



## AGENDA

SAN RAFAEL CITY COUNCIL – MONDAY, OCTOBER 18, 2021

REGULAR MEETING AT 7:00 P.M.

Watch on Webinar: <https://tinyurl.com/cc-2021-10-18>

Watch on YouTube: [www.youtube.com/cityofsanrafael](http://www.youtube.com/cityofsanrafael)

Listen by phone: (669) 900-9128

ID: 899-2635-9885#

### **CORONAVIRUS (COVID-19) ADVISORY NOTICE**

In response to Executive Order N-29-20, the City of San Rafael will no longer offer an in-person meeting location for the public to attend. This meeting will be held virtually using Zoom and is being streamed to YouTube at [www.youtube.com/cityofsanrafael](http://www.youtube.com/cityofsanrafael).

How to participate in the meeting:

- Submit public comment in writing before 4:00 p.m. the day of the meeting to [city.clerk@cityofsanrafael.org](mailto:city.clerk@cityofsanrafael.org).
- Join the Zoom webinar and use the 'raise hand' feature to provide verbal public comment.
- Dial-in to Zoom's telephone number using the meeting ID and provide verbal public comment.

Any member of the public who needs accommodations should contact the City Clerk (email [city.clerk@cityofsanrafael.org](mailto:city.clerk@cityofsanrafael.org) or phone at 415-485-3066) who will use their best efforts to provide reasonable accommodations to provide as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

### **OPEN SESSION - (669) 900-9128 ID: 884-5199-9092# - 6:15 P.M.**

1. Mayor Kate to announce Closed Session items.

### **CLOSED SESSION**

2. Closed Session:

- a. Conference with Legal Counsel  
Anticipated Litigation (Government Code Section 54956.9(d)(4))  
Number of Potential Cases: One

### **OPEN TIME FOR PUBLIC EXPRESSION**

The public is welcome to address the City Council at this time on matters not on the agenda that are within its jurisdiction. Please be advised that pursuant to Government Code Section 54954.2, the City Council is not permitted to discuss or take action on any matter not on the agenda unless it determines that an emergency exists, or that there is a need to take immediate action which arose following posting of the agenda. Comments may be no longer than two minutes and should be respectful to the community.

### **CITY MANAGER'S REPORT:**

3. City Manager's Report:

### **COUNCILMEMBER REPORTS:**

(including AB 1234 Reports on Meetings and Conferences Attended at City Expense)

4. Councilmember Reports:

## **CONSENT CALENDAR:**

The opportunity for public comment on consent calendar items will occur prior to the City Council's vote on the Consent Calendar. The City Council may approve the entire consent calendar with one action. In the alternative, items on the Consent Calendar may be removed by any City Council or staff member, for separate discussion and vote.

### 5. Consent Calendar Items:

#### a. **Approval of Minutes**

Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, October 4, 2021 (CC)

*Recommended Action - Approve minutes as submitted*

#### b. **Special Library Parcel Tax Oversight Committee Appointments**

Approve Reappointment of Phyllis Brinckerhoff and Appointment of Braydan Young to the Special Library Parcel Tax Oversight Committee to the End of July 2025 Due to the Expiration of Terms of Phyllis Brinckerhoff and Peter Lee (CC)

*Recommended Action - Approve appointments*

#### c. **Use of Teleconferencing for Public Meetings During State of Emergency**

Resolution Pursuant to Assembly Bill 361 Making Findings and Confirming the Need for Continued Use of Teleconferencing to Hold Public Meetings of the San Rafael City Council and City Boards and Commissions During the Continuing State of Emergency Relating to the COVID-19 Pandemic (CA)

*Recommended Action - Adopt Resolution*

#### d. **B Street Culvert Replacement Project**

Resolution Awarding and Authorizing the City Manager to Execute a Construction Agreement for B Street Culvert Replacement Project, City Project No. 11380 to Maggiora & Ghilotti, Inc. in the Amount of \$273,273 and Authorizing Contingency Funds in the Amount of \$46,727 for a Total Appropriated Amount of \$320,000 (PW)

*Recommended Action - Adopt Resolution*

#### e. **Consultant Services for Canal Community-Based Transportation Plan**

Resolution Approving and Authorizing the City Manager to Execute an Agreement for Professional Services with Fehr & Peers for the Preparation of the Canal Community-Based Transportation Plan (CBTP) in an Amount Not to Exceed \$79,750 and a Funding Agreement with Transportation Authority of Marin ("TAM") in an Amount Not to Exceed \$66,230 (PW)

*Recommended Action - Adopt Resolution*

#### f. **City Quarterly Investment Report**

Acceptance of City of San Rafael Quarterly Investment Report for the Quarter Ending September 30, 2021 (Fin)

*Recommended Action - Accept report*

#### g. **Continuing City Loans from Centertown Project at 855 C Street**

Resolution Agreeing to Accept a New \$909,876 Promissory Note from Centertown II, LP, Representing the Remaining Obligations Under Two Outstanding Promissory Notes from Centertown Associates, Ltd., and Related Matters (ED)

*Recommended Action - Adopt Resolution*

## **SPECIAL PRESENTATIONS**

### 6. Special Presentations:

- a. Presentation of Funding for the Library by Assemblymember Levine (LR)
- b. Presentation of Beacon Award by the Institute for Local Government (CM)

## **PUBLIC HEARINGS**

### 7. Public Hearings:

#### a. **Urgency Ordinance Regarding Accessory Dwelling Units**

An Urgency Ordinance of the City Council of the City of San Rafael Establishing a Temporary Moratorium on Accessory Dwelling Units and Junior Accessory Dwelling Units on Properties Accessed Solely from Certain Hillside Streets Within City of San Rafael, and Declaring the Urgency Thereof (CD)

*Recommended Action - Adopt Ordinance (4/5 vote)*

## **OTHER AGENDA ITEMS**

### 8. Other Agenda Items:

#### a. **City of San Rafael Essential Facilities Construction Project – Fire Stations 54 and 55:**

City of San Rafael Essential Facilities Construction Project – Fire Stations 54 and 55: (PW)

- i. Resolution Awarding and Authorizing the City Manager to Execute a Construction Contract to Wickman Development and Construction, Inc. for the City of San Rafael Essential Facilities Construction Project – Fire Stations 54 and 55, in the Amount of \$8,809,000, and Authorizing Construction Contingency Funds in the Amount of \$880,900, for a Total Appropriated Amount of \$9,689,000  
*Recommended Action - Adopt Resolution*

- ii. Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Loving Campos Associates Architects, Inc. for Construction Administration, Scheduling, and Additional Services for Phase 2 Essential Facilities Projects – Fire Stations 54 and 55, in the Amount of \$280,300  
*Recommended Action - Adopt Resolution*

#### b. **SEIU Local 1021 Child Care Successor Memorandum of Understanding**

Discussion and Consideration of a Memorandum of Understanding Pertaining to Compensation and Working Conditions for SEIU Local 1021 Child Care (November 1, 2021 Through October 31, 2024) (HR)

*Recommended Action - Accept report and direct staff to return with Resolution Adopting MOU*

## **SAN RAFAEL SUCCESSOR AGENCY:**

### 1. Consent Calendar:

#### a. **Successor Agency Quarterly Investment Report**

Acceptance of Successor Agency Quarterly Investment Report for the Quarter Ending September 30, 2021 (Fin)

*Recommended Action - Accept report*

## **ADJOURNMENT:**

*Any records relating to an agenda item, received by a majority or more of the Council less than 72 hours before the meeting, shall be available for inspection online. Sign Language interpreters may be requested by calling (415) 485-3066 (voice), emailing [Lindsay.lara@cityofsanrafael.org](mailto:Lindsay.lara@cityofsanrafael.org) or using the California Telecommunications Relay Service by dialing "711", at least 72 hours in advance of the meeting. Copies of documents are available in accessible formats upon request.*



## MINUTES

SAN RAFAEL CITY COUNCIL – MONDAY, OCTOBER 4, 2021

REGULAR MEETING AT 7:00 P.M.

Watch on Webinar: <https://tinyurl.com/cc-2021-10-04>

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ID: 817-3692-0337#

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Present: Mayor Kate  
Vice Mayor Bushey  
Councilmember Hill  
Councilmember Kertz  
Councilmember Llorens Gulati

Absent: None

Also Present: City Manager Jim Schutz  
City Attorney Robert Epstein  
City Clerk Lindsay Lara

### **OPEN SESSION - (669) 900-9128 ID: 862-4798-8695# - 6:15 P.M.**

1. Mayor Kate to announce Closed Session items.

### **CLOSED SESSION**

2. Closed Session:
  - a. Conference with Labor Negotiators – Government Code Section 54957.6  
Lead Negotiator: Timothy L. Davis (Burke, Williams & Sorensen)  
Agency Designated Representatives: Jim Schutz, Cristine Alilovich, Robert Epstein, Nadine Hade, Sylvia Gonzalez, Susan Andrade-Wax, Catherine Quffa, Kelly Albrecht  
Employee Organization: SEIU – Childcare

Mayor Kate called the meeting to order at 7:00 p.m. and invited City Clerk Lindsay Lara to call the roll. All members of the City Council were present.

City Attorney Robert Epstein announced that no reportable action was taken in the Closed Session held prior to the meeting.

Mayor Kate provided opening remarks, which included a shout-out to Bella Bromberg as she auditions for The Voice tonight, Domestic Violence Awareness Month, and a land acknowledgment.

City Clerk Lindsay Lara announced the process for Spanish interpretation tonight. She informed the community that the meeting would be streamed live to YouTube and through Zoom and members of the public would provide public comment either on the telephone or through Zoom. She explained the process for community participation on the telephone or through Zoom.

**OPEN TIME FOR PUBLIC EXPRESSION**

Correspondence in real-time through Zoom or on telephone

- Victoria DeWitt, addressed the City Council requesting immediate action to adopt an interim Ordinance prohibiting Accessory Dwelling Units (ADUs) on Fremont Road.
- Steve Thomson, addressed the City Council regarding ADUs on Fremont Road.
- John Kramer, addressed the City Council regarding ADUs on Fremont Road.

**CITY MANAGER'S REPORT:**

3. City Manager's Report:

City Manager Jim Schutz announced:

- COVID-19 Update
- Service Support Area Update
- Prescription Drug Take Back Month
- Senator McGuire to hold a Climate Crisis Town Hall on Wednesday, October 6 at 6:30 p.m.
- Marin Municipal Water District to hold a Community Drought webinar on Monday, October 11 from 5-7 p.m.

**COUNCILMEMBER REPORTS:**

**(including AB 1234 Reports on Meetings and Conferences Attended at City Expense)**

4. Councilmember Reports:

- Councilmember Hill reported on the League of California Cities' Conference and Ad Hoc Micro Grid and Priority Setting Committee meetings.
- Councilmember Bushey reported on Library Foundation, Transportation Authority of Marin, Loch Lomond Development Oversight Committee and San Rafael Sanitation District meetings.
- Councilmember Llorens Gulati reported on a Marin County Council of Mayors and Councilmembers (MCCMC) for Climate Action and a regular MCCMC meeting, as well as, a meeting with the Superintendent of the San Rafael City Schools.
- Councilmember Kertz reported on Age Friendly Committee, Aging Action Initiative, County Homeless Policy Steering Committee and MCCMC meetings.
- Mayor Kate reported on Transportation Authority of Marin (TAM), MCCMC Economic Recovery and Marin Transit meetings.

**CONSENT CALENDAR:**

Mayor Kate invited public comment; however, there was none.

Councilmember Bushey moved and Councilmember Kertz seconded to approve the Consent Calendar.

5. Consent Calendar Items:

- a. **Approval of Minutes**  
**Approve Minutes of City Council / Successor Agency Regular Meeting of Monday, September 13, 2021, and Monday, September 20, 2021 (CC)**  
*Approved minutes as submitted*
- b. **Vacancies on San Rafael Boards and Commissions**  
**Announcement of Vacancies on the Cannabis Industry Tax Oversight Committee and the Pickleweed Advisory Committee (CC)**  
*Received and filed*
- c. **Citizen of the Year 2021**  
**Resolution of Appreciation to Recipient of The Richard P. O'Brien and Mary Ferrario O'Brien Citizen of the Year Award 2021 (CC)**  
*Resolution 14978 - Resolution of Appreciation to Recipient of The Richard P. O'Brien and Mary Ferrario O'Brien Citizen of the Year Award 2021*
- d. **Use of Teleconferencing for Public Meetings During State of Emergency**  
**Resolution Pursuant to Assembly Bill 361 Making Findings and Confirming the Need for Continued Use of Teleconferencing to Hold Public Meetings of the San Rafael City Council and City Boards and Commissions During the Continuing State of Emergency Relating to the COVID-19 Pandemic (CA)**  
*Resolution 14979 - Resolution Pursuant to Assembly Bill 361 Making Findings and Confirming the Need for Continued Use of Teleconferencing to Hold Public Meetings of the San Rafael City Council and City Boards and Commissions During the Continuing State of Emergency Relating to the COVID-19 Pandemic*
- e. **Office of Traffic Safety Grant Approval**  
**Resolution Approving Use of State of California Office of Traffic Safety Grant Funds in the Amount of \$105,000 for the "Selective Traffic Enforcement Program" ("STEP") Grant from October 1, 2021 Through September 30, 2022, and Authorizing the City Manager to Execute a Grant Agreement and Any Other Documents Related to the Grant (PD)**  
*Resolution 14980 - Resolution Approving Use of State of California Office of Traffic Safety Grant Funds in the Amount of \$105,000 for the "Selective Traffic Enforcement Program" ("STEP") Grant from October 1, 2021 Through September 30, 2022, and Authorizing the City Manager to Execute a Grant Agreement and Any Other Documents Related to the Grant*
- f. **City Council Appointments to Committees**  
**Approve Revised City Council Appointments to Committees 2021 Appointing Maribeth Bushey and Eli Hill to the Ad Hoc Water Policy Committee (CC)**  
*Approved Appointments*
- g. **Job Classification and Compensation Adjustments - Update to Management Analyst Series and Adjust Senior Accounting Assistant Compensation**  
**Resolution Approving the Following Personnel Classification and Compensation Adjustments: (HR)**
  - i. **Align the Management Analyst Series, such that There is a More Logical Progression**

**When Promoting from a Management Analyst to the Senior Management Analyst Level**

- ii. **Create a Senior Management Analyst I and II Job Specification**
- iii. **Approve Adjustment to the Senior Accounting Assistant Salary by Adopting Change to the SEIU Salary Schedule**

*Resolution 14981 - Resolution Approving the Following Personnel Classification and Compensation Adjustments: (HR)*

- i. *Align the Management Analyst Series, such that There is a More Logical Progression When Promoting from a Management Analyst to the Senior Management Analyst Level*
- ii. *Create a Senior Management Analyst I and II Job Specification*
- iii. *Approve Adjustment to the Senior Accounting Assistant Salary by Adopting Change to the SEIU Salary Schedule*

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

**SPECIAL PRESENTATIONS**

6. Special Presentations:

- a. Presentation of Resolution of Appreciation to Recipient of The Richard P. O'Brien and Mary Ferrario O'Brien Citizen of the Year Award 2021

Mayor Kate presented a Proclamation to Shirley Fischer.

Shirley Fischer provided comments.

Councilmembers provided comments.

Mayor Kate invited public comment.

**Speakers:** Rick O'Brien, David Smith, Kim Keith-Brown, Grace Geraghty

- b. Presentation of Proclamation for National Disability Awareness Month (CD)

Mayor Kate presented a Proclamation to Don Jeppson, Chief Building Official.

Don Jeppson, Chief Building Official provided comments.

Mayor Kate invited public comment; however, there was none.

- c. Presentation of Proclamation for Fire Prevention Week (FD)

Mayor Kate presented a Proclamation to Darin White, Fire Chief

Darin White, Fire Chief provided comments.

Councilmembers provided comments.

Mayor Kate invited public comment; however, there was none.



d. Presentation by Caltrans on the Harbor Bridge Project (PW)

Bill Guerin, Public Works Director introduced Jose David, Caltrans who gave a presentation.

Staff responded to questions from Councilmembers.

Mayor Kate invited public comment.

**Speaker:** Bill Carney, Sustainable San Rafael

Staff responded to public comment.

**OTHER AGENDA ITEMS**

7. Other Agenda Items:

a. **Resident Engagement**

**Informational Report on Findings from Interviews about Neighborhood & Resident Engagement in San Rafael (CM)**

Thomas Wong, Senior Management Analyst introduced Susan Clark, Common Knowledge who presented the Staff Report.

Staff responded to questions from Councilmembers.

Mayor Kate invited public comment.

**Speakers:** Amy Likover, Federation of San Rafael Neighborhoods, Richard Bernstein, Federation of San Rafael Neighborhoods, Kim Keith-Brown, Bill Carney, Sustainable San Rafael, Sunny Lee, Bonnie Marmor, Pt. San Pedro Road Coalition, Victoria DeWitt, Jeff Rhoads, Resilient Shore

Councilmembers provided comments.

Staff provided comments.

Councilmember Kertz moved and Councilmember Llorens Gulati seconded to accept the report.

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate

NOES: Councilmembers: None

ABSENT: Councilmembers: None

*Accepted report*

b. **Transit Center Relocation Draft Environmental Impact Report**

**Resolution Approving and Authorizing the Mayor to Sign a Letter to the Golden Gate Bridge, Highway & Transportation District Summarizing City Comments on the San Rafael Transit Center Relocation Project (SRTC) Draft Environmental Impact Report (DEIR); File P21-012 (PW)**

Alicia Giudice, Community Development Director and Rafat Raie, Deputy Public Works Director presented the Staff Report.

Staff responded to questions from Councilmembers.

Mayor Kate invited public comment.

**Speakers:** Linzy Klumpp, San Rafael Heritage, Sunny Lee, Leslie Simons, Bill Carney, Sustainable San Rafael, Jeff Rhoads, Resilient Shore

Staff responded to public comment.

Councilmembers provided comments.

Councilmember Kertz moved and Councilmember Bushey seconded to adopt the resolution.

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

*Resolution 14982 - Resolution Approving and Authorizing the Mayor to Sign a Letter to the Golden Gate Bridge, Highway & Transportation District Summarizing City Comments on the San Rafael Transit Center Relocation Project (SRTC) Draft Environmental Impact Report (DEIR); File P21-012*

Councilmember Bushey moved and Councilmember Llorens Gulati seconded to add additional language to the resolution based on the discussion of their finding that the Draft Environmental Impact Report (DEIR) is fundamentally inadequate.

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

## **PUBLIC HEARING**

### **8. Public Hearing:**

#### **a. [Traffic Mitigation Fee \(TMF\) Increase - 2040 General Plan](#)**

**Resolution to Update the Citywide Traffic Mitigation Fee as Recommended by the 2040 General Plan Report Titled "City of San Rafael Transportation Fee Nexus Report" (PW)**

Bill Guerin, Public Works Director introduced Rafat Raie, Deputy Public Works Director who presented the Staff Report.

Staff responded to questions from Councilmembers.

Mayor Kate invited public comment; however, there was none.

Councilmembers provided comments.

Councilmember Bushey moved and Councilmember Llorens Gulati seconded to adopt the resolution.

AYES: Councilmembers: Bushey, Hill, Kertz, Llorens Gulati & Mayor Kate  
NOES: Councilmembers: None  
ABSENT: Councilmembers: None

*Resolution 14983 - Resolution to Update the Citywide Traffic Mitigation Fee as Recommended by the 2040 General Plan Report Titled "City of San Rafael Transportation Fee Nexus Report"*

**SAN RAFAEL SUCCESSOR AGENCY:**

1. Consent Calendar: - None.

**ADJOURNMENT:**

City Attorney Rob Epstein adjourned the meeting in honor of Alfred "Fred" Panacci.

Mayor Kate adjourned the meeting at 11:25 p.m.

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LINDSAY LARA, City Clerk

APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2021

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KATE COLIN, Mayor

DRAFT



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: City Clerk

Prepared by: Lindsay Lara, City Clerk

City Manager Approval: 

**TOPIC: SPECIAL LIBRARY PARCEL TAX OVERSIGHT COMMITTEE APPOINTMENTS**

**SUBJECT: APPROVE REAPPOINTMENT OF PHYLLIS BRINCKERHOFF AND APPOINTMENT OF BRAYDAN YOUNG TO THE SPECIAL LIBRARY PARCEL TAX OVERSIGHT COMMITTEE TO THE END OF JULY 2025 DUE TO THE EXPIRATION OF TERMS OF PHYLLIS BRINCKERHOFF AND PETER LEE**

**RECOMMENDED ACTION:**

Approve reappointment of Phyllis Brinckerhoff and appointment of Braydan Young to the Special Library Parcel Tax Oversight Committee to the end of July 2025 due to the expiration of terms of Phyllis Brinckerhoff and Peter Lee.

**BACKGROUND:**

In June 2021, the San Rafael City Clerk's Office called for applications to fill two four-year terms to the end of July 2025 due to the expiration of terms of Phyllis Brinckerhoff and Peter Lee. The deadline for applications was left open until filled. The City Clerk's office received two applications and closed the application period. Peter Lee did not wish to reapply.

The Special Library Parcel Tax Oversight Committee (Measure D) meets a few times a year with responsibility to act as an independent citizen's oversight committee to ensure that the Library spends the funds from the parcel tax in a manner consistent with the language of the ballot measure that approved the tax.

**ANALYSIS:**

On September 20, 2021, Vice Mayor Bushey, Councilmember Kertz and the Special Library Parcel Tax Oversight Committee Staff Liaison conducted interviews of the applicants and recommended the appointments of Braydan Young and Phyllis Brinckerhoff be approved by the City Council.

**FISCAL IMPACT:** There is no fiscal impact associated with this action.

**RECOMMENDATION:**

Approve appointments to the Special Library Parcel Tax Oversight Committee.

**ATTACHMENT:**

1. Applications

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

#10

COMPLETE

Collector: Web Link 1 (Web Link)  
 Started: Sunday, June 20, 2021 10:45:45 PM  
 Last Modified: Sunday, June 20, 2021 10:47:52 PM  
 Time Spent: 00:02:07  
 IP Address: 73.92.87.62

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**Q1**

Contact Information

First and Last Name	Braydan young
Address	[REDACTED]
City/Town	San Rafael
State/Province	CA
ZIP/Postal Code	94901
Email Address	[REDACTED]
Phone Number	[REDACTED]

**Q2**

What Board would you like to apply to?

Board of Library Trustees,  
 Design Review Board,  
 Fire Commission,  
 Pickleweed Advisory Committee,  
 Planning Commission,  
 Special Library Parcel Tax Oversight Committee

Page 3

**Q6**

How long have you lived in San Rafael?

4 years

**Q7**

Respondent skipped this question

Business Information

**Q8**

**Friend**

How did you hear about this vacant position?

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**Q9**

Do you participate in any civic activities? If so, what are they?

Financial committee

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**Q10**

List any civic organizations of which you are a member:

Financial committee

---

**Q11**

Education:

Bachelor degree in business

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**Q12**

Why are you interested in serving on a board or commission?

Would love to give back

---

**Q13**

Describe possible areas in which you may have a conflict of interest with the City:

Na

---

**Q14**

**Respondent skipped this question**

Upload your resume.

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Page 4: Demographics

**Q15**

Ethnicity

[REDACTED]

---

**Q16**

To which gender do you most identify?

[REDACTED]

---

**Q17**



How old are you?

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#8

COMPLETE

**Collector:** Web Link 1 (Web Link)  
**Started:** Saturday, June 12, 2021 1:08:24 PM  
**Last Modified:** Saturday, June 12, 2021 1:17:41 PM  
**Time Spent:** 00:09:17  
**IP Address:** 98.45.130.253

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Page 1

**Q1**

Contact Information

First and Last Name	Phyllis Brinckerhoff
Address	[REDACTED]
City/Town	San Rafael
State/Province	CA
ZIP/Postal Code	94901
Email Address	[REDACTED]
Phone Number	[REDACTED]

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**Q2**

Special Library Parcel Tax Oversight Committee

What Board would you like to apply to?

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Page 3

**Q6**

How long have you lived in San Rafael?

46 years

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**Q7**

Business Information

Company	retired
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**Q8**

How did you hear about this vacant position?

Other (please specify):  
currently on the committee-term expires 6/30/2021

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**Q9**

Do you participate in any civic activities? If so, what are they?

Friends of the San Rafael Public Library - Treasurer  
Currently on the committee (Measure D)

---

**Q10**

List any civic organizations of which you are a member:

Marin Cyclists, MCBC, Friends of China Camp

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**Q11**

Education:

BS - Math (Stanford)  
MA - Math (UC Berkeley)  
MBA - University of Hawaii

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**Q12**

Why are you interested in serving on a board or commission?

Support the library which plays such an important role in serving the entire community.

---

**Q13**

Describe possible areas in which you may have a conflict of interest with the City:

none

---

**Q14**

Respondent skipped this question

Upload your resume.

---

Page 4: Demographics

**Q15**

Ethnicity

[Redacted]

---

**Q16**

To which gender do you most identify?

[Redacted]

---

**Q17**



How old are you?

---



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: City Attorney

Prepared by: Lisa Goldfien,  
Assistant City Attorney

City Manager Approval: \_\_\_\_\_

**TOPIC: USE OF TELECONFERENCING FOR PUBLIC MEETINGS DURING STATE OF EMERGENCY**

**SUBJECT: RESOLUTION PURSUANT TO ASSEMBLY BILL 361 MAKING FINDINGS AND CONFIRMING THE NEED FOR CONTINUED USE OF TELECONFERENCING TO HOLD PUBLIC MEETINGS OF THE SAN RAFAEL CITY COUNCIL AND CITY BOARDS AND COMMISSIONS DURING THE CONTINUING STATE OF EMERGENCY RELATING TO THE COVID-19 PANDEMIC**

**RECOMMENDATION:**

Adopt the resolution.

**BACKGROUND:**

The Ralph M. Brown Act (“Brown Act”) requires that except as specifically provided, “meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body”. (Gov. Code §54953(a).) For many years, the Brown Act has authorized members of a local agency’s legislative body to attend a public meeting by teleconference in compliance with strict procedural requirements. Under Government Code section 54953(b)(3), to use teleconferencing, at least a quorum of the legislative body must participate from locations within agency’s boundaries, and the agency must give notice of each teleconference location, post an agenda at each teleconference location, provide for public access to each teleconference location, and allow members of the public to address the Council at each teleconference location.

On March 4, 2020, Governor Newsom declared a statewide state of emergency in connection with the COVID-19 pandemic. Subsequently, on March 18, 2020, the Governor issued Executive Order [No. N-29-20](#) suspending the Brown Act’s requirements for in-person meetings and facilitating the use of teleconferencing for public meetings during the state of emergency. The Executive Order authorized public meetings to be held by teleconference only, provided that notice and accessibility requirements are met, members of the public are allowed to observe and address the legislative body at the meeting, and there is a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities. This order has allowed the City Council and the City’s other formal boards and commissions to hold their public meetings using teleconferencing technologies, with the requisite notice and public participation; however, the order was due to expire on September 30, 2021, and

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**FOR CITY CLERK ONLY**

Council Meeting: \_\_\_\_\_

Disposition: \_\_\_\_\_

without legislative action, in-person meetings and the strict teleconferencing procedures of the Brown Act would again be required.

Because the statewide state of emergency continues and the COVID-19 pandemic still poses a health risk for public meetings, on September 16, 2021, Governor Newsom signed into law as an urgency measure Assembly Bill (AB) 361. [AB 361](#) amends the Brown Act provisions governing the use of teleconferencing for public meetings of a local agency's legislative bodies, allowing more liberal teleconferencing requirements to continue during the current and future state-declared emergencies.

**ANALYSIS:**

Executive Order N-29-20 has now expired, but AB 361 is now in effect, and its amendments to the Brown Act will allow the City to continue to hold its meetings using teleconferencing technology after September 30. Government Code section 54953, as amended by AB 361, now provides in new subsection (e)(1), that during the current and any future state-declared state of emergency, the legislative body of a local agency may use teleconferencing without complying with the procedural requirements of Government Code section 54953(b)(3) in any of three circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

Certain additional requirements would apply under the new law, however, including specific requirements as to how public comment must be allowed and heard, with which the City already complies. In addition:

- In the event of a disruption which prevents the City from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the City's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.
- If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:
  - The legislative body has reconsidered the circumstances of the state of emergency.
  - Any of the following circumstances exist:

- (i) The state of emergency continues to directly impact the ability of the members to meet safely in person.
- (ii) State or local officials continue to impose or recommend measures to promote social distancing.

The resolution before the City Council is intended to comply with the requirement to make specified findings every 30 days. The resolution finds that the state of emergency continues in effect, that measures to promote social distancing are still being imposed by the state and county, and that the state of emergency directly impacts the ability of the public and the members of the City's Council, boards, and commissions to meet safely in person. The proposed resolution confirms the City Council's determination that all public meetings of the City's legislative bodies (the Council and all formal boards and commissions) should continue to be held using only teleconferencing technology.

Staff plans to agendize the same type of resolution at each regular City Council meeting during the pendency of the statewide state of emergency, so that the Council may continue to reconsider these findings at least every 30 days.

The Brown Act amendments adopted by AB 361 will be operative until January 1, 2024, and will then expire unless extended by new legislation.

**FISCAL IMPACT:**

There is no fiscal impact associated with the adoption of the attached resolution.

**OPTIONS:**

The City Council has the following options to consider on this matter:

1. Adopt the resolution as proposed.
2. Adopt a modified resolution.
3. Direct staff to return with more information.
4. Take no action.

**RECOMMENDED ACTION:**

Adopt the resolution pursuant to Assembly Bill 361 making findings pursuant to Government Code section 54953(e) to support continued use of teleconferencing to hold public meetings of the City Council and City boards and commissions during the continuing statewide state of emergency proclaimed by Governor Newsom on March 4, 2020.

**ATTACHMENTS:**

1. Resolution pursuant to Assembly Bill 361 making findings and confirming the need for continued use of teleconferencing to hold public meetings of the San Rafael City Council and City boards and commissions during the continuing state of emergency relating to the COVID-19 pandemic

**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL PURSUANT TO ASSEMBLY BILL 361 MAKING FINDINGS AND CONFIRMING THE NEED FOR CONTINUED USE OF TELECONFERENCING TO HOLD PUBLIC MEETINGS OF THE SAN RAFAEL CITY COUNCIL AND CITY BOARDS AND COMMISSIONS DURING THE CONTINUING STATE OF EMERGENCY RELATING TO THE COVID-19 PANDEMIC**

**WHEREAS**, on March 4, 2020 Governor Newsom issued a proclamation pursuant to Government Code Section 8625 declaring a state of emergency in California due to the COVID-19 pandemic; and

**WHEREAS**, the Ralph M. Brown Act (Gov. Code §§ 54950 et seq.) (hereafter, the “Brown Act”) provides in Government Code section 54953 that “all meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided by this chapter”; and

**WHEREAS**, Government Code section 54953(b)(3) permits the legislative body of a local agency to use teleconferencing for the benefit of the public and the legislative body in connection with any meeting or proceeding authorized by law, subject to specified procedural requirements including, but not limited to, the posting of agendas at all teleconference locations, the opportunity for members of the public to address the legislative body directly at each teleconference location, and that at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the legislative body exercises jurisdiction; and

**WHEREAS**, Government Code section 54953(e), added by Assembly Bill 361 effective September 16, 2021, provides, in section 54953(e)(1), that during a state of emergency proclaimed pursuant to Government Code section 8625, the legislative body of a local agency may hold a meeting using teleconferencing without complying with the procedural requirements of section 54953(b)(3), provided that the legislative body complies with the requirements of section 54953(e)(2); and

**WHEREAS**, pursuant to Government Code section 54953(e)(3), if a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, then in order to continue to teleconference without compliance with the requirements of section 54953(b)(3), the legislative body shall make specified findings at least every 30 days; and

**WHEREAS**, the City Council has reconsidered the circumstances of the proclaimed COVID-19-related state of emergency and finds that it remains active; and

**WHEREAS**, the City Council finds that state and/or local officials continue to impose or recommend measures to promote social distancing, as follows:

- a. The July 28, 2021 California Department of Public Health Guidance for the Use of Face Coverings recommending universal masking indoors statewide to promote social distancing is still in effect; and

- b. The August 2, 2021 Marin County Department of Public Health order requiring all people to wear masks in public indoor settings to promote social distancing is still in effect; and

**WHEREAS**, the City Council finds that the state of emergency continues to directly impact the ability of the members of the City Council and other City boards and commissions to meet safely in person;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of San Rafael that in order to protect the safety of the members of the public, the City Council and all City boards and commissions, for the 30 days following adoption of this resolution, public meetings of the City's legislative bodies shall continue to be held using teleconferencing technology in compliance with the requirements of Government Code section 54953(e)(2) and all other applicable laws.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of the City of San Rafael, held on Monday, the 18<sup>th</sup> day of October 2021, by the following vote, to wit:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

\_\_\_\_\_  
Lindsay Lara, City Clerk



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Public Works

Prepared by: Bill Guerin,  
Director of Public Works

City Manager Approval: 

File No.: 08.02.278

**TOPIC: B STREET CULVERT REPLACEMENT PROJECT**

**SUBJECT: RESOLUTION AWARDING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION AGREEMENT FOR B STREET CULVERT REPLACEMENT PROJECT, CITY PROJECT NO. 11380 TO MAGGIORA & GHILOTTI, INC. IN THE AMOUNT OF \$273,273 AND AUTHORIZING CONTINGENCY FUNDS IN THE AMOUNT OF \$46,727 FOR A TOTAL APPROPRIATED AMOUNT OF \$320,000.**

**RECOMMENDATION:** Adopt the resolution awarding and authorizing the City Manager to execute a construction agreement with Maggiora & Ghilotti, Inc. in the amount of \$273,273, authorizing contingency funds in the amount of \$46,727, for a total amount of \$320,000.

**BACKGROUND:** This project consists of replacing an existing concrete box culvert located underneath B Street near the intersection of Woodland Avenue. The reinforced concrete box culvert conveys storm runoff from the Gerstle Park neighborhood into the San Rafael Creek. Approximately 100 feet of the box culvert will be removed and replaced with a new culvert section that will be cast in place at the project site.

On May 7, 2020, Public Works staff presented the project to the regulatory agencies at the Marin Project Coordination Meeting. After receiving feedback from the regulatory agencies, on June 8, 2020, the City hired the design consultant, Mark Thomas & Company, Inc., to prepare design plans for the project. On August 4, 2021, the Notice of Exemption was filed in accordance with CEQA regulations. Construction is anticipated to last three months.

**ANALYSIS:** On September 17, 2021, the project was advertised in accordance with San Rafael’s Municipal Code. On October 7, 2021, the following bids were received and read aloud:

<u>NAME OF BIDDER</u>	<u>AMOUNT</u>
Michael Paul Company, Inc.	\$269,174
Maggiora & Ghilotti, Inc.	\$273,273
Valentine Corporation	\$417,369
GECMS INC, dba Giron Construction	\$448,790

**FOR CITY CLERK ONLY**

File No.: \_\_\_\_\_

Council Meeting: \_\_\_\_\_

Disposition: Resolution No. \_\_\_\_\_



Ghilotti Bros., Inc.	\$472,977
Power Engineering	\$535,237
CF Contracting	\$659,690

The construction bids were reviewed by Public Works staff and the apparent low bidder was Michael Paul Company, Inc. However, after our bid analysis, it was found that a unit price in the bid submitted by Michael Paul Company, Inc. was considerably lower than the other six bids and, after inquiring with Michael Paul Company, it was found to be in error and Michael Paul Company asked to have their bid withdrawn. The next low bid from Maggiora & Ghilotti, Inc. in the amount of \$273,273 was found to be both responsive and responsible. City staff recommends awarding the construction contract to Maggiora & Ghilotti, Inc. for the bid amount and recommends the City Council authorize a construction contingency of approximately 17 percent for the project for a total authorized amount of \$320,000.

**PUBLIC OUTREACH:** Public Works has contacted affected neighbors, businesses, schools, and other groups to ensure that the public is aware of the upcoming construction project. This will be accomplished using various social media channels such as NextDoor, the City [website](#), and changeable message signs located at the intersection of the project site. All residents in the area have been notified of the removal of parking on B Street due to construction.

**FISCAL IMPACT:** In addition to the \$273,273 contract amount, staff recommends the City Council approve a contingency amount of \$46,727 for a total of project budget of \$320,000. The \$320,000 budget will be appropriated from the City's Gas Tax Fund (Fund #206).

**OPTIONS:**

1. Adopt the resolutions as presented, awarding the construction contract to Maggiora & Ghilotti, Inc.
2. Do not award the contract and direct staff to rebid the project. If this option is chosen, rebidding will delay construction.
3. Do not award the contract and direct staff to stop work on the project.

**ATTACHMENT:**

1. Resolution Awarding Construction Agreement to Maggiora & Ghilotti, Inc.
2. Draft Construction Agreement with Maggiora & Ghilotti, Inc.

**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AWARDED AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION AGREEMENT FOR B STREET CULVERT REPLACEMENT PROJECT, CITY PROJECT NO. 11380 TO MAGGIORA & GHILOTTI, INC. IN THE AMOUNT OF \$273,273 AND AUTHORIZING CONTINGENCY FUNDS IN THE AMOUNT OF \$46,727 FOR A TOTAL APPROPRIATED AMOUNT OF \$320,000.**

**WHEREAS**, during routine inspections the City of San Rafael determined that the B Street culvert near the intersection of Woodland Avenue needed to be reconstructed to meet current design, structural, and safety standards, and since that time, the City has made progress toward replacing the reinforced box culvert, including preparing design plans, obtaining environmental clearance, and other tasks preliminary to construction of the new culvert; and

**WHEREAS**, on May 7, 2020, City staff presented the project to the regulatory agencies at the Marin Project Coordination Meeting; and

**WHEREAS**, having advertised and solicited construction bids in accordance with the City's Municipal Code, bids were received on the 7<sup>th</sup> day of October, 2021 for the following project entitled "B STREET CULVERT REPLACEMENT PROJECT" City Project Number 11380, in accordance with the plans and specifications therefore on file in the office of the Department of Public Works; and

**WHEREAS**, the bid of \$273,273 from Maggiora & Ghilotti, Inc. at the unit prices stated in its bid, was and is the lowest bid for said work and said bidder is the lowest responsible and responsive bidder; and

**WHEREAS**, City staff recommends an additional 17% of the bid price for contingencies in the amount of \$46,727;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES** as follows:

1. The plans and specifications for the "B Street Culvert Replacement Project", City Project No. 11380 on the file in the Department of Public Works, are hereby approved.

2. The bid of Maggiora & Ghilotti, Inc. is hereby accepted at the unit prices stated in its bid, and the contract for said work and improvements is hereby awarded to Maggiora & Ghilotti, Inc., at the stated unit prices.
3. The City Manager is authorized and directed to execute the contract for the project with Maggiora & Ghilotti, Inc. at the bid amount, subject to final approval as to form by the City Attorney, and to return the bidder's bond upon the execution of the contract.
4. Funds totaling \$320,000, which includes the construction award amount and contingency will be appropriated for Project 11380 from Gas Tax Fund 206.
5. The Public Works Director is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 18<sup>th</sup> day of October 2021, by the following vote, to wit:

**AYES:**           **COUNCILMEMBERS:**  
**NOES:**           **COUNCILMEMBERS:**  
**ABSENT:**       **COUNCILMEMBERS:**

**LINDSAY LARA, City Clerk**

File No.: 08.02.278

## Contract

This public works contract ("Contract") is entered into by and between City of San Rafael and Maggiore & Ghilotti, Inc. for work on the B St Culvert Replacement Project. The parties agree as follows:

1. **Award of Contract.** In response to the Notice Inviting Bids, Contractor has submitted a Bid Proposal to perform the Work to construct the Project. On October 18, 2021, City authorized award of this Contract to Contractor for the amount set forth in Section 4, below.
2. **Contract Documents.** The Contract Documents incorporated into this Contract include and are comprised of all of the documents listed below. The definitions provided in Article 1 of the General Conditions apply to all of the Contract Documents, including this Contract.
  - 2.1 Notice Inviting Bids;
  - 2.2 Instructions to Bidders;
  - 2.3 Addenda, if any;
  - 2.4 Bid Proposal and attachments thereto;
  - 2.5 Contract;
  - 2.6 Payment and Performance Bonds;
  - 2.7 General Conditions;
  - 2.8 Special Conditions;
  - 2.9 Project Plans and Specifications;
  - 2.10 Change Orders, if any;
  - 2.11 Notice of Potential Award;
  - 2.12 Notice to Proceed;
  - 2.13 Uniform Standards All Cities and County of Marin (available online at: <https://www.marincounty.org/-/media/files/departments/pw/engineering/2018-ucs-complete-set.pdf?la=en>); and
3. **Contractor's Obligations.** Contractor will perform all of the Work required for the Project, as specified in the Contract Documents. Contractor must provide, furnish, and supply all things necessary and incidental for the timely performance and completion of the Work, including all necessary labor, materials, supplies, tools, equipment, transportation, onsite facilities, and utilities, unless otherwise specified in the Contract Documents. Contractor must use its best efforts to diligently prosecute and complete the Work in a professional and expeditious manner and to meet or exceed the performance standards required by the Contract Documents.
4. **Payment.** As full and complete compensation for Contractor's timely performance and completion of the Work in strict accordance with the terms and conditions of the Contract Documents, City will pay Contractor \$273,273 for all of Contractor's direct and indirect costs to perform the Work, including all labor, materials, supplies, equipment, taxes, insurance, bonds, and all overhead costs, in accordance with the payment provisions in the General Conditions.
5. **Time for Completion.** Contractor will fully complete the Work for the Project, meeting all requirements for Final Completion, within 60 working days from the commencement date given in the Notice to Proceed ("Contract Time"). By signing below, Contractor expressly waives any claim for delayed early completion.
6. **Liquidated Damages.** If Contractor fails to complete the Work within the Contract Time, City will assess liquidated damages in the amount of \$500 per day for each day of unexcused delay in achieving Final Completion, and such liquidated damages may be deducted from City's payments due or to become due to Contractor under this Contract.

**7. Labor Code Compliance.**

**7.1 General.** This Contract is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, including requirements pertaining to wages, working hours and workers' compensation insurance, as further specified in Article 9 of the General Conditions.

**7.2 Prevailing Wages.** This Project is subject to the prevailing wage requirements applicable to the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the Work, including employer payments for health and welfare, pension, vacation, apprenticeship, and similar purposes. Copies of these prevailing rates are available online at <http://www.dir.ca.gov/DLSR>.

**7.3 DIR Registration.** City may not enter into the Contract with a bidder without proof that the bidder and its Subcontractors are registered with the California Department of Industrial Relations to perform public work pursuant to Labor Code § 1725.5, subject to limited legal exceptions.

**8. Workers' Compensation Certification.** Pursuant to Labor Code § 1861, by signing this Contract, Contractor certifies as follows: "I am aware of the provisions of Labor Code § 3700 which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the Work on this Contract."

**9. Conflicts of Interest.** Contractor, its employees, Subcontractors, and agents, may not have, maintain, or acquire a conflict of interest in relation to this Contract in violation of any City ordinance or requirement, or in violation of any California law, including Government Code § 1090 et seq., or the Political Reform Act, as set forth in Government Code § 81000 et seq. and its accompanying regulations. Any violation of this Section constitutes a material breach of the Contract.

**10. Independent Contractor.** Contractor is an independent contractor under this Contract and will have control of the Work and the means and methods by which it is performed. Contractor and its Subcontractors are not employees of City and are not entitled to participate in any health, retirement, or any other employee benefits from City.

**11. Notice.** Any notice, billing, or payment required by or pursuant to the Contract Documents must be made in writing, signed, dated, and sent to the other party by personal delivery, U.S. Mail, a reliable overnight delivery service, or by email as a PDF file. Notice is deemed effective upon delivery, except that service by U.S. Mail is deemed effective on the second working day after deposit for delivery. Notice for each party must be given as follows:

**City:**

City of San Rafael Public Works  
111 Morphew St  
San Rafael, CA 94901

Attn: Theo Sanchez, Associate Civil Engineer  
[Theo.Sanchez@cityofsanrafael.org](mailto:Theo.Sanchez@cityofsanrafael.org)

Copy to: Director of Public Works  
Email: [Bill.Guerin@CityofSanRafael.org](mailto:Bill.Guerin@CityofSanRafael.org)

**Contractor:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_  
Copy to: \_\_\_\_\_

**12. General Provisions.**

- 12.1 Assignment and Successors.** Contractor may not assign its rights or obligations under this Contract, in part or in whole, without City’s written consent. This Contract is binding on Contractor’s and City’s lawful heirs, successors and permitted assigns.
- 12.2 Third Party Beneficiaries.** There are no intended third-party beneficiaries to this Contract.
- 12.3 Governing Law and Venue.** This Contract will be governed by California law and venue will be in the Marin County Superior Court, and no other place. Contractor waives any right it may have pursuant to Code of Civil Procedure § 394, to file a motion to transfer any action arising from or relating to this Contract to a venue outside of Marin County, California.
- 12.4 Amendment.** No amendment or modification of this Contract will be binding unless it is in a writing duly authorized and signed by the parties to this Contract.
- 12.5 Integration.** This Contract and the Contract Documents incorporated herein, including authorized amendments or Change Orders thereto, constitute the final, complete, and exclusive terms of the agreement between City and Contractor.
- 12.6 Severability.** If any provision of the Contract Documents is determined to be illegal, invalid, or unenforceable, in whole or in part, the remaining provisions of the Contract Documents will remain in full force and effect.
- 12.7 Iran Contracting Act.** If the Contract Price exceeds \$1,000,000, Contractor certifies, by signing below, that it is not identified on a list created under the Iran Contracting Act, Public Contract Code § 2200 et seq. (the “Act”), as a person engaging in investment activities in Iran, as defined in the Act, or is otherwise expressly exempt under the Act.
- 12.8 Authorization.** Each individual signing below warrants that he or she is authorized to do so by the party that he or she represents, and that this Contract is legally binding on that party. If Contractor is a corporation, signatures from two officers of the corporation are required pursuant to California Corporation Code § 313.

The parties agree to this Contract as witnessed by the signatures below:

**CITY:**

Approved as to form:

s/ \_\_\_\_\_

s/ \_\_\_\_\_

\_\_\_\_\_  
Name, Title

\_\_\_\_\_  
Name, Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

s/ \_\_\_\_\_

\_\_\_\_\_  
Name, Title

Date: \_\_\_\_\_

**CONTRACTOR:** Maggiora & Ghilotti, Inc.

Business Name

s/ \_\_\_\_\_

Seal:

\_\_\_\_\_  
Name, Title

Date: \_\_\_\_\_

Second Signature (See Section 12.8):

s/ \_\_\_\_\_

\_\_\_\_\_  
Name, Title

Date: \_\_\_\_\_

\_\_\_\_\_  
Contractor's California License Number(s) and Expiration Date(s)

END OF CONTRACT



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Public Works

Prepared by: Bill Guerin,  
Public Works Director

City Manager Approval: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'AS', written over a horizontal line.

**TOPIC: CONSULTANT SERVICES FOR CANAL COMMUNITY-BASED TRANSPORTATION PLAN**

**SUBJECT: RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES WITH FEHR & PEERS FOR THE PREPARATION OF THE CANAL COMMUNITY-BASED TRANSPORTATION PLAN (CBTP) IN AN AMOUNT NOT TO EXCEED \$79,750 AND A FUNDING AGREEMENT WITH TRANSPORTATION AUTHORITY OF MARIN ("TAM") IN AN AMOUNT NOT TO EXCEED \$66,230**

**RECOMMENDATION:**

Staff recommends that the City Council adopt the attached Resolution, authorizing the City Manager to sign a Professional Service Agreement with Fehr & Peers to serve as the consultant for the Canal Community-Based Transportation Plan and to sign a Funding Agreement with the Transportation Authority of Marin ("TAM").

**BACKGROUND:**

A Community-Based Transportation Plan (CBTP) brings local residents, community organizations, and transportation options together to improve mobility options for low-income communities. These community-led plans identify the most important transportation challenges in low-income neighborhoods and develop strategies to overcome them. The City last completed a Community-Based Transportation Plan (CBTP) for the [Canal neighborhood in 2006](#). Since then, the City has been successful in receiving additional grant funding for infrastructure improvement projects by leveraging the CBTP. Some projects include: Medway Road redesign, bus stop improvements, curb extensions, and uncontrolled crosswalk improvements. The City continues to seek grant funding for projects such as the swing bridge to Third Street and Bellam Boulevard multi-modal improvements.

The Metropolitan Transportation Authority leads the effort on CBTP's and TAM is the local funding authority administering the funds for CBTP's in Marin County. It should be noted that this study is focused and local transportation challenges and is unrelated to the larger Highway 101/580 regional direct connector project that TAM is leading.

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**FOR CITY CLERK ONLY**

**File No.:**

**Council Meeting:**

**Disposition:**



**ANALYSIS:**

Fehr and Peers is a recognized transportation consulting firm that the City has used on several previous studies. They bring knowledge of similar CBTP's and staff required to conduct the extensive outreach required to complete the plan. Fehr & Peers successfully completed a similar plan with a similar budget in Novato and they also provided their expertise in support of San Rafael's General Plan and Downtown Precise Plan that was recently approved by City Council.

**FISCAL IMPACT:**

TAM is providing the bulk of the funds necessary to complete the plan. They will provide \$66,230. The balance of funds needed will come from the Department of Public Works Traffic Engineering budget.

**OPTIONS:**

The City Council has the following options to consider regarding this matter:

1. Accept the Proposal for Services and adopt the resolution authorizing the City Manager to execute a Professional Services Agreement with Fehr & Peers to complete the CBTP and to execute a Funding Agreement with TAM (*staff recommendation*); or
2. Reject the Proposal for service and direct staff to solicit additional proposals for the CBTP; or
3. Continue the matter and request additional information.

**RECOMMENDED ACTION:**

Staff recommends that the City Council adopt the attached Resolution authorizing the City Manager to sign a Professional Services Agreement with Fehr & Peers to serve as the consultant for the CBTP and to sign a Funding Agreement with TAM.

**ATTACHMENTS:**

1. Resolution
2. Draft Professional Services Agreement, with Attachment A to Agreement- Fehr & Peers proposal for work on the Canal CBTP
3. TAM Funding Agreement

**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR PROFESSIONAL SERVICES WITH FEHR & PEERS FOR THE PREPARATION OF THE CANAL COMMUNITY-BASED TRANSPORTATION PLAN (CBTP) IN AN AMOUNT NOT TO EXCEED \$79,750 AND A FUNDING AGREEMENT WITH TRANSPORTATION AUTHORITY OF MARIN (“TAM”) IN AN AMOUNT NOT TO EXCEED \$66,230**

**WHEREAS**, the City of San Rafael is looking to update the Canal Community-Based Transportation Plan (CBTP) in order to be eligible for more transportation-related grant funding in the Canal area; and

**WHEREAS**, Fehr & Peers has experience developing CBTPs for other nearby jurisdictions and recently served on the team updating the General Plan 2040 and Downtown Precise Plan; and

**WHEREAS**, at the City’s request, Fehr & Peers has submitted a scope of work and proposal to complete the CBTP, including a list of anticipated activities/tasks and deliverables and the hourly rate for performance of these services; and

**WHEREAS**, the costs associated with Fehr & Peers professional services are partially paid for by the Transportation Authority of Marin (“TAM”) and the required matching funds are already budgeted within the Department of Public Works (Traffic Engineering Fund);

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of San Rafael does hereby approve and authorize the City Manager to execute, on behalf of the City of San Rafael, an Agreement for Professional Planning Services with Fehr & Peers and an Agreement for Funding with TAM in the forms included in the Staff Report for this resolution, subject to final approval as to form by the City Attorney.

I, Lindsay Lara, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday, the 18<sup>th</sup> day of October 2021, by the following vote, to wit:

AYES:            COUNCILMEMBERS:

NOES:            COUNCILMEMBERS:

ABSENT:        COUNCILMEMBERS:

\_\_\_\_\_  
Lindsay Lara, City Clerk



July 19, 2021

Rafat Raie  
City of San Rafael  
111 Morphew Street  
San Rafael, CA 94901

**Subject: Proposal to Update Canal Neighborhood CBTP**

Dear Rafat:

Fehr & Peers appreciates the opportunity to submit this proposal to prepare an update to the Canal Neighborhood Community-Based Transportation Plan (CBTP) completed in 2006. This proposal builds on direction provided by City Public Works and Community Development staff on our recent June 28 call as well as scopes for prior CBTP studies completed for TAM in 2015.

## WORK PLAN

Attachment A provides a detailed work plan that describes key work tasks and deliverables including an engagement plan, an existing conditions summary, meeting agenda packets and notes, a summary of outreach activities, and the Draft and Final version of the updated CBTP. The scope also includes six committee meetings (three TAC meetings and three Stakeholder Committee meetings) and attendance at one City Council Meeting.

## FEE AND SCHEDULE

Fehr & Peers would complete Tasks 1 through 7 for a budget of \$79,750. The budget includes a \$10,000 stipend for a community-based organization to support the CBTP engagement process. Invoices will be submitted monthly on a time-and-materials basis. We will prepare a detailed schedule with City staff that meets the grant deadline for completing a Final CBTP by May 2022, assuming receipt of notice to proceed by September 1, 2021. We appreciate the opportunity to submit this proposal. Please do not hesitate to call me at (415) 426-2520 if you have any questions.

Sincerely,

FEHR & PEERS

A handwritten signature in blue ink that reads "Bob Grandy".

Bob Grandy, TE  
Principal

*P21-2200-SF*

# ATTACHMENT A

## WORK PLAN

Fehr & Peers' Scope of Services outlines our approach and project deliverables. The scope builds on previous planning and engagement efforts completed in the Canal District as part of the recent San Rafael General Plan 2040 Update effort and documented in the March 20, 2020 document titled *History, Safety, Parking, and Quality of life for Latinos in San Rafael: Community Engagement and Urban Planning for the Next 20 Years* prepared by Ricardo Huerta Nino and Communities in Collaboration, LLC (in partnership with Voces del Canal Leadership Team and Canal Alliance). Just under half the scope and budget is devoted to gathering additional input and direction from the Canal community including the project Stakeholder Committee. A smaller portion (about 15 percent) of the scope and budget is dedicated to original analysis of transportation strategies identified by the community or by our consultant team to address transportation needs and barriers. We will use the analysis budget to focus on topics and answer questions highlighted by the community in the first half of the project.

### TASK 1: PROJECT INITIATION

#### **Project Goals, Objectives, and Detailed Schedule**

Fehr & Peers will work with City staff to review and finalize project goals, objectives, and schedule and discuss public outreach activities. We assume one round of revisions may be made to the work plan and a draft schedule.

#### **Project Review Committees**

The task of recruiting committee members (Technical Advisory Committee, Community Stakeholder Committee) will be the responsibility of the City of San Rafael staff. Fehr & Peers will collaborate with City of San Rafael staff in the development of a candidate list of committee members for consideration.

**Technical Advisory Committee:** Comprised of city staff and agency partners that may include staff from Marin Transit, Golden Gate Transit, TAM, and Marin County Health & Human Services (Employment and Training Branch).

**Stakeholder Committee:** Comprised of Canal community leaders and supporting organizations that may include representatives from Canal Alliance, Voces del Canal, Bahia Vista and Laurel Dell Elementary Schools, Davidson Middle School, San Rafael High School, Conservation Corps North Bay, Mission Evangelica Peniel, Pickleweed Library, Marin Community Clinics (access to new planned clinics outside Canal neighborhood), Community Action Marin, and Multicultural Center of Marin.

**Deliverable #1A** Draft Goals, Objectives, and Schedule

**Deliverable #1B** Final Goals, Objectives, and Schedule + Committee Listserves

### TASK 2: EXISTING CONDITIONS SUMMARY

A first step for this task will be a benchmarking evaluation of the 2006 Canal Neighborhood CBTP recommendations, and other study recommendations relevant to the Canal Neighborhood, to identify what has and has not been accomplished on previous plan wish lists.

## ATTACHMENT A

# WORK PLAN

The Draft Existing Conditions Summary will contain four sections: Community Profile, Transportation Context, a summary of Community Engagement input obtained from Canal Neighborhood stakeholders as part of the recent General Plan Update, and Relevant Studies/Reports/Plans. The summary will build on available demographic and traffic data as collection of new data is not included in the work plan. The summary will be presented to the TAC for review and comment prior to transmittal to the Stakeholder Committee in **Task 3**. At this meeting, the TAC will discuss the existing conditions summary and provide recommendations for subsequent elements of the studies.

<b>Deliverable #2A</b>	Draft Existing Conditions Summary for the Canal Neighborhood
<b>Deliverable #2B</b>	Preparation and facilitation of <i>TAC Meeting #1</i> , summary notes
<b>Deliverable #2C</b>	Final Existing Conditions Summary (PPT Deliverable)

### TASK 3: INITIATE COLLABORATIVE PLANNING AND OUTREACH PROCESS

Fehr & Peers has experience engaging low-income and primarily Spanish-speaking communities. Using lessons learned from these past experiences, there are three principles of engagement that we would follow in the Canal Neighborhood:

**Make it easy.** Create project information materials and event notifications in Spanish and English that are easy to understand and access.

**Make it relevant.** Send a clear message as to why the project matters and how public input will help shape the community's future.

**Go to where the people are.** Use grassroots organization techniques to generate enthusiasm about the project and gather feedback in a setting frequented by neighborhood residents.

The success of a community engagement program lies within the proper identification of the target audiences, communication channels, and venues. Fehr & Peers will work with City staff to invite and include Canal Alliance representatives on the team, to be funded through a \$10,000 stipend, to help make these identifications for inclusion in the draft Canal Neighborhood Community Outreach Plan. Preliminary ideas are included in **Task 4**, below. The Consultant Team will present the draft outreach plan to the Stakeholder Committee for review and refinement.

<b>Deliverable #3A</b>	PowerPoint presentations on the planning process, scope of work, schedule, and proposed outreach plan
<b>Deliverable #3B</b>	Preparation and facilitation of <i>Stakeholder Committee Meeting #1</i> , summary notes
<b>Deliverable #3C</b>	Final Canal Neighborhood Community Outreach Plan detailing specific target audiences, communication channels, venues, and engagement strategies.

### TASK 4: IMPLEMENT COMMUNITY OUTREACH PLAN

Community engagement for the CBTP will build on recent input collected as part of outreach efforts for the San Rafael General Plan Update, the San Rafael Bicycle and Pedestrian Master Plan, and the March 20, 2020

## ATTACHMENT A

# WORK PLAN

document titled *History, Safety, Parking, and Quality of life for Latinos in San Rafael: Community Engagement and Urban Planning for the Next 20 Years*. The input collected for each of these efforts was robust and provides a strong foundation from which to start CBTP outreach. The following engagement strategies are recommended to inform the CBTP. These strategies will be confirmed with Canal Alliance and the Stakeholder Committee:

- 1. Spread the Word** – with support from City staff, members of the Stakeholder Committee, team member Canal Alliance, and other interested groups, Fehr & Peers will publicize the project goals, timeline, and ways to participate. This will include social media, website notice, email distribution and postings on transit, transit stops, and in local markets.
- 2. Gather Transit Input via Surveys and Drop-In Sites** – We will develop a simple electronic and paper survey to gather input from transit riders and potential transit riders. The survey will be translated into Spanish, distributed electronically via neighborhood organizations, apartment complexes and business associations, offered as a paper survey at local gathering spots such as Pickleweed Library, and administered as an intercept survey at local bus stops. The Consultant Team will administer the intercept surveys and host up to three (3) drop-in hours at local gathering spots.
- 3. Gather General Input via Focus Groups** – The Team will work with City staff to conduct two focus groups. The conversations will aim to confirm transportation-related pain points identified in the previous Canal Neighborhood engagement efforts and add any new concerns that have manifested in the time since those plans were completed. The group will also be asked to prioritize improvement project types. These focus groups will be facilitated by Fehr & Peers and will be hosted by a local community organization. The make-up of these groups will be determined at part of **Task 3**. If desired, the Stakeholder Committee could be one of the focus groups. Focus groups may be conducted entirely in Spanish if invitees indicate that as their preference on the RSVP form.
- 4. Host Open House to Facilitate Review of Draft Plan** - Key elements of the Draft Plan and Implementation Plan described in **Task 6** will be presented to the general public for feedback in an Open House format with different stations for different components of the Plan. This event would take place at a local community center such as a school, library or park and would include food and activities for children.

**Deliverable #4A**                      Announcement content for survey and open house (social and traditional media)

## ATTACHMENT A

# WORK PLAN

<b>Deliverable #4B</b>	Survey development, language to support distribution, in-person intercept and drop-in surveying, and compiled results
<b>Deliverable #4C</b>	Notice, agenda, questions, facilitation of focus groups and summaries (up to 2)
<b>Deliverable #4D</b>	Agenda, materials, and facilitation of open house
<b>Deliverable #4E</b>	Final report of community outreach efforts

The Consultant Team will provide one consolidated round of revisions to all outreach materials and will provide Spanish translation of all engagement materials.

### TASK 5: IDENTIFY TRANSPORTATION GAPS AND POTENTIAL SOLUTIONS

In this task, Fehr & Peers will conduct a technical analysis to assess the key gaps in the transportation networks for the Canal neighborhood study area.

The first part of the task will be to organize the findings from the initial phase of community outreach into distinct gap categories. We expect the gaps to generally fall into mode-based categories, such as transit, bicycle, pedestrian, and automobile-specific categories, although some may be multi-modal in nature. Once categorized, any similar or overlapping gaps can be assessed to determine overarching themes upon which to focus recommendations. To facilitate this task, a spreadsheet will be developed to categorize information on gaps, recommendations, and with a grading system for each gap category. This will provide a simple structure that will facilitate the ranking process. Effectiveness and feasibility criteria will be developed and included in the spreadsheet, which will be the basis of the final grading. Throughout the process, the focus of the consultant team, when working with the TAC, will be on the feasibility of fixes for identified issues.

As part of this task, the following information will be identified for each recommendation:

- **Preliminary identification of order-of-magnitude costs**
  - Use recent capital and operational costs in Marin County and neighboring counties
- **Potential funding sources**
  - Many are provided in the 2006 Canal Neighborhood CBTP which will be updated/supplemented by our knowledge of new Federal legislation and local/regional grant programs
- **Potential for effective and/or efficient implementation**
  - Lessons learned from the benchmarking assessment of the Canal Neighborhood CBTP and relevant San Rafael reports (Task 3) will be applied to the new CBTP so that potential solutions are those that are demonstrably implementable, and that identified barriers are at least known and preferably mitigated through our proposals.

The draft presentation will outline a prioritized list of the gaps and associated improvements. Cost effective transit improvements will be key to addressing gaps in the Canal Neighborhood, and Fehr & Peers will draw upon technical expertise in this field with shuttles and other bus service, to determine the best possible transit solutions to bridge the gaps identified. We will collaborate with Marin Transit and Golden Gate Transit to explore the feasibility, cost, and timing of potential transit solutions. Fehr & Peers will also draw upon our wide-ranging expertise in active transportation (which includes access to the bicycle & pedestrian technical discipline group) to propose inclusive, effective, and context-sensitive active transportation solutions.

# ATTACHMENT A

## WORK PLAN

### *TAC and Stakeholder Committee Meetings*

At these meetings, the consultant team will present a preliminary list of prioritized recommendations. To help facilitate the ranking discussion, the consultant will prepare a preliminary scoring system, whereby each gap will have an associated rating on a three-point Likert scale relating to: cost-effectiveness, number of people impacted, effectiveness of potential solutions, and most importantly the level of community support. The consultant team will also predetermine the consistency of potential solutions with relevant planning and policy documents.

- Deliverable #5A** Presentation summarizing transportation gaps and potential solutions identified during the first phase of outreach, including initial technical analysis on range of solutions and initial prioritization of potential solutions
- Deliverable #5B** Preparation and facilitation of *TAC Meeting #2*, summary notes
- Deliverable #5C** Preparation and facilitation of *Stakeholder Committee Meeting #2*, summary notes

### TASK 6: DRAFT COMMUNITY-BASED TRANSPORTATION PLAN

Fehr & Peers will assemble the task-level technical and outreach reports into a draft action plan. As part of this task, we will work with the TAC to develop an Implementation Plan, which will include an initial prioritized program of transportation improvements matched with potential funding streams. The program will categorize projects that can be implemented in the next 6 months (quickbuild), <2 years, 2-5 years, 5-10 years, and long-range/visionary. Key elements of the Draft Plan and Implementation Plan will be presented to key stakeholders and the general public for feedback in an Open House format. Our budget assumes one round of revisions to the Draft Plan and PowerPoint based on one set of consolidated comments.

Fehr & Peers will meet with the TAC to review the feedback from the Open House and comments on the Draft CBTP. The Stakeholder Committee will then convene to review the final direction from the TAC and provide final comments on the CBTP.

- Deliverable #6A** Draft Community-Based Transportation Plan and PowerPoint presentation
- Deliverable #6B** Preparation, facilitation and summary from *TAC Meeting #3*
- Deliverable #6C** Preparation, facilitation and summary from *Stakeholder Committee Meeting #3*

### TASK 7: PREPARE AND PRESENT FINAL COMMUNITY-BASED TRANSPORTATION PLAN

In this final task, Fehr & Peers will prepare the final plan for presentation to the San Rafael City Council. We will work with members of the Stakeholder Committee and participants from the outreach process to develop presentation materials and will attend these final meetings in a support role. We assume one round of revisions to these materials based on a set of consolidated comments.

- Deliverable #7A** Final Community-Based Transportation Plan and PowerPoint presentation
- Deliverable #7B** Attendance and Presentation at the *San Rafael City Council* meeting



**TAM AGREEMENT A-FY19-08**

**FUNDING AGREEMENT  
BETWEEN  
TRANSPORTATION AUTHORITY OF MARIN  
AND  
CITY OF SAN RAFAEL**

This AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_, by and between the Transportation Authority of Marin, hereinafter referred to as “TAM”, a local public agency, and the City of San Rafael, hereinafter referred to as “RECIPIENT”, a local public agency.

**SECTION 1. RECITALS**

1. The One Bay Area Grant (OBAG) Program is the Metropolitan Transportation Commission’s (MTC’s) funding approach that attempts to integrate the region’s federal transportation program with California’s climate law (Senate Bill 375, Steinberg, 2008) and the Sustainable Communities Strategy.
2. In November 2015, MTC adopted guidelines for funding distribution from OBAG Cycle 2 that covers a five-year period from FY 17/18 to FY 21/22.
3. TAM’s share of OBAG 2 funds amounted to \$10,870,000.
4. MTC also set aside a minimum amount for each county for CMA planning and administrative activities, referred as “CMA Planning Funds.”
5. The MTC set aside for CMA planning and administrative activities (referred as “CMA Planning Funds”) for the five-year period is \$3,822,000, leaving \$7,048,000 for projects and programs.
6. On July 1, 2017, TAM and MTC entered into agreement to establish the terms on the CMA Planning Funds and allow projects with CMA Planning Funds to proceed.
7. On July 1, 2018, TAM and MTC entered into a supplement agreement to augment the \$3,822,000 in CMA Planning Funds with an additional \$75,000 for work associated with the Community Based Transportation Plan in San Rafael.
8. In discussions with the City of Rafael, TAM is providing \$66,230 in local funds to the City of Rafael for work on the San Rafael Community Based Transportation Plan.

**SECTION 2. PURPOSE OF FUNDING AGREEMENT**

This AGREEMENT is entered into by and between TAM and RECIPIENT to document the funding conditions necessary for the RECIPIENT to comply with applicable law and TAM policies. This AGREEMENT consists of additional documents stated in these sections as being attached hereto and incorporated in the AGREEMENT by reference.

**SECTION 3. PROJECT DEFINITION AND SCOPE**

This AGREEMENT, is made for the following purposes identified in the RECIPIENT’s Project Information Sheet (EXHIBIT A):

## **Community Based Transportation Plan**

Additional information on project scope is included in the Project Information Sheet.

### **SECTION 4. GRANT**

As approved by the TAM Board on March 28, 2019, TAM hereby grants to the RECIPIENT the sum of \$66,230 in local funding.

### **SECTION 5. COST ELIGIBILITY**

All costs incurred by RECIPIENT prior to the date of execution of this AGREEMENT shall be ineligible for reimbursement by TAM. While the costs of the Project shall be eligible for reimbursement in accordance with the terms of this AGREEMENT, the timing and amount of reimbursement will be subject to TAM's discretion, based on available revenues and other anticipated project requests.

### **SECTION 6. BUDGET AND SCOPE**

RECIPIENT shall maintain a project or program budget. RECIPIENT shall carry out the project and shall incur obligations against and make disbursements of the grant in conformity with TAM's requirements and the budget.

### **SECTION 7. PROJECT MANAGEMENT**

RECIPIENT shall be responsible for the project and provide management of consultant and contractor activities for which RECIPIENT contracts, including responsibility for schedule, scope, and budget, consistent with TAM's resolution allocating the grant unless otherwise agreed upon in writing.

### **SECTION 8. PROJECT OVERSIGHT**

RECIPIENT shall cooperate with TAM's project management team and shall provide any requested project information.

### **SECTION 9. ATTRIBUTION AND SIGNAGE**

If any portion of grant funds is used for production of reports, acknowledgment of the TAM's role shall be included in the documents. If any portion of grant funds is used for construction, RECIPIENT shall, upon initiation of field work or at the earliest feasible time thereafter, install and maintain a sign at the construction site identifying TAM (e.g., TAM and RECIPIENT's logos) as a partner. For non-construction capital purchases funded by any portion of grant funds, RECIPIENT shall affix permanent signage identifying TAM as a funding source. RECIPIENT shall demonstrate compliance with attribution and signage requirements as an indispensable condition for authorization of reimbursements for project expenses.

### **SECTION 10. PRESS RELEASES**

RECIPIENT shall notify TAM in advance of any press releases about project and program activities, particularly groundbreakings and ribbon cuttings, in connection to grant funds expended from this AGREEMENT.

## **SECTION 11. COMPLIANCE WITH LAW**

In the performance of its obligations pursuant to this AGREEMENT, RECIPIENT shall keep itself fully informed of the federal, state and local laws, ordinances and regulations in any manner affecting the performance of this Agreement, and must at all times comply with such laws, ordinances, and regulations as they may be amended from time to time.

## **SECTION 12. ENVIRONMENTAL COMPLIANCE**

RECIPIENT shall undertake all environmental mitigation measures that may be identified as commitments in applicable documents (such as environmental assessments, environmental impact statements and reports, and memoranda of agreement) and comply with any conditions imposed as a part of a finding of no significant impact or a record of decision; all such mitigation measures are incorporated in this AGREEMENT by reference. Recipient shall be responsible for obtaining all necessary environmental permits for performance of work.

## **SECTION 13. FINANCES**

All costs charged to the project shall be supported by properly prepared and documented time records, invoices, or vouchers evidencing in detail the nature and propriety of the charges and the basis for the percentage charged to TAM.

## **SECTION 14. RECORDS**

All checks, payrolls, invoices, contracts, vouchers, journal entries, work orders, or other accounting documents pertaining in whole or in part to the project shall be maintained by RECIPIENT for a period of five (5) years after the later of project closeout or termination of grant. Such project documents shall be clearly identified, readily accessible, and, to the extent feasible, kept separate and apart from all other similar documents not pertaining to the project.

## **SECTION 15. REIMBURSEMENTS**

Payment shall be made by TAM for costs reimbursable under the terms of this AGREEMENT. Payment to RECIPIENT of the grant shall be upon written approval by TAM, upon submittal by RECIPIENT of appropriate support documentation and identification of expenses incurred.

RECIPIENT may make a request for exceptions in writing. Exceptions may be made at the sole discretion of TAM. Reimbursement requests, with appropriate documentation, may be submitted on a regular basis but no more frequently than monthly.

Each reimbursement request shall include RECIPIENT's certification that the amounts sought are only for project elements included in the Project Information Sheet, and that RECIPIENT is in compliance with TAM's requirements mentioned in this AGREEMENT.

## **SECTION 16. ELIGIBLE EXPENSES**

RECIPIENT shall expend funds only on eligible expenses as follows: operating costs, direct staff time (salary and benefits), consultants; right of way engineering and acquisition costs (including permitting), and competitively bid construction contracts. Indirect costs (as defined by OMB Circular A-87) will not be considered an eligible expense.

TAM shall provide notice to RECIPIENT of any and all expenditures made by RECIPIENT which are not in compliance with this AGREEMENT promptly after TAM becomes aware of any such expenditure.

#### **SECTION 17. AUDITS**

TAM reserves the right at any time to conduct or require a financial or performance audit of the RECIPIENT'S compliance with this AGREEMENT. TAM will give advance notice of the requirement. RECIPIENT shall permit TAM, or any of its duly authorized representatives, to inspect all work, materials, payrolls, and other data and records with regard to the project, and to audit the books, records, and accounts of the RECIPIENT and its contractors with regard to the project.

#### **SECTION 18. THIRD PARTY CONTRACT AUDITS**

TAM reserves the right to request an audit of other third party contracts for any reason. If RECIPIENT is subject to third party financial audit requirements imposed by another funding source, copies of audits performed in fulfillment of such requirements shall be provided to the TAM.

#### **SECTION 19. CLOSEOUT PROCEDURES AND PROJECT CLOSEOUT REPORT**

Project closeout occurs either when TAM notifies RECIPIENT of the project closeout or forwards to RECIPIENT the final grant payment. RECIPIENT shall provide to TAM a copy of the final CBTP report with the final reimbursement request. RECIPIENT shall provide supporting documentation for expenditures and revenues from its accounting and financial management system. RECIPIENT shall certify that the amounts sought are only for project elements included in the Project Information Sheet.

Upon request by TAM or discovery by RECIPIENT, after the project completion date or termination by TAM, RECIPIENT shall submit a certified financial statement identifying all ineligible expenditures, which the RECIPIENT shall be required to refund, as well as third party audit reports, in the event that ineligible expenditures were reimbursed with funds from this AGREEMENT. Project closeout shall not terminate any continuing obligations imposed on the RECIPIENT by this AGREEMENT.

#### **SECTION 20. RESCISSION OF AUTHORIZATION OF FUNDS**

TAM reserves the right to rescind its authorization of unneeded grant funds prior to, or at the time of, project closeout. Funds are determined to be unneeded if they are uncommitted at time of project closeout.

#### **SECTION 21. TERMINATION FOR CAUSE**

RECIPIENT agrees that, upon ten (10) working days written notice, TAM may suspend or terminate all or part of the financial assistance provided herein for failure to correct a breach of this AGREEMENT. Any failure to make reasonable progress, inconsistency with the Project Information Sheet, unauthorized use of grant funds as specified in this AGREEMENT, or other violation of the AGREEMENT that significantly endangers substantial performance of the project shall be deemed to be a breach of this AGREEMENT and cause for termination. Upon mutual consent, RECIPIENT will repay TAM any unexpended funds originally provided under this Agreement.

#### **SECTION 22. CORRECTION OF BREACH**

With respect to any breach, which is reasonably capable of being cured, RECIPIENT shall have thirty (30) days from the date of notice of breach to initiate steps to cure. If RECIPIENT diligently pursues

cure, such RECIPIENT shall be allowed a reasonable time to cure or by a time established in writing by TAM.

### **SECTION 23. LIABILITY**

Neither TAM nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT under or in connection with any work, authority, or jurisdiction delegated to RECIPIENT under this AGREEMENT. It is also understood and agreed that pursuant to Government Code Section 895.4, RECIPIENT shall fully defend, indemnify and hold TAM harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by RECIPIENT under or in connection with any work, or jurisdiction delegated to RECIPIENT under this AGREEMENT.

Neither RECIPIENT nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by TAM under or in connection with any work, authority, or jurisdiction delegated to TAM under this AGREEMENT. It is also understood and agreed that pursuant to Government Code Section 895.4, TAM shall fully defend, indemnify and hold RECIPIENT harmless from any liability imposed for injury (as defined by Government Code Section 810.8) occurring in by reason of anything done or omitted to be done by TAM under or in connection with any work, authority, or jurisdiction delegated to TAM under this AGREEMENT.

In the event of concurrent negligence of RECIPIENT and TAM, the liability for any and all claims for injuries or damages to persons and/or property shall be apportioned under the California theory of comparative negligence as presently established or as may hereafter be modified.

### **SECTION 24. OBLIGATIONS**

In general, termination of financial assistance under this AGREEMENT will not invalidate obligations properly incurred by RECIPIENT before the termination date; to the extent those obligations cannot be canceled.

### **SECTION 25. INTEGRATION**

This AGREEMENT represents the entire AGREEMENT of the parties with respect to the subject matter thereof. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in other contemporaneous written agreements.

### **SECTION 26. AMENDMENT**

Except as otherwise provided herein, this AGREEMENT may not be changed, modified or rescinded except in writing, signed by all parties hereto, and any attempt at oral modification of this AGREEMENT shall be void and of no effect.

### **SECTION 27. INDEPENDENT AGENCY**

RECIPIENT performs the terms and conditions of this AGREEMENT as an entity independent of TAM. None of RECIPIENT'S agents or employees shall be agents or employees of TAM.

### **SECTION 28. ASSIGNMENT**

The AGREEMENT may not be assigned, transferred, hypothecated, or pledged by any party without the express written consent of the other party.

**SECTION 29. BINDING ON SUCCESSORS, ASSIGNEES OR TRANSFEREES**

This AGREEMENT shall be binding upon the successor(s), assignee(s) or transferee(s) of TAM or RECIPIENT as may be the case. This provision shall not be construed as an authorization to assign, transfer, hypothecate or pledge this AGREEMENT other than as provided above.

**SECTION 30. EXPENSES**

Each party shall be solely responsible for and shall bear all of its own respective legal expenses in connection with any dispute arising out of this AGREEMENT and the transactions hereby contemplated. RECIPIENT may not use GRANT funds, or other TAM programmed funds, for the aforementioned purpose.

**SECTION 31. SEVERABILITY**

Should any part of this AGREEMENT be declared unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decisions shall not affect the validity of the remainder of this AGREEMENT, which shall continue in full force and effect; provided that the remainder of this AGREEMENT can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

**SECTION 32. EXHIBITS**

The following Exhibits are hereby made part of this AGREEMENT:

EXHIBIT A: Project Information Sheet

**SECTION 33. ACCEPTANCE OF GRANT**

RECIPIENT does hereby declare that all written statements, representations, covenants, and materials submitted as a condition of this AGREEMENT are true and correct and does hereby accept TAM's grant and agrees to all of the terms and conditions of this AGREEMENT. The parties have executed this AGREEMENT as of the date first written above.

**City of San Rafael:**

**Transportation Authority of Marin (TAM):**

By: \_\_\_\_\_

By: \_\_\_\_\_  
Anne Richman, Executive Director

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title

Approved as to form (optional):

By: \_\_\_\_\_  
City of San Rafael, Attorney

\_\_\_\_\_  
Print Name




**Agenda Item No: 5.f**  
**Meeting Date: October 18, 2021**

**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Finance**

**Prepared by: Nadine Atieh Hade,**  
**Finance Director**

**City Manager Approval:** \_\_\_\_\_ 

**TOPIC: CITY QUARTERLY INVESTMENT REPORT**

**SUBJECT: ACCEPTANCE OF CITY OF SAN RAFAEL QUARTERLY INVESTMENT REPORT FOR THE QUARTER ENDING SEPTEMBER 30, 2021**

**RECOMMENDATION:** Accept investment report for the quarter ending September 30, 2021, as presented.

**BACKGROUND:** Pursuant to the State of California Government Code Section 53601, and the City's investment policy, last approved by the City Council on [June 7, 2021](#), staff provides the City Council a quarterly report on the City's investment activities and liquidity. Included in the report are the cost of each investment, the interest rates (yield), maturity dates, and market value. Separate reports are prepared for the City and the Successor Agency to San Rafael Redevelopment Agency.

The City invests a portion of its pooled funds in the [Local Agency Investment Fund \(LAIF\)](#), a State-run investment pool. Beginning in March 2014, the City incorporated an investment strategy that added purchases of securities outside of LAIF with the assistance of its investment advisor, Insight Investment.

**ANALYSIS:** As of September 30, 2021, the primary LAIF account had a balance of \$39,477,427. Portfolio returns on LAIF deposits were 0.21% for the quarter ending September 30, 2021. The remaining investment assets included the \$1,159,300 balance of Pt. San Pedro Assessment District bonds, and \$32,179,415 in government agency securities and corporate bonds (including Pfizer Inc., American Express, JP Morgan Chase, Walmart Inc., Apple Inc., American Honda Finance, Toyota, Caterpillar, Bank of America, John Deere, Citibank, PNC Financial Services, US Bancorp, IBM Corp, 3M Company, and PepsiCo). The overall total portfolio returns for the quarter ended September 30, 2021, were 0.58%.

The City's Westamerica general operating bank account had a balance of \$8,825,904 at quarter end.

Exhibit A is composed of three parts: (1) Quarterly Investment Portfolio Report; (2) Historical Activity by Quarter summarizing the City's investments; and (3) the three, monthly investment reports from Insight Investment for the quarter.

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**



**FISCAL IMPACT:** No financial impact occurs by adopting the report. The City continues to meet the priority principles of investing - safety, liquidity and yield in respective order. The portfolio remains conservatively invested. Sufficient liquidity exists to meet daily operating and capital project requirements for the next six months. Operating funds, as defined for this report, exclude cash held with fiscal agents for the payment of bond principal and interest.

**RECOMMENDATION:** Accept investment report for the quarter ending September 30, 2021, as presented.

**ATTACHMENTS:**

Exhibit A:

1. Quarterly Investment Portfolio Report
2. Historical Activity by Quarter Report
3. Insight Investment Statements, July through September 2021

I CERTIFY THAT ALL INVESTMENTS MADE ARE IN CONFORMANCE WITH THE CITY'S APPROVED INVESTMENT POLICY AND STATE INVESTMENT REGULATIONS. THE CITY HAS SUFFICIENT LIQUIDITY TO MEET ALL OF THE OBLIGATIONS REQUIRED DURING THE NEXT SIX-MONTH PERIOD.

A handwritten signature in blue ink that reads "Nadine Atieh Hade". The signature is written in a cursive style.

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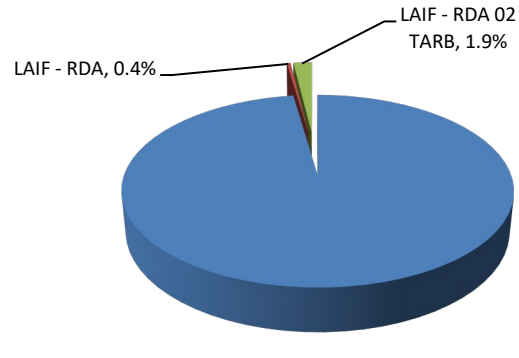
NADINE ATIEH HADE  
FINANCE DIRECTOR

# City of Rafael

## Quarterly Investment Portfolio Report

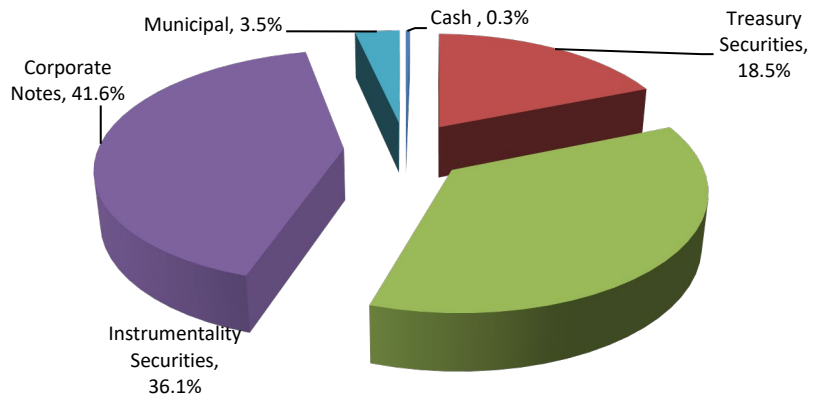
### September 30, 2021

Internally Managed Assets		%	Return
LAIF	\$ 39,477,427	97.7%	0.21%
LAIF - RDA	\$ 155,068	0.4%	0.21%
LAIF - RDA 02 TARB	\$ 769,451	1.9%	0.21%
<b>Total Internally Managed</b>	<b>\$ 40,401,946</b>	<b>54.7%</b>	



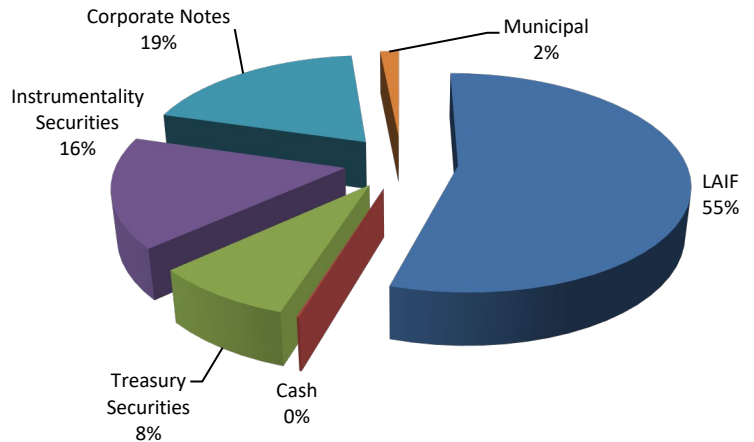
<b>Weighted Average Yield</b>	<b>0.21%</b>
Effective Average Duration - Internal	1
Weighted Average Maturity - Internal	1

Externally Managed Assets		%	Return
Cash	\$ 106,899	0.3%	0.02%
Treasury Securities	\$ 6,202,242	18.5%	0.69%
Instrumentality Securities	\$ 12,058,266	36.1%	1.23%
Corporate Notes	\$ 13,918,907	41.6%	0.66%
Municipal	\$ 1,159,300	3.5%	5.25%
<b>Total Externally Managed</b>	<b>\$ 33,445,614</b>	<b>45.3%</b>	



<b>Weighted Average Yield</b>	<b>1.03%</b>
Effective Average Duration - External	1.91
Weighted Average Maturity - External	2.26

Total Portfolio Assets		%	Return
LAIF	\$ 40,401,946	54.7%	0.21%
Cash	\$ 106,899	0.1%	0.02%
Treasury Securities	\$ 6,202,242	8.4%	0.69%
Instrumentality Securities	\$ 12,058,266	16.3%	1.23%
Corporate Notes	\$ 13,918,907	18.8%	0.66%
Municipal	\$ 1,159,300	1.6%	5.25%
<b>Total Portfolio Assets</b>	<b>\$ 73,847,561</b>		



<b>Weighted Average Yield</b>	<b>0.58%</b>
Effective Average Duration - Total	0.87
Weighted Average Maturity - Total	1.03

Based on Market Values

# City of San Rafael

## Historical Activity-By Quarter

	September 30, 2021			June 30, 2021			March 31, 2021			December 31, 2020			September 30, 2020			June 30, 2020		
Internally Managed Assets	%	Return		%	Return		%	Return		%	Return		%	Return		%	Return	
LAIF	\$ 40,246,878	99.6%	0.21%	\$ 45,213,641	99.7%	0.26%	\$ 40,171,329	99.6%	0.36%	\$ 35,129,481	99.6%	0.54%	\$ 23,075,641	99.3%	0.68%	\$ 32,962,961	99.5%	1.22%
LAIF - Housing	\$ 155,068	0.4%	0.21%	\$ 154,942	0.3%	0.26%	\$ 154,773	0.4%	0.36%	\$ 154,528	0.4%	0.54%	\$ 154,201	0.7%	0.68%	\$ 153,640	0.5%	1.22%
<b>Total Internally Managed</b>	<b>\$ 40,401,946</b>	<b>54.7%</b>		<b>\$ 45,368,583</b>	<b>57.5%</b>		<b>\$ 40,326,102</b>	<b>65.2%</b>		<b>\$ 35,284,009</b>	<b>61.5%</b>		<b>\$ 23,229,842</b>	<b>51.3%</b>		<b>\$ 33,116,601</b>	<b>57.4%</b>	
<b>Weighted Average Yield</b>		<b>0.21%</b>			<b>0.26%</b>			<b>0.36%</b>			<b>0.54%</b>			<b>0.68%</b>			<b>1.22%</b>	
Externally Managed Assets	%	Return		%	Return		%	Return		%	Return		%	Return		%	Return	
Cash	\$ 106,899	9.2%	0.02%	\$ 56,088	0.2%	0.01%	\$ 260,338	21.0%	0.01%	\$ 278,791	22.5%	0.01%	\$ 387,991	31.3%	0.00%	\$ 1,784,838	135.7%	0.00%
Treasury Securities	\$ 6,202,242	18.5%	0.69%	\$ 4,439,182	13.3%	0.70%	\$ 1,455,053	6.8%	1.54%	\$ 1,464,113	6.6%	1.54%	\$ 1,470,457	6.7%	1.54%	\$ 2,476,872	10.1%	1.49%
Instrumentality Securities	\$ 12,058,266	36.1%	1.23%	\$ 13,695,843	40.9%	1.21%	\$ 11,757,213	54.6%	1.54%	\$ 12,320,155	55.9%	1.58%	\$ 12,173,214	55.3%	1.70%	\$ 12,218,650	49.8%	1.80%
Corporate Notes	\$ 13,918,907	41.6%	0.66%	\$ 14,048,276	42.0%	0.68%	\$ 6,830,936	31.7%	1.40%	\$ 6,747,102	30.6%	2.02%	\$ 6,751,751	30.7%	2.06%	\$ 6,749,718	27.5%	2.23%
Municipal/Assessment District	\$ 1,159,300	3.5%	5.25%	\$ 1,239,200	3.7%	5.25%	\$ 1,239,200	5.8%	5.25%	\$ 1,239,200	5.6%	5.25%	\$ 1,239,200	5.6%	5.25%	\$ 1,315,100	5.4%	5.25%
<b>Total Externally Managed</b>	<b>\$ 33,445,614</b>	<b>45.3%</b>		<b>\$ 33,478,588</b>	<b>42.5%</b>		<b>\$ 21,542,739</b>	<b>34.8%</b>		<b>\$ 22,049,361</b>	<b>38.5%</b>		<b>\$ 22,022,613</b>	<b>48.7%</b>		<b>\$ 24,545,178</b>	<b>42.6%</b>	
<b>Weighted Average Yield</b>		<b>1.03%</b>			<b>1.07%</b>			<b>1.69%</b>			<b>1.90%</b>			<b>1.97%</b>			<b>1.94%</b>	
Effective Average Duration - External		Years	1.91	Years	2.02	Years	1.90	Years	1.91	Years	1.91	Years	1.91	Years	1.91	Years	1.83	Years
Weighted Average Maturity - External		2.26		2.39		2.32		2.22		2.22		2.22		2.07		2.07		2.07
Total Portfolio Assets	%	Return		%	Return		%	Return		%	Return		%	Return		%	Return	
LAIF	\$ 40,401,946	54.7%	0.21%	\$ 45,368,583	57.5%	0.26%	\$ 40,326,102	65.2%	0.36%	\$ 35,284,009	61.5%	0.54%	\$ 23,229,842	51.3%	0.68%	\$ 33,116,601	57.4%	1.22%
Cash	\$ 106,899	0.1%	0.02%	\$ 56,088	0.1%	0.01%	\$ 260,338	0.4%	0.01%	\$ 278,791	0.5%	0.01%	\$ 387,991	0.9%	0.00%	\$ 1,784,838	3.1%	0.00%
Treasury Securities	\$ 6,202,242	8.4%	0.69%	\$ 4,439,182	5.6%	0.70%	\$ 1,455,053	2.4%	1.54%	\$ 1,464,113	2.6%	1.54%	\$ 1,470,457	3.2%	1.54%	\$ 2,476,872	4.3%	1.49%
Instrumentality Securities	\$ 12,058,266	16.3%	1.23%	\$ 13,695,843	17.4%	1.21%	\$ 11,757,213	19.0%	1.54%	\$ 12,320,155	21.5%	1.58%	\$ 12,173,214	26.9%	1.70%	\$ 12,218,650	21.2%	1.80%
Corporate Notes	\$ 13,918,907	18.8%	0.66%	\$ 14,048,276	17.8%	0.68%	\$ 6,830,936	11.0%	1.40%	\$ 6,747,102	11.8%	2.02%	\$ 6,751,751	14.9%	2.06%	\$ 6,749,718	11.7%	2.23%
Municipal/Assessment District	\$ 1,159,300	1.6%	5.25%	\$ 1,239,200	1.6%	5.25%	\$ 1,239,200	2.0%	5.25%	\$ 1,239,200	2.2%	5.25%	\$ 1,239,200	2.7%	5.25%	\$ 1,315,100	2.3%	5.25%
<b>Total Portfolio Assets</b>	<b>\$ 73,847,559</b>			<b>\$ 78,847,170</b>			<b>\$ 61,868,840</b>			<b>\$ 57,333,369</b>			<b>\$ 45,252,454</b>			<b>\$ 57,661,778</b>		
<b>Weighted Average Yield</b>		<b>0.58%</b>			<b>0.60%</b>			<b>0.82%</b>			<b>1.06%</b>			<b>1.31%</b>			<b>1.53%</b>	
Effective Average Duration - Total		Years	0.87	Years	0.86	Years	0.66	Years	0.74	Years	0.93	Years	0.93	Years	0.93	Years	0.78	Years
Weighted Average Maturity - Total		1.03		1.02		0.81		0.86		1.08		1.08		0.88		0.88		0.88

**Performance Recap**

- The weighted average quarterly portfolio yield decreased from 0.60% to 0.58% during the past quarter. The yield has decreased over the past year, from 1.31% in the quarter ended September 30, 2020 to 0.58% in the most recent quarter. This trend is reflective of the general decrease in interest rates during the period.
- The effective average duration increased, from 0.86 to 0.87 years since last quarter.
- The total portfolio assets decreased by approximately \$5 million during the quarter. This is due to the draw down of funds to support operations.

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# SAN RAFAEL

July 2021

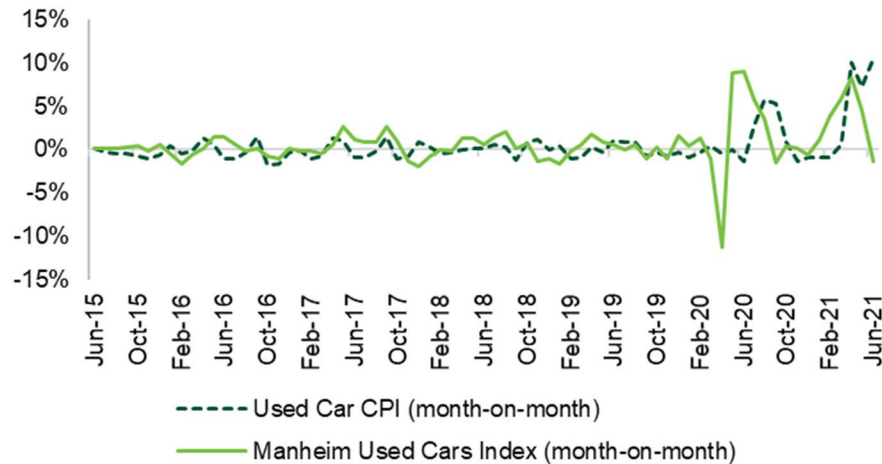


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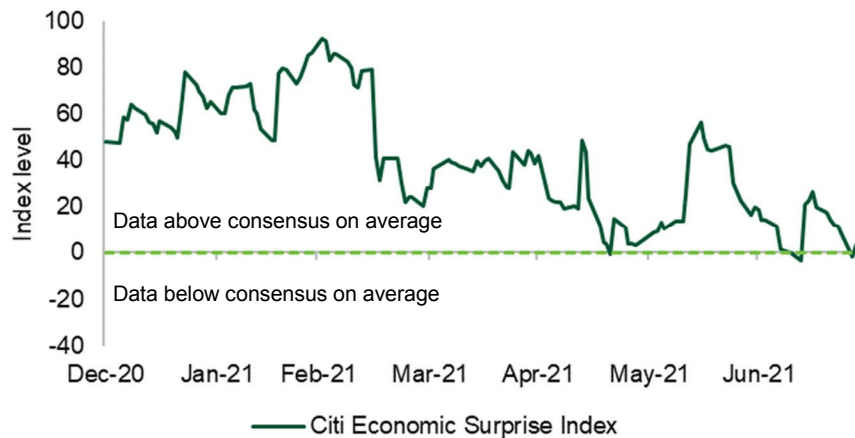
As of July 31, 2021

Chart 1: Used cars drive inflation, but may moderate



Source: Bloomberg, July 31, 2021.

Chart 2: Economic data strong, but fewer upside surprises



Source: Citi, Bloomberg, July 31, 2021.

## Economic Indicators and Monetary Policy

The Federal Reserve kept its statement largely unchanged at its policy meeting and made no formal communications around ‘tapering’ its asset purchases. Its statement retained the reference to “substantial further progress” being required before altering policy. Chair Powell also noted the labor market is “some ways away” from hitting that benchmark, albeit acknowledging that significant progress has been made since the start of the year.

CPI surprised again to the upside in June, rising by 0.9% on a monthly basis and 5.4% year-on-year. However, ‘transitory’ inflation drivers were still the culprits, particularly used cars (which may moderate given leading indicators – see Chart 1) as well as airfares, lodging and rental cars. ‘Stickier’ items, such as rents and owner-equivalent rents rose a trend-like 0.25%, while medical service prices, another bellwether of persistent inflation, was unchanged.

Elsewhere, economic data continued to be strong on an absolute basis but was less likely to outperform expectations (Chart 2). Real GDP in Q2 rose by 6.5% pa, a softer-than-expected increase but with consumption and business equipment investment still rising notably with a larger-than-expected drag from net exports and inventories. The ISM manufacturing PMI fell 0.6pt, to 60.6, in June on mixed readings across the major components. The US economy added 850,000 jobs in June, moderately above consensus of 720,000.

Although close to 60% of the US population was fully vaccinated by the end of the month, the spread of the delta COVID-19 variant caused some market jitters and resulted in the CDC recommending indoor mask mandates be re-implemented once certain hospitalization metrics are breached and some areas implemented such measures.

## Interest Rate Summary

Yields generally fell at longer maturities. At the end of July, the 3-month US Treasury bill yielded 0.05%, the 6-month US Treasury bill yielded 0.05%, the 2-year US Treasury note yielded 0.19%, the 5-year US Treasury note yielded 0.69% and the 10-year US Treasury note yielded 1.47%.

# ACTIVITY AND PERFORMANCE SUMMARY

For the period July 1, 2021 - July 31, 2021

<u>Amortized Cost Basis Activity Summary</u>		
<b>Opening balance</b>		33,271,648.57
Income received	52,696.04	
<b>Total receipts</b>		52,696.04
Expenses paid	(201.50)	
<b>Total disbursements</b>		(201.50)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Realized gain (loss)		0.00
Change in accruals from security movement		0.00
<b>Total amortization expense</b>		(28,579.69)
<b>Total OID/MKT accretion income</b>		129.20
Return of capital		0.00
<b>Closing balance</b>		33,295,692.62
<b>Ending fair value</b>		33,531,406.65
Unrealized gain (loss)		235,714.03

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	2.29	0.00	0.00	2.29
Corporate Bonds	33,144.77	(24,391.46)	0.00	8,753.31
Government Agencies	17,686.13	(3,509.58)	0.00	14,176.55
Government Bonds	3,179.22	(549.45)	0.00	2,629.77
Municipal/Provincial Bonds	5,602.21	0.00	0.00	5,602.21
<b>Total</b>	<b>59,614.62</b>	<b>(28,450.49)</b>	<b>0.00</b>	<b>31,164.13</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.06	0.01	0.00
Merrill Lynch 3m US Treas Bill	0.05	0.01	0.00
Merrill Lynch 6m US Treas Bill	0.05	0.01	0.00
ML 1 Year US Treasury Note	0.09	0.03	0.01
ML 2 Year US Treasury Note	0.16	0.08	0.02
ML 5 Year US Treasury Note	0.56	0.39	0.06

\* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	59,614.62
Accretion (amortization)	(28,450.49)
Realized gain (loss) on sales	0.00
Total income on portfolio	31,164.13
Average daily amortized cost	33,283,049.99
Period return (%)	0.09
YTD return (%)	0.92
Weighted average final maturity in days	841



# ACTIVITY AND PERFORMANCE SUMMARY

For the period July 1, 2021 - July 31, 2021

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		33,478,588.38
Income received	52,696.04	
<b>Total receipts</b>		52,696.04
Expenses paid	(201.50)	
<b>Total disbursements</b>		(201.50)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Change in accruals from security movement		0.00
Return of capital		0.00
Change in fair value for the period		323.73
<b>Ending fair value</b>		33,531,406.65

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	2.29	0.00	2.29
Corporate Bonds	33,144.77	(14,510.91)	18,633.86
Government Agencies	17,686.13	5,938.16	23,624.29
Government Bonds	3,179.22	8,896.48	12,075.70
Municipal/Provincial Bonds	5,602.21	0.00	5,602.21
<b>Total</b>	<b>59,614.62</b>	<b>323.73</b>	<b>59,938.35</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.06	0.01	0.00
ICE Bofa 3 Months US T-BILL	0.08	0.02	0.01
ICE Bofa 6m US Treas Bill	0.13	0.05	0.01
ICE Bofa 1 Yr US Treasury Note	0.20	0.10	0.03
ICE BofA US Treasury 1-3	0.14	0.07	0.17
ICE BofA US Treasury 1-5	(0.08)	(0.02)	0.35

\* rates reflected are cumulative

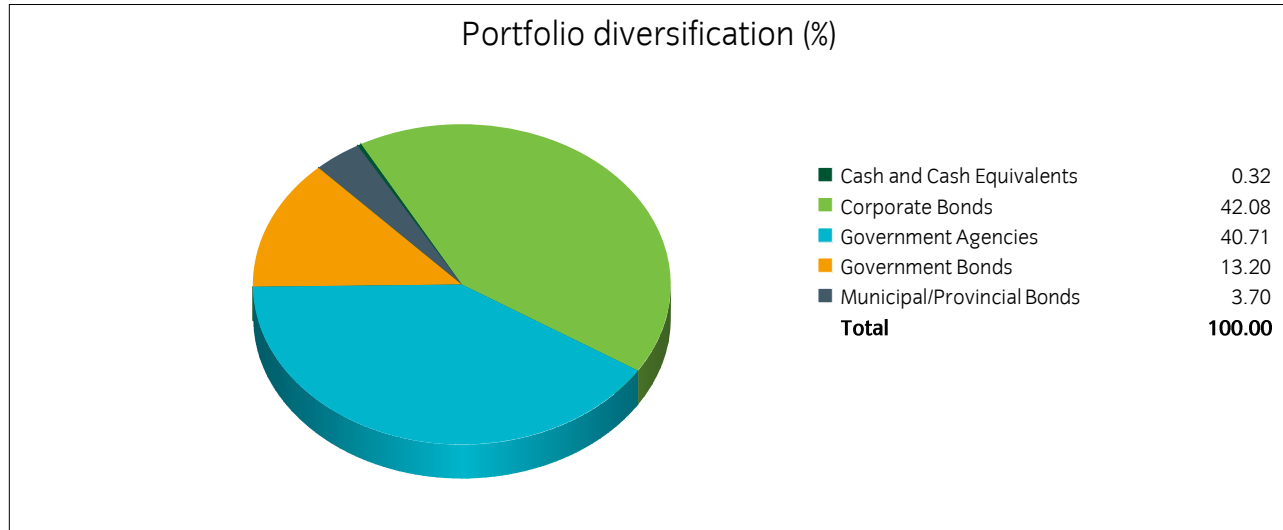
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	59,614.62
Change in fair value	323.73
Total income on portfolio	59,938.35
Average daily total value *	33,700,401.87
Period return (%)	0.18
YTD return (%)	0.26
Weighted average final maturity in days	841

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of July 31, 2021

	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	108,582.83	108,582.83	108,582.83	0.00	1	0.32	0.00
Corporate Bonds	14,098,295.00	13,979,659.66	14,033,765.00	54,105.34	776	42.08	1.86
Government Agencies	13,639,611.07	13,557,721.44	13,701,780.70	144,059.26	618	40.71	1.25
Government Bonds	4,421,776.46	4,410,528.69	4,448,078.12	37,549.43	855	13.20	2.32
Municipal/Provincial Bonds	1,239,200.00	1,239,200.00	1,239,200.00	0.00	4,052	3.70	8.45
<b>Total</b>	<b>33,507,465.36</b>	<b>33,295,692.62</b>	<b>33,531,406.65</b>	<b>235,714.03</b>	<b>841</b>	<b>100.00</b>	<b>1.91</b>

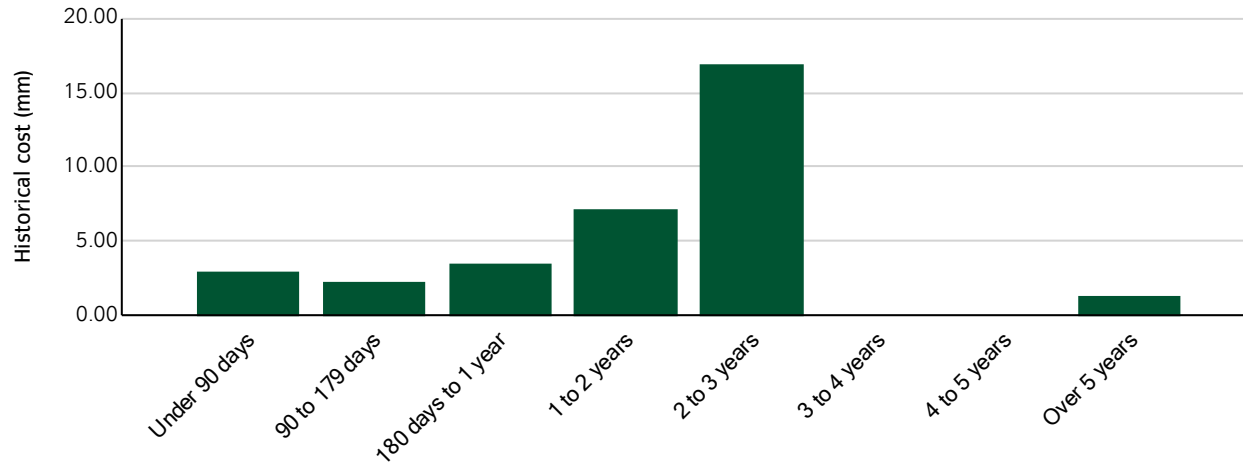


# MATURITY DISTRIBUTION OF SECURITIES HELD

As of July 31, 2021

Maturity	Historic cost	Percent
Under 90 days	2,810,330.83	8.39
90 to 179 days	2,180,249.30	6.51
180 days to 1 year	3,346,137.00	9.99
1 to 2 years	7,102,483.83	21.20
2 to 3 years	16,829,064.40	50.23
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	1,239,200.00	3.70
	<b>33,507,465.36</b>	<b>100.00</b>

Maturity distribution



# SECURITIES HELD

## As of July 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>										
	Cash and Cash Equivalents	0.000		108,582.83	108,582.83	108,582.83	108,582.83	0.00	0.00	0.32
<b>Total Cash and Cash Equivalents</b>				<b>108,582.83</b>	<b>108,582.83</b>	<b>108,582.83</b>	<b>108,582.83</b>	<b>0.00</b>	<b>0.00</b>	<b>0.32</b>
<b>Corporate Bonds</b>										
717081DZ3	PFIZER INC 2.2% 15DEC2021	2.200	12/15/2021	500,000.00	503,615.00	500,678.76	503,949.48	3,270.72	1,405.56	1.50
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	2.700	03/03/2022 01/31/2022	700,000.00	714,231.00	708,538.60	708,880.22	341.62	7,770.00	2.13
46647PBB1	JPMORGAN CHASE & CO 3.207% 01APR2023 (CALLABLE 01APR22)	3.207	04/01/2023 04/01/2022	600,000.00	615,576.00	611,409.78	611,477.32	67.54	6,414.00	1.84
931142DH3	WALMART INC 2.55% 11APR2023 (CALLABLE 11JAN23)	2.550	04/11/2023 01/11/2023	500,000.00	509,155.00	503,991.43	517,339.46	13,348.03	3,895.83	1.52
037833AK6	APPLE INC 2.4% 03MAY2023	2.400	05/03/2023	500,000.00	506,880.00	503,332.09	518,466.63	15,134.54	2,933.33	1.51
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	1.950	05/10/2023	1,000,000.00	1,031,510.00	1,027,701.10	1,028,613.49	912.39	4,387.50	3.08
94988J5R4	WELLS FARGO BANK NA 3.55% 14AUG2023 (CALLABLE 14JUL23)	3.550	08/14/2023 07/14/2023	1,000,000.00	1,074,350.00	1,062,475.11	1,063,364.06	888.95	16,468.06	3.21
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	1.350	08/25/2023	700,000.00	714,959.00	713,188.70	713,472.15	283.45	4,095.00	2.13
14912L5X5	CATERPILLAR FINANCIAL SE 3.75% 24NOV2023	3.750	11/24/2023	1,000,000.00	1,086,390.00	1,078,144.53	1,078,055.86	(88.67)	6,979.17	3.24
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	3.004	12/20/2023 12/20/2022	500,000.00	525,795.00	516,409.03	517,572.00	1,162.97	1,710.61	1.57

# SECURITIES HELD

## As of July 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Corporate Bonds</b>										
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	0.450	01/17/2024	1,000,000.00	1,001,230.00	1,001,118.98	1,000,487.18	(631.80)	175.00	2.99
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	3.650	01/23/2024 12/23/2023	500,000.00	541,470.00	538,194.89	537,655.51	(539.38)	405.56	1.62
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	3.500	01/23/2024 12/24/2023	900,000.00	957,939.00	944,039.18	965,002.78	20,963.60	700.00	2.86
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	3.375	02/05/2024 01/05/2024	1,000,000.00	1,079,130.00	1,071,757.64	1,070,768.58	(989.06)	16,500.00	3.22
459200HU8	IBM CORP 3.625% 12FEB2024	3.625	02/12/2024	1,000,000.00	1,086,900.00	1,079,252.80	1,077,009.82	(2,242.98)	17,017.36	3.24
88579YBB6	3M COMPANY 3.25% 14FEB2024 (CALLABLE 14JAN24)	3.250	02/14/2024 01/14/2024	500,000.00	541,935.00	535,204.69	534,363.71	(840.98)	7,538.19	1.62
713448CM8	PEPSICO INC 3.6% 01MAR2024 (CALLABLE 01DEC23)	3.600	03/01/2024 12/01/2023	500,000.00	537,465.00	535,763.98	537,762.12	1,998.14	7,500.00	1.60
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	3.550	03/05/2024 03/05/2023	500,000.00	535,525.00	521,524.63	523,744.84	2,220.21	7,198.61	1.60
46647PAP1	JPMORGAN CHASE & CO 3.559% 23APR2024 (CALLABLE 23APR23)	3.559	04/23/2024 04/23/2023	500,000.00	534,240.00	526,933.74	525,779.79	(1,153.95)	4,844.19	1.59
<b>Total Corporate Bonds</b>				<b>13,400,000.00</b>	<b>14,098,295.00</b>	<b>13,979,659.66</b>	<b>14,033,765.00</b>	<b>54,105.34</b>	<b>117,937.97</b>	<b>42.08</b>
<b>Government Agencies</b>										
313378JP7	FEDERAL HOME LOAN BANK 2.375% 10SEP2021	2.375	09/10/2021	600,000.00	602,430.00	600,116.27	601,484.13	1,367.86	5,581.25	1.80
3135G0Q89	FANNIE MAE 1.375% 07OCT2021	1.375	10/07/2021	1,100,000.00	1,099,318.00	1,099,923.59	1,102,660.50	2,736.91	4,789.58	3.28

# SECURITIES HELD

SAN RAFAEL

As of July 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Agencies</b>										
3137EADB2	FREDDIE MAC 2.375% 13JAN2022	2.375	01/13/2022	1,650,000.00	1,676,634.30	1,655,301.00	1,667,022.44	11,721.44	1,959.38	5.00
313378WG2	FEDERAL HOME LOAN BANK 2.5% 11MAR2022	2.500	03/11/2022	1,000,000.00	1,016,330.00	1,003,649.07	1,014,726.02	11,076.95	9,722.22	3.03
3135G0T78	FANNIE MAE 2% 05OCT2022	2.000	10/05/2022	600,000.00	601,716.00	600,624.94	613,239.11	12,614.17	3,866.67	1.80
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	2.500	12/09/2022	1,000,000.00	1,021,240.00	1,008,382.86	1,031,704.07	23,321.21	3,611.11	3.05
3134GW2F2	FREDDIE MAC 0.3% 25MAY2023 (CALLABLE 25AUG21)	0.300	05/25/2023 08/25/2021	1,000,000.00	1,000,000.00	1,000,000.00	1,000,117.06	117.06	1,300.00	2.98
3135G0U43	FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	1,000,000.00	1,047,553.22	1,025,357.28	1,056,265.86	30,908.58	11,100.69	3.13
3135G0V34	FANNIE MAE 2.5% 05FEB2024	2.500	02/05/2024	600,000.00	621,262.80	612,454.91	633,511.42	21,056.51	7,333.33	1.85
3133EMWV0	FEDERAL FARM CREDIT BANK 0.35% 22APR2024	0.350	04/22/2024	1,000,000.00	1,000,000.00	1,000,000.00	1,000,544.24	544.24	962.50	2.98
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23DEC21)	0.350	04/23/2024 12/23/2021	1,000,000.00	1,000,000.00	1,000,000.00	999,626.17	(373.83)	369.44	2.98
3136G46B4	FANNIE MAE 0.35% 26APR2024 (CALLABLE 26OCT21)	0.350	04/26/2024 10/26/2021	1,200,000.00	1,199,700.00	1,199,764.44	1,199,177.84	(586.60)	1,108.33	3.58
3133EMYR7	FEDERAL FARM CREDIT BANK 0.375% 06MAY2024 (CALLABLE 06MAY22)	0.375	05/06/2024 05/06/2022	1,000,000.00	1,000,000.00	1,000,000.00	1,000,733.06	733.06	885.42	2.98

# SECURITIES HELD

SAN RAFAEL

As of July 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Agencies</b>										
3135GOV75	FANNIE MAE 1.75% 02JUL2024	1.750	07/02/2024	750,000.00	753,426.75	752,147.08	780,968.78	28,821.70	1,057.29	2.25
<b>Total Government Agencies</b>				<b>13,500,000.00</b>	<b>13,639,611.07</b>	<b>13,557,721.44</b>	<b>13,701,780.70</b>	<b>144,059.26</b>	<b>53,647.21</b>	<b>40.71</b>
<b>Government Bonds</b>										
912828M80	USA TREASURY 2% 30NOV2022	2.000	11/30/2022	750,000.00	762,072.83	755,664.23	768,808.59	13,144.36	2,500.00	2.27
91282CAW1	USA TREASURY 0.25% 15NOV2023	0.250	11/15/2023	1,000,000.00	1,000,120.54	1,000,108.60	1,000,546.88	438.28	523.10	2.98
912828U57	USA TREASURY 2.125% 30NOV2023	2.125	11/30/2023	650,000.00	661,529.52	656,575.07	678,488.28	21,913.21	2,302.08	1.97
91282CBV2	USA TREASURY 0.375% 15APR2024	0.375	04/15/2024	1,000,000.00	1,001,175.22	1,001,075.20	1,002,031.25	956.05	1,096.31	2.99
91282CCC3	USA TREASURY 0.25% 15MAY2024	0.250	05/15/2024	1,000,000.00	996,878.35	997,105.59	998,203.12	1,097.53	523.10	2.98
<b>Total Government Bonds</b>				<b>4,400,000.00</b>	<b>4,421,776.46</b>	<b>4,410,528.69</b>	<b>4,448,078.12</b>	<b>37,549.43</b>	<b>6,944.59</b>	<b>13.20</b>
<b>Municipal/Provincial Bonds</b>										
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	5.250	09/02/2032	1,239,200.00	1,239,200.00	1,239,200.00	1,239,200.00	0.00	26,926.78	3.70
<b>Total Municipal/Provincial Bonds</b>				<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>0.00</b>	<b>26,926.78</b>	<b>3.70</b>
<b>Grand total</b>				<b>32,647,782.83</b>	<b>33,507,465.36</b>	<b>33,295,692.62</b>	<b>33,531,406.65</b>	<b>235,714.03</b>	<b>205,456.55</b>	<b>100.00</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of July 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal National Mortgage Association</b>												
3135G0Q89	FANNIE MAE 1.375%	1.375	10/07/2021		AA+	Aaa	1,100,000.00	1,099,318.00	3.28	1,102,660.50	3.29	0.19
3135G0T78	FANNIE MAE 2%	2.000	10/05/2022		AA+	Aaa	600,000.00	601,716.00	1.80	613,239.11	1.83	1.16
3135G0U43	FANNIE MAE 2.875%	2.875	09/12/2023		AA+	Aaa	1,000,000.00	1,047,553.22	3.13	1,056,265.86	3.15	2.05
3135G0V34	FANNIE MAE 2.5%	2.500	02/05/2024		AA+	Aaa	600,000.00	621,262.80	1.85	633,511.42	1.89	2.43
3136G46B4	FANNIE MAE 0.35%	0.350	04/26/2024	10/26/2021	AA+	Aaa	1,200,000.00	1,199,700.00	3.58	1,199,177.84	3.58	1.26
3135G0V75	FANNIE MAE 1.75%	1.750	07/02/2024		AA+	Aaa	750,000.00	753,426.75	2.25	780,968.78	2.33	2.86
<b>Issuer total</b>							<b>5,250,000.00</b>	<b>5,322,976.77</b>	<b>15.89</b>	<b>5,385,823.51</b>	<b>16.06</b>	<b>1.55</b>
<b>United States Treasury Note/Bond</b>												
912828M80	USA TREASURY 2%	2.000	11/30/2022		AA+	Aaa	750,000.00	762,072.83	2.27	768,808.59	2.29	1.32
91282CAW1	USA TREASURY 0.25%	0.250	11/15/2023		AA+	Aaa	1,000,000.00	1,000,120.54	2.98	1,000,546.88	2.98	2.28
912828U57	USA TREASURY 2.125%	2.125	11/30/2023		AA+	Aaa	650,000.00	661,529.52	1.97	678,488.28	2.02	2.28
91282CBV2	USA TREASURY 0.375%	0.375	04/15/2024		AA+	Aaa	1,000,000.00	1,001,175.22	2.99	1,002,031.25	2.99	2.69
91282CCC3	USA TREASURY 0.25%	0.250	05/15/2024		AA+	Aaa	1,000,000.00	996,878.35	2.98	998,203.12	2.98	2.78
<b>Issuer total</b>							<b>4,400,000.00</b>	<b>4,421,776.46</b>	<b>13.20</b>	<b>4,448,078.12</b>	<b>13.27</b>	<b>2.32</b>
<b>Federal Home Loan Banks</b>												
313378JP7	FEDERAL HOME LOAN	2.375	09/10/2021		AA+	Aaa	600,000.00	602,430.00	1.80	601,484.13	1.79	0.12
313378WG2	FEDERAL HOME LOAN	2.500	03/11/2022		AA+	Aaa	1,000,000.00	1,016,330.00	3.03	1,014,726.02	3.03	0.61
3130A3KM5	FEDERAL HOME LOAN	2.500	12/09/2022		AA+	Aaa	1,000,000.00	1,021,240.00	3.05	1,031,704.07	3.08	1.34
3130AMQQ	FEDERAL HOME LOAN	0.350	04/23/2024	12/23/2021	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	999,626.17	2.98	1.36
<b>Issuer total</b>							<b>3,600,000.00</b>	<b>3,640,000.00</b>	<b>10.86</b>	<b>3,647,540.39</b>	<b>10.88</b>	<b>0.94</b>
<b>Federal Home Loan Mortgage Corp</b>												
3137EADB2	FREDDIE MAC 2.375%	2.375	01/13/2022		AA+	Aaa	1,650,000.00	1,676,634.30	5.00	1,667,022.44	4.97	0.46



# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of July 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Home Loan Mortgage Corp</b>												
3134GW2F2	FREDDIE MAC 0.3%	0.300	05/25/2023	08/25/2021	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	1,000,117.06	2.98	0.30
<b>Issuer total</b>							<b>2,650,000.00</b>	<b>2,676,634.30</b>	<b>7.99</b>	<b>2,667,139.50</b>	<b>7.95</b>	<b>0.40</b>
<b>Federal Farm Credit Banks Funding Corp</b>												
3133EMWV	FEDERAL FARM CREDIT	0.350	04/22/2024		AA+	Aaa	1,000,000.00	1,000,000.00	2.98	1,000,544.24	2.98	2.71
3133EMYR7	FEDERAL FARM CREDIT	0.375	05/06/2024	05/06/2022	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	1,000,733.06	2.98	1.55
<b>Issuer total</b>							<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>5.97</b>	<b>2,001,277.30</b>	<b>5.97</b>	<b>2.13</b>
<b>PT. SAN ASSESS DISTRICT</b>												
888599LS4	PT. SAN ASSESS	5.250	09/02/2032		NR	NR	1,239,200.00	1,239,200.00	3.70	1,239,200.00	3.70	8.45
<b>Issuer total</b>							<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>3.70</b>	<b>1,239,200.00</b>	<b>3.70</b>	<b>8.45</b>
<b>JPMorgan Chase &amp; Co</b>												
46647PBB1	JPMORGAN CHASE & CO	3.207	04/01/2023	04/01/2022	A-	A2	600,000.00	615,576.00	1.84	611,477.32	1.82	0.66
46647PAP1	JPMORGAN CHASE & CO	3.559	04/23/2024	04/23/2023	A-	A2	500,000.00	534,240.00	1.59	525,779.79	1.57	1.67
<b>Issuer total</b>							<b>1,100,000.00</b>	<b>1,149,816.00</b>	<b>3.43</b>	<b>1,137,257.11</b>	<b>3.39</b>	<b>1.13</b>
<b>Caterpillar Financial Services Corp</b>												
14912L5X5	CATERPILLAR FINANCIAL	3.750	11/24/2023		A	A2	1,000,000.00	1,086,390.00	3.24	1,078,055.86	3.22	2.23
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,086,390.00</b>	<b>3.24</b>	<b>1,078,055.86</b>	<b>3.22</b>	<b>2.23</b>
<b>International Business Machines Corp</b>												
459200HU8	IBM CORP 3.625%	3.625	02/12/2024		A-	A2	1,000,000.00	1,086,900.00	3.24	1,077,009.82	3.21	2.41
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,086,900.00</b>	<b>3.24</b>	<b>1,077,009.82</b>	<b>3.21</b>	<b>2.41</b>
<b>US Bancorp</b>												
91159HHV5	US BANCORP 3.375%	3.375	02/05/2024	01/05/2024	A+	A2	1,000,000.00	1,079,130.00	3.22	1,070,768.58	3.19	2.32
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,079,130.00</b>	<b>3.22</b>	<b>1,070,768.58</b>	<b>3.19</b>	<b>2.32</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of July 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Wells Fargo Bank NA</b>												
94988J5R4	WELLS FARGO BANK NA	3.550	08/14/2023	07/14/2023	A+	Aa2	1,000,000.00	1,074,350.00	3.21	1,063,364.06	3.17	1.87
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,074,350.00</b>	<b>3.21</b>	<b>1,063,364.06</b>	<b>3.17</b>	<b>1.87</b>
<b>Bank of America Corp</b>												
06051GHC6	BANK OF AMERICA CORP	3.004	12/20/2023	12/20/2022	A-	A2	500,000.00	525,795.00	1.57	517,572.00	1.54	1.36
06051GHF9	BANK OF AMERICA CORP	3.550	03/05/2024	03/05/2023	A-	A2	500,000.00	535,525.00	1.60	523,744.84	1.56	1.53
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,061,320.00</b>	<b>3.17</b>	<b>1,041,316.84</b>	<b>3.11</b>	<b>1.45</b>
<b>American Honda Finance Corp</b>												
02665WDH1	AMERICAN HONDA	1.950	05/10/2023		A-	A3	1,000,000.00	1,031,510.00	3.08	1,028,613.49	3.07	1.74
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,031,510.00</b>	<b>3.08</b>	<b>1,028,613.49</b>	<b>3.07</b>	<b>1.74</b>
<b>John Deere Capital Corp</b>												
24422EVN6	JOHN DEERE CAPITAL	0.450	01/17/2024		A	A2	1,000,000.00	1,001,230.00	2.99	1,000,487.18	2.98	2.45
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,001,230.00</b>	<b>2.99</b>	<b>1,000,487.18</b>	<b>2.98</b>	<b>2.45</b>
<b>PNC Financial Services Group Inc/The</b>												
693475AV7	PNC FINANCIAL	3.500	01/23/2024	12/24/2023	A-	A3	900,000.00	957,939.00	2.86	965,002.78	2.88	2.32
<b>Issuer total</b>							<b>900,000.00</b>	<b>957,939.00</b>	<b>2.86</b>	<b>965,002.78</b>	<b>2.88</b>	<b>2.32</b>
<b>Toyota Motor Credit Corp</b>												
89236THA6	TOYOTA MOTOR CREDIT	1.350	08/25/2023		A+	A1	700,000.00	714,959.00	2.13	713,472.15	2.13	2.03
<b>Issuer total</b>							<b>700,000.00</b>	<b>714,959.00</b>	<b>2.13</b>	<b>713,472.15</b>	<b>2.13</b>	<b>2.03</b>
<b>American Express Credit Corp</b>												
0258M0EG0	AMERICAN EXPRESS	2.700	03/03/2022	01/31/2022	A-	A2	700,000.00	714,231.00	2.13	708,880.22	2.11	0.50
<b>Issuer total</b>							<b>700,000.00</b>	<b>714,231.00</b>	<b>2.13</b>	<b>708,880.22</b>	<b>2.11</b>	<b>0.50</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of July 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>PepsiCo Inc</b>												
713448CM8	PEPSICO INC 3.6%	3.600	03/01/2024	12/01/2023	A+	A1	500,000.00	537,465.00	1.60	537,762.12	1.60	2.24
<b>Issuer total</b>							<b>500,000.00</b>	<b>537,465.00</b>	<b>1.60</b>	<b>537,762.12</b>	<b>1.60</b>	<b>2.24</b>
<b>Citibank NA</b>												
17325FAS7	CITIBANK NA 3.65%	3.650	01/23/2024	12/23/2023	A+	Aa3	500,000.00	541,470.00	1.62	537,655.51	1.60	2.32
<b>Issuer total</b>							<b>500,000.00</b>	<b>541,470.00</b>	<b>1.62</b>	<b>537,655.51</b>	<b>1.60</b>	<b>2.32</b>
<b>3M Co</b>												
88579YBB6	3M COMPANY 3.25%	3.250	02/14/2024	01/14/2024	A+	A1	500,000.00	541,935.00	1.62	534,363.71	1.59	2.35
<b>Issuer total</b>							<b>500,000.00</b>	<b>541,935.00</b>	<b>1.62</b>	<b>534,363.71</b>	<b>1.59</b>	<b>2.35</b>
<b>Apple Inc</b>												
037833AK6	APPLE INC 2.4%	2.400	05/03/2023		AA+	Aa1	500,000.00	506,880.00	1.51	518,466.63	1.55	1.71
<b>Issuer total</b>							<b>500,000.00</b>	<b>506,880.00</b>	<b>1.51</b>	<b>518,466.63</b>	<b>1.55</b>	<b>1.71</b>
<b>Walmart Inc</b>												
931142DH3	WALMART INC 2.55%	2.550	04/11/2023	01/11/2023	AA	Aa2	500,000.00	509,155.00	1.52	517,339.46	1.54	1.42
<b>Issuer total</b>							<b>500,000.00</b>	<b>509,155.00</b>	<b>1.52</b>	<b>517,339.46</b>	<b>1.54</b>	<b>1.42</b>
<b>Pfizer Inc</b>												
717081DZ3	PFIZER INC 2.2%	2.200	12/15/2021		A+	A2	500,000.00	503,615.00	1.50	503,949.48	1.50	0.38
<b>Issuer total</b>							<b>500,000.00</b>	<b>503,615.00</b>	<b>1.50</b>	<b>503,949.48</b>	<b>1.50</b>	<b>0.38</b>
<b>Cash and Cash Equivalent</b>												
	INVESTED CASH	0.000					108,582.83	108,582.83	0.00	108,582.83	0.32	0.00
<b>Issuer total</b>							<b>108,582.83</b>	<b>108,582.83</b>	<b>0.00</b>	<b>108,582.83</b>	<b>0.32</b>	<b>0.00</b>
<b>Grand total</b>							<b>32,647,782.83</b>	<b>33,507,465.36</b>	<b>100.00</b>	<b>33,531,406.65</b>	<b>100.00</b>	<b>1.91</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period July 1, 2021 - July 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Cash</b>						
	Cash and Cash Equivalents	0.00	0.00	0.00	2.29	2.29
<b>Total Cash</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2.29</b>	<b>2.29</b>
<b>Corporate Bonds</b>						
88579YBB6	3M COMPANY 3.25% 14FEB2024 (CALLABLE 14JAN24)	(1,194.73)	0.00	(1,157.58)	1,399.30	0.00
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	(1,375.66)	0.00	(1,323.03)	1,627.50	0.00
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	(1,298.49)	0.00	(1,378.74)	1,679.17	0.00
037833AK6	APPLE INC 2.4% 03MAY2023	(157.92)	0.00	(473.37)	1,033.33	0.00
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	(984.55)	0.00	(602.06)	1,293.39	0.00
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	(1,123.03)	0.00	(1,593.51)	1,528.47	0.00
14912L5X5	CATERPILLAR FINANCIAL SE 3.75% 24NOV2023	(2,810.96)	0.00	(1,666.14)	3,229.17	0.00
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	(1,327.75)	0.00	(323.96)	1,571.53	9,125.00
459200HU8	IBM CORP 3.625% 12FEB2024	(2,607.00)	0.00	(361.58)	3,121.53	0.00
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	(37.85)	0.00	1,603.94	387.50	1,662.50
46647PBB1	JPMORGAN CHASE & CO 3.207% 01APR2023 (CALLABLE 01APR22)	(1,420.30)	0.00	(1,545.64)	1,656.95	0.00
46647PAP1	JPMORGAN CHASE & CO 3.559% 23APR2024 (CALLABLE 23APR23)	(1,296.97)	0.00	(1,449.58)	1,532.34	0.00
713448CM8	PEPSICO INC 3.6% 01MAR2024 (CALLABLE 01DEC23)	(1,275.76)	0.00	341.56	1,550.00	0.00
717081DZ3	PFIZER INC 2.2% 15DEC2021	(150.83)	0.00	(520.83)	947.23	0.00
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	(1,530.91)	0.00	(1,089.87)	2,712.50	15,750.00
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	(531.09)	0.00	(395.46)	813.75	0.00
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	(2,375.54)	0.00	(207.87)	2,906.25	0.00

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period July 1, 2021 - July 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Corporate Bonds</b>						
931142DH3	WALMART INC 2.55% 11APR2023 (CALLABLE 11JAN23)	(229.83)	0.00	(1,125.91)	1,097.91	0.00
94988J5R4	WELLS FARGO BANK NA 3.55% 14AUG2023 (CALLABLE 14JUL23)	(2,662.29)	0.00	(1,241.28)	3,056.95	0.00
<b>Total Corporate Bonds</b>		<b>(24,391.46)</b>	<b>0.00</b>	<b>(14,510.91)</b>	<b>33,144.77</b>	<b>26,537.50</b>
<b>Government Agencies</b>						
3136G46B4	FANNIE MAE 0.35% 26APR2024 (CALLABLE 26OCT21)	6.92	0.00	3,656.77	361.66	0.00
3135G0Q89	FANNIE MAE 1.375% 07OCT2021	34.22	0.00	(1,195.53)	1,302.43	0.00
3135G0V75	FANNIE MAE 1.75% 02JUL2024	(61.22)	0.00	1,242.53	1,130.21	6,562.50
3135G0T78	FANNIE MAE 2% 05OCT2022	(44.11)	0.00	(574.55)	1,033.34	0.00
3135G0V34	FANNIE MAE 2.5% 05FEB2024	(412.87)	0.00	625.62	1,291.66	0.00
3135G0U43	FANNIE MAE 2.875% 12SEP2023	(998.32)	0.00	(732.86)	2,475.69	0.00
3133EMWV0	FEDERAL FARM CREDIT BANK 0.35% 22APR2024	0.00	0.00	3,045.50	301.39	0.00
3133EMYR7	FEDERAL FARM CREDIT BANK 0.375% 06MAY2024 (CALLABLE 06MAY22)	0.00	0.00	4,589.09	322.92	0.00
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23DEC21)	0.00	0.00	1,313.82	301.38	0.00
313378JP7	FEDERAL HOME LOAN BANK 2.375% 10SEP2021	(87.20)	0.00	(1,160.96)	1,227.08	0.00
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	(514.28)	0.00	(1,615.60)	2,152.78	0.00
313378WG2	FEDERAL HOME LOAN BANK 2.5% 11MAR2022	(495.35)	0.00	(2,054.98)	2,152.78	0.00
3134GW2F2	FREDDIE MAC 0.3% 25MAY2023 (CALLABLE 25AUG21)	0.00	0.00	1,972.87	258.33	0.00
3137EADB2	FREDDIE MAC 2.375% 13JAN2022	(937.37)	0.00	(3,173.56)	3,374.48	19,593.75
<b>Total Government Agencies</b>		<b>(3,509.58)</b>	<b>0.00</b>	<b>5,938.16</b>	<b>17,686.13</b>	<b>26,156.25</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period July 1, 2021 - July 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Government Bonds</b>						
91282CCC3	USA TREASURY 0.25% 15MAY2024	88.06	0.00	3,671.87	210.60	0.00
91282CAW1	USA TREASURY 0.25% 15NOV2023	(4.03)	0.00	2,226.57	210.60	0.00
91282CBV2	USA TREASURY 0.375% 15APR2024	(33.70)	0.00	3,203.13	317.62	0.00
912828M80	USA TREASURY 2% 30NOV2022	(360.55)	0.00	(585.95)	1,270.49	0.00
912828U57	USA TREASURY 2.125% 30NOV2023	(239.23)	0.00	380.86	1,169.91	0.00
<b>Total Government Bonds</b>		<b>(549.45)</b>	<b>0.00</b>	<b>8,896.48</b>	<b>3,179.22</b>	<b>0.00</b>
<b>Municipal/Provincial Bonds</b>						
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	0.00	0.00	0.00	5,602.21	0.00
<b>Total Municipal/Provincial Bonds</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,602.21</b>	<b>0.00</b>
<b>Grand total</b>		<b>(28,450.49)</b>	<b>0.00</b>	<b>323.73</b>	<b>59,614.62</b>	<b>52,696.04</b>

# TRANSACTION REPORT

For the period July 1, 2021 - July 31, 2021

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
07/02/2021 07/02/2021	3135G0V75	Income	Government Agencies	FANNIE MAE 1.75% 02JUL2024	07/02/2024	750,000.00	0.00	0.00	6,562.50	6,562.50
07/13/2021 07/13/2021	3137EADB2	Income	Government Agencies	FREDDIE MAC 2.375%	01/13/2022	1,650,000.00	0.00	0.00	19,593.75	19,593.75
07/17/2021 07/17/2021	24422EVN6	Income	Corporate Bonds	JOHN DEERE CAPITAL CORP	01/17/2024	1,000,000.00	0.00	0.00	1,662.50	1,662.50
07/23/2021 07/23/2021	17325FAS7	Income	Corporate Bonds	CITIBANK NA 3.65% 23JAN2024	01/23/2024	500,000.00	0.00	0.00	9,125.00	9,125.00
07/23/2021 07/23/2021	693475AV7	Income	Corporate Bonds	PNC FINANCIAL SERVICES 3.5%	01/23/2024	900,000.00	0.00	0.00	15,750.00	15,750.00
07/31/2021		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	2.29	2.29

# ADDITIONAL INFORMATION

## As of July 31, 2021

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moody's, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moody's and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown.

The ICE BofA 3 Month US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The ICE BofA 6 Month US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The ICE BofA 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The ICE BofA 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.



# ADDITIONAL INFORMATION

## As of July 31, 2021

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# SAN RAFAEL

August 2021

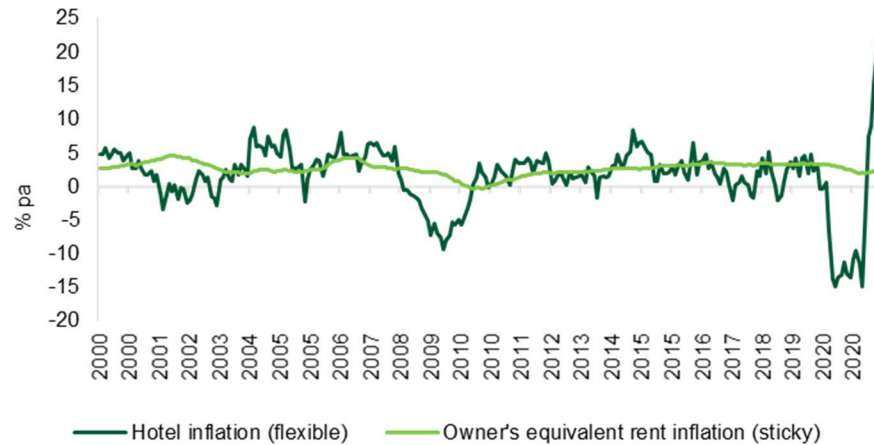


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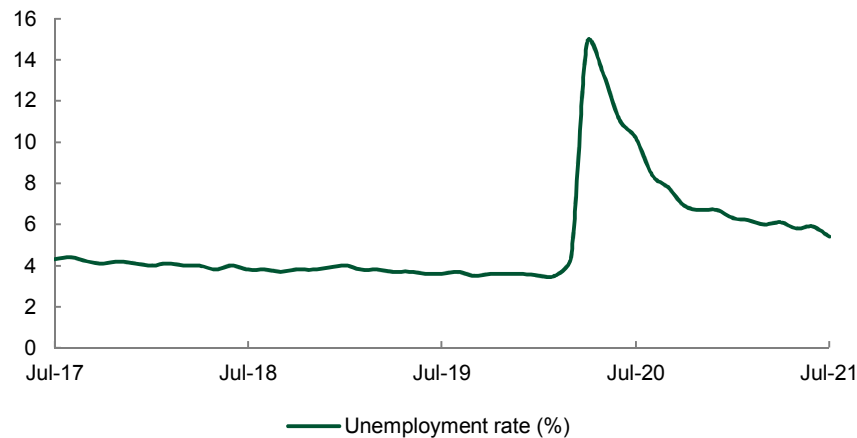
As of August 31, 2021

Chart 1: Inflation high once again but still limited to 'flexible' categories



Source: FRED, August 31, 2021

Chart 2: Unemployment rate enjoys a faster fall



Source: Citi, Bloomberg, August 31, 2021

## Economic Indicators and Monetary Policy

Federal Reserve (Fed) Chair Powell's Jackson Hole testimony provided little new information or guidance on its trajectory for 'tapering' its asset purchases, outside a comment that tapering "could" be appropriate before the end of the year. Powell stated that key thresholds have been met for inflation, but not for employment, albeit acknowledging there has been clear progress regarding the labor market.

Earlier in the month, the minutes of the July FOMC meeting similarly provided little new information. The committee changed its post-meeting statement to reflect that it would assess progress toward tapering at "upcoming meetings". It mentioned the spread of the delta variant as increasing uncertainty around its base case forecasts but not changing them.

The delta COVID-19 variant spread aggressively in the US, causing hospital systems in states with lower rates of vaccination to come under pressure. The wave of cases did not, however, appear to result in a retrenchment in leisure spending over the summer, as hotel bookings returned to their pre-pandemic trend.

Data-wise, inflation held ground at 5.4%, the same as last month's post-2008 high and broadly in line with market expectations. Core inflation did, however, soften slightly from 4.5% to 4.3%. On a month-on-month basis, CPI rose 0.5%, the slowest increase since February. Once again, inflation was dominated by 'flexible' categories (such as hotel prices) but limited in 'stickier' categories such as rents (see Chart 1).

Elsewhere, payrolls rose by 943,000, with a further positive 2-month net revision, beating expectations. The unemployment rate fell to 5.3% from 5.9% (Chart 2) and wages rose 4% pa. Q2 GDP growth was revised higher by 0.1 percentage points, to 6.6% with upward revisions to non-residential fixed investment and exports, partly offset by downward revisions to private inventory, residential investment, and federal government spending.

## Interest Rate Summary

Yields generally fell at longer maturities. At the end of July, the 3-month US Treasury bill yielded 0.05%, the 6-month US Treasury bill yielded 0.06%, the 2-year US Treasury note yielded 0.21%, the 5-year US Treasury note yielded 0.78% and the 10-year US Treasury note yielded 1.31%.

# ACTIVITY AND PERFORMANCE SUMMARY

For the period August 1, 2021 - August 31, 2021

## Amortized Cost Basis Activity Summary

<b>Opening balance</b>		33,295,692.62
Income received	66,065.58	
<b>Total receipts</b>		66,065.58
Expenses paid	(201.83)	
<b>Total disbursements</b>		(201.83)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Realized gain (loss)		0.00
Change in accruals from security movement		0.00
<b>Total amortization expense</b>		(29,287.61)
<b>Total OID/MKT accretion income</b>		129.42
Return of capital		0.00
<b>Closing balance</b>		33,332,398.18
<b>Ending fair value</b>		33,542,976.53
Unrealized gain (loss)		210,578.35

## Detail of Amortized Cost Basis Return

	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	0.42	0.00	0.00	0.42
Corporate Bonds	32,075.58	(24,520.80)	0.00	7,554.78
Government Agencies	17,065.64	(3,541.70)	0.00	13,523.94
Government Bonds	3,527.59	(1,095.69)	0.00	2,431.90
Municipal/Provincial Bonds	5,421.50	0.00	0.00	5,421.50
<b>Total</b>	<b>58,090.73</b>	<b>(29,158.19)</b>	<b>0.00</b>	<b>28,932.54</b>

## Comparative Rates of Return (%)

	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.06	0.01	0.00
Merrill Lynch 3m US Treas Bill	0.04	0.01	0.00
Merrill Lynch 6m US Treas Bill	0.05	0.01	0.00
ML 1 Year US Treasury Note	0.09	0.03	0.01
ML 2 Year US Treasury Note	0.16	0.09	0.02
ML 5 Year US Treasury Note	0.60	0.41	0.07

\* rates reflected are cumulative

## Summary of Amortized Cost Basis Return for the Period

	Total portfolio
Interest earned	58,090.73
Accretion (amortization)	(29,158.19)
Realized gain (loss) on sales	0.00
Total income on portfolio	28,932.54
Average daily amortized cost	33,324,680.26
Period return (%)	0.09
YTD return (%)	1.01
Weighted average final maturity in days	824

# ACTIVITY AND PERFORMANCE SUMMARY

For the period August 1, 2021 - August 31, 2021

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		33,531,406.65
Income received	66,065.58	
<b>Total receipts</b>		66,065.58
Expenses paid	(201.83)	
<b>Total disbursements</b>		(201.83)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Change in accruals from security movement		0.00
Return of capital		0.00
Change in fair value for the period		(54,293.87)
<b>Ending fair value</b>		33,542,976.53

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	0.42	0.00	0.42
Corporate Bonds	32,075.58	(30,808.67)	1,266.91
Government Agencies	17,065.64	(18,958.41)	(1,892.77)
Government Bonds	3,527.59	(4,526.79)	(999.20)
Municipal/Provincial Bonds	5,421.50	0.00	5,421.50
<b>Total</b>	<b>58,090.73</b>	<b>(54,293.87)</b>	<b>3,796.86</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.06	0.01	0.00
ICE Bofa 3 Months US T-BILL	0.08	0.02	0.00
ICE Bofa 6m US Treas Bill	0.14	0.04	0.01
ICE Bofa 1 Yr US Treasury Note	0.22	0.08	0.00
ICE BofA US Treasury 1-3	0.16	0.14	(0.01)
ICE BofA US Treasury 1-5	(0.09)	0.30	(0.06)

\* rates reflected are cumulative

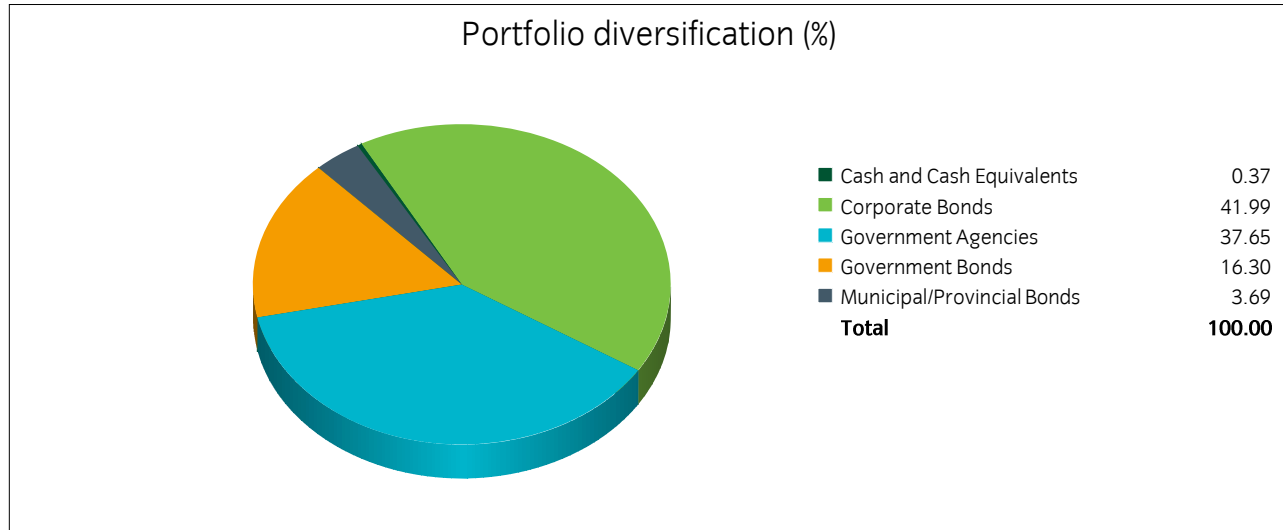
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	58,090.73
Change in fair value	(54,293.87)
Total income on portfolio	3,796.86
Average daily total value *	33,717,717.23
Period return (%)	0.01
YTD return (%)	0.27
Weighted average final maturity in days	824

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of August 31, 2021

	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	122,646.35	122,646.35	122,646.35	0.00	1	0.37	0.00
Corporate Bonds	14,098,295.00	13,955,138.86	14,002,956.33	47,817.47	744	41.99	1.79
Government Agencies	12,639,611.07	12,554,179.74	12,682,822.29	128,642.55	583	37.65	1.23
Government Bonds	5,473,576.69	5,461,233.23	5,495,351.56	34,118.33	882	16.30	2.38
Municipal/Provincial Bonds	1,239,200.00	1,239,200.00	1,239,200.00	0.00	4,020	3.69	8.35
<b>Total</b>	<b>33,573,329.11</b>	<b>33,332,398.18</b>	<b>33,542,976.53</b>	<b>210,578.35</b>	<b>824</b>	<b>100.00</b>	<b>1.91</b>

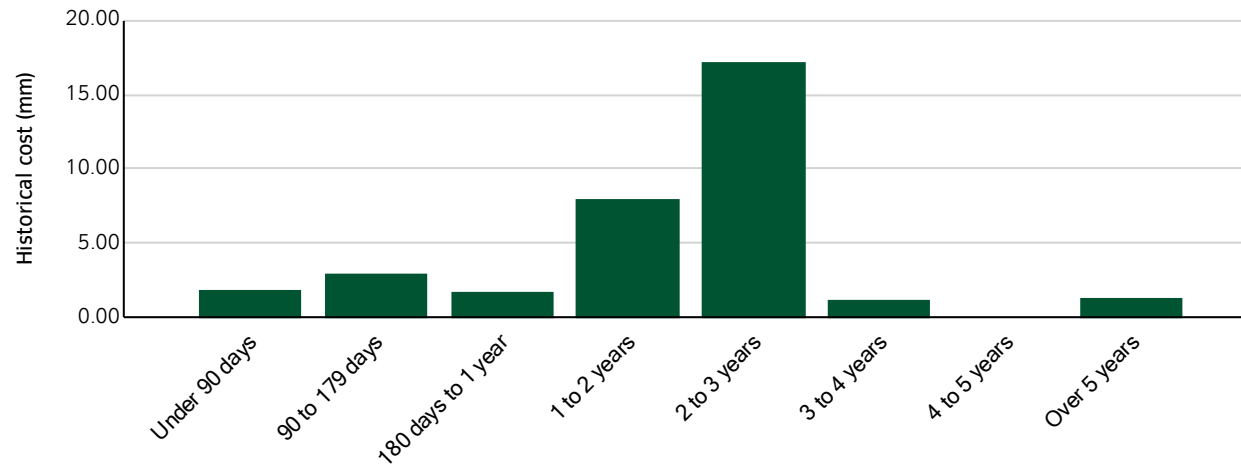


# MATURITY DISTRIBUTION OF SECURITIES HELD

As of August 31, 2021

Maturity	Historic cost	Percent
Under 90 days	1,824,394.35	5.43
90 to 179 days	2,894,480.30	8.62
180 days to 1 year	1,631,906.00	4.86
1 to 2 years	7,817,442.83	23.29
2 to 3 years	17,114,105.40	50.98
3 to 4 years	1,051,800.23	3.13
4 to 5 years	0.00	0.00
Over 5 years	1,239,200.00	3.69
	<b>33,573,329.11</b>	<b>100.00</b>

Maturity distribution





# SECURITIES HELD

## As of August 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>										
	Cash and Cash Equivalents	0.000		122,646.35	122,646.35	122,646.35	122,646.35	0.00	0.00	0.37
<b>Total Cash and Cash Equivalents</b>				<b>122,646.35</b>	<b>122,646.35</b>	<b>122,646.35</b>	<b>122,646.35</b>	<b>0.00</b>	<b>0.00</b>	<b>0.37</b>
<b>Corporate Bonds</b>										
717081DZ3	PFIZER INC 2.2% 15DEC2021	2.200	12/15/2021	500,000.00	503,615.00	500,527.92	503,035.87	2,507.95	2,322.22	1.50
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	2.700	03/03/2022 01/31/2022	700,000.00	714,231.00	707,115.50	707,290.42	174.92	9,345.00	2.13
46647PBB1	JPMORGAN CHASE & CO 3.207% 01APR2023 (CALLABLE 01APR22)	3.207	04/01/2023 04/01/2022	600,000.00	615,576.00	609,989.47	609,925.45	(64.02)	8,017.50	1.83
931142DH3	WALMART INC 2.55% 11APR2023 (CALLABLE 11JAN23)	2.550	04/11/2023 01/11/2023	500,000.00	509,155.00	503,761.59	516,082.64	12,321.05	4,958.33	1.52
037833AK6	APPLE INC 2.4% 03MAY2023	2.400	05/03/2023	500,000.00	506,880.00	503,174.17	517,835.00	14,660.83	3,933.33	1.51
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	1.950	05/10/2023	1,000,000.00	1,031,510.00	1,026,402.61	1,026,793.18	390.57	6,012.50	3.07
94988J5R4	WELLS FARGO BANK NA 3.55% 14AUG2023 (CALLABLE 14JUL23)	3.550	08/14/2023 07/14/2023	1,000,000.00	1,074,350.00	1,059,812.82	1,060,270.00	457.18	1,676.39	3.20
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	1.350	08/25/2023	700,000.00	714,959.00	712,657.62	713,424.11	766.49	157.50	2.13
14912L5X5	CATERPILLAR FINANCIAL SE 3.75% 24NOV2023	3.750	11/24/2023	1,000,000.00	1,086,390.00	1,075,333.58	1,077,626.22	2,292.64	10,104.17	3.24
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	3.004	12/20/2023 12/20/2022	500,000.00	525,795.00	515,424.49	516,250.00	825.51	2,962.28	1.57

# SECURITIES HELD

SAN RAFAEL

## As of August 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Corporate Bonds</b>										
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	0.450	01/17/2024	1,000,000.00	1,001,230.00	1,001,081.14	1,000,521.44	(559.70)	550.00	2.98
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	3.650	01/23/2024 12/23/2023	500,000.00	541,470.00	536,867.14	535,992.63	(874.51)	1,926.39	1.61
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	3.500	01/23/2024 12/24/2023	900,000.00	957,939.00	942,508.27	962,128.10	19,619.83	3,325.00	2.85
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	3.375	02/05/2024 01/05/2024	1,000,000.00	1,079,130.00	1,069,300.19	1,066,565.55	(2,734.64)	2,437.50	3.21
459200HU8	IBM CORP 3.625% 12FEB2024	3.625	02/12/2024	1,000,000.00	1,086,900.00	1,076,645.80	1,074,226.25	(2,419.55)	1,913.19	3.24
88579YBB6	3M COMPANY 3.25% 14FEB2024 (CALLABLE 14JAN24)	3.250	02/14/2024 01/14/2024	500,000.00	541,935.00	534,009.96	532,361.26	(1,648.70)	767.36	1.61
713448CM8	PEPSICO INC 3.6% 01MAR2024 (CALLABLE 01DEC23)	3.600	03/01/2024 12/01/2023	500,000.00	537,465.00	534,488.21	535,562.80	1,074.59	9,000.00	1.60
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	3.550	03/05/2024 03/05/2023	500,000.00	535,525.00	520,401.61	522,138.47	1,736.86	8,677.78	1.60
46647PAP1	JPMORGAN CHASE & CO 3.559% 23APR2024 (CALLABLE 23APR23)	3.559	04/23/2024 04/23/2023	500,000.00	534,240.00	525,636.77	524,926.94	(709.83)	6,327.11	1.59
<b>Total Corporate Bonds</b>				<b>13,400,000.00</b>	<b>14,098,295.00</b>	<b>13,955,138.86</b>	<b>14,002,956.33</b>	<b>47,817.47</b>	<b>84,413.55</b>	<b>41.99</b>

### Government Agencies

313378JP7	FEDERAL HOME LOAN BANK 2.375% 10SEP2021	2.375	09/10/2021	600,000.00	602,430.00	600,029.07	600,348.65	319.58	6,768.75	1.79
3135G0Q89	FANNIE MAE 1.375% 07OCT2021	1.375	10/07/2021	1,100,000.00	1,099,318.00	1,099,957.80	1,101,449.46	1,491.66	6,050.00	3.27

# SECURITIES HELD

## As of August 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Agencies</b>										
3137EADB2	FREDDIE MAC 2.375% 13JAN2022	2.375	01/13/2022	1,650,000.00	1,676,634.30	1,654,331.31	1,663,530.00	9,198.69	5,225.00	4.99
313378WG2	FEDERAL HOME LOAN BANK 2.5% 11MAR2022	2.500	03/11/2022	1,000,000.00	1,016,330.00	1,003,153.72	1,012,781.66	9,627.94	11,805.56	3.03
3135G0T78	FANNIE MAE 2% 05OCT2022	2.000	10/05/2022	600,000.00	601,716.00	600,580.82	612,317.80	11,736.98	4,866.67	1.79
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	2.500	12/09/2022	1,000,000.00	1,021,240.00	1,007,868.57	1,030,402.82	22,534.25	5,694.44	3.04
3135G0U43	FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	1,000,000.00	1,047,553.22	1,024,358.96	1,053,635.01	29,276.05	13,496.53	3.12
3135G0V34	FANNIE MAE 2.5% 05FEB2024	2.500	02/05/2024	600,000.00	621,262.80	612,042.04	632,268.47	20,226.43	1,083.33	1.85
3133EMWV0	FEDERAL FARM CREDIT BANK 0.35% 22APR2024	0.350	04/22/2024	1,000,000.00	1,000,000.00	1,000,000.00	999,748.71	(251.29)	1,254.17	2.98
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23DEC21)	0.350	04/23/2024 12/23/2021	1,000,000.00	1,000,000.00	1,000,000.00	999,380.81	(619.19)	661.11	2.98
3136G46B4	FANNIE MAE 0.35% 26APR2024 (CALLABLE 26OCT21)	0.350	04/26/2024 10/26/2021	1,200,000.00	1,199,700.00	1,199,771.60	1,199,032.58	(739.02)	1,458.33	3.57
3133EMYR7	FEDERAL FARM CREDIT BANK 0.375% 06MAY2024 (CALLABLE 06MAY22)	0.375	05/06/2024 05/06/2022	1,000,000.00	1,000,000.00	1,000,000.00	999,139.79	(860.21)	1,197.92	2.98
3135G0V75	FANNIE MAE 1.75% 02JUL2024	1.750	07/02/2024	750,000.00	753,426.75	752,085.85	778,786.53	26,700.68	2,151.04	2.24
<b>Total Government Agencies</b>				<b>12,500,000.00</b>	<b>12,639,611.07</b>	<b>12,554,179.74</b>	<b>12,682,822.29</b>	<b>128,642.55</b>	<b>61,712.85</b>	<b>37.65</b>

# SECURITIES HELD

SAN RAFAEL

As of August 31, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Bonds</b>										
912828M80	USA TREASURY 2% 30NOV2022	2.000	11/30/2022	750,000.00	762,072.83	755,303.67	767,636.72	12,333.05	3,770.49	2.27
91282CAW1	USA TREASURY 0.25% 15NOV2023	0.250	11/15/2023	1,000,000.00	1,000,120.54	1,000,104.58	1,000,039.06	(65.52)	733.70	2.98
912828U57	USA TREASURY 2.125% 30NOV2023	2.125	11/30/2023	650,000.00	661,529.52	656,335.83	677,167.97	20,832.14	3,472.00	1.97
91282CBV2	USA TREASURY 0.375% 15APR2024	0.375	04/15/2024	1,000,000.00	1,001,175.22	1,001,041.50	1,001,015.62	(25.88)	1,413.93	2.98
91282CCC3	USA TREASURY 0.25% 15MAY2024	0.250	05/15/2024	1,000,000.00	996,878.35	997,193.64	997,304.69	111.05	733.70	2.97
9128282Y5	USA TREASURY 2.125% 30SEP2024	2.125	09/30/2024	1,000,000.00	1,051,800.23	1,051,254.01	1,052,187.50	933.49	8,883.20	3.13
<b>Total Government Bonds</b>				<b>5,400,000.00</b>	<b>5,473,576.69</b>	<b>5,461,233.23</b>	<b>5,495,351.56</b>	<b>34,118.33</b>	<b>19,007.02</b>	<b>16.30</b>
<b>Municipal/Provincial Bonds</b>										
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	5.250	09/02/2032	1,239,200.00	1,239,200.00	1,239,200.00	1,239,200.00	0.00	32,348.28	3.69
<b>Total Municipal/Provincial Bonds</b>				<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>0.00</b>	<b>32,348.28</b>	<b>3.69</b>
<b>Grand total</b>				<b>32,661,846.35</b>	<b>33,573,329.11</b>	<b>33,332,398.18</b>	<b>33,542,976.53</b>	<b>210,578.35</b>	<b>197,481.70</b>	<b>100.00</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of August 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>United States Treasury Note/Bond</b>												
912828M80	USA TREASURY 2%	2.000	11/30/2022		AA+	Aaa	750,000.00	762,072.83	2.27	767,636.72	2.29	1.23
91282CAW1	USA TREASURY 0.25%	0.250	11/15/2023		AA+	Aaa	1,000,000.00	1,000,120.54	2.98	1,000,039.06	2.98	2.20
912828U57	USA TREASURY 2.125%	2.125	11/30/2023		AA+	Aaa	650,000.00	661,529.52	1.97	677,167.97	2.02	2.20
91282CBV2	USA TREASURY 0.375%	0.375	04/15/2024		AA+	Aaa	1,000,000.00	1,001,175.22	2.98	1,001,015.62	2.98	2.61
91282CCC3	USA TREASURY 0.25%	0.250	05/15/2024		AA+	Aaa	1,000,000.00	996,878.35	2.97	997,304.69	2.97	2.69
9128282Y5	USA TREASURY 2.125%	2.125	09/30/2024		AA+	Aaa	1,000,000.00	1,051,800.23	3.13	1,052,187.50	3.14	2.98
<b>Issuer total</b>							<b>5,400,000.00</b>	<b>5,473,576.69</b>	<b>16.30</b>	<b>5,495,351.56</b>	<b>16.38</b>	<b>2.38</b>
<b>Federal National Mortgage Association</b>												
3135G0Q89	FANNIE MAE 1.375%	1.375	10/07/2021		AA+	Aaa	1,100,000.00	1,099,318.00	3.27	1,101,449.46	3.28	0.10
3135G0T78	FANNIE MAE 2%	2.000	10/05/2022		AA+	Aaa	600,000.00	601,716.00	1.79	612,317.80	1.83	1.08
3135G0U43	FANNIE MAE 2.875%	2.875	09/12/2023		AA+	Aaa	1,000,000.00	1,047,553.22	3.12	1,053,635.01	3.14	1.96
3135G0V34	FANNIE MAE 2.5%	2.500	02/05/2024		AA+	Aaa	600,000.00	621,262.80	1.85	632,268.47	1.88	2.37
3136G46B4	FANNIE MAE 0.35%	0.350	04/26/2024	10/26/2021	AA+	Aaa	1,200,000.00	1,199,700.00	3.57	1,199,032.58	3.57	1.15
3135G0V75	FANNIE MAE 1.75%	1.750	07/02/2024		AA+	Aaa	750,000.00	753,426.75	2.24	778,786.53	2.32	2.77
<b>Issuer total</b>							<b>5,250,000.00</b>	<b>5,322,976.77</b>	<b>15.85</b>	<b>5,377,489.85</b>	<b>16.03</b>	<b>1.46</b>
<b>Federal Home Loan Banks</b>												
313378JP7	FEDERAL HOME LOAN	2.375	09/10/2021		AA+	Aaa	600,000.00	602,430.00	1.79	600,348.65	1.79	0.03
313378WG2	FEDERAL HOME LOAN	2.500	03/11/2022		AA+	Aaa	1,000,000.00	1,016,330.00	3.03	1,012,781.66	3.02	0.52
3130A3KM5	FEDERAL HOME LOAN	2.500	12/09/2022		AA+	Aaa	1,000,000.00	1,021,240.00	3.04	1,030,402.82	3.07	1.25
3130AMQQ	FEDERAL HOME LOAN	0.350	04/23/2024	12/23/2021	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	999,380.81	2.98	1.27
<b>Issuer total</b>							<b>3,600,000.00</b>	<b>3,640,000.00</b>	<b>10.84</b>	<b>3,642,913.94</b>	<b>10.86</b>	<b>0.85</b>
<b>Federal Farm Credit Banks Funding Corp</b>												
3133EMWV	FEDERAL FARM CREDIT	0.350	04/22/2024		AA+	Aaa	1,000,000.00	1,000,000.00	2.98	999,748.71	2.98	2.63

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of August 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Farm Credit Banks Funding Corp</b>												
3133EMYR7	FEDERAL FARM CREDIT	0.375	05/06/2024	05/06/2022	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	999,139.79	2.98	1.45
<b>Issuer total</b>							<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>5.96</b>	<b>1,998,888.50</b>	<b>5.96</b>	<b>2.04</b>
<b>Federal Home Loan Mortgage Corp</b>												
3137EADB2	FREDDIE MAC 2.375%	2.375	01/13/2022		AA+	Aaa	1,650,000.00	1,676,634.30	4.99	1,663,530.00	4.96	0.37
<b>Issuer total</b>							<b>1,650,000.00</b>	<b>1,676,634.30</b>	<b>4.99</b>	<b>1,663,530.00</b>	<b>4.96</b>	<b>0.37</b>
<b>PT. SAN ASSESS DISTRICT</b>												
888599LS4	PT. SAN ASSESS	5.250	09/02/2032		NR	NR	1,239,200.00	1,239,200.00	3.69	1,239,200.00	3.69	8.35
<b>Issuer total</b>							<b>1,239,200.00</b>	<b>1,239,200.00</b>	<b>3.69</b>	<b>1,239,200.00</b>	<b>3.69</b>	<b>8.35</b>
<b>JPMorgan Chase &amp; Co</b>												
46647PBB1	JPMORGAN CHASE & CO	3.207	04/01/2023	04/01/2022	A-	A2	600,000.00	615,576.00	1.83	609,925.45	1.82	0.58
46647PAP1	JPMORGAN CHASE & CO	3.559	04/23/2024	04/23/2023	A-	A2	500,000.00	534,240.00	1.59	524,926.94	1.56	1.59
<b>Issuer total</b>							<b>1,100,000.00</b>	<b>1,149,816.00</b>	<b>3.42</b>	<b>1,134,852.39</b>	<b>3.38</b>	<b>1.05</b>
<b>Caterpillar Financial Services Corp</b>												
14912L5X5	CATERPILLAR FINANCIAL	3.750	11/24/2023		A	A2	1,000,000.00	1,086,390.00	3.24	1,077,626.22	3.21	2.14
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,086,390.00</b>	<b>3.24</b>	<b>1,077,626.22</b>	<b>3.21</b>	<b>2.14</b>
<b>International Business Machines Corp</b>												
459200HU8	IBM CORP 3.625%	3.625	02/12/2024		A-	A2	1,000,000.00	1,086,900.00	3.24	1,074,226.25	3.20	2.36
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,086,900.00</b>	<b>3.24</b>	<b>1,074,226.25</b>	<b>3.20</b>	<b>2.36</b>
<b>US Bancorp</b>												
91159HHV5	US BANCORP 3.375%	3.375	02/05/2024	01/05/2024	A+	A2	1,000,000.00	1,079,130.00	3.21	1,066,565.55	3.18	2.28
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,079,130.00</b>	<b>3.21</b>	<b>1,066,565.55</b>	<b>3.18</b>	<b>2.28</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of August 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Wells Fargo Bank NA</b>												
94988J5R4	WELLS FARGO BANK NA	3.550	08/14/2023	07/14/2023	A+	Aa2	1,000,000.00	1,074,350.00	3.20	1,060,270.00	3.16	1.82
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,074,350.00</b>	<b>3.20</b>	<b>1,060,270.00</b>	<b>3.16</b>	<b>1.82</b>
<b>Bank of America Corp</b>												
06051GHC6	BANK OF AMERICA CORP	3.004	12/20/2023	12/20/2022	A-	A2	500,000.00	525,795.00	1.57	516,250.00	1.54	1.28
06051GHF9	BANK OF AMERICA CORP	3.550	03/05/2024	03/05/2023	A-	A2	500,000.00	535,525.00	1.60	522,138.47	1.56	1.46
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,061,320.00</b>	<b>3.16</b>	<b>1,038,388.47</b>	<b>3.10</b>	<b>1.37</b>
<b>American Honda Finance Corp</b>												
02665WDH1	AMERICAN HONDA	1.950	05/10/2023		A-	A3	1,000,000.00	1,031,510.00	3.07	1,026,793.18	3.06	1.66
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,031,510.00</b>	<b>3.07</b>	<b>1,026,793.18</b>	<b>3.06</b>	<b>1.66</b>
<b>John Deere Capital Corp</b>												
24422EVN6	JOHN DEERE CAPITAL	0.450	01/17/2024		A	A2	1,000,000.00	1,001,230.00	2.98	1,000,521.44	2.98	2.36
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,001,230.00</b>	<b>2.98</b>	<b>1,000,521.44</b>	<b>2.98</b>	<b>2.36</b>
<b>PNC Financial Services Group Inc/The</b>												
693475AV7	PNC FINANCIAL	3.500	01/23/2024	12/24/2023	A-	A3	900,000.00	957,939.00	2.85	962,128.10	2.87	2.24
<b>Issuer total</b>							<b>900,000.00</b>	<b>957,939.00</b>	<b>2.85</b>	<b>962,128.10</b>	<b>2.87</b>	<b>2.24</b>
<b>Toyota Motor Credit Corp</b>												
89236THA6	TOYOTA MOTOR CREDIT	1.350	08/25/2023		A+	A1	700,000.00	714,959.00	2.13	713,424.11	2.13	1.96
<b>Issuer total</b>							<b>700,000.00</b>	<b>714,959.00</b>	<b>2.13</b>	<b>713,424.11</b>	<b>2.13</b>	<b>1.96</b>
<b>American Express Credit Corp</b>												
0258M0EG0	AMERICAN EXPRESS	2.700	03/03/2022	01/31/2022	A-	A2	700,000.00	714,231.00	2.13	707,290.42	2.11	0.41
<b>Issuer total</b>							<b>700,000.00</b>	<b>714,231.00</b>	<b>2.13</b>	<b>707,290.42</b>	<b>2.11</b>	<b>0.41</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of August 31, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Citibank NA</b>												
17325FAS7	CITIBANK NA 3.65%	3.650	01/23/2024	12/23/2023	A+	Aa3	500,000.00	541,470.00	1.61	535,992.63	1.60	2.23
<b>Issuer total</b>							<b>500,000.00</b>	<b>541,470.00</b>	<b>1.61</b>	<b>535,992.63</b>	<b>1.60</b>	<b>2.23</b>
<b>PepsiCo Inc</b>												
713448CM8	PEPSICO INC 3.6%	3.600	03/01/2024	12/01/2023	A+	A1	500,000.00	537,465.00	1.60	535,562.80	1.60	2.20
<b>Issuer total</b>							<b>500,000.00</b>	<b>537,465.00</b>	<b>1.60</b>	<b>535,562.80</b>	<b>1.60</b>	<b>2.20</b>
<b>3M Co</b>												
88579YBB6	3M COMPANY 3.25%	3.250	02/14/2024	01/14/2024	A+	A1	500,000.00	541,935.00	1.61	532,361.26	1.59	2.30
<b>Issuer total</b>							<b>500,000.00</b>	<b>541,935.00</b>	<b>1.61</b>	<b>532,361.26</b>	<b>1.59</b>	<b>2.30</b>
<b>Apple Inc</b>												
037833AK6	APPLE INC 2.4%	2.400	05/03/2023		AA+	Aa1	500,000.00	506,880.00	1.51	517,835.00	1.54	1.64
<b>Issuer total</b>							<b>500,000.00</b>	<b>506,880.00</b>	<b>1.51</b>	<b>517,835.00</b>	<b>1.54</b>	<b>1.64</b>
<b>Walmart Inc</b>												
931142DH3	WALMART INC 2.55%	2.550	04/11/2023	01/11/2023	AA	Aa2	500,000.00	509,155.00	1.52	516,082.64	1.54	1.34
<b>Issuer total</b>							<b>500,000.00</b>	<b>509,155.00</b>	<b>1.52</b>	<b>516,082.64</b>	<b>1.54</b>	<b>1.34</b>
<b>Pfizer Inc</b>												
717081DZ3	PFIZER INC 2.2%	2.200	12/15/2021		A+	A2	500,000.00	503,615.00	1.50	503,035.87	1.50	0.29
<b>Issuer total</b>							<b>500,000.00</b>	<b>503,615.00</b>	<b>1.50</b>	<b>503,035.87</b>	<b>1.50</b>	<b>0.29</b>
<b>Cash and Cash Equivalent</b>												
	INVESTED CASH	0.000					122,646.35	122,646.35	0.00	122,646.35	0.37	0.00
<b>Issuer total</b>							<b>122,646.35</b>	<b>122,646.35</b>	<b>0.00</b>	<b>122,646.35</b>	<b>0.37</b>	<b>0.00</b>
<b>Grand total</b>							<b>32,661,846.35</b>	<b>33,573,329.11</b>	<b>100.00</b>	<b>33,542,976.53</b>	<b>100.00</b>	<b>1.91</b>



# SECURITIES PURCHASED

For the period August 1, 2021 - August 31, 2021

Cusip	Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest
<b>Government Bonds</b>								
9128282Y5	USA TREASURY 2.125% 30SEP2024 HSBC SECURITIES (USA) INC.	08/19/2021 08/25/2021	2.125	09/30/2024	1,000,000.00	105.18	(1,051,800.23)	(8,534.84)
<b>Total Government Bonds</b>					<b>1,000,000.00</b>		<b>(1,051,800.23)</b>	<b>(8,534.84)</b>
<b>Grand total</b>					<b>1,000,000.00</b>		<b>(1,051,800.23)</b>	<b>(8,534.84)</b>

# SECURITIES SOLD AND MATURED

For the period August 1, 2021 - August 31, 2021

Cusip	Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity	Price	Fair value at sale or maturity	Realized gain (loss)	Accrued interest sold
<b>Government Agencies</b>											
3134GW2F2	FREDDIE MAC 0.3% 25MAY2023 CALLABLE	08/25/2021 08/25/2021	0.300		(1,000,000.00)	1,000,000.00	1,000,000.00	0.00	1,000,000.00	0.00	0.00
<b>Total (Government Agencies)</b>					<b>(1,000,000.00)</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>		<b>1,000,000.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand total</b>					<b>(1,000,000.00)</b>	<b>1,000,000.00</b>	<b>1,000,000.00</b>		<b>1,000,000.00</b>	<b>0.00</b>	<b>0.00</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period August 1, 2021 - August 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Cash</b>						
	Cash and Cash Equivalents	0.00	0.00	0.00	0.42	0.42
<b>Total Cash</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.42</b>	<b>0.42</b>
<b>Corporate Bonds</b>						
88579YBB6	3M COMPANY 3.25% 14FEB2024 (CALLABLE 14JAN24)	(1,194.73)	0.00	(2,002.45)	1,354.17	8,125.00
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	(1,423.10)	0.00	(1,589.80)	1,575.00	0.00
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	(1,298.49)	0.00	(1,820.31)	1,625.00	0.00
037833AK6	APPLE INC 2.4% 03MAY2023	(157.92)	0.00	(631.63)	1,000.00	0.00
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	(984.54)	0.00	(1,322.00)	1,251.67	0.00
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	(1,123.02)	0.00	(1,606.37)	1,479.17	0.00
14912L5X5	CATERPILLAR FINANCIAL SE 3.75% 24NOV2023	(2,810.95)	0.00	(429.64)	3,125.00	0.00
17325FA57	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	(1,327.75)	0.00	(1,662.88)	1,520.83	0.00
459200HU8	IBM CORP 3.625% 12FEB2024	(2,607.00)	0.00	(2,783.57)	3,020.83	18,125.00
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	(37.84)	0.00	34.26	375.00	0.00
46647PBB1	JPMORGAN CHASE & CO 3.207% 01APR2023 (CALLABLE 01APR22)	(1,420.31)	0.00	(1,551.87)	1,603.50	0.00
46647PAP1	JPMORGAN CHASE & CO 3.559% 23APR2024 (CALLABLE 23APR23)	(1,296.97)	0.00	(852.85)	1,482.92	0.00
713448CM8	PEPSICO INC 3.6% 01MAR2024 (CALLABLE 01DEC23)	(1,275.77)	0.00	(2,199.32)	1,500.00	0.00
717081DZ3	PFIZER INC 2.2% 15DEC2021	(150.84)	0.00	(913.61)	916.66	0.00
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	(1,530.91)	0.00	(2,874.68)	2,625.00	0.00
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	(531.08)	0.00	(48.04)	787.50	4,725.00
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	(2,457.45)	0.00	(4,203.03)	2,812.50	16,875.00

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period August 1, 2021 - August 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Corporate Bonds</b>						
931142DH3	WALMART INC 2.55% 11APR2023 (CALLABLE 11JAN23)	(229.84)	0.00	(1,256.82)	1,062.50	0.00
94988J5R4	WELLS FARGO BANK NA 3.55% 14AUG2023 (CALLABLE 14JUL23)	(2,662.29)	0.00	(3,094.06)	2,958.33	17,750.00
<b>Total Corporate Bonds</b>		<b>(24,520.80)</b>	<b>0.00</b>	<b>(30,808.67)</b>	<b>32,075.58</b>	<b>65,600.00</b>
<b>Government Agencies</b>						
3136G46B4	FANNIE MAE 0.35% 26APR2024 (CALLABLE 26OCT21)	7.16	0.00	(145.26)	350.00	0.00
3135G0Q89	FANNIE MAE 1.375% 07OCT2021	34.21	0.00	(1,211.04)	1,260.42	0.00
3135G0V75	FANNIE MAE 1.75% 02JUL2024	(61.23)	0.00	(2,182.25)	1,093.75	0.00
3135G0T78	FANNIE MAE 2% 05OCT2022	(44.12)	0.00	(921.31)	1,000.00	0.00
3135G0V34	FANNIE MAE 2.5% 05FEB2024	(412.87)	0.00	(1,242.95)	1,250.00	7,500.00
3135G0U43	FANNIE MAE 2.875% 12SEP2023	(998.32)	0.00	(2,630.85)	2,395.84	0.00
3133EMWV0	FEDERAL FARM CREDIT BANK 0.35% 22APR2024	0.00	0.00	(795.53)	291.67	0.00
3133EMYR7	FEDERAL FARM CREDIT BANK 0.375% 06MAY2024 (CALLABLE 06MAY22)	0.00	0.00	(1,593.27)	312.50	0.00
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23DEC21)	0.00	0.00	(245.36)	291.67	0.00
313378JP7	FEDERAL HOME LOAN BANK 2.375% 10SEP2021	(87.20)	0.00	(1,135.48)	1,187.50	0.00
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	(514.29)	0.00	(1,301.25)	2,083.33	0.00
313378WG2	FEDERAL HOME LOAN BANK 2.5% 11MAR2022	(495.35)	0.00	(1,944.36)	2,083.34	0.00
3134GW2F2	FREDDIE MAC 0.3% 25MAY2023 CALLABLE	0.00	0.00	(117.06)	200.00	1,500.00
3137EADB2	FREDDIE MAC 2.375% 13JAN2022	(969.69)	0.00	(3,492.44)	3,265.62	0.00
<b>Total Government Agencies</b>		<b>(3,541.70)</b>	<b>0.00</b>	<b>(18,958.41)</b>	<b>17,065.64</b>	<b>9,000.00</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period August 1, 2021 - August 31, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Government Bonds</b>						
91282CCC3	USA TREASURY 0.25% 15MAY2024	88.05	0.00	(898.43)	210.60	0.00
91282CAW1	USA TREASURY 0.25% 15NOV2023	(4.02)	0.00	(507.82)	210.60	0.00
91282CBV2	USA TREASURY 0.375% 15APR2024	(33.70)	0.00	(1,015.63)	317.62	0.00
912828M80	USA TREASURY 2% 30NOV2022	(360.56)	0.00	(1,171.87)	1,270.49	0.00
912828U57	USA TREASURY 2.125% 30NOV2023	(239.24)	0.00	(1,320.31)	1,169.92	0.00
9128282Y5	USA TREASURY 2.125% 30SEP2024	(546.22)	0.00	387.27	348.36	0.00
<b>Total Government Bonds</b>		<b>(1,095.69)</b>	<b>0.00</b>	<b>(4,526.79)</b>	<b>3,527.59</b>	<b>0.00</b>
<b>Municipal/Provincial Bonds</b>						
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	0.00	0.00	0.00	5,421.50	0.00
<b>Total Municipal/Provincial Bonds</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5,421.50</b>	<b>0.00</b>
<b>Grand total</b>		<b>(29,158.19)</b>	<b>0.00</b>	<b>(54,293.87)</b>	<b>58,090.73</b>	<b>74,600.42</b>

# TRANSACTION REPORT

For the period August 1, 2021 - August 31, 2021

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
08/05/2021 08/05/2021	3135G0V34	Income	Government Agencies	FANNIE MAE 2.5% 05FEB2024	02/05/2024	600,000.00	0.00	0.00	7,500.00	7,500.00
08/05/2021 08/05/2021	91159HHV5	Income	Corporate Bonds	US BANCORP 3.375%	02/05/2024	1,000,000.00	0.00	0.00	16,875.00	16,875.00
08/12/2021 08/12/2021	459200HU8	Income	Corporate Bonds	IBM CORP 3.625% 12FEB2024	02/12/2024	1,000,000.00	0.00	0.00	18,125.00	18,125.00
08/14/2021 08/14/2021	88579YBB6	Income	Corporate Bonds	3M COMPANY 3.25%	02/14/2024	500,000.00	0.00	0.00	8,125.00	8,125.00
08/14/2021 08/14/2021	94988J5R4	Income	Corporate Bonds	WELLS FARGO BANK NA 3.55%	08/14/2023	1,000,000.00	0.00	0.00	17,750.00	17,750.00
08/19/2021 08/25/2021	9128282Y5	Bought	Government Bonds	USA TREASURY 2.125%	09/30/2024	1,000,000.00	0.00	(1,051,800.23)	(8,534.84)	(1,060,335.07)
08/25/2021 08/25/2021	3134GW2F2	Income	Government Agencies	FREDDIE MAC 0.3% 25MAY2023	05/25/2023	1,000,000.00	0.00	0.00	1,500.00	1,500.00
08/25/2021 08/25/2021	3134GW2F2	Capital Change	Government Agencies	FREDDIE MAC 0.3% 25MAY2023	05/25/2023	(1,000,000.00)	0.00	1,000,000.00	0.00	1,000,000.00
08/25/2021 08/25/2021	89236THA6	Income	Corporate Bonds	TOYOTA MOTOR CREDIT CORP	08/25/2023	700,000.00	0.00	0.00	4,725.00	4,725.00
08/31/2021		Income	Cash and Cash Equivalent	Cash		0.00	0.00	0.00	0.42	0.42

# ADDITIONAL INFORMATION

## As of August 31, 2021

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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INA is an investment adviser registered with the Securities and Exchange Commission (SEC), under the Investment Advisers Act of 1940, as amended. Registration with the SEC does not imply a certain level of skill or training. You may request, without charge, additional information about Insight. Moreover, specific information relating to Insights strategies, including investment advisory fees, may be obtained from INA's Form ADV Part 2A, which is available without charge upon request.

Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

Unless otherwise stated, the source of information is Insight. Any forecasts or opinions are Insight's own at the date of this document (or as otherwise specified) and may change. Material in this publication is for general information only and is not advice, investment advice, or the recommendation of any purchase or sale of any security. Insight makes no implied or expressed recommendations concerning the manner in which an account should or would be handled, as appropriate investment strategies depend upon specific investment guidelines and objectives and should not be construed to be an assurance that any particular security in a strategy will remain in any fund, account, or strategy, or that a previously held security will not be repurchased. It should not be assumed that any of the security transactions or holdings referenced herein have been or will prove to be profitable or that future investment decisions will be profitable or will equal or exceed the past investment performance of the securities listed.

Please compare the information provided in this statement to the information provided in the statement received from your Custodian.

For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moody's, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moody's and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown.

The ICE BofA 3 Month US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The ICE BofA 6 Month US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The ICE BofA 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The ICE BofA 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

# ADDITIONAL INFORMATION

## As of August 31, 2021

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# SAN RAFAEL

September 2021

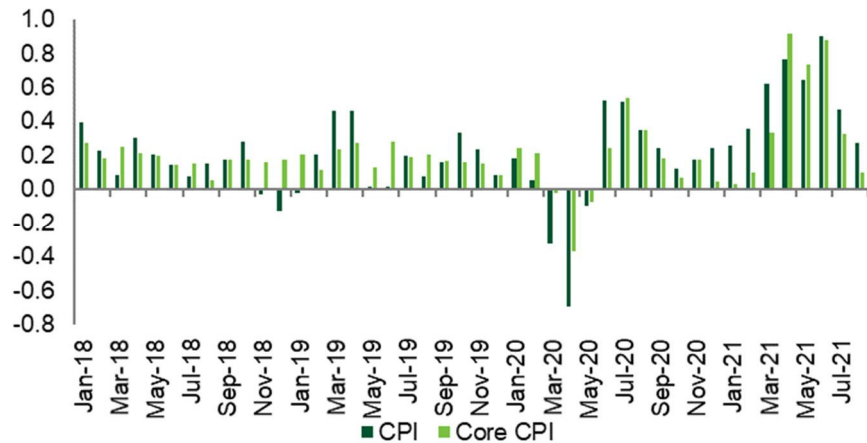


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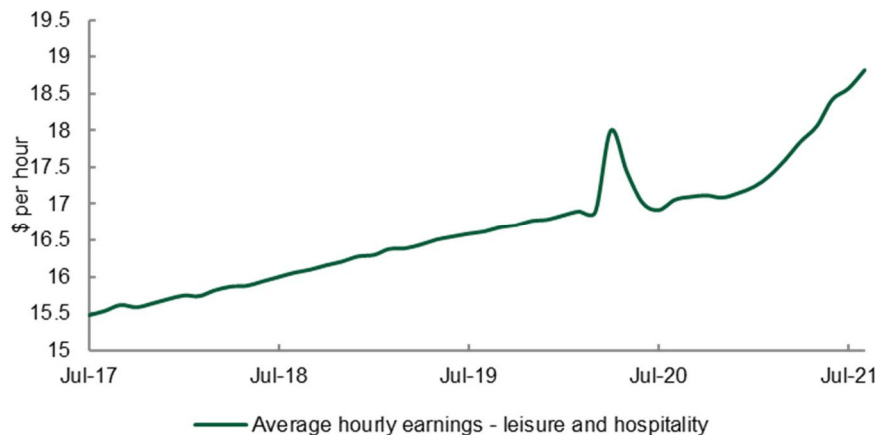
As of September 30, 2021

Chart 1: Inflation high once again but still limited to 'flexible' categories



Source: FRED, September 30, 2021

Chart 2: Payrolls heavily disappoint but wage growth outperforms



Source: Bloomberg, September 30, 2021

## Economic Indicators and Monetary Policy

The Federal Reserve (Fed) opened the door to announcing a taper in November, stating “moderation in the pace of asset purchase may soon be warranted”. The Fed raised its inflation forecast from 3.4% to 4.2% for 2021 and from 2.1% to 2.2% for 2022, and above its 2% target through 2024. Nonetheless, the committee’s ‘dot plot’ still reflected a majority expectation of no rate hikes until 2023.

Headline CPI came in at 5.3% and core CPI came at 4%, beginning to descend from their recent peak. For the first time since the start of the year, monthly CPI and core CPI came in at levels in line with pre-pandemic norms of 0.3% and 0.1%. Areas with ‘flexible’ and COVID-sensitive pricing, such as used cars, airfare and hotels began to moderate, while ‘sticky’ sectors such as rents and medical services remained muted.

Payrolls materially missed expectations, rising by just 235,000 versus consensus at 733,000. There was a net 2-month upward revision of 134,000. However, the unemployment rate continued to fall, reaching 5.2% from 5.4%. Wage growth was also strong, with average hourly earnings up 0.6% month-on-month and 4.3% year-on-year. While the leisure and hospitality sector was the main source of weak hiring, it was also the main source of strong wage growth.

At the end of the month, Congress voted to avert a shutdown with a spending bill until 3 December. However, politicians remained in deadlock around the proposed \$3.5trn reconciliation package and debt ceiling extension, with uncertainty in negotiations set to continue.

The delta COVID-19 variant’s spread appeared to peak in the US, although death rates remained high given the lag between cases and fatalities.

## Interest Rate Summary

Yields generally fell at longer maturities. At the end of July, the 3-month US Treasury bill yielded 0.04%, the 6-month US Treasury bill yielded 0.05%, the 2-year US Treasury note yielded 0.28%, the 5-year US Treasury note yielded 0.97% and the 10-year US Treasury note yielded 1.49%.

# ACTIVITY AND PERFORMANCE SUMMARY

For the period September 1, 2021 - September 30, 2021

<u>Amortized Cost Basis Activity Summary</u>		
<b>Opening balance</b>		33,332,398.18
Income received	156,374.78	
<b>Total receipts</b>		156,374.78
Participant withdrawals	(112,429.00)	
Expenses paid	(201.90)	
<b>Total disbursements</b>		(112,630.90)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Realized gain (loss)		(57,949.21)
Change in accruals from security movement		0.00
<b>Total amortization expense</b>		(30,111.21)
<b>Total OID/MKT accretion income</b>		133.18
Return of capital		0.00
<b>Closing balance</b>		33,288,214.82
<b>Ending fair value</b>		33,445,614.45
Unrealized gain (loss)		157,399.63

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	0.84	0.00	0.00	0.84
Corporate Bonds	88,140.46	(24,157.07)	(57,949.21)	6,034.18
Government Agencies	15,511.76	(3,515.63)	0.00	11,996.13
Government Bonds	5,392.23	(2,305.33)	0.00	3,086.90
Municipal/Provincial Bonds	4,914.53	0.00	0.00	4,914.53
<b>Total</b>	<b>113,959.82</b>	<b>(29,978.03)</b>	<b>(57,949.21)</b>	<b>26,032.58</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.06	0.02	0.00
Merrill Lynch 3m US Treas Bill	0.04	0.01	0.00
Merrill Lynch 6m US Treas Bill	0.04	0.01	0.00
ML 1 Year US Treasury Note	0.08	0.03	0.01
ML 2 Year US Treasury Note	0.17	0.10	0.02
ML 5 Year US Treasury Note	0.65	0.41	0.07

\* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	113,959.82
Accretion (amortization)	(29,978.03)
Realized gain (loss) on sales	(57,949.21)
Total income on portfolio	26,032.58
Average daily amortized cost	33,283,475.38
Period return (%)	0.08
YTD return (%)	1.09
Weighted average final maturity in days	816

# ACTIVITY AND PERFORMANCE SUMMARY

For the period September 1, 2021 - September 30, 2021

<u>Fair Value Basis Activity Summary</u>		
<b>Opening balance</b>		33,542,976.53
Income received	156,374.78	
<b>Total receipts</b>		156,374.78
Participant withdrawals	(112,429.00)	
Expenses paid	(201.90)	
<b>Total disbursements</b>		(112,630.90)
Interportfolio transfers	0.00	
<b>Total Interportfolio transfers</b>		0.00
Unrealized gain (loss) on security movements		0.00
Change in accruals from security movement		0.00
Return of capital		0.00
Change in fair value for the period		(141,105.96)
<b>Ending fair value</b>		33,445,614.45

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	0.84	0.00	0.84
Corporate Bonds	88,140.46	(100,551.71)	(12,411.25)
Government Agencies	15,511.76	(24,555.81)	(9,044.05)
Government Bonds	5,392.23	(15,998.44)	(10,606.21)
Municipal/Provincial Bonds	4,914.53	0.00	4,914.53
<b>Total</b>	<b>113,959.82</b>	<b>(141,105.96)</b>	<b>(27,146.14)</b>

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.08	0.04	0.01
Overnight Repo	0.06	0.02	0.00
ICE Bofa 3 Months US T-BILL	0.07	0.01	0.01
ICE Bofa 6m US Treas Bill	0.13	0.03	0.01
ICE Bofa 1 Yr US Treasury Note	0.17	0.04	(0.01)
ICE BofA US Treasury 1-3	0.03	0.02	(0.10)
ICE BofA US Treasury 1-5	(0.40)	0.10	(0.29)

\* rates reflected are cumulative

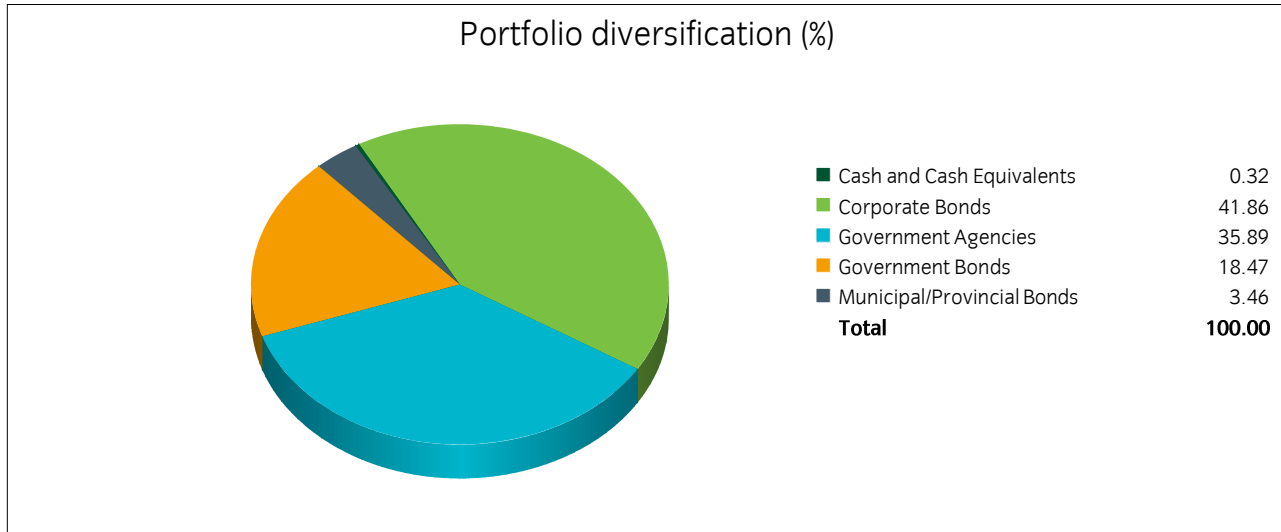
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	113,959.82
Change in fair value	(141,105.96)
Total income on portfolio	(27,146.14)
Average daily total value *	33,618,503.94
Period return (%)	(0.08)
YTD return (%)	0.19
Weighted average final maturity in days	816

\* Total value equals market value and accrued interest

# RECAP OF SECURITIES HELD

As of September 30, 2021

	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	106,898.77	106,898.77	106,898.77	0.00	1	0.32	0.00
Corporate Bonds	14,040,447.40	13,889,534.98	13,918,907.02	29,372.04	730	41.86	1.75
Government Agencies	12,037,181.07	11,950,664.11	12,058,266.48	107,602.37	581	35.89	1.24
Government Bonds	6,196,465.75	6,181,816.96	6,202,242.18	20,425.22	887	18.47	2.39
Municipal/Provincial Bonds	1,159,300.00	1,159,300.00	1,159,300.00	0.00	3,990	3.46	8.48
<b>Total</b>	<b>33,540,292.99</b>	<b>33,288,214.82</b>	<b>33,445,614.45</b>	<b>157,399.63</b>	<b>816</b>	<b>100.00</b>	<b>1.91</b>

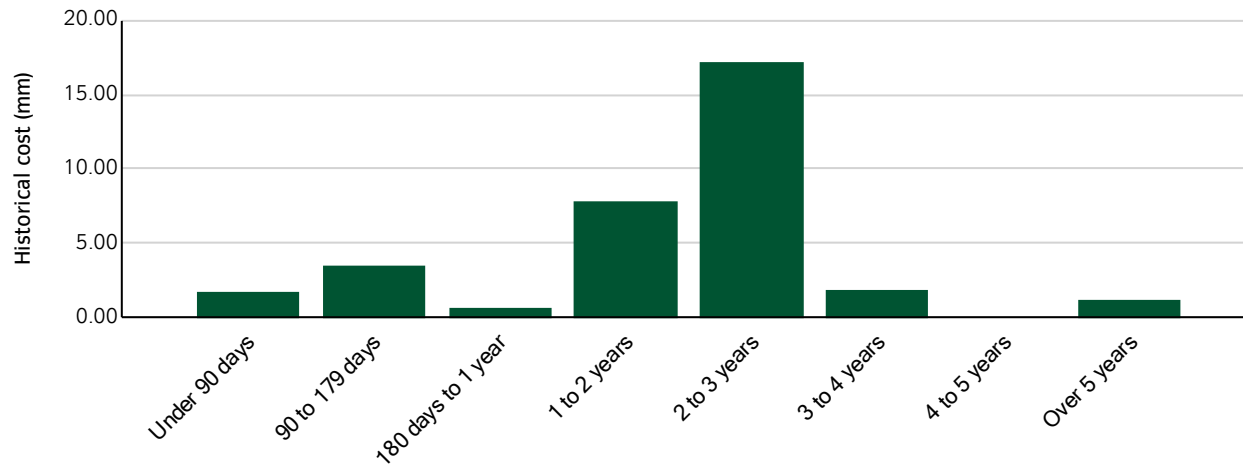


# MATURITY DISTRIBUTION OF SECURITIES HELD

As of September 30, 2021

Maturity	Historic cost	Percent
Under 90 days	1,709,831.77	5.10
90 to 179 days	3,407,195.30	10.16
180 days to 1 year	615,576.00	1.84
1 to 2 years	7,790,646.05	23.23
2 to 3 years	17,083,054.58	50.93
3 to 4 years	1,774,689.29	5.29
4 to 5 years	0.00	0.00
Over 5 years	1,159,300.00	3.46
	<b>33,540,292.99</b>	<b>100.00</b>

Maturity distribution



# SECURITIES HELD

## As of September 30, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Cash and Cash Equivalents</b>										
	Cash and Cash Equivalents	0.000		106,898.77	106,898.77	106,898.77	106,898.77	0.00	0.00	0.32
<b>Total Cash and Cash Equivalents</b>				<b>106,898.77</b>	<b>106,898.77</b>	<b>106,898.77</b>	<b>106,898.77</b>	<b>0.00</b>	<b>0.00</b>	<b>0.32</b>
<b>Corporate Bonds</b>										
717081DZ3	PFIZER INC 2.2% 15DEC2021	2.200	12/15/2021	500,000.00	503,615.00	500,377.09	502,023.42	1,646.33	3,208.33	1.50
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	2.700	03/03/2022 01/31/2022	700,000.00	714,231.00	705,644.96	705,691.70	46.74	1,417.50	2.13
46647PBB1	JPMORGAN CHASE & CO 3.207% 01APR2023 (CALLABLE 01APR22)	3.207	04/01/2023 04/01/2022	600,000.00	615,576.00	608,569.17	608,387.64	(181.53)	9,567.55	1.84
931142DH3	WALMART INC 2.55% 11APR2023 (CALLABLE 11JAN23)	2.550	04/11/2023 01/11/2023	500,000.00	509,155.00	503,531.76	514,502.10	10,970.34	5,985.42	1.52
037833AK6	APPLE INC 2.4% 03MAY2023	2.400	05/03/2023	500,000.00	506,880.00	503,016.25	516,188.69	13,172.44	4,900.00	1.51
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	1.950	05/10/2023	1,000,000.00	1,031,510.00	1,025,104.12	1,024,137.82	(966.30)	7,583.33	3.08
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	1.350	08/25/2023	700,000.00	714,959.00	712,126.53	712,920.71	794.18	918.75	2.13
14912L5X5	CATERPILLAR FINANCIAL SE 3.75% 24NOV2023	3.750	11/24/2023	1,000,000.00	1,086,390.00	1,072,522.62	1,072,453.96	(68.66)	13,125.00	3.24
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	3.004	12/20/2023 12/20/2022	500,000.00	525,795.00	514,439.95	515,285.00	845.05	4,172.22	1.57
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	0.450	01/11/2024	480,000.00	479,342.40	479,348.75	478,876.26	(472.49)	474.00	1.43



# SECURITIES HELD

## As of September 30, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Corporate Bonds</b>										
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	0.450	01/17/2024	1,000,000.00	1,001,230.00	1,001,043.29	999,926.86	(1,116.43)	912.50	2.99
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	3.650	01/23/2024 12/23/2023	500,000.00	541,470.00	535,539.39	533,963.03	(1,576.36)	3,396.53	1.61
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	3.500	01/23/2024 12/24/2023	900,000.00	957,939.00	940,977.36	956,841.37	15,864.01	5,862.50	2.86
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	3.375	02/05/2024 01/05/2024	1,000,000.00	1,079,130.00	1,066,760.82	1,062,962.09	(3,798.73)	5,156.25	3.22
459200HU8	IBM CORP 3.625% 12FEB2024	3.625	02/12/2024	1,000,000.00	1,086,900.00	1,074,038.80	1,069,601.30	(4,437.50)	4,833.33	3.24
88579YBB6	3M COMPANY 3.25% 14FEB2024 (CALLABLE 14JAN24)	3.250	02/14/2024 01/14/2024	500,000.00	541,935.00	532,815.23	530,761.61	(2,053.62)	2,076.39	1.62
713448CM8	PEPSICO INC 3.6% 01MAR2024 (CALLABLE 01DEC23)	3.600	03/01/2024 12/01/2023	500,000.00	537,465.00	533,212.45	533,305.03	92.58	1,450.00	1.60
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	3.550	03/05/2024 03/05/2023	500,000.00	535,525.00	519,278.58	521,221.65	1,943.07	1,232.64	1.60
46647PAP1	JPMORGAN CHASE & CO 3.559% 23APR2024 (CALLABLE 23APR23)	3.559	04/23/2024 04/23/2023	500,000.00	534,240.00	524,339.80	523,446.33	(893.47)	7,760.60	1.59
717081DM2	PFIZER INC 3.4% 15MAY2024	3.400	05/15/2024	500,000.00	537,160.00	536,848.06	536,410.45	(437.61)	6,375.00	1.60
<b>Total Corporate Bonds</b>				<b>13,380,000.00</b>	<b>14,040,447.40</b>	<b>13,889,534.98</b>	<b>13,918,907.02</b>	<b>29,372.04</b>	<b>90,407.84</b>	<b>41.86</b>
<b>Government Agencies</b>										
3135G0Q89	FANNIE MAE 1.375% 07OCT2021	1.375	10/07/2021	1,100,000.00	1,099,318.00	1,099,992.02	1,100,244.67	252.65	7,268.40	3.28

# SECURITIES HELD

## As of September 30, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Agencies</b>										
3137EADB2	FREDDIE MAC 2.375% 13JAN2022	2.375	01/13/2022	1,650,000.00	1,676,634.30	1,653,329.29	1,660,791.00	7,461.71	8,381.77	5.00
313378WG2	FEDERAL HOME LOAN BANK 2.5% 11MAR2022	2.500	03/11/2022	1,000,000.00	1,016,330.00	1,002,658.37	1,010,916.25	8,257.88	1,319.44	3.03
3135G0T78	FANNIE MAE 2% 05OCT2022	2.000	10/05/2022	600,000.00	601,716.00	600,536.71	611,578.20	11,041.49	5,833.33	1.79
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	2.500	12/09/2022	1,000,000.00	1,021,240.00	1,007,354.29	1,027,450.30	20,096.01	7,708.33	3.04
3135G0U43	FANNIE MAE 2.875% 12SEP2023	2.875	09/12/2023	1,000,000.00	1,047,553.22	1,023,360.64	1,050,708.56	27,347.92	1,437.50	3.12
3135G0V34	FANNIE MAE 2.5% 05FEB2024	2.500	02/05/2024	600,000.00	621,262.80	611,629.17	630,170.37	18,541.20	2,291.67	1.85
3133EMWV0	FEDERAL FARM CREDIT BANK 0.35% 22APR2024	0.350	04/22/2024	1,000,000.00	1,000,000.00	1,000,000.00	996,938.78	(3,061.22)	1,536.11	2.98
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23DEC21)	0.350	04/23/2024 12/23/2021	1,000,000.00	1,000,000.00	1,000,000.00	998,662.05	(1,337.95)	943.06	2.98
3136G46B4	FANNIE MAE 0.35% 26APR2024 (CALLABLE 26OCT21)	0.350	04/26/2024 10/26/2021	1,200,000.00	1,199,700.00	1,199,779.00	1,196,506.49	(3,272.51)	1,796.67	3.58
3133EMYR7	FEDERAL FARM CREDIT BANK 0.375% 06MAY2024 (CALLABLE 06MAY22)	0.375	05/06/2024 05/06/2022	1,000,000.00	1,000,000.00	1,000,000.00	998,014.23	(1,985.77)	1,500.00	2.98
3135G0V75	FANNIE MAE 1.75% 02JUL2024	1.750	07/02/2024	750,000.00	753,426.75	752,024.62	776,285.58	24,260.96	3,208.33	2.25
<b>Total Government Agencies</b>				<b>11,900,000.00</b>	<b>12,037,181.07</b>	<b>11,950,664.11</b>	<b>12,058,266.48</b>	<b>107,602.37</b>	<b>43,224.61</b>	<b>35.89</b>

# SECURITIES HELD

## As of September 30, 2021

Cusip	Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Total accrued interest	% Port cost
<b>Government Bonds</b>										
912828M80	USA TREASURY 2% 30NOV2022	2.000	11/30/2022	750,000.00	762,072.83	754,954.75	766,289.06	11,334.31	5,000.00	2.27
91282CAW1	USA TREASURY 0.25% 15NOV2023	0.250	11/15/2023	1,000,000.00	1,000,120.54	1,000,100.69	998,593.75	(1,506.94)	937.50	2.98
912828U57	USA TREASURY 2.125% 30NOV2023	2.125	11/30/2023	650,000.00	661,529.52	656,104.32	675,238.28	19,133.96	4,604.17	1.97
91282CBV2	USA TREASURY 0.375% 15APR2024	0.375	04/15/2024	1,000,000.00	1,001,175.22	1,001,008.88	998,867.19	(2,141.69)	1,721.31	2.98
91282CCC3	USA TREASURY 0.25% 15MAY2024	0.250	05/15/2024	1,000,000.00	996,878.35	997,278.85	995,195.31	(2,083.54)	937.50	2.97
9128282Y5	USA TREASURY 2.125% 30SEP2024	2.125	09/30/2024	1,000,000.00	1,051,800.23	1,049,888.45	1,047,578.12	(2,310.33)	0.00	3.14
912828YV6	USA TREASURY 1.5% 30NOV2024	1.500	11/30/2024	700,000.00	722,889.06	722,481.02	720,480.47	(2,000.55)	3,500.00	2.16
<b>Total Government Bonds</b>				<b>6,100,000.00</b>	<b>6,196,465.75</b>	<b>6,181,816.96</b>	<b>6,202,242.18</b>	<b>20,425.22</b>	<b>16,700.48</b>	<b>18.47</b>
<b>Municipal/Provincial Bonds</b>										
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	5.250	09/02/2032	1,159,300.00	1,159,300.00	1,159,300.00	1,159,300.00	0.00	4,733.81	3.46
<b>Total Municipal/Provincial Bonds</b>				<b>1,159,300.00</b>	<b>1,159,300.00</b>	<b>1,159,300.00</b>	<b>1,159,300.00</b>	<b>0.00</b>	<b>4,733.81</b>	<b>3.46</b>
<b>Grand total</b>				<b>32,646,198.77</b>	<b>33,540,292.99</b>	<b>33,288,214.82</b>	<b>33,445,614.45</b>	<b>157,399.63</b>	<b>155,066.74</b>	<b>100.00</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of September 30, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>United States Treasury Note/Bond</b>												
912828M80	USA TREASURY 2%	2.000	11/30/2022		AA+	Aaa	750,000.00	762,072.83	2.27	766,289.06	2.29	1.15
91282CAW1	USA TREASURY 0.25%	0.250	11/15/2023		AA+	Aaa	1,000,000.00	1,000,120.54	2.98	998,593.75	2.99	2.12
912828U57	USA TREASURY 2.125%	2.125	11/30/2023		AA+	Aaa	650,000.00	661,529.52	1.97	675,238.28	2.02	2.11
91282CBV2	USA TREASURY 0.375%	0.375	04/15/2024		AA+	Aaa	1,000,000.00	1,001,175.22	2.98	998,867.19	2.99	2.53
91282CCC3	USA TREASURY 0.25%	0.250	05/15/2024		AA+	Aaa	1,000,000.00	996,878.35	2.97	995,195.31	2.98	2.61
9128282Y5	USA TREASURY 2.125%	2.125	09/30/2024		AA+	Aaa	1,000,000.00	1,051,800.23	3.14	1,047,578.12	3.13	2.92
912828YV6	USA TREASURY 1.5%	1.500	11/30/2024		AA+	Aaa	700,000.00	722,889.06	2.16	720,480.47	2.15	3.09
<b>Issuer total</b>							<b>6,100,000.00</b>	<b>6,196,465.75</b>	<b>18.47</b>	<b>6,202,242.18</b>	<b>18.54</b>	<b>2.39</b>
<b>Federal National Mortgage Association</b>												
3135G0Q89	FANNIE MAE 1.375%	1.375	10/07/2021		AA+	Aaa	1,100,000.00	1,099,318.00	3.28	1,100,244.67	3.29	0.02
3135G0T78	FANNIE MAE 2%	2.000	10/05/2022		AA+	Aaa	600,000.00	601,716.00	1.79	611,578.20	1.83	1.00
3135G0U43	FANNIE MAE 2.875%	2.875	09/12/2023		AA+	Aaa	1,000,000.00	1,047,553.22	3.12	1,050,708.56	3.14	1.91
3135G0V34	FANNIE MAE 2.5%	2.500	02/05/2024		AA+	Aaa	600,000.00	621,262.80	1.85	630,170.37	1.88	2.29
3136G46B4	FANNIE MAE 0.35%	0.350	04/26/2024	10/26/2021	AA+	Aaa	1,200,000.00	1,199,700.00	3.58	1,196,506.49	3.58	1.16
3135G0V75	FANNIE MAE 1.75%	1.750	07/02/2024		AA+	Aaa	750,000.00	753,426.75	2.25	776,285.58	2.32	2.69
<b>Issuer total</b>							<b>5,250,000.00</b>	<b>5,322,976.77</b>	<b>15.87</b>	<b>5,365,493.87</b>	<b>16.04</b>	<b>1.40</b>
<b>Federal Home Loan Banks</b>												
313378WG2	FEDERAL HOME LOAN	2.500	03/11/2022		AA+	Aaa	1,000,000.00	1,016,330.00	3.03	1,010,916.25	3.02	0.44
3130A3KM5	FEDERAL HOME LOAN	2.500	12/09/2022		AA+	Aaa	1,000,000.00	1,021,240.00	3.04	1,027,450.30	3.07	1.17
3130AMQQ	FEDERAL HOME LOAN	0.350	04/23/2024	12/23/2021	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	998,662.05	2.99	1.23
<b>Issuer total</b>							<b>3,000,000.00</b>	<b>3,037,570.00</b>	<b>9.06</b>	<b>3,037,028.60</b>	<b>9.08</b>	<b>0.95</b>
<b>Federal Farm Credit Banks Funding Corp</b>												
3133EMWV	FEDERAL FARM CREDIT	0.350	04/22/2024		AA+	Aaa	1,000,000.00	1,000,000.00	2.98	996,938.78	2.98	2.54

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of September 30, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Federal Farm Credit Banks Funding Corp</b>												
3133EMYR7	FEDERAL FARM CREDIT	0.375	05/06/2024	05/06/2022	AA+	Aaa	1,000,000.00	1,000,000.00	2.98	998,014.23	2.98	1.55
<b>Issuer total</b>							<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>5.96</b>	<b>1,994,953.01</b>	<b>5.96</b>	<b>2.05</b>
<b>Federal Home Loan Mortgage Corp</b>												
3137EADB2	FREDDIE MAC 2.375%	2.375	01/13/2022		AA+	Aaa	1,650,000.00	1,676,634.30	5.00	1,660,791.00	4.97	0.29
<b>Issuer total</b>							<b>1,650,000.00</b>	<b>1,676,634.30</b>	<b>5.00</b>	<b>1,660,791.00</b>	<b>4.97</b>	<b>0.29</b>
<b>Toyota Motor Credit Corp</b>												
89236THA6	TOYOTA MOTOR CREDIT	1.350	08/25/2023		A+	A1	700,000.00	714,959.00	2.13	712,920.71	2.13	1.88
89236THU2	TOYOTA MOTOR CREDIT	0.450	01/11/2024		A+	A1	480,000.00	479,342.40	1.43	478,876.26	1.43	2.27
<b>Issuer total</b>							<b>1,180,000.00</b>	<b>1,194,301.40</b>	<b>3.56</b>	<b>1,191,796.97</b>	<b>3.56</b>	<b>2.04</b>
<b>PT. SAN ASSESS DISTRICT</b>												
888599LS4	PT. SAN ASSESS	5.250	09/02/2032		NR	NR	1,159,300.00	1,159,300.00	3.46	1,159,300.00	3.47	8.48
<b>Issuer total</b>							<b>1,159,300.00</b>	<b>1,159,300.00</b>	<b>3.46</b>	<b>1,159,300.00</b>	<b>3.47</b>	<b>8.48</b>
<b>JPMorgan Chase &amp; Co</b>												
46647PBB1	JPMORGAN CHASE & CO	3.207	04/01/2023	04/01/2022	A-	A2	600,000.00	615,576.00	1.84	608,387.64	1.82	0.49
46647PAP1	JPMORGAN CHASE & CO	3.559	04/23/2024	04/23/2023	A-	A2	500,000.00	534,240.00	1.59	523,446.33	1.57	1.51
<b>Issuer total</b>							<b>1,100,000.00</b>	<b>1,149,816.00</b>	<b>3.43</b>	<b>1,131,833.97</b>	<b>3.38</b>	<b>0.96</b>
<b>Caterpillar Financial Services Corp</b>												
14912L5X5	CATERPILLAR FINANCIAL	3.750	11/24/2023		A	A2	1,000,000.00	1,086,390.00	3.24	1,072,453.96	3.21	2.06
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,086,390.00</b>	<b>3.24</b>	<b>1,072,453.96</b>	<b>3.21</b>	<b>2.06</b>
<b>International Business Machines Corp</b>												
459200HU8	IBM CORP 3.625%	3.625	02/12/2024		A-	A2	1,000,000.00	1,086,900.00	3.24	1,069,601.30	3.20	2.28
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,086,900.00</b>	<b>3.24</b>	<b>1,069,601.30</b>	<b>3.20</b>	<b>2.28</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of September 30, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>US Bancorp</b>												
91159HHV5	US BANCORP 3.375%	3.375	02/05/2024	01/05/2024	A+	A2	1,000,000.00	1,079,130.00	3.22	1,062,962.09	3.18	2.20
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,079,130.00</b>	<b>3.22</b>	<b>1,062,962.09</b>	<b>3.18</b>	<b>2.20</b>
<b>Pfizer Inc</b>												
717081DZ3	PFIZER INC 2.2%	2.200	12/15/2021		A+	A2	500,000.00	503,615.00	1.50	502,023.42	1.50	0.21
717081DM2	PFIZER INC 3.4%	3.400	05/15/2024		A+	A2	500,000.00	537,160.00	1.60	536,410.45	1.60	2.50
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,040,775.00</b>	<b>3.10</b>	<b>1,038,433.87</b>	<b>3.10</b>	<b>1.39</b>
<b>Bank of America Corp</b>												
06051GHC6	BANK OF AMERICA CORP	3.004	12/20/2023	12/20/2022	A-	A2	500,000.00	525,795.00	1.57	515,285.00	1.54	1.19
06051GHF9	BANK OF AMERICA CORP	3.550	03/05/2024	03/05/2023	A-	A2	500,000.00	535,525.00	1.60	521,221.65	1.56	1.40
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,061,320.00</b>	<b>3.16</b>	<b>1,036,506.65</b>	<b>3.10</b>	<b>1.30</b>
<b>American Honda Finance Corp</b>												
02665WDH1	AMERICAN HONDA	1.950	05/10/2023		A-	A3	1,000,000.00	1,031,510.00	3.08	1,024,137.82	3.06	1.58
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,031,510.00</b>	<b>3.08</b>	<b>1,024,137.82</b>	<b>3.06</b>	<b>1.58</b>
<b>John Deere Capital Corp</b>												
24422EVN6	JOHN DEERE CAPITAL	0.450	01/17/2024		A	A2	1,000,000.00	1,001,230.00	2.99	999,926.86	2.99	2.28
<b>Issuer total</b>							<b>1,000,000.00</b>	<b>1,001,230.00</b>	<b>2.99</b>	<b>999,926.86</b>	<b>2.99</b>	<b>2.28</b>
<b>PNC Financial Services Group Inc/The</b>												
693475AV7	PNC FINANCIAL	3.500	01/23/2024	12/24/2023	A-	A3	900,000.00	957,939.00	2.86	956,841.37	2.86	2.16
<b>Issuer total</b>							<b>900,000.00</b>	<b>957,939.00</b>	<b>2.86</b>	<b>956,841.37</b>	<b>2.86</b>	<b>2.16</b>
<b>American Express Credit Corp</b>												
0258M0EG0	AMERICAN EXPRESS	2.700	03/03/2022	01/31/2022	A-	A2	700,000.00	714,231.00	2.13	705,691.70	2.11	0.34
<b>Issuer total</b>							<b>700,000.00</b>	<b>714,231.00</b>	<b>2.13</b>	<b>705,691.70</b>	<b>2.11</b>	<b>0.34</b>

# GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

SAN RAFAEL

As of September 30, 2021

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
<b>Citibank NA</b>												
17325FAS7	CITIBANK NA 3.65%	3.650	01/23/2024	12/23/2023	A+	Aa3	500,000.00	541,470.00	1.61	533,963.03	1.60	2.15
<b>Issuer total</b>							<b>500,000.00</b>	<b>541,470.00</b>	<b>1.61</b>	<b>533,963.03</b>	<b>1.60</b>	<b>2.15</b>
<b>PepsiCo Inc</b>												
713448CM8	PEPSICO INC 3.6%	3.600	03/01/2024	12/01/2023	A+	A1	500,000.00	537,465.00	1.60	533,305.03	1.59	2.12
<b>Issuer total</b>							<b>500,000.00</b>	<b>537,465.00</b>	<b>1.60</b>	<b>533,305.03</b>	<b>1.59</b>	<b>2.12</b>
<b>3M Co</b>												
88579YBB6	3M COMPANY 3.25%	3.250	02/14/2024	01/14/2024	A+	A1	500,000.00	541,935.00	1.62	530,761.61	1.59	2.22
<b>Issuer total</b>							<b>500,000.00</b>	<b>541,935.00</b>	<b>1.62</b>	<b>530,761.61</b>	<b>1.59</b>	<b>2.22</b>
<b>Apple Inc</b>												
037833AK6	APPLE INC 2.4%	2.400	05/03/2023		AA+	Aa1	500,000.00	506,880.00	1.51	516,188.69	1.54	1.55
<b>Issuer total</b>							<b>500,000.00</b>	<b>506,880.00</b>	<b>1.51</b>	<b>516,188.69</b>	<b>1.54</b>	<b>1.55</b>
<b>Walmart Inc</b>												
931142DH3	WALMART INC 2.55%	2.550	04/11/2023	01/11/2023	AA	Aa2	500,000.00	509,155.00	1.52	514,502.10	1.54	1.26
<b>Issuer total</b>							<b>500,000.00</b>	<b>509,155.00</b>	<b>1.52</b>	<b>514,502.10</b>	<b>1.54</b>	<b>1.26</b>
<b>Cash and Cash Equivalents</b>												
	INVESTED CASH	0.000					106,898.77	106,898.77	0.00	106,898.77	0.32	0.00
<b>Issuer total</b>							<b>106,898.77</b>	<b>106,898.77</b>	<b>0.00</b>	<b>106,898.77</b>	<b>0.32</b>	<b>0.00</b>
<b>Grand total</b>							<b>32,646,198.77</b>	<b>33,540,292.99</b>	<b>100.00</b>	<b>33,445,614.45</b>	<b>100.00</b>	<b>1.91</b>

# SECURITIES PURCHASED

For the period September 1, 2021 - September 30, 2021

Cusip	Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest
<b>Corporate Bonds</b>								
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% CITIGROUP GLOBAL MARKETS INC.	09/23/2021 09/27/2021	0.450	01/11/2024	480,000.00	99.86	(479,342.40)	(456.00)
717081DM2	PFIZER INC 3.4% 15MAY2024 CITIGROUP GLOBAL MARKETS INC.	09/23/2021 09/27/2021	3.400	05/15/2024	500,000.00	107.43	(537,160.00)	(6,233.33)
<b>Total Corporate Bonds</b>					<b>980,000.00</b>		<b>(1,016,502.40)</b>	<b>(6,689.33)</b>
<b>Government Bonds</b>								
912828YV6	USA TREASURY 1.5% 30NOV2024 HSBC SECURITIES (USA) INC.	09/09/2021 09/10/2021	1.500	11/30/2024	700,000.00	103.27	(722,889.06)	(2,926.23)
<b>Total Government Bonds</b>					<b>700,000.00</b>		<b>(722,889.06)</b>	<b>(2,926.23)</b>
<b>Grand total</b>					<b>1,680,000.00</b>		<b>(1,739,391.46)</b>	<b>(9,615.56)</b>



# SECURITIES SOLD AND MATURED

For the period September 1, 2021 - September 30, 2021

Cusip	Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity	Price	Fair value at sale or maturity	Realized gain (loss)	Accrued interest sold
<b>Corporate Bonds</b>											
94988J5R4	WELLS FARGO BANK NA 3.55% 14AUG2023 (CALLABLE 21SEP21)	09/21/2021 09/21/2021	3.550		(1,000,000.00)	1,074,350.00	1,057,949.21	0.00	1,000,000.00	(57,949.21)	0.00
				07/14/2023							
<b>Total (Corporate Bonds)</b>					<b>(1,000,000.00)</b>	<b>1,074,350.00</b>	<b>1,057,949.21</b>		<b>1,000,000.00</b>	<b>(57,949.21)</b>	<b>0.00</b>
<b>Government Agencies</b>											
313378JP7	FEDERAL HOME LN BKS CONS BD 2.375 DUE 09-10-2021	09/10/2021 09/10/2021	2.375		(600,000.00)	602,430.00	600,000.00	0.00	600,000.00	0.00	0.00
<b>Total (Government Agencies)</b>					<b>(600,000.00)</b>	<b>602,430.00</b>	<b>600,000.00</b>		<b>600,000.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Municipal/Provincial Bonds</b>											
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01 CORPORATE ACTIONS IOO	09/01/2021 09/02/2021	5.250	09/02/2032	(79,900.00)	79,900.00	79,900.00	100.00	79,900.00	0.00	0.00
<b>Total (Municipal/Provincial Bonds)</b>					<b>(79,900.00)</b>	<b>79,900.00</b>	<b>79,900.00</b>		<b>79,900.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand total</b>					<b>(1,679,900.00)</b>	<b>1,756,680.00</b>	<b>1,737,849.21</b>		<b>1,679,900.00</b>	<b>(57,949.21)</b>	<b>0.00</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2021 - September 30, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Cash</b>						
	Cash and Cash Equivalents	0.00	0.00	0.00	0.84	0.84
<b>Total Cash</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.84</b>	<b>0.84</b>
<b>Corporate Bonds</b>						
88579YBB6	3M COMPANY 3.25% 14FEB2024 (CALLABLE 14JAN24)	(1,194.73)	0.00	(1,599.65)	1,309.03	0.00
0258M0EG0	AMERICAN EXPRESS CREDIT 2.7% 03MAR2022 (CALLABLE 31JAN22)	(1,470.54)	0.00	(1,598.72)	1,522.50	9,450.00
02665WDH1	AMERICAN HONDA FINANCE 1.95% 10MAY2023	(1,298.49)	0.00	(2,655.36)	1,570.83	0.00
037833AK6	APPLE INC 2.4% 03MAY2023	(157.92)	0.00	(1,646.31)	966.67	0.00
06051GHC6	BANK OF AMERICA CORP 3.004% 20DEC2023 (CALLABLE 20DEC22)	(984.54)	0.00	(965.00)	1,209.94	0.00
06051GHF9	BANK OF AMERICA CORP 3.55% 05MAR2024 (CALLABLE 05MAR23)	(1,123.03)	0.00	(916.82)	1,429.86	8,875.00
14912L5X5	CATERPILLAR FINANCIAL SE 3.75% 24NOV2023	(2,810.96)	0.00	(5,172.26)	3,020.83	0.00
17325FAS7	CITIBANK NA 3.65% 23JAN2024 (CALLABLE 23DEC23)	(1,327.75)	0.00	(2,029.60)	1,470.14	0.00
459200HU8	IBM CORP 3.625% 12FEB2024	(2,607.00)	0.00	(4,624.95)	2,920.14	0.00
24422EVN6	JOHN DEERE CAPITAL CORP 0.45% 17JAN2024	(37.85)	0.00	(594.58)	362.50	0.00
46647PBB1	JPMORGAN CHASE & CO 3.207% 01APR2023 (CALLABLE 01APR22)	(1,420.30)	0.00	(1,537.81)	1,550.05	0.00
46647PAP1	JPMORGAN CHASE & CO 3.559% 23APR2024 (CALLABLE 23APR23)	(1,296.97)	0.00	(1,480.61)	1,433.49	0.00
713448CM8	PEPSICO INC 3.6% 01MAR2024 (CALLABLE 01DEC23)	(1,275.76)	0.00	(2,257.77)	1,450.00	9,000.00
717081DZ3	PFIZER INC 2.2% 15DEC2021	(150.83)	0.00	(1,012.45)	886.11	0.00
717081DM2	PFIZER INC 3.4% 15MAY2024	(311.94)	0.00	(749.55)	141.67	0.00
693475AV7	PNC FINANCIAL SERVICES 3.5% 23JAN2024 (CALLABLE 23DEC23)	(1,530.91)	0.00	(5,286.73)	2,537.50	0.00
89236THU2	TOYOTA MOTOR CREDIT CORP 0.45% 11JAN2024	6.35	0.00	(466.14)	18.00	0.00

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2021 - September 30, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Corporate Bonds</b>						
89236THA6	TOYOTA MOTOR CREDIT CORP 1.35% 25AUG2023	(531.09)	0.00	(503.40)	761.25	0.00
91159HHV5	US BANCORP 3.375% 05FEB2024 (CALLABLE 05JAN24)	(2,539.37)	0.00	(3,603.46)	2,718.75	0.00
931142DH3	WALMART INC 2.55% 11APR2023 (CALLABLE 11JAN23)	(229.83)	0.00	(1,580.54)	1,027.09	0.00
94988J5R4	WELLS FARGO BANK NA 3.55% 14AUG2023 (CALLABLE 21SEP21)	(1,863.61)	(57,949.21)	(60,270.00)	59,834.11	61,510.50
<b>Total Corporate Bonds</b>		<b>(24,157.07)</b>	<b>(57,949.21)</b>	<b>(100,551.71)</b>	<b>88,140.46</b>	<b>88,835.50</b>
<b>Government Agencies</b>						
3136G46B4	FANNIE MAE 0.35% 26APR2024 (CALLABLE 26OCT21)	7.40	0.00	(2,526.09)	338.34	0.00
3135G0Q89	FANNIE MAE 1.375% 07OCT2021	34.22	0.00	(1,204.79)	1,218.40	0.00
3135G0V75	FANNIE MAE 1.75% 02JUL2024	(61.23)	0.00	(2,500.95)	1,057.29	0.00
3135G0T78	FANNIE MAE 2% 05OCT2022	(44.11)	0.00	(739.60)	966.66	0.00
3135G0V34	FANNIE MAE 2.5% 05FEB2024	(412.87)	0.00	(2,098.10)	1,208.34	0.00
3135G0U43	FANNIE MAE 2.875% 12SEP2023	(998.32)	0.00	(2,926.45)	2,315.97	14,375.00
3133EMWV0	FEDERAL FARM CREDIT BANK 0.35% 22APR2024	0.00	0.00	(2,809.93)	281.94	0.00
3133EMYR7	FEDERAL FARM CREDIT BANK 0.375% 06MAY2024 (CALLABLE 06MAY22)	0.00	0.00	(1,125.56)	302.08	0.00
313378JP7	FEDERAL HOME LN BKS CONS BD 2.375 DUE 09-10-2021	(29.07)	0.00	(348.65)	356.25	7,125.00
3130AMQQ8	FEDERAL HOME LOAN BANK 0.35% 23APR2024 (CALLABLE 23DEC21)	0.00	0.00	(718.76)	281.95	0.00
3130A3KM5	FEDERAL HOME LOAN BANK 2.5% 09DEC2022	(514.28)	0.00	(2,952.52)	2,013.89	0.00
313378WG2	FEDERAL HOME LOAN BANK 2.5% 11MAR2022	(495.35)	0.00	(1,865.41)	2,013.88	12,500.00
3137EADB2	FREDDIE MAC 2.375% 13JAN2022	(1,002.02)	0.00	(2,739.00)	3,156.77	0.00
<b>Total Government Agencies</b>		<b>(3,515.63)</b>	<b>0.00</b>	<b>(24,555.81)</b>	<b>15,511.76</b>	<b>34,000.00</b>

# DETAIL OF RETURN AND INTEREST RECEIVED

For the period September 1, 2021 - September 30, 2021

Cusip	Description	Accretion (amortization)	Realized gain (loss)	Change in fair value	Interest earned	Interest received
<b>Government Bonds</b>						
91282CCC3	USA TREASURY 0.25% 15MAY2024	85.21	0.00	(2,109.38)	203.80	0.00
91282CAW1	USA TREASURY 0.25% 15NOV2023	(3.89)	0.00	(1,445.31)	203.80	0.00
91282CBV2	USA TREASURY 0.375% 15APR2024	(32.62)	0.00	(2,148.43)	307.38	0.00
912828YV6	USA TREASURY 1.5% 30NOV2024	(408.04)	0.00	(2,408.59)	573.77	0.00
912828M80	USA TREASURY 2% 30NOV2022	(348.92)	0.00	(1,347.66)	1,229.51	0.00
912828U57	USA TREASURY 2.125% 30NOV2023	(231.51)	0.00	(1,929.69)	1,132.17	0.00
9128282Y5	USA TREASURY 2.125% 30SEP2024	(1,365.56)	0.00	(4,609.38)	1,741.80	10,625.00
<b>Total Government Bonds</b>		<b>(2,305.33)</b>	<b>0.00</b>	<b>(15,998.44)</b>	<b>5,392.23</b>	<b>10,625.00</b>
<b>Municipal/Provincial Bonds</b>						
888599LS4	PT. SAN ASSESS DISTRICT 5.25% 144A 02SEP2032 SANRAF\$01	0.00	0.00	0.00	4,914.53	32,529.00
<b>Total Municipal/Provincial Bonds</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,914.53</b>	<b>32,529.00</b>
<b>Grand total</b>		<b>(29,978.03)</b>	<b>(57,949.21)</b>	<b>(141,105.96)</b>	<b>113,959.82</b>	<b>165,990.34</b>

# TRANSACTION REPORT

For the period September 1, 2021 - September 30, 2021

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
09/01/2021 09/01/2021	713448CM8	Income	Corporate Bonds	PEPSICO INC 3.6% 01MAR2024	03/01/2024	500,000.00	0.00	0.00	9,000.00	9,000.00
09/01/2021 09/02/2021	888599LS4	Principal Paydowns	Municipal/Provincial Bonds	PT. SAN ASSESS DISTRICT	09/02/2032	(79,900.00)	0.00	79,900.00	0.00	79,900.00
09/02/2021 09/02/2021	888599LS4	Income	Municipal/Provincial Bonds	PT. SAN ASSESS DISTRICT	09/02/2032	1,239,200.00	0.00	0.00	32,529.00	32,529.00
09/03/2021 09/03/2021	0258M0EG0	Income	Corporate Bonds	AMERICAN EXPRESS CREDIT	03/03/2022	700,000.00	0.00	0.00	9,450.00	9,450.00
09/05/2021 09/05/2021	06051GHF9	Income	Corporate Bonds	BANK OF AMERICA CORP 3.55%	03/05/2024	500,000.00	0.00	0.00	8,875.00	8,875.00
09/09/2021 09/10/2021	912828YV6	Bought	Government Bonds	USA TREASURY 1.5%	11/30/2024	700,000.00	0.00	(722,889.06)	(2,926.23)	(725,815.29)
09/10/2021 09/10/2021	313378JP7	Income	Government Agencies	FEDERAL HOME LN BKS CONS	09/10/2021	600,000.00	0.00	0.00	7,125.00	7,125.00
09/10/2021 09/10/2021	313378JP7	Capital Change	Government Agencies	FEDERAL HOME LN BKS CONS	09/10/2021	(600,000.00)	0.00	600,000.00	0.00	600,000.00
09/11/2021 09/11/2021	313378WG2	Income	Government Agencies	FEDERAL HOME LOAN BANK	03/11/2022	1,000,000.00	0.00	0.00	12,500.00	12,500.00
09/12/2021 09/12/2021	3135G0U43	Income	Government Agencies	FANNIE MAE 2.875%	09/12/2023	1,000,000.00	0.00	0.00	14,375.00	14,375.00
09/21/2021 09/21/2021	94988J5R4	Income	Corporate Bonds	WELLS FARGO BANK NA 3.55%	08/14/2023	1,000,000.00	0.00	0.00	61,510.50	61,510.50
09/21/2021 09/21/2021	94988J5R4	Capital Change	Corporate Bonds	WELLS FARGO BANK NA 3.55%	08/14/2023	(1,000,000.00)	(57,949.21)	1,000,000.00	0.00	1,000,000.00
09/23/2021 09/27/2021	717081DM2	Bought	Corporate Bonds	PFIZER INC 3.4% 15MAY2024	05/15/2024	500,000.00	0.00	(537,160.00)	(6,233.33)	(543,393.33)
09/23/2021 09/27/2021	89236THU2	Bought	Corporate Bonds	TOYOTA MOTOR CREDIT CORP	01/11/2024	480,000.00	0.00	(479,342.40)	(456.00)	(479,798.40)
09/30/2021 09/30/2021	912828Y5	Income	Government Bonds	USA TREASURY 2.125%	09/30/2024	1,000,000.00	0.00	0.00	10,625.00	10,625.00
09/30/2021		Income	Cash and Cash Equivalents	Cash		0.00	0.00	0.00	0.84	0.84

# ADDITIONAL INFORMATION

## As of September 30, 2021

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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Please compare the information provided in this statement to the information provided in the statement received from your Custodian.

For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moody's, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moody's and S&P ratings.

Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown.

The ICE BofA 3 Month US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The ICE BofA 6 Month US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The ICE BofA 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The ICE BofA 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The ICE BofA 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

# ADDITIONAL INFORMATION

## As of September 30, 2021

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**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

**Department: Economic Development**

**Prepared by: Danielle O’Leary,**  
**Economic Development Director**

**City Manager Approval:** \_\_\_\_\_ 

**TOPIC: CONTINUING CITY LOANS FROM CENTERTOWN PROJECT AT 855 C STREET**

**SUBJECT: RESOLUTION AGREEING TO ACCEPT A NEW \$909,876 PROMISSORY NOTE FROM CENTERTOWN II, LP, REPRESENTING THE REMAINING OBLIGATIONS UNDER TWO OUTSTANDING PROMISSORY NOTES FROM CENTERTOWN ASSOCIATES, LTD., AND RELATED MATTERS**

**RECOMMENDATION:**

Adopt the attached resolution for the City: (i) to accept a new \$909,876 promissory note from Centertown II, LP, expected to be the new lessee of the City-owned real property at 855 C Street, San Rafael (**Centertown**), representing the remaining obligations (including accrued interest) under two separate promissory notes from current Centertown lessee Centertown Associates; (ii) with the new note to be secured by a new leasehold deed of trust and accompanied by a new affordable housing regulatory agreement; (iii) to cancel the existing promissory notes and terminate the existing security; and (iv) authorizing the Mayor and/or City Manager to execute all documents reasonably required to carry out the intent and purposes of the foregoing.

**BACKGROUND:**

On September 13 ([staff report](#)) and September 20, 2021 ([staff report](#)), the City Council adopted Ordinance 2000, Approving and Authorizing the Mayor to Execute a Ground Lease of the Real Property at 855 C Street, San Rafael (Centertown) to Centertown II, LP. The purpose of the Ordinance was to provide BRIDGE/EAH the opportunity to re-syndicate and refinance the Centertown project to provide flood improvements, ADA improvements, and other necessary ongoing maintenance. The Ordinance is expected to become effective on October 20, 2021, and the new Centertown ground lease transaction is scheduled to close on October 22, 2021.

**ANALYSIS:**

As part of the overall financing for this new Centertown transaction, the remaining amounts due the City under two outstanding promissory notes from current lessee (Centertown Associates, Ltd.)—i) the entire \$631,000 (plus accrued interest) of original principal under an unsecured note to the City dated June 2, 2021; and (ii) the \$219,982 in principal remaining (plus accrued interest) under a secured \$303,000 note originally to the San Rafael Redevelopment Agency dated August 20, 1990—are being combined into a

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**



single new \$909,876 Promissory Note from the new Centertown lessee, Centertown II, LP (“**Centertown II**”). This new Note does not represent an advance of new City funds.

The new Promissory Note will bear interest at 1.74% per annum, compounded annually (the current long-term Applicable Federal Rate), and be payable from the City’s prorata percentage of certain “Residual Receipts” from the Centertown project (as defined in the new Note). The new Note term is 57 years. The new Note will be secured by a new Leasehold Deed of Trust, and accompanied by a new affordable housing Regulatory Agreement, both from Centertown II. The new Note, Leasehold Deed of Trust, and Regulatory Agreement will all be substantially similar to the forms attached to this report. As with the prior RDA secured Centertown notes, this new Note will be subordinated to larger loans from the project’s senior lenders. The current \$631,000 and \$303,000 notes will be cancelled, and the current deed of trust securing the \$303,000 note will be released.

This new Note is only a small part of the overall Centertown transaction. The specific transactions described in this report have been negotiated with numerous other parties, and are all closing conditions to the new Centertown transaction.

**FISCAL IMPACT:**

City Council approval of the matters in this report is the final Council action required for the new Centertown transaction.

There is no fiscal impact in adopting the proposed resolution. The City is entitled to receive \$909,876, plus interest at 1.74% per annum, over a 57-year period.

**OPTIONS:**

The City Council has the following options to consider on this matter:

1. Adopt the Resolution Agreeing to Accept a New \$909,876 Promissory Note From Centertown II, LP, Representing the Remaining Obligations Under Two Outstanding Promissory Notes From Centertown Associates, Ltd., and Related Matters.
2. Pass the Resolution with modifications.
3. Direct staff to return with more information.
4. Take no action. (Options 2, 3, and 4 will delay and undermine the Centertown financing.

**RECOMMENDED ACTION:**

Adopt the Resolution Agreeing to Accept a New \$909,876 Promissory Note from Centertown II, LP, Representing the Remaining Obligations Under Two Outstanding Promissory Notes From Centertown Associates, Ltd., and Related Matters.

**ATTACHMENTS:**

1. Resolution Agreeing to Accept a New \$909,876 Promissory Note From Centertown II, LP, Representing the Remaining Obligations Under Two Outstanding Promissory Notes from Centertown Associates, Ltd., and Related Matters
2. Promissory Note (Centertown) in the principal amount of \$909,876, dated October 22, 2022.
3. Leasehold Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Centertown)
4. Affordable Housing Regulatory Agreement

**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AGREEING TO ACCEPT A NEW \$909,876 PROMISSORY NOTE FROM CENTERTOWN II, LP, REPRESENTING THE REMAINING OBLIGATIONS UNDER TWO OUTSTANDING PROMISSORY NOTES FROM CENTERTOWN ASSOCIATES, LTD., AND RELATED MATTERS**

**WHEREAS**, the City of San Rafael, as successor housing agency to the former San Rafael Redevelopment Agency (“**SRRA**”), is the fee owner of that certain approximately 0.98-acre lot at 855 C Street in downtown San Rafael (“**Centertown Land**”) on which the Centertown project is located; and

**WHEREAS**, the City Council has adopted Ordinance 2000, Approving and Authorizing the Mayor to Execute a Ground Lease of the Real Property at 855 C Street, San Rafael (Centertown) to Centertown II, LP (**Centertown II**), in order to provide BRIDGE/EAH the opportunity to re-syndicate and refinance the Centertown project to provide flood improvements, ADA improvements, and other necessary ongoing maintenance; and

**WHEREAS**, the City currently holds two outstanding promissory notes from current Centertown lessee Centertown Associates, Ltd. (“**Centertown Ltd.**”): a \$631,000 unsecured promissory note, dated June 2, 2021, all of which (together with accrued interest) is outstanding; and a \$303,000 secured promissory note, dated August 20, 1990, of which \$219,982 in principal (plus accrued interest) is outstanding; and

**WHEREAS**, as part of the new Centertown transaction, it is proposed that the remaining amounts under the two Centertown Ltd. notes be combined into a single new \$909,876 Promissory Note from Centertown II, with the current notes being cancelled and the current deed of trust securing the \$303,000 note being released; and

**WHEREAS**, the new Promissory Note will: bear interest at 1.74% per annum, be payable from the City’s prorata percentage of certain “Residual Receipts” from the Centertown project (as defined in the new Note), have a term of 57 years, be secured by a new Leasehold Deed of Trust and accompanied by a new affordable housing Regulatory Agreement, and be subordinated to larger loans from the project’s senior lenders; and

**WHEREAS**, the foregoing matters, are all closing conditions to the new Centertown transaction;

**NOW, THEREFORE, BE IT RESOLVED** that the City Council hereby approves, and authorizes the Mayor and/or City Manager to take all actions required to accept a new \$909,876 Promissory Note from Centertown II, LP; cause the new Promissory Note to be secured by a new Leasehold Deed of Trust and accompanied by a new affordable housing Regulatory Agreement, all substantially in the form included with the staff report for this Resolution; cancel the two current \$631,000 and \$303,000 notes from Centertown Ltd.; and release the current deed of trust securing the \$303,000 note, all in a form subject to approval by the City Attorney;

**AND BE IT FURTHER RESOLVED** that the City Council hereby approves, and authorizes the Mayor and/or City Manager to execute, all other documents reasonably required to carry out the intent and purposes of the foregoing, in a form approved by the City Attorney.

I, LINDSAY LARA, City Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the City Council held on the 18<sup>th</sup> day of October, 2021, by the following vote to wit:

AYES:            COUNCILMEMBERS:

NOES:            COUNCILMEMBERS:

ABSENT:        COUNCILMEMBERS:

\_\_\_\_\_  
LINDSAY LARA, City Clerk

**PROMISSORY NOTE  
(Centertown)**

\$909,876.00

San Rafael, California  
October 22, 2021

FOR VALUE RECEIVED, CENTERTOWN II, LP, a California limited partnership (“**Borrower**”), promises to pay to the order of the CITY OF SAN RAFAEL, a municipal corporation (“**Lender**”), the principal sum of Nine Hundred Nine Thousand Eight Hundred Seventy Six and 00/100<sup>ths</sup> Dollars (\$909,876.00).

**1. Borrower’s Obligation.** Loan. This promissory note (“**Note**”) evidences Borrower’s obligation to pay the Lender the principal amount of Nine Hundred Nine Thousand Eight Hundred Seventy Six and 00/100<sup>ths</sup> Dollars \$909,876.00 (the “**Loan**”), representing (i) Borrower’s assumption of \$631,000.00 in principal plus \$12,095.00 accrued interest to date under that certain Promissory Note (Centertown) dated June 2, 2021, originally from Centertown Associates, Ltd. (“**Prior Borrower**”) to Lender and (ii) Borrower’s assumption of \$219,982.00 in remaining principal plus \$46,799.00 in accrued interest to date under that certain Amended and Restated Promissory Note in the original principal amount of \$303,000.00, dated August 20, 1990 and amended May 6, 1991, originally from the Prior Borrower to the former Redevelopment Agency of the City of San Rafael (“**RDA**”). Concurrently herewith, Lender, as lessor (“**Lessor**”), and Borrower, as lessee (“**Lessee**”), are entering into a Ground Lease (Centertown) (as may be further amended from time to time, “**Ground Lease**”) on certain land located at 855 C Street, San Rafael California (“**Land**”), currently improved with approximately sixty (60) units of affordable housing (including one unrestricted manager’s unit) and certain accessory uses (“**Development**”), as to which the Loan relates.

(b) Security. This Note is secured by a Leasehold Deed of Trust with Assignment of Rents and Security Agreement (the “**Leasehold Deed of Trust**”) on the “**Property**” (as defined therein), wherein Borrower is the Trustor and Lender is the Beneficiary.

**2. Interest.** The outstanding principal balance of this Note will bear interest at a fixed rate of One and Seventy Four Hundredths percent (1.74%) per annum, compounded annually.

**3. No Assumption.** This Note is not assumable by the successors and assigns of Borrower without the prior written consent of the Lender.

**4. Term and Repayment Requirements.**

(a) Term. The term of this Note (“**Term**”) commences with the date of this Note and expires on October 22, 2078 (the “**Maturity Date**”).

(b) **Repayment.**

(i) Annual Payments. Commencing June 1, 2024, and on each June 1 of each year thereafter during the Term, Borrower shall make repayments of the outstanding principal and accrued interest on the Loan equal to the City's Prorata Percentage of Lenders' Share of Residual Receipts (each as defined in Section 6) for the previous calendar year. Payments made shall be credited first against accrued interest and then against outstanding principal. Such annual payments shall be accompanied by the Borrower's report of Residual Receipts (including an independent auditor's report regarding the auditor's review of Annual Operating Expenses) (each as defined in Section 6). Borrower shall provide Lender with any documentation reasonably requested by Lender to substantiate Borrower's determination of Residual Receipts; provided, that so long as the County Home Loan is outstanding, Borrower may satisfy its annual reporting obligations under this Subsection 4(b) by providing Lender with whatever documentation is required by the terms of the County HOME Loan Agreement (each as defined in Section 6).

(ii) Additionally, the principal and interest balance of the Loan is due and payable in full upon the earlier to occur of: (i) the date of any Lessee assignment, transfer or sublease of the Land or improvements thereon (each, a "**Transfer**") not authorized by the Lessor or the Ground Lease (and a Transfer that does not require Lender consent under the Ground Lease is deemed authorized), (ii) the date of any Default, or (iii) the Maturity Date.

(c) **Right to Prepay.** Borrower may prepay the Loan at any time without premium or penalty.

**5. Payment Terms.**

(a) Borrower shall make all payments due under this Note in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

(b) All payments on this Note are to be paid to the Lender at City of San Rafael City Hall, 1400 Fifth Avenue, San Rafael, CA 94901, Attn: Finance Department, or to such other place as the Lender may from time to time designate.

(c) All payments on this Note are without expense to the Lender.

(d) Notwithstanding any other provision of this Note, if, for any reason whatsoever, the payment of any sums by Borrower pursuant to the terms of this Note would result in the payment of interest that exceeds the amount that the Lender may legally charge under the laws of the State of California, then the amount by which payments exceed the lawful interest rate will automatically be deducted from the principal balance owing on this Note, so that in no event is Borrower obligated under the terms of this Note to pay any interest that would exceed the lawful rate.

(e) By execution of this Note Borrower acknowledges and agrees, and by acceptance of this Note Lender acknowledges and agrees, that the determination of "City Prorata Percentage" and "Lenders' Share of Residual Receipts" (including other defined terms required to define those terms) from time to time shall, to the greatest feasible extent, be consistent with the methodology for determining "County Prorata Percentage" and "Lenders' Share of Residual Receipts" (including other defined terms required to define those terms) under the County HOME Loan Agreement, adjusted only to reflect the respective prorata percentages of each of Lender

and the County. The applicable definitions of the County HOME Loan Agreement shall control in the event of conflict with the applicable definitions in this Note.

**6. Special Definitions.** Subject to 5(e):

(a) **"Annual Operating Expenses"** with respect to a particular calendar year (or if applicable shorter period) shall mean the following costs reasonably and actually incurred for operation and maintenance of the Development, to the extent that they are consistent with an annual independent audit performed by a certified public accountant using generally accepted accounting principles and subject to the limits contained in the Approved Financing Plan: (i) property taxes and assessments imposed on the Development; (ii) debt service and associated fees (including but not limited to the HCD LPR monitoring fee, the City of San Rafael monitoring fee, and the bond monitoring fee) currently due on a non-optional basis (excluding debt service due from residual receipts or surplus cash of the Development) on the Approved Financing or as otherwise approved by HCD; (iii) property management fees and reimbursements, not to exceed fees and reimbursements which are standard in the industry, and pursuant to a management contract approved by the County; (iv) premiums for property damage and liability insurance; (v) any annual license or certificate of occupancy fees required for operation of the Development; (vi) annual regulatory compliance monitoring fees; (vii) security services; (viii) advertising and marketing costs; (ix) cash deposited into reserves for capital replacements of the Development in the amount shown in the Approved Financing Plan or such higher amount as to be approved by the County, or as otherwise approved by HCD; (x) cash deposited into an operating reserve in an amount in the amount shown in the Approved Financing Plan or such higher amount as to be approved by the County, as the same may increase during the Term with the approval of the County, and annual operating budgets, but with the operating reserve capped at six (6) months of gross rent from the Development (as such rent may vary from time to time) solely for purposes of determining Annual Operating Expenses; (xi) a partnership management fee and asset management fee in the amount shown in the Approved Financing Plan, or as otherwise approved by HCD, or in such other amount approved by the County; (xii) utility services not paid for directly by tenants, including without limitation, water, sewer, and trash collection; (xiii) maintenance and repair, including but not limited to, pest control, landscaping, grounds maintenance, painting and decorating, cleaning, common systems repair, janitorial supplies and services; (xiv) social services fees and expenses; (xv) annual audit fees, inspection fees, or monitoring fees required in relation to any Approved Financing; (xvi) extraordinary operating costs specifically approved by the County in its reasonable discretion; (xvii) payments of deductibles in connection with casualty insurance claims not normally paid from reserves, the amount of uninsured losses actually replaced, repaired or restored, and not normally paid from reserves, (xviii) reasonable accounting fees and legal fees; (xix) payments of Deferred Developer Fee, if any; and (xxx) other ordinary and reasonable operating expenses approved by the County in its reasonable discretion and not listed above; or if different, as otherwise provided in the County HOME Loan Agreement.

Annual Operating Expenses shall exclude the following: depreciation, amortization, depletion or other non-cash expenses or, any amount expended from a reserve account.

(b) **"Approved Financing Plan"** means the financing plan approved by the County and provided to the Lender as of the date of this Note, attached to this Note as Exhibit A, incorporated herein by this reference, as the same may be amended pursuant to the County HOME Loan Agreement from time to time.

(c) **"City Prorata Percentage"** means the City's prorata percentage of the Lenders' Share of Residual Receipts, resulting from dividing \$850,982.00 (being the portion of

the Loan represented by unpaid principal (rather than interest) of the prior loans included within the Loan) by the amount of the Public Loans.

(d) **“County”** means the County of Marin.

(e) **“County Loans”** means (i) the County CDBG Loan to the Borrower in the amount of \$59,504.00, evidenced by that certain Amended and Restated Promissory Note (Centertown- CDBG Loan) dated on or about the date hereof, (ii) the County HTF Loan to the Borrower in the amount of \$40,000.00, evidenced by that certain Amended and Restated Promissory Note (Centertown- HTF Loan) dated on or about the date hereof, and (iii) the County HOME Loan to the Borrower in the amount of \$950,000.00, evidenced by that certain Promissory Note (Centertown II- HOME Loan) dated on or about the date hereof (**“County HOME Loan”**).

(f) **“County Loan Documents”** means the promissory notes included in the definition of County Loan, together with the HOME Investment Partnerships Act Loan Agreement (Centertown II- HOME Loan) between the County and Borrower dated on or about the date hereof (**“County HOME Loan Agreement”**), the Regulatory Agreement and Declaration of Restrictive Covenants (Centertown II- HOME Loan) between the County and Borrower dated on or about the date hereof, and the Amended and Restated Leasehold Deed of Trust With Assignment of Rents, Security Agreement, and Fixture Filing (Centertown II- CDBG Loan), the Amended and Restated Leasehold Deed of Trust With Assignment of Rents, Security Agreement, and Fixture Filing (Centertown II- HTF Loan), and the Leasehold Deed of Trust With Assignment of Rents and Security Agreement (Centertown II - HOME Loan), all from Borrower as trustor to the County as beneficiary, dated on or about the date hereof, all as amended from time to time.

(g) **“Gross Revenue”** for each particular calendar year (or if applicable shorter period) shall mean all revenue, income, receipts, and other consideration actually received by Borrower from operation and leasing of the Development. Gross Revenue includes, but is not limited to: (i) all rents, fees and charges paid by tenants, payments or other rental subsidy payments received for the dwelling units, deposits forfeited by tenants, all cancellation fees, price index adjustments and any other rental adjustments to leases or rental agreements resulting in actual income to Borrower; (ii) the proceeds of business interruption or similar insurance; (iii) any payment received in consideration for the leasing or other use of any portion of the Development; (iv) subject to the rights of senior lenders, the proceeds of casualty insurance to the extent not utilized to repair or rebuild the Development (or applied toward the cost of recovering such proceeds); (v) subject to the rights of senior lenders, condemnation awards for a taking of part or all of the Development for a temporary period; or if different, as otherwise provided in the County HOME Loan Agreement.

Gross Revenue shall exclude tenants' security deposits, loan proceeds, capital contributions or other similar advances.

(h) **“HCD”** means the California State Department of Housing and Community Development.

(i) **“Lenders’ Share of Residual Receipts”** means the Lender’s proportionate share of Residual Receipts, which proportionate share shall be determined in accordance with HCD requirements.

(a) **“Public Loans”** means \$850,982.00, plus the amounts of the County Loans and LRB Loan actually disbursed to the Borrower.

(j) **"LRB Loan"** means the Loan Portfolio Restructuring Loan to the Borrower in the amount of \$1,722,662.00.

(k) **"Residual Receipts"** in a particular calendar year (or if applicable shorter period) shall mean the amount by which Gross Revenue exceeds Annual Operating Expenses.

**7. Other Covenants.**

(a) **Financing Plan.** Borrower shall provide Lender with copies of all updates, revisions and modifications to the Approved Financing Plan from time to time promptly following each applicable update, revision and modification, together with a written explanation thereof and all other information reasonably requested by the County.

**8. Default.**

(a) Any of the following constitutes an event of default under this Note (each, a **"Default"**):

(i) Any failure to pay, in full, any payment required under this Note, within ten days of written notice that such payment is due; and

(ii) Failure of Borrower to duly perform, comply with, or observe any of the conditions, terms, or covenants of this Note or Deed of Trust, and such failure or breach having continued uncured for 30 days after receipt of written notice thereof from the Lender to Borrower and its limited partner or, if the failure or default cannot be cured within 30 days, Borrower shall not be in default so long as Borrower is diligently undertaking to cure such failure and such cure is commenced within 30 days of such failure.

(b) Upon the occurrence of a Default, the entire unpaid principal balance, together with all interest thereon, and together with all other sums then payable under this Note will at the option of the Lender become immediately due and payable without further demand.

(c) Lender's failure to exercise the remedy set forth in Subsection 8(b) above or any other remedy provided by law upon the occurrence of one or more of the foregoing events of Default does not constitute a waiver of the right to exercise any remedy at any subsequent time in respect to the same or any other Default. The acceptance by Lender hereof of any payment which is less than the total of all amounts due and payable at the time of such payment does not constitute a waiver of the right to exercise any of the foregoing remedies or options at that time or at any subsequent time, or nullify any prior exercise of any such remedy or option, without the express consent of the Lender, except as and to the extent otherwise provided by law.

(d) Borrower's limited partner may, but shall not be obligated to, cure defaults under this Note in the same manner as Borrower, and such cure shall be accepted or rejected as if tendered by the Borrower.

**9. Waivers.**

(a) Borrower hereby waives diligence, presentment, protest and demand, and notice of protest, notice of demand, and notice of dishonor of this Note. Borrower expressly agrees that this Note or any payment hereunder may be extended from time to time, and that the Lender may accept further security or release any security for this Note, all without in any way affecting the liability of Borrower.



(b) Any extension of time for payment of this Note or any installment hereof made by agreement by the Lender with any person now or hereafter liable for payment of this Note shall not operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part.

(c) The obligations of Borrower under this Note are absolute and Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reason whatsoever.

**10. Non-Recourse.** Payment and performance of the obligations set forth in the Loan Documents shall be non-recourse to Borrower and Borrower's general and limited partners, and Lender's sole recourse with respect to the Loan shall be the right to foreclose under the Deed of Trust and other collateral forming part of the Loan Documents.

**11. Miscellaneous Provisions.**

(a) All notices to the Lender or Borrower shall be sufficiently given if and shall not be deemed given unless dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered by express delivery service, return receipt requested, or delivered personally, to the principal office of the parties as follows:

Lender:

City of San Rafael  
1400 Fifth Avenue, Room 202  
San Rafael, CA 94901  
Attn: Jim Schultz, City Manager  
jim.schultz@cityofsanrafael.org

*with copy to:*

City of San Rafael  
1400 Fifth Avenue, Room 202  
San Rafael, CA 94901  
Attn: Robert Epstein, City Attorney  
rob.epstein@cityofsanrafael.org

Borrower:

Centertown II, LP  
c/o BRIDGE Housing Corporation  
600 California St #900  
San Francisco, CA 94108  
Attn: General Counsel

and:

Centertown II, LP  
EAH Inc.  
22 Pelican Way  
San Rafael, CA 94901  
Attn: Welton Jordan  
Chief Real Estate Development Officer

*with copy to:*

Goldfarb & Lipman LLP  
1300 Clay Street, 11th Floor  
Oakland, CA 94612  
Attention: Erica Williams Orcharton

and

Bocarsly Emden Cowan Esmail & Arndt LLP  
633 West Fifth Street, 64th Floor  
Los Angeles, CA 90071  
Attention: Nicole Deddens

and

NHT Equity, LLC  
2245 North Bank Drive, Suite 200  
Columbus, OH 43220  
Attention: Asset Management

and

Kutak Rock LLP  
1650 Farnam Street  
Omaha, NE 68102  
Attention: Jill H. Goldstein, Esq.

Such written notices, demands and communications may be sent in the same manner to such other addresses as the affected party may from time to time designate as provided in this Section. Receipt shall be deemed to have occurred on the date shown on a written receipt as the date of delivery or refusal of delivery (or attempted delivery if undeliverable).

(b) Borrower promises to pay all costs and expenses, including reasonable attorney's fees, incurred by the Lender in the enforcement of the provisions of this Note, regardless of whether suit is filed to seek enforcement.

(c) This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

(d) This Note is governed by and construed in accordance with the laws of the State of California.

(e) The times for the performance of any obligations hereunder are strictly construed, time being of the essence.

(f) This Note contains the entire agreement between the Lender and Borrower as to the Loan. This Note may not be modified except upon the written consent of the Lender and Borrower.

***[Signatures on following page]***

IN WITNESS WHEREOF, Borrower has caused this Note to be executed and delivered on the date set forth above.

**CENTERTOWN II, LP**, a California limited partnership

By Centertown II, LLC,  
a California limited liability company, its  
managing general partner

By: BRIDGE Housing Corporation,  
a California nonprofit public benefit  
corporation, its managing member

By: \_\_\_\_\_  
Smitha Seshadri,  
Executive Vice President

By: EAH Inc.,  
a California nonprofit public benefit  
corporation, its managing member

By: \_\_\_\_\_  
Welton Jordan,  
Assistant Secretary and Chief Real  
Estate Development Officer

EXHIBIT A

APPROVED FINANCING PLAN

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

City of San Rafael  
City of San Rafael City Hall,  
Rm 209  
1400 Fifth Avenue, San  
Rafael, CA 94901  
Attention: City Clerk

EXEMPT FROM RECORDING FEES  
PER GOVERNMENT CODE §§6103,  
27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

APN 011-254-19

**LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS,  
SECURITY AGREEMENT AND FIXTURE FILING  
(CENTERTOWN)**

This LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (“**Deed of Trust**”) is made as of October 22, 2022, by CENTERTOWN II, LP, a California limited partnership, (“**Trustor**”), whose address is c/o BRIDGE Housing Corporation, 600 California St #900, San Francisco, CA 94108, Attn: General Counsel and c/o EAH Inc., 22 Pelican Way, San Rafael, CA 94901, Attn: Welton Jordan Chief Real Estate Development Officer, to Old Title Company (“**Trustee**”), for the benefit of the CITY OF SAN RAFAEL, a municipal corporation, (“**Beneficiary**”), whose address is City of San Rafael City Hall, 1400 Fifth Avenue, San Rafael, CA 94901, Attention City Manager.

Trustor irrevocably grants, conveys, transfers and assigns to Trustee in trust, with power of sale and right of entry and possession, all of Trustor’s right, title and interest now owned or hereafter acquired in and to its leasehold to the real property in Marin County, California, described on Exhibit A attached hereto and incorporated herein by this reference, together with all buildings, structures and improvements now existing or hereafter constructed thereon (the “**Improvements**”) and all other property and interests of any kind or character which may be reasonably necessary or desirable to promote the present and future beneficial use and enjoyment of such real property and improvements (the “**Property**”).

**1. Secured Obligations.** Trustor makes the grant, conveyance, transfer and assignment herein for the purpose of securing the following obligations (the “**Secured Obligations**”): (i) all obligations of Trustor to Beneficiary under the Promissory Note of even date herewith, in the original principal amount of \$909,876.00, executed by Trustor in favor of Beneficiary or order (the “**Note**”); (ii) all present and future obligations of Trustor to Beneficiary under the Loan Documents (as defined in the Addendum defined below); (iii) all present and future obligations of Trustor to Beneficiary under the Addendum to Deed of Trust in favor of Beneficiary dated of even date attached hereto and incorporated herein by this reference (“**Addendum**”); (iv) all additional present and future obligations of Trustor to Beneficiary under any other agreement or instrument acknowledged by Trustor (whether existing now or in the future) which states that it is or such obligations are, secured by this Deed of Trust; (v) all obligations of Trustor to Beneficiary under all modifications, supplements, amendments, renewals, or extensions of any of the foregoing, whether evidenced by new or additional documents; and (vi) reimbursement of all amounts

advanced by or on behalf of Beneficiary to protect Beneficiary's interests under this Deed of Trust or any other Loan Document as such may be modified, supplemented, amended, renewed or extended.

**2. Maintenance and Repair.** Trustor shall (i) keep the Property in good condition and repair and not remove or demolish any building; (ii) complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed; (iii) pay when due all claims for labor performed and materials furnished; (iv) comply with all laws affecting the Property or requiring any alterations or improvements to be made; (v) not commit or permit waste; and (vi) cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of the Property may be reasonably necessary.

**3. Insurance.** Trustor shall maintain hazard insurance against loss by fire, hazards included with the term "extended coverage," and any other hazards for which Beneficiary requires insurance, and liability insurance. The insurance carrier and the insurance policies and amounts of coverage shall be acceptable to Beneficiary, the policies shall name Beneficiary as a loss payee or an additional insured, as applicable, the policies shall include Beneficiary as an additional insured, as applicable, and shall require 30 days' prior notice to Beneficiary before the policy is modified or terminated.

**4. Defense of Security.** Trustor shall appear in and defend any action or proceeding purporting to affect the security or the rights or powers of Beneficiary or Trustee. Trustor shall pay all costs and expenses, including costs of evidence of title and attorneys' fees, in any such action or proceeding in which Trustee or Beneficiary may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

**5. Payment of Taxes and Liens.** Trustor shall pay (i) at least ten days before delinquency, all taxes and assessments affecting the Property, including water stock assessments; (ii) when due, all encumbrances, charges and liens, with interest, on the Property, which are or appear to be prior or superior to this Deed of Trust; and (iii) upon demand all costs, fees and expenses of this Deed of Trust. If Trustor fails to make any payment or to do any act provided for in this Deed of Trust, then Beneficiary or Trustee may, without obligation to do so, and with or without notice to or demand upon Trustor, and without releasing Trustor from any obligation under this Deed of Trust: (w) make or do the same in such manner and to such extent as either may deem necessary to protect the security, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; (x) appear in or commence any action or proceeding purporting to affect the security, or the rights or powers of Beneficiary or Trustee; (y) pay, purchase, contest or settle any encumbrance, charge or lien which in the judgment of either appears to be senior to this Deed of Trust; and (z) in exercising any such powers, pay allowable expenses, including attorneys' fees.

**6. Reimbursement of Costs.** Trustor shall pay upon demand all sums expended by Beneficiary or Trustee provided for in this Deed of Trust or allowed by law, with interest from date of expenditure calculated at the rate of 10% per annum, compounded annually, or the maximum rate allowed by law.

**7. No Waiver.** By accepting payment of any sum after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums or declare a default for failure to pay.

8. **Reconveyance.** That upon written request of Beneficiary stating that all sums secured hereby have been paid or forgiven, and upon surrender of this Deed of Trust and the Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals of such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as “the person or persons legally entitled thereto.”

9. **Assignment of Rents.** Trustor hereby absolutely and unconditionally assigns to Beneficiary all of the rents, issues, profits, royalties, revenues, income and other benefits (collectively, the “**Rents**”) derived from the Property, whether now due, past due or to become due, and hereby gives to and confers upon Beneficiary, either directly or through a receiver, the right, power and authority, but not the obligation, to collect the Rents, and to sue, either in the name of Trustor or Beneficiary, for all such Rents and to apply the same to the indebtedness secured hereby in such order as Beneficiary may determine in its sole discretion. This assignment of Rents is intended to create and shall be construed to create an absolute assignment to Beneficiary of all of Trustor’s right, title and interest in the Rents. The foregoing notwithstanding, so long as no event of default exists by Trustor in the payment of any indebtedness secured hereby, or in any other covenant contained herein, or in said Note or in any other document evidencing or securing such indebtedness, Trustor shall have the right to collect all Rents from the Property and to retain, use and enjoy the same. Upon the occurrence of such a default, and after prior written notice by Beneficiary to Trustor, Trustor shall have no interest whatsoever in the Rents that are received by Trustor after a default, and all such Rents shall be received and held by Trustor in constructive trust for Beneficiary and delivered promptly to Beneficiary, or to a court-appointed receiver for the Property, without the necessity for further notice to, or demand upon, Trustor. Upon the occurrence of such a default and at any time thereafter during the continuance thereof, Beneficiary may, at its option, send any tenant of the Property a notice to the effect that: (i) a default has occurred; (ii) Beneficiary has elected to exercise its rights under this assignment; and (iii) such tenant is thereby directed to thereafter make all payments of Rents to or for the benefit of Beneficiary or as Beneficiary shall direct. Any such tenant shall be entitled to rely upon any notice from Beneficiary and shall be protected with respect to any payment of Rents made pursuant to such notice, irrespective of whether a dispute exists between Trustor and Beneficiary with respect to the existence of a default or the rights of Beneficiary hereunder. Any such tenant shall not be required to investigate or determine the validity or accuracy of such notice or the validity or enforceability of this assignment. Trustor hereby agrees to indemnify, defend and hold any such tenant harmless from and against any and all losses, claims, damages or liabilities arising from or related to any payment of Rents by such tenant made in reliance on and pursuant to such notice. Trustor’s obligations and Beneficiary’s rights under this Section are subject to the requirements of holders of senior liens (if any) permitted by the Loan Documents or the Ground Lease (as defined in the Addendum).

10. **Default and Foreclosure.** Upon default by Trustor in payment or performance of any Secured Obligation, Beneficiary may declare all sums secured immediately due and payable by delivery to Trustee of a declaration of default and demand for sale and of a notice of default and of a notice of sale, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Note and all documents evidencing expenditures secured by this Deed of Trust. Upon default of any obligation secured by this Deed of Trust and acceleration of all sums due, Beneficiary may instruct Trustee to proceed with a sale of the Property under the power of sale granted in this Deed of Trust, noticed and held in accordance with California Civil Code Sections 2924, et seq., as such statutes may be amended from time to time. Trustor waives all rights it may have to require marshaling of assets or to require sales of



assets in any particular order, including any rights under California Civil Code Sections 2899 and 3433. The Trustor's limited partner may, but shall not be obligated to, cure defaults hereunder in the same manner as Borrower.

**11. Substitution of Trustee.** Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

**12. Successors and Assigns.** This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "**Beneficiary**" shall mean the owner and holder, including pledgees, of the Note whether or not named as Beneficiary herein.

**13. Trustee Acceptance.** Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

**14. Further Assurances.** Trustor shall, at its own cost and expense, do, execute, acknowledge, and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers, and assurances as Trustee or Beneficiary shall from time to time require, for better assuring, conveying, assigning, transferring, and confirming unto Trustee the Property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Trustor may be or may hereafter become bound to convey or assign to Trustee, or for carrying out the intention or facilitating the performance of the terms of this Deed of Trust, or for filing, registering, or recording this Deed of Trust. Trustor shall, on demand, execute and deliver, and hereby authorizes Trustee and Beneficiary, or either of them, to execute in the name of Trustor, to the extent it may lawfully do so, one or more financing statements, chattel mortgages, or comparable security instruments, to evidence more effectively the lien hereof. Immediately upon the execution and delivery of this Deed of Trust, and thereafter from time to time, Trustor shall cause this Deed of Trust, and any security instruments creating a lien or evidencing the lien hereof upon any personal property and each instrument of further assurance, to be filed, registered, or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the title of Trustee to, the Property encumbered hereby.

**15. Condemnation and Insurance Proceeds.** Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation or other taking of all or any portion of the Property, or knowledge of any casualty damage to the Property, or damage in any other manner, Trustor shall immediately notify Beneficiary thereof. Trustor hereby authorizes and empowers Beneficiary as attorney-in-fact for Trustor to make proof of loss, to adjust and compromise any claim under the insurance policies covering the Property, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Beneficiary's expenses incurred in the collection of such proceeds; provided, however, that nothing contained in this Section shall require Beneficiary to

incur any expense or take any action hereunder. Trustor hereby authorizes and empowers Beneficiary, at Beneficiary's option, as attorney-in-fact for Trustor, to commence, appear in and prosecute, in Beneficiary's or Trustor's name, any action or proceeding relating to any condemnation or other taking of all or any part of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or any part thereof, or for conveyances in lieu of the Property, or any part thereof, shall be paid to Beneficiary. The foregoing powers of attorney are coupled with an interest and are irrevocable. Trustor hereby authorizes Beneficiary to apply such awards, payments, proceeds or damages relating to condemnation of the Property and insurance covering the Property, after the deduction of Beneficiary's expenses incurred in the collection of such amounts, at Beneficiary's option, subject to the requirements of applicable law and the provisions hereof, to restoration or repair of the Property or to payment of the sums secured by this Deed of Trust. Beneficiary shall be under no obligation to question the amount of any compensation, awards, proceeds, damages, claims, rights of action, and payments relating to condemnation or other taking of the Property or insured casualty affecting the Property, and may accept the same in the amount in which the same shall be paid. Trustor shall execute such further evidence of assignment of any awards, proceeds damages or claims arising in connection with such condemnation or taking or such insurance as Beneficiary may require. Trustor's obligations and Beneficiary's rights under this Section are subject to the requirements of holders of senior liens (if any) permitted by the Loan Documents or the Ground Lease.

**16. Severability.** If any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Deed of Trust, but this Deed of Trust shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, but only to the extent of such invalidity.

**17. Estoppel Certificate.** Trustor shall, within ten days of a written request from Beneficiary, furnish Beneficiary with a written statement, duly acknowledged, setting forth the sums secured by this Deed of Trust and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this Deed of Trust.

**18. California Uniform Commercial Code Security Agreement; Fixture Filing.** Trustor hereby grants Beneficiary a security interest in all personal property of Trustor located on the Property and wherever located and used in any way in connection with or in any way relating to the Property, and whether now owned or hereafter in existence, acquired or created (including equipment, inventory, goods, documents, instruments, general intangibles, chattel paper, accounts and deposit accounts), and all fixtures of Trustor now owned or hereafter in existence, acquired or created on, of or relating to the Property, and all substitutions, replacements, additions, accessions and proceeds (including insurance proceeds) of all of the foregoing (collectively, the "**Personal Property**"). Beneficiary may file this Deed of Trust, or a reproduction hereof, in the real estate records or other appropriate index, as a financing statement for the Personal Property. Any reproduction of this Deed of Trust or of any other security agreement or financing statement shall be sufficient as a financing statement. In addition, Trustor shall execute and deliver to Beneficiary, upon Beneficiary's request, any financing statements, as well as extensions, renewals and amendments thereof, and reproductions of this Deed of Trust in such form as Beneficiary may require to perfect a security interest with respect to the Personal Property. Trustor shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all reasonable costs and expenses of

any record searches for financing statements Beneficiary may reasonably require. Without the prior written consent of Beneficiary, Trustor shall not create or suffer to be created pursuant to the California Uniform Commercial Code any other security interest in the Personal Property. Upon Trustor's breach of any covenant or agreement of Trustor contained in this Deed of Trust, including the covenants to pay when due all sums secured by this Deed of Trust, Beneficiary shall have the remedies of a secured party under the California Uniform Commercial Code and, at Beneficiary's option, may also invoke any remedies provided in this Deed of Trust as to the Personal Property. In exercising any of such remedies, Beneficiary may proceed against the Property and any of the Personal Property separately or together and in any order whatsoever, without in any way affecting the availability of Beneficiary's remedies under the California Uniform Commercial Code or the remedies provided in the Deed of Trust. This Deed of Trust also covers goods which are or which are to become fixtures on the Property and constitutes and is filed as a fixture filing under the California Uniform Commercial Code.

**19. Due-On-Sale or Encumbrance.** If all or any part of the Property, or any interest therein, or any beneficial interest in the general partner of Trustor (if Trustor is not a natural person or persons but is a corporation, partnership, trust, limited liability company or other legal entity), is sold, transferred, mortgaged, assigned, pledged, or further encumbered, whether directly or indirectly, whether voluntarily or involuntarily or by operational law, except as otherwise permitted by the Loan Documents or Ground Lease, Beneficiary may, at Beneficiary's option, declare all of the sums secured by this Deed of Trust to be immediately due and payable, and Beneficiary may invoke any remedies permitted by this Deed of Trust.

**20. Non-Recourse.** Payment and performance of the obligations set forth in the Loan Documents shall be non-recourse to Borrower and Borrower's general and limited partners, and the Lender's sole recourse with respect to the Loan shall be the right to foreclose under the Deed of Trust and other collateral forming part of the Loan Documents.

**21. Partial Subordination to Section 42 Extended Use Commitment.** Notwithstanding anything herein to the contrary, if the Lender takes title to the Property through foreclosure or deed of lieu of foreclosure, the Property shall remain subject to the provisions of Section 42(h)(6)(E)(ii) of the Internal Revenue Code or any similar successor provision of the Code. This section shall apply notwithstanding the order of recording of any of the Loan Documents and the TCAC Extended Use Commitment, executed in connection with the allocation of federal low income housing tax credits to the Trustor for the Property pursuant to Section 42 of such Code.

**22. Permitted Transfers.** The Lender consents to those purchase options and rights of first refusal in favor of the general partner of Trustor or its designee which are set forth in Trustor's partnership agreement, as well as (provided that Lender receives at least 30-days prior written notice thereof) transfers of any of Trustor's limited partner interests to affiliates of the Trustor's limited partner in which the limited partner serves as general partner, managing member or directly or indirectly controls the general partner or managing member, and agrees that transfer of title to the Property in accordance therewith shall not constitute a default under the Loan Documents, provided that Trustor gives Lender at least 30 days prior written notice of such transfer, accompanied by documentation reasonably requested by Lender and contact information for such transferee, and provided that the transferee agrees to assume the duties and obligations of the Trustor respecting the Loan on the same terms as those imposed on the Trustor.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to Trustor at Trustor's address hereinbefore set forth.

October 22, 2021

**TRUSTOR:**

CENTERTOWN II, LP,  
a California limited partnership

By Centertown II, LLC,  
a California limited liability company, its  
managing general partner

By: BRIDGE Housing Corporation,  
a California nonprofit public benefit  
corporation, its managing member

By: \_\_\_\_\_  
Smitha Seshadri,  
Executive Vice President

By: EAH Inc.,  
a California nonprofit public benefit  
corporation, its managing member

By: \_\_\_\_\_  
Welton Jordan,  
Assistant Secretary and Chief  
Real Estate Development Officer



**EXHIBIT A**

**LEASEHOLD LEGAL DESCRIPTION**

All that real property situated in the City of San Rafael, County of Marin, State of California, described as follows:

***[TO BE INSERTED]***

A.P.N. 011-254-19

**ADDENDUM TO DEED OF TRUST,  
ASSIGNMENT OF RENTS, SECURITY  
AGREEMENT AND FIXTURE FILING**

This ADDENDUM TO DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING is made a part of that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (the “**Deed of Trust**”) dated as of October 22, 2021, executed by CENTERTOWN II, LP, a California limited partnership, as Trustor, in favor of CITY OF SAN RAFAEL, a municipal corporation, as Beneficiary.

1. **Loan Documents.** The “**Loan Documents**” are the following, as modified from time to time:

- (a) Note
- (b) Deed of Trust

2. **Ground Lease.** The Ground Lease is that certain Ground Lease (Centertown) between Trustor, as lessee and Beneficiary, as lessor, dated October 22, 2021, on the land to which the Property relates, as it may be amended from time to time.

3. **Hazardous Materials.**

(a) **Special Representations and Warranties.** Without in any way limiting the other representations and warranties set forth in the Deed of Trust, and after reasonable investigation and inquiry, Trustor hereby specially represents and warrants to Trustor’s knowledge as of the date of this Deed of Trust as follows:

(i) Except as described in the Ground Lease or previously disclosed to Beneficiary, the Property is not and has not been a site for the use, generation, manufacture, storage, treatment, release, threatened release, discharge, disposal, transportation or presence of any Hazardous Materials. “**Hazardous Materials**” means any substance, material or waste which is or becomes regulated by any federal, state or local governmental authority, and includes without limitation (i) petroleum or oil or gas or any direct or indirect product or by-product thereof; (ii) asbestos and any material containing asbestos; (iii) any substance, material or waste regulated by or listed (directly or by reference) as a “hazardous substance”, “hazardous material”, “hazardous waste”, “toxic waste”, “toxic pollutant”, “toxic substance”, “solid waste” or “pollutant or contaminant” in or pursuant to, or similarly identified as hazardous to human health or the environment in or pursuant to, the Toxic Substances Control Act [15 U.S.C. Section 2601, *et seq.*]; the Comprehensive Environmental Response, Compensation and Liability Act [42 U.S.C. Section 9601, *et seq.*], the Hazardous Materials Transportation Authorization Act [49 U.S.C. Section 5101, *et seq.*], the Resource Conservation and Recovery Act [42 U.S.C. Section 6901, *et seq.*], the Federal Water Pollution Control Act [33 U.S.C. Section 1251], the Clean Air Act [42 U.S.C. Section 7401, *et seq.*], the California Underground Storage of Hazardous Substances Act [California Health and Safety Code Section 25280, *et seq.*], the California Hazardous Substances Account Act [California Health and Safety Code Section 25300, *et seq.*], the California Hazardous Waste Act [California Health and Safety Code Section 25100, *et seq.*], the California Safe Drinking Water and Toxic Enforcement Act [California Health and Safety Code Section 25249.5, *et seq.*], and the Porter-Cologne Water Quality Control Act [California Water Code Section 13000, *et seq.*], as they now

exist or are hereafter amended, together with any regulations promulgated thereunder; (iv) any substance, material or waste which is defined as such or regulated by any "Superfund" or "Superlien" law, or any Environmental Law; or (v) any other substance, material, chemical, waste or pollutant identified as hazardous or toxic and regulated under any other federal, state or local environmental law, including without limitation, asbestos, polychlorinated biphenyls, petroleum, natural gas and synthetic fuel products and by-products.

(ii) The Property is in compliance with all laws, ordinances and regulations relating to Hazardous Materials ("**Hazardous Materials Laws**"), including, without limitation: the Clean Air Act, as amended, 42 U.S.C. Section 7401 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251 et seq.; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Section 6901 et seq.; the Comprehensive Environment Response, Compensation and Liability Act of 1980, as amended (including the Superfund Amendments and Reauthorization Act of 1986, "CERCLA"), 42 U.S.C. Section 9601 et seq.; the Toxic Substances Control Act, as amended, 15 U.S.C. Section 2601 et seq.; the Occupational Safety and Health Act, as amended, 29 U.S.C. Section 651, the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. Section 11001 et seq.; the Mine Safety and Health Act of 1977, as amended, 30 U.S.C. Section 801 et seq.; the Safe Drinking Water Act, as amended, 42 U.S.C. Section 300f et seq.; and all comparable state and local laws, laws of other jurisdictions or orders and regulations.

(iii) There are no claims or actions ("**Hazardous Materials Claims**") pending or threatened against Trustor or the Property by any governmental entity or agency or by any other person or entity relating to Hazardous Materials or pursuant to the Hazardous Materials Laws.

(b) Hazardous Materials Covenants. Trustor agrees as follows:

(i) Trustor shall not cause or permit the Property to be used as a site for the use, generation, manufacture, storage, treatment, release, discharge, disposal, transportation or presence of any Hazardous Materials.

(ii) Trustor shall comply and cause the Property to comply with all Hazardous Materials Laws.

(iii) Trustor shall immediately notify Beneficiary in writing of: (i) the discovery of any Hazardous Materials on, under or about the Property; (ii) any knowledge by Trustor that the Property does not comply with any Hazardous Materials Laws; (iii) any Hazardous Materials Claims; and (iv) the discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Property that could cause the Property or any part thereof to be designated as Border Zone Property.

(iv) In response to the presence of any Hazardous Materials on, under or about the Property, Trustor shall immediately take, at Trustor's sole expense, all remedial action required by any Hazardous Materials Laws or any judgment, consent decree, settlement or compromise in respect to any Hazardous Materials Claims.

(c) Inspection By Beneficiary. Upon reasonable prior notice to Trustor, Beneficiary, its employees and agents, may from time to time (whether before or after the commencement of



a nonjudicial or judicial foreclosure proceeding) enter and inspect the Property for the purpose of determining the existence, location, nature and magnitude of any past or present release or threatened release of any Hazardous Material into, onto, beneath or from the Property.

(d) Hazardous Materials Indemnity. Trustor hereby agrees to defend, indemnify and hold harmless Beneficiary, its employees, agents, successors and assigns from and against any and all losses, damages, liabilities, claims, actions, judgments, court costs and legal or other expenses (including, without limitation, attorneys' fees and expenses) which Beneficiary may incur as a direct or indirect consequence of the use, generation, manufacture, storage, disposal, threatened disposal, transportation or presence of Hazardous Materials in, on, under or about the Property. Trustor shall immediately pay to Beneficiary upon demand any amounts owing under this indemnity, together with interest at the rate of 10% per annum. Trustor's duty and obligations to defend, indemnify and hold harmless Beneficiary shall survive the release, reconveyance or partial reconveyance of this Deed of Trust.

(e) Legal Effect of Section. Without limiting any of the remedies provided in this Deed of Trust, Trustor acknowledges and agrees that each of the provisions in this Section 3 is an environmental provision (as defined in Section 736(f)(2) of the California Code of Civil Procedure) made by Trustor relating to real property security (the "**Environmental Provisions**"), and that Trustor's failure to comply with any of the Environmental Provisions will be a breach of contract that will entitle Beneficiary to pursue the remedies provided by Section 736 of the California Code of Civil Procedure ("**Section 736**") for the recovery of damages and for the enforcement of the Environmental Provisions. Pursuant to Section 736, Beneficiary's action for recovery of damages or enforcement of the Environmental Provisions shall not constitute an action within the meaning of Section 726(a) of the California Code of Civil Procedure or constitute a money judgment for a deficiency or a deficiency judgment within the meaning of Sections 580a, 580b, 580d, or 726(b) of the California Code of Civil Procedure. Notwithstanding any contrary provision contained herein, the obligations of Trustor under this Section shall survive any foreclosure proceeding, any foreclosure sale, any delivery of a deed in lieu of foreclosure, and any release or reconveyance of this Deed of Trust.

\_\_\_\_\_  
Trustor's Initials

**RECORDING REQUESTED BY:**

**WHEN RECORDED MAIL TO:**

City of San Rafael  
1400 Fifth Avenue, Room 209  
San Rafael, California 94901  
Attn: City Clerk

APN: 011-254-19

(Space above for Recorder's use only)

**AFFORDABLE HOUSING REGULATORY AGREEMENT**

This Affordable Housing Regulatory Agreement (the "**Agreement**") is made this 22<sup>nd</sup> day of October, 2021 by and between the **City of the City of San Rafael**, a municipal corporation ("**City**"), and **Centertown II, LP**, a California limited partnership ("**Owner**").

**RECITALS**

A. City is the owner of certain land ("**Land**") in the City. Owner is the owner of certain improvements on the Land ("**Improvements**") and pursuant to the Ground Lease (as defined below), has acquired a leasehold interest in the Land. Owner's leasehold in the Land, together with the Improvements, is more particularly described in Exhibit A, is the "**Development**."

B. Owner intends to operate the Development as an affordable housing project (the "**Project**") comprised of a 60 unit (including one manager's unit) housing project (the "**Improvements**"), located on the Development in the City of San Rafael.

C. As further consideration for City's agreement to lease the Land to Owner, and to further the interests of City, Owner has agreed to enter into and record this Agreement. The purpose of this Agreement is to regulate and restrict the occupancy, rents, operation, ownership, and management of the Development and the Project for affordable housing and related uses. The covenants in this Agreement are intended to run with the land and be binding on Owner and its successors and assigns in the Development.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and City hereby agree as follow:

**A. Definitions.**

The following terms have the meanings and content set forth in this section wherever used in this Agreement or attached exhibits.

"**Affordable Rent**" means the total charges for rent and utilities to each Qualifying Household as allowed based on household size, income level and unit size pursuant to Fair Market Rents and Income Limits published annually by HUD.

"**City**" is the City of San Rafael.

"**Development**" is defined in Recital A.

"**Ground Lease**" means that certain Ground Lease (Centertown Project) between the

City (as Landlord) and Owner (as Lessee), dated October 22, 2021 as memorialized by a Memorandum of Ground Lease of the Development dated October 22, 2021, and recorded in the Official Records of Marin County, California substantially concurrently herewith, as amended from time to time.

“**HUD**” means the Federal Department of Housing and Urban Development, or successor.

“**Lower Income Household**” means a household whose annual income does not exceed eighty percent (80%) of the Area Median Income as determined for the San Francisco, California HUD Metro FMR Area annually by HUD and adjusted for household size.

In the event that such income determinations are no longer published by HUD, “Median Income” shall mean the median gross yearly income for households in Marin County, as published periodically by the California Department of Housing and Community Development (“**HCD**”). In the event that such income determinations are no longer published by HCD, or are not updated for a period of at least eighteen months, Lessor shall provide Lessee with other income determinations which are reasonably similar with respect to method of calculation to these previously published by HCD or HUD.

“**Owner**” means Centertown II, LP, a California limited partnership, and its officers, officials, directors, employees, agents and authorized representatives.

“**Project**” means the Units on the Development and any supportive services and programs provided to tenants of the Development.

“**Qualifying Household**” means a household that qualifies as a Lower Income Household.

“**Restricted Units**” is defined in C.1, below.

“**TCAC**” means the California Tax Credit Allocation Committee.

“**Term**” means the term of this Agreement described herein.

“**Unit**” means any one of the units in the Project.

## **B. OWNER'S OBLIGATIONS**

1. **Compliance With Ground Lease.** Owner's actions with respect to the Development shall at all times be in full conformity with all of the requirements of the Ground Lease, including but not limited to the insurance requirements contained therein.

2. **Use For Affordable Housing.** Owner agrees that, at all times during the Term of this Agreement, a minimum of 28 Units in the Project will be used as affordable housing for Lower Income Households.

3. **Term of Agreement.** This Agreement shall commence upon completion of the rehabilitation of the Project and shall remain in full force and effect for the entire term of the Ground Lease, including that of any “New Lease” as defined therein.

## **C. OCCUPANCY AND RENTS**

1. **Occupancy Of Units.** During the term of this Agreement, 28 Units in the Project will be used as affordable housing for Lower Income Households (“**Restricted Units**”).

**2. Tenant Selection.** Owner shall adopt written tenant selection policies for the 28 Restricted Units that: (i) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; (ii) are consistent with the purpose of providing housing for Qualifying Households; and (iii) give prompt written notification to any rejected applicant of the grounds for rejection.

**3. Nondiscrimination.** Owner shall not discriminate or segregate in the use, enjoyment, occupancy, conveyance, lease, sublease, or rental of any units in the Project on the basis of race, color, ancestry, national origin, religion, sex, sexual preference, age, marital status, family status, source of income, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC), or any other arbitrary basis. Owner shall include a statement in all advertisements, notices and signs for the availability of Units for rent to the effect that Owner is an Equal Housing Opportunity Provider.

**4. Income Certification and Increases In Tenant Income.** Owner shall certify the incomes of all prospective tenants in the Restricted Units prior to their initial occupancy of a Unit and shall recertify their incomes annually. If upon recertification, a tenant's income exceeds the maximum designated for a Lower Income Household, Owner may increase the rent for such tenants to no more than 30% of the tenant's income and the tenant may be permitted to continue to occupy a Unit in the Project. Owner shall provide City an annual report on the income recertification evidencing that Project occupants meet the requirements of qualified households.

**5. Rental Charges.** Total charges for rent, utilities and related services for each Unit in the Project shall not exceed the Affordable Rent for that Unit. If upon recertification, a tenant's income exceeds the Qualifying Household limit for the applicable Unit type, Owner may increase the rent for such tenants to no more than 30% of the Tenant's monthly income less utility and other mandatory charges.

**6. Conflicts With Other Regulatory Requirements.** If any other regulatory agreement executed by Owner enforces the requirements of any loan program or low income housing tax credits as a means of providing financing or equity for the Development or Project are more restrictive than the rent and income restrictions contained in this Agreement, compliance with the rent and income restrictions of any such regulatory agreements shall be deemed compliance with this Agreement.

#### **D. PROPERTY MANAGEMENT.**

**1. Management Responsibilities.** Owner is responsible for all management functions with respect to the Project, including without limitation the selection of tenants, certification and recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. City shall have no responsibility over management of the Development or the Project.

**2. Review of Management Policies.** Owner shall submit its written management policies with respect to the Project and Program to City for its review, and shall amend such policies in any way necessary to insure that such policies comply with the provisions of this Agreement and the requirements of all parties providing financing for the Development and/or the Project.

**3. Inspection and Records.** Owner shall maintain records that clearly document Owner's performance of its obligations to operate the Development under the terms of this Agreement. Owner shall submit any records to City within ten business days of City's request. Owner shall permit City to enter and inspect the Project for compliance with obligations under this Agreement upon 72 hours advance notice of such visit by City to Owner or Owner's management agent and to tenants of any Units.

4. **Annual Report.** Owner shall submit to City each year, on or prior to the date such report is required to be submitted to TCAC, a report for the preceding calendar year showing the necessary information to allow City to determine Owner's compliance with this Agreement, and within 30 days after receipt of a written request, any other information or completed forms requested by City in order to comply with City reporting requirements.

## **E. GENERAL PROVISIONS**

1. **Default and Remedies.** In the event of any Owner breach of any agreement or obligation under this Agreement, City shall provide written notice to Owner and Owner's limited partner] of such breach. Owner shall have an opportunity to cure the breach within 30 days from Owner's receipt of such written notice or such longer period of time as City determines is necessary to cure the breach if Owner diligently undertakes to cure. If Owner fails to perform a timely cure, City may proceed with any remedy allowed by law to enforce the terms and conditions of this Agreement. A cure by Owner's limited partner shall be accepted or rejected on the same basis as if made or tendered by Owner.

2. **Binding Upon Successors.** All provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors-in-interest, transferee, and assigns of Owner and City, and shall run with the land for the full term of this Agreement.

3. **Non-Liability of Officials, Employees and Agents.** No officers, directors, employees and agents of City shall be personally liable to Owner for any obligation created under the terms of this Agreement.

4. **Indemnity.** Owner shall indemnify and hold City free and harmless against any losses, damages, liabilities, claims, demands, judgments, actions, court costs, and legal or other expenses (including reasonable attorneys' fees) which City may incur as a direct or indirect consequence of Owner's failure to perform any obligations as and when required by this Agreement. This indemnity obligation shall not extend to any claim arising solely from the gross negligence or willful acts of City, its agents, and its employees. Owner's duty to indemnify City shall survive the term of this Agreement. Notwithstanding the foregoing or anything else to the contrary contained herein, no foreclosing lender or its successors and/or assigns shall be responsible or liable for any indemnity obligations that accrue hereunder prior to the completion of foreclosure (or acceptance of a deed in lieu thereof).

5. **Governing Law.** This Agreement shall be interpreted under and be governed by the laws of the State of California, including its statutes of limitation, except for those provisions relating to choice of law and those provisions preempted by federal law.

6. **Agreement Controls.** Notwithstanding any provisions of the Ground Lease, in the event that any provisions of this Agreement and Ground Lease conflict, the terms of this Agreement shall control.

7. **Consents and Approvals.** Any consent or approval of City required under this Agreement shall not be unreasonably withheld. Any approval must be in writing and executed by an authorized representative of City.

8. **Notices, Demands and Communication.** Formal notices, demands and communications between Owner and City shall be sufficiently given and shall not be deemed given unless dispatched by (i) delivered personally or by courier, (ii) sent by overnight express delivery, or (iii) mailed by registered or certified mail (return receipt requested), postage prepaid, to the principal offices of Owner and City as follows:

City:  
City of San Rafael  
1400 Fifth Avenue, Room 202  
San Rafael, California 94901  
Attention: City Manager

Owner:  
Centertown II, LP  
c/o BRIDGE Housing Corporation  
600 California St #900  
San Francisco, CA 94108  
Attn: General Counsel

With a copy to:

City of San Rafael  
1400 Fifth Avenue, Room 202  
San Rafael, CA 94901  
Attn: City Attorney

and

Centertown II, LP  
EAH Inc.  
22 Pelican Way  
San Rafael, CA 94901  
Attn: Welton Jordan  
Chief Real Estate Development Officer

With a copy to

Goldfarb & Lipman LLP  
1300 Clay Street, 11th Floor  
Oakland, CA 94612  
Attention: Erica Williams Orcharton

and

Bocarsly Emden Cowan Esmail & Arndt LLP  
633 West Fifth Street, 64th Floor  
Los Angeles, CA 90071  
Attention: Nicole Deddens

With a copy to  
NHT Equity, LLC  
2245 North Bank Drive, Suite 200  
Columbus, OH 43220  
Attention: Asset Management

and

Kutak Rock LLP  
1650 Farnam Street  
Omaha, NE 68102  
Attention: Jill H. Goldstein, Esq.

**9. Relationship of Parties.** The relationship of Owner and City during the term of this Agreement is solely that of City and owner shall not be construed as a joint venture, equity venture, or partnership.

**10. Waiver.** Any waiver by City of any obligation in this Agreement must be in writing. No waiver will be implied from any delay or failure by City to take action on any breach or default of Owner or to pursue any remedy allowed under this Agreement, the Ground Lease or applicable law. Any extension of time granted to Owner to perform any obligation under this Agreement shall not operate as a waiver or release from any of its obligations under this Agreement. Consent by City to any act or omission by Owner shall not be construed to be consent to any other or subsequent act or omission or to waive the requirement for City's written consent to future

waivers.

**11. Amendments and Modifications.** Any amendments or modifications to this Agreement must be in writing, and shall be made only if executed by both Owner and City.

**12. Severability.** Every provision of this Agreement is intended to be severable. If any provision of this Agreement shall be held invalid, illegal, or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired.

*[Remainder of Page left Intentionally Blank]*

IN WITNESS WHEREOF, City and Owner have caused this Regulatory Agreement to be executed by their duly authorized representatives.

**City**

**CITY OF SAN RAFAEL,**  
a municipal corporation

By: \_\_\_\_\_  
Jim Schultz, City Manager



**Owner:**

**CENTERTOWN II, LP,**  
a California Limited Partnership

By: Centertown II, LLC,  
a California limited liability company, its managing general partner

By: BRIDGE Housing Corporation,  
a California nonprofit public benefit corporation, its managing member

By: \_\_\_\_\_  
Smitha Seshadri, Executive Vice President

By: EAH Inc.,  
a California nonprofit public benefit corporation, its managing member

By: \_\_\_\_\_  
Welton Jordan, Assistant Secretary and  
Chief Real Estate Development Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity(ies), and that by his/her/their signature (s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )

County of \_\_\_\_\_)

On \_\_\_\_\_ before me, \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her their authorized capacity(ies), and that by his/her/their signature (s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

**EXHIBIT A**

**LEASEHOLD LEGAL DESCRIPTION**

All that real property situated in the City of San Rafael, County of Marin, State of California, and described as follows:

***[TO BE INSERTED]***

A.P.N. 011-254-19



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Community Development

Prepared by: Alicia Giudice, CDD Director  
Jacob Noonan, Housing Manager

City Manager Approval: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'AS'.

**TOPIC: URGENCY ORDINANCE REGARDING ACCESSORY DWELLING UNITS**

**SUBJECT: URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL ESTABLISHING A TEMPORARY MORATORIUM ON ACCESSORY DWELLING UNITS AND JUNIOR ACCESSORY DWELLING UNITS ON PROPERTIES ACCESSED SOLELY FROM CERTAIN HILLSIDE STREETS WITHIN CITY OF SAN RAFAEL, AND DECLARING THE URGENCY THEREOF**

**RECOMMENDATION:** Adopt an Urgency Ordinance establishing a temporary moratorium on accessory dwelling units and junior accessory dwelling units on properties accessed solely from certain hillside streets within City of San Rafael and declaring the urgency thereof.

**BACKGROUND**

State law (California Government Code Section 65852.150 et seq.) governing Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) has been evolving in recent years. Changes to ADU laws effective January 1, 2021 further reduce barriers, better streamline approval processes, and expand capacity to accommodate the development of ADUs and JADUs. When enacting changes, the California Legislature has found and declared, among other things, allowing ADUs in zones that allow single-family and multifamily uses provides additional rental housing, and is an essential component in addressing California's housing needs. ADUs are a unique opportunity to address a variety of housing needs and provide affordable housing options for family members, friends, students, the elderly, in-home health care providers, people with disabilities, and others. Further, ADUs offer an opportunity to maximize and integrate housing choices within existing neighborhoods.

Because the City's ADU ordinance no longer complies with the latest state law, it is considered null and void, and staff has been processing ADU applications solely under the ADU standards and requirements of state law while staff has been developing a new, compliant ADU ordinance. Staff has been studying and working on a draft ADU ordinance that would replace our existing regulations. The draft ordinance includes a proposed prohibition of ADUs and JADUs on certain hillside properties as shown in a [list of prohibited streets](#). The prohibition was included in the draft zoning ordinance based on concerns from the San Rafael Fire Department about inadequate fire response access on roadways

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

that are narrow and steep and also currently experience high levels of on-street parking, which together have the potential to restrict fire truck access during a fire emergency. A draft Ordinance was presented to the Planning Commission for consideration and received an affirmative recommendation on March 23, 2021. However, staff has been getting additional information from the Fire Department to clarify the exact extent of regulation needed to mitigate the high fire risk of the hillside properties and is considering the possibility of imposing special parking requirements for ADUs and JADUs on these properties. Staff has determined that further analysis is required to determine the type of regulations deemed necessary for new ADUs and JADUS on these properties that are also consistent with state housing laws.

**ANALYSIS**

When a local agency is studying or intending to study changes to local land use regulations, Government Code section 65858 authorizes the local agency to adopt an interim urgency ordinance (commonly known as a “moratorium”) to prohibit temporarily the processing and approval of land use applications that might conflict with the new regulations being studied:

(a) Without following the procedures otherwise required prior to the adoption of a zoning ordinance, the legislative body of a county, city, including a charter city, or city and county, to protect the public safety, health, and welfare, may adopt as an urgency measure an interim ordinance prohibiting any uses that may be in conflict with a contemplated general plan, specific plan, or zoning proposal that the legislative body, planning commission or the planning department is considering or studying or intends to study within a reasonable time. That urgency measure shall require a four-fifths vote of the legislative body for adoption. The interim ordinance shall be of no further force and effect 45 days from its date of adoption. After notice pursuant to Section 65090 and public hearing, the legislative body may extend the interim ordinance for 10 months and 15 days and subsequently extend the interim ordinance for one year. Any extension shall also require a four-fifths vote for adoption. Not more than two extensions may be adopted.

As noted above, the draft ADU ordinance is not quite ready for City Council consideration. The City is aware of at least four (4) ADU applications that may conflict with potential regulations that would prohibit or impose further restrictions on ADUs/JADUs on these certain narrow and steep streets and thus may result in impacts on traffic flow and public safety. To provide the time necessary to complete an adequate and thorough study of possible regulations, staff recommends that the Council adopt the attached interim urgency ordinance (moratorium) temporarily prohibiting ADUs and JADUs on properties solely accessed from those roadway segments included on the attached map and list of restricted streets.

The proposed moratorium ordinance contains urgency findings and must be adopted by a vote of at least four-fifths (4/5) of the members of the Council. If adopted at this meeting, the ordinance will become effective immediately, and will expire 45 days from adoption (December 2) unless further extended by the City Council. If adopted, then, no later November 22, 2021 the City must issue a status report regarding staff’s work on the regulations, pursuant to Government Code Section 65858(d).

**FISCAL IMPACT:** There is no direct fiscal impact to the City in connection with the action requested in this report.

**OPTIONS:**

1. Adopt the urgency ordinance.
2. Do not adopt the urgency ordinance, and direct staff to return to the City Council with a non-urgency ordinance conforming with state law once staff's review is completed.

**ATTACHMENTS:**

- A. Urgency Ordinance
- B. Proposed List of Prohibited Streets

**ORDINANCE NO.**

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL ESTABLISHING A TEMPORARY MORATORIUM ON THE ISSUANCE OF ACCESSORY DWELLING UNIT AND JUNIOR ACCESSORY DWELLING UNIT PERMITS ON PROPERTIES LOCATED ON CERTAIN HILLSIDE STREETS WITHIN THE CITY OF SAN RAFAEL AND DECLARING THE URGENCY THEREOF**

THE CITY COUNCIL OF THE CITY OF SAN RAFAEL, DOES ORDAIN AS FOLLOWS:

**DIVISION 1. FINDINGS**

**WHEREAS**, the City Council has broad discretion pursuant to Article III, Sections 16 and 59 of the City Charter; California Constitution Article XI, Section 5; and the general law of the state, including but not limited to the California Planning and Zoning Law (Gov. Code §§65000 et seq.), to legislate for public purposes and for the general welfare, including but not limited to matters of public health and safety; and

**WHEREAS**, the City currently regulates the permitted uses of real property within the City pursuant to the provisions of its zoning ordinance, codified in San Rafael Municipal Code Title 14; and

**WHEREAS**, in 2016 the State of California legislature adopted changes to Government Code Sections 65852 et seq., related to Accessory Dwelling Units, which preempted the field of Accessory Dwelling Unit regulation and made the City's existing regulations for accessory dwelling units null and void; and

**WHEREAS**, in 2019 and 2020, the State of California legislature adopted additional changes and clarifications to Government Code Sections 65852 et seq. related to Accessory Dwelling Units ("ADUs") and Junior Accessory Dwelling Units ("JADUs") and imposed further restrictions limiting the City's authority over such things as accessory dwelling unit and junior accessory dwelling unit location standards, development standards, parking requirements, and review procedures; and

**WHEREAS**, Government Code Section 65852.2(a)(1)(A) allows local jurisdictions to designate areas where ADUs and JADUs may be permitted, based on the impact of ADUs and JADUs on traffic flow and public safety; and

**WHEREAS**, the City is currently studying the existing and potential impacts of ADUs and JADUs within the City, and working on drafting an updated zoning ordinance related to ADUs and JADUs; and

**WHEREAS**, the City's Community Development Department is working with the City's Fire Department to evaluate the potential need to prohibit or impose additional requirements on ADUs and JADUs on certain hillside streets that, due to narrow travel

lanes (<14'), maneuvering difficulty, and/or lack of turnarounds, may result in impacts on traffic flow and public safety; and

**WHEREAS**, according to the San Rafael Fire Chief, potential lack of access is an issue on certain hillside streets with narrow travel lanes; the risks are particularly high because (1) these hillside residential lots tend to be surrounded by dry, flammable brush, and (2) there is an existing inability for certain fire safety vehicles to access, maneuver and turn around, the results of which mean that fire suppression capabilities are drastically slowed or impeded during fire events; and

**WHEREAS**, according to the San Rafael Fire Chief, additional development, density and population in and around the above-described hillside streets may increase the risk of fire danger due to the potential to add additional improperly parked vehicles on or near roadways that would further impede public safety vehicle access; and

**WHEREAS**, in connection with the draft ADU/JADU regulations that City staff are studying and working on, City Staff prepared a Draft Proposed Prohibited Streets List setting forth those City streets that are described above (i.e. that are hillside streets with narrow travel lanes (<14'), maneuvering difficulty, and/or lack of turnaround); and

**WHEREAS**, City Staff is further reviewing the proposed regulations concerning ADUs and JADUs on those streets included in the Proposed Prohibited Streets List to gather information and ensure the proposed regulations conform with state law; and

**WHEREAS**, the City is aware of at least four ADU applications that may conflict with potential regulations that would prohibit or impose additional requirements on ADUs/JADUs on streets included in the Proposed Prohibited Streets List and thus may result in impacts on traffic flow and public safety; and

**WHEREAS**, the City anticipates receiving additional ADU and/or JADU applications that may conflict with potential regulations that would prohibit or impose additional requirements on ADUs/JADUs on streets included in the Proposed Prohibited Streets List and thus may result in impacts on traffic flow and public safety; and

**WHEREAS**, currently the City has no means to prohibit or regulate ADUs or JADUs on the Proposed Prohibited Streets List, because the City has adopted no regulations or ordinance to this effect; and

**WHEREAS**, pursuant to Government Code section 65858, in order to protect the public health, safety or welfare, the City Council may, by at least a four-fifths (4/5) vote, adopt an interim urgency ordinance to prohibit uses that may be in conflict with a contemplated general plan or zoning proposal that the City is studying or intends to study within a reasonable time; and

**WHEREAS**, the City Council determines that the permitting and construction of ADUs and/or JADUs on streets included in the Proposed Prohibited Streets List must be



further reviewed, studied and possibly prohibited to protect the public against potentially grave fire risks and negative health, safety and welfare impacts associated with an increase in development and population in certain hillside areas of the City; and

**WHEREAS**, the City Council determines that as of the date of the adoption of this Interim Urgency Ordinance, the City needs to further review and study whether the permitting and construction of ADUs and JADUs on the Proposed Prohibited Streets List may result in impacts on traffic flow and access by public safety vehicles and would reasonably threaten to cause adverse impacts to surrounding neighbors, including impacts on or related to available emergency response, parking and traffic flow; and

**WHEREAS**, construction of ADUs/JADUs on streets included in the Proposed Prohibited Streets List within the City creates an additional current and immediate threat to the public safety, health, and welfare, in that such operations reasonably threaten to undermine the overall goals and purposes of the City's zoning ordinance and the City's General plan including General Plan Program LU-2.12D which encourages ADUs/JADUs except where access difficulties for fire and emergency vehicles pose risks to public health and safety; and

**WHEREAS**, for the reasons stated above, the San Rafael City Council wishes to adopt a temporary moratorium on construction of ADUs/JADUs on the streets included in the Proposed Prohibited Streets List within the City. The temporary moratorium will allow the City to (1) review and analyze the City's ability to impose limitations based on parking related concerns; (2) consider potential restrictions that may range from complete prohibition of ADUs/JADUs on these streets to prohibitions only where adequate parking standards are not met; and (3) research, draft, and adopt appropriate parking regulations governing ADUs/JADUs within the City; and

**WHEREAS**, the City Council further finds that this moratorium is a matter of local and City-wide importance and is not directed towards any particular person or entity that seeks to permit and construct an ADU or JADU; and

**WHEREAS**, this ordinance is necessary as an urgency measure to preserve the public peace, health or safety; and

**WHEREAS**, the City Council exercises its independent judgment and finds that this ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, sections: 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment); 15060(c)(3) (the activity is not a project as defined in Section 15378); and 15061(b)(3), because the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed ordinance maintains the status quo and prevents changes in the environment pending the completion of the contemplated municipal code review. Because there is no possibility that this ordinance may have a significant adverse effect on the environment, the adoption of this ordinance is exempt

from CEQA;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL DOES HEREBY ORDAIN AS FOLLOWS:**

**DIVISION 2. -- DECLARATION OF MORATORIUM.**

1. In accordance with Government Code section 65858, and pursuant to the findings stated above, the City Council hereby declares:
  - A. There exists a current and immediate threat to the public health, safety, and welfare requiring this interim urgency ordinance;
  - B. This ordinance is necessary for the immediate preservation of the public peace, health, and safety; and
  - C. That it is hereby imposing a temporary moratorium for the immediate preservation of the public health, safety and welfare as set forth below:
2. During the term of this interim urgency ordinance (“moratorium”), no permit for a proposed ADU and JADU located on property accessed from the streets included in the Proposed Prohibited Streets List (which List is set forth in subsection 5(C) of this ordinance) shall be issued.
3. City staff is directed forthwith to (a) review and analyze the state legislation regarding the state’s reservation to local jurisdictions of the authority to prohibit ADUs and JADUs in certain locations; (b) consult with the California Department of Housing and Community Development regarding such reservation of authority; and (c) continue to study and analyze issues related to ADUs and JADUs being permitted and constructed on properties accessed from the streets included within the Proposed Prohibited Streets List, including but not limited to analyzing and studying the potential impacts of such ADUs and JADUs on the public health safety and welfare of the community, the fire risks of such ADUs and JADUs being located within streets on the Prohibited Streets List, and the extent of regulatory controls, if any, to impose on such ADUs and JADUs.
4. Staff is directed to provide a written report to the City Council at least ten days prior to the expiration of this ordinance, describing the study conducted of the conditions that led to the adoption of this ordinance and the measures taken to alleviate any such conditions, in accordance with state law.
5. For purposes of this temporary moratorium, the following terms shall have the following meanings:

- A. "Accessory Dwelling Unit" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. An accessory dwelling unit also includes the following: (A) An efficiency unit, (B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.
- B. "Junior Accessory Dwelling Unit" means an accessory dwelling unit that is no more than 500 square feet in size and contained entirely within the walls of a proposed or existing single-family residential space.
- C. "Proposed Prohibited Streets List" shall mean the following streets:

<p><b><u>San Rafael Hill/Lincoln</u></b>  Prospect Drive  Coleman Drive  Fair Drive  Graceland Drive  Vineyard  Tampa Drive  La Vista Way  Chula Vista Drive</p>	<p><b><u>Montecito/Happy Valley</u></b>  Eucalyptus Lane  Marinita Avenue  Jewell Street (between Marinita Ave and Mission Ave)</p>
<p><b><u>Dominican/Black Canyon</u></b>  Terradillo Ave  Roger Drive  Lillian Lane  Hacienda Court  Hearfield Lane</p>	<p><b><u>Sun Valley</u></b>  Bayo Vista Way</p>
<p><b><u>West End/Gerstle Park</u></b>  Dunand Ave  Sentinel Court  Marquard Avenue  Fremont Road  Upper Fremont Road  Trost Road  West Street  Viox Way  Miramar Avenue  Miraflora Ave  Reservoir Road (above Ross Street)  Gerstle Court  Wood Street  Clayton Ave (west of Welch Street)</p>	<p><b><u>Bret Harte/Picnic Valley</u></b>  Southern Heights Boulevard  Perry Walk  McCoy Road  Bungalow Avenue  Glen Ave (above Robert Ave)  Courtright Road  Pearce Road  Martens Blvd  Bret Harte Road (below 270 to above 470)  Baldwin Court</p>

**DIVISION 3. EXPIRATION**

Pursuant to the pertinent provisions of Government Code section 65858, this interim urgency ordinance shall expire and shall be of no further force and effect forty-five (45) days from and after the date of its adoption; provided however, that after notice and public hearing, the City Council may, upon an affirmative vote of at least four-fifths of its members, extend this interim ordinance as provided in section 65858, for an additional period of time, not to exceed a total extension period of twenty-two (22) months and fifteen (15) days.

**DIVISION 4. SEVERABILITY**

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

**DIVISION 5. EFFECTIVE DATE OF ORDINANCE.**

This ordinance is an urgency ordinance enacted under Government Code section 65858. This urgency ordinance is effective immediately after approval by a four-fifths vote of the City Council for a period of 45 days, at which time it will automatically expire unless extended by the City Council as permitted under the Government Code. The City Clerk is directed to publish forthwith a copy of this Ordinance, together with the names of those Councilmembers voting for or against same, in a newspaper of general circulation published and circulated in the City of San Rafael, County of Marin, State of California.

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Kate Colin, Mayor

ATTEST:

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Lindsay Lara, City Clerk

I, LINDSAY LARA, City Clerk of the City of San Rafael, certify that the foregoing Ordinance was passed by the City Council of the City of San Rafael, California, by a vote of at least four-fifths (4/5) of the members thereof, at a regular meeting held on Monday, the 18<sup>th</sup> day of October 2021, by the following vote, to wit:

AYES: Councilmembers:




NOES: Councilmembers:

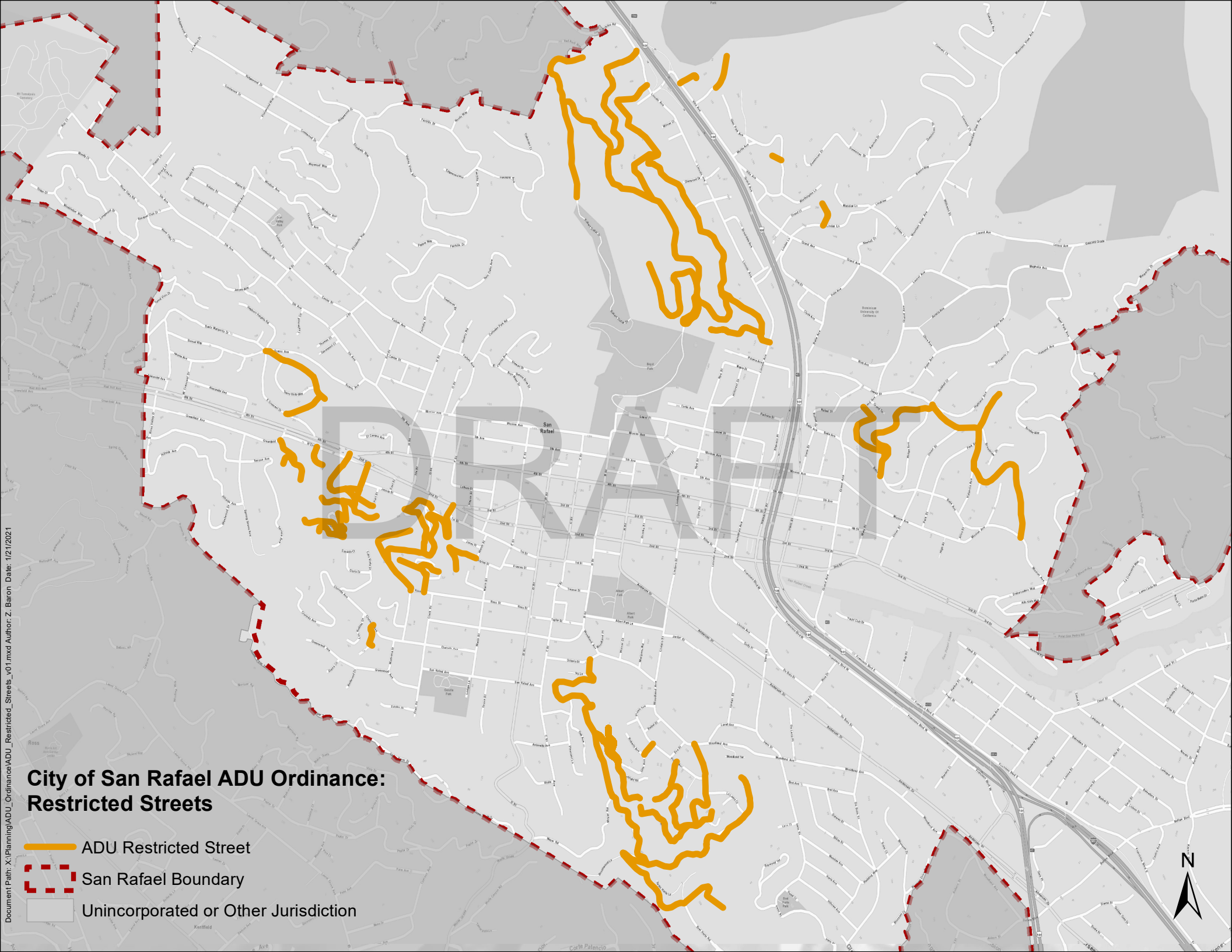
ABSENT: Councilmembers:

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LINDSAY LARA, City Clerk

### City of San Rafael ADU Ordinance: Restricted Streets

-  ADU Restricted Street
-  San Rafael Boundary
-  Unincorporated or Other Jurisdiction



**DRAFT**

**LIST OF ROADS/STREETS WHERE ADUs/JADUs ARE PROPOSED TO BE PROHIBITED**

**List considers the follow factors:**

Staff is proposing that that the ordinance prohibit ADUs and JADUs on certain streets due to narrow travel lanes (<14'), excessive turning radius, maneuvering difficulty, and/or lack of turnaround.

San Rafael Hill/Lincoln

Prospect Drive  
Coleman Drive  
Fair Drive  
Graceland Drive  
Vineyard  
Tampa Drive  
La Vista Way  
Chula Vista Drive

Montecito/Happy Valley

Eucalyptus Lane  
Marinita Avenue  
Jewell Street (between Marinita Ave and Mission Ave)

Dominican/Black Canyon

Terradillo Ave  
Roger Drive  
Lillian Lane  
Hacienda Court  
Hearfield Lane

Sun Valley

Bayo Vista Way

West End/Gerstle Park

Dunand Ave  
Sentinel Court  
Marquard Avenue  
Fremont Road  
Upper Fremont Road  
Trost Road  
West Street  
Viox Way  
Miramar Avenue  
Miraflores Ave  
Reservoir Road (above Ross Street)  
Gerstle Court  
Wood Street  
Clayton Ave (west of Welch Street)

Bret Harte/Picnic Valley

Southern Heights Boulevard  
Perry Walk  
McCoy Road

Bungalow Avenue  
Glen Ave (above Robert Ave)  
Courtright Road  
Pearce Road  
Martens Blvd  
Bret Harte Road (below 270 to above 470)  
Baldwin Court





Agenda Item No: 8.a

Meeting Date: October 18, 2021

## SAN RAFAEL CITY COUNCIL AGENDA REPORT

Department: Public Works

Prepared by: Bill Guerin,  
Director of Public Works

City Manager Approval: \_\_\_\_\_

File No.: 06.01.243 & 06.01.245

**TOPIC: CITY OF SAN RAFAEL ESSENTIAL FACILITIES CONSTRUCTION PROJECT – FIRE STATIONS 54 AND 55**

**SUBJECT: CITY OF SAN RAFAEL ESSENTIAL FACILITIES CONSTRUCTION PROJECT – FIRE STATIONS 54 AND 55:**

- 1. RESOLUTION AWARDING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT TO WICKMAN DEVELOPMENT AND CONSTRUCTION, INC. FOR THE CITY OF SAN RAFAEL ESSENTIAL FACILITIES CONSTRUCTION PROJECT – FIRE STATIONS 54 AND 55, IN THE AMOUNT OF \$8,809,000, AND AUTHORIZING CONSTRUCTION CONTINGENCY FUNDS IN THE AMOUNT OF \$880,900, FOR A TOTAL APPROPRIATED AMOUNT OF \$9,689,000;**
- 2. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH LOVING CAMPOS ASSOCIATES ARCHITECTS, INC. FOR CONSTRUCTION ADMINISTRATION, SCHEDULING, AND ADDITIONAL SERVICES FOR PHASE 2 ESSENTIAL FACILITIES PROJECTS - FIRE STATIONS 54 AND 55, IN THE AMOUNT OF \$280,300**

### RECOMMENDATION:

1. Adopt the resolution awarding and authorizing the City Manager to execute a construction contract to Wickman Development and Construction, Inc.; and
2. Adopt the resolution authorizing the City Manager to execute a professional services agreement with Loving Campos Associates Architects, Inc. for construction administration, scheduling, and additional services.

### BACKGROUND:

On November 5, 2013, the voters approved Measure E extending the existing one-half percent local sales tax and increasing the rate by one-quarter percent to provide funding to preserve essential city services. The City has since used those resources to plan, design, construct and manage two new stand-alone fire stations, 52 and 57, and a new Public Safety Center (PSC) that incorporates Fire Station 51. These three projects are collectively referred to as "Phase 1"

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**FOR CITY CLERK ONLY**

File No.:

Council Meeting:

Disposition:

## **SAN RAFAEL CITY COUNCIL AGENDA REPORT / Page: 2**

of the City's Essential Facilities Program. They have all been successfully completed, occupied and are operational. The Essential Facilities program also includes the design, construction, and management of Fire Stations 54 and 55, referred to as "Phase 2".

Fire Stations 54 and 55 were designed and built in the mid-1960s and are now beyond their useful life.

Fire Station 54 is located at 46 Castro Avenue in the Canal neighborhood. It contains an apparatus bay composed of a steel-framed structure that houses one engine and the City's ladder truck. The apparatus bay is salvageable but requires seismic upgrades. The living quarters consist of a single-story wood-framed structure which has become obsolete due to age and deterioration. The living quarters include a living area, kitchen, sleeping quarters, and a restroom. The living quarters do not meet current standards for seismic, the Americans with Disabilities Act (ADA), or flood protection, and do not provide separate sleeping and restroom space for male and female firefighters. The living quarters will be demolished, and a new code-compliant structure will be constructed in its place.

Fire Station 55 is located at 955 Point San Pedro Road between Knight Drive and Peacock Drive. This station was also built in the 1960s and is mostly a wood-frame structure. The apparatus bay is a wood-frame structure supporting a steel girder roof system. The apparatus bay requires significant seismic improvements but is salvageable. The living quarters, kitchen and sleeping quarters are almost identical to Station 54, with the same issues, and are also beyond their useful life. Like Fire Station 54, the living quarters at Fire Station 55 will be demolished and a new code-compliant structure will be constructed in its place.

The Department of Public Works issued a request for bids for the renovation of the two fire stations in May of 2021. The City received two bids. The contractors who submitted bids were Build Group, Inc. and F&H Construction. The apparent low bidder, Build Group, Inc., withdrew its bid due to a clerical error. The only responsive bidder left was F&H Construction with a total bid amount of approximately \$10.6M. The City decided to reject the bid and rebid the projects.

The original budget for Phase 2 was in place before the onset of the pandemic. The disruptive nature of the pandemic, along with the Shelter-in Place Order that began in March of 2020, caused a worldwide break in supply chains, and in turn instigated a radical shift in market conditions which resulted in greatly increased building supply and construction costs.

In preparing to rebid the project, Staff and the design team incorporated feedback from the bid documents that were received and revised the project to include combining the "add alternate" scope into the base bid to simplify the bidding. The project was rebid and advertised on September 1, 2021, and six bids were received by the deadline of September 30, 2021.

### **ANALYSIS:**

On September 1, 2021, the project was advertised in accordance with San Rafael's Municipal Code. On September 30, 2021, the following bids were received and read aloud:

**Fire Station 54 and 55 - Submitted Bids (REBID 09/30/2021)**

<b>Business</b>	<b>Base Bid</b>	<b>Bid Alternate Total</b>	<b>Bid Total (including alternate)</b>
Wickman Development and	\$8,699,000	\$110,000	\$8,809,000
Kirby Construction	\$8,881,213	\$250,000	\$9,131,213
D.L. Falk Construction, Inc	\$9,254,000	\$600,000	\$9,854,000
Buhler Commercial Construction	\$10,949,043	\$175,000	\$11,124,043
Sausal Corporation	\$9,969,000	\$170,000	\$10,139,000
Arana Group Inc	\$8,240,696	\$117,224	\$8,357,920

Arana Group was the apparent low bidder but identified a mistake in their bid and withdrew. The construction bids have been reviewed by Public Works staff and the new low bid from Wickman Development and Construction in the amount of \$8,809,000 was found to be both responsive and responsible. City staff recommends awarding the construction contract to Wickman Development and Construction. The bid includes one add alternate to provide fuel dispensing at Fire Station 55. Staff recommends accepting the add alternate for the fueling station in the amount of \$110,000. The add alternate value is incorporated into the total contract cost of \$8,809,000. Should Council choose not to incorporate the add alternate, the total contract value would be \$8,699,000. With a ten percent contingency, the total requested authorized amount will be \$9,689,900.

If the City decides to award the construction contract to Wickman Development and Construction, the City will require construction administration services for the duration of the construction. Loving Campos Associates Architects (“LCA”) provided design services for the two fire station projects. Staff recommends that the City Council approve a professional services agreement with LCA for construction administration services to the City for the duration of the projects including submittal review and approval, schedule management, change-order review, weekly site visits, and other support to the City project manager. The full scope of construction administration services is shown in Exhibit A to the proposed professional services agreement (Attachment 4). LCA will provide construction administration services in an amount not to exceed \$280,300.

**PUBLIC OUTREACH:**

City staff from Community Development, Public Works, the Fire Department, and the City Manager’s Office have participated in extensive public outreach to neighbors and other interested parties regarding the two projects. Both projects were reviewed by the Design Review Board and the Planning Commission. The City Council conducted public meetings and ultimately approved these two Fire Station projects as part of Phase 2 of the Essential Facilities Strategic Plan. The public will also be contacted prior to demolition and will be noticed prior to the start of construction activities. For more information on public outreach, please see the [Essential Facilities Public Input](#) webpage.

**FISCAL IMPACT:**

Staff recommends City Council approve a total project budget amount of \$9,970,200, detailed in the below table. This will be appropriated from the Essential Facilities Capital Projects Fund (#420). This fund has been accumulating a portion of Measure E tax dollars for the purpose of these projects and has a sufficient balance set aside to support the total project budget amount.

Bid Total	\$	8,809,000
10% Contingency		880,900
Construction Administrative Services		280,300
Total Project Budget	\$	9,970,200

**OPTIONS:**

1. Adopt the resolutions as presented.
2. Adopt the resolution awarding the construction contract to Wickman Development and Construction without the add alternate, for a total contract amount of \$8,699,000 and an additional 10% contingency of \$869,000.
3. Do not award the construction contract and direct staff to rebid the project a third time. If this option is chosen, rebidding will delay construction by approximately two months.
4. Do not award the contract and provide direction to staff.

**RECOMMENDED ACTION:**

1. Adopt the resolution awarding and authorizing the City Manager to execute a construction agreement for the Fire Station 54 and 55 Project to Wickman Development and Construction in the amount of \$8,809,000 and authorizing contingency funds in the amount of \$880,900, for a total appropriated amount of \$9,689,900;
2. Adopt the resolution authorizing the City Manager to execute a professional services agreement with Loving Campos Associates Architects, Inc. for construction administration, scheduling, and additional services in the amount of \$280,300.

**ATTACHMENTS:**

1. Resolution Awarding and Authorizing the City Manager to Execute a Construction agreement for the Fire Station 54 and 55 Project to Wickman Development and Construction in the amount of \$8,809,000 and authorizing contingency funds in the amount of \$880,900, for a total appropriated amount of \$9,689,900
2. Resolution Authorizing the City Manager to Execute a Professional Services Agreement with Loving Campos Associates Architects, Inc. for Construction Administration, Scheduling, and Additional Services in the Amount of \$280,300
3. Draft Professional Services Agreement with Loving Campos Associates Architects, Inc.
4. Exhibit A to Draft Agreement – LCA Architects proposal

**RESOLUTION NO.**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN RAFAEL AWARDING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION CONTRACT TO WICKMAN DEVELOPMENT AND CONSTRUCTION, INC. FOR THE CITY OF SAN RAFAEL ESSENTIAL FACILITIES CONSTRUCTION PROJECT – FIRE STATIONS 54 AND 55, IN THE AMOUNT OF \$8,809,000, AND AUTHORIZING CONSTRUCTION CONTINGENCY FUNDS IN THE AMOUNT OF \$880,900, FOR A TOTAL APPROPRIATED AMOUNT OF \$9,689,900**

**WHEREAS**, on the 1<sup>ST</sup> day of September 2021, City staff solicited contractor bids for the Essential Facilities Construction Project – Fire Stations 54 and 55, City Projects No. 11394 and 11395 respectively; and

**WHEREAS**, having advertised and solicited construction bids in accordance with the City's Municipal Code, sealed bids were received on the 30<sup>th</sup> day of September 2021 for the following project entitled "FIRE STATION 54 AND 55" City Project Numbers 11394 and 11395, in accordance with the plans and specifications therefore on file in the office of the Department of Public Works; and

**WHEREAS**, the bid specifications for the project specify that the award of the construction agreement for the project shall be based upon the lowest bid to the City of San Rafael; and

**WHEREAS**, the bid of \$8,809,000 from Wickman Development and Construction at the unit prices stated in its bid, was and is the lowest bid for said work and said bidder is the lowest responsible bidder; and

**WHEREAS**, City staff recommends an additional 10% of the bid price for contingencies in the amount of \$880,900;

**WHEREAS**, there are sufficient funds in the Essential Facilities Capital Projects Fund to support this contract.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN RAFAEL RESOLVES** as follows:

1. The bid from Wickman Development and Construction, Inc. is hereby accepted at the unit prices stated in its bid, and the agreement for Essential Facilities Construction Project – Fire Station 54 and 55, City Project Nos. 11394 and 11395,

is hereby awarded to Wickman Development and Construction, Inc. at the stated unit prices.

2. The City Manager is authorized and directed to execute an agreement for the aforementioned project with Wickman Development and Construction, Inc. subject to final approval as to form by the City Attorney, in the amount of \$8,809,000, and to return the bidder's bond upon the execution of the agreement.
3. An additional amount of \$880,900 (ten percent of the construction award amount) shall be available as a contingency for the Essential Facilities Construction Project – Fire Station 54 and 55, and the Public Works Director is authorized to use such contingency funds to authorize change orders to address unforeseen conditions during construction.
4. Funds totaling \$9,689,900 (award amount of \$8,809,000 and contingency of \$880,900) will be appropriated for City Projects No. 11394 and 11395 from the Essential Facilities Capital Projects Fund (#420).
5. The City Manager is hereby authorized to take any and all such actions and make changes as may be necessary to accomplish the purpose of this resolution.

I, **LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing resolution was duly and regularly introduced and adopted at a regular meeting of the Council of said City on the 18<sup>th</sup> day of October 2021, by the following vote, to wit:

**AYES:**           **COUNCILMEMBERS:**

**NOES:**           **COUNCILMEMBERS:**

**ABSENT:**       **COUNCILMEMBERS:**

---

**LINDSAY LARA, City Clerk**

File No.:

**RESOLUTION NO.**

**RESOLUTION OF THE SAN RAFAEL CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH LOVING CAMPOS ASSOCIATES ARCHITECTS, INC. FOR CONSTRUCTION ADMINISTRATION, SCHEDULING, AND ADDITIONAL SERVICES FOR PHASE 2 ESSENTIAL FACILITIES PROJECTS - FIRE STATIONS 54 AND 55, IN THE AMOUNT OF \$280,300**

**WHEREAS**, in November 2013, the local voters passed Measure E extending the existing one-half percent local sales tax and increasing the rate by one-quarter percent to provide funding to preserve essential city services. This tax supplanted the former, one-half cent transactions and use tax (Measure S), effective April 1, 2014; and

**WHEREAS**, the City has since used those resources to plan, design, construct and manage two new stand-alone fire stations, 52 and 57, and a new Public Safety Center (PSC) that incorporates Fire Station 51. These three projects, collectively referred to as "Phase 1" of the City's Essential Facilities Program, have successfully been completed and occupied; and

**WHEREAS**, the Essential Facilities program also includes the design, construction and management of Fire Stations 54 and 55 referred to as "Phase 2"; and

**WHEREAS**, Loving Campos Architects, Inc. ("LCA Architects") has provided architectural and engineering services for the "Phase 2" projects for renovation of Fire Stations 54 and 55; and

**WHEREAS**, the City successfully bid the Fire Station 54 and 55 Project and has awarded the construction contract to the lowest responsible bidder; and

**WHEREAS**, construction administration services are required for the duration of the project including submittal review and approval, schedule management, change order review, weekly site visits, and other support to the City project manager;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of San Rafael as follows:

1. The City Manager is hereby authorized to execute a Professional Services Agreement with LCA Architects, in the form included with the staff report for this resolution, subject to final approval by the City Attorney, for necessary construction administration services in the amount of \$280,300.
2. Funds totaling \$280,300 will be appropriated for City Project No. 11394 and 11395 from the Essential Facilities Capital Projects Fund (#420).

**I, LINDSAY LARA**, Clerk of the City of San Rafael, hereby certify that the foregoing Resolution was duly and regularly introduced and adopted at a regular meeting of the City Council of said City held on Monday, the 18<sup>th</sup> day of October 2021 by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

LINDSAY LARA, City Clerk

## **AGREEMENT FOR PROFESSIONAL SERVICES**

### **FOR CONSTRUCTION ADMINISTRATION AND SCHEDULING SERVICES FOR PHASE 2 ESSENTIAL FACILITIES PROJECTS - FIRE STATION 54 AND 55**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the CITY OF SAN RAFAEL (hereinafter "**CITY**"), and LOVING CAMPOS ASSOCIATES, ARCHITECTS, INC. a corporation authorized to do business in California (hereinafter "**CONSULTANT**").

#### **RECITALS**

**WHEREAS**, the **CONSULTANT** has previously provided architectural and engineering services for the "Phase 2" projects for renovation of Fire Stations 54 and 55; and

**WHEREAS**, the City successfully bid the Fire Station 54 and 55 Project and has awarded the construction contract to the lowest responsible bidder; and

**WHEREAS**, construction administration services and other support to the **CITY**'s project manager are required; and

**WHEREAS**, the **CONSULTANT** has agreed to render such services.

#### **AGREEMENT**

**NOW, THEREFORE**, the parties hereby agree as follows:

1. **PROJECT COORDINATION.**

A. **CITY'S Project Manager.** Fabiola Guillen-Urfer is hereby designated the **PROJECT MANAGER** for the **CITY** and said **PROJECT MANAGER** shall supervise all aspects of the progress and execution of this Agreement.

B. **CONSULTANT'S Project Director.** **CONSULTANT** shall assign a single **PROJECT DIRECTOR** to have overall responsibility for the progress and execution of this Agreement for **CONSULTANT**. Carl Campos is hereby designated as the **PROJECT DIRECTOR** for **CONSULTANT**. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute **PROJECT DIRECTOR**, for any reason, the **CONSULTANT** shall notify the **CITY** within ten (10) business days of the substitution.

2. **DUTIES OF CONSULTANT.**

**CONSULTANT** shall perform the duties and/or provide services as outlined in **CONSULTANT**'s proposal, dated October 8, 2021, marked as Exhibit A, attached hereto and incorporated herein.



3. DUTIES OF CITY.

**CITY** shall pay the compensation as provided in Paragraph 4, and perform the duties as follows outlined in Exhibit A.

4. COMPENSATION.

For the full performance of the services described herein by **CONSULTANT**, **CITY** shall pay **CONSULTANT** on a fixed fee basis for services rendered in accordance with the rates shown in Exhibit A, for a total not-to-exceed \$280,300.

Payment will be made monthly upon receipt by **PROJECT MANAGER** of itemized invoices submitted by **CONSULTANT**.

5. TERM OF AGREEMENT.

The term of this Agreement shall be for two years commencing upon date of execution of this agreement. Upon mutual agreement of the parties, and subject to the approval of the City Manager the term of this Agreement may be extended for an additional period of up to one year.

6. TERMINATION.

A. **Discretionary.** Either party may terminate this Agreement without cause upon thirty (30) days written notice mailed or personally delivered to the other party.

B. **Cause.** Either party may terminate this Agreement for cause upon fifteen (15) days written notice mailed or personally delivered to the other party, and the notified party's failure to cure or correct the cause of the termination, to the reasonable satisfaction of the party giving such notice, within such fifteen (15) day time period.

C. **Effect of Termination.** Upon receipt of notice of termination, neither party shall incur additional obligations under any provision of this Agreement without the prior written consent of the other.

D. **Return of Documents.** Upon termination, any and all **CITY** documents or materials provided to **CONSULTANT** and any and all of **CONSULTANT's** documents and materials prepared for or relating to the performance of its duties under this Agreement, shall be delivered to **CITY** as soon as possible, but not later than thirty (30) days after termination.

7. OWNERSHIP OF DOCUMENTS.

The written documents and materials prepared by the **CONSULTANT** in connection with the performance of its duties under this Agreement, shall be the sole property of **CITY**. **CITY** may use said property for any purpose, including projects not contemplated by this Agreement.

8. INSPECTION AND AUDIT.

Upon reasonable notice, **CONSULTANT** shall make available to **CITY**, or its agent, for inspection and audit, all documents and materials maintained by **CONSULTANT** in connection with its performance of its duties under this Agreement. **CONSULTANT** shall fully cooperate with **CITY** or its agent in any such audit or inspection.

9. ASSIGNABILITY.

The parties agree that they shall not assign or transfer any interest in this Agreement nor the performance of any of their respective obligations hereunder, without the prior written consent of the other party, and any attempt to so assign this Agreement or any rights, duties or obligations arising hereunder shall be void and of no effect.

10. INSURANCE.

A. **Scope of Coverage.** During the term of this Agreement, **CONSULTANT** shall maintain, at no expense to **CITY**, the following insurance policies:

1. A commercial general liability insurance policy in the minimum amount of one million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) aggregate, for death, bodily injury, personal injury, or property damage.

2. An automobile liability (owned, non-owned, and hired vehicles) insurance policy in the minimum amount of one million dollars (\$1,000,000) dollars per occurrence.

3. If any licensed professional performs any of the services required to be performed under this Agreement, a professional liability insurance policy in the minimum amount of one million dollars (\$1,000,000) per occurrence/two million dollars (\$2,000,000) aggregate, to cover any claims arising out of the **CONSULTANT's** performance of services under this Agreement. Where **CONSULTANT** is a professional not required to have a professional license, **CITY** reserves the right to require **CONSULTANT** to provide professional liability insurance pursuant to this section.

4. If it employs any person, **CONSULTANT** shall maintain worker's compensation insurance, as required by the State of California, with statutory limits, and employer's liability insurance with limits of no less than one million dollars (\$1,000,000) per accident for bodily injury or disease. **CONSULTANT's** worker's compensation insurance shall be specifically endorsed to waive any right of subrogation against **CITY**.

B. **Other Insurance Requirements.** The insurance coverage required of the **CONSULTANT** in subparagraph A of this section above shall also meet the following requirements:

1. Except for professional liability insurance or worker's compensation insurance, the insurance policies shall be specifically endorsed to include the **CITY**, its officers, agents, employees, and volunteers, as additional insureds (for both ongoing and completed operations) under the policies.

2. The additional insured coverage under **CONSULTANT'S** insurance policies shall be "primary and noncontributory" with respect to any insurance or coverage maintained by **CITY** and shall not call upon **CITY's** insurance or self-insurance coverage for any contribution. The "primary and noncontributory" coverage in **CONSULTANT'S** policies shall be at least as broad as ISO form CG20 01 04 13.

3. Except for professional liability insurance or worker's compensation insurance, the insurance policies shall include, in their text or by endorsement, coverage for contractual liability and personal injury.

4. By execution of this Agreement, **CONSULTANT** hereby grants to **CITY** a waiver of any right to subrogation which any insurer of **CONSULTANT** may acquire against **CITY** by virtue of the payment of any loss under such insurance. **CONSULTANT** agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not **CITY** has received a waiver of subrogation endorsement from the insurer.

5. If the insurance is written on a Claims Made Form, then, following termination of this Agreement, said insurance coverage shall survive for a period of not less than five years.

6. The insurance policies shall provide for a retroactive date of placement coinciding with the effective date of this Agreement.

7. The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of **CITY** (if agreed to in a written contract or agreement) before **CITY'S** own insurance or self-insurance shall be called upon to protect it as a named insured.

8. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits shall be available to **CITY** or any other additional insured party. Furthermore, the requirements for coverage and limits shall be: (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured; whichever is greater. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the obligations of the **CONSULTANT** under this agreement.

**C. Deductibles and SIR's.** Any deductibles or self-insured retentions in **CONSULTANT's** insurance policies must be declared to and approved by the PROJECT MANAGER and City Attorney and shall not reduce the limits of liability. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named insured or **CITY** or other additional insured party. At **CITY's** option, the deductibles or self-insured retentions with respect to **CITY** shall be reduced or eliminated to **CITY's** satisfaction, or **CONSULTANT** shall procure a bond guaranteeing payment of losses and

related investigations, claims administration, attorney's fees and defense expenses.

D. **Proof of Insurance.** **CONSULTANT** shall provide to the **PROJECT MANAGER** or **CITY'S** City Attorney all of the following: (1) Certificates of Insurance evidencing the insurance coverage required in this Agreement; (2) a copy of the policy declaration page and/or endorsement page listing all policy endorsements for the commercial general liability policy, and (3) excerpts of policy language or specific endorsements evidencing the other insurance requirements set forth in this Agreement. **CITY** reserves the right to obtain a full certified copy of any insurance policy and endorsements from **CONSULTANT**. Failure to exercise this right shall not constitute a waiver of the right to exercise it later. The insurance shall be approved as to form and sufficiency by **PROJECT MANAGER** and the City Attorney.

## 11. INDEMNIFICATION.

A. Except as otherwise provided in Paragraph B., **CONSULTANT** shall, to the fullest extent permitted by law, indemnify, release, defend with counsel approved by **CITY**, and hold harmless **CITY**, its officers, agents, employees and volunteers (collectively, the "**City Indemnitees**"), from and against any claim, demand, suit, judgment, loss, liability or expense of any kind, including but not limited to attorney's fees, expert fees and all other costs and fees of litigation, (collectively "**CLAIMS**"), arising out of **CONSULTANT'S** performance of its obligations or conduct of its operations under this Agreement. The **CONSULTANT's** obligations apply regardless of whether or not a liability is caused or contributed to by the active or passive negligence of the **City Indemnitees**. However, to the extent that liability is caused by the active negligence or willful misconduct of the **City Indemnitees**, the **CONSULTANT's** indemnification obligation shall be reduced in proportion to the **City Indemnitees'** share of liability for the active negligence or willful misconduct. In addition, the acceptance or approval of the **CONSULTANT'S** work or work product by the **CITY** or any of its directors, officers or employees shall not relieve or reduce the **CONSULTANT'S** indemnification obligations. In the event the **City Indemnitees** are made a party to any action, lawsuit, or other adversarial proceeding arising from **CONSULTANT'S** performance of or operations under this Agreement, **CONSULTANT** shall provide a defense to the **City Indemnitees** or at **CITY'S** option reimburse the **City Indemnitees** their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims.

B. Where the services to be provided by **CONSULTANT** under this Agreement are design professional services to be performed by a design professional as that term is defined under Civil Code Section 2782.8, then, to the extent permitted by law including without limitation, Civil Code sections 2782, 2782.6 and 2782.8, **CONSULTANT** shall indemnify and hold harmless the **CITY** and its officers, officials, and employees (collectively **City Indemnitees**) from and against damages, liabilities or costs (including incidental damages, Court costs, reasonable attorney's fees as may be determined by the Court, litigation expenses and fees of expert witnesses incurred in connection therewith and costs of investigation) to the extent they are caused by the negligence, recklessness, or willful misconduct of **CONSULTANT**, or any subconsultants, or subcontractor or anyone directly or indirectly employed by them, or anyone for whom they are legally liable (collectively **Liabilities**). Such obligation to hold harmless and indemnify any indemnity shall not apply to the extent that such **Liabilities** are caused in part by the negligence or willful misconduct

of such City Indemnitee.

C. The defense and indemnification obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by, the insurance obligations contained in this Agreement, and shall survive the termination or completion of this Agreement for the full period of time allowed by law.

12. NONDISCRIMINATION.

**CONSULTANT** shall not discriminate, in any way, against any person on the basis of age, sex, race, color, religion, ancestry, national origin or disability in connection with or related to the performance of its duties and obligations under this Agreement.

13. COMPLIANCE WITH ALL LAWS.

**CONSULTANT** shall observe and comply with all applicable federal, state and local laws, ordinances, codes and regulations, in the performance of its duties and obligations under this Agreement. **CONSULTANT** shall perform all services under this Agreement in accordance with these laws, ordinances, codes and regulations. **CONSULTANT** shall release, defend, indemnify and hold harmless **CITY**, its officers, agents and employees from any and all damages, liabilities, penalties, fines and all other consequences from any noncompliance or violation of any laws, ordinances, codes or regulations.

14. NO THIRD PARTY BENEFICIARIES.

**CITY** and **CONSULTANT** do not intend, by any provision of this Agreement, to create in any third party, any benefit or right owed by one party, under the terms and conditions of this Agreement, to the other party.

15. NOTICES.

All notices and other communications required or permitted to be given under this Agreement, including any notice of change of address, shall be in writing and given by personal delivery, or deposited with the United States Postal Service, postage prepaid, addressed to the parties intended to be notified. Notice shall be deemed given as of the date of personal delivery, or if mailed, upon the date of deposit with the United States Postal Service. Notice shall be given as follows:

TO **CITY**'s Project Manager:

Fabiola Guillen-Urfer  
City of San Rafael  
111 Morphew Street  
San Rafael, CA 94901

TO **CONSULTANT**'s Project Director:

Carl Campos  
Loving Campos Associates, Architects, Inc.  
590 Ygnacio Valley Road, Suite 310  
Walnut Creek, CA 94596

16. INDEPENDENT CONTRACTOR.

For the purposes, and for the duration, of this Agreement, **CONSULTANT**, its officers, agents and employees shall act in the capacity of an Independent Contractor, and not as employees of the **CITY**. **CONSULTANT** and **CITY** expressly intend and agree that the status of **CONSULTANT**, its officers, agents and employees be that of an Independent Contractor and not that of an employee of **CITY**.

17. ENTIRE AGREEMENT -- AMENDMENTS.

A. The terms and conditions of this Agreement, all exhibits attached, and all documents expressly incorporated by reference, represent the entire Agreement of the parties with respect to the subject matter of this Agreement.

B. This written Agreement shall supersede any and all prior agreements, oral or written, regarding the subject matter between the **CONSULTANT** and the **CITY**.

C. No other agreement, promise or statement, written or oral, relating to the subject matter of this Agreement, shall be valid or binding, except by way of a written amendment to this Agreement.

D. The terms and conditions of this Agreement shall not be altered or modified except by a written amendment to this Agreement signed by the **CONSULTANT** and the **CITY**.

E. If any conflicts arise between the terms and conditions of this Agreement, and the terms and conditions of the attached exhibits or the documents expressly incorporated by reference, the terms and conditions of this Agreement shall control.

18. SET-OFF AGAINST DEBTS.

**CONSULTANT** agrees that **CITY** may deduct from any payment due to **CONSULTANT** under this Agreement, any monies which **CONSULTANT** owes **CITY** under any ordinance, agreement, contract or resolution for any unpaid taxes, fees, licenses, assessments, unpaid checks or other amounts.

19. WAIVERS.

The waiver by either party of any breach or violation of any term, covenant or condition of this Agreement, or of any ordinance, law or regulation, shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, law or regulation, or of any subsequent breach or violation of the same or other term, covenant, condition, ordinance, law or regulation. The subsequent acceptance by either party of any fee, performance, or other consideration which may become due or owing under this Agreement, shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, condition, covenant of this Agreement or any applicable law, ordinance or regulation.

20. COSTS AND ATTORNEY'S FEES.

The prevailing party in any action brought to enforce the terms and conditions of this Agreement, or arising out of the performance of this Agreement, may recover its reasonable costs (including claims administration) and attorney's fees expended in connection with such action.

21. CITY BUSINESS LICENSE / OTHER TAXES.

**CONSULTANT** shall obtain and maintain during the duration of this Agreement, a **CITY** business license as required by the San Rafael Municipal Code **CONSULTANT** shall pay any and all state and federal taxes and any other applicable taxes. **CITY** shall not be required to pay for any work performed under this Agreement, until **CONSULTANT** has provided **CITY** with a completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification).

22. SURVIVAL OF TERMS.

Any terms of this Agreement that by their nature extend beyond the term (or termination) of this Agreement shall remain in effect until fulfilled and shall apply to both Parties' respective successors and assigns.

23. APPLICABLE LAW.

The laws of the State of California shall govern this Agreement.

24. COUNTERPARTS AND ELECTRONIC SIGNATURE.

This Agreement may be executed by electronic signature and in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one document. Counterpart signature pages may be delivered by telecopier, email or other means of electronic transmission.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day, month and year first above written.

**CITY OF SAN RAFAEL**

**CONSULTANT**

\_\_\_\_\_  
JIM SCHUTZ, City Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
LINDSAY LARA, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
ROBERT F. EPSTEIN, City Attorney

[If CONSULTANT is a corporation, add signature of second corporate officer]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



ARCHITECT'S ADDITIONAL SERVICE REQUEST

Date: **October 8, 2021**

LCA Project #19073

**ASR 04**

**Project:** **Fire Stations 54 & 55, San Rafael, CA**

Owner: San Rafael Fire Department Public Works Department

Individual: Bill Guerin, Director, Public Works, [bill.guerin@cityofsanrafael.org](mailto:bill.guerin@cityofsanrafael.org)

CC: Fabiola Guillen-Urfer, [Fabiola.guillenurfer@cityofsanrafael.org](mailto:Fabiola.guillenurfer@cityofsanrafael.org)

**Subject:** **Construction Administration, and Limited Construction Management Services for:**

**Fire Station 54: 46 Castro Avenue, San Rafael, California 94901**

**Fire Station 55: 955 Pt San Pedro, San Rafael, California 94901**

Under the conditions of the Architect's Contract for Professional Services with the Owner, as required, the Architect notifies the Owner and the Owner hereby authorizes the Architect to perform Additional Services as previously agreed.

Explanation: Per the Client's request, the following has been added to the Scope of Work:

**FIRE STATION 54 AND FIRE STATION 55: CONSTRUCTION ADMINISTRATION**

1. Provide Architectural and Engineering Construction Administration Services for Fire Station 54 and Fire Station 55.
2. Provide Limited Construction Management Services for Fire Station 54 and Fire Station 55 to assist you with your in-house project management.
3. Issue the Certificate of Substantial Completion at the appropriate date, vetted and approved by you.
4. Review and advise on payment applications from the Contractor.
5. Provide one (1) punch list walk-thru of each station and a "final punch list" review walk-thru that confirms that the project is completed.
6. Provide the appropriate Close-Out documents per our Master Agreement dated June 3, 2019.
7. Assumes there will be one (1) General Contractor for both Fire Stations.
8. Assumes and allows for bi-weekly, Architect only, site observation of the progress of the work and a "final punch list" review/walk-thru that confirms that the project is completed.
9. Assumes all other weekly meetings will be by videocall (Zoom / Microsoft Teams).

San Rafael Fire Department Public Works Department  
10/08/2021  
LCA #19073: ASR 04  
Page 2 of 3

10. Represent, advise, and consult with the Owner.
11. Review and respond to properly prepared, timely requests by the Contractor for additional information about the Construction Documents.
12. Provide periodic site visits to become generally familiar with the site and keep the Owner informed about the progress and quality of the work.
13. Review and take appropriate action upon Contractor's submittals, such as Shop Drawings, Product Data, and Samples for conformance to the design intent of the Construction Documents.
14. Conduct construction site reviews to assist the Owner in determining project completion dates, and review payment applications, if required.

**\*Fire Station 54:  
Architectural and Engineering Consultants, Fixed Fee: \$115,900.00  
(See Exhibit C)**

**\*Fire Station 55:  
Architectural and Engineering Consultants, Fixed Fee: \$104,400.00  
(See Exhibit C)**

**The fees described in this proposal assumes that there will NOT be a separate professional Construction Management Firm hired/retained by the City. If the City retains a separate Construction Management Firm, then these fees will be subject to renegotiation.**

**\* These fees require that both fire stations will be constructed at the same time, by the same General Contractor.**

**FIRE STATION 54 AND FIRE STATION 55: PROJECT SCHEDULING SERVICES**

Provide Construction Management Scheduling Services as follows:

1. Develop and maintain progress reports with the project team in order to inform management of program and project status.
2. Review Contractor's CPM schedules to verify compliance with specified project requirements, constraints, milestone dates, and completeness.
3. Analyze critical path and project constraints to determine any impact from changes of schedule; create recommendations for workarounds.
4. Perform CPM Time Impact Analysis (TIAs) using various methods of analysis and assists project team in negotiating settlements with Contractors.
5. Prepare Schedule Variance Reports.
6. Develop and maintain project and construction schedule, identify relationships, logic, milestones, and constraints.
7. Monitor and actively participate in project and program scheduling issues while administering best practices and standards.
8. Obtain accurate and timely program schedule updates from project teams and performs QA/QC on information received.
9. Perform Critical Path analyses and Earned Value analyses.
10. Coordinate and attend program and project scheduling and construction progress meetings.

**Fixed Fee: \$60,000.00  
(See Exhibit B and Exhibit C)**

**Attachments: Exhibit B – Ron Guelden Resume, Project Manager  
Exhibit C – Itemized Summary of Services**

  
\_\_\_\_\_  
10/08/2021  
Carl E. Campos, CEO, LCA Architects, Inc.      Date

\_\_\_\_\_  
Authorization of Additional Services      Date



City of San Rafael  
Fire Station No. 54 & Fire Station No. 55  
Construction Manager Resume  
September 3, 2021 – [EXHIBIT B](#)

RON GUELLEN  
101 Taylor Road, Tiburon, California 94920  
(415)435-2082

#### Employment:

Construction Management Services  
(2015 – Present)

- Fire Station 3, Rohnert Park (recently completed)

Construction Consulting Services  
(2015 – Present)

- East Garrison Fire Station, East Garrison, Monterey, CA
- Fire Station 16, Lafayette, CA
- Fire Station 39, Fairfield, CA
- Fire Station 70, San Pablo, CA

Facilities Manager  
Contra Costa Fire Prevention District, Pleasant Hill, CA  
(2002 – 2015, Retired)

- Fire District Facilities Manager – Manager of Fire District construction projects for new, relocation, and rehabilitation of fire stations.
- Professional and Construction Services – Management of architectural, engineering, contracting, and other professional, technical, and out-sourced services for construction and related projects at fire stations and facilities.
- Facilities Maintenance – Supervision of one Fire Maintenance Worker. Manager contracts for facilities maintenance services. Fire District facilities include (30) fire stations, (1) training camp, (1) warehouse, (1) apparatus shop, (2) administration centers, (1) communications center, and (6) bare parcels totaling (15) acres.
- Real Property – Acquisition and disposal of property for fire stations.
- Fueling Facilities – Construction, repairs, reporting, testing, and management of (25) fueling stations.
- ADA Compliance and Risk Management
- Hazardous Materials – Coordination, implementation, and reporting of hazardous materials; coordinate and manage hazardous materials testing and abatement including asbestos, mold, site pollution.
- Implementation of Developer Fees – Coordination and implementation of Fire District Developer Impact Fees and production of Capital Improvement Plan.

Facilities Manager, Assistant Director of Housing Operations  
Housing Authority of the County of Contra Costa, Martinez, CA  
(1997 – 2002)

- Property Management / Facilities Maintenance – Overall supervision of (4) Maintenance Supervisors and (25) full-time Maintenance Mechanics. Facilities include (1,280) units of public housing, (8) maintenance shops, (7) clerical offices, (1) central administration office, and (1) purchasing / warehouse facility.
- Lease Management – Lease administration for non-residential Housing Authority Labor Relations Committee. Representative on management negotiating team for (2) 3-year labor contracts (1998 – 2004).

- Purchasing / Warehousing – Supervision and contract administration for Housing Authority vehicle fleet.
- Contract and Administrative Services – Compose, negotiate, and complete contracts for vendor services. Complete and maintain tenant utility allotments for income rental allocations.
- Technical Services – Provide technical, reference, and informational services for agency personnel.
- Insurance, Safety, and Risk Management – Chair of the Safety Committee of the California Housing Authority Risk Management Association (a JPA for Housing Authority general insurance). HACCC Safety Coordinator. Co-chair for HACCC Senior Safety Committee. Team leader for collective employee risk management.

Project Manager, E. Elliott & Associates, Inc.

Commercial and Industrial Repair and Engineering Martinez, CA

(1981 – 1977)

- Project Supervisor – Supervision of operational activities and contracts. Direct supervisor of leadmen and employees of all construction trades and sub-contracted services. Scheduling and projections of employees, work orders, ad contracts.
- Customer Accounts – Primary customer contact for all phases of project completion. This includes estimating, cost accounting, contract negotiations, and client relations.
- Purchasing – Procurement by competitive quotation for materials and services for client projects and business services. Best source purchasing for routine business needs.
- Quality Control / Quality Assurance – Ensure compliance with government, customer, and regulatory agencies, QC / QA requirements.

Education & Certification:

- Bachelor of Science, Business Administration – June 1977
  - Humboldt State University, Arcata, CA
- General Engineering Contractor (Class A); General Building Contractor (Class B)
  - California Contractors State License Board, License No. 706751 (Maintained inactive)
- Certified Facility Manager, Retired in 2015
  - International Facility Management Association
- Advanced First Aid (First Responder) Cardiopulmonary Resuscitation
  - American Red Cross

**Exhibit C – Itemized Summary of Services**

**Construction Administration for 12 months: Fire Stations 54 & 55: \$220,300.00**

**Project Scheduling Services: \$60,000.00**

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**Total: \$280,300.00**



**SAN RAFAEL CITY COUNCIL AGENDA REPORT**

Department: Human Resources

Prepared by: Sylvia Gonzalez-Shelton,  
Human Resources Operations Manager

City Manager Approval: 

**TOPIC: SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SAN RAFAEL AND SEIU LOCAL 1021 CHILD CARE**

**SUBJECT: DISCUSSION AND CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING PERTAINING TO COMPENSATION AND WORKING CONDITIONS FOR SEIU LOCAL 1021 CHILD CARE (NOVEMBER 1, 2021 THROUGH OCTOBER 31, 2024)**

**RECOMMENDATION:**

Staff recommends that the City Council take public comment, and direct staff to return at the next meeting with a resolution seeking approval of the successor Memorandum of Understanding between the City of San Rafael and SEIU Local 1021 Child Care pertaining to compensation and working conditions (November 1, 2021 through October 31, 2024).

**BACKGROUND:**

SEIU Local 1021 Child Care represents 36.40 full-time equivalent (FTE) positions in the Child Care division. The most recent Memorandum of Understanding ("MOU") will expire on October 31, 2021. Over the past few months, representatives of the City and SEIU have met in good faith and worked diligently to negotiate the terms of a successor MOU. The City and SEIU Local 1021 Child Care reached a tentative agreement on October 1, 2021, for a three-year successor MOU and SEIU Local 1021 Child Care membership subsequently ratified the tentative agreement.

**ANALYSIS:**

The following are the highlights that reflect the terms and significant economic items included in the agreement between the City and SEIU. In addition to the economic items, some operational items were also addressed in the final agreement, all of which can be found in the attached draft successor MOU.

1. **Term of the Agreement:** November 1, 2021 through October 31, 2024
2. **Salary Increase:** The salary schedule included in the attached draft successor MOU authorizes the proposed new salary for each position.
  - a. Year 1: A 3% base wage increase for the bargaining group, effective November 1, 2021
  - b. Year 2: A 3% base wage increase for the bargaining group, effective November 1, 2022

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**FOR CITY CLERK ONLY**

**Council Meeting:**

**Disposition:**

c. Year 3: A 3% base wage increase for the bargaining group, effective November 1, 2023

**3. Full Flex Cafeteria Plan:** Employees will receive the value of a .5% base wage increase towards an increase in the monthly Flex Dollar Allowance tiers as noted below:

The monthly flex dollar allowance effective the first paycheck in December 2021 shall be:

- For employee only: \$ 804.36
- For employee and one dependent: \$1,176.68
- For employee and two or more dependents: \$1,264.24

The monthly flex dollar allowance effective the first paycheck in December 2022 shall be:

- For employee only: \$ 804.36
- For employee and one dependent: \$1,226.68
- For employee and two or more dependents: \$1,364.24

The monthly flex dollar allowance effective the first paycheck in December 2023 shall be:

- For employee only: \$ 804.36
- For employee and one dependent: \$1,276.68
- For employee and two or more dependents: \$1,464.24

**4. Non-Economic Items:** In addition to items discussed above, agreement was reached on other proposals, which reflect minor changes to existing provisions with no additional cost. The attached draft redline MOU includes all the changes agreed to by the parties.

**FISCAL IMPACT:**

The current total annual salary and benefit cost to the City for the 36.40 FTE employees of SEIU Local 1021 Child Care is \$2,531,184. The additional ongoing incremental cost of the successor MOU beyond the FY 21/22 budget is:

	<b><u>Incremental FY 2021-22</u></b>	<b><u>Incremental FY 2022-23</u></b>	<b><u>Incremental FY 2023-24</u></b>
<b>Wages:</b>			
Base Salary	\$ 46,247	\$ 47,634	\$ 49,063
Health Increase:	\$ 14,997	\$ 7,200	\$ 7,200
<b>Other costs:</b>			
Pension*	\$ 20,117	\$ 20,721	\$ 21,343
Taxes (Medicare, W/C)	<u>\$ 1,496</u>	<u>\$ 1,541</u>	<u>\$ 1,588</u>
<b>Total Incremental Cost:</b>	<b>\$ 82,857</b>	<b>\$ 77,096</b>	<b>\$ 79,194</b>

*\*This incremental pension cost results only from the negotiated wage increase and does not include the cost of associated MCERA rate changes. The terms and conditions of the pension benefit plan remain unchanged.*

While the incremental cost is \$82,857 for fiscal year 2021-2022, \$77,096 for fiscal year 2022-2023, and \$79,194 for fiscal year 2023-24, the increases are compounding and therefore the projected wages and other costs total \$481,975 for the three-year term. The increase in compensation included in this resolution is in line with the City’s current budget projections.



**OPTIONS:**

The City Council has the following options to consider in this matter:

- Direct staff to return at the next meeting with a resolution seeking approval of the successor MOU between the City of San Rafael and SEIU Local 1021 Child Care.
- Direct staff to return with more information.

**RECOMMENDED ACTION:**

Staff recommends that the City Council take public comment, and direct staff to return at the next meeting with a resolution seeking approval of the successor Memorandum of Understanding between the City of San Rafael and SEIU Local 1021 Child Care pertaining to compensation and working conditions (November 1, 2021 through October 31, 2024).

**ATTACHMENTS:**

1. Draft MOU (with track changes) between City of San Rafael and SEIU Local 1021 Child Care for November 1, 2021 to October 31, 2024 (and all attachments).

**MEMORANDUM OF UNDERSTANDING**

*between*

**CITY OF SAN RAFAEL**

*and*

**SEIU Local 1021 – Child Care Unit**

***November 1, 2021~~19~~ through October 31, 2024~~1~~***

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Exhibit A      Salary Schedule for November 1, 2021~~19~~ – October 31, 2024~~41~~

# MEMORANDUM OF UNDERSTANDING

between the

CITY OF SAN RAFAEL and

SEIU LOCAL 1021 – CHILD CARE

This Memorandum of Understanding is entered into pursuant to the provisions of Section 3500, et seq. of the Government Code of the State of California.

The parties have met and conferred in good faith regarding wages, hours and other terms and conditions of employment for the employees in said representation unit, and have freely exchanged information, opinions and proposals and have reached agreement on all matters relating to the employment conditions and employer-employee relations of such employees.

This Memorandum of Understanding shall be presented to the City Council of the City of San Rafael as the joint recommendation of the undersigned parties for salary and employee benefit adjustments for the period commencing November 1, 20~~21~~<sup>19</sup> and ending October 31, 20~~21~~<sup>44</sup>.

## **1 GENERAL PROVISIONS**

### **1.1 INTRODUCTION**

#### *1.1.1 Scope of Agreement*

The salaries, hours, fringe benefits and working conditions set forth have been mutually agreed upon by the designated bargaining representatives of the City of San Rafael (herein-after called "CITY") and the Service Employees International Union (SEIU) Local 1021 (herein-after called "UNION") and shall apply to all employees of the City working in the classifications and bargaining unit set forth herein.

#### *1.1.2 Term of MOU*

This agreement shall be in effect from November 1, 20~~21~~<sup>19</sup> through October 31, 20~~21~~<sup>44</sup>.

### **1.2 RECOGNITION**

#### *1.2.1 Bargaining Unit*

The City hereby recognizes the Union as bargaining representative for the purpose of establishing salaries, hours, fringe benefits and working conditions for all employees within the Child Care Bargaining Unit (see Exhibit A attached)

#### *1.2.2 Classification Specification*

The City and the Union agree that the classification specifications developed as a part of this meet and confer process, and dated January 1988, accurately describe the job classes covered by this Memorandum of Understanding.

#### *1.2.3 Notice to Employees*

Whenever a person is hired in any of the job classifications set forth herein, the City shall notify such person that the Union is the recognized bargaining representative for employees in that classification.

#### *1.2.4 Orientation Letters New Employees*

The City shall make available up to 30 minutes, at a mutually agreeable time, during the initial thirty (30) days of employment for new employee orientation by the Union. The City and the Union intent that time (i.e., up to 30 minutes) will occur at employee orientation whenever possible. The City shall

approve at least one hour of release time to the Union's designee to travel to and meet with the new employee(s). The City will provide the Union at least ten (10) days' advanced notice of all employee orientations conducted by the City unless a shorter time is required due to an urgent need critical to the City's operations and that urgent need was not reasonably foreseeable. The City shall provide the Union with the employee name, job title, department, work location, work, home and personal cell phone numbers, home address and personal email address on file with the City for all employees within the bargaining unit every 120 days and a report listing this same information within 30 days of the date of hire for any newly hired unit employees.

### **1.3 NON-DISCRIMINATION**

#### **1.3.1 *In General***

The parties to this contract agree that they shall not, in any manner, discriminate against any person whatsoever because of race, color, age, religion, ancestry, national origin, sex, sexual orientation, perceived sexual orientation, gender, gender expression, gender identity, marital status, medical condition (cancer-related or gender characteristics), genetic information (including family medical history) or physical or mental disability. Any employee alleging such discrimination should use the internal administrative process explained in the City of San Rafael's Policy Against Harassment, Discrimination and Retaliation to redress the situation. Such employees shall be entitled to Union representation but are not entitled to seek redress using the grievance procedure of this MOU.

#### **1.3.2 *Union Discrimination***

No member, official, or representative of the Union shall, in any way suffer any type of discrimination in connection with continued employment, promotion, or otherwise by virtue of membership in or representation of the Union.

### **1.4 INSPECTION OF MEMORANDUM OF UNDERSTANDING**

Both the City and the Union agree to keep duplicate originals of this Memorandum on file in a readily accessible location available for inspection by any employee or member of the public upon request.

### **1.5 EXISTING LAWS, REGULATIONS & POLICIES**

This agreement is subject to all applicable laws of the State of California, ordinances, regulations, and policies of the City of San Rafael.

### **1.6 STRIKES & LOCKOUTS**

During the term of this Memorandum, the City agrees that it will not lock out employees, and the Union agrees that it will not agree to, encourage or approve any strike or slowdown growing out of any dispute relating to the terms of this Agreement. The Union will take whatever lawful steps are necessary to prevent any interruption of work in violation of this Agreement, recognizing with the City that all matters of controversy within the scope of this Agreement shall be settled by established procedures set forth in the City's charter, ordinances, and regulations, and may be amended from time to time.

### **1.7 SEVERABILITY**

If any article, paragraph or section of this Memorandum shall be held to be invalid by operation of law, or by any tribunal of competent jurisdiction, or if compliance with or any enforcement of any provision hereof be restrained by such tribunal, the remainder of this Memorandum shall not be affected thereby, and the parties shall, if possible, enter into meet-and-confer sessions for the sole purpose of arriving at a mutually satisfactory replacement for such article, paragraph or section.

## **1.8 PREVAILING RIGHTS**

All matters within the scope of meeting and conferring which have previously been adopted through rules, regulation, ordinance or resolution, which are not specifically superseded by this Memorandum of Understanding, shall remain in full force and effect throughout the term of this Agreement.

## **1.9 FULL UNDERSTANDING, MODIFICATION, WAIVER**

### *1.9.1 Understanding*

The parties jointly represent to the City Council that this Memorandum of Understanding set forth the full and entire understanding of the parties regarding the matters set forth herein.

### *1.9.2 Waiver & Modification*

Except as specifically otherwise provided herein, it is agreed and understood that each party hereto voluntarily and unqualifiedly waives its right and agrees that the other shall not be required to meet and confer with respect to any subject or matter covered herein, nor as to wages or fringe benefits during the period of the term of this Memorandum.

The foregoing shall not preclude the parties hereto from meeting and conferring at any time during the term of this Agreement with respect to any subject matter within the scope of meeting and conferring by mutual agreement.

## **2 MMBA**

### **2.1 UNION RIGHTS**

#### *2.1.1 Union Stewards Designation*

The Union shall, by written notice to the City Manager, designate certain members as Employee Representatives. Employee Representatives shall be permitted reasonable time for Union activities including grievance representation. In all cases, the Representative shall secure permission from the Representative's supervisor before leaving a work assignment. Such permission shall not be unreasonably withheld.

Employee Representatives for salary discussions shall be in accordance with Meyers-Milias-Brown (MMB) Act.

#### *2.1.2 Bulletin Boards*

Authorized representatives of the Union shall be allowed to post Union notices on specified bulletin boards maintained on City premises.

### **2.2 DUES DEDUCTION**

#### *2.2.1 Collection of Dues*

(a) The City agrees, upon written consent of the employee involved, to deduct voluntary Union dues, COPE, or other Union sponsored programs selected by members, as established by the Union, from the salaries of its members. Dues and other voluntary contributions will be for a specified amount and will be made based on the information provided by the Union of employees in the Child Care Unit certified by the Union as having affirmatively authorized dues and other voluntary union deductions. The authorization of dues and other voluntary deductions will be made by the City based on the information provided by the Union.

(b) Voluntary deductions for dues, COPE, or other Union-sponsored programs shall start the pay period after the City receives written notification of the authorization from the Union. The sums to be withheld shall be remitted by the City, without delay, along with a list of employees and their respective



dues and voluntary deductions. The Union bears responsibility for allocating dues and voluntary deductions.

(c) Requests to authorize voluntary dues/other deduction(s), the specific amount of each such deduction(s), or requests to change status or amount of such deductions, shall be directed to the Union rather than the City. The City shall rely on the Union's explanation in a written certified list, submitted by a representative of the Union who has authority to bind the Union regarding whether an authorization/change in deduction(s) has been requested by the employee.

(d) The City shall not request the Union to provide a copy of any member employee's authorization unless a dispute arises about the existence or terms of the authorization. To the extent required by the Government Code, or otherwise required by law, the City will rely on the information provided by the Union in processing dues deductions for Union employees. The Union is responsible for providing the City with timely information regarding changes to member employees' dues deductions.

(e) Dues deductions, once initiated, will continue until the employee's authorization is revoked in writing by the employee. An employee may only revoke a dues deduction authorization by delivering to the Union a written notice of revocation to the Union. The authorization or cancellation of dues and other deductions will be made by the City based on the information provided by the Union.

(f) The employee's earnings must be regularly sufficient after other legal and required deductions are made to cover the amount of the dues or service fees check-off authorized. When an employee is in a non-pay status for an entire pay period, no withholding will be made to cover the pay period from future earnings. In the case of an employee who is in a non-pay status for only part of the pay period, and the salary is not sufficient to cover the full withholding, no deduction shall be made. In this connection, all other legal and required deductions have priority over Union dues.

(g) The Union will indemnify, defend, and hold harmless the City, its officials, representatives, and agents from and against any liability arising from any claims, demands, or other action relating to the City's compliance with this Section 2.2.1.

(h) The Union alone may grieve the City's failure to timely transmit the appropriate amount of voluntary union deductions. However, any other dispute regarding this section of the MOU is not subject to the grievance procedures contained in this MOU between the parties, including whether the employee authorized the deduction, the amount of the deduction, or whether the employee tried to revoke the authorization.

### *2.2.2 Dues Collection during Separation from Employment*

The provisions specified above (Section 2.2.1.) shall not apply during periods of separation from the representation Unit by any such employee but shall reapply to such employee commencing with the next full pay period following the return of the employee to the representation Unit. The term separation includes transfer out of the Unit, layoff, and leave without pay absences with a duration of more than five (5) working days.

## **2.3 MANAGEMENT RIGHTS**

The City reserves, retains, and is vested with, solely and excessively, all rights of management which have not been expressly abridged by specific provision of this Memorandum of Understanding or by law to manage the City, as such rights existed prior to the execution of this Memorandum of Understanding. The sole and exclusive rights of management, as they are not abridged by this Agreement or by law, shall include, but not be limited to, the following rights:

1. To manage the City generally and to determine the issues of policy;
2. To determine the existence of facts which are the basis of the management decision;

3. To determine the necessity of any organization or any service or activity conducted by the City and expand or diminish services;
4. To determine the nature, manner, means, technology and extent of services to be provided to the public;
5. Methods of financing;
6. Types of equipment or technology to be used;
7. To determine and/or change the facilities, methods, technology, means and size of the work force by which the City operations are to be conducted;
8. To determine and change the number of locations, re-locations and types of operations, processes and materials to be used in carrying out all City functions including, but not limited to, the right (after effect bargaining) to contract for or subcontract any work or operation of the City;
9. To assign work to and schedule employees in accordance with requirements as determined by the City, and to establish and change work schedules and assignments;
10. To relieve employees from duties for lack of work or other legitimate reasons;
11. To discharge, suspend, demote or otherwise discipline employees for proper cause in accordance with the provisions and procedures set forth in City Personnel Rules and Regulations and this MOU;
12. To determine job classifications and to reclassify employees;
13. To hire, transfer, promote and demote employees in accordance with this Memorandum of Understanding and the City's Rules and Regulations;
14. To determine policies, procedures and standards for selection, training and promotion of employees;
15. To establish and modify employee and organizational performance and productivity standards and programs including but not limited to, quality and quantity standards; and to require compliance therewith;
16. To maintain order and efficiency in its facilities and operations;
17. To establish and promulgate and/or modify rules and regulations to maintain order and safety in the City which are not in contravention with this Agreement;
18. To take any and all necessary action to carry out the mission of the City in emergencies.

The City and the Union agree and understand that if, in the exercise of any of the rights set forth above, the effect of said exercise of rights by the City impacts an area within the scope of representation as set forth in the Meyers/Milias/Brown Act, case law interpreting said acts, and/or Federal law, the City shall have the duty to meet and confer with the Union regarding the impact of its decision/exercise of rights.

#### **2.4 COMMENCEMENT OF NEGOTIATIONS**

It is mutually agreed to begin the Meet and Confer process no later than three (3) months before the expiration date of this MOU, regarding the terms and conditions applicable to successor MOUs. The process will be initiated by the Union through the submittal of potential meeting dates.

### **3 COMPENSATION**

#### **3.1 GENERAL WAGE INCREASE**

~~Effective the first full pay period in November 2021, the City will provide a 1.6% general salary increase plus a 1.4% equity increase to all bargaining unit classifications (a total of 3% increase).~~

~~Effective the first full pay period in November 2022, the City will provide a 1.6% general salary increase plus a 1.4% equity increase to all bargaining unit classifications (a total of 3% increase).~~

~~Effective the first full pay period in November 2023, the City will provide a 1.6% general salary increase plus a 1.4% equity increase to all bargaining unit classifications (a total of 3% increase).~~

~~Effective the first full pay period in November 2019 or the pay period in which the ratified MOU is first read in open session, whichever is later, the City will increase base wages for all employees by 2%.~~

~~Effective the first full pay period in November 2020, the City will increase base wages for all employees by 2%.~~

#### **3.2 ONE-TIME EXPEDITED BARGAINING PAYMENT**

~~The following one-time payment is limited to the two (2) years cited in this agreement and is not scheduled to recur in the future:~~

- ~~• Effective the first full pay period including November 1, 2019 or the pay period in which the ratified MOU is first read in open session, whichever is later, each employee in the bargaining unit will receive a one-time expedited payment of \$2,000.~~
- ~~• Effective the first full pay period including November 1, 2020, each employee in the bargaining unit will receive a one-time expedited payment of \$2,000.~~

~~These two (2) payments will not contribute to employees' pensions and are subject to normal payroll taxation. The one-time money payments for part-time employees will be prorated based on the full-time equivalent of the position.~~

#### **3.3.2 STEP INCREASES**

Except as provided below, when considering a step increase for Child Care Program employees, he/she must have at least one year of satisfactory service and have worked a minimum of 700 hours during the preceding year and receive a positive evaluation from his/her supervisor. If said employee does not qualify for a step increase after each year of service, he/she will be considered for that increase upon the completion of the minimum 700-hour requirement.

Employees are eligible to advance to Step E on their anniversary date after having spent at least two years at Step D.

#### **3.4.3 MERIT INCREASES**

Employees at the maximum step of their salary range may be granted a merit performance award of five percent (5%) above and beyond their salary range. A merit performance award may be effective for up to one (1) year. A merit performance award may be withdrawn and is not a disciplinary action and is not appealable.

#### **3.5.4 SPECIFIED WAGE ADJUSTMENTS / DIFFERENTIALS**

##### **3.5.1 Salary Range Differentials**

~~A 12.5% salary range differential between top step Instructor II and beginning step of Director and create an 11% salary range differential between top step Instructor I and beginning step of Instructor II.~~

### 3.5.23.4.1 *Split Shift Pay Differential*

Child Care workers covered by this MOU who have a two-hour or more break in shifts during the same day will receive a .5 hour premium pay for that day.

## **3.6.3.5 ADDITIONAL PAY**

### 3.6.13.5.1 *Educational Reimbursement*

An Educational Reimbursement Program is available to employees for courses that are: job related, assist the employee in meeting State licensing requirements and/or prepare the employee for career advancement in the child care field.

The reimbursement may not exceed 75% for the cost of the course, up to \$300 per fiscal year maximum. The Educational Reimbursement Program also includes an additional reimbursement of up to \$60 per fiscal year for professional membership dues for work-related organizations for employees.

To be eligible to receive reimbursement under this program the employee must:

- a. submit a written request and receive prior approval from the Recreation Supervisor for the Child Care Program;
- b. be regularly scheduled to work 20 hours or more per week;
- c. have completed initial probation before reimbursement is received; and
- d. satisfactorily complete the course.

### 3.6.2 Bilingual Pay

Employees in this unit may receive bilingual pay for full fluency in a foreign language and their use of this skill to provide services for the City. Full fluency is defined as a skill level that will allow the employee to fully assist a member of the public who does not speak English by translating for, conversing with, and/or reading or writing written material.

An employee can petition their Department Director for this bilingual pay incentive. The Department Director will review and make a recommendation to the Human Resources Director and City Manager. If approved, the employee will receive an additional \$150 per month above their base salary. Part-time employees will be pro-rated for this incentive based on their full-time equivalency (FTE).

Approval of bilingual pay incentive by the City Manager Includes:

1. Certification by a recognized school of the appropriate skill level and/or demonstrated ability of the proficiency level on the job; and
2. Department Director's recommendation and statement that bilingual skill of the employee can be of value to the Department and to the employee in the completion of their regular work assignments.

The bilingual pay incentive shall be reviewed annually and as long as the employee demonstrates (by work experience or re-testing, as determined by the City of San Rafael), the full fluency skill level, and as long as the Department Director indicates the value of this skill to the Department and the employee in completion of their regular work assignments.

Removal of this bilingual pay incentive would be considered a non-disciplinary action; however, removal of bilingual pay is appealable to the Human Resources Director. The determination of the Human Resources Director is not subject to any appeal/grievance procedure.

## 4 BENEFITS

### 4.1 EMPLOYEE BENEFITS COMMITTEE

Both parties agree to continue to utilize the Employee Benefits Committee for ongoing review of benefit programs, cost containment and cost savings options. The Committee shall be made up of representatives of SEIU, SEIU-Child Care, Western Council of Engineers (WCE), PEU Local 1 - Confidential, Police, Police Mid-Management, Fire, Fire Chief Officers, Mid-Management and Management employees.

### 4.2 HEALTH & WELFARE

#### 4.2.1 Full Flex Cafeteria Plan

Effective January 1, 2010, the City implemented a full flex cafeteria plan (known as the Flexible Benefits Plan) for active employees, in accordance with IRS Code Section 125. Active employees participating in the City's full flex cafeteria plan shall receive a monthly flex dollar allowance to purchase benefits under the full flex cafeteria plan.

The monthly flex dollar allowance effective December 15, 2021~~16~~ is:

For employee only:	\$ <del>745.00</del> <u>804.36</u>
For employee and one dependent:	\$ <del>1,056.00</del> <u>1,176.68</u>
For employee and two or more dependents:	\$ <del>1,083.00</del> <u>1,264.24</u>

The monthly flex dollar allowance effective December 15, 2022 is:

<u>For employee only:</u>	<u>\$ 804.36</u>
<u>For employee and one dependent:</u>	<u>\$ 1,226.68</u>
<u>For employee and two or more dependents:</u>	<u>\$ 1,364.24</u>

The monthly flex dollar allowance effective December 15, 2023 is:

<u>For employee only:</u>	<u>\$ 804.36</u>
<u>For employee and one dependent:</u>	<u>\$ 1,276.68</u>
<u>For employee and two or more dependents:</u>	<u>\$ 1,464.24</u>

*NOTE: For part time employee flex dollar allowances, see Section 4.2.53.*

Flex dollar allowances shall increase on the December 15th paycheck of each year up to a maximum of three percent (3%) on an annual basis, based on but not to exceed the Kaiser Bay Area premium rate increase for the upcoming calendar year.

The City shall contribute to the cost of medical coverage for each eligible employee and his/her dependents, an amount not to exceed the California Public Employees' Medical and Hospital Care Act (PEMHCA) contribution, as determined by CalPERS on an annual basis. This portion of the monthly flex dollar allowance is identified as the City's contribution towards PEMHCA. The balance of the monthly flex dollar allowance (after the PEMHCA minimum contribution) may be used in accordance with the terms of the cafeteria plan to purchase health insurance coverage or may be converted to taxable income.

~~Flex dollar allowances for the Employee +1 and Family level contribution shall increase on the December 15th paycheck of each year up to a maximum of three percent (3%) on an annual basis, based on but not to exceed the Kaiser Bay Area premium rate increase for the upcoming calendar year.~~

Conditional Opt-Out Payment: An employee may elect to waive the City's health insurance coverage and receive \$300 in monthly Opt-Out payment in accordance with the terms of the cafeteria plan and Affordable Care Act, if the employee complies with the following conditions:

- 1) The employee certifies that the employee and all individuals in the employee's tax family for whom coverage is waived, have alternative Minimum Essential Coverage as defined by the Patient Protection and Affordable Care Act through a provider other than a federal marketplace, a state exchange, or an individual policy.
- 2) During the City's annual open enrollment period, the employee must complete an annual written attestation confirming that the employee and the other members of the employee's tax family are enrolled in alternative Minimum Essential Coverage. The employee agrees to notify the City no later than 30 days if the employee or other member(s) of the employee's tax family lose coverage under the alternative Minimum Essential Coverage Plan.
- 3) The employee understands that the City is legally required to immediately stop conditional opt-out payments if the City learns that the employee and/or members of the employee's family do not have the alternative Minimal Essential Coverage.

The City reserves the right to modify at any time, the amount an employee is eligible to receive under this paragraph, if required by IRS Cafeteria Plan regulations.

#### 4.2.2 *Life Insurance*

Effective January 1, 2010, the City shall be responsible for paying premiums for a life insurance and Accidental Death and Dismemberment (AD&D) policy for each employee. The life and AD&D policy shall provide a \$5,000 life insurance and a \$5,000 AD&D benefit. The City shall also make available a voluntary life insurance program at employee expense.

#### 4.2.3 *Long Term Disability Policy*

Effective January 1, 2010, the City shall be responsible for paying premiums for a Long-Term Disability Policy for each employee that satisfies the eligibility provisions of the long-term disability policy. The Long-Term Disability policy shall provide for salary replacement of 66.67% of an individual's salary up to a maximum disability benefit of \$1,000 per month.

#### 4.2.4 *Retirees Health Insurance*

Employees represented by the Union who retire from the Marin County Employees' Retirement Association (MCERA) within 120 days of leaving their City of San Rafael position (and who comply with the appropriate retirement provisions under the MCERA laws and regulations) are eligible to continue in the City's retiree group health insurance program offered through PEMHCA. The City's contribution towards retiree coverage shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis.

##### **a. Longevity Payment for Employees hired on or before January 1, 2010**

The City shall make a monthly longevity payment into a Retiree Healthcare Reimbursement Trust (Retiree HRA Trust) on behalf of employees hired before January 1, 2010 and who retire from the City of San Rafael as described in this Section. The City's monthly contribution to the Retiree HRA trust shall not exceed \$543 per month. The City's contribution towards a retiree's Retiree HRA Trust account shall continue for the lifetime of

the retiree and retiree's spouse, in accordance with PEMHCA eligibility provisions for coverage.

- b. **Employees hired on or after January 1, 2010** and who meet the eligibility requirements for retiree health insurance are eligible to continue in the City's group health insurance program. The City's maximum contribution towards retiree coverage under this subsection, 3.1.5 B, shall be the PEMHCA minimum contribution as determined by CalPERS on an annual basis. The City shall not be responsible for making any contributions towards the cost of coverage of the retiree's spouse, registered domestic partner, or dependents upon the employee's retirement from the City in excess of the PEMHCA minimum contribution as required by CalPERS.

The City shall additionally make available a retiree health care trust to enable these employees hired on or after January 1, 2010 to prefund retiree health care premiums while employed by the City. The retiree health care trust shall be funded by annual conversion of 50 hours of sick time in service on July 1 of each year, provided an employee has a remaining balance of ~~75~~125 hours of sick leave after the conversion.

#### 4.2.5 *Pro Rata Benefit Rules*

Employees covered by this Agreement who work less than full time but more than twenty (20) hours per week on a regular basis shall be eligible to receive: a) pro-rated leave benefits; b) a pro-rated share of the monthly dollar contribution made by the city to be used for enrollment in city offered group health, life, and long term disability insurance plans which the employee may be eligible for based upon the regular hours the employee works, and c) pro-rated share shall be equivalent to the part time employee position's ratio of hours worked to full time equivalency.

For those part time employees hired prior to January 1, 2010, the flex dollar allowance shall be pro-rated based off of \$909 per month. For those electing "Employee Only" coverage, the maximum benefit for these part time employees shall be \$650 per month.

#### 4.2.6 *Health and Dependent Care Spending Accounts*

City will offer Flexible Spending Accounts as part of its Section 125 Plan for as long as such a plan is desired by the Union and available under the IRS Code. The Flexible Spending Accounts offered by the City include:

- a. **Healthcare Spending Account:** Out-of-pocket medical expenses that qualify under the IRS Code, up to the IRS Code limit. Employees are responsible to pay the monthly administrative fee and any increase established by the third party administrator.
- b. **Dependent Care Spending Accounts:** Dependent care expenses that qualify under the IRS Code, up to the IRS Code limit. Employees are responsible to pay the monthly administrative fee and any increase established by the third party administrator.
- c. **Premium Only Plan:** Employee's share of medical insurance premiums shall be deducted from employee's pay with pre-tax dollars as long as such deduction is allowable under the applicable IRS Code.

City shall establish annual enrollment period and each employee must re-enroll annually for either plan noted in a. and/or b. City shall have the authority to implement changes to the 125 Programs to comply with changes in applicable IRS laws without having to go through the meet and confer process.

#### 4.2.7 *Health Insurance Providers*

The City shall have the option, after meeting and consulting with representatives of the Union Stewards' Council, of either contracting with the Public Employees Retirement System (PERS) Health Benefits

Division for health insurance or contracting directly with some or all of the providers of health insurance under the PERS program; provided, however, contracting directly with the providers shall not cause any material reduction in insurance benefits from those benefits available under the PERS program.

### **4.3 DENTAL PLAN**

The City will provide a dental insurance program for all full-time and part-time, permanent employees regularly scheduled to work a minimum of 20 hours per week.

All employees enrolled in the dental insurance program will be enrolled in the subgroup that provides \$1,500 maximum benefit for one Dental Expense Period for all covered dental expenses, for all eligible enrollees, except for Orthodontic Treatment which has an aggregate maximum benefit (lifetime) of \$1,000 and is limited to eligible dependent children. The City will pay the full cost of the monthly dental insurance premium for full-time employees, including those with a 35-hour full-time position. For the eligible part-time, permanent employees enrolling in the City's group dental insurance program, the City will pay the first \$70 per month of the actual premium rate for the eligible part-time, permanent employees and the enrolled employee will be responsible through payroll deduction for the balance of the monthly premium. In the event of an increase in the dental insurance premium, the City payment of eligible part-time, permanent employees shall be increased to maintain the same dollar differential between full-time and part-time. The plan shall cover enrollment for eligible employees and their eligible dependents. Refer to the dental insurance policy booklet for eligibility requirements and specific coverage and other benefit limitations.

### **4.4 VISION PLAN**

The City will provide vision care benefits for employee only coverage. Employees may enroll qualified family members and pay the premium costs for such enrollment.

### **4.5 RETIREMENT CONTRIBUTION**

#### *4.5.1 Eligibility*

All employees whose full-time equivalency (FTE) is  $\frac{3}{4}$  of a full-time equivalent in their classification shall be eligible members of the Marin County Retirement Association. Employee rates shall be set according to MCERA policy. All other employees (except those noted above) shall be enrolled in the Public Agency Retirement System (PARS) as long as that remains an approved alternative to Social Security.

#### *4.5.2 City Paid Employee Retirement (City Paid Member Contribution)*

Bargaining unit, members shall pay the full share of the employee's contribution to the Marin County Retirement System. The employee's share of their contribution shall be paid by the employee through automatic payroll deductions. In accordance with the Marin County Employees Retirement Association (MCERA) and City administrative requirements, all unit employees will pay an additional contribution of one percent (1%) of pensionable compensation toward the normal cost of pension provided by MCERA, in addition to the current employee contribution towards pension as determined by MCERA.

The City of San Rafael acknowledges that under its current practice, the employees' share of their retirement contribution is deducted with pre-tax dollars. This practice will continue until changed through the Meet and Confer process or until IRS regulations change.

#### *4.5.3 Retirement Plans*

On January 1, 2007, the City shall provide the Marin County Employee Retirement Association 2.7% at 55-retirement program to all eligible miscellaneous members, as defined under the 1937 Act Government Code Section 31676, subject to Marin County Employee Retirement Association



procedures and regulations and applicable 1937 Act laws that govern such plans. This is based on an employee's single highest year of compensation.

Employees hired on or after January 1, 2012, will receive an MCERA retirement benefit at the formula 2% at 55, calculated based on the average of their highest three years of compensation, in accordance with MCERA regulations. The annual pension adjustment shall be a maximum of 2% COLA. Minimum retirement age is 55.

Employees hired by the City on or after January 1, 2013 who are defined as "new members" of MCERA in accordance with the Public Employees' Pension Reform Act (PEPRA) of 2013, shall be enrolled in the MCERA 2% @ 62 plan for Miscellaneous members. The employee is responsible for paying the employee contribution of half of the total normal cost of the plan, as defined by MCERA, through a payroll deduction. Final compensation will be based upon the highest annual average compensation earnable during the thirty-six (36) consecutive months of employment immediately preceding the effective date of his or her retirement or some other period designated by the retiring employee. (Sections 4.5.3, 4.5.4, 4.5.5)

#### 4.5.4 *Member Cost of Living Rates*

Effective January 1, 2007, bargaining unit members who are eligible to participate in the Marin County Employee Retirement Association will pay their full share of members' cost of living rates as allowed under Articles 6 and 6.8 of the 1937 Retirement Act. Contribution rates include both the basic and COLA portions (50% of COLA is charged to members as defined in the 1937 Act).

### **4.6 DEFERRED COMPENSATION PLAN**

Child Care Unit employees who are contracted to work 35 hours or more each week are eligible to participate in the City's Deferred Compensation Plan.

### **4.7 STATE DISABILITY INSURANCE (SDI)**

Employees will have the full premium cost for SDI coverage automatically deducted from their paycheck and no City contribution will be made toward participation in the plan.

It is incumbent upon the employee to keep the City advised of their medical status, within HIPAA guidelines, and eligibility for SDI. With this notification, SDI benefits, as determined by the State, shall be integrated with accrued sick and vacation leave in the following manner:

- a. Employee notifies supervisor of disability and need for time off. At the same time employee files for SDI through the State Office.
- b. Supervisor verifies from leave records the employee's accrual balances and projects whether or not employee would, under normal circumstances, be placed in a leave without pay status during the time off period.
- c. Personnel Action Report (PAR) is completed by the supervisor to document request and approval of extended leave.
- d. Human Resources Department, on receipt of the PAR, contacts employee and supervisor to discuss availability of coordination of SDI with leave benefits.
- e. Employee's time off is recorded as sick leave and then, if necessary, vacation leave on time cards submitted by the supervisor to the Payroll Office.
- f. Upon receipt of the SDI payments, the employee must endorse the payments over to the City of San Rafael to receive credit for leave taken.
- g. Based upon the employee's hourly rate of pay, the Payroll Office computes how much used sick and/or vacation leave time the employee will be credited and credits the employee with those

hours. NOTE: The employee may not be credited more than they accrued at or during the time of the disability.

- h. The Human Resources Department, after notification from Payroll, notifies the employee when they have used all accrued sick and/or vacation time and when leave without pay status (LWOP) begins. Once the employee is on LWOP, they would keep any SDI payments received and would be fully responsible for the monthly health, dental and life insurance premiums (except during qualifying FMLA/CFRA leave) if they choose to remain in the group plans.

## **5 LEAVES**

### **5.1 SICK LEAVE**

#### *5.1.1 Eligibility*

Sick leave with pay shall be granted to each eligible employee. Sick leave shall not be considered a privilege which an employee may use at employee's discretion but shall be allowed only in case of necessity and actual sickness or disability. The employee is required to notify employee's immediate supervisor or Department Director according to department rules and regulations at the beginning of his/her daily duties. Every employee who is absent from his/her daily duties for two (2) or more consecutive days may be requested by the supervisor to provide a physician's certificate. The inability or refusal by said employee to furnish the requested information, as herein required, shall constitute good and sufficient cause for disciplinary action, including dismissal.

#### *5.1.2 Sick Leave Accrual*

Eligible employees shall earn sick leave credits at the rate of one (1) working day per month commencing with the date of employment (based on the daily hours an eligible employee has contracted to work).

#### *5.1.3 Use of Sick Leave*

An employee may use accrued sick leave during their probationary period. An employee eligible for sick leave with pay shall be granted such leave for the following reasons:

1. Personal illness or illness within the immediate family ~~(as defined by the CAL-PERS health insurance regulations,~~ including but not limited to the employee's spouse, registered domestic partner, sibling, unmarried children, including adopted child, stepchild, grandchild or recognized natural child who lives with the employee in a regular parent-child relationship, parent, including in-laws, and grandparents), or for any physical incapacity resulting from causes beyond the employee's control; or
2. Enforced quarantine of the employee in accordance with community health regulations; or
3. Medical appointments that cannot be scheduled during non-working hours.

#### *5.1.4 Advance of Sick Leave*

Whenever circumstances require, and with the approval of the City Manager, sick leave may be taken in advance of accrual up to a maximum determined by the City Manager, provided that any employee separated from the service who has been granted sick leave that is unaccrued at the time of such separation shall reimburse the City of all salary paid in connection with such unaccrued leave.

#### *5.1.5 Service Credit for Sick Leave*

Employees retiring from city service, within 120 days of leaving their position (excludes deferred retirements), and who will be receiving an ongoing retirement annuity from the Marin County Employees' Retirement System can receive service credit for retirement purposes only, for all hours of accrued,

unused sick leave (exclusive of any sick leave hours they are eligible to receive and which they elect to receive in the form of compensation for at the time of retirement pursuant to Section 5.1.6 Compensation for Unused Portion.

Employees hired on or after October 31, 2009 are not eligible to receive employment service credit of any accrued, unused sick leave for retirement purposes.

**5.1.6 Compensation for Unused Portion**

Upon termination of employment by retirement (must retire within 120 days of leaving their City position, i.e., age and service eligible for retirement. Minimum 50 years old and 10 years of continuous service) or death, an eligible employee who leaves the City service in good standing shall receive compensation for all accumulated unused sick leave based upon the rate of three percent (3%) for each year of service, to a maximum of fifty percent (50%). The maximum accrual for payoff purposes is 150 days (based on employee’s contracted work hours per day.

See Section 5.1.5 above for service credit eligibility for unused portion of sick leave.

**5.2 VACATION LEAVE**

**5.2.1 Eligibility**

Annual vacation with pay shall be granted to eligible employees. Vacation accrual shall be prorated for those employees working less than full time. Vacation leave does not accrue to those working in the Child Care Temporary class. Vacation benefits may be taken as accrued and provided in Section 5.2.2. below. Probationary employees may take accrued vacation if authorized by the Department Director and approved by the City Manager.

**5.2.2 Rate of Accrual**

Vacation benefits shall accrue during the probationary period. However, use of accrued benefits shall not be allowed until the successful completion of the probationary period, unless specifically authorized by the Department Director and City Manager. Eligible employees shall commence to accrue vacation at the following rate for continuous service: Each service year on the chart begins in the first working day and ends on the last day of the service year.

SERVICE YEAR	ANNUAL ACCRUAL
1	10 days
2	10 days
3	10 days
4	15 days
5	15.75 days
6	16.50 days
7	17.25 days
8	18.00 days
9	18.75 days
10	19.50 days
11	20.00 days
12	21.00 days
13	22.00 days

14	23.00 days
15	24.00 days
16 plus	25.00 days

*Note: Vacation accrual rates shall be based on the daily hours an employee has contracted to work. If the employee's work day is six (6) hours, the employee will accrue ten (10) six-hour vacation days.*

### 5.2.3 Administration of Vacation Leave

The City Manager, upon the recommendation of the Department Director, may advance vacation credits to any permanent regular and permanent part-time employee. The time at which an employee may use his accrued vacation leave and the amount to be taken at any one time shall be determined by the employee's Department Director with particular regard for the needs of the City but also, insofar as possible, considering the wishes of the employee.

In the event that one or more City holidays fall within an annual vacation leave, such holidays shall not be charged as vacation leave and the vacation leave shall be extended accordingly.

Employees who resign from City service shall be paid in a lump sum for all accrued vacation leave earned prior to the effective date of termination.

The vacation accrual cap for all employees accruing vacation shall be 250 hours.

### 5.2.4 Vacation Cash-In

An employee who has taken at least ten (10) days of vacation in the preceding twelve (12) months may request, in May or November in any fiscal year, that accrued vacation, not to exceed seven (7) days, be converted to cash payments and the request may be granted at the discretion of the City Manager. Employees cannot cash in more than seven (7) days of vacation in any one twelve (12) month period.

## 5.3 HOLIDAYS

### 5.3.1 Paid Holidays

Employees shall be granted the following holidays:

January 1 <sup>st</sup>	New Year's Day
The third Monday in January	Martin Luther King Jr. Day
The third Monday in February	Washington's Birthday
March 31 <sup>st</sup>	Cesar Chavez Day
The last Monday in May	Memorial Day
July 4 <sup>th</sup>	Independence Day
The first Monday in September	Labor Day
November 11 <sup>th</sup>	Veteran's Day
The fourth Thursday in November	Thanksgiving Day
The fourth Friday in November	Day after Thanksgiving
December 25 <sup>th</sup>	Christmas Day

At the discretion of the Recreation Supervisor for the Child Care Program, the celebrated City holidays, noted above, will be coordinated with the public schools served by the Child Care Centers and/or those holidays falling on a Saturday or Sunday will be observed on either the Friday before or the Monday

after pursuant to the City's annual holiday schedule. Part-time employees will be paid for holidays on a pro-rated basis.

### 5.3.2 *Floating Holidays*

In addition to the designated holidays, employees in this Unit receive two (2) floating holidays. One floating holiday will be provided in November and one floating holiday will be provided in May each year. Floating holidays not used by the end of the calendar year will be added to an employee's vacation balance in the first full pay period of each January. Part-time employees will be paid for holidays on a pro-rated basis.

## 5.4 OTHER LEAVE

### 5.4.1 *Bereavement Leave*

In the event of the death of an employee's spouse, child, parent, brother, sister, registered domestic partner, grandchild, grandparent, in-laws, relative who lives or has lived in the home of the employee to such an extent that the relative was considered a member of the immediate family and/or another individual who has a legal familial relationship to the employee and resided in the employee's household, up to three (3) days within the State and up to five (5) days out-of-state may be granted for bereavement leave.

In those cases where the death involves an individual who had such a relationship with the employee, as defined above, the employee shall sign a simple affidavit describing the relationship and submit this to the Department Director as part of the request for bereavement leave.

### 5.4.2 *Jury Duty*

Employees required to report to jury duty shall be granted a leave of absence with pay from their assigned duties until released by the court, provided that the employee provides advance notice to the Appointing Authority and remits to the City all per diem service fees except mileage or subsistence allowance within thirty days from the termination of such duty.

### 5.4.3 *Military Leave*

Military leave shall be granted in accordance with the State of California Military and Veteran's Code as amended from time to time. All employees entitled to military leave shall give the appointing authority and the Department Director an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

### 5.4.4 *Leave of Absence Without Pay*

Leave of absence without pay may be granted by the City Manager upon the written request of the employee and the recommendation of the Child Care Recreation Supervisor. Accrued vacation leave and if applicable, accrued sick leave, must be exhausted prior to the granting of leave without pay.

### 5.4.5 *Industrial Injury Leave*

For benefits under Workers' Compensation, an employee should report any on the job injury to his/her supervisor as soon as possible, preferably within twenty-four (24) hours. The Human Resources Department coordinates benefits for Workers' Compensation claims. For further information, see the City's Workers' Compensation policy located on the Intranet (<https://intranet.cityofsanrafael.org>).

Employees of the City who have suffered any disability arising out of and in the course of their employment as defined by the Worker's Compensation Insurance and Safety Act of the State of California, are entitled to all benefits allowed them by the Worker's Compensation Insurance and Safety Act of the State of California.

Temporary disability payments (TD) are made to all employees (full and part-time) when a physician reports an employee is unable to perform their job duties due to an industrial injury and the City cannot accommodate the restrictions mandated by their physician. TD is set by State law and is approximately two-thirds of full salary with state-mandated minimums and maximums. For full-time, regular employees, however, the City augments TD payments with salary continuation, as follows: Compensation leave payments shall not exceed the employee's regular full pay for the first three (3) calendar months and three-fourths (3/4) of the regular full pay for the following six (6) calendar months.

#### **Sick Leave Usage Post Industrial Injury/Illness:**

The following rule applies to employees who have an accepted industrial injury/illness: Available accrued sick leave cannot be used for more than 60 calendar days after one of the following has been determined:

- The employee has reached maximum medical improvement and/or has been determined "permanent and stationary."
- The employee has been determined to be unable to return to their usual and customary occupation, with or without reasonable accommodation.

Given the above has occurred, next steps would include:

- The interactive process; attempt to locate other appropriate employment within the City
- If none available, proceed with termination process, including disability retirement application and/or Skelly process, if appropriate.

#### **5.4.6 Family Medical Leave**

Union members agree to adhere to the provisions of the City's Family Medical Leave Policy which is available on the City's Intranet Website.

#### **5.4.7 Catastrophic Leave**

Catastrophic Leave shall be in accordance with City Catastrophic Leave Policy which is available on the City's Intranet website.

#### **5.4.8 Emergency/Smoke Leave**

In the event that an emergency is declared that impacts the City Child Care facilities or operations and results in the closure of any facilities, employees in this bargaining unit ~~will be granted leave and compensated for the regularly scheduled work day with no adverse effect on the employee.~~

~~Employees~~ may be required to report to a worksite other than their regularly scheduled worksite to assist in emergency duties or to a non-impacted child care worksite for childcare duties at the discretion of the City.

If employees are not assigned to a non-impacted worksite or assigned to assist in emergency duties, they shall be granted leave up to 10 days in any calendar year and compensated for their regularly scheduled work day with no adverse effect to the employee.

This provision applies to Federal, State, County, or City declared emergencies or other non-declared circumstances that result in the closure of District schools.

The above section also applies if an employee is unable to work because the employee has been ordered to evacuate their permanent residence due to natural disaster or other government-declared emergency.

## **6 TERMS & CONDITIONS OF EMPLOYMENT**

### **6.1 HOURS OF WORK**

The work week for Child Care Center Directors shall be 37.5 hours per week and 35.0 hours per week for Child Care Instructors I and II.

Within the hours of operation, changes in the days or hours of the regular work schedule of an employee shall be posted at least seven (7) days in advance. No advance notice to employees by the City of schedule changes will be required when changes occur as a result of work-related emergencies, i.e., multiple sicknesses, disabilities or injuries; or staff shortage occurring less than seven days in advance or due to unplanned changes in school operations or schedules beyond the control of the City.

### **6.2 STAFF DEVELOPMENT / TRAINING DAYS**

Effective July 1, 1995, four (4) days of staff development/preparation will be provided per fiscal year. The scheduling of these days during the fiscal year will be accomplished through the recommendation of the Child Care Center Directors and approval of the Recreation Supervisor for the Child Care Program.

### **6.3 OVERTIME**

Overtime shall mean actual time worked beyond the standard scheduled workday or work week used for full-time employees as defined per job classification. A work or duty week shall be defined as seven (7) consecutive calendar days, beginning 0001 hours Sunday through 2400 hours Saturday.

Overtime is compensable to the nearest half-hour and must have prior authorization and approval of the Department Director.

### **6.4 COMPENSATORY TIME POLICY**

With the Department Director's approval, compensatory time, in lieu of overtime pay, may be taken subject to the following rules:

#### *6.4.1 Accrual Limit*

Upon accrual of time, five (5) days or forty (40) hours of compensatory time, employees shall be paid overtime at a rate of time and one-half of their base salary rate for hours worked and may not accrue additional compensatory time.

#### *6.4.2 Overtime Rate*

Employees who work overtime must be paid at the rate of time and one-half or may accrue compensatory time at a rate of time and one-half subject to the limitations in 6.4.1. Employees who elect compensatory time must take the time off, preferably within the quarter during which it was earned.

#### *6.4.3 Use & Carry Over*

All compensatory time earned during the fiscal year must be used by June 30<sup>th</sup> of that year with one exception. Upon the recommendation of the supervisor and approval of the Department Director, employees may carry over up to forty (40) hours of compensatory time provided it is taken within the following quarter (7-1 to 9-30).

### **6.5 PROBATION**

All employees hired on or after January 16, 1986, shall be required to serve a probationary period of one (1) year. ~~and~~

An employee who is appointed to a higher job classification shall serve a one-year promotional probationary period. ~~when appointed to a higher job classification.~~ If released from promotional probation, the employee will return to the previous job classification held before their promotion.

## **6.6 TEMPORARY PROMOTIONS**

Employees assigned to work out of class and perform the work of a Child Care Center Director for a period of three consecutive days or longer, will be compensated at an hourly rate of five percent (5%) greater than the employee's current rate, or at the lowest step of the Child Care Center Director's salary range, whichever is greater. The increase shall be retroactive to include the first day.

## **6.7 PERSONNEL RULES & REGULATIONS**

### *6.7.1 Harassment Policy*

It is the City's intent and purpose to provide all officials, employees, applicants, and contractors with an environment that is free from any form of harassment, discrimination or retaliation. Employees shall refer to the City Policy against Harassment, Discrimination and Retaliation which is available on the City's Intranet website.

### *6.7.2 Drug & Alcohol Policy*

The employees covered by this bargaining agreement agree to abide, as a condition of employment, by the terms of the City's Drug Free Work Place Policy which is available with the City's policies and on the City's Intranet website.

## **6.8 MISCELLANEOUS**

### *6.8.1 CPR / First Aid Training*

An annual program for cardiopulmonary resuscitation (CPR) and First Aid certification will be provided for persons working as Child Care Directors and Instructors II.

### *6.8.2 Gratuities / Solicitation of Contributions*

No employee shall receive, request, solicit, or demand gratuities from any citizen or company for services provided by the City. Such action shall be considered grounds for disciplinary action up to and including dismissal.

### *6.8.3 Labor / Management Meetings*

During the term of the Agreement, the City and the Union agree that consultation meetings may contribute to improved employer-employee relations. Issues relating to the cost of living in Marin County, job classes within the City and promotional opportunities may serve as a basis for initial agenda items to be discussed.

The committee shall be comprised of three (3) representatives from the Child Care Unit and three (3) from City Management as well as the Union staff and the Human Resources Director. The parties agree that committee members may change depending on the subject matter.

Meetings may be requested by either party. The party requesting the meeting shall submit a proposed agenda and the receiving party shall acknowledge and confirm the date, time and location of the requested meeting. It is intended that the subject matter will not include issues subject to Grievance Procedures outlined in this MOU and this language is not intended to create a re-opener clause in this MOU.

### *6.8.4 Child Care Division Employee Program Discount*

All Child Care Division staff with children enrolled in any City of San Rafael Child Care Division program will receive a 50% discount on program fees based on their level of enrollment. All policies regarding



admission and attendance in the Child Care Program will continue to apply to Child Care staff in accordance with the Child Care Division Parent Handbook and Child Care Staff Handbook.

## **7 PROCEDURES**

### **7.1 DISCIPLINARY ACTION**

#### *7.1.1 Right to Discipline & Discharge*

Upon completion of the designated probationary period, an employee shall be designated as a non-probationary employee and the City shall have the right to discharge or discipline any such employee for dishonesty, insubordination, drunkenness, incompetence, negligence, failure to perform work as required or to observe the Department's safety rules and regulations or for engaging during the term of this Memorandum of Understanding, in strikes, individual or group slowdowns or work stoppages, or for violating or ordering the violation of the Memorandum of Understanding. The City shall use progressive disciplinary steps (i.e., reprimand, suspension, demotion, discharge) unless the violation is such as to justify termination. Disciplinary action shall mean discharge/dismissal, demotion, reduction in salary, and suspension resulting in loss of pay.

In addition, the City may discipline or discharge an employee for the following: Fraud in securing appointment; negligence of duty; violation of safety rules; unacceptable attendance record including tardiness, overstaying lunch or break periods; possession, distribution or under the influence of alcoholic beverages, non-prescription or unauthorized narcotics or dangerous drugs during working hours; inability, unwillingness, refusal or failure to perform work as assigned, required or directed; unauthorized soliciting on City property or time; conviction of a felony or conviction of a misdemeanor involving moral turpitude; unacceptable behavior toward (mistreatment or discourteousness to) the general public or fellow employees or officers of the City; falsifying employment application materials, time reports, records, or payroll documents or other City records; misuse of City property; violation of any of the provisions of these working rules and regulations or departmental rules and regulations; disorderly conduct, participation in fights, horseplay or brawls; dishonesty or theft; establishment of a pattern of violations of any City policy or rules and regulations over an extended period of time in which a specific incident in and of itself would not warrant disciplinary action, however, the cumulative effect would warrant such action; failure to perform an acceptable level of work quality and quantity; insubordination; other acts inimical to the public service; inability or refusal to provide medical statement on cause of illness or disability.

#### *7.1.2 Preliminary Notice*

A non-probationary employee shall receive a preliminary written notice from the Recreation Supervisor for the Child Care Program of any proposed disciplinary action that involves the loss of pay. The notice must contain a specific statement of charges or grounds upon which the proposed disciplinary action is based and the date the disciplinary action will be effective.

Any known written materials, reports or documents upon which the disciplinary action is based must be attached to the notice.

Upon receipt of the notice, the non-probationary employee shall have five (5) days to appeal the matter in writing in Step 2 of the Grievance Procedure. If a written appeal is filed, no disciplinary action shall be imposed until the Department Director has conducted a hearing with the employee and employee's representative present and has heard the response of the employee. If no written appeal is filed within five (5) days, the employee shall be deemed to have waived his/her right to proceed to Step 4 of the Grievance Procedure.

### 7.1.3 *Disciplinary Action and Appeal*

After hearing the response of the employee, the Department Director may order that the proposed disciplinary action or modification thereof be imposed. The decision of the Department Director shall be final and binding for suspensions of five (5) days or less. For suspensions of more than five (5) days, demotions, reduction in pay, and terminations, thereafter, the employee shall notify the City within ten (10) days to appeal the matter to Step 4 (Arbitration) of the Grievance Procedure. The matter shall then proceed in accordance with the Grievance Procedure.

## 7.2 GRIEVANCE PROCEDURE

### 7.2.1 *Definition*

1. **Grievance** is a dispute, which involves the interpretation or application of any provision of this Memorandum of Understanding. All ordinances, resolutions, rules and regulations, which are not specifically covered by the provisions of this Memorandum shall not be subject to the Grievance Procedure.
2. **Day** shall mean any that the City Office is open for business, excluding Saturdays, Sundays and the holidays recognized by the City.
3. **Grievant** may be an individual employee or a group of employees or the Union on the behalf of a group of employees or the Union on its own behalf on matters involving the City and Union relationship.
4. **Time limits** begin with the day following the event causing the grievance or the day following receipt of a grievance decision.

### 7.2.2 *Procedure*

#### **Step 1**

Within seven (7) days of when the grievant knew or should have known of the act or omission causing the grievance, the grievant shall present either in writing or verbally a clear and concise statement of the grievance to the immediate supervisor.

Within five (5) days thereafter, the immediate supervisor shall investigate and respond to the allegations of the grievant.

#### **Step 2**

If the grievant is not satisfied with the resolution at Step 1, the grievant must reduce the grievance to writing and present it to the Department Director within five (5) days.

The written grievance shall contain a statement of facts about the nature of the grievance and shall identify the specific provisions of this Memorandum of Understanding alleged to be violated, applicable times, places and names of those involved, the remedy or relief requested, and shall be signed by the grievant.

The Department Director shall confer with the grievant and within ten (10) days respond to the allegations in writing.

#### **Step 3**

If the grievant is not satisfied with the resolution at Step 2, the grievant shall within five (5) days appeal the matter to the City Manager.

The City Manager shall investigate the matter, conduct a hearing if the City Manager deems it appropriate and within ten (10) days, thereafter, respond to the allegations in writing.

#### **Step 4**

If the grievance remains unresolved after Step 3, the Union may, by written notice to the City Human Resources Department within ten (10) days after the receipt of the response in Step 3, notify the City that the Union wishes to appeal the grievance to final and binding arbitration. The parties shall attempt to agree upon an arbitrator. If no agreement is reached, they shall request a list from the State Conciliation Service of nine (9) names.

Each party shall then alternately strike a name until only one (1) name remains, said person to be the arbitrator. The order of striking shall be determined by the flip of a coin.

#### **7.2.3 Arbitration**

The arbitrator shall be empowered to conduct a hearing and to hear and receive evidence presented by the parties. The hearing shall be informal and need not be conducted according to technical rules of evidence. Repetitious evidence may be excluded and oral evidence shall be taken only under oath. The arbitrator shall determine what evidence is relevant and pertinent, as well as any procedural matters, and he/she may call, recall and examine witnesses, as he/she deems proper.

The burden of proof shall be upon the Union in grievance matters and upon the City in disciplinary/discharge matters.

After the conclusion of any hearing and the submission of any post hearing evidence or briefs agreed upon by the parties, the arbitrator shall render a written decision which shall be final and binding upon the City, the Union and any employee(s) involved in the grievance or disciplinary matter.

The arbitrator shall not be empowered to add to, subtract from, or in any way modify or alter any provision of this Memorandum of Understanding. The arbitrator shall only determine whether a grievance exists in the manner alleged by the grievant, and what the proper remedy, if any, shall be, or in the case of disciplinary/discharge matter whether the City allegations are accurate and the appropriateness of the disciplinary penalty.

The fees and expenses of the arbitrator shall be shared equally by the Union and the City. All other expenses shall be borne by the party incurring them. The cost of the services of court reporter shall be borne by the requesting party unless there is a mutual agreement to share the cost or unless the arbitrator so requests. Then the costs will be shared equally.

#### **7.2.4 General Provisions**

1. Employees who participate in the Grievance Procedure, by filing a grievance or acting as a witness on the behalf of either party shall be free from discrimination by either the Union or the City.
2. A grievant has the right to be represented at each stage of the procedure, to cross examine witnesses, and have access to all information regarding the basis of the grievance upon which the City relies in making its determinations.
3. If the City management fails to respond within the specified time limits, the grievance shall, at the request of the Union, automatically be moved to the next step of the procedure. If the Union or a grievant fails to process or appeal a grievance within the specified time limits, the matter shall be deemed settled. The parties may by mutual agreement waive the steps in the procedure.
4. If a hearing is held during work hours of employee witnesses, such employees shall be released from duties without loss of pay or benefits to appear at the hearing. Witnesses requested by the parties shall be compelled to attend said hearings.
5. The Human Resources Department shall act as the central repository for all grievances.

6. Time limits contained herein may be extended by mutual agreement of the parties. Absence for bona fide reasons by a grievant, the Union Executive Secretary or any management official involved in responding to the grievance shall automatically extend the time limits by the same number of days of absence.

### **7.3 VOLUNTARY TIME OFF (VTO)**

An employee may request voluntary time off without pay, in lieu of using accrued vacation and/or sick leave, for a minimum of one full workday and not to exceed ten (10) working days in any calendar year. The needs of the City, specifically the Child Care Division will need to be considered prior to approving a request for VTO.

### **7.4 REDUCTION IN FORCE**

#### *7.4.1 Authority*

The Appointing Authority may lay off, without prejudice, any employee covered by this MOU because of lack of work or funds, or organizational alterations, or for reasons of economy or organizational efficiency.

#### *7.4.2 Notice*

Employees covered by this MOU designated for layoff or demotion shall be notified in writing at least fifteen (15) calendar days prior to the anticipated date of termination or demotion. The employee organization shall also be notified.

#### *7.4.3 Order of Layoff*

Layoffs and/or reductions in force shall be made by classification, consistent with the licensing requirements of the California Department of Social Services. A classification is defined as a position or number of positions having the same title, job description and salary. Extra hire employees shall be laid off before permanent employees in the affected classification. In effecting the preceding order, a part-time permanent employee with more seniority can displace a full-time permanent employee.

#### *7.4.4 Seniority*

If two or more employees within a classification have achieved permanent status, such employees will be laid off or reduced on the following basis:

- a. Seniority within the affected classification will be determinative. Such seniority shall include time served in higher classification(s). The computation of seniority for part-time employees will be credited on a pro-rata basis to full-time service. Time spent on a City Manager approved leave of absence without pay does not count toward seniority.
- b. If the seniority of two or more employees in the affected classification or higher classifications(s) is equal, departmental seniority shall be determinative.
- c. If all of the above factors are equal, the date regular status in City service is achieved shall be determinative.
- d. If all of the above are equal, date of certification for appointment shall be determinative.

#### *7.4.5 Bumping Rights*

An employee designated to be laid off may bump into a class at the same salary level, for which he or she meets the minimum qualifications or into the next lower classification in which such employee has previously held regular status. An employee who is bumped shall be laid off in the same manner as an employee whose position is abolished.

#### 7.4.6 *Transfer Rights*

The Human Resources Director will make every effort to transfer an employee who is to be affected by a reduction in force to another vacant position for which such employee may qualify. The length of eligibility for such transfer will be the period of notification as provided in Section 7.4.2, but no longer than the effective date of such layoff or reduction.

### **7.5 RE-EMPLOYMENT**

#### 7.5.1 *General Guidelines*

Individuals who have been laid off or demoted shall be offered re-appointment to the same classification in which they held status in the order of seniority in the classification. Individuals demoted in lieu of reduction in force shall be offered restoration to the highest class in which they held status and in which there is a vacancy prior to the appointment of individuals who have been laid off.

#### 7.5.2 *Right to Re-Employment*

Each person who has been laid off or demoted in lieu of a layoff from a position the person held, shall, in writing, be offered re-appointment in the same classification should a vacancy occur in the classification within two years after the layoff or demotion. Prior to being re-employed, the employee must pass a physical exam administered by a City appointed physician and must pass the background check administered by the City.

#### 7.5.3 *Time Limits*

Should the person not accept the re-appointment within seven (7) calendar days after the date of the offer, or should the person decline or be unable to begin work within two weeks after the date of acceptance of the offer, the person shall be considered unavailable for employment, shall forfeit the right to re-employment and be removed from the re-employment list.

#### 7.5.4 *Availability*

Whenever a person is unavailable for re-employment, the next senior person who is eligible on the re-employment list shall be offered re-employment.

#### 7.5.5 *Probationary Status*

Employees re-appointed under the provisions above will not be required to complete a new probationary period if they had previously held permanent status in the classification. Employees who had not completed their probationary period shall serve the remainder of the probationary period upon re-appointment.

#### 7.5.6 *Restoration of Benefits*

Employees restored to previously held positions shall be deemed to have returned from a leave of absence for the purpose of all rights and benefits legally permissible. Time not on the payroll will not count as time worked for the purposes of seniority accrual.

## **8 REOPENER RELATED TO REORGANIZATION OF CITY'S CHILDCARE PROGRAM**

The City anticipates it may need to restructure the Childcare program in order to modify the service delivery model to make the program more sustainable, reduce vacancies and ensure competitive compensation. ~~;~~ In the event that the Miller Creek School District implements full-day kindergarten classes or the City is not able to fill its current budgeted staffing levels, the City would like to explore additional options to modify the service delivery model. In anticipation of this, the Parties agree to work collaboratively over the term of this agreement on plans to reorganize before final decisions are made and subsequently, to meet and confer to the extent required by the MMBA upon the request of the City

regarding any plan to reorganize the Childcare program during the term of this MOU, and that this reorganization may include the following:

- 1) Modification of bargaining unit employees' work schedules and the number of hours bargaining unit employees work under Section 6.1 of the MOU-
- 2) -Utilizing part-time Instructors and Directors
- 3) Fixed Term Instructors
- 4) Classification study of the current classifications

The City agrees it will provide at least 90 days' notice to~~notify~~ the Union of its reorganization plans and will provide the Union the right to meet and confer with the City. This section does not waive the Parties' obligations pursuant to the MMBA to negotiate in good faith regarding negotiable subjects.

**SEIU Local 1021 – Child Care:**

**CITY OF SAN RAFAEL:**

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**Joel Evans-Fudem**  
**SEIU 1021 Field Representative**

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**Tim Davis, Lead Negotiator**  
**Burke Williams Sorensen**

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**Patricia Cerutti-Saylors, Child Care Director**

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**Sylvia Gonzalez-Shelton, HR Operations Manager**

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**Gabriela Farias, Child Care Director**

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**Jocelyn Hallroan, Child Care Director**

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**Andrea Zanetti, SEIU 1021 Regional Director**

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**David Canham, SEIU 1021 Executive Director**

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**DATE**

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**DATE**

**SEIU Local 1021 - Child Care Unit**  
**SALARY SCHEDULE**  
Effective November 1, 2021

Grade	Position	A	B	C	D (2 yr step)	E*
9352	Director	\$ 4,244	\$ 4,456	\$ 4,679	\$ 4,913	\$ 5,159
9350	Instructor II	\$ 3,046	\$ 3,198	\$ 3,358	\$ 3,526	\$ 3,702
9351	Instructor I	\$ 2,373	\$ 2,491	\$ 2,616	\$ 2,747	\$ 2,884

*\*Employees are eligible to advance to Step E after at least 2 years at Step D in the current job class*

**HOURLY RATES:**

Grade	Position	A	B	C	D (2 yr step)	E*
9352	Director (37.5 hrs/week)	\$ 26.1167	\$ 27.4225	\$ 28.7936	\$ 30.2333	\$ 31.7450
9350	Instructor II (35 hrs/week)	\$ 20.0834	\$ 21.0876	\$ 22.1420	\$ 23.2491	\$ 24.4115
9351	Instructor I (35 hrs/week)	\$ 15.6451	\$ 16.4274	\$ 17.2487	\$ 18.1112	\$ 19.0167



**SEIU Local 1021 - Child Care Unit**  
**SALARY SCHEDULE**  
Effective November 1, 2022

Grade	Position	A	B	C	D (2 yr step)	E*
9352	Director	\$ 4,371	\$ 4,590	\$ 4,819	\$ 5,060	\$ 5,313
9350	Instructor II	\$ 3,137	\$ 3,294	\$ 3,459	\$ 3,632	\$ 3,813
9351	Instructor I	\$ 2,444	\$ 2,566	\$ 2,695	\$ 2,829	\$ 2,971

*\*Employees are eligible to advance to Step E after at least 2 years at Step D in the current job class*

**HOURLY RATES:**

Grade	Position	A	B	C	D (2 yr step)	E*
9352	Director (37.5 hrs/week)	\$ 26.9002	\$ 28.2452	\$ 29.6574	\$ 31.1403	\$ 32.6973
9350	Instructor II (35 hrs/week)	\$ 20.6859	\$ 21.7202	\$ 22.8062	\$ 23.9465	\$ 25.1438
9351	Instructor I (35 hrs/week)	\$ 16.1145	\$ 16.9202	\$ 17.7662	\$ 18.6545	\$ 19.5872

**SEIU Local 1021 - Child Care Unit**  
**SALARY SCHEDULE**  
Effective November 1, 2023

Grade	Position	A	B	C	D (2 yr step)	E*
9352	Director	\$ 4,502	\$ 4,728	\$ 4,964	\$ 5,212	\$ 5,473
9350	Instructor II	\$ 3,231	\$ 3,393	\$ 3,563	\$ 3,741	\$ 3,928
9351	Instructor I	\$ 2,517	\$ 2,643	\$ 2,775	\$ 2,914	\$ 3,060

*\*Employees are eligible to advance to Step E after at least 2 years at Step D in the current job class*

**HOURLY RATES:**

Grade	Position	A	B	C	D (2 yr step)	E*
9352	Director (37.5 hrs/week)	\$ 27.7072	\$ 29.0925	\$ 30.5472	\$ 32.0745	\$ 33.6783
9350	Instructor II (35 hrs/week)	\$ 21.3065	\$ 22.3718	\$ 23.4904	\$ 24.6649	\$ 25.8982
9351	Instructor I (35 hrs/week)	\$ 16.5979	\$ 17.4278	\$ 18.2992	\$ 19.2142	\$ 20.1749



**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY  
AGENDA REPORT**

Department: Finance Department

Prepared by: Nadine Atieh Hade,  
Finance Director

City Manager Approval: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'AS'.

**TOPIC: SUCCESSOR AGENCY QUARTERLY INVESTMENT REPORT**

**SUBJECT: ACCEPTANCE OF SUCCESSOR AGENCY QUARTERLY INVESTMENT REPORT  
FOR THE QUARTER ENDING SEPTEMBER 30, 2021**

**RECOMMENDATION:** Accept investment report for the quarter ending September 30, 2021, as presented.

**BACKGROUND:** Pursuant to the State of California Government Code Section 53601 and the City's investment policy, last approved by the City Council on [June 7, 2021](#), staff provides the governing body a quarterly report on the Successor Agency's investment activities and liquidity.

**ANALYSIS:** The Successor Agency checking account had a balance of \$0 at quarter-end. No activity has taken place since funds were drawn during the previous quarter to reimburse the City for the administration of the activities of the Agency and approved agency commitments.

**FISCAL IMPACT:** No financial impact occurs by adopting the report.

**RECOMENDATION:** Accept investment report for the quarter ending September 30, 2021, as presented.

**ATTACHMENT:**

1. Successor Agency Cash & Investment Report July through September 2021.

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FOR CITY CLERK ONLY

Council Meeting:

Disposition:

**TREASURER'S CERTIFICATION**

I CERTIFY THAT ALL INVESTMENTS MADE ARE IN CONFORMANCE WITH SUCCESSOR AGENCY'S APPROVED INVESTMENT POLICY AND STATE INVESTMENT REGULATIONS. THE SUCCESSOR AGENCY HAS SUFFICIENT LIQUIDITY TO MEET ALL OF THE OBLIGATIONS REQUIRED DURING THE NEXT SIX-MONTH PERIOD, SUBJECT TO OVERSIGHT BOARD APPROVAL OF OBLIGATIONS AND THE SUBSEQUENT TIMELY COUNTY DISBURSEMENT OF FUNDS.



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Nadine Atieh Hade  
Finance Director

# SUCCESSOR AGENCY TO SAN RAFAEL REDEVELOPMENT AGENCY

CASH and INVESTMENTS

QUARTER ENDED 9/30/2021

ISSUER	PURCHASE TYPE	PURCHASE DATE	MATURITY DATE	YIELD	PURCHASE PRICE	PAR VALUE	MARKET VALUE	Days to Maturity	% OF TOTAL	AS OF
<i>CASH ACCOUNTS:</i>										
WESTAMERICA	DD	N/A	N/A		\$ -	\$ -	\$ -	1	100.00%	7/31/2021
WESTAMERICA	DD	N/A	N/A		\$ -	\$ -	\$ -	1	100.00%	8/31/2021
WESTAMERICA	DD	N/A	N/A		\$ -	\$ -	\$ -	1	100.00%	9/30/2021
<b>TOTAL INVESTMENTS</b>					\$ -	\$ -	\$ -			
<b>TOTAL CASH &amp; INVESTMENTS - QUARTER-END BALANCE</b>					\$ -	\$ -	\$ -		<b>100.00%</b>	

% Portfolio held 1 year or less

100%
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**TYPE:**

DD - Demand Deposit