

- (a) Within sixty (60) days of its formation, the Authority shall submit to the Parties a proposed operating budget containing estimates in detail of the amount of funding necessary for the operation of the Authority and the service levels that will be provided based on funding estimates for the ensuing fiscal year, together with an estimate of anticipated revenues and net allocation needs from the Parties.
- (b) The Authority's proposed budget shall be reviewed by the Parties' Chief Executive Officers who shall make recommendations to their respective governing bodies. Each Party shall notify the Authority of its appropriation for the Authority no later than thirty (30) days from receipt of the initial proposed operating budget.
- FOLSOM, RANCHO CORDOVA and SACRAMENTO COUNTY shall appropriate sufficient funds to meet the net allocation needs of the Authority.
- (c) Thereafter, to the extent funds are necessary in excess of revenues derived directly by the Authority, the Authority shall submit annually to the Parties a proposed budget containing estimates in detail of the amount of funding necessary for the operation of the Authority and the service levels that will be provided based on funding estimates for the ensuing fiscal year,

together with an estimate of anticipated revenues and net allocation needs from the Parties.

- (d) The Authority's proposed budget shall be reviewed by the Parties' Chief Executive Officers who shall make recommendations to their respective governing bodies. Each Party shall notify the Authority of its appropriation for the Authority no later than August 15th of each fiscal year.

FOLSOM, RANCHO CORDOVA, and SACRAMENTO COUNTY shall appropriate sufficient funds to meet the net allocation needs of the Authority.

- (e) No Party may reduce its appropriation during the fiscal year without ninety (90) days prior written notice to the Authority.

- (f) Within 120 days of the commencement of this Agreement, and thereafter no later than 90 days after the commencement of each fiscal year (defined as July 1 to June 30), the Governing Board of the Authority shall adopt a budget for the Authority for that fiscal year.

22. FINANCIAL PROCEDURES:

All funds allocated, but not expended in a fiscal year, will roll over to the succeeding year to be reallocated in that budget procedure. FOLSOM, RANCHO CORDOVA, and COUNTY shall deposit with the Authority the amount allocated to the Authority for the fiscal year.

Deposits shall be made on an annual, semi-annual, or quarterly basis, with the first deposit to be made not later than July 31 of each fiscal year.

23. REPORTS:

The Authority shall, within 90 days of the close of the fiscal year, report to the Parties on the condition of the Authority for the previous fiscal year.

24. TERMINATION OR WITHDRAWAL:

This Agreement shall remain in effect until terminated as set forth herein.

(a) This Agreement may be terminated by mutual agreement of the Parties or by the withdrawal, in the manner consistent with this paragraph, of all but one Party.

(b) Any party may withdraw as of the end of any fiscal year (but no earlier than June 30, 2011) upon no less than five years' written notice to the other Parties and to the Authority. All property and assets acquired by the Authority will be retained by the Authority. The withdrawal of any Party shall not affect the continued levy and collection of assessments approved prior to such withdrawal.

(c) In the event that the Authority has not levied a special assessment for the purposes provided in the Agreement no later than January 1, 2010, this Agreement shall be automatically terminated.

25. DISPOSITION OF AUTHORITY ASSETS AND LIABILITIES UPON TERMINATION:

- (a) In the event of termination of the Authority where there is a successor public entity which will carry on the activities of the Authority and assume its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities of the Authority shall be transferred to the successor public entity.
- (b) If there is no successor public entity which would carry on any of the activities of the Authority or assume any of its assets, liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities shall be returned in proportion to the fiscal contribution of each Party during the term of their participation in the Authority.
- (c) If bonds are issued during the term of this Agreement, then in no event shall the exercise of the powers herein granted be terminated until all bonds so issued and the interest thereon shall have been paid or provision for such payment shall have been made.
- (d) If there is a successor public entity which would undertake some of the functions of the Authority and assume some of its assets,

liabilities, obligations, and funds, including any interest earned on deposits, remaining upon termination of the Authority and after payment of all obligations, the assets and liabilities shall be allocated by the Governing Board between the successor public entity and the Parties.

- (e) In the event the Authority is terminated under circumstances falling within (b), (c), or (d) above, all decisions of the Governing Board with regard to determinations of assets or liabilities to be transferred to the Parties or any successor shall be final.

26. AMENDMENTS:

This Agreement may be amended by mutual agreement of the governing bodies of the Parties.

IN WITNESS WHEREOF, the PARTIES hereto have executed this Agreement on the date first above written.

COUNTY OF SACRAMENTO

By: _____
Chair of the
Board of Supervisors

CITY OF RANCHO CORDOVA

CITY OF FOLSOM

By: _____
Mayor

By: _____
Mayor

City Clerk, City of Rancho Cordova

City Attorney, City of Rancho
Cordova

Clerk of the
Board of Supervisors

County Counsel

City Clerk, City of Folsom

City Attorney, City of Folsom

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