CALL TO ORDER: Mayor Jeramy Young

ROLL CALL: Mayor Jeramy Young
Mayor Pro Tem George Carr
Councilmember Harold Hill
Councilmember Mark Fontana
Councilmember Ramon Bawanan

FLAG SALUTE: Mayor Jeramy Young

INVOCATION: Hughson Ministerial Association

RULES FOR ADDRESSING CITY COUNCIL

Members of the audience who wish to address the City Council are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the City Clerk. **Filling out the card is voluntary.**

1. **PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a “Citizen Request Form” which may be obtained from the City Clerk.
2. PRESENTATIONS: NONE.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

3.1: Approve the Minutes of the Regular Meeting of July 24, 2017.

3.2: Approve the Warrants Register.

3.3: Approval of the Treasurer’s Reports – April 2017.


3.5: Approval of the Treasurer’s Reports – May 2017.


3.7: Consideration to Approve Resolution No. 2017-33, A Resolution of the City Council of the City of Hughson Supporting the Extension of a 1/8 Cent Sales Tax, which would Fund the Stanislaus County Library.

3.8: Waive the Second Reading of Ordinance 2017-05, an Ordinance of the Hughson City Council amending Section 17.03.060 of Municipal Code Chapter 17.03 – Citywide Regulations and Special Provisions to expressly make clear that parking of motor vehicles on unimproved surfaces is prohibited.

3.9: Waive the Second Reading of Ordinance 2017-06, an Ordinance of the Hughson City Council amending Section 13.08.340 of Chapter 13 – Water Use to clarify the time periods residents are permitted to irrigate landscaping.

3.10: Approval of the Fiscal Year 2017-2018 Memorandum of Understanding with Opportunity Stanislaus.

4. UNFINISHED BUSINESS: NONE.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING: NONE.

6. NEW BUSINESS: NONE.
7. **CORRESPONDENCE:** NONE.

8. **COMMENTS:**

8.1: Staff Reports and Comments: (Information Only – No Action)

   City Manager:
   
   City Clerk:
   
   Community Development Director:
   
   Director of Finance:
   
   Police Services:
   
   City Attorney:

8.2: Council Comments: (Information Only – No Action)

8.3: Mayor’s Comments: (Information Only – No Action)

9. **CLOSED SESSION TO DISCUSS THE FOLLOWING:** NONE.

**ADJOURNMENT:**

<table>
<thead>
<tr>
<th><strong>UPCOMING EVENTS:</strong></th>
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<tbody>
<tr>
<td><strong>May 11-Sept 28</strong></td>
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<tr>
<td>- Hughson Downtown Farmers Market, Hughson Avenue, Thursday’s 5:00 P.M. – 8:00 P.M.</td>
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<tr>
<td><strong>August 15</strong></td>
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<td>- Planning Commission Meeting, Council Chambers, 6:00 P.M.</td>
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<td><strong>August 19</strong></td>
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<td>- Hughson Historical Society 17th Annual Appreciation Dinner, 6:00 P.M.</td>
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<tr>
<td><strong>August 28</strong></td>
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<tr>
<td>- City Council Meeting, City Hall Chambers, 7:00 P.M.</td>
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<tr>
<td><strong>September 9</strong></td>
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<tr>
<td>- Deputy Dennis Wallace Soccer Fields Dedication &amp; Ribbon Cutting Ceremony, Hughson Sports &amp; Fitness Complex, 8:00 A.M.</td>
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</table>

**WAIVER WARNING**

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).
AFFIDAVIT OF POSTING

DATE: August 10, 2017  TIME: 5:00 pm
NAME: Susana Diaz  TITLE: Deputy City Clerk

AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT
NOTIFICATION FOR THE CITY OF HUGHSON

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

Disabled or Special needs Accommodation: In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk’s office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

General Information: The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

Council Agendas: The City Council agenda is now available for public review at the City’s website at www.hughson.org and City Clerk’s Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk’s Office.

Questions: Contact the City Clerk at (209) 883-4054
Meeting Date: August 14, 2017
Subject: Approval of the City Council Minutes
Presented By: Susana Diaz, Deputy City Clerk

Approved By: ____________________________

Staff Recommendation:
Approve the Minutes of the Regular Meeting of July 24, 2017

Background and Overview:
The draft minutes of the July 24, 2017 meeting are prepared for the Council’s review.
CALL TO ORDER:  Mayor Jeramy Young

ROLL CALL:

Present:  Mayor Jeramy Young  
          Mayor Pro Tem George Carr  
          Councilmember Harold Hill  
          Councilmember Ramon Bawanan

Absent:  Councilmember Mark Fontana

Staff Present:  Raul L. Mendez, City Manager  
               Susana Diaz, Deputy City Clerk  
               Daniel J. Schroeder, City Attorney  
               Jaylen French, Community Development Director  
               Larry Seymour, Chief of Police Services  
               Lisa Whiteside, Finance Manager  
               Sam Rush, Public Works Superintendent

FLAG SALUTE:  Mayor Jeramy Young

INVOCATION:  Hughson Ministerial Association

1.  PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Marie Assali, resident of Hughson, informed the Council that the Hughson Chamber of Commerce approved donating funds to assist in the maintenance of Community/Senior Citizen Center.
Jean Henley, resident of Hughson announced that the Hughson Historical Society will be holding their 17th Annual Appreciation Dinner on August 19, 2017. She also spoke in regards to the City of Hughson’s adopted water rate for fire sprinkler service.

Heather Bailey from the Hughson Library provided information on the library’s upcoming events and activities.

2. PRESENTATIONS:

2.1: Measure S - Stanislaus County Residents Renewal of the 1/8-cent Sales Tax that Funds the County’s Libraries.

Stanislaus County Library Director Diane McDonnell presented item 2.1. No action was taken or sought.

2.2: Senate Bill 540 - Workforce Housing Opportunity Zone.

Management Intern Katherine Willett provided an overview of the proposed SB 540. No action was taken or sought.

3. CONSENT CALENDAR:

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

3.1: Approve the Minutes of the Regular Meeting of July 10, 2017.

3.2: Approve the Warrants Register.

3.3: Adoption of Resolution No. 2017-30, a Resolution of the City Council of the City of Hughson Authorizing an Application for Funding from the State Water Resources Control Board under their Consolidation Incentive Program.

3.4: Reject Claim for Damages – Martin Iniquez (Date of Occurrence: 7/7/2017).

3.5: Waive the Second Reading and Adopt Ordinance No. 2017-01, an Ordinance of the Hughson City Council amending Section 17.02.090, 17.02.004, 17.02.032 of the Hughson Municipal Code Chapter 17.02-Zoning Districts and Adding Section 17.03.017 to Municipal Code Chapter 17.03 – Citywide Regulations and Special Provisions.

3.6: Waive the Second Reading and Adopt Ordinance No. 2017-03, an Ordinance of the Hughson City Council amending Chapter 9.40 –
Prohibited Medical Marijuana Activities in Title 9 of the Hughson Municipal Code.

3.7: Waive the Second Reading and Adopt Ordinance No. 2017-04, an Ordinance of the Hughson City Council amending Section 5.04.010 and 5.04.190 of the Hughson Municipal Code Chapter 5.04 – Business Licenses.

YOUNG/HILL 4-0-0-1 motion passes to approve the Consent Calendar except item 3.8.

Mayor Pro Tem Carr removed item 3.8 from the Consent Calendar. He recused himself due to a conflict of interest and left the Council Chambers at 7:31 P.M. Mayor Pro Tem Carr returned to the Council Chambers at 7:33 P.M.

3.8: Approval of Position Opposing Senate Bill 649/Wireless Telecommunications Facilities (Senator Ben Hueso).

YOUNG/BAWANAN 3-0-1-1 motion passes to approve the position opposing Senate Bill 649/Wireless Telecommunications Facilities (Senator Ben Hueso).

4. UNFINISHED BUSINESS: NONE.

5. PUBLIC HEARING TO CONSIDER THE FOLLOWING:

5.1: Approval of Resolution No. 2017-32, Confirming Diagrams, Assessments and Reports and Levying Assessments for Fiscal Year 2017-2018 for All Landscape and Lighting Districts and Benefit Assessment Districts within the City of Hughson.

Community Development Director Jaylen French presented the staff report on item 5.1. Rick Clark from Harris & Associates was available to answer questions from Council.

Mayor Young opened the Public Hearing at 8:10 P.M., there was no public comment, Mayor Young closed the Public Hearing at 8:10 P.M. Council deliberated on item 5.1.

BAWANAN/CARR 4-0-0-1 motion passes to approve Resolution No. 2017-31, Confirming Diagrams, Assessments and Reports and Levying Assessments for Fiscal Year 2017-2018 for All Landscape and Lighting Districts and Benefit Assessment Districts within the City of Hughson.

5.2: Introduce and Waive the First Reading of Ordinance 2017-05, an Ordinance of the Hughson City Council amending Section 17.03.060 of Municipal Code Chapter 17.03 – Citywide Regulations and Special
Provisions to expressly make clear that parking of motor vehicles on unimproved surfaces is prohibited.

Community Development Director Jaylen French presented the staff report on item 5.2.

Mayor Young opened the Public Hearing at 8:30 P.M., there was no public comment, Mayor Young closed the Public Hearing at 8:30 P.M.

YOUNG/HILL 4-0-0-1 motion passes to Introduce and Waive the First Reading of Ordinance 2017-05, an Ordinance of the Hughson City Council amending Section 17.03.060 of Municipal Code Chapter 17.03 – Citywide Regulations and Special Provisions to expressly make clear that parking of motor vehicles on unimproved surfaces is prohibited.

5.3: Introduce and Waive the First Reading of Ordinance 2017-06, an Ordinance of the Hughson City Council amending Section 13.08.340 of Chapter 13 – Water Use to clarify the time periods residents are permitted to irrigate landscaping.

City Attorney Dan Schroeder presented the staff report on item 5.3.

Mayor Young opened the Public Hearing at 8:32 P.M., there was no public comment, Mayor Young closed the Public Hearing at 8:32 P.M. Council deliberated.

HILL/BAWANAN 4-0-0-1 motion passes to Introduce and Waive the First Reading of Ordinance 2017-06, an Ordinance of the Hughson City Council amending Section 13.08.340 of Chapter 13 – Water Use to clarify the time periods residents are permitted to irrigate landscaping.

6. NEW BUSINESS:

6.1: Approval to Authorize the Mayor to Submit a Letter to Governor Edmund G. Brown Jr. Requesting a Review of the State Board of Parole’s Decision Regarding Rudy Milan Blanusa and Recommending that He Overturn their Decision Finding Him Suitable for Parole.

City Manager Raul Mendez presented the staff report on this item.

YOUNG/HILL 4-0-0-1 motion passes to Authorize the Mayor to Submit a Letter to Governor Edmund G. Brown Jr. Requesting a Review of the State Board of Parole’s Decision Regarding Rudy Milan Blanusa and Recommending that He Overturn their Decision Finding Him Suitable for Parole.

7. CORRESPONDENCE: No action was taken on these items.
7.1: Invitation - Focus On Prevention In Stanislaus County.

7.2: Letter - Citizens Against Legalizing Marijuana (CALMca.org).

8. **COMMENTS:**

8.1: Staff Reports and Comments: (Information Only – No Action)

**City Manager:**
City Manager Raul Mendez reminded the Council and public of the City of Hughson’s Goals & Objectives Public Workshop scheduled for Saturday, July 29, 2017, 9:00 A.M. – 1:00 P.M.

City Manager Raul Mendez reminded Council of the City Staff Appreciation Luncheon scheduled for Monday, July 31, 2017.

City Manager Raul Mendez reminded the Council and public of the upcoming National Night Out event scheduled for Tuesday, August 1, 2017.

**Community Development Director:**
Director Jaylen French updated Council on the Hatch Road/Santa Fe Avenue Traffic Signal Project scheduled to be completed early August 2017.

Director Jaylen French updated Council on the evaluation of a four-way stop at Tully Road and Whitmore Avenue.

Director Jaylen French informed the Council that StanCOG (Stanislaus Council of Governments) has kicked-off the update to the Regional Transportation Plan and Sustainable Communities Strategy.

Director Jaylen French informed Council and the public of the City’s participation in the Peace Officer Memorial Run scheduled for October 1, 2017.

**Police Services:**
Chief Larry Seymour provided the City Council with the latest Crime Statistic Report. He also provided an update on the cost of the camera’s to be installed in key areas of the City of Hughson.

**City Attorney:**
City Attorney Dan Schroeder informed the Council of his absence for the upcoming Council meeting on August 14, 2017. Deputy City Attorney Monica Streeter will attend the meeting in his absence.

8.2: Council Comments: (Information Only – No Action)
Councilmember Bawanan said that he attended the Hughson Chamber of Commerce Board Meeting. He will be attending the City Staff Appreciation Luncheon on July 31, 2017. He will be attending the City of Hughson Goals & Objectives Public Workshop on July 29, 2017. He will be participating in the National Night Out event on August 1, 2017.

He would like to see a City ordinance addressing illegal fireworks.

Councilmember Hill said that he attended the Farmers’ Market. He also attended the Hughson Economic Development Committee meeting on July 24, 2017. He will be attending the City of Hughson Goals & Objectives Public Workshop on July 29, 2017. He will be attending the City Staff Appreciation Luncheon on July 31, 2017.

Mayor Pro Tem Carr noted that he attended the Stanislaus County Fair, he will also be attending this year's National Night Out event scheduled for August 1, 2017.

8.3: Mayor’s Comments: (Information Only – No Action)

Mayor Young noted that he attended the Stanislaus County Fair. He attended the Hughson Economic Development Committee meeting July 24, 2017. He thanked staff for their effort in promoting economic development in Hughson.

9. CLOSED SESSION TO DISCUSS THE FOLLOWING:

9.1: Public Employee Performance Evaluation
Title: City Manager.

9.2: CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: one case

10. REPORT FROM CLOSED SESSION:

All of the Councilmembers were present with the exception of Councilmember Fontana and there was no reportable action.

ADJOURNMENT:

YOUNG/HILL 4-0-0-1 motion passes to adjourn the meeting at 9:30 P.M.

JERAMY YOUNG, Mayor

SUSANA DIAZ, Deputy City Clerk
Meeting Date: August 14, 2017
Subject: Approval of Warrants Register
Enclosure: Warrants Register
Presented By: Shannon Esenwein, Director of Finance

Approved By: ____________________________

Staff Recommendation:

Approve the Warrants Register as presented.

Background and Overview:

The warrants register presented to the City Council is a listing of all expenditures paid from July 28, 2017 through August 9, 2017.

Fiscal Impact:

There are reductions in various funds for payment of expenses.
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Cash Account Total: $124,111.97
Total Disbursements: $124,111.97
### Check Disbursement Detail Report

**Run By:** Lisa Whiteside  
**Check Listing for 08-17**  
**Bank Account:** 0100  
**CTL.:** HUG

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Meeting Date: August 14, 2017  
Subject: Approval of the Treasurer’s Reports – April 2017  
Presented By: Jaime C. Fountain, City Treasurer  

Approved By: _______________________________

Staff Recommendation:

Review and approve the City of Hughson Treasurer’s Report for April 2017.

Summary:

The City Treasurer is required to review the City’s investment practices and approve the monthly Treasurer’s report. Enclosed is the City of Hughson’s Treasurer’s Report for April 2017. As of April 2017, the City of Hughson’s total cash and investment balance is $15,504,869.76 and is in compliance with the City’s investment policy. The City has sufficient cash flow to meet the City’s expected expenditures for the next six months.

Background and Overview:

The Treasurer report for April 2017 reflects the most current representation of the City’s funds and investments and provides a necessary outlook for both past, present, and future investment and spending habits. While investments and funds differ from time to time, it is the goal of the City to maintain safety and stability with its funds, while additionally promoting prudence and growth.

Enclosed is the City of Hughson Treasurer’s Report for April 2017 along with supplementary graphs depicting the percentage of the City’s total funds, a breakdown of the April 2017 Developer Impact Fees, and an additional line plot graph further demonstrating the Developer Impact Fees. This graph depicts the Developer Impact Fees’ actual balance for the past five years, and continues with a projection based on the average rate of change for each fund over the next few years. After review and evaluation of the report, City staff has researched funds with a significant deficit balance and submit the following detailed explanation:

On January 23, 2017, the City Council approved amending the contract for payment of capital improvement fees with the Hughson Investment Group for Building A and
Building B. The total amount due is $134,201.55 comprised of $92,597.16 associated with Building A and $41,604.39 with Building B. The amendment provided that five equal payments would be made annually in the amount of $18,519.43 for Building A and $8,320.88 for Building B. The first installment of this amendment is reflected in the March 2017 Treasurer’s Report and applies to the following funds: Storm Drain, Public Facilities Development, Public Facilities Development – Streets, Sewer Developer Impact Fees and Water Developer Impact Fees.

**Public Facilities Development Streets Fund:**

The Public Facilities Development Streets Fund currently reflects a negative balance of ($154,317.49), reflecting a positive difference of $48,361.14 or a 23.86% increase from the previous year. The deficit is a result of the Euclid Bridge Project, which was constructed in Fiscal Year 2006/2007, for approximately $1.3 million. The project was completed in anticipation of funding from Developer Impact Fees collected from new development. Unfortunately, the housing market declined significantly and the new development never materialized. As the economy strengthens and new building continues, the City can recognize additional developer impact fees and reduce the deficit more quickly.

**Water Developer Impact Fee Fund:**

The Water Developer Impact Fee Fund currently reflects a negative balance of ($186,747.41), reflecting a positive difference of $97,759.03 or a 34.36% increase from the previous year. After extensive review, City staff discovered that the remaining deficit is attributable to settlement arrangements that were made in Fiscal Year 2008/2009 and Fiscal Year 2009/2010 for the Water Tank on Fox Road near Charles Street. The Project Cost of the Water Tower Project was $2,400,000. During that period, the City paid out $650,000 in settlements. This account will be in a deficit position until additional development occurs and developer impact fees are collected to cover those unanticipated settlement costs.

Based on a review of Water Development and Street funds, City staff expects development in the Feathers Glen (42 units), Euclid South (69 units) and Province Place (39 units) subdivisions, or about 150 units to be built to see a positive balance in the Water and Street Development funds. The Euclid North (50 units) subdivision is expected to follow shortly thereafter. These units reflect the areas that are most likely to see development within the City limits—with construction in Feathers Glen already in progress and under construction and construction on Province Place expected to begin in Fiscal Year 2017-2018.

**Transportation Capital and CDBG Street Project Fund:**

The Transportation Capital Project Fund currently reflects a negative balance of ($407,726.26), reflecting a positive difference of $143,512.70 or a 26.03% increase from the previous year. The CDBG Street Project Fund currently reflects a zero balance.
reflecting a positive difference of $53,496.06 or a 100% increase from the previous year. As the City continues to produce transportation projects, the transportation fund will likely continue to show a negative balance. City staff will continue to monitor and report the status of these reimbursements as the funds become available.

**Fiscal Impact:**

As of April 2017, the total cash and investments balance for the City of Hughson is $15,504,869.76. This compares to April’s 2016 total cash and investments balance of $12,941,572.50 demonstrating a positive difference of $2,563,297.26 or a 19.81% increase.
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<td>10,072.65</td>
<td>1.02%</td>
</tr>
<tr>
<td>43 Trench Cut</td>
<td>76,443.60</td>
<td>76,626.10</td>
<td>-182.50</td>
<td>-0.24%</td>
</tr>
<tr>
<td>48 Senior Community Center</td>
<td>9,280.87</td>
<td>-1,744.88</td>
<td>10,025.75</td>
<td>118.80%</td>
</tr>
<tr>
<td>49 IT Reserve</td>
<td>93,548.12</td>
<td>108,450.36</td>
<td>-14,902.24</td>
<td>-13.67%</td>
</tr>
<tr>
<td>50 U.S.E. Resource Com. Center</td>
<td>3,892.69</td>
<td>4,193.50</td>
<td>-300.81</td>
<td>-7.17%</td>
</tr>
<tr>
<td>51 Self-Insurance</td>
<td>73,303.49</td>
<td>73,303.49</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>53 SLESF (Supplemental Law Enforcement Services Fund)</td>
<td>59,289.76</td>
<td>145,187.10</td>
<td>-85,897.34</td>
<td>144.88%</td>
</tr>
<tr>
<td>54 Park Project</td>
<td>571,297.29</td>
<td>622,039.49</td>
<td>-50,742.20</td>
<td>8.66%</td>
</tr>
<tr>
<td>60 Sewer O &amp; M</td>
<td>2,604,219.17</td>
<td>2,785,338.51</td>
<td>-181,119.34</td>
<td>6.61%</td>
</tr>
<tr>
<td>61 Sewer Fixed Asset Replacement</td>
<td>3,129,016.23</td>
<td>3,579,169.59</td>
<td>-450,153.36</td>
<td>14.39%</td>
</tr>
<tr>
<td>66 WWTP Expansion 2008</td>
<td>-384,133.22</td>
<td>-382,558.31</td>
<td>1,574.91</td>
<td>-0.39%</td>
</tr>
<tr>
<td>69 LTF Non Motorz</td>
<td>5,208.00</td>
<td>749.00</td>
<td>4,459.00</td>
<td>608.24%</td>
</tr>
<tr>
<td>70 Local Transportation</td>
<td>104,256.63</td>
<td>121,881.59</td>
<td>-17,624.96</td>
<td>14.33%</td>
</tr>
<tr>
<td>71 Transportation</td>
<td>-551,238.96</td>
<td>-407,726.26</td>
<td>143,512.70</td>
<td>29.41%</td>
</tr>
<tr>
<td>100/000 LII’s and BAI’s</td>
<td>187,400.52</td>
<td>186,710.64</td>
<td>689.88</td>
<td>0.37%</td>
</tr>
<tr>
<td>80 Water O &amp; M</td>
<td>-146,537.31</td>
<td>291,522.13</td>
<td>437,559.44</td>
<td>299.62%</td>
</tr>
<tr>
<td>801 Water TCP123</td>
<td>9.00</td>
<td>19,637.00</td>
<td>-18,628.00</td>
<td>-95.36%</td>
</tr>
<tr>
<td>82 Water Fixed Asset Replacement</td>
<td>871,499.02</td>
<td>756,392.96</td>
<td>-115,106.06</td>
<td>-15.21%</td>
</tr>
<tr>
<td>88 PW CDBG Street Project</td>
<td>-53,496.06</td>
<td>0.00</td>
<td>53,496.06</td>
<td>100.00%</td>
</tr>
<tr>
<td>89 Water Reserve-USAID GRANT</td>
<td>61,481.07</td>
<td>0.00</td>
<td>61,481.07</td>
<td>100.00%</td>
</tr>
<tr>
<td>90 Garbage/Refuse</td>
<td>143,519.61</td>
<td>83,191.37</td>
<td>60,328.24</td>
<td>-49.97%</td>
</tr>
<tr>
<td>92 B-EDBG-605 Small Bus. Loans</td>
<td>93,595.60</td>
<td>93,595.60</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>94 B-EDBG-438 Grant</td>
<td>403.43</td>
<td>403.43</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>95 B-SITG-799 Grant</td>
<td>161,960.33</td>
<td>220,316.50</td>
<td>-58,356.17</td>
<td>-26.46%</td>
</tr>
<tr>
<td>96 HOME Program Grant (FTHB)</td>
<td>35,041.19</td>
<td>35,041.19</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td>97 B-SITG-T013 Grant</td>
<td>197,701.97</td>
<td>200,558.80</td>
<td>-2,856.83</td>
<td>-1.43%</td>
</tr>
<tr>
<td>98 HOME Rehabilitation Fund</td>
<td>40,000.00</td>
<td>40,000.00</td>
<td>0.00</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Developer Impact Fees</strong></td>
<td>2,838,335.17</td>
<td>3,291,380.23</td>
<td>-453,045.06</td>
<td>15.96%</td>
</tr>
</tbody>
</table>

**TOTAL ALL FUNDS:** 13,541,372.50 15,504,869.76 2,563,497.25 16.38%

**Break Down of Impact Fees**: 2,838,335.17 3,291,380.23 453,045.06 15.96%

**TOTAL ALL FUNDS:** 13,541,372.50 15,504,869.76 2,563,497.25 16.38%

**Break Down of Impact Fees**: 2,838,335.17 3,291,380.23 453,045.06 15.96%

Jaimie C. Fountain, Treasurer
Treasurer's Report - Charts and Graphs
April 2017

Percentage of all Funds for April 2017

Note:
Data displayed represents largest percentage of City funds. All other funds represent less than 5% of the City's total Cash and Investments.

April 2017 Breakdown of Developer Impact Fees

5 Year Trend & Estimate for Developer Impact Fees for the Month of April

Note:
Calculated estimations are based on each fund's average annual rate of change.
Meeting Date: August 14, 2017
Subject: Approval of the Treasurer’s Report: Investment Portfolio Report – April 2017
Presented By: Jaime C. Fountain, City Treasurer

Staff Recommendation:


Summary:

The City Treasurer is required to review the City’s investment practices and approve the monthly Treasurer’s report. Enclosed is a summary of the City of Hughson’s Investment Portfolio for April 2017 and is provided as a supplementary document to the monthly Treasurer’s report. As of April 2017, the City of Hughson’s investment total is $2,630,038.50 and has a total cash and investment balance of $15,504,869.76. All investment actions executed since the last report have been made in full compliance of the City of Hughson’s Investment Policy. The City of Hughson meets its expenditure obligations for the next six months as required by California Government Code Section 53646 (b) (2) and (3) respectively.

Background and Overview:

The Investment Portfolio Report is intended to provide supplementary documentation of the City of Hughson’s investment practices. According to the City of Hughson’s Investment Policy, the City Treasurer shall submit to the City Council a quarterly investment report containing a complete description of the portfolio, the type of investments, the issuers, maturity dates, par and dollar values, and the current market values of each component of the portfolio. It is the goal of the City Treasurer however, to provide the investment report on a monthly basis as a supplement to the Treasurer’s Report. Furthermore, when dealing with investment activities, the City of Hughson primary objectives, in order of priority, are safety, liquidity, and return on investments.
According to Michael DeGeeter, the City’s MBS Account Executive, the City of Hughson utilizes a 5 year Certificate of Deposit (CD) laddering approach for its investment practices. This approach layers various CDs depending on interest rates and timing, which allows for reduced portfolio rates and a continuous stream of maturity dates. Mr. DeGeeter states that this CD approach has always spread positively for the City of Hughson and has had the highest yield of any spread thus far.

Enclosed is the City of Hughson’s Treasurer’s Report: Investment Portfolio Report for April 2017 along with supplementary graphs depicting the percentage of the City’s portfolio of investments. After review and evaluation of the report, City staff submits the following detailed explanation for investments displaying significant variances:

**L.A.I.F. Investments**

The reported Local Agency Investment Fund (L.A.I.F.) investments reflect the City’s most current balance statement as of April 30, 2017. The two L.A.I.F. accounts share a combined balance of $79,514.79, comprising of only 3.02% of the City’s total portfolio of investments. L.A.I.F. investments are reported on a quarterly basis. City staff will continue to report the most recent L.A.I.F. investments and will proceed to update the funds on a quarterly basis.

**Fiscal Impact:**

As of April 2017, the total investments balance for the City of Hughson is $2,630,038.50 accounting for 16.96% of the City’s total cash and investments. The total cash and investment amount is $15,504,869.76. Of the amounts invested, 0.27% is invested in Cash, Money, Funds, and Bank Deposits, 3.02% is invested in L.A.I.F. investments, and 96.71% is invested in CDs. As the year progresses and market values and interest rates increase, City staff will continue to monitor and report the City of Hughson’s investment practices.
## Breakdown of Investments

### Investments: Various - **850**

<table>
<thead>
<tr>
<th>Description</th>
<th>Maturity Dates</th>
<th>Quantity</th>
<th>Opening Balance</th>
<th>Closing Balance</th>
<th>Interest Accrued</th>
<th>Rate of Return</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, Money, Funds, And Bank Deposits:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.60%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$4,575.25</td>
<td>$6,995.08</td>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Multi-Bank WWTP - **934**

<table>
<thead>
<tr>
<th>Description</th>
<th>Maturity Dates</th>
<th>Quantity</th>
<th>Opening Balance</th>
<th>Closing Balance</th>
<th>Interest Accrued</th>
<th>Rate of Return</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, Money, Funds, and Bank Deposits:</td>
<td></td>
<td></td>
<td>$8,054.75</td>
<td>$660.12</td>
<td>$</td>
<td></td>
<td>0.00%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$8,054.75</td>
<td>$660.12</td>
<td>$</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## L.A.I.F. Investments

<table>
<thead>
<tr>
<th>Account #</th>
<th>Quarter End Principal Balance as of April 2017</th>
<th>Quarterly Interest Earned as of April 2017</th>
<th>Interest Rate</th>
<th>Total</th>
<th>% of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>11075</td>
<td>$39,744.68</td>
<td>$76.04</td>
<td>0.78%</td>
<td>$39,820.72</td>
<td>50.08%</td>
</tr>
<tr>
<td>11075-050</td>
<td>$39,618.27</td>
<td>$75.80</td>
<td>0.78%</td>
<td>$39,694.07</td>
<td>50.93%</td>
</tr>
</tbody>
</table>

| Total L.A.I.F. Investments Holdings | $79,514.79 | 100.00% |
| Total Portfolio Investment        | $1,026,035.05 | 250.00% |

Jame C. Fountain, Treasurer
Date
Money Market:
Investments: Various
$1,062,455.05
Multi-Bank WWTP $1,488,068.66
L.A.I.F. ****375 $39,820.72
L.A.I.F. ****005 $39,694.07
Total Invest: $2,630,038.50

Total Portfolio of Investment
(Including Money Market Cash)
April 2017

Money Market:
$12,874,831.26
Investments: Various
$1,062,455.05
Multi-Bank WWTP $1,488,068.66
L.A.I.F. ****375 $39,820.72
L.A.I.F. ****005 $39,694.07
Total: $15,504,869.76

Charts and Graphs

Total Portfolio of Investments by Account
April 2017
- Investments: Various 40.40%
- Multi-Bank WWTP 16.18%
- L.A.I.F. ****375 1.51%
- L.A.I.F. ****005 1.51%
Total: $2,630,038.50

Total Portfolio of Investments by Type
April 2017
- Certificate Deposit $2,545,418.51
- Cash, Money, Funds, and Bank Deposits $7,075,20
- Other 40.40%
Total: $2,630,038.50

Breakdown of L.A.I.F. Investments
April 2017
- ****005 $39,694.07 50.08%
- ****375 $39,820.72 49.92%
Total: $79,514.79

Breakdown of Investments: Various - ***850
April 2017
- Discover BK Greenwood Del CTF 0.60%
- Ally Bank Midvalue Utah CTF DEP ACT/365 2.56%
- American Express Fed SVGS BK CTF DEP 5.22%
- Discover BK Greenwood Del CTF Dep Program Book 2.85%
- American Express Centurion BK CTF DEP 9.52%
- Capital One NATL ASSN MCLEAN VA CTF 7.55%
- Capital One BK USA NATL ASSN Glen Allen 8.67%
- Discover BK Greenwood Del CTF 9.53%
- Capital One NATL ASSN MCLEAN VA CTF 10.46%
- JP Morgan Chase BK NA Columbus Ohio 11.53%
- American Express Centurion BK CTF DEP 5.48%

Total: $1,062,455.05

Breakdown of Multi-Bank WWTP - ***934
April 2017
- GE Cap Inc Retail CTF Dep Program Book 0.26%
- State BK India York NY 9.60%
- GE CAP Retail BK Draper Utah Instl 10.46%
- First Sentry BK Huntington West VA 3.33%
- GE CAP Retail BK Draper Utah Instl 10.46%
- Firstbank P A Bank 3.33%
- State BK India Chicago IL 16.83%
- GE CAP Retail BK Draper Utah Instl 10.46%
- Capital One USA LASV ASSOCIATION 6.72%
- Goldman Sachs BK USA New York CTF 2.70%
- Capital One BK USA NATL ASSN Glen Allen 8.73%
- Wells Fargo BK N A San Francisco 2.70%
- Capital One BK USA NATL ASSN Glen Allen 8.67%
- Wells Fargo BK N A San Francisco 2.70%
- Bank of America BK Del 9.33%
- Wells Fargo BK N A San Francisco 2.70%
- Wells Fargo BK N A San Francisco 2.70%

Total: $1,488,068.66
Meeting Date: August 14, 2017
Subject: Approval of the Treasurer’s Reports – May 2017
Presented By: Jaime C. Fountain, City Treasurer

Approved By: _______________________________

Staff Recommendation:

Review and approve the City of Hughson Treasurer’s Report for May 2017.

Summary:

The City Treasurer is required to review the City’s investment practices and approve the monthly Treasurer’s report. Enclosed is the City of Hughson’s Treasurer’s Report for May 2017. As of May 2017, the City of Hughson’s total cash and investment balance is $15,928,655.53 and is in compliance with the City’s investment policy. The City has sufficient cash flow to meet the City’s expected expenditures for the next six months.

Background and Overview:

The Treasurer report for May 2017 reflects the most current representation of the City’s funds and investments and provides a necessary outlook for both past, present, and future investment and spending habits. While investments and funds differ from time to time, it is the goal of the City to maintain safety and stability with its funds, while additionally promoting prudence and growth.

Enclosed is the City of Hughson Treasurer’s Report for May 2017 along with supplementary graphs depicting the percentage of the City’s total funds, a breakdown of the May 2017 Developer Impact Fees, and an additional line plot graph further demonstrating the Developer Impact Fees. This graph depicts the Developer Impact Fees’ actual balance for the past five years, and continues with a projection based on the average rate of change for each fund over the next few years. After review and evaluation of the report, City staff has researched funds with a significant deficit balance and submit the following detailed explanation:

On January 23, 2017, the City Council approved amending the contract for payment of capital improvement fees with the Hughson Investment Group for Building A and
Building B. The total amount due is $134,201.55 comprised of $92,597.16 associated with Building A and $41,604.39 with Building B. The amendment provided that five equal payments would be made annually in the amount of $18,519.43 for Building A and $8,320.88 for Building B. The first installment of this amendment is reflected in the March 2017 Treasurer’s Report and applies to the following funds: Storm Drain, Public Facilities Development, Public Facilities Development – Streets, Sewer Developer Impact Fees and Water Developer Impact Fees.

Public Facilities Development Streets Fund:

The Public Facilities Development Streets Fund currently reflects a negative balance of ($145,287.49), reflecting a positive difference of $57,391.14 or a 28.32% increase from the previous year. The deficit is a result of the Euclid Bridge Project, which was constructed in Fiscal Year 2006/2007, for approximately $1.3 million. The project was completed in anticipation of funding from Developer Impact Fees collected from new development. Unfortunately, the housing market declined significantly and the new development never materialized. As the economy strengthens and new building continues, the City can recognize additional developer impact fees and reduce the deficit more quickly.

Water Developer Impact Fee Fund:

The Water Developer Impact Fee Fund currently reflects a negative balance of ($163,929.41), reflecting a positive difference of $120,577.03 or a 42.38% increase from the previous year. After extensive review, City staff discovered that the remaining deficit is attributable to settlement arrangements that were made in Fiscal Year 2008/2009 and Fiscal Year 2009/2010 for the Water Tank on Fox Road near Charles Street. The Project Cost of the Water Tower Project was $2,400,000. During that period, the City paid out $650,000 in settlements. This account will be in a deficit position until additional development occurs and developer impact fees are collected to cover those unanticipated settlement costs.

Based on a review of Water Development and Street funds, City staff expects development in the Feathers Glen (42 units), Euclid South (69 units) and Province Place (39 units) subdivisions, or about 150 units to be built to see a positive balance in the Water and Street Development funds. The Euclid North (50 units) subdivision is expected to follow shortly thereafter. These units reflect the areas that are most likely to see development within the City limits—with construction in Feathers Glen already in progress and nearing completion and construction on Province Place expected to begin in Fiscal Year 2017-2018.

Transportation Capital and CDBG Street Project Fund:

The Transportation Capital Project Fund currently reflects a negative balance of ($524,936.73), reflecting a negative difference of ($317,344.37) or a 152.87% increase from the previous year. The Fox Road Project accounts for $332,566.02 in expenditures
that have not yet been reimbursed by the Active Transportation Program (ATP). The CDBG Street Project Fund currently reflects a zero balance reflecting a positive difference of $60,929.17. As the City continues to produce transportation projects, the transportation fund will likely continue to show a negative balance. City staff will continue to monitor and report the status of these reimbursements as the funds become available.

**Fiscal Impact:**

As of May 2017, the total cash and investments balance for the City of Hughson is $15,928,655.53. This compares to May’s 2016 total cash and investments balance of $13,715,738.48 demonstrating a positive difference of $2,212,917.05 or a 16.13% increase.
<table>
<thead>
<tr>
<th>Service Area</th>
<th>2016</th>
<th>2017</th>
<th>Difference</th>
<th>% of Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Hughson</td>
<td>543,430.25</td>
<td>1,040,201.21</td>
<td>-496,770.96</td>
<td>-32.89%</td>
</tr>
<tr>
<td>Redevelopment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>51,824.79</td>
<td>1,272,002.86</td>
<td>1,220,178.07</td>
<td>2,345.70%</td>
</tr>
<tr>
<td>City of Hughson</td>
<td>47,722.00</td>
<td>1,040,201.21</td>
<td>-962,479.21</td>
<td>-1,992.35%</td>
</tr>
<tr>
<td>Redevelopment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
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</tr>
</tbody>
</table>

Break Down of Impact Fees

<table>
<thead>
<tr>
<th>Service Area</th>
<th>2016</th>
<th>2017</th>
<th>Difference</th>
<th>% of Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>73,718.28</td>
<td>172.14</td>
<td>-71,596.14</td>
<td>-97.15%</td>
</tr>
<tr>
<td>Redevelopment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>73,718.28</td>
<td>172.14</td>
<td>-71,596.14</td>
<td>-97.15%</td>
</tr>
</tbody>
</table>

TOTAL ALL FUNDS

<table>
<thead>
<tr>
<th>Service Area</th>
<th>2016</th>
<th>2017</th>
<th>Difference</th>
<th>% of Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
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<td>Redevelopment</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>13,715,738.48</td>
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<td>16.13%</td>
</tr>
</tbody>
</table>

Jaime C. Fountain, Treasurer
Percentage of all Funds for May 2017

Data displayed represents largest percentage of City funds. All other funds represent less than 5% of the City's total Cash and Investments.

May 2017 Breakdown of Developer Impact Fees

5 Year Trend & Estimate for Developer Impact Fees for the Month of May

Note: Calculated estimations are based on each fund's average annual rate of change.
Meeting Date: August 14, 2017
Subject: Approval of the Treasurer’s Report: Investment Portfolio Report – May 2017
Presented By: Jaime C. Fountain, City Treasurer

Staff Recommendation:


Summary:

The City Treasurer is required to review the City’s investment practices and approve the monthly Treasurer’s report. Enclosed is a summary of the City of Hughson’s Investment Portfolio for May 2017 and is provided as a supplementary document to the monthly Treasurer’s report. As of May 2017, the City of Hughson’s investment total is $2,637,668.19 and has a total cash and investment balance of $15,928,655.53. All investment actions executed since the last report have been made in full compliance of the City of Hughson’s Investment Policy. The City of Hughson meets its expenditure obligations for the next six months as required by California Government Code Section 53646 (b) (2) and (3) respectively.

Background and Overview:

The Investment Portfolio Report is intended to provide supplementary documentation of the City of Hughson’s investment practices. According to the City of Hughson’s Investment Policy, the City Treasurer shall submit to the City Council a quarterly investment report containing a complete description of the portfolio, the type of investments, the issuers, maturity dates, par and dollar values, and the current market values of each component of the portfolio. It is the goal of the City Treasurer however, to provide the investment report on a monthly basis as a supplement to the Treasurer’s Report. Furthermore, when dealing with investment activities, the City of Hughson primary objectives, in order of priority, are safety, liquidity, and return on investments.
According to Michael DeGeeter, the City’s MBS Account Executive, the City of Hughson utilizes a 5 year Certificate of Deposit (CD) laddering approach for its investment practices. This approach layers various CDs depending on interest rates and timing, which allows for reduced portfolio rates and a continuous stream of maturity dates. Mr. DeGeeter states that this CD approach has always spread positively for the City of Hughson and has had the highest yield of any spread thus far.

Enclosed is the City of Hughson’s Treasurer’s Report: Investment Portfolio Report for May 2017 along with supplementary graphs depicting the percentage of the City’s portfolio of investments. After review and evaluation of the report, City staff submits the following detailed explanation for investments displaying significant variances:

**L.A.I.F. Investments**

The reported Local Agency Investment Fund (L.A.I.F.) investments reflect the City’s most current balance statement as of May 31, 2017. The two L.A.I.F. accounts share a combined balance of $79,514.79, comprising of only 3.01% of the City’s total portfolio of investments. L.A.I.F. investments are reported on a quarterly basis. City staff will continue to report the most recent L.A.I.F. investments and will proceed to update the funds on a quarterly basis.

**Fiscal Impact:**

As of May 2017, the total investments balance for the City of Hughson is $2,637,668.19 accounting for 16.56% of the City’s total cash and investments. The total cash and investment amount is $15,928,655.53. Of the amounts invested, 0.36% is invested in Cash, Money, Funds, and Bank Deposits, 3.01% is invested in L.A.I.F. investments, and 96.63% is invested in CDs. As the year progresses and market values and interest rates increase, City staff will continue to monitor and report the City of Hughson’s investment practices.
## Breakdown of Investments

### Fixed Income (Certificate of Deposits)

<table>
<thead>
<tr>
<th>Description</th>
<th>Maturity Dates</th>
<th>Quantity</th>
<th>Market Price</th>
<th>Market Value</th>
<th>Interest Accrued</th>
<th>Rate of Return</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belmont SVGS BK Mass</td>
<td>11/13/14 - 11/13/18</td>
<td>27,000.00</td>
<td>$100.640</td>
<td>$27,168.00</td>
<td>20.64</td>
<td>1.540%</td>
<td>2.55%</td>
</tr>
<tr>
<td>Ally Bank Midvalue Ut CHT CPT ACT/365</td>
<td>01/28/14 - 01/28/19</td>
<td>76,000.00</td>
<td>$100.415</td>
<td>$76,315.45</td>
<td>388.16</td>
<td>1.490%</td>
<td>7.10%</td>
</tr>
<tr>
<td>State BK Ind York NY</td>
<td>09/11/14 - 09/11/19</td>
<td>55,000.00</td>
<td>$100.615</td>
<td>$55,465.80</td>
<td>262.42</td>
<td>2.130%</td>
<td>5.20%</td>
</tr>
<tr>
<td>American Express Fed SVGS BK CPT DEP</td>
<td>10/16/14 - 10/16/19</td>
<td>30,000.00</td>
<td>$101.027</td>
<td>$30,308.10</td>
<td>79.52</td>
<td>2.120%</td>
<td>2.84%</td>
</tr>
<tr>
<td>Discover BK Greenwood Del CFT</td>
<td>10/16/14 - 10/16/19</td>
<td>100,000.00</td>
<td>$101.680</td>
<td>$101,380.00</td>
<td>265.07</td>
<td>2.120%</td>
<td>9.48%</td>
</tr>
<tr>
<td>American Express Centr BK CPT DEP</td>
<td>12/04/14 - 12/04/19</td>
<td>80,000.00</td>
<td>$100.240</td>
<td>$80,195.20</td>
<td>858.30</td>
<td>2.190%</td>
<td>7.52%</td>
</tr>
<tr>
<td>Ally Bank Midvalue Ut CHT CPT ACT/365</td>
<td>02/07/17 - 02/07/20</td>
<td>106,000.00</td>
<td>$99.660</td>
<td>$101,943.00</td>
<td>177.73</td>
<td>1.800%</td>
<td>9.93%</td>
</tr>
<tr>
<td>Capital One NATL ASMN NACLAN VA CTF</td>
<td>11/04/15 - 11/04/20</td>
<td>91,000.00</td>
<td>$101.139</td>
<td>$92,056.49</td>
<td>144.73</td>
<td>2.120%</td>
<td>8.63%</td>
</tr>
<tr>
<td>Capital One BK USA NATL Glen Allen</td>
<td>11/04/15 - 11/04/20</td>
<td>100,000.00</td>
<td>$101.139</td>
<td>$101,319.00</td>
<td>159.04</td>
<td>2.120%</td>
<td>9.48%</td>
</tr>
<tr>
<td>Discover BK Greenwood Del CFT</td>
<td>11/04/15 - 11/04/20</td>
<td>110,000.00</td>
<td>$100.970</td>
<td>$110,168.00</td>
<td>179.01</td>
<td>2.170%</td>
<td>10.41%</td>
</tr>
<tr>
<td>Capital One NATL ASMN NACLAN VA CTF</td>
<td>09/28/16 - 09/28/21</td>
<td>126,000.00</td>
<td>$97.240</td>
<td>$122,514.80</td>
<td>375.58</td>
<td>1.740%</td>
<td>11.49%</td>
</tr>
<tr>
<td>JP Morgan Chase BK NA Columbus Ohio</td>
<td>11/18/15 - 11/18/21</td>
<td>54,000.00</td>
<td>$97.040</td>
<td>$52,808.20</td>
<td>39.00</td>
<td>1.850%</td>
<td>5.46%</td>
</tr>
<tr>
<td>American Express Centr BK CPT DEP</td>
<td>04/26/17 - 04/26/22</td>
<td>59,000.00</td>
<td>$100.190</td>
<td>$100,190.00</td>
<td>230.14</td>
<td>2.190%</td>
<td>9.39%</td>
</tr>
</tbody>
</table>

### Total

<table>
<thead>
<tr>
<th>Description</th>
<th>$1,066,661.19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investments: Various Holdings</td>
<td>$1,066,661.19</td>
</tr>
<tr>
<td>Total Portfolio Investment</td>
<td>40.44%</td>
</tr>
</tbody>
</table>

## L.A.I.F. Investments

### Quarter End Principal

<table>
<thead>
<tr>
<th>Account #</th>
<th>Balance as of May 2017</th>
<th>Earned as of May 2017</th>
<th>Interest Rate</th>
<th>Total</th>
<th>% of Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>175</td>
<td>$39,744.68</td>
<td>$76.04</td>
<td>0.78%</td>
<td>39,820.72</td>
<td>56.08%</td>
</tr>
<tr>
<td>2001</td>
<td>$39,618.27</td>
<td>75.80</td>
<td>0.78%</td>
<td>39,694.07</td>
<td>49.52%</td>
</tr>
</tbody>
</table>

| L.A.I.F. Investments Holdings | $79,514.79 |
| Total Portfolio Investment   | 3.01% |

Jaime C. Fountain, Treasurer

Date
Money Market:
Investments: Various
Multi-Bank WWTP
L.A.I.F. ****375
L.A.I.F. ****005
Total Invest:
Total ALL

Charts and Graphs

Total Portfolio of Investments by Account
May 2017

- Investments: Various
  $1,066,691.43
- Multi-Bank WWTP
  $1,491,461.97
- L.A.I.F. ****375
  $39,820.72
- L.A.I.F. ****005
  $39,694.07

Total: $2,637,668.19

Total Portfolio of Investment (Including Money Market Cash)
May 2017

- Money Market:
  $13,290,987.34
- Investments: Various
  $1,066,691.43
- Multi-Bank WWTP
  $1,491,461.97
- L.A.I.F. ****375
  $39,820.72
- L.A.I.F. ****005
  $39,694.07

Total: $15,928,655.53

Breakdown of Investments: Various - ***850
May 2017

- Cash, Money, Funds, and Bank Deposits
  $9,401.14
  0.36%
- Certificate Deposit
  $2,548,752.26
  96.63%
- Total: $2,637,668.19

Breakdown of L.A.I.F. Investments
May 2017

- L.A.I.F. $79,514.79
  0.31%
- L.A.I.F. $39,820.72
  1.50%
- Total: $79,514.79

Breakdown of Multi-Bank WWTP - ***934
May 2017

- Wells Fargo BK in San Francisco Cali
  $5,62
  0.41%
- Total: $13,290,987.34

Total Portfolio of Investments by Type
May 2017

- Certificate Deposit
  $2,548,752.26
  96.63%
- Total: $2,637,668.19

Total Portfolio of Investment Cash
May 2017

- Certificates of Deposit
  $2,548,752.26
  96.63%
- Total: $2,548,752.26
Meeting Date:         August 14, 2017
Subject: Consideration to Approve Resolution No. 2017-33, A Resolution of the City Council of the City of Hughson Supporting the Extension of a 1/8 Cent Sales Tax, which would Fund the Stanislaus County Library.
Presented By:  Susana Diaz, Management Analyst/Deputy City Clerk

Staff Recommendation:

Approve Resolution No. 2017-33, supporting the extension of a 1/8th cent sales tax, which would fund the Stanislaus County Library.

Background and Overview:

The Stanislaus County Library is seeking continued funding through an extension of a 1/8th cent sales tax. On July 24, 2017, Stanislaus County Library Director Diane McDonnell provided the City Council with a presentation highlighting the importance of the library and the services it provides to the community. The presentation included an overview of various services and the benefits these services provide to the community. The presentation included an overview of various services and the benefits these services provide to the community through the 1/8th cent sales tax. The Hughson Library is located at 2412 3rd Street near the downtown. The Hughson Branch Librarian is currently Heather Bailey who ensures that the Hughson Library is an active partner in the community.

An election will be held on November 7, 2017, where the voters will be asked to extend the 1/8th cent sales tax for a period of twelve years to assist funding of the Stanislaus County Library. The Stanislaus County Library is requesting cities in Stanislaus County to support the extension of the 1/8th cent sales tax which supports the Stanislaus County Library by adoption of a resolution.

Fiscal Impact:

There is no fiscal impact associated with this item. That said, if the extension of the 1/8 cent sales tax measure is not approved by Stanislaus County voters, it is likely that there will be a decrease in library services countywide.

WHEREAS, the Stanislaus County Library is seeking continued funding through an extension of a 1/8 cent sales tax, and,

WHEREAS, an election will be held on November 7, 2017, whereupon the voters will be asked to extend the 1/8 cent sales tax to assist in funding of the Stanislaus County Library, and,

WHEREAS, the Stanislaus County Library is requesting cities in Stanislaus County to support the extension of the 1/8 cent sales tax which supports the Stanislaus County Library by adoption of this resolution and a certified copy of this resolution shall be delivered to the Stanislaus County Library.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hughson hereby endorses the November 2017 election in support of the extension of the 1/8 cent sales tax which funds the Stanislaus County Library.

PASSED AND ADOPTED by the City Council of the City of Hughson at a regular meeting held on the 14th day of August, 2017 by the following roll call votes:

AYES:

NOES:

ABSTENTIONS:
ABSENT:

_________________________
JERAMY YOUNG, Mayor

ATTEST:

____________________________
SUSANA DIAZ, Deputy City Clerk
Meeting Date: August 14, 2017
Subject: Approval to Adopt and Waive the Second Reading of Ordinance No. 2017-05, Amending Section 17.03.060 of the Hughson Municipal Code Pertaining to Parking on Unimproved Surfaces
Presented By: Jaylen French, Community Development Director

Approved By: _____________________________

Staff Recommendation:

Approval to adopt and waive the second reading of Ordinance No. 2017-05, amending Section 17.03.060 of the Hughson Municipal Code pertaining to parking on unimproved surfaces.

Background and Overview:

Over the years, Hughson Code Enforcement has received many complaints from residents about vehicles parked in front yard areas. City staff has carefully reviewed the pertinent sections of the Hughson Municipal Code and while one could interpret that parking is prohibited in front yard areas, the code is not explicit in this regard.

Parking vehicles in front yard areas can create visual blight, lower property values, eliminate landscaped areas thus impacting the aesthetics of neighborhoods and in some cases create a safety concern.

City staff is recommending this item to clarify language in the HMC to make expressly clear that parking all vehicles on unimproved surfaces, except those owned and or operated by another public entity, is a violation of the code. An unimproved surface is defined as any unpaved area, earthen or bare lot, lawn, landscaping, parks, parkways, gardens, and similar type surfaces. If adopted, this will improve code enforcement efforts in responding to complaints and will ensure that a process is in place to remedy such matters for any offender.
Planning Commission Action

This item was brought before the Hughson Planning Commission at their regularly scheduled July 18, 2017 meeting to determine that the proposed amendment is consistent with the City’s adopted General Plan and to make a recommendation onto the City Council to adopt the subject ordinance. After all discussion, the Hughson Planning Commission determined that the subject code amendment was consistent with the adopted General Plan and unanimously recommended that the City Council adopt the ordinance.

The General plan is coordinated with the Zoning Code, Chapter 17—a chapter of the HMC. City staff has reviewed the General Plan and found nothing that would be contrary to this proposed amendment.

Resident Kenneth Doberenz provided a letter to City staff to share with the Planning Commission regarding the proposed amendment. He expressed concern that many areas of the city do not include improved street frontages and thus those residents have limited ability to park on improved surfaces.

This issue was discussed at length at the Planning Commission meeting. Ultimately, the Planning Commission felt comfortable with the proposed language understanding the intent of the code amendment, which is to assist code enforcement better address violators who park one or more cars on their front yard landscaped areas, not utilizing their garage or paved driveway.

It is true that no code language can foresee all current and future instances which may raise enforcement questions. This is an issue that City staff addresses frequently in both code enforcement and building cases. The intent of the code update is to provide a tool to assist code enforcement address and remedy an issue/complaint that is shared with staff frequently. Code enforcement staff will continue to address the issue using the tools available and will use best judgment, as all City staff does, in answering, determining or enforcing issues which may be viewed as ambiguous. In the end, the Planning Commission did not choose to add or modify language to further clarify the amendment per the information shared by the resident.

On July 24, 2017, after City staff’s presentation of this item, the City Council held the required public hearing and introduced and waived the first reading of this ordinance pertaining to parking on unimproved surfaces.

Fiscal Impact:

There is no immediate fiscal impact associated with this item as the new code will be incorporated into the City’s existing Code Enforcement Program and existing allocated staffing.
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HUGHSON
AMENDING SECTION 17.03.060 OF MUNICIPAL CODE CHAPTER 17.03 – CITYWIDE REGULATIONS AND SPECIAL PROVISIONS

WHEREAS, The City Council of the City of Hughson desires to amend Section 17.03.060 of the Hughson Municipal Code, Chapter 17.03, to add provisions pertaining to the parking of self-operating vehicles on unimproved surfaces.

WHEREAS, The City Council held a duly noticed public hearing on this Ordinance on ____________, 2017, at which time it considered all evidence presented, both written and oral.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF HUGHSON DOES ORDAIN AS FOLLOWS:

Section 1. Section 17.03.060 of Chapter 17.03 of Title 17 of the Hughson Municipal Code is amended to add B.4.c to read as follows:

B. General Provisions.

4. Existing Facilities.

c. Parking throughout the City is prohibited on unimproved surfaces such as unpaved areas, earthen or bare lots, lawns, landscaping, parks, parkways, gardens and similar types of surfaces. An exception is the use of an unimproved surface for the temporary parking of operable motor vehicles for temporary activities (e.g., carnivals, circuses, fairs, concerts, farmers’ markets) being held in accordance with a city issued temporary activity or temporary parking permit. Any temporary parking must comply with the minimum vehicular parking requirements set forth in Table 17.03.060(A). This provision shall not apply to any unimproved surfaces owned or operated by another public entity, as defined in Government Code Section 811.2, within the City limits.

Section 2. This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the City or any officer or employee thereof a mandatory duty of care toward persons and property within or without the city so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. If any provision of this ordinance or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this
end the provisions of this ordinance are severable. The city council hereby declares that it would have adopted this ordinance irrespective of the validity of any particular portion thereof.

Section 4. This ordinance shall become effective thirty (30) days after its final passage.

Section 5. Within fifteen (15) days after its final passage, the City Clerk shall cause this ordinance to be posted in full accordance with Section 36933 of the Government Code.

The foregoing ordinance was introduced and the title thereof read at the regular meeting of the City Council of the City of Hughson held on _____________________, and by a unanimous vote of the council members present, further reading was waived.

On motion of councilperson _____, seconded by councilperson ______, the second reading of the foregoing ordinance was waived and this ordinance was duly passed by the City Council of the Hughson City Council at a regular meeting thereof held on ________________, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

__________________________
JERAMY YOUNG, Mayor

ATTEST:

__________________________
SUSANA DIAZ, Deputy City Clerk
Meeting Date: August 14, 2017
Subject: Approval to Adopt and Waive the Second Reading of Ordinance No. 2017-06, Amending Section 13.08.340 of the Hughson Municipal Code Pertaining to Water Use
Presented By: Raul L. Mendez, City Manager
Daniel J. Schroeder, City Attorney

Approved By: _______________________________

Staff Recommendation:

Approval to adopt and waive the second reading of Ordinance No. 2017-06, an ordinance of the City of Hughson City Council amending Section 13.08.340 of Chapter 13 – Water Use to clarify the time periods residents are permitted to irrigate landscaping.

Background and Overview:

On April 7, 2017, Governor Edmund G. Brown Jr. issued Executive Order B-40-17 terminating the January 17, 2014 Drought State of Emergency for all counties in California except the counties of Fresno, Kings, Tulare, and Tuolumne. The orders and provisions contained in his April 25, 2014 Emergency Proclamation, as well as, Executive Orders B-26-14, B-28-14, B-29-15 and B-36-15 were also rescinded.

The orders and provisions contained in Executive Order B-37-16, Making Water Conservation a California Way of Life, essentially remained in effect. This included the continued development of permanent prohibitions on wasteful water use and requirements for reporting water use by urban water agencies. Permanent restrictions would prohibit wasteful practices such as:

- Hosing off sideways, driveways, and other hardscapes;
- Washing automobiles with hoses not equipped with a shut-off nozzle;
- Using non-recirculated water in a fountain or other decorative water feature;
- Watering lawns in a manner that causes runoff, or within 48 hours after measurable precipitation; and
• Irrigating ornamental turf on public street medians.

Further, the State Water Board was directed to rescind those portions of existing emergency regulations that require a water supply street test or mandatory conservation standard for urban water agencies.

In mid 2015, the Hughson City Council took action to amend Hughson Municipal Code (HMC) Title 13 Chapter 13.04.340 – Water Conservation and Prohibition on Water Waste consistent with the Governor’s Executive Orders and issued regulations regarding urban water restrictions. Per the State’s emergency regulations, smaller urban water distributors that did not qualify as an urban water supplier were required to implement one of the following two mandatory conservation measures:

1) Achieve a 25% reduction in water consumption, or

2) Limit outdoor irrigation of ornamental landscapes or turf with potable water by the persons it serves to no more than two days per week.

The City of Hughson is classified as a small urban water distributor. Chapter 13.08.340(F)(3) of Title 13 of the HMC authorized the City Council to restrict by resolution additional activities during a duly declared water shortage emergency where such prohibitions are found necessary for the immediate protection of health and safety or are required by State law. On September 8, 2014, the City Council adopted Resolution No. 2014-25 declaring a water shortage emergency existed in the City. To comply with State regulations, the City Council adopted Resolution No. 2015-18 on May 5, 2015 to limit the water days for landscaping to two (2) days a week as follows:

a. Odd-number addresses – Wednesdays and Sundays between the hours of 7:00 p.m. and 8:00 a.m.

b. Even-numbered addresses Tuesdays and Saturdays between the hours of 7:00 p.m. and 8:00 a.m.

c. Public exterior landscaping maintained by the City may be irrigated between the hours of 7:00 p.m. and 8:00 a.m. on any day as necessary due to operational constraints, but not to exceed two days per week for any parcel containing such landscaping.

The restriction put in place was a departure from the traditional water days for outdoor landscapes of three (3) days a week in the City of Hughson.

**Restrictions on Irrigation of Outdoor Landscapes Lifted**

In light of the Governor’s recent Executive Order B-40-17, the Hughson City Council to revisited its current restrictions on the irrigation of outdoor landscapes. In conducting research for the preparation of this item, there were several areas that needed to be examined in order to adequately vet whether rescinding the existing water day
restrictions should revert back to the traditional schedule. This included: a determination of whether the City met its water conservation goals as expected by the State of California, revenue receipts during the period of water conservation, water table levels, quality of the drinking water, etc. Furthermore, City staff polled other cities in Stanislaus County to determine whether locally restrictions were being rescinded due to the Governor’s action.

In summary, since the more stringent restrictions were put in place, the City of Hughson was successful in meeting water conservation goals (established at a 25% reduction from the baseline year for small urban water distributors), revenue receipts in the water fund decreased based on decreased usage as expected, water table levels in and around the Hughson area generally remained static, and water quality of drinking water remained within the normal range.

In quickly surveying Stanislaus County cities, the local response was very diverse. In some cases, some cities were lifting restrictions back to traditional levels. In other cases, due to water quality issues and water table levels, some cities were keeping things “as is” or at least until all elements of the Governor’s Executive Orders were implemented. There were a few cities that had chosen not to change back in 2015 with the Governor’s emergency drought regulations and would thus not be making any modifications at the present time.

On May 22, 2017, the City Council discussed existing restriction on irrigation of outdoor landscapes as a result of Governor Brown’s Executive Order directing the State Water Board to lift the specific conservation programs of its drought emergency regulations. City staff presented information regarding the changes at the State level and recommended next steps. The City Council discussed the issue and considered necessary direction including revisiting the existing restrictions on irrigation of outdoor landscapes in place. The City Attorney advised that at a minimum that the City Council needed to end the water shortage emergency previously declared and repeal the irrigation restrictions—which will return the outdoor watering schedule to as follows:

a. Odd-numbered addresses: Wednesdays, Fridays and Sundays between the hours of 7:00 p.m. and 12:00 noon.

b. Even-numbered addresses: Tuesdays, Thursdays and Saturdays between the hours of 7:00 p.m. and 12:00 noon.

c. Watering by hand (with cans, wands, handheld hoses) is allowed on days as per address.

City staff shared that if the City Council was interested in maintain some of the restrictions currently in place it would need to do so after the above items were done and via the existing provisions in the Hughson Municipal Code 13.08.340 Water Conservation and Prohibition on Water Waste.
On June 12, 2017, the City Council approved Resolution No. 2017-25, declaring an end to the water shortage emergency previously declared and repealing the associated irrigation restrictions. Based on the direction provided by the City Council at that time, the City Attorney has drafted proposed amendments to Chapter 13 – Water Use to clarify the time periods residents are permitted to irrigate landscaping. The current language in the Hughson Municipal Code that addresses this area is not as clear as it can be. As such, the outdoor water schedule is amended as follows:

a. Odd-numbered addresses: Wednesdays, Fridays and Sundays between the hours of 12:00 midnight and 12:00 noon, and 7:00 p.m. and 12:00 midnight.

b. Even-numbered addresses: Tuesdays, Thursdays and Saturdays between the hours of 12:00 midnight and 12:00 noon, and 7:00 p.m. and 12:00 midnight.

c. Watering by hand (with cans, wands, handheld hoses) is allowed on days as per address.”

On July 24, 2017, after City staff’s presentation of this item, the City Council held the required public hearing and introduced and waived the first reading of this ordinance pertaining to water use.

**Fiscal Impact:**

Due to the water conservation measures put in place by the City of Hughson effective July 8, 2015, the water fund did see a significant decrease in revenue. With the more lenient restrictions, it is anticipated that water usage will increase generating additional revenue to materialize to help offset the cost of ongoing operation and maintenance of the City’s municipal water system. Further, the City anticipates incur nominal expenses to educate residents on the new parameters in place.
HUGHSON CITY COUNCIL
ORDINANCE NO 2017 - 06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
HUGHSON AMENDING MUNICIPAL CODE TITLE 13, CHAPTER 13.08.340.C.1

WHEREAS, the City Council of the City of Hughson previously added Chapter 13.08.340.C.1 to Title 13 of the Hughson Municipal Code (“HMC”), pertaining to when landscape irrigation is allowed within the City; and

WHEREAS, the City of Hughson desires to amend its municipal code to clarify the time periods when residents are allowed to irrigate landscaping.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF HUGHSON DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 13.08.340.C.1 of Title 13 of the Hughson Municipal Code is amended in full to read as follows:

“1. Irrigation of all exterior landscaping including, but not limited to, turf areas, open ground, crops, trees, grass, lawn, ground cover, shrubbery, or decorative plantings using an irrigation system, hose, or outdoor potable water faucet shall be allowed only three days a week as follows:
   a. Odd-numbered addresses: Wednesdays, Fridays and Sundays between the hours of 12:00 midnight and 12:00 noon, and 7:00 p.m. and 12:00 midnight.
   b. Even-numbered addresses: Tuesdays, Thursdays and Saturdays between the hours of 12:00 midnight and 12:00 noon, and 7:00 p.m. and 12:00 midnight.
   c. Watering by hand (with cans, wands, handheld hoses) is allowed on days as per address.”

Section 2. This ordinance is not intended to and shall not be construed or given effect in a manner that imposes upon the city or any officer or employee thereof a mandatory duty of care toward persons and property within or without the city so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 3. If any provision of this ordinance or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable. The city council hereby declares that it would have adopted this ordinance irrespective of the validity of any particular portion thereof.

Section 4. This ordinance shall become effective thirty (30) days after its final passage.
Section 5. Within fifteen (15) days after its final passage, the City Clerk shall cause this ordinance to be posted in full accordance with Section 36933 of the Government Code.

The foregoing ordinance was introduced and the title thereof read at the meeting of the City Council of the City of Hughson held on, July __, 2017, and by a _________ vote of the council members present, further reading was waived.

On motion of councilperson ______________________, seconded by councilperson ______ ______________________, the foregoing ordinance was duly passed by the City Council of the Hughson City Council at a regular meeting thereof held on May __, 2015, by the following vote:

AYES: ______

NOES: ______

ABSTENTIONS: ______

ABSENT: ______

________________________________________
JERAMY YOUNG, Mayor

ATTEST:

__________________________
SUSANA DIAZ, City Clerk
Staff Recommendation:

Authorize the City Manager to execute the Fiscal Year 2017-2018 Memorandum of Understanding with Opportunity Stanislaus.

Background:

On July 25, 2011, the Hughson City Council approved entering into a Memorandum of Understanding (MOU) with the Stanislaus County Economic Development and Workforce Alliance (Alliance) for assistance with economic development services. A focus of the new partnership at that time was the development of a business incubation center at the City building located at 7012 Pine Street.

On September 23, 2013, the Hughson City Council approved the expansion of the City’s business assistance programs and with that action authorized an amendment to the Alliance MOU for increased support through the establishment of a Small Business Development Center (SBDC) at the Hughson Business Incubation Center.

In early 2014, the Stanislaus County Economic Development and Workforce Alliance announced the selection of their new Executive Director, David White, to succeed William Bassitt who had recently retired. Shortly thereafter, the Stanislaus County Economic Development and Workforce Alliance was renamed the Stanislaus Business Alliance with a renewed focus and vision.

At that time, Mr. White met with members of the Hughson City Council and City staff and shared his philosophy of transparency, accountability, collaboration and communication. Over the last few years, the City of Hughson has seen an increase in involvement and accessibility of Alliance staff through their participation in the meetings of the Hughson Economic Development Committee, through their
facilitation of Economic Development Practitioners Meetings with City and County staff, and their technical support of the City’s business attraction and development purposes. Alliance staff has assisted with the administration of the business assistance program, the incubation center and other special projects as needed.

**Opportunity Stanislaus**

Effective June 30, 2016, the Stanislaus Business Alliance and Alliance Worknet separated. The reason for the separation was due to new Federal mandates through the Workforce Investment and Opportunity Act passed by Congress in 2014 which no longer allowed local workforce boards to procure Federal workforce dollars to themselves to administer business and career services.

Because the Stanislaus Business Alliance wanted to continue to provide workforce services to employers, it concluded that it would need to separate from the Alliance Worknet (its employment and training arm which is represented by Stanislaus County employees) so that it could bid on business and career services. The first contract, the Business Services Contract, went to RFP earlier this year and the Stanislaus Business Alliance bid and was eventually awarded the contract. During that time frame, the Stanislaus Business Alliance dissolved its organizational structure, created a new organization, approved bylaws for the new organization and transferred all assets to the new organization. The new organization named Opportunity Stanislaus, and directed by a Board comprised of local business owners, retained many of the same services and programs it administered as the Stanislaus Business Alliance but under a new organizational structure separate from the County employment and training function (Alliance Worknet). The Alliance Worknet reverted back to a County department and is now administered by a new Workforce Development Board created by the Stanislaus County Board of Supervisors.

For over a decade, Stanislaus County and its incorporated cities have worked with the Stanislaus Business Alliance, formerly the Stanislaus County Economic Development and Workforce Alliance, on a regional approach to business attraction and development. Under the new model and structure (Opportunity Stanislaus), the County and cities still anticipates relying on this organization for these important services and technical expertise.

**Business Services to the City of Hughson**

On October 27, 2014, through a recommendation the Economic Development Committee, the City Council approved an increase to the allocation to the then Stanislaus Business Alliance from $2,400 to $5,000—which included a local SBDC component.

Since that time, the Alliance has continued to work more closely with City staff in numerous ways including direct participation at the meetings of the Economic Development Committee, providing technical assistance in gathering demographic information for the City’s business attraction efforts and planning, and hosting monthly meetings with key County and City staff that focus on regional economic development strategies. This work resulted in the nine incorporated cities and the
County adopting in the last year a set of Accountable and Prompt Permitting principles to improve marketability of the region. The local SBDC has assisted in the development and evaluation of proposals for the City’s business assistance programs. Additionally, the Hughson SBDC has also been instrumental in placing the first official business in the Hughson Incubation Center—Holtzclaw Compliance Services. Holtzclaw Compliance Services has been in business for two years and working with City staff to relocate to a permanent location in downtown—the central goal of the creative program. This last year, the City partnered with the Hughson SBDC and Samaritan Village to host an exporting workshop which was well received locally and continuing to explore other opportunities to bring additional resources for local businesses.

**Fiscal Impact:**

The annual contribution of $7,300 to Opportunity Stanislaus is included in the City’s Fiscal Year 2016-2017 Final Adopted Budget.
MEMORANDUM OF UNDERSTANDING
BETWEEN OPPORTUNITY STANISLAUS AND THE CITY OF HUGHSON REGARDING
THE JOINT IMPLEMENTATION OF THE COUNTYWIDE
ECONOMIC DEVELOPMENT PLAN AND MARKETING STRATEGY

Opportunity Stanislaus (formerly the Stanislaus Business Alliance) and the City of Hughson, (CITY) intend to work together through the implementation of the Countywide Economic Development Plan and Marketing Strategy focused on business development activities throughout Stanislaus County. This Memorandum of Understanding (MOU) serves as a guideline to describe the actions that both parties should take in order for the Economic Development Plan and Marketing Strategy to be successful.

The purpose of this Memorandum is to facilitate Opportunity Stanislaus’ and the City of Hughson’s desire to effectively communicate strategies and information with local and regional partners that will maximize their contribution toward the achievement of Hughson economic development goals. Further, this Memorandum of Understanding establishes the parameters for a successful partnership between Opportunity Stanislaus and the City of Hughson and outlines the general responsibilities to be carried out by both parties.

This Memorandum of Understanding is a non-binding contract. However, this agreement establishes the basic tenets of a collaborative working relationship between the City of Hughson and Opportunity Stanislaus to create more jobs for Hughson and the region, but does not impose a legal obligation on either party. Together, the City of Hughson and Opportunity Stanislaus will:

1. Work together to identify target sectors for joint initiatives including, but not limited to biotechnology, agribusiness, manufacturing, clean energy, environmental sciences, and information and communication technologies;

2. Work together to identify opportunities for strategic partnerships and alliances between private sector companies in Hughson and the Stanislaus County Region;

3. Explore opportunities for joint trade promotion and joint promotional activities related to the tourism, cultural and sports sectors;

4. Exchange best practices/lessons learned in assisting the private sector with inland port development;

5. Examine options for co-operative activity to facilitate development of strategic partnerships/collaborations between the jurisdictions’ respective inland ports, particularly as they relate to value-added and complementary services supporting their respective business communities; and
6. Leverage collaborative efforts amongst members throughout Stanislaus County and the Region with a particular focus on trade and business development, knowledge/innovation economy development, life sciences, biotechnology, and information technology development.

The City of Hughson and Opportunity Stanislaus recognize the benefits of ongoing, regular contact between their respective organizations to promote economic development and job creation and identify areas in which there are opportunities for joint co-operation.

The following are general actions and activities to be undertaken by Opportunity Stanislaus and by the City of Hughson in the implementation of the Countywide Economic Development Plan and Marketing Strategy first adopted on August 12, 2003 and the Opportunity Stanislaus 2008-2013 Strategic Plan approved on November 19, 2007. Opportunity Stanislaus in conjunction with Stanislaus County and all of the cities will continue work on developing a 2016-2020 Strategic Plan that includes updating the Countywide Economic Development Plan and Marketing Strategy, which is anticipated to be completed within the current budget cycle.

Specifically, Opportunity Stanislaus:

1. Will conduct economic development activities to encourage the development of new business opportunities, the attraction of new businesses and the retention and expansion of existing business within the City of Hughson;

2. Will assist the City with implementation of its Economic Development Strategy as approved by the Hughson City Council.

3. Will continue with the Local Industry Program for the business in Hughson and will include representative of the City on those interactive visits.

4. Will provide the City of Hughson with on-going market and economic analyses through the Opportunity Stanislaus Resource Center on a variety of important business sector topics based on the City of Hughson’s priorities and goals. Information will be used at the City’s discretion (annual budget document, Comprehensive Economic Development Strategy, as well as other reports). This includes statistics, retail gap analysis, benchmarking data, and demographic information as requested by the City.

5. Will coordinate collaborative visits, recruitment trips and trade show participation for such events as the Processors Convention, ICSC events, other retail trade shows.

6. Will support and coordinate with the City of Hughson on workforce support efforts such as in partnering on hiring events, holding workforce related events to support local employers as well as other types of training for local businesses.

7. Will partner with Hughson by continuing to involve City of Hughson in prospect meetings and providing support on direct leads to the City of Hughson.

8. Will assist the City of Hughson with efforts in pursuit of a full-service grocery store in the City limits.
9. Will support the City of Hughson in its applications for EDA grant funds as well as actively participate on the Economic Development Action Committee (EDAC) and assigned responsibilities and coordination (Comprehensive Economic Development Strategy, San Joaquin Valley Economic Development District, Economic Development Administration, etc.);

10. Will facilitate, in a transparent manner all potential development and prospect leads as well as provide an update or status on previous leads that were circulated and responded to by the City of Hughson.

11. Will assist the City in the further development of its entrepreneurial center/incubator including making referrals from all Alliance locations in Stanislaus County.

12. Will investigate the opportunity and possibility of developing a co-working space in Downtown Hughson to encourage entrepreneurial efforts for fledgling businesses, microenterprises and other job creation opportunities.

13. Will advocate for the establishment of an effective Entrepreneurial Program at CSU Stanislaus.

14. Will assist the City to prepare a forty-acre site suitable for an industrial or business park location.

15. Will work with City officials and property owners to facilitate in-fill projects in the downtown area.

16. Will provide professional consulting services through the Small Business Development Center (SBDC) to all Hughson businesses and actively explore the feasibility of having a full time SBDC staffer located in Hughson to serve the Hughson business community.

17. Will assist the City in the promotion of the Hughson Business Assistance Programs including consultation and advice for development of program parameters, implementation and advice.

18. Opportunity Stanislaus quarterly progress reports shall be submitted on a four times a year basis describing activities in business attraction, business assistance/expansion and business advocacy efforts provided by the Opportunity Stanislaus Research Office, the Business Services Unit and the Small Business Development Center. These Quarterly Reports will be submitted on or before the following due dates during this performance cycle:
   - Quarter #1: September 29, 2017;
   - Quarter #2: January 5, 2018;
   - Quarter #3: March 30, 2018; and
   - Quarter #4: June 29, 2018.
These reports will provide ongoing, updated information to the City of Hughson relative to the progress of the aforementioned Marketing Strategy as well as the adopted Opportunity Stanislaus Program of Work for Fiscal Year 2017-2018. These reports will include the current focus of the campaign as well as the number and type of responses received.

Specifically, the City of Hughson:

1. Will assist in providing the required and timely staff support based on the availability of staff resources and the City of Hughson’s specific priorities in response to stated business needs as they pertain to existing companies or new firms interested in relocation or expansion to the area.

2. Will facilitate ease of access and assistance to all businesses with regards to zoning and permitting in compliance with City of Hughson adopted land use regulations and building codes and consistent with Hughson’s adopted growth and land use policies and objectives.

3. Will provide current data as it relates to changes in land use issues, infrastructure upgrades, zoning, fee structure or any other jurisdictional actions which assist in meeting the stated objectives of this Memorandum of Understanding and that impact the ability to respond to stated business issues and concerns.

4. Will commit to interact with the Opportunity Stanislaus Marketing Team to the level of capability based on staffing, time and monetary constraints. Participation will be at a level deemed appropriate based on any restraints as defined.

5. Will encourage elected officials to engage in an active support of business park creation, job creation opportunities, job retention and new business development.

6. Will provide clearly stated development goals and objectives and align City policy and procedures to promote identified development goals and objectives.

7. Will provide a suitable location for private business consulting with Hughson businesses by the Alliance SBDC.

This MOU sets forth the current intentions of Opportunity Stanislaus and the City of Hughson with respect to the Fiscal Year 2017-2018 operations of Opportunity Stanislaus. The further intent is to provide a general understanding of the levels of responsibility and interaction for each party to this agreement. The MOU is not a binding contract but rather a document to serve as a guideline for the implementation of the Countywide Economic Development Plan and Marketing Strategy. A critical element of this document is the ability for each party to engage in a level of flexibility in the full implementation of the referenced plans.
In compensation for providing this Fiscal Year 2017-2018 level of activity as outlined in the MOU, the City of Hughson will increase its annual investment in Opportunity Stanislaus to be commensurate with the level of service. Specifically, the City of Hughson will disperse funds to the Opportunity Stanislaus in the amount of $5,000 and in the amount of $2,300 to the Small Business Development Center in the amount of for the period of Fiscal Year 2017-2018.

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<th>Opportunity Stanislaus Investment</th>
<th>Small Business Development Center</th>
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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by and through their respective officers’ thereunto duly authorized. Further, this MOU is consistent with the original intent of the Countywide Economic Development Plan and Marketing Strategy and the responsibilities as outlined, meets with the approval of both parties to this Memorandum of Understanding.

Opportunity Stanislaus

Signature: ____________________________

David White, Chief Executive Officer

Date _______________________________

City of Hughson

Signature: ____________________________

Raul L. Mendez, City Manager

Date _______________________________