A G E N D A
CITY OF SEASIDE
CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

JOINT SPECIAL MEETING
Council Chamber
440 Harcourt Avenue
Thursday, October 3, 2019
5:30 PM

1. CALL TO ORDER

2. CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

Ian N. Oglesby	Mayor/Chair
David R. Pacheco	Mayor Pro Tem/Vice Chair
Jason Campbell	Council Member/Agency Member
Jon Wizard	Council Member/Agency Member
Alissa Kispersky	Council Member/Agency Member

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Members of the public wishing to address the City Council on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. For the public record, please state your name.

5. CLOSED SESSION

A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (c) - POTENTIAL LITIGATION

RECOMMENDATION: Conference with legal counsel regarding the potential initiation of litigation (three potential cases).

6. CONSENT AGENDA

A. APPROVE MINUTES FROM SEPTEMBER 19, 2019

RECOMMENDATION: That the minutes be reviewed and approved.

B. APPROVE AND FILE SUCCESSOR AGENCY CHECKS

RECOMMENDATION: Approve and file the accounts payable and wired payments made during the period of September 7, 2019 through September 20, 2019 including the payroll and benefits checks, direct deposits and wired payments related to the pay period of September 13, 2019. Total Accounts Payable and Payroll for the above referenced period is $77,690.19.

C. REVIEW AND ADOPT A RESOLUTION APPROVING THE 2019-2020 INVESTMENT POLICY FOR THE CITY OF SEASIDE AND THE CITY OF SEASIDE SUCCESSOR AGENCY

RECOMMENDATION: This item is presented to give the City Council and the Agency Board an opportunity to review and adopt a resolution approving the City of Seaside and the Successor Agency 2019-2020 Investment Policy.

7. BUSINESS ITEMS

A. ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A THIRD AMENDMENT TO THE CONTRACT WITH TORTI-GALLAS + PARTNERS TO COMPLETE WORK ASSOCIATED WITH THE FINAL ENVIRONMENTAL IMPACT REPORT FOR CAMPUS TOWN IN AN ADDITIONAL AMOUNT NOT TO EXCEED $10,000.

RECOMMENDATION: Adopt a resolution authorizing the City Manager to enter into a 3rd Amendment contract with Torti-Gallas + Partners to complete remaining tasks associated with the Specific Plan and Final EIR for the Campus Town project in an additional amount not to exceed $10,000, that is fully reimbursable by the developer.

B. ADOPT A RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE CONTRACT WITH SP2 TO COMPLETE WORK ASSOCIATED WITH THE CAMPUS TOWN ENVIRONMENTALIMPACT REPORT AND PROJECT APPROVALS

RECOMMENDATION: Adopt a resolution authorizing the City Manager to execute an amendment to the agreement with SP2 to complete the final work related to the Campus Town EIR and Project Approvals, for a total additional amount not to exceed $17,000, fully reimbursed by the developer.

8. ADJOURNMENT

Next Regularly Scheduled Meeting:
October 17, 2019
Seaside City Hall
5:30 PM

DRAFT MINUTES

CITY OF SEASIDE	JOINT SPECIAL MEETING
CITY COUNCIL/SUCCESSOR	Council Chamber
AGENCY TO THE REDVELOPMENT	Thursday, September 19, 2019
AGENCY	5:30 PM

1. CALL TO ORDER

Mayor/Chair/Authority Member Oglesby called the meeting to order at 5:30 PM

2. CITY COUNCIL/SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

PRESENT: Campbell, Oglesby, Pacheco, Wizard,
ABSENT: Kispersky

3. PLEDGE OF ALLEGIANCE

Pledge led by: Council Member Jason Campbell

4. PUBLIC COMMENT

There were no comments from the public.

5. CLOSED SESSION

Assistant City Attorney Sheri Damon read the closed session items. There were no comments from the public on the closed sessions item.

Closed Session Start Time: 5:33 p.m.
Closed Session End Time: 6:36 p.m.

A. CLOSED SESSION PURSUANT TO GOVERNMENT CODE 54957.6 - CONFERENCE WITH LABOR NEGOTIATORS

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8:

C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (c) - POTENTIAL LITIGATION

D. PUBLIC EMPLOYEE APPOINTMENT PURSUANT TO GOVERNMENT CODE 54957

6. CONSENT AGENDA

A. APPROVE MINUTES FROM SEPTEMBER 5, 2019

Action: Approved

7. BUSINESS ITEMS

A. ADOPT A RESOLUTION TO AUTHORIZE THE CITY MANAGER OR DESIGNEE TO EXECUTE A CONTRACT AMENDMENT WITH TORTI-GALLAS TO CONTINUE WORK ASSOCIATED WITH THE CAMPUS TOWN PROJECT AND ENVIRONMENTAL REVIEW AMENDING THE TERM OF THE CONTRACT AND ADDING $40,000 TO THE BUDGET TO BE REIMBURSED BY THE DEVELOPER

Kurt Overmeyer, Economic Development Director provided a presentation on the item and confirmed the extension of the term of the contract should be until March 30, 2020.

On motion by Council Member Campbell and second by Mayor Pro Tem Pacheco and passed by the following vote, the Council adopted a resolution authorizing the City Manager or designee to execute a 2nd Amendment, including non-substantive changes, to the Campus Town contract with Torti-Gallas + Partners to provided for additional work required.

RESULT: ***Motion passes 4-0***

AYES: Campbell, Oglesby, Pacheco, Wizard

NOES: None

8. ADJOURNMENT

On motion by Council Member Campbell and second by Mayor Pro Tem Pacheco, the meeting adjourned at 6:43 p.m.

Respectfully submitted,

Lesley Milton-Rerig, City Clerk	**Ian N. Oglesby, Mayor**

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.B.

TO:	Successor Agency to the Redevelopment Agency of the City of Seaside
FROM:	Lesley Milton-Rerig, Assistant City Manager
BY:	Jessica Riley, Accounting Assistant Kimberly Drabner, Finance Director
DATE:	October 3, 2019
SUBJECT:	**APPROVE AND FILE SUCCESSOR AGENCY CHECKS**

PURPOSE & RECOMMENDATION

Approve and file the accounts payable and wired payments made during the period of September 7, 2019 through September 20, 2019 including the payroll and benefits checks, direct deposits and wired payments related to the pay period of September 13, 2019. Total Accounts Payable and Payroll for the above referenced period is $77,690.19.

BACKGROUND

In accordance with Government Code Section 37208, at each City Council meeting the Council is provided a listing of the payroll and general checks issued since the last report so that it can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, the above referenced, and linked list of checks conforms to the approved budget and has been paid. These checks are submitted to the City Council for inspection and confirmation.

A description of the checks and wires exceeding $10,000 are as follows:

- $51,737.00 to Monterey Peninsula Unified for distribution of payments as per the SRD master tax agreement.
- $13,547.00 to the Monterey County Auditor for distribution of payments as per the SRD master tax agreement.

The Checks report is available on the City's website here: http://www.ci.seaside.ca.us/194/Check-Draft-Register

FISCAL IMPACT

There are no additional fiscal impacts.

ATTACHMENTS

None

CITY OF SEASIDE
STAFF REPORT

Item No.: 6.C.

TO: City Council

FROM: Lesley Milton-Rerig, Assistant City Manager

BY: Kimberly Drabner, Finance Director

DATE: October 3, 2019

SUBJECT: **REVIEW AND ADOPT A RESOLUTION APPROVING THE 2019-2020 INVESTMENT POLICY FOR THE CITY OF SEASIDE AND THE CITY OF SEASIDE SUCCESSOR AGENCY**

PURPOSE & RECOMMENDATION

This item is presented to give the City Council and the Agency Board an opportunity to review and adopt a resolution approving the City of Seaside and the Successor Agency 2019-2020 Investment Policy.

BACKGROUND

California State Government Code Section 53646 requires the City Council and the Agency Board to review and adopt the City's and the Agency's Investment Policy. There are no changes to the Policy. The policy meets the criteria established by State law.

FISCAL IMPACT

There are no costs involved in the adoption of the Investment Policy. The policy may affect the investment earnings of the City and the Agency.

ATTACHMENTS

1. Draft Resolution
2. FY2019/2020 Investment Policy

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

RESOLUTION NO. 19-XX

A RESOLUTION OF THE CITY OF SEASIDE AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

ADOPTING THE 2019-2020 INVESTMENT POLICY

WHEREAS, pursuant to the provisions of Section 53646 of the California Government Code the City Council and the Agency Board are required to annually review and approve the Investment Policy; and

WHEREAS, the City of Seaside and the Successor Agency to the Seaside Redevelopment Agency 2019-2020 Investment Policy remains the same as the prior year policy; and

WHEREAS, the City Council and the Agency Board have reviewed the policy.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Seaside and the Board of the Successor Agency of the Redevelopment Agency of the City of Seaside adopt the City of Seaside and the Seaside Successor Agency of the Redevelopment Agency 2019-2020 Investment Policy.

PASSED AND ADOPTED at a regular meeting of the City of Seaside and the Successor Agency of the Redevelopment Agency of the City of Seaside duly held on the 3rd day of October, 2019 by the following vote:

AYES: COUNCIL MEMBERS/BOARD MEMBERS:
NOES: COUNCIL MEMBERS/BOARD MEMBERS:
ABSENT: COUNCIL MEMBERS/BOARD MEMBERS:
ABSTAIN: COUNCIL MEMBERS/BOARD MEMBERS:

____
Ian N. Oglesby, Mayor and Chairperson

ATTEST:

____
Lesley Milton-Rerig, City/Agency Clerk

CITY OF SEASIDE AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

INVESTMENT POLICY

Adopted ______________

I. Introduction

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process and to organize and formalize investment-related activities. Related activities which comprise sound cash management include accurate cash flow projections, control of disbursements, expedient collection of revenues, cost effective banking relations and a short term borrowing program which coordinates investment opportunity with working capital requirements. The ultimate goal is to enhance the economic status of the City of Seaside while protecting its pooled cash resources.

The investment policies and practices of the City of Seaside are based on state law and prudent money management. All funds will be invested in accordance with the City's Investment Policy and the authority governing investments for municipal governments as set forth in the California Government Code, Sections 53601 through 53659. The investment of bond proceeds are to be restricted by the provisions of relevant bond documents.

II. Scope

It is intended that this policy cover all short-term operating funds and investment activities of the City. These funds are accounted for in the annual audit report, and include:

- ◊ General Fund
- ◊ Special Revenue Funds
- ◊ Debt Service Funds
- ◊ Capital Projects Funds
- ◊ Enterprise Funds
- ◊ Internal Service Funds
- ◊ Fiduciary Funds

This investment policy applies to all City transactions involving the financial assets and related activity of the above mentioned funds. Any additional funds that may be created from time to time shall also be administered with the provisions of this policy and comply with current State Government Code.

III. Prudence (Standard of Care)

The City of Seaside operates its pooled idle cash investments under the prudent man rule (Civil Code Section 2261, et. seq.). In addition, Government Code Section 53600.3 provides that those persons to whom investment decisions have been delegated are trustees with a fiduciary responsibility to act as a prudent investor.

Investments shall be made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. This affords a broad spectrum of investment opportunities as long as the investment is deeded prudent under current law.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. All persons investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds shall act with care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City.

It is the City's intent at the time of purchase to hold all investments until maturity to ensure the return of all invested principal dollars but sales prior to maturity are permitted.

IV. Objectives

A. Investment Criteria:

Government Code Section 53600.5 states: "When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the primary objective of the trustee shall be to safeguard the principal of funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve <u>a return</u> on the funds under its control".

CITY OF SEASIDE AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

INVESTMENT POLICY

Simply stated, safety of principal is the foremost objective, followed by liquidity and return on investment (known as yield). Each investment transaction shall seek to first ensure the capital losses are avoided, whether they are from market erosion or security defaults.

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

1. ***Safety*** - Safety of principal is the foremost objective of the investment program. The City's investments shall be undertaken in a manner that seeks to ensure preservation of capital in the portfolio. The City shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk. Investment decisions should not incur unreasonable credit or market risks in order to obtain current investment income.

    a. Credit Risk: Defined as the risk of loss due to failure by the issuer of a security.

    b. Market Risk: Defined as the risk of market value fluctuations due to overall changes in the general level of interest rates.

2. ***Liquidity*** - The City's investment portfolio will remain sufficiently liquid to enable the City to meet its cash flow requirements. An adequate portion of the portfolio should be maintained in liquid short term securities which can be converted to cash and guarantee the City's ability to meet operating expenditures.

3. ***Return on Investment (Yield)*** - The City's investment portfolio shall be designed with the objective of attaining a market rate of return on its' investments consistent with the constraints imposed by its safety objective and cash flow considerations. Yield is to be a consideration only after the basic requirements of adequate safety and liquidity have been met.

B. Market Rate of Return

The investment portfolio shall be managed to attain a market average rate of return throughout budgetary and economic cycles. This takes into account the City's cash flow requirements and investment risk constraints, state and local laws and ordinances or resolutions that restrict the placement of short term funds.

C. Performance Standards

The investment portfolio shall be managed with the objective of producing a yield meeting or exceeding the average return on the one year U.S. Treasury. This index is considered a benchmark for low to moderate risk investment transactions. Therefore, they comprise a minimum standard for the portfolio's rate of return. The investment program shall seek to augment returns above this threshold, consistent with risk limitations identified herein and prudent investment principles. This benchmark will be reviewed thoroughly and may be adjusted as required by market conditions to prevent incurring unreasonable risks to attain yield.

D. Diversification

The investment portfolio shall be diversified to prevent incurring unreasonable and

avoidable risks regarding specific security types, individual financial institutions or maturity segments.

E. Public Trust

Public Trust - All participants in the investment process shall act responsibly as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

V. Delegation of Authority

The management and oversight responsibility for the investment program in hereby delegated to the Treasurer who shall monitor and review all investments for consistency with this investment policy. The City Manager and Treasurer shall jointly establish procedures to implement and monitor this investment policy. Such procedures shall include explicit delegation of persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the limits of this policy.

VI. Ethics and Conflict of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or that could impair their ability to make impartial decisions.

VII. Selection of Financial Institutions and Broker/Dealers

To provide for the optimum yield in the City's portfolio, the City's procedures shall be designed to encourage multiple bids and offers on investment transactions from an approved list of broker/dealers. The Treasurer shall maintain a list of authorized broker/dealers and financial institutions which are approved for investment purposes, in the State of California, and it shall be the policy of the City to purchase securities only from authorized institutions or firms. The investment guidelines and procedures shall identify the criteria under which brokers and dealers may qualify to conduct business with the City.

In order to assist in identifying qualified financial institutions, the Treasurer shall forward copies of the City's investment policy to those financial institutions with which the City is interested in doing business and will require written acknowledgment of the policy. In addition, all dealers approved to do business with the City shall receive a copy of the Investment Policy annually. Confirmation of receipt of this policy shall signify that the dealer understands the Investment Policy and intends to present only appropriate investments.

VIII. Permitted Investment Instruments

Allowable investment instruments are defined in the California Government Code Section 53600 et. seq., as amended. If the Code is further revised to allow additional investments or is changed regarding the limits on certain categories of investments, the City is authorized to conform to these changes, excluding those changes that may be prohibited by this policy. Where Government Code Section specifies a percentage limitation for a particular category of investments, that percentage is only applicable only at the date of purchase.

Investments may be made in the following instruments:

CITY OF SEASIDE AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

INVESTMENT POLICY

1. Government obligations pledged by the full faith and credit of the United States for the payment of principal and interest.

2. Obligations issued by Agencies or Instrumentalities of the U.S. Government.

3. Repurchase Agreements used solely as short term investments not to exceed one year.

   The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to the City's custodian bank versus payment. The market value of securities that underlay a Repurchase Agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be reviewed on a regular basis and adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investment in repurchase agreements shall be in compliance if the value of the underlying securities is brought back to 102 percent no later than the next business day.

4. Banker's Acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System, the short term paper of which is rated in the highest category by Moody's Investors Services or by Standard & Poor's Corporation.

   Purchases of Banker's Acceptances may not exceed 180 days maturity or 40 percent of the City's surplus money. However, no more than $2,000,000 of the City's surplus funds may be invested in the Banker's Acceptance of any one commercial bank.

5. Commercial paper rated in the highest short term rating category, as provided by Moody's Investors Service, Inc. (P-1) or Standard & Poor's Corporation (A-1) provided that the issuing corporation is organized and operating within the United States, has total assets in excess of $500 million, and has an "A" or higher rating for its long term debt, (if any, as provided by Moody's or Standard & Poor's).

   Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than $1,000,000 from an issuing corporation.

Purchases of commercial paper may not exceed 15 percent of the City's surplus money that may be invested.

6. Medium term corporate notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Medium term corporate notes shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating agency.

   Investments will be limited to a maximum of 30% of the City's portfolio. The maximum principal amount in any one company will not exceed $1,000,000.

7. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California, including United States branches of foreign banks licensed to do business in California. The maximum maturity of a time deposit shall not exceed 180 days. All time deposits must be collateralized in accordance with California Government Code section 53651 and 53652, either using:
   a) 150% of promissory notes secured by first mortgages and first trust deeds upon improved residential property in California eligible under Section 53601 (m), or
   b) 110% of eligible marketable securities listed in subsections (a) through (l) and (n).

8. Negotiable certificates of deposit or deposit notes issued by a nationally or state chartered bank or a state or federal savings and loan association or by a state licensed branch of a foreign bank; provided that the senior debt obligations of the issuing institution are rated "AA" or better by Moody's or Standard & Poor's.

   Purchase of negotiable certificates of deposit may not exceed 30 percent of the City's surplus money.

9. State of California's Local Agency Investment Fund. (LAIF)

   Investment in LAIF may not exceed limits as set forth by the LAIF Board and adjusted from
   time to time. The current per account limit is $50 million per account.

10. Shares of beneficial interest issued by diversified management companies (Money Market
Mutual Funds) investing in the securities and obligations authorized by sections a through l of Government Code section 53601. To be eligible for investment pursuant to this subdivision these companies shall either: (1) attain the highest ranking letter or numerical rating provided by not less than two of the three largest nationally recognized rating services or (2) have an investment advisor registered with the Securities and Exchange Commission with not less than five years experience investing in securities and obligations authorized by Government Code Section 53601 and with assets under management in excess of $500,000,000.

    The purchase price of shares shall not exceed 10 percent of the City's surplus money.

Table A summarizes the maximum percentage and maturity limits, plus other constraints, by instrument, established for the City's total pooled funds portfolio.

IX. Safekeeping of Securities

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department. Designated third parties shall act as agent for the City under the terms of a custody agreement or PSA agreement (repurchase agreement collateral). All trades executed by a dealer will settle **delivery vs. payment (DVP)** through the City's safekeeping agent. Original copies on non-negotiable certificates of deposit and confirming copies (safekeeping receipts) of all other investment transactions must be delivered to the City. Investment officials shall be bonded to protect the public against possible embezzlement or malice.

Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

X. Maximum Maturity

Investment maturities shall be based on a review of cash flow forecasts. Maturities will be scheduled so as to permit the City to meet all projected obligations.

Investments that mature more than five years from the date of purchase can not occur without prior approval of the City Council. As defined in Government Code Section 53601, "no investment shall be made in any security… that at the time of investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment approved by the legislative body no less than three months prior to the investment."

XI. Ineligible Investments

Certain investments are prohibited under Government Code Sections 53601.6 and 53631.5. Security types which are prohibited include, but are not limited to:

(a) "Complex" derivative structures such as range notes, dual index notes, inverse floaters, leveraged or deleveraged floating rate notes, or any other complex variable rate or structured note.

(b) Interest only strips that are derived from a pool of mortgages or any security that could result in zero interest accrual if held to maturity.

(c) Reverse Repurchase Agreements.

Purchasing these types of instruments does not coincide with this Policy's objectives and would require a thorough review and monitoring of the underlying security. Although some of these transactions are legal under Government Code, they do not meet the objectives contained herein.

By virtue of the allowable investment in the State Pool, the City is investing idle cash with a large number of government agencies. The Pool is managed by outside administrators and are subject of the Government Codes as well as polices put in place by their governing boards. The Pool's investment policy may allow for investment in some of the prohibitions noted above for Seaside. Investment in the State and County Pools is permitted, assuming a diminutive portion of their portfolio's (10% or less) are tied to the high-risk products noted above. The Treasurer is responsible to monitor and review the Pool's portfolio on an ongoing basis. The City shall take any necessary action should the Pool exceed the allowable 10% limit.

XII. Reporting Requirements

Pursuant to Government Code Section 53646, the Treasurer shall render to the City Council a separate quarterly investment report, which shall include, at a minimum, the following information for each individual investment:

- Type of investment instruments (i.e. Treasury Bill, medium term note)
- Issuer names (i.e., General Electric)
- Purchase date (trade and settlement date)
- Maturity date
- Par value
- Current rate of interest
- Purchase price
- Current market value and the source of the valuation
- Overall portfolio yield based on cost
- Weighted average days to maturity

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

Market value adjustments, as required under Government Accounting Standards Board (GASB) Statement No. 31, are treated as year-end accounting adjustments to the financial records of the City. quarterly investment reports will demonstrate market fluctuations and continue to compare purchase price versus market value status. Accounting adjustments under GASB Statement No. 31, which compare changes to beginning and ending par market value in each fiscal year, are not included as part of the quarterly investment reports.

This quarterly report shall be submitted to the City Council within 45 days following the end of the quarter. Reporting to the California Debt and Investment Advisory Commission (CDIAC) commenced January 2001. Seaside will comply with CDIAC or any other oversight agency reporting requirements.

XIII. Policy Adopting Changes and Updates

The Treasurer shall annually render to the Council a statement of investment policy, which the Council shall consider at a public meeting.

The policy shall be reviewed annually by the City Manager and Treasurer to ensure its consistency with the global objective of preservation of investment principal, sufficient liquidity, rate of return and relevance to current laws and financial trends. Any modifications to the policy must be approved by the City Council.

XIV. Internal Controls

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

XV. Depositories

The Treasurer shall establish selection criteria for pre-approval of institutions that do business with the City of Seaside. To qualify for consideration, an institution must have an office in California and that office must perform the transactions with the City. The Treasurer will maintain a listing of approved institutions.

XVI. Risk Tolerance

The City recognizes that investment risk can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Portfolio diversification is employed as a way to minimize and control these risks.

CITY OF SEASIDE AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

INVESTMENT POLICY

GLOSSARY OF TERMS

Bankers' Acceptances - negotiable time drafts or bills of exchange drawn on and accepted by a commercial bank. Acceptance of the draft obligates the bank to pay the bearer the face amount of the draft at maturity. In addition to the guarantee by the accepting bank, the transaction is identified with a specific commodity. The sale of the underlying goods will generate the funds necessary to liquidate the indebtedness. Banker's Acceptances are usually created to finance the import and export of goods, the shipment of goods within the United States and the storage of readily marketable staple commodities. Banker's Acceptances are sold at a discount from par and the amount and maturity dates are fixed. Bankers' Acceptances have the backing of both the bank and the pledged commodities with no known principal loss in over 70 years. State law permits cities to invest up to 40% in bankers' acceptances.

Certificate of Deposit - A deposit insured up to $100,000 by the FDIC at a set rate for a specified period of time.

Collateral - Securities, evidences of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Corporate Medium Term Notes - Unsecured promissory notes issued by corporations operating within the United States. The notes mature in one to five year periods. Purchase of these notes may not exceed 30% of the City's portfolio and the notes must have at least an "A" rating by a nationally recognized rating service.

Commercial Paper - An unsecured promissory note of industrial corporations, utilities and bank holding companies having assets in excess of $500 million and an "A" or higher rating for the issuer's debentures. Interest is discounted from par and calculated using the actual number of days on a 360-day year. The notes are in bearer form, mature from one to 270 days and generally start at $100,000. There is a secondary market for commercial paper and an investor may sell them prior to maturity. Unused lines of credit back commercial paper from major banks. State law permits cities to invest up to 30% in commercial paper.

Credit Risk - Defined as the risk of loss due to failure of the issuer of a security. This loss shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm the City's capital base and cash flow.

Current Yield - The interest paid on an investment expressed as a percentage of the current price of the security.

Custody - A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principal.

Delivery vs. Payment (DVP) - Delivery of securities with a simultaneous exchange of money for the securities.

Fannie Mae - Trade name for the Federal National Mortgage Association (FNMA), a United States sponsored corporation.

Federal Reserve System - The central bank of the United States which consists of a seven member Board of Governors, 12 regional banks and 5,700 commercial banks that are members.

Federal Deposit Insurance Corporation (FDIC) - Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently $100,000) per account.

Freddie Mac - Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a United States sponsored corporation.

Ginnie Mae - Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the United States Government.

Interest Rate - The annual yield earned on an investment, expressed as a percentage.

Liquidity - Refers to the ability to rapidly convert an investment into cash.

Local Agency Investment Fund (LAIF) Demand Deposit - Was established by the state to enable treasurers to place idle funds in a pool for investment. Each agency is currently limited by LAIF to an investment of $40 million plus any bond proceeds.

Market Risk - Defined as market value fluctuations due to overall changes in the general level of interest rates. Adverse fluctuation possibilities shall be mitigated by limiting the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis, and eliminating the need to sell securities prior to maturity. Also, avoiding the purchase of long term securities for the sole purpose of short-term speculation mitigates marker risk.

Market Value - The price at which a security is trading and could presumably be purchased or sold.

Maturity - the date the principal or stated value of an investment becomes due and payable.

Portfolio - Collection of securities held by an investor.

Purchase Date - The date in which a security is purchased for settlement on that or a later date.

Rate of Return - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO) - Are contractual arrangements between a financial institution or dealer and an investor. The investor puts up their funds for a certain number of days at a stated yield. In return, they take title to a given block of securities as collateral. At maturity, the securities are repurchased and the funds are repaid with interest.

Reverse Repurchase Agreement (Reverse REPO) - A transaction where the seller (City) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Sallie Mae - Trade name for the Student Loan Marketing Association (SLMA), a United States sponsored corporation.

Treasury Bills - United States Treasury Bills which are short term, direct obligations of the United States Government issued with original maturities of 13 weeks, 26 weeks and 52 weeks; sold in minimum amounts of $10,000 in multiples of $5,000 above the minimum. Issued in book entry form only. T-bills are sold on a discount basis.

United States Government Agencies - Instruments issued by various United States

Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Permitted Investments
Table A

Permitted Investments	Legal Limit (% or $)	City Policy Legal Limit (% or $)	Maximum Maturity Constraints	City Policy Other Constraints
U.S.Government Obligations	Unlimited	Unlimited	5 years *	None
U.S. Government Agencies & Instruments	Unlimited	Unlimited	5 years *	None
Repurchase Agreements	Unlimited	Unlimited	1 year	102% Market value on underlying securities
Bankers Acceptances	40%	40%	*180 days*	No more than $2,000,000 invested in any one commercial bank

Commercial Paper	30%	30%	*270 days*	U.S. Corporations with assets in excess of $500,000,000; "A" debt rating; maximum of $1,000,000 from an issuing corporation
Medium Term Corporate Notes	30%	30%	5 years	U.S. Corporations; "A" debt rating maximum of $1,000,000 per issuing company
Certificates of Deposit	Unlimited	Unlimited	5 years *	Must be collateralized to 110% of the CD value by other eligible securities or 150% by promissory notes secured by California Deeds & Mortgages
Negotiable Certificates of Deposit	30%	30%	5 years *	State and Federally chartered banks and savings institutions, "AA" rating by one agency
LAIF State Pool	$50,000,000 **	$50,000,000 **	N/A	Limited to 15 transactions per month, per account, per State Policy - last changed 11/16/09.
Mutual Funds	15%	10%	N/A	Funds invested as defined in Section 53601 (a) to (l); highest debt rating from 2 of top 3 national rating services OR investment advisor registered with SEC for at least 5 years and assets under management in excess of $500,000,000.

* Maximum terms unless the City Council expressly authorizes longer maturities and within the prescribed time frame for said approval.

** Not set by Government Code, but instead by LAIF Governing Board.

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.A.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Lesley Milton-Rerig, Assistant City Manager

BY: Kurt Overmeyer, Economic Development Manager

DATE: October 3, 2019

SUBJECT: **ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A THIRD AMENDMENT TO THE CONTRACT WITH TORTI-GALLAS + PARTNERS TO COMPLETE WORK ASSOCIATED WITH THE FINAL ENVIRONMENTAL IMPACT REPORT FOR CAMPUS TOWN IN AN ADDITIONAL AMOUNT NOT TO EXCEED $10,000.**

PURPOSE & RECOMMENDATION

Adopt a resolution authorizing the City Manager to enter into a 3rd Amendment contract with Torti-Gallas + Partners to complete remaining tasks associated with the Specific Plan and Final EIR for the Campus Town project in an additional amount not to exceed $10,000, that is fully reimbursable by the developer.

BACKGROUND

On August 3, 2017, the Successor Agency Board entered into a contract with Torti-Gallas + Partners to complete a Specific Plan and Environmental Impact Report (EIR) for the Campus Town Development. Due to the settlement of a lawsuit with an outside agency, the EIR required additional work and the contract was amended on February 9th, 2019. The EIR was subsequently circulated and the City received a number of comments, some of which required additional technical work to provide responses. This triggered an interim contract amendment that was approved September 19, 2019. This amendment is an additional interim amendment and a final amendment is expected to be before the Successor Agency on October 17, 2019. This interim amendment is to ensure that all parties continue to work towards a Final EIR while budget negotiations continue.

FISCAL IMPACT

The adoption of this resolution will result in a contract amendment that will not exceed $10,000. The final amount after further negotiation will not exceed this amount. All expenditures will be reimbursed by the applicant through the existing reimbursement agreement with the applicant. Therefore, this item has no fiscal impact.

ATTACHMENTS

1. Draft Resolution
2. 3rd AMENDMENT - TORTI GALLAS CONTRACT- DGF

RESOLUTION NO. 19-___ SA

A RESOLUTION OF SUCCESSOR AGENCY OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE

APPROVING A CONTRACT AMENDMENT WITH TORTI-GALLAS + PARTNERS

WHEREAS, The Successor Agency entered into a contract with Torti-Gallas + Partners to complete a Specific Plan for the Campus Town project and an Environmental Impact Report for the Specific Plan; and

WHEREAS, Comments on the EIR require additional technical studies and effort; and

WHEREAS, The City and the Developer wish to complete the final EIR;

NOW, THEREFORE, the Agency Board authorizes the City Manager or designee to execute a second contract amendment, including any non-substantive changes, with Torti Gallas + Partners to provide for the additional work required in an amount not to exceed $10,000 in additional funds to be reimbursed by the KB Bakewell via the existing reimbursement agreement and to extend the term of the contract until March 30, 2020:

PASSED AND ADOPTED at a regular meeting of the Successor Agency of the former Redevelopment Agency of the City of Seaside held on the 19th day of September, 2019 by the following vote:

AYES: __ AGENCY MEMBERS
NOES: __ AGENCY MEMBERS
ABSENT: __ AGENCY MEMBERS
ABSTAIN: __ AGENCY MEMBERS

____

Ian N. Oglesby, Chair

ATTEST:

____
Lesley Milton-Rerig, Agency Clerk

THIRD AMENDMENT TO

SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY TO THE CITY OF SEASIDE

PROFESSIONAL SERVICE AGREEMENT

THIS THIRD AMENDMENT, hereby amends the Successor Agency of the Redevelopment Agency to the City of Seaside Professional Services Agreement dated August 3, 2017 as amended on February 9th, 2019 and September 19th, 2019, between the City of Seaside, a municipal corporation (City) and Torti Gallas + Partners, a California Corporation, (Consultant), as follows:

1. Paragraph 5. entitled "PAYMENT" is hereby amended to read as follows:

PAYMENT

City agrees to make monthly payments to Consultant in an increased amount not to exceed cumulatively $10,000, for time expended and costs incurred, due to additional work required due to comments on the Draft Environmental Impact Report affecting the tasks which were approved in Exhibit A of the original Professional Service Agreement dated August 17, 2015. Said payments shall be made consistent with the provisions of the original paragraph entitled "PAYMENTS".

2. City and Consultant agree that all other terms and conditions as set forth in the Professional Service Agreement dated August 17, 2015 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Successor Agency Professional Service Agreement between the City of Seaside and Torti Gallas + Partners. to be executed this 3rd day of October, 2019.

CITY OF SEASIDE　　　　Torti Gallas + Partners

By______________________________　By: ______________________________
Craig G. Malin, City Manager　　　　Neal Payton, Principle

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.B.

TO: Successor Agency to the Redevelopment Agency of the City of Seaside

FROM: Lesley Milton-Rerig, Assistant City Manager

BY: Kurt Overmeyer, Economic Development Manager

DATE: October 3, 2019

SUBJECT: **ADOPT A RESOLUTION AUTHORIZING A FIRST AMENDMENT TO THE CONTRACT WITH SP2 TO COMPLETE WORK ASSOCIATED WITH THE CAMPUS TOWN ENVIRONMENTALIMPACT REPORT AND PROJECT APPROVALS**

PURPOSE & RECOMMENDATION

Adopt a resolution authorizing the City Manager to execute an amendment to the agreement with SP2 to complete the final work related to the Campus Town EIR and Project Approvals, for a total additional amount not to exceed $17,000, fully reimbursed by the developer.

BACKGROUND

On March 5th 2019 at the request of the Campus Town Applicant (KB Bakewell) the City entered into an agreement with Stevenson, Porto & Pierce, a California Corporation, to complete various project management tasks including drafting resolutions and staff reports for the consideration of certifying the Environmental Impact Report (EIR) for the Campus Town Specific Plan. The City since circulated and accepted comments on the EIR. The comments were extensive and require some additional work by Stevenson, Porto & Pierce that will be completed under this amendment. The Applicant has approved this additional expenditure and it will be covered in the existing reimbursement agreement with the Applicant.

FISCAL IMPACT

The fiscal impact is zero as the cost of this amendment will be covered by the City's existing reimbursement agreement with KB Bakewell.

ATTACHMENTS

1. Draft Resolution
2. PORTO
3. AMENDMENT - SP2

RESOLUTION NO. 19-___

A RESOLUTION OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY TO CITY OF SEASIDE

APPROVING THE FIRST AMENDMENT TO THE CONTRACT WITH STEVENSON, PORTO, & PEIRCE (SP2)

WHEREAS, The Applicant for the Campus Town Development requested that the City hire an outside consultant to assist the Successor Agency with various project management tasks; and

WHEREAS, The tasks required to complete the various actions required to consider the Campus Town Development Application exceed the previously budgeted amount; and

WHEREAS, The Consultant's requested budget authorization has been approved by the Applicant for the Campus Town Development to be paid via the reimbursement agreement with the Applicant;

NOW, THEREFORE, the Agency Board authorizes the City Manager or designee to execute a first amendment to the contract, including any non-substantive changes, with Stevenson, Porto & Pierce to provide project management assistance in an amount not to exceed $17,000:

PASSED AND ADOPTED at a regular meeting of the Successor Agency of the former Redevelopment Agency of the City of Seaside held on the 3th day of October, 2019 by the following vote:

AYES: __ AGENCY MEMBERS
NOES: __ AGENCY MEMBERS
ABSENT: __ AGENCY MEMBERS
ABSTAIN: __ AGENCY MEMBERS

____

Ian N. Oglesby, Chair

ATTEST:

____
Lesley Milton-Rerig, Agency Clerk

CITY OF SEASIDE

AGREEMENT FOR CONSULTANT SERVICES

THIS AGREEMENT, is made and effective as of March 5, 2019, between the City of Seaside, a municipal corporation ("City") and Stevenson, Porto & Pierce, *a* corporation ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on March 5, 2019 and shall remain and continue in effect until tasks described herein are completed, but in no event later than March 5, 2020, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. CITY MANAGEMENT

City's Economic Development Director shall represent City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but not including the authority to enlarge the Tasks to Be Performed or change the compensation due to Consultant. City's City Manager shall be authorized to act on City's behalf and to execute all necessary documents which enlarge the Tasks to Be Performed or change Consultant's compensation, subject to Section 5 hereof.

5. PAYMENT

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed Twenty-four Thousand Nine Hundred and Ninety Nine dollars ($24,999.00) for the total term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services. The City Manager may approve additional work not to exceed ten percent (10%) of the amount of the Agreement, but in no event shall such sum exceed twenty four thousand nine hundred ninety nine dollars ($24,999.00). Any additional work in excess of this amount shall be approved by the City Council.

(c) Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to Section 3.

7. DEFAULT OF CONSULTANT

(a) The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

(b) If the City Manager or his/her delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

8. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts there from as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained at the City of Seaside's City Hall for a minimum period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

9. INDEMNIFICATION

(b) Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or sub consultants of Consultant.

(c) General Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every sub consultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this agreement. In the event Consultant fails to obtain such indemnity obligations from others as required here, Consultant agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth here is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this agreement or this section.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit D attached to and part of this agreement.

11. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent Consultant. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against City, or bind City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

12. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City of Seaside in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City of Seaside will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or sub consultants, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or sub consultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request, court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding. Consultant agrees to cooperate fully with City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

(c) Consultant covenants that neither he/she nor any officer or principal of their firm have any interest in, or shall acquire any interest, directly nor indirectly, which will conflict in any manner or degree with the performance of their services hereunder. Consultant further covenants that in the performance of this Agreement, no person having such interest shall be employed by them as an officer, employee, agent, or sub consultant. Consultant further covenants that Consultant has not contracted with nor is performing any services, directly or indirectly, with any developer(s) and/or property owner(s) and/or firm(s) and/or partnership(s) owning property in the City or the study area and further covenants and agrees that Consultant and/or its sub consultants shall provide no service or enter into any agreement or agreements with a/any developer(s) and/or property owner(s) and/or firm(s) and/or partnership(s) owning property in the City or the study area prior to the completion of the work under this Agreement.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:	City of Seaside 440 Harcourt Avenue Seaside, California 93955 Attention: City Clerk
To Consultant:	Stevenson, Porto & Pierce, Inc. 1550 Arrow Highway, Suite A La Verne, CA 91750

17. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in Monterey County, or the federal district court with jurisdiction over the City of Seaside.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this

Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

22. CONTENTS OF REQUEST FOR PROPOSAL AND PROPOSAL

Consultant is bound by the contents of City's Request for Proposal, Exhibit "C" hereto and incorporated herein by this reference, and the contents of the proposal submitted by the Consultant, Exhibit "D" hereto. In the event of conflict, the requirements of City's Request for Proposals and this Agreement shall take precedence over those contained in the Consultant's proposals.

23. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF SEASIDE	CONSULTANT
By:__________________________ City Manager	By:__________________________ (Signature)
	_____________________________(Typed Name)

EXHIBIT A

TASKS TO BE PERFORMED

EXHIBIT B

PAYMENT SCHEDULE

The Consultant will invoice the City on the 1st of each month the contract is active.

EXHIBIT C

LOCATION SCHEDULE

No Location

EXHIBIT D

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Consultant will maintain insurance in conformance with the requirements set forth below. Consultant will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Consultant agrees to amend, supplement or endorse the existing coverage to do so. Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than $1,000,000 per occurrence, $2,000,000 aggregate.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less that $1,000,000 per accident. If Consultant owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Consultant or Consultant’s employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer’s liability limits no less than $1,000,000 per accident or disease.

General conditions pertaining to provision of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant’s employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called “third party action over” claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City’s protection without City’s prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant’s general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

8. Certificate(s) are to reflect that the insurer will provide 30 days notice to City of any cancellation of coverage. Consultant agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will “endeavor” (as opposed to being required) to comply with the requirements of the certificate.

9. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.

10. Consultant agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section.

Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

11. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.

13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

14. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

15. Consultant will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

16. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.

17. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.

18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.

19. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.

20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

21. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

22. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

FIRST AMENDMENT TO

CITY OF SEASIDE

PROFESSIONAL SERVICE AGREEMENT

THIS FIRST AMENDMENT, hereby amends the CITY OF SEASIDE PROFESSIONAL SERVICE AGREEMENT dated March 5, 2019, between the City of Seaside, a municipal corporation (City) and Stevenson, Porto & Pierce, a California Corporation, (Consultant), as follows:

1. Paragraph 5. entitled "PAYMENT" is hereby amended to read as follows:

PAYMENT

City agrees to make monthly payments to Consultant an added amount of $17,000, for time expended and costs incurred, due to additional work required to complete various tasks after receiving comments on the Draft Environmental Impact Report (EIR) affecting the tasks which were approved in Exhibit A of the original Professional Service Agreement dated December March 5, 2019. Said payments shall be made consistent with the provisions of the original paragraph entitled "PAYMENTS".

2. City and Consultant agree that all other terms and conditions as set forth in the Professional Service Agreement dated March 5, 2019shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to City of Seaside Professional Service Agreement between the Stevenson, Porto & Pierce to be executed this 3th day of October, 2019.

CITY OF SEASIDE	Stevenson, Porto & Pierce
By: ____________________________	By: ____________________________
Craig G. Malin, City Manager	Jerry Haag, Principle