

ANNOTATED AGENDA

for
January 22, 2013

CITY COUNCIL MEETING
Regular Meeting
Public Financing Authority
Including the Antioch City Council
acting as Successor Agency/Housing Successor
to the Antioch Development Agency

Order of Council vote: AYES:

Council Members Wilson, Rocha, Tiscareno, Agopian and
Mayor Harper

Notice of Availability of Reports

This agenda is a summary of the actions proposed to be taken by the City Council. For almost every agenda item, materials have been prepared by the City staff for the Council's consideration. These materials include staff reports which explain in detail the item before the Council and the reason for the recommendation. The materials may also include resolutions or ordinances which are proposed to be adopted. Other materials, such as maps and diagrams, may also be included. All of these materials are available at the City Clerk's Office, located on the 3rd Floor of City Hall, 200 H Street, Antioch, CA 94509, during normal business hours for inspection and (for a fee) copying. Copies are also made available at the Antioch Public Library for inspection. Questions on these materials may be directed to the staff member who prepared them, or to the City Clerk's Office, who will refer you to the appropriate person.

Notice of Opportunity to Address Council

The public has the opportunity to address the Council on each agenda item. To address the Council, fill out a yellow Speaker Request form, available on each side of the entrance doors, and place in the Speaker Card Tray. See the Speakers' Rules on the inside cover of this Agenda. Comments regarding matters not on this Agenda may be addressed during the "Public Comments" section.

5:45 P.M. ROLL CALL for Closed Sessions – ***Council Members Wilson, Tiscareno, Agopian, and Mayor Harper (Mayor Pro Tem Rocha arrived at 5:49 p.m.)***

PUBLIC COMMENTS for Closed Sessions – ***None***

CLOSED SESSIONS:

- 1) **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** – This Closed Session is authorized by California Government Code section 54957 – City Manager.
No action taken
- 2) **CONFERENCE WITH LABOR NEGOTIATOR** – This Closed Session is authorized by California Government Code section 54957.6. Agency Designated Representative: City Attorney; Unrepresented employee: City Manager.
Direction given to Labor Negotiator
- 3) **PUBLIC EMPLOYMENT** – This Closed Session is authorized by California Government Code section 54957 – City Manager.
Direction given to Staff
- 4) **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** – This Closed Session is authorized by California Government Code §54957 – City Attorney.
Direction given to Staff

7:03 P.M. ROLL CALL for Council Members/Public Financing Authority/City Council Members acting as Successor Agency/ Housing Successor to the Antioch Development – ***All Present***

PLEDGE OF ALLEGIANCE – ***Robbie Miller, Troop 151***

PROCLAMATION – ***In honor of Carol Marchetti***

Approved, 5/0

ANNOUNCEMENTS OF CIVIC AND COMMUNITY EVENTS

PUBLIC COMMENTS—***Only unagendized issues will be discussed during this time***

CITY COUNCIL SUBCOMMITTEE REPORTS

MAYOR'S COMMENTS

COUNCIL REGULAR AGENDA

1. PRESENTATION OF INVESTMENT REPORT BY PFM (PUBLIC FINANCE MANAGEMENT) **Approved, 5/0**

Recommended Action: Motion to receive and file

MINUTES

MINUTES

2. **COUNCIL CONSENT CALENDAR**

- A. APPROVAL OF COUNCIL MINUTES FOR DECEMBER 27, 2012

Recommended Action: Motion to approve the minutes

Approved, 5/0

STAFF REPORT

- B. APPROVAL OF COUNCIL WARRANTS

Recommended Action: Motion to approve the warrants

Approved, 5/0

STAFF REPORT

- C. APPROVAL OF TREASURER'S REPORT FOR DECEMBER 2012

Recommended Action: Motion to approve the report

Approved, 5/0

STAFF REPORT

- D. REJECTION OF CLAIM

1. David Morris & Kathryn Millard 12/13-2086 (wrongful death)

Recommended Action: Motion to reject the listed claim

Rejected, 5/0

STAFF REPORT

- E. ADOPTION OF AN ORDINANCE PROHIBITING MEDICAL MARIJUANA FACILITIES (*Introduced on 01/08/13*)

Recommended Action: Motion to adopt the ordinance

Ord. No. 2060-C-S, 3/2-R, T

STAFF REPORT

- F. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH SUPPORTING RENEWAL OF THE CONTRA COSTA RECYCLING MARKET DEVELOPMENT ZONE

Recommended Action: Motion to adopt the resolution

Reso No. 2013/01, 5/0

STAFF REPORT

- G. CITY OF ANTIOCH REPRESENTATIVES TO THE MUNICIPAL POOLING AUTHORITY

Recommendation: Motion to adopt the resolution naming the Human Resources/Economic Development Director as the City's Board Member to the Municipal Pooling Authority of Northern California ("Authority") and the City Attorney as the Alternate Board Member

Reso No. 2013/02, 5/0

STAFF REPORT

COUNCIL CONSENT CALENDAR — Continued

H. STANDBY CITY COUNCIL MEMBERS

Recommended Action: Motion to approve nominated Standby City Council Members **Approved, 5/0**
STAFF REPORT

I. SETTLEMENT AGREEMENT WITH NORTHERN CALIFORNIA RIVER WATCH AND UPDATED SEWER SYSTEM MANAGEMENT PLAN (SSMP)

Action: Motion to receive and file **Approved, 5/0**
STAFF REPORT STAFF REPORT

J. CITY OF ANTIOCH – COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Recommended Action: Motion to receive and file the report **Approved, 5/0**
STAFF REPORT

K. CITY OF ANTIOCH – SINGLE AUDIT REPORT FOR THE YEAR ENDED JUNE 30, 2012

Recommended Action: Motion to receive and file the report **Approved, 5/0**
STAFF REPORT

L. CITY OF ANTIOCH – AUDITORS’ COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Recommended Action: Motion to receive and file **Approved, 5/0**
STAFF REPORT

M. CONSIDERATION OF BIDS FOR THE COMMUNITY PARK SYNTHETIC TURF FIELDS (P.W. 394-7F)

Recommended Action: Motion to award the project to the low bidder, Goodland Landscape Construction, Inc., in the amount of \$1,295,000.00 **Approved, 5/0**
STAFF REPORT

N. RESOLUTION ACCEPTING WORK AND AUTHORIZING THE PUBLIC WORKS DIRECTOR/CITY ENGINEER TO FILE A NOTICE OF COMPLETION FOR THE WATER MAIN REPLACEMENT AT VARIOUS LOCATIONS, (P.W. 503-13)

Recommended Action: Motion to adopt the resolution accepting work, authorizing the Public Works Director/City Engineer to File a Notice of Completion and authorizing the Director of Finance to make a final payment in the amount \$65,710.26 and retention of \$21,273.94 both to be paid thirty five days (35) only after recordation of the Notice of Completion and resolution of the outstanding subcontractor claims **Reso No. 2013/03, 5/0**
STAFF REPORT

COUNCIL CONSENT CALENDAR — Continued

- O. EXTENSION OF CONTRACT WITH BADAWI & ASSOCIATES, CERTIFIED PUBLIC ACCOUNTANTS FOR PROFESSIONAL AUDITING SERVICES FOR FISCAL YEARS ENDING JUNE 30, 2013 AND 2014

Approved, 5/0

Recommended Action: Motion to approve extension of contract for the Fiscal Years Ending June 30, 2013 and 2014

STAFF REPORT

- P. AUTHORIZE THE CONTRACT AND PURCHASE FOR THE COMPUTER VIRTUALIZATION UPGRADE PROJECT FOR FISCAL YEAR 2012/2013

Approved, 5/0

Recommended Action: Motion to authorize the City Manager to execute the cooperative purchase arrangement via the Merced County FOCUS (Fast Open Contracts Utilization Services) Contract, and issuance of a purchase order for computer equipment, professional services, and three (3) years of maintenance and support for the City's mobile desktop program to AMS.NET, Livermore, CA for \$108,888

STAFF REPORT

END OF COUNCIL CONSENT CALENDAR

PUBLIC HEARING

3. EXTENSION OF AN INTERIM URGENCY ZONING ORDINANCE PROHIBITING THE ISSUANCE OF PERMITS, LICENSES OR APPROVALS FOR CONSTRUCTION, ESTABLISHMENT OR OPERATION OF ANY COMPUTER GAMING AND INTERNET ACCESS BUSINESS

Approved Supplement Report Revised Ord. No. 2061-C-S, 5/0

Recommended: Motion to adopt the interim urgency zoning ordinance extending the prohibition of the issuance of permits, licenses or approvals for construction, establishment or operation of any computer gaming and internet access business within the City of Antioch on an interim basis pending consideration of amendments to Title 9 of the Antioch Municipal Code for a period of one year and declaring the urgency thereof (four-fifths (4/5th) vote required)

STAFF REPORT

STAFF REPORT

COUNCIL REGULAR AGENDA – Continued

4. UPDATE ON THE STATUS OF ANTIOCH FERRY TERMINAL

Received, 5/0

Recommended Action: Motion to receive the presentation, and provide comments and direction as appropriate

STAFF REPORT

COUNCIL REGULAR AGENDA – Continued

5. THREE PARTIAL-TERM APPOINTMENTS FOR THREE VACANCIES ON THE ECONOMIC DEVELOPMENT COMMISSION (EDC)

*Appointed Peter Donisanu and Rhoda Parhams – Term expires June 2013,
Appointed Lamar Thorpe – Term expires June 2015,
4/1-R*

Recommended Action: Motion to receive and file the applications, and the Mayor appoint and Council approve the appointment of three commissioners

STAFF REPORT

PUBLIC FINANCING AUTHORITY AGENDA

6. ANTIOCH PUBLIC FINANCING AUTHORITY - BASIC FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Approved, 5/0

Recommended Action: Motion to receive and file the report

STAFF REPORT

7. **CITY OF ANTIOCH AS SUCCESSOR AGENCY TO THE ANTIOCH DEVELOPMENT AGENCY**

- A. APPROVAL OF SUCCESSOR AGENCY WARRANTS

Approved, 5/0

Recommended Action: Motion to approve the warrants

STAFF REPORT

8. **CITY OF ANTIOCH AS HOUSING SUCCESSOR TO THE ANTIOCH DEVELOPMENT AGENCY**

- A. APPROVAL OF HOUSING SUCCESSOR WARRANTS

Approved, 5/0

Recommended Action: Motion to approve the warrants

STAFF REPORT

PUBLIC COMMENT - None

STAFF COMMUNICATIONS

COUNCIL COMMUNICATIONS

ADJOURNMENT – 8:39 p.m.



STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE COUNCIL MEEING OF JANUARY 22, 2013

SUBMITTED BY: Donna Conley, City Treasurer

A handwritten signature in blue ink, appearing to be 'DC', is written over the name Donna Conley.

DATE: January 16, 2013

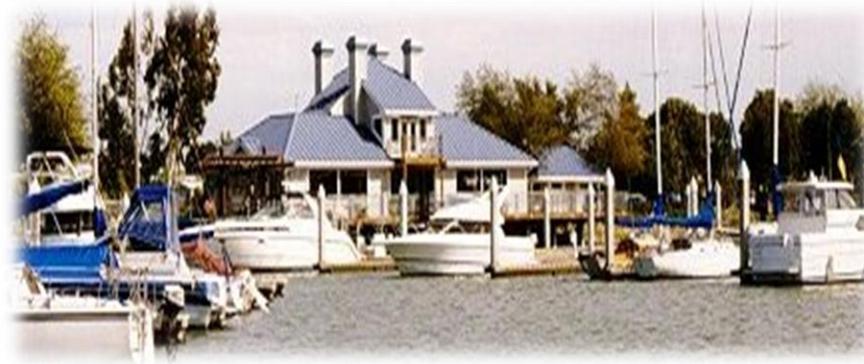
SUBJECT: Presentation of Investment Report by PFM (Public Finance Management)

RECOMMENDATION: Review and file.

BACKGROUND: On September 27, 2011 the City Council approved to disband the Investment Advisory Committee. In order to keep the City Council and the public informed on investment transactions, PFM (Public Finance Management) will be making investment presentations to the City Council at meetings in January and July of each year.

1-22-2013

City of Antioch



Fourth Quarter 2012 Review of Portfolio
January 22, 2013

PFM Asset Management LLC
50 California Street, Suite 2300
San Francisco, CA 94111
415-982-5544

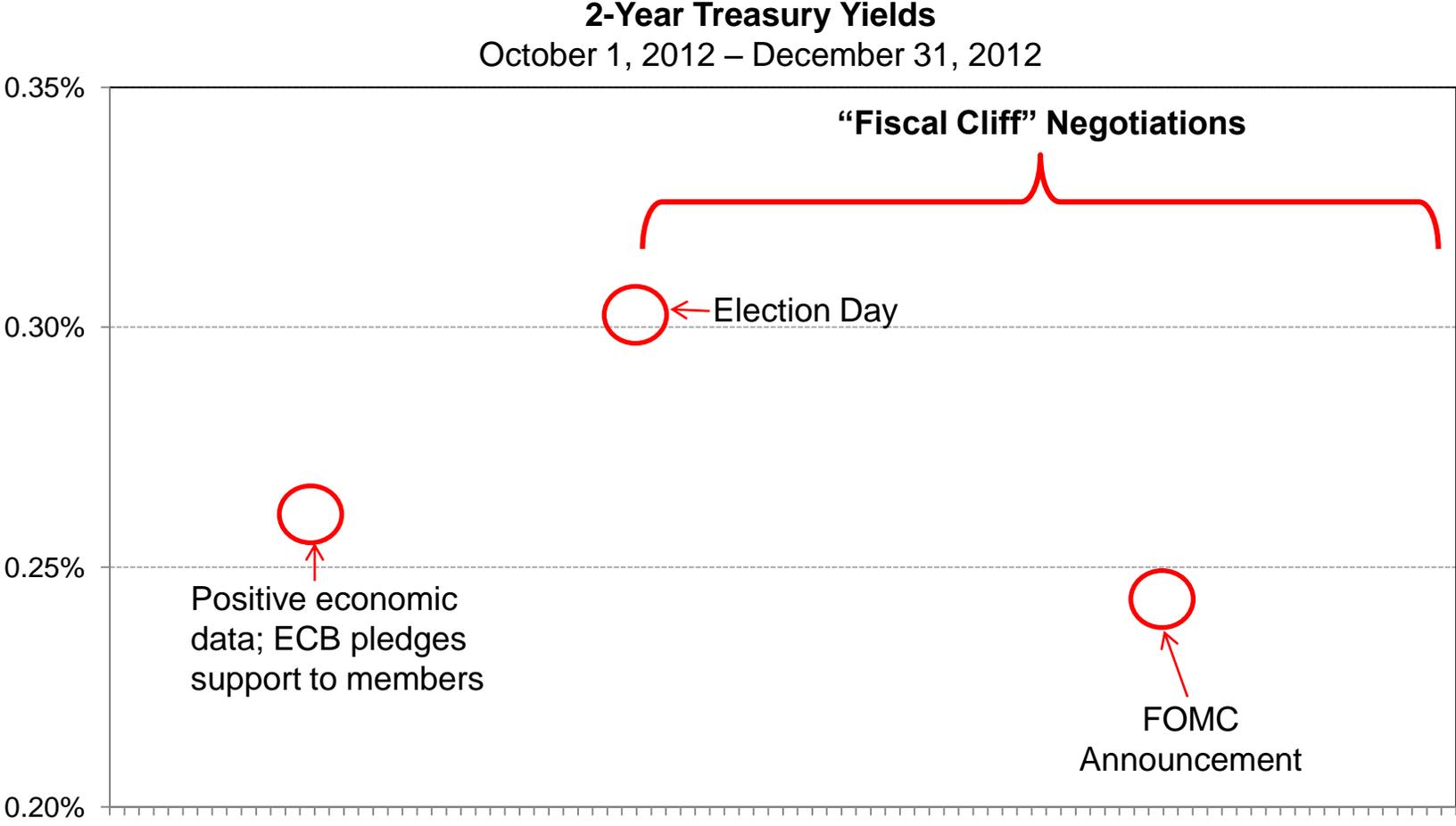
5-Year History of the 2-Year Treasury Yield

2-Year U.S. Treasury Yield
January 1, 2008 – December 31, 2012



Source: Bloomberg

Fourth Quarter Market Volatility

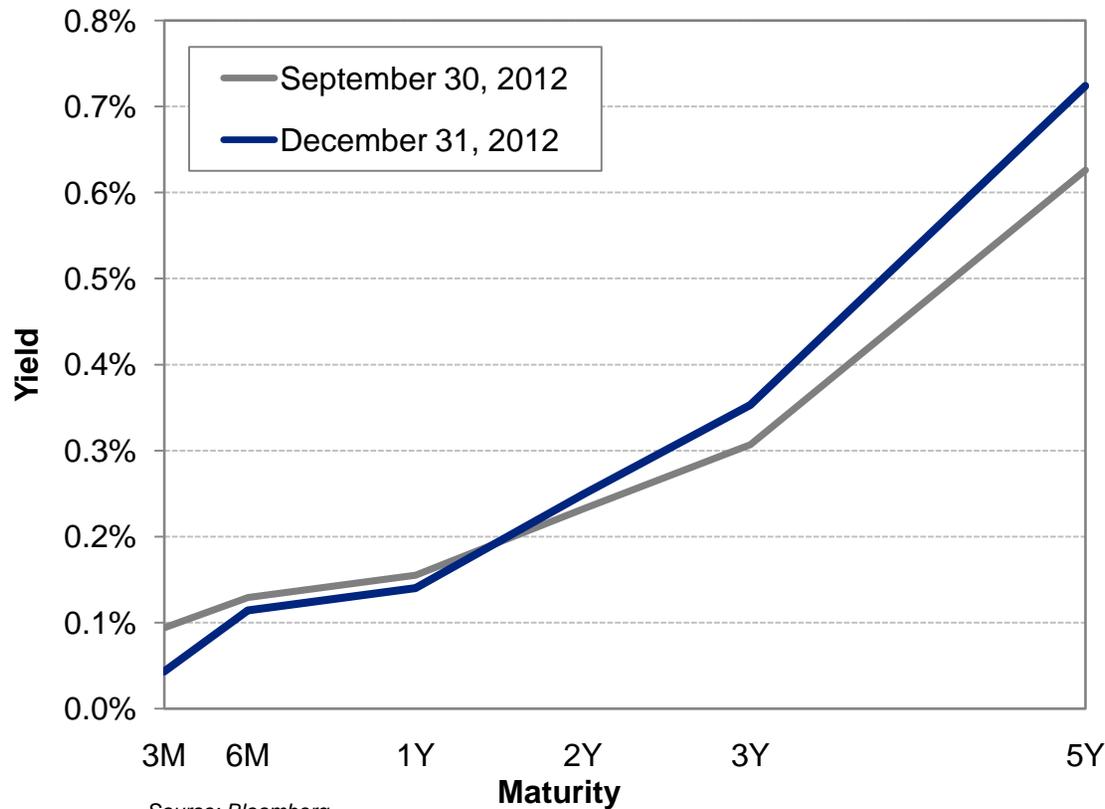


Source: Bloomberg

Yield Curve

- Although intermediate-term Treasury yields were higher on December 31 than on September 30, the Federal Reserve's continued asset purchases are expected to keep interest rates within their current ranges for the foreseeable future.

U.S. Treasury Yield Curve
September 30, 2012 vs. December 31, 2012

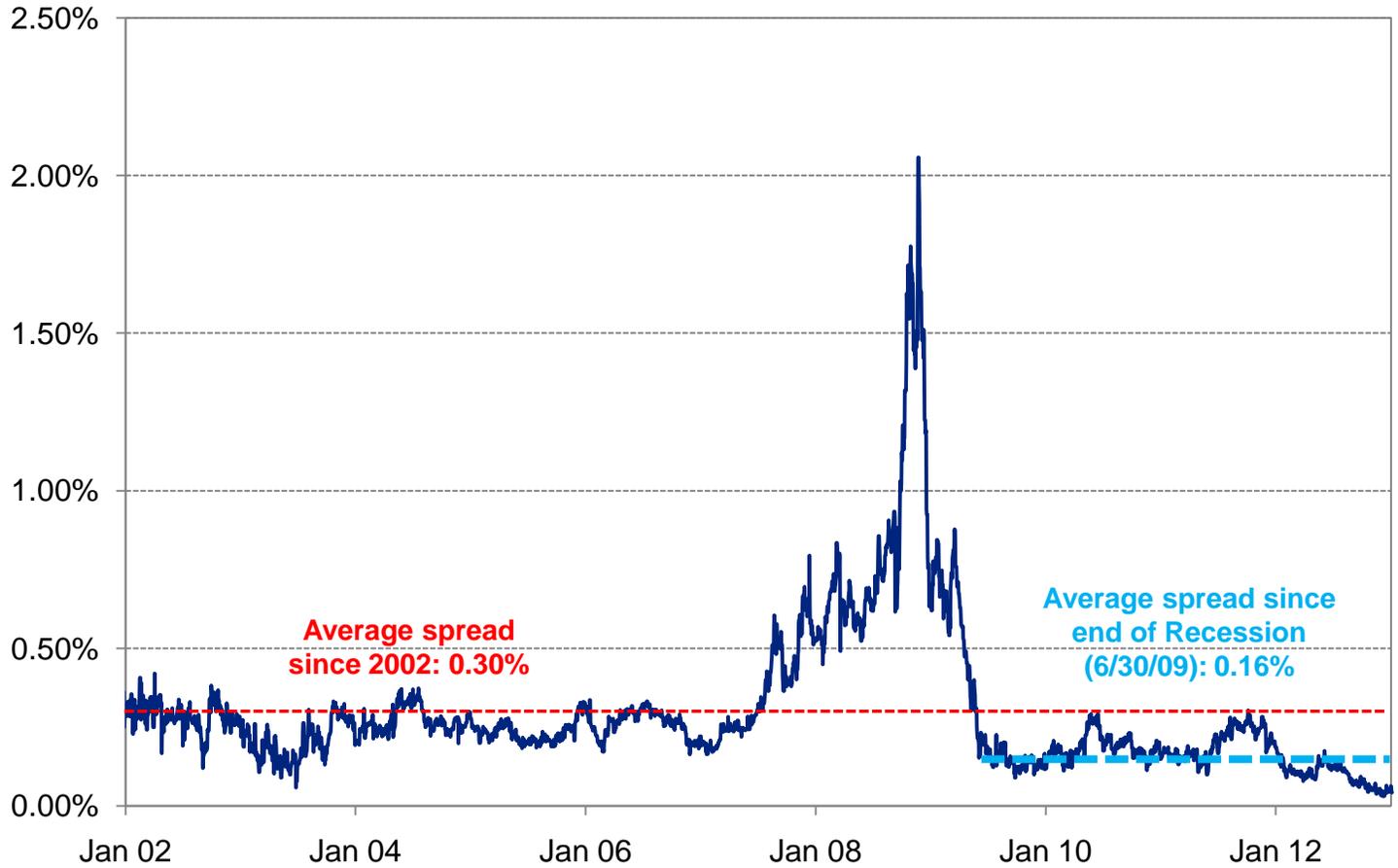


Source: Bloomberg

	9/30/12	12/31/12	Change
3 Month	0.09%	0.04%	(0.05%)
6 Month	0.13%	0.11%	(0.02%)
1 Year	0.16%	0.14%	(0.02%)
2 Year	0.23%	0.25%	0.02%
3 Year	0.31%	0.35%	0.04%
5 Year	0.63%	0.72%	0.09%

Federal Agency Yield Advantage at Historic Lows

**Yield Difference (Spread) of 2-Year U.S. Treasuries and 2-Year Federal Agencies
2002 – 2012**



Source: Bloomberg

Fourth Quarter 2012 Recap

- Facing high political and policy risks, which do not lend themselves well to fundamental economic analysis, we kept the portfolio's duration close to the benchmark's duration.
- Due to historically tight spreads on Agency bonds, and consequently little remaining value, 8% of the portfolio's sector allocation was shifted into Treasuries, continuing the trend of the past several quarters.
- We sold City and County of San Francisco bonds and used the proceeds to purchase U.S. Treasuries, reducing the City's allocation to municipal bonds as the sector began to underperform Treasuries during the latter part of the quarter. After we sold the San Francisco notes, worries that municipal obligations might lose their tax-exempt status as part of the fiscal cliff deal hurt their value relative to Treasuries.
- 2012 was a year of record corporate bond issuance, and new issuance offered attractive yield concessions to bonds available in the secondary market. We took advantage of this by increasing the City's allocation to high-quality corporate securities. We sold corporate issues that had outperformed and replaced them mainly with new issues.
- The City's return for the past year was 68 basis points (0.68%) higher than the benchmark's return.

Fourth Quarter Trades

Settle Date	Action	Issuer	Par	Maturity
10/15/2012	Sale	U.S. Treasury Notes	1,500,000	7/31/2015
10/15/2012	Sale	U.S. Treasury Notes	50,000	7/31/2015
10/15/2012	Purchase	JP Morgan Chase Corporate Notes	1,650,000	10/15/2015
10/18/2012	Sale	U.S. Treasury Notes	410,000	7/31/2015
10/18/2012	Purchase	Bank of New York Mellon Corporate Notes	425,000	10/23/2015
10/23/2012	Sale	City & County San Francisco GO Bonds	230,000	6/15/2014
10/23/2012	Sale	City & County San Francisco GO Bonds	300,000	6/15/2015
10/23/2012	Purchase	U.S. Treasury Notes	325,000	7/31/2015
10/23/2012	Purchase	U.S. Treasury Notes	250,000	7/31/2014
11/1/2012	Sale	FNMA Global Notes	1,900,000	2/27/2014
11/1/2012	Sale	FNMA Global Notes	1,275,000	2/27/2014
11/1/2012	Sale	FNMA Notes	540,000	8/9/2013
11/1/2012	Sale	Royal Bank of Canada NY Certificates of Deposit	700,000	2/8/2013
11/1/2012	Purchase	U.S. Treasury Notes	4,350,000	11/30/2015
11/14/2012	Sale	U.S. Treasury Notes	1,615,000	11/30/2015
11/14/2012	Purchase	FNMA Global Notes	1,675,000	12/21/2015
11/29/2012	Sale	Bank of Tokyo Mitsubishi Commercial Paper	850,000	12/24/2012
11/29/2012	Sale	FNMA Global Notes	2,175,000	2/27/2014
11/29/2012	Purchase	U.S. Treasury Notes	3,000,000	11/30/2015
12/17/2012	Sale	Bank of New York Mellon Corporate Notes	625,000	8/27/2013
12/17/2012	Purchase	Bank of New York Mellon Corporate Notes	640,000	10/23/2015

Portfolio Complies with Government Code and City's Investment Policy

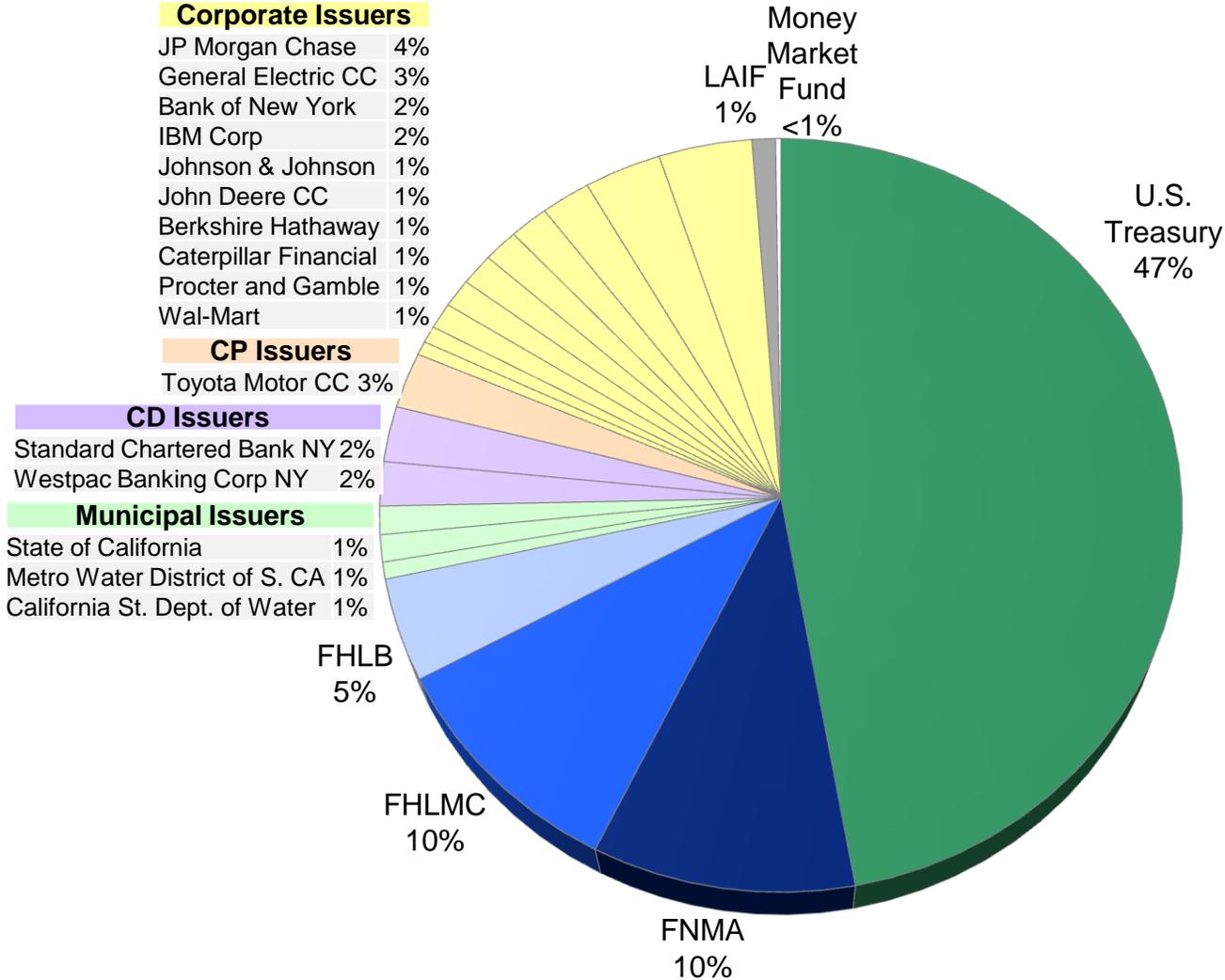
Security Type	Market Value as of December 31, 2012	Percentage of Portfolio	Permitted by Policy	In Compliance
U.S. Treasuries	\$32,691,484	47%	100%	✓
Federal Agencies	\$16,920,628	25%	100%	✓
Municipal Obligations	\$2,145,531	3%	100%	✓
Commercial Paper	\$1,673,432	3%	25%	✓
Negotiable CDs	\$2,966,875	4%	30%	✓
Corporate Notes	\$12,080,877	17%	30%	✓
Money Market Fund	\$154,219	<1%	20%	✓
LAIF	\$684,499	1%	\$40 million	✓
Totals	\$69,317,545	100%		

Change in Portfolio Composition

Security Type	Market Value as of 9/30/12	Percentage of Portfolio	Market Value as of 12/31/12	Percentage of Portfolio	Change in Allocation
U.S. Treasuries	\$28,239,960	39%	\$32,691,484	47%	+8%
Federal Agencies	\$21,222,318	29%	\$16,920,628	25%	-4%
Municipal Obligations	\$2,734,177	4%	\$2,145,531	3%	-1%
Commercial Paper	\$2,521,860	3%	\$1,673,432	3%	-
Negotiable CDs	\$3,668,840	5%	\$2,966,875	4%	-1%
Corporate Notes	\$10,050,807	14%	\$12,080,877	17%	+3%
Money Market Fund	\$120,459	<1%	\$154,219	<1%	-
LAIF	\$4,177,344	6%	\$684,499	1%	-5%
Totals	\$72,735,765	100%	\$69,317,545	100%	-

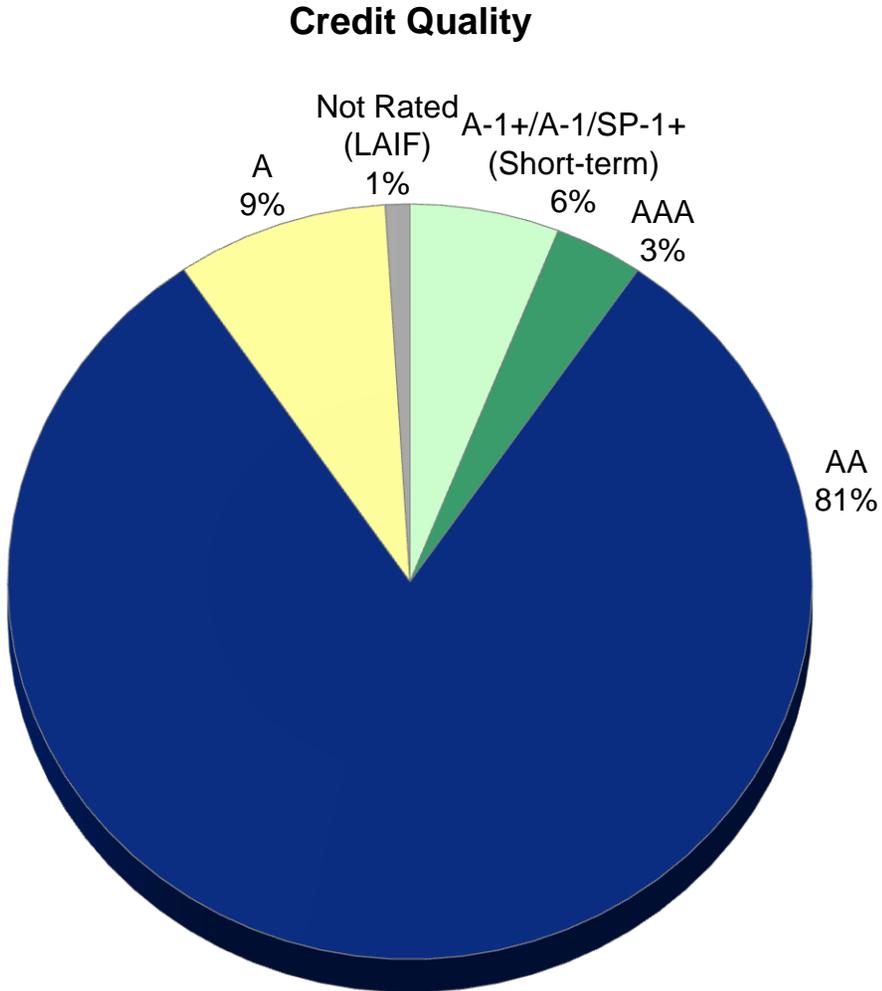
Portfolio Is Well Diversified

Issuer Distribution



• As of December 31, 2012

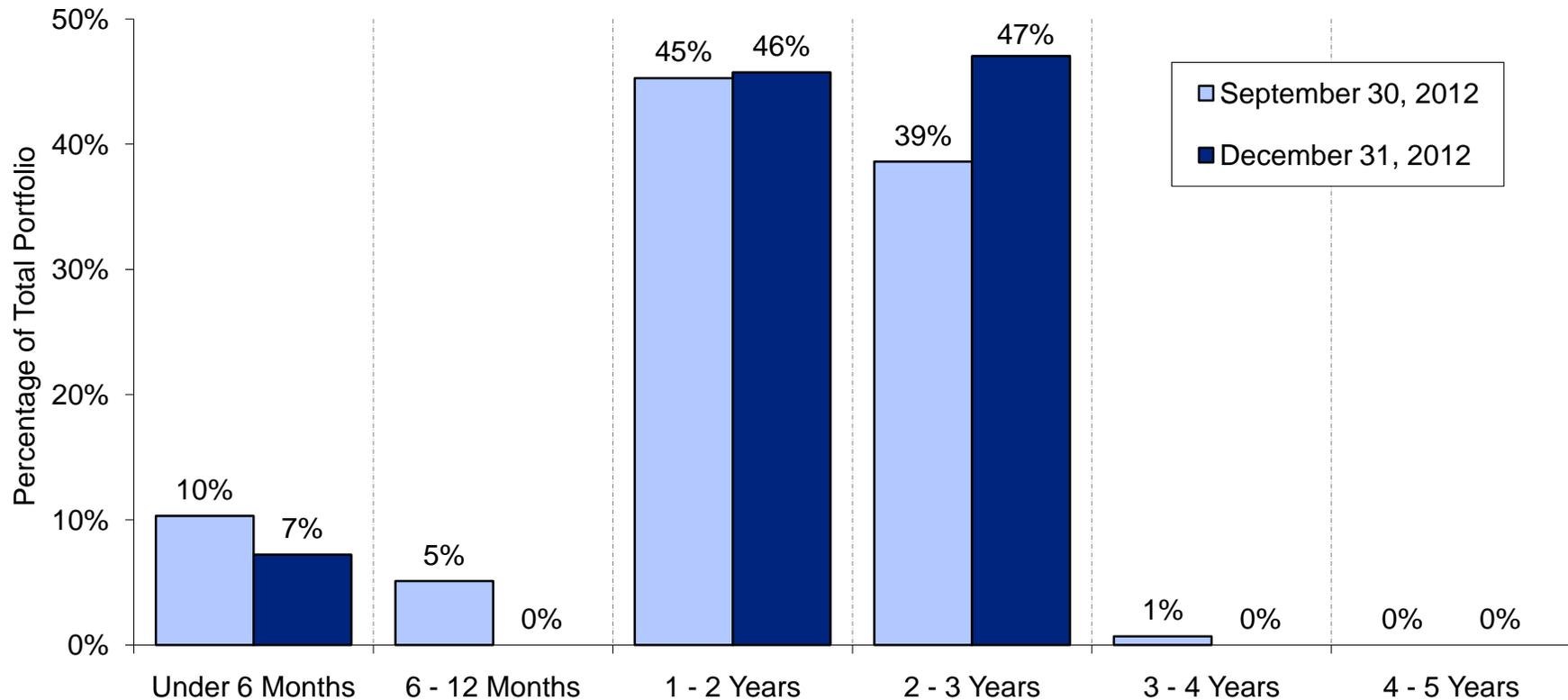
Portfolio Comprises High-Quality Securities



- As of December 31, 2012
- Ratings by Standard & Poor's
- SP-1 is Standard & Poor's rating for short-term municipal debt
- Money market fund is rated Aaa by Moody's

Portfolio Maturity Distribution

- We invested \$4.9 million in the 2- to 3-year maturity range to maintain the duration of the portfolio.



• Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Total Return

- The City's portfolio return for the year was 1.11%, which was 68 basis points (0.68%) higher than the benchmark's return.
- The City's portfolio had a higher return than the benchmark for the fourth quarter.
 - Federal Agencies had a solid quarter and provided half of the excess return since Federal Agency spreads tightened in early October and stayed at lower levels through the end of the year.
 - Corporates generated the other half of excess returns as yield spreads tightened on firmer fundamentals.

Total Returns
for periods ending December 31, 2012

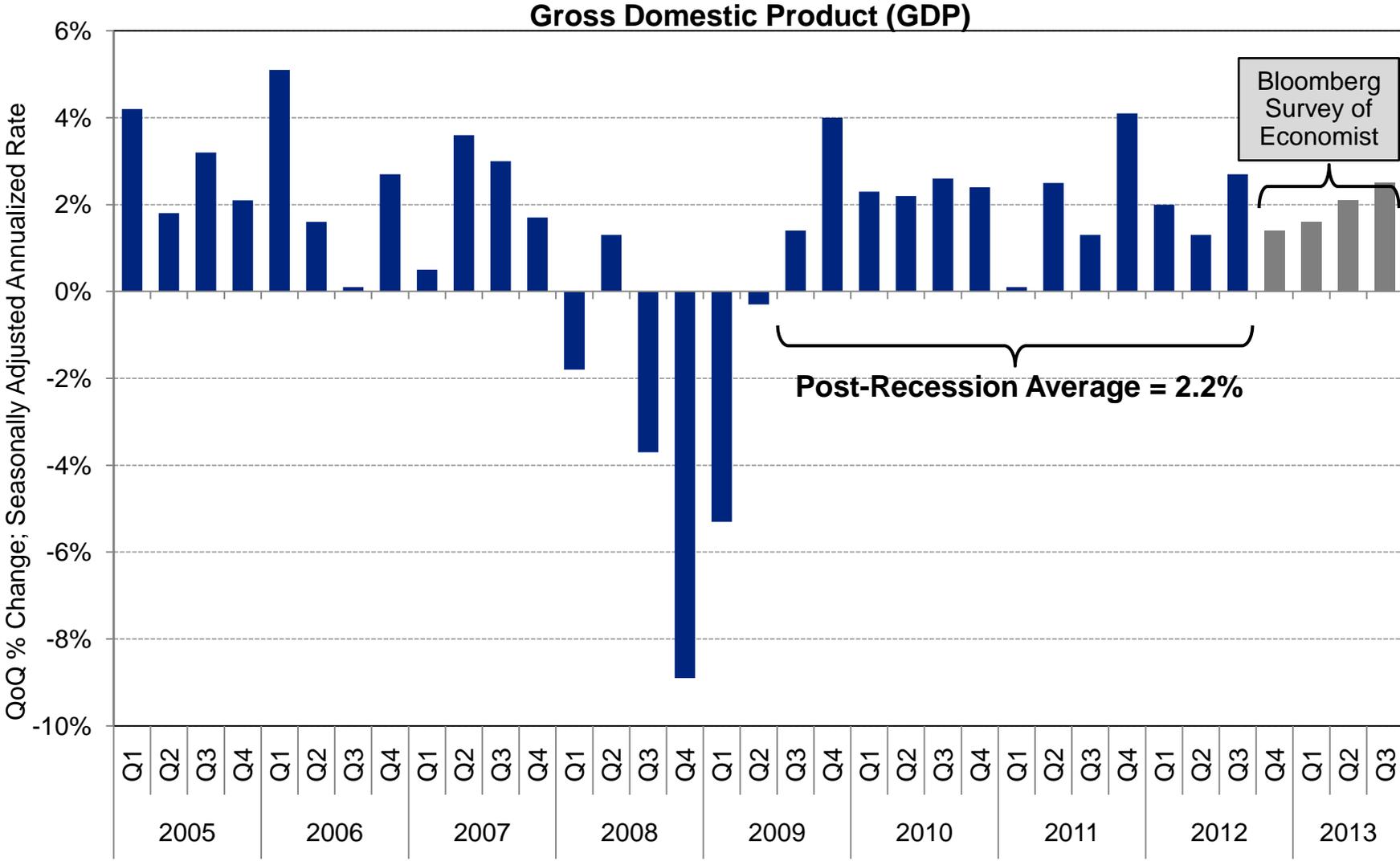
	Duration (years)	Past Quarter	Past Year	Past 5 Years	Since Inception
City of Antioch	1.81	0.11%	1.11%	2.48%	4.26%
City's Treasury Benchmark	1.80	0.07%	0.43%	2.36%	4.03%

- Performance on trade-date basis, gross (i.e., before fees) in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
- Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Excludes LAIF in performance and duration computations.
- Performance numbers for periods one year and greater are presented on an annualized basis.
- The benchmark was the 1-Year Treasury Index prior to the third quarter 2001. From the fourth quarter 2001 through the third quarter 2010, 1-3 Year Treasury Index. The benchmark was changed to the 1-Year Treasury Index in the fourth quarter 2010 because of the City's increased cash needs. Beginning February 2011, the benchmark was changed back to the 1-3 Year Treasury index because the City's cash needs have returned to prior levels.

First Quarter 2013 Investment Strategy

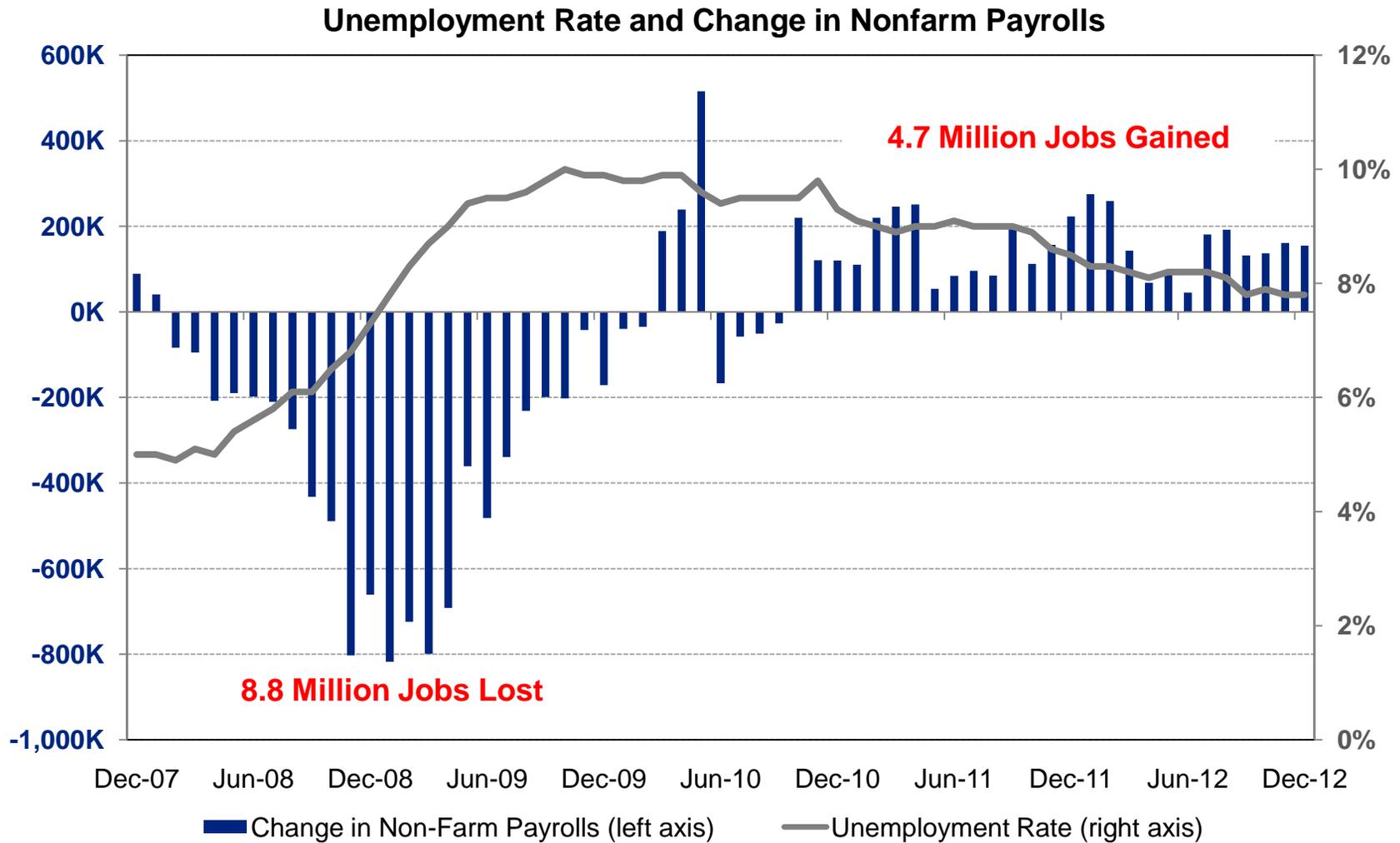
- Keep duration close to neutral to protect against uncertainty.
- Focus on adding incremental yield with corporate notes and municipal obligations.
 - Corporate new issues will continue to offer good value and will be our focus for adding to the City's corporate allocation.
 - Issuance in municipal bonds is expected to pick up in the new year. Investors in municipals are rewarded for analyzing the credit risk of individual issuers and projects.

Economic Growth Expectations Are Moderate



Source: Bureau Of Economic Analysis

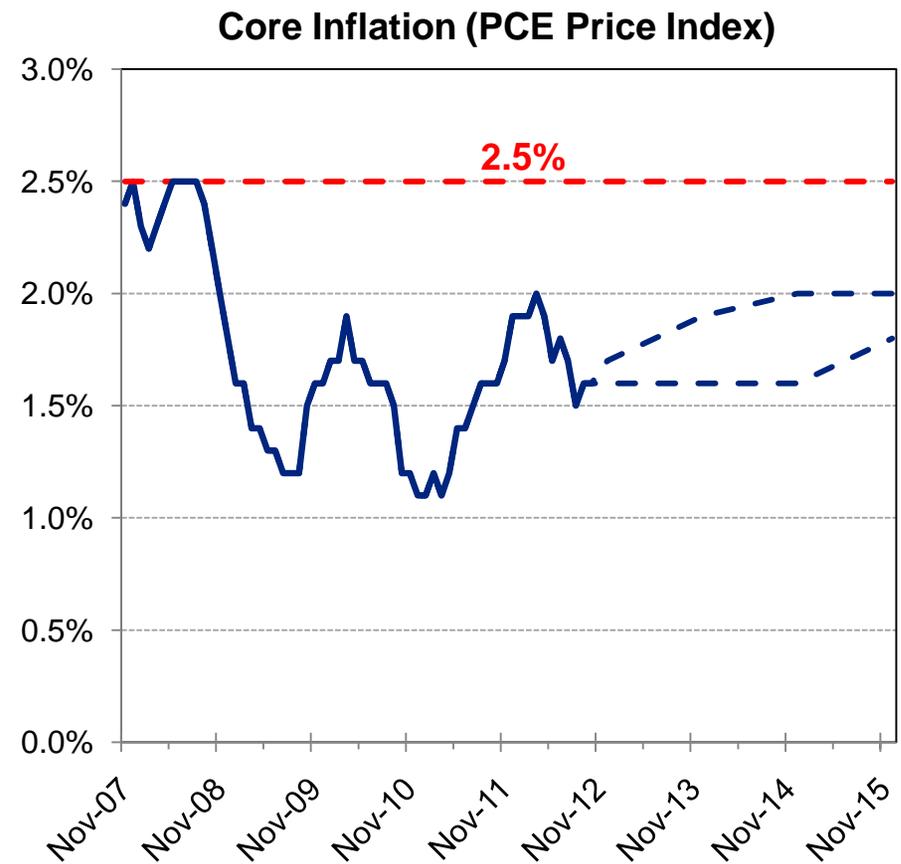
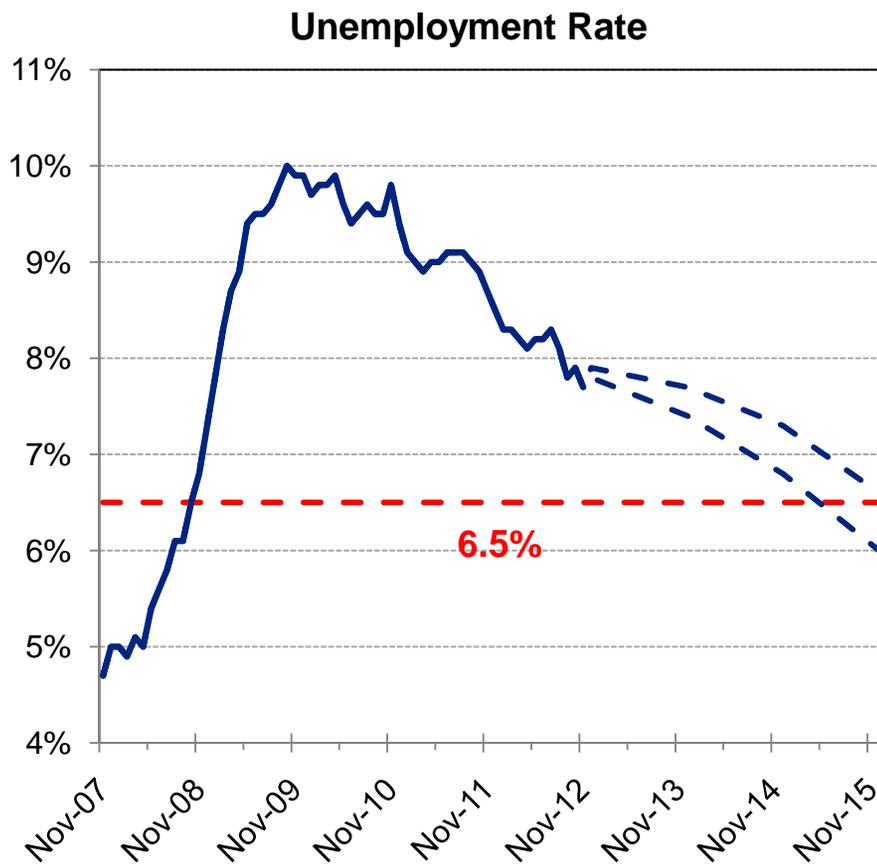
Job Growth Remains Consistent



Source: Bureau of Labor Statistics

Fed Establishes Employment and Inflation Guidance

- The Fed removed the mid-2015 rate guidance from its statement and replaced it with targets for the unemployment rate (6.5%) and maximum inflation levels (2.5%).



Source: Bloomberg; Federal Reserve

CITY COUNCIL MEETING

Special Meeting
6:00 P.M.

December 27, 2012
Council Chambers

Mayor Harper called the meeting to order at 6:00 P.M., and City Clerk Simonsen called the roll.

Present: Council Members Wilson, Rocha, Tiscareno, Agopian and Mayor Harper

PLEDGE OF ALLEGIANCE

Mayor Pro Tem Rocha led the Council and audience in the Pledge of Allegiance.

PUBLIC COMMENTS

Kay Power, Antioch resident, reported on her attendance at the Department of Water Resources Forum which discussed regional water issues and the Bay Delta Conservation Plan (BDCP). She urged the City Council to appoint a Councilmember and City Staff to represent Antioch's interests, at future forums. Website information was provided for anyone wishing to receive additional information.

In response, Mayor Harper reported the City Council had extended the contract of Ann Spaulding to represent Antioch on water issues.

Greg Enholm, Ward 5 Trustee for the Contra Costa Community College District, congratulated the newly elected Antioch Officials. He provided a brief summary of written comments presented to the City Council and requested they consider supporting his efforts to reduce Community College student loan debt. He also discussed his advocacy on behalf of Antioch and far East County for starting a full 110-acre Community College.

1. COUNCIL CONSENT CALENDAR

A. REQUEST FOR TRAINING AND TRAVEL – LEAGUE OF CALIFORNIA CITIES CONFERENCE – NEW COUNCIL MEMBERS ACADEMY

B. REJECTION OF CLAIMS

1. Donald Dahl 12/13-2068 (property damage)
2. Deepal Karunaratne 12/13-2073 (vehicle tow)
3. Patrick Chen 12/13-2089 (property damage)
4. Beverly McClinton 12/13-2087 (personal injury)

C. AGREEMENT WITH PACIFIC GAS AND ELECTRIC

Mayor Harper reported the City Council had received a supplemental staff report with a revised agreement for Item C.

On motion by Councilmember Agopian, seconded by Councilmember Rocha, the City Council unanimously approved the Council Consent Calendar.

COUNCIL REGULAR AGENDA

2. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) CONTRACT AMENDMENT FOR LOCAL SAFETY AND MISCELLANEOUS MEMBERS

AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE SIDE LETTERS OF AGREEMENTS WITH IMPACTED BARGAINING UNITS

DIRECTION TO STAFF REGARDING IMPLEMENTATION OF A LATERAL POLICE OFFICER HIRING POLICY FOR THE PERIOD OF JANUARY 1, 2013 – JUNE 30, 2014

Human Resources/Economic Development Director Fitzer presented the staff report dated December 17, 2012 recommending the City Council discuss and consider taking the following action: 1) Motion to adopt the ordinance authorizing an Amendment to the Contract between the Board of Administration of the California Public Employees' Retirement System (PERS) and the City Council of the City of Antioch to provide Section 21363.2 (3% @ 50 Full Formula) to local Safety members, and Section 21354.5 (2.7% @ 55 Full Formula) to local Miscellaneous members employed on or after the effective date of the amendment to contract, with such ordinance being an urgency ordinance effective immediately for the immediate preservation of the public peace, health or safety. 2) Motion to adopt a resolution authorizing the City Manager to execute Side Letters of Agreement with impacted Recognized Bargaining Units to implement the PERS Contract Amendment. 3) Motion to adopt a resolution providing direction to staff regarding implementation of a lateral Police Officer hiring policy.

Chief Cantando reported on the status of new hires for the Antioch Police Department and noted the request to amend the agreement was similar to other agencies and to aid in the City's recruitment of lateral Police Officers. He noted in addition to current staffing positions that needed to be filled, they were anticipating 10-16 retirements in the next year.

In response to Council, Human Resources/Economic Development Director Fitzer clarified if the ordinance were adopted, the Council could establish a policy with regards to how long the hiring policy would remain in effect and how many lateral employees would be hired.

In response to Councilmember Agopian, Chief Cantando stated he would like to hire a blend of laterals and entry level officers with up to (50) fifty percent being his preferred mix. Human Resources/Economic Development Director Fitzer clarified that since 2007, (40) forty percent of the hires were laterals without additional recruitment efforts.

In response to Councilmember Tiscareno, Chief Cantando clarified the cost was approximately \$60,000 per entry level officer and there was a washout rate. He noted once the entry level officer was ready for street patrols, they would be in an FTO program for 3-4 months.

Mayor Harper reiterated that if approved, the Council would maintain control over the process and the City would only be responsible for the portion of retirement for which the employee worked for Antioch.

Councilmember Rocha clarified the City could not require an officer to stay with the agency for a set time period or require that they live in Antioch.

Wayne Harrison, Antioch resident, stated he supported the City of Antioch and Antioch Police Department. He spoke against making any adjustments to the current City PERS contract.

Fred Hoskins, Antioch resident, presented the City Council with a page from the staff report outlining the changes in the initial employer contribution rate and spoke against making any adjustments to the current PERS contract.

City Manager Jakel reminded Council the urgency ordinance would require a 4/5 vote. He also recognized concessions the employees had made and stated he felt this amendment would only be a minor step back. He clarified this PERS option amounts to less cost savings and would not exist after December 31, 2012. He noted this was the third time there had been public discussion of the item.

Chief Cantando recommended lateral hires be capped at (5) five, and when they reach that number, they would bring the item back to Council for further consideration.

ORDINANCE NO. 2059-C-S

On motion by Councilmember Rocha, seconded by Councilmember Tiscareno, the Council adopted the ordinance authorizing an Amendment to the Contract between the Board of Administration of the California Public Employees' Retirement System (PERS) and the City Council of the City of Antioch to provide Section 21363.2 (3% @ 50 Full Formula) to local Safety members, and Section 21354.5 (2.7% @ 55 Full Formula) to local Miscellaneous members employed on or after the effective date of the amendment to contract, with such ordinance being an urgency ordinance effective immediately for the immediate preservation of the public peace, health or safety and moved to read the ordinance by title only. The motion carried the following vote:

Ayes: Harper, Wilson, Rocha, Tiscareno

Noes: Agopian

RESOLUTION NO. 2012/76

On motion by Councilmember Rocha, seconded by Councilmember Wilson, the Council adopted the resolution authorizing the City Manager to execute Side Letters of Agreement with impacted Recognized Bargaining Units to implement the PERS Contract Amendment

Ayes: Harper, Wilson, Rocha, Tiscareno

Noes: Agopian

On motion by Councilmember Agopian, seconded by Councilmember Wilson, the Council unanimously adopted a resolution providing direction to staff regarding implementation of a lateral Police Officer hiring policy filling in the blanks with five (5) Police Officer lateral hires.

RESOLUTION NO. 2012/77

Council requested staff provide hiring information in the Police Department quarterly reports to Council.

3. USE AGREEMENT WITH OFFICE OF CONGRESSMAN MCNERNEY FOR OFFICE SPACE AT THE ANTIOCH COMMUNITY CENTER

City Manager Jakel presented the staff report dated December 20, 2012 recommending the City Council approve or deny the Use Agreement with Congressman McNerney's Office for office space at the Antioch Community Center.

On motion by Councilmember Agopian, seconded by Councilmember Tiscareno, the Council unanimously authorized the City Manager to enter into a Use Agreement.

PUBLIC COMMENTS - None

STAFF COMMUNICATIONS

City Manager Jakel announced the following meeting schedule:

- Regular Council Meeting - January 8, 2013
- Regular Council Meeting - January 22, 2013

He noted Councilmember Tiscareno and Wilson would also be attending training in January at the League of California Cities.

COUNCIL COMMUNICATIONS

Councilmember Wilson wished everyone a Happy Holiday.

Councilmember Rocha acknowledged *Take Back Antioch* for successfully raising the funds to cover the City's deductible for rebuilding the lot at City Park. She recognized Brittany Gougeon for leading the fundraising efforts.

Brittany Gougeon thanked everyone who attended the event and those who contributed funds to cover the deductible.

The Council thanked Ms. Gougeon and encouraged her to continue her volunteer work in the community. She recognized everyone who contributed to the fundraising efforts.

Mayor Harper adjourned to Closed Session at 6:54 P.M.

ADJOURNMENT to Closed Session

CLOSED SESSIONS:

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – Existing Litigation pursuant to California Government Code §54956.9 (a):

1. Santeeya Williams; Mary Scott; Alyce Payne; Karen Coleman, Priscilla Bunton v. City of Antioch, U.S. District Court (Northern District) Case No. C08-02301
2. California Healthy Communities Network v. City of Antioch (Walmart Stores as real party in interest) Contra Costa Superior Court Case No. MSN10-1804
3. Shanie Hansen v. John B. McDonald et al., Contra Costa Superior Court Case No. C11-00986; Anthony Soldano Jr. v. John Bryan McDonald et al., Contra Costa Superior Court Case No. C11-01176
4. Sean and Kelley O'Toole et al v. City of Antioch et al., U.S. District Court (Northern District) Case No. CV11-1502
5. Discovery Builders, Inc. v. City of Antioch et al., Contra Costa Superior Court Case No. CIV MSN 11-0539
6. Virgile Cunningham v. City of Antioch, Antioch Police Department, Contra Costa Superior Court Case No. MSC1102190 and Contra Costa Superior Court Case No. MSC12-00174
7. Barry White, Jr. and Demetrius Anderson v. City of Antioch et al., U.S. District Court (Northern District) Case No. C 11-04221
8. Edrick Harvey et al. v. City of Antioch; City of Pittsburg U.S. District Court (Northern District) Case No. C11-04986
9. Chaderick Ingram v. City of Antioch et al., U.S. District Court (Northern District) Case No. C-12-00647
10. Jacob Wray v. City of Antioch; Lorraine and William Bowlen; Kenneth Gove, Contra Costa Superior Court Case No. CIVMSC 11-02532
11. Melvin DeVan Daniel, U.S. District Court (Northern District) Case No. C 12-3008
12. Ricky McNeal v. City of Antioch et al., U.S. District Court (Northern District) Case No. C11-04497
13. Novena Tucker v. Don Gill, Marsha Brown, Robin Schmitt, Officer Martin Hynes, Officer Nicholas Ward, U.S. District Court (Northern District) Case C12-02678

14. McKnelly, Dutro et al. v. City of Antioch, et al., U.S. District Court (Northern District) Case No. CV12-2972
15. Luis Alvarez-Orellana v. City of Antioch, et al., U.S. District Court (Northern District) Case No. C 12-4693
16. Eddie Tillman v. Officers Bostick and Harger, U.S. District Court (Northern District) Case C12-2807
17. Forrest Blocker v. Contra Costa County et al., U.S. District Court (Northern District) Case CV 12-05597
18. City of Antioch v. Mex-Cal, Inc. et al., Contra Costa Superior Court Case No. C10-01601
19. U.S. ex rel. Hendrix et al. v. J-M Manufacturing
U.S. District Court (Central District) Case NO. EDCV 06-0055
Los Angeles County Superior Court Case No. BC 459943
20. City of Brentwood et al. v. Robert Campbell, Auditor-Controller
Contra Costa Superior Court Case No. N11-1029
21. In re Municipal Derivatives Antitrust Litigation, United States District Court (Southern District of NY) Case MDL No. 1950 (East Bay Delta Housing Finance Agency/Bay Area HomeBuyer Agency)
22. In re Eva Romero and Gilbert Romero, U.S. Bankruptcy Court (Northern District) Case No. 12-44668 (Humphrey's Restaurant)

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION
pursuant to California Government Code section 54956.9(a) and 54956.96 and ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to California Government Code §54956.9 (b):

1. Transplan Committee and East Contra Costa Regional Fee and Financing Authority v. City of Pittsburg et al., Contra Costa County Superior Court Case No. MSN11-0395

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION –
Significant exposure to litigation pursuant to California Government Code §54956.9 (b):

1. Claim filed on October 29, 2012 by David Lanferman representing Discovery Builders and Albert D. Seeno Construction regarding water storage fees
2. Multiple letters in 2012 from Kristina Lawson representing Albert Seeno/West Coast Home Builders related to the Northeast Antioch Annexation

3. Letter dated November 13, 2012 from the Law Office of Jack Silver and entitled "Notice of Violations and Intent to file suit under the Clean Water Act."
4. Letters dated July 21, 2012 and October 24, 2012 from Paul B. Justi representing Kelly's Cardroom
5. Construction claims related to the Marina Boat Launch Facility
6. Lake Alhambra Property Owners' Association regarding dredging of the Lake

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION –
Initiation of Litigation pursuant to California Government Code §54956.9 (c):

1. Water Treatment Plant Upgrade Deficiencies
2. Claim against Contra Costa County for overcharge of Property Tax Administration Fee

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL LIABILITY CLAIMS – pursuant to California Government Code §54961): 5 claims

CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION – pursuant to California Government Code §54957: City Attorney

ADJOURNMENT

With no further business, Mayor Harper adjourned the meeting at 9:50 P.M. to the next regular Council meeting on January 8, 2013.

Respectfully submitted:

Kitty Eiden
KITTY EIDEN, Minutes Clerk

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100 General Fund

Non Departmental

343078 ASCAP	LICENSE RENEWAL	521.50
343082 BLUE SHIELD LIFE	PAYROLL DEDUCTIONS	11.25
343108 NEOPOST	FINANCE CHARGE	15.92
918762 CRYSTAL CLEAR LOGOS INC	FUNDRAISER SHIRTS	1,004.81

City Council

343147 BANK OF AMERICA	CONFERENCE-WILSON	550.00
343164 CCC MAYORS CONFERENCE	CONFERENCE DUES	1,200.00
343190 LEAGUE OF CALIF CITIES	MEMBER DUES	750.00

City Attorney

202146 JARVIS FAY AND DOPORTO LLP	MEETING EXPENSE	35.00
343227 XEROX CORPORATION	COPIER LEASE/USAGE	122.21

City Manager

343102 KARSTE CONSULTING INC	CONSULTANT SERVICES	600.00
343147 BANK OF AMERICA	CONFERENCE-NUNNALLY	866.90
343227 XEROX CORPORATION	COPIER LEASE/USAGE	122.22

City Clerk

343093 EIDEN, KITTY J	MINUTES CLERK	462.00
343227 XEROX CORPORATION	COPIER LEASE/USAGE	122.19

City Treasurer

343117 PFM ASSET MGMT LLC	ADVISORY SERVICES	6,962.68
343177 GARDA CL WEST INC	ARMORED CAR PICK UP	208.37

Human Resources

201745 DS WATERS OF AMERICA	WATER	61.06
343095 FEDEX	SHIPPING	22.91
343227 XEROX CORPORATION	COPIER LEASE/USAGE	344.14

Economic Development

343159 CIRCLEPOINT	CONSULTING SERVICES	47,922.54
343198 MUNICIPAL RESOURCE GROUP LLC	CONSULTING SERVICES	7,200.00
343227 XEROX CORPORATION	COPIER LEASE/USAGE	122.20
918753 BERNICK, MICHAEL	CONSULTING SERVICES	3,300.00

Finance Administration

343111 OFFICE MAX INC	OES SUPPLIES	30.22
343227 XEROX CORPORATION	COPIER LEASE/USAGE	285.25

Finance Accounting

343079 AT AND T MCI	TI LINE	958.94
343084 CSMFO	MEMBER RENEWAL	110.00
343111 OFFICE MAX INC	OFFICE SUPPLIES	13.14
343145 BADAWI & ASSOCIATES	FINAL PROGRESS PAYMENT	6,365.00
343146 BANK OF AMERICA	GFOA CAFR SUBMISSION	505.00
343201 OFFICE MAX INC	OFFICE SUPPLIES	200.23
918758 SUNGARD PUBLIC SECTOR INC	ASP SERVICE	12,361.99

Finance Operations

343108 NEOPOST	INK TANK	307.42
343129 UNITED PARCEL SERVICE	WEEKLY PRINTER SERVICE FEE	12.00

Prepared by: Georgina Meek
 Finance Accounting

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343132 XEROX CORPORATION	COPIER LEASE/USAGE	2,690.21
343218 UNITED PARCEL SERVICE	WEEKLY PRINTER SERVICE FEE	4.00
343227 XEROX CORPORATION	COPIER LEASE/USAGE	356.63
Non Departmental		
343078 ASCAP	LICENSE RENEWAL	521.50
Public Works Maintenance Administration		
202321 BANK OF AMERICA	ANNUAL FEES	25.00
343109 NEXTEL SPRINT	CELL PHONE	57.57
343227 XEROX CORPORATION	COPIER LEASE/USAGE	41.58
Public Works General Maintenance Services		
343227 XEROX CORPORATION	COPIER LEASE/USAGE	110.97
Public Works Street Maintenance		
343104 L SERPA TRUCKING INC	TRUCK RENTAL	3,058.60
343109 NEXTEL SPRINT	CELL PHONE	57.57
343138 ANTIOCH BUILDING MATERIALS	ASPHALT	908.53
343150 BAY AREA BARRICADE	SUPPLIES	844.35
343152 BODEAN	SUPPLIES	1,581.93
343166 CROP PRODUCTION SERVICES INC	SPRAY SUPPLIES	5,196.00
Public Works-Signal/Street Lights		
343114 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	86.46
343142 AT AND T MCI	PHONE	567.99
343203 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	615.22
343225 WESCO RECEIVABLES CORP	SUPPLIES	17,136.86
343230 AMERICAN GREENPOWER USA INC	INDUCTION LIGHTING MATERIALS	301.37
918755 ICR ELECTRICAL CONTRACTORS	ELECTRICAL SERVICES	4,259.81
Public Works-Striping/Signing		
343096 FURBER SAW INC	CHAINSAW CHAINS	30.27
343109 NEXTEL SPRINT	CELL PHONE	57.57
343122 SPECIALIZED GRAPHICS	EXTERIOR REDWOOD	6,052.40
343193 MANERI SIGN COMPANY	SIGNS	351.81
Public Works-Facilities Maintenance		
343077 ANTIOCH GLASS	WINDOW REPLACEMENT	393.56
343081 BAY CITIES PYROTECTOR	FIRE SYSTEM CERTIFICATION	500.00
343099 HONEYWELL INTERNATIONAL INC	HVAC SERVICE	454.06
343142 AT AND T MCI	PHONE	46.64
343182 HOME DEPOT, THE	SUPPLIES	44.11
918754 GRAINGER INC	SUPPLIES	61.83
Public Works-Parks Maint		
343091 DELTA FENCE CO	FENCE REPAIR SERVICE	588.00
343142 AT AND T MCI	PHONE	80.61
343167 DELTA DENTAL	PAYROLL DEDUCTIONS	46.04
343168 DELTA FENCE CO	BOLLARD REPLACEMENT	1,988.00
343203 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	213.46
343230 DARQUEST INDUSTRIES CORP	CONVEYOR BELT	49.49
Public Works-Median/General Land		
343096 FURBER SAW INC	BLOWER	251.09

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 Finance Accounting

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343113	ORCHARD SUPPLY HARDWARE	PVC FITTINGS	99.29
343133	ACE HARDWARE, ANTIOCH	PVC FITTINGS	22.21
343142	AT AND T MCI	PHONE	149.83
343166	CROP PRODUCTION SERVICES INC	SPRAY SUPPLIES	2,403.15
343203	PACIFIC GAS AND ELECTRIC CO	ELECTRIC	61.62
918774	JOHN DEERE LANDSCAPES PACHECO	SPRINKLERS	354.68
Public Works-Work Alternative			
343109	NEXTEL SPRINT	CELL PHONE	70.78
Police Administration			
343095	FEDEX	SHIPPING	21.43
343110	NEXTEL SPRINT	CELL PHONE EQUIPMENT	333.87
343139	ARROWHEAD 24 HOUR TOWING INC	TOWING SERVICES	47.50
343162	COMCAST	CABLE	26.30
343176	GALLS INC	SAFETY EQUIPMENT	208.75
343187	JACOBS, DANIEL	TRANSLATION SERVICES	270.00
343201	OFFICE MAX INC	OFFICE SUPPLIES	12.64
343210	SAN DIEGO POLICE EQUIPMENT CO	AMMUNITION	2,583.24
343211	STATE OF CALIFORNIA	FINGERPRINTING	96.00
343227	XEROX CORPORATION	COPIER LEASE/USAGE	1,386.05
918761	ARATA PRINTING	BUSINESS CARDS	866.00
918772	HUNTINGTON COURT REPORTERS INC	TRANSCRIPTION SERVICES	2,567.50
Police Community Policing			
202300	CITY OF ANTIOCH	EXPENSE REIMBURSEMENT	76.05
202301	CITY OF ANTIOCH	EXPENSE REIMBURSEMENT	79.40
343110	NEXTEL SPRINT	CELL PHONE EQUIPMENT	333.86
343196	MOORE K9 SERVICES	K9 TRAINING	500.00
Police Investigations			
202300	CITY OF ANTIOCH	EXPENSE REIMBURSEMENT	22.50
202301	CITY OF ANTIOCH	EXPENSE REIMBURSEMENT	20.55
343213	THOMSON WEST	ONLINE DATABASE	310.91
343226	XEROX CORPORATION	COPIER LEASE/USAGE	444.25
343230	ARROWHEAD SCIENTIFIC INC	EVIDENCE SUPPLIES	2.00
Police Special Operations Unit			
343110	NEXTEL SPRINT	CELL PHONE EQUIPMENT	333.86
343214	TOYOTA FINANCIAL SERVICES	VEHICLE LEASE	1,542.40
Police Communications			
343110	NEXTEL SPRINT	CELL PHONE EQUIPMENT	2,500.00
343141	AT AND T MCI	PHONE	665.27
343142	AT AND T MCI	PHONE	1,174.61
343143	AT AND T MOBILITY	HIGH SPEED WIRELESS	2,713.28
343144	AT AND T MOBILITY	HIGH SPEED WIRELESS	436.66
343230	SEN COMMUNICATIONS INC	HEADSETS	59.73
Office Of Emergency Management			
343142	AT AND T MCI	PHONE	299.01
Police Facilities Maintenance			
343081	BAY CITIES PYROTECTOR	FIRE SYSTEM CERTIFICATION	250.00

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 Finance Accounting

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343110	NEXTEL SPRINT	CELL PHONE	3,131.90
343142	AT AND T MCI	PHONE	295.66
343156	CAMALI CORP	MAINTENANCE SERVICE	345.00
Community Development Administration			
343227	XEROX CORPORATION	COPIER LEASE/USAGE	270.28
Community Development Neighborhood Improvement			
343186	INTERWEST CONSULTING GROUP INC	CONSULTANT SERVICES	3,570.00
PW Engineer Land Development			
343109	NEXTEL SPRINT	CELL PHONE	169.50
343142	AT AND T MCI	PHONE	30.66
343227	XEROX CORPORATION	COPIER LEASE/USAGE	144.31
Community Development Building Inspection			
343109	NEXTEL SPRINT	CELL PHONE	85.91
Capital Imp. Administration			
343227	XEROX CORPORATION	COPIER LEASE/USAGE	26.13
Community Development Engineering Services			
343109	NEXTEL SPRINT	CELL PHONE	57.57
343227	XEROX CORPORATION	COPIER LEASE/USAGE	195.98
212 CDBG Fund			
CDBG			
343103	KENNEDY, JANET	CONSULTANT SERVICES	1,890.00
343186	INTERWEST CONSULTING GROUP INC	CONSULTANT SERVICES	5,610.00
CDBG NSP			
343103	KENNEDY, JANET	CONSULTANT SERVICES	630.00
213 Gas Tax Fund			
Streets			
343105	METROPOLITAN TRANS COMMISSION	P-TAP GRANT FUND	13,130.00
343114	PACIFIC GAS AND ELECTRIC CO	ELECTRIC	39.96
343203	PACIFIC GAS AND ELECTRIC CO	ELECTRIC	75.92
214 Animal Control Fund			
Animal Control			
343076	ANIMAL SUPPLY LOGISTICS	SUPPLIES	760.59
343092	EAST HILLS VETERINARY HOSPITAL	VETERINARY SERVICES	2,898.05
343098	HILLS PET NUTRITION	ANIMAL FOOD	316.61
343106	MWI VETERINARY SUPPLY CO	VETERINARY PHARMACEUTICALS	124.15
343110	NEXTEL SPRINT	CELL PHONE	191.12
343181	HILLS PET NUTRITION	ANIMAL FOOD	710.64
343227	XEROX CORPORATION	COPIER LEASE/USAGE	159.40
343230	PFIZER ANIMAL HEALTH	SUPPLIES	205.15
219 Recreation Fund			
Recreation Admin			
343081	BAY CITIES PYROTECTOR	FIRE SYSTEM CERTIFICATION	250.00
343134	AMERICAN PLUMBING INC	PLUMBING SERVICES	152.55
Senior Programs			
343142	AT AND T MCI	PHONE	95.22

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Recreation Classes/Prog

202364 RICARD, TROY	CLASS REFUND	66.00
343172 EDUCATION TO GO	CONTRACTOR PAYMENT	186.75
343174 FAULKENBERRY, RAY	CLASS REFUND	108.00
343188 KOVALICK, LUANNE	CONTRACTOR PAYMENT	263.58
343209 SAFETY DRIVERS ED LLC	CONTRACTOR PAYMENT	318.60
343224 WE ARE ONE PRODUCTIONS	CONTRACTOR PAYMENT	448.80

Recreation Sports Programs

343155 BSN SPORTS	YOUTH PROGRAM BASKETBALLS	182.76
343178 GOLDEN STATE WARRIORS	YOUTH BASKETBALL JERSEYS	1,370.00

Recreation-New Comm Cntr

343141 AT AND T MCI	PHONE	63.41
343163 COMCAST	CONNECTION SERVICE	1,586.93
343194 MARLIES CLEANING SERVICE	CLEANING SERVICES	202.00
343203 PACIFIC GAS AND ELECTRIC CO	GAS	927.64
343225 WESCO RECEIVABLES CORP	SUPPLIES	59.88
343227 XEROX CORPORATION	COPIER LEASE/USAGE	333.69

222 Measure C Fund

Streets

343094 FEDERAL ADVOCATES INC	ADVOCACY SERVICES	5,000.00
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226 Solid Waste Reduction Fund

Solid Waste

343230 WEISENBACH SPECIALTY PRINTING	SUPPLIES	51.56
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229 Pollution Elimination Fund

Channel Maintenance Operation

343109 NEXTEL SPRINT	CELL PHONE	48.94
343136 ANKA BEHAVIORAL HEALTH INC	LANDSCAPE SERVICES	11,040.00
918769 GRAINGER INC	SUPPLIES	36.61

251 Lone Tree SLLMD Fund

Lonetree Maintenance Zone 1

343142 AT AND T MCI	PHONE	63.92
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Lonetree Maintenance Zone 2

343142 AT AND T MCI	PHONE	123.81
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Lonetree Maintenance Zone 3

343142 AT AND T MCI	PHONE	47.30
343203 PACIFIC GAS AND ELECTRIC CO	ELECTRIC	52.98

Lonetree Maintenance Zone 4

918774 JOHN DEERE LANDSCAPES PACHECO	CONTROLLER REPAIR	96.34
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252 Downtown SLLMD Fund

Downtown Maintenance

343133 ACE HARDWARE, ANTIOCH	SUPPLIES	34.63
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254 Hillcrest SLLMD Fund

Hillcrest Maintenance Zone 1

343142 AT AND T MCI	PHONE	31.96
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Hillcrest Maintenance Zone 2

343142 AT AND T MCI	PHONE	110.58
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Hillcrest Maintenance Zone 4

343142 AT AND T MCI PHONE 93.31

255 Park 1A Maintenance District Fund

Park 1A Maintenance District

343142 AT AND T MCI PHONE 16.17

343203 PACIFIC GAS AND ELECTRIC CO ELECTRIC 41.54

918773 ICR ELECTRICAL CONTRACTORS ELECTRICAL SERVICES 1,270.00

256 Citywide 2A Maintenance District Fund

Citywide 2A Maintenance Zone 9

343142 AT AND T MCI PHONE 63.92

257 SLLMD Administration Fund

SLLMD Administration

343109 NEXTEL SPRINT CELL PHONE 164.68

259 East Lone Tree SLLMD Fund

Zone 1-District 10

343114 PACIFIC GAS AND ELECTRIC CO ELECTRIC 36.86

343203 PACIFIC GAS AND ELECTRIC CO ELECTRIC 100.88

311 Capital Improvement Fund

Measure WW

343200 ODIN SYSTEMS INC SURVEILLANCE CAMERA 5,440.00

Energy Efficiency

343208 RUTH ANN LIU-JOHNSTON DESIGN IDLE FREE WINDOW CLINGS 353.06

Public Buildings & Facilities

343221 US DEPARTMENT OF ENERGY GRANT FUND DUP PYMT RETURN 317.70

416 Honeywell Capital Lease Fund

Non Departmental

343080 BANK OF AMERICA LOAN PAYMENT 42,588.54

569 Vehicle Replacement Fund

Equipment Maintenance

343131 WONDRIES FLEET GROUP VEHICLE PURCHASES 353,314.92

570 Equipment Maintenance Fund

Non Departmental

343184 HUNT AND SONS INC FUEL 21,636.10

Equipment Maintenance

343127 TRED SHED, THE TIRES 1,853.51

343137 ANTIOCH AUTO PARTS AUTO PARTS STOCK 211.88

343158 CHUCKS BRAKE AND WHEEL SERVICE BATTERIES 1,631.83

343171 EAST BAY TIRE CO RECAPPED TIRES 1,088.78

343197 MUNICIPAL POOLING AUTHORITY SUPPLEMENTAL INSURANCE 786.83

343205 PETERSON CAM SENSOR 190.80

343212 SUPERIOR AUTO PARTS STARTER 108.17

343217 ULLMANN, RODNEY EXPENSE REIMBURSEMENT 157.10

343223 WALNUT CREEK FORD SHIFT TUBE 134.04

343227 XEROX CORPORATION COPIER LEASE/USAGE 50.87

343230 WESTERN TRUCK FAB ANTI FREEZE 9.12

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573 Information Services Fund

Non Departmental

343146 BANK OF AMERICA EE COMPUTER PURCHASE 9,410.86

Information Services

343109 NEXTEL SPRINT CELL PHONE 66.79

343142 AT AND T MCI PHONE 58.86

343222 VERIZON WIRELESS AIR CARD 80.12

Network Support & PCs

343109 NEXTEL SPRINT CELL PHONE 161.72

343142 AT AND T MCI PHONE 92.89

343161 COMCAST INTERNET SERVICE 78.27

343163 COMCAST CONNECTION SERVICE 1,048.75

343169 DIGITAL SERVICES WEBSITE MAINTENANCE 2,405.00

343189 LAN CON VOICE DATA CABLING SYSTEM DATA JACK REPAIR 162.56

Telephone System

202253 AMERICAN MESSAGING PAGER 36.86

343140 AT AND T MCI PHONE 17.73

343141 AT AND T MCI PHONE 169.42

343142 AT AND T MCI PHONE 2,361.22

GIS Support Services

918764 ESRI INC ANNUAL SOFTWARE CONTRACT 9,832.13

Office Equipment Replacement

343180 HEWLETT PACKARD COMPANY COMPUTER EQUIPMENT 1,639.31

577 Post Retirement Medical-Police Fund

Non Departmental

343199 RETIREE MEDICAL AFTER RETIREMENT 1,222.26

343216 RETIREE MEDICAL AFTER RETIREMENT 255.43

918767 RETIREE MEDICAL AFTER RETIREMENT 810.00

918775 RETIREE MEDICAL AFTER RETIREMENT 358.38

578 Post Retirement Medical-Misc Fund

Non Departmental

343170 RETIREE MEDICAL AFTER RETIREMENT 387.26

918763 RETIREE MEDICAL AFTER RETIREMENT 239.69

918766 RETIREE MEDICAL AFTER RETIREMENT 594.38

918770 RETIREE MEDICAL AFTER RETIREMENT 558.59

918776 RETIREE MEDICAL AFTER RETIREMENT 594.38

918777 RETIREE MEDICAL AFTER RETIREMENT 239.69

918780 RETIREE MEDICAL AFTER RETIREMENT 594.38

918781 RETIREE MEDICAL AFTER RETIREMENT 84.28

579 Post Retirement Medical-Mgmt Fund

Non Departmental

918771 RETIREE MEDICAL AFTER RETIREMENT 70.00

918779 RETIREE MEDICAL AFTER RETIREMENT 898.80

580 Loss Control Fund

Human Resources

343185 IEDA INC PROFESSIONAL SERVICES 3,884.46

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 Finance Accounting

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611 Water Fund

Non Departmental

343120	ROBERTS AND BRUNE CO	SUPPLIES	21.65
343207	ROBERTS AND BRUNE CO	SUPPLIES	519.60
343225	WESCO RECEIVABLES CORP	SUPPLIES	68.59
918754	GRAINGER INC	SUPPLIES	2,437.98

Water Supervision

343085	COLEY, TIMOTHY P	RENEWAL REIMBURSEMENT	105.00
343109	NEXTEL SPRINT	CELL PHONE	86.33
343121	RT LAWRENCE CORP	LOCKBOX PROCESSING FEE	1,143.12

Water Production

343097	HI-VOLTAGE SPLICING CO	REMOVE/REPLACE TRANSFORMER	9,978.00
343100	JOHNSON, GAVIN LEE	RENEWAL REIMBURSEMENT	231.55
343101	KARL NEEDHAM ENTERPRISES INC	EQUIPMENT RENTAL	20,868.68
343109	NEXTEL SPRINT	CELL PHONE	62.94
343118	RED WING SHOE STORE	SAFETY SHOES-CHAUDHARY	190.00
343119	REINHOLDT ENGINEERING CONSTR	DIESEL TANK TESTING	275.00
343132	XEROX CORPORATION	COPIER LEASE/USAGE	68.05
343133	ACE HARDWARE, ANTIOCH	FITTINGS	30.47
343135	ANIMAL DAMAGE MANAGEMENT	PEST CONTROL SERVICES	125.00
343141	AT AND T MCI	PHONE	126.84
343142	AT AND T MCI	PHONE	820.38
343153	BORGES AND MAHONEY	CHLORINATORS	23,060.25
343157	CHAUDHARY, PRANAV	RENEWAL REIMBURSEMENT	273.00
343175	FISHER SCIENTIFIC COMPANY	LAB SUPPLIES	601.52
343201	OFFICE MAX INC	OFFICE SUPPLIES	12.62
343203	PACIFIC GAS AND ELECTRIC CO	ELECTRIC	21.69
343207	ROBERTS AND BRUNE CO	PIPE & FITTINGS	773.08
343218	UNITED PARCEL SERVICE	SHIPPING	24.42
343219	UNIVAR USA INC	CAUSTIC	6,391.54
343230	MEDORA CORP	BOAT	276.29
918755	ICR ELECTRICAL CONTRACTORS	ELECTRICAL SERVICES	2,445.30
918756	IDEXX LABORATORIES INC	LAB REAGENTS	3,191.29
918759	TRANSDYN INC	PROFESSIONAL SERVICES	320.00
918765	EUROFINS EATON ANALYTICAL INC	MONITORING	1,065.00
918768	GENERAL CHEMICAL CORP	ALUM	8,642.15
918778	SIERRA CHEMICAL CO	CHLORINE	4,055.37

Water Distribution

343090	DELTA DIABLO SANITATION DISTRICT	RECYCLED WATER	7,325.76
343102	KARSTE CONSULTING INC	CONSULTING SERVICES	1,800.00
343109	NEXTEL SPRINT	CELL PHONE	350.89
343120	ROBERTS AND BRUNE CO	SUPPLIES	529.99
343138	ANTIOCH BUILDING MATERIALS	ASPHALT	76.94
343142	AT AND T MCI	PHONE	15.98
343165	COUNTY ASPHALT	ASPHALT	1,307.85
343192	LONE TREE TRUCKING INC	SAND	3,448.50

Prepared by: Georgina Meek
 Finance Accounting

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
 JANUARY 3-16, 2013
 FUND/CHECK#

343207	ROBERTS AND BRUNE CO	PIPE & FITTINGS	2,186.59
343218	UNITED PARCEL SERVICE	SHIPPING	91.08
343220	UNIVERSAL BUILDING SERVICES INC	STREET SWEEPING SERVICE	220.00
343227	XEROX CORPORATION	COPIER LEASE/USAGE	129.47
Water Meter Reading			
343109	NEXTEL SPRINT	CELL PHONE	47.21
343230	AMERICAN CASTING AND MFG CORP	SUPPLIES	140.25
Public Buildings & Facilities			
343095	FEDEX	SHIPPING	32.83
343114	PACIFIC GAS AND ELECTRIC CO	ELECTRIC	57.00
343154	BROWN AND CALDWELL INC	ENGINEERING SERVICES	60,020.13
343204	PAKPOUR CONSULTING GROUP INC	CONSULTING SERVICES	1,059.19
Warehouse & Central Stores			
343109	NEXTEL SPRINT	CELL PHONE	49.94
343129	UNITED PARCEL SERVICE	WEEKLY PRINTER SERVICE FEE	12.00
343218	UNITED PARCEL SERVICE	SHIPPING	11.26
343227	XEROX CORPORATION	COPIER LEASE/USAGE	140.61
621 Sewer Fund			
Sewer-Wastewater Supervision			
343109	NEXTEL SPRINT	CELL PHONE	20.99
343227	XEROX CORPORATION	COPIER LEASE/USAGE	129.47
Sewer-Wastewater Collection			
343089	CWEA SFBS	RENEWAL-HICKS	140.00
343109	NEXTEL SPRINT	CELL PHONE	155.88
343125	STOUT, ROBERT R	RENEWAL REIMBURSEMENT	50.00
343138	ANTIOCH BUILDING MATERIALS	ASPHALT	218.25
343142	AT AND T MCI	PHONE	32.42
343165	COUNTY ASPHALT	ASPHALT	1,307.85
343207	ROBERTS AND BRUNE CO	PIPE & FITTINGS	351.81
343218	UNITED PARCEL SERVICE	SHIPPING	27.99
918769	GRAINGER INC	SUPPLIES	85.53
Wastewater Collection			
343173	ENGEO INC	PROFESSIONAL SERVICES	812.50
622 Sewer Facilities Expansion Fund			
Wastewater Collection			
343206	RMC WATER AND ENVIRONMENT	CONSULTANT SERVICES	880.00
631 Marina Fund			
Marina Administration			
343083	CAHM AND PC	ANNUAL DUES	275.00
343132	XEROX CORPORATION	COPIER LEASE/USAGE	68.05
343142	AT AND T MCI	PHONE	64.73
343201	OFFICE MAX INC	OFFICE SUPPLIES	56.56
Major Projects			
343215	TRANSYSTEMS CORPORATION	CONSULTING SERVICES	8,530.00

CITY OF ANTIOCH
 CLAIMS BY FUND REPORT
 FOR THE PERIOD OF
 JANUARY 3-16, 2013
 FUND/CHECK#

641 Prewett Water Park Fund

Non Departmental

343179 GONZALES, TERESA CHECK REPLACEMENT 6.00

Recreation Water Park

343086 COMMERCIAL POOL SYSTEMS INC SUPPLIES 976.03
 343095 FEDEX SHIPPING 40.64
 343142 AT AND T MCI PHONE 46.40
 343151 BIG SKY LOGOS AND EMBROIDERY UNIFORMS 2,976.40
 343160 COLE SUPPLY CO INC SUPPLIES 189.44
 343202 ORIGINAL WATERMAN UNIFORMS 2,898.16
 343227 XEROX CORPORATION COPIER LEASE/USAGE 249.27
 343230 KELLY MOORE PAINT CO SUPPLIES 26.46
 918769 GRAINGER INC SUPPLIES 88.53
 918773 ICR ELECTRICAL CONTRACTORS ELECTRICAL SERVICES 101.07

Recreation Community Center

343134 AMERICAN PLUMBING INC PLUMBING SERVICES 1,121.48
 343195 MITY LITE INC TABLES 1,327.76

Rec Prewett Concessions

343142 AT AND T MCI PHONE 46.32

721 Employee Benefits Fund

Non Departmental

343075 AFLAC PAYROLL DEDUCTIONS 7,907.80
 343082 BLUE SHIELD LIFE PAYROLL DEDUCTIONS 1,889.12
 343087 CONTRA COSTA COUNTY PAYROLL DEDUCTIONS 50.00
 343088 CONTRA COSTA COUNTY PAYROLL DEDUCTIONS 400.00
 343112 OPERATING ENGINEERS LOCAL NO 3 PAYROLL DEDUCTIONS 876.68
 343115 PARS PAYROLL DEDUCTIONS 1,346.71
 343116 PERS LONG TERM CARE PAYROLL DEDUCTIONS 97.27
 343123 STATE OF CALIFORNIA PAYROLL DEDUCTIONS 214.00
 343124 STATE OF FLORIDA DISBURSE UNIT PAYROLL DEDUCTIONS 150.00
 343126 TEXAS CHILD SUPPORT DISBURSE UNIT PAYROLL DEDUCTIONS 422.77
 343128 RECIPIENT PAYROLL DEDUCTIONS 69.24
 343130 US DEPT OF EDUCATION PAYROLL DEDUCTIONS 311.24
 343167 DELTA DENTAL PAYROLL DEDUCTIONS 25,119.07
 918757 NATIONWIDE RETIREMENT SOLUTIONS PAYROLL DEDUCTIONS 65,585.46
 918760 VANTAGEPOINT TRANSFER AGENTS PAYROLL DEDUCTIONS 2,187.48

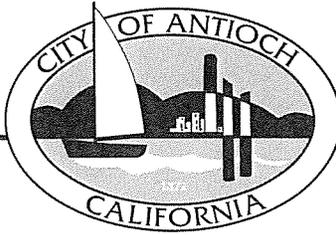
736 APFA Lone Diamond Reassessment 1998 Fund

Non Departmental

343148 BANK OF NEW YORK MELLON FISCAL AGENT FEE 969.19
 343149 BANK OF NEW YORK MELLON FISCAL AGENT FEE 1,190.00

Non Departmental

343107 NBS LOCAL GOVERNMENT SOLUTIONS SUPPLIES REIMBURSEMENT 8,848.35
 343148 BANK OF NEW YORK MELLON FISCAL AGENT FEE 1,356.81
 343149 BANK OF NEW YORK MELLON FISCAL AGENT FEE 1,666.00



STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE COUNCIL MEETING OF JANUARY 22, 2013

SUBMITTED BY: Donna Conley, City Treasurer *DC*
DATE: January 16, 2013
SUBJECT: Treasurer's Report – DECEMBER 2013

:

RECOMMENDATION: Review and file.

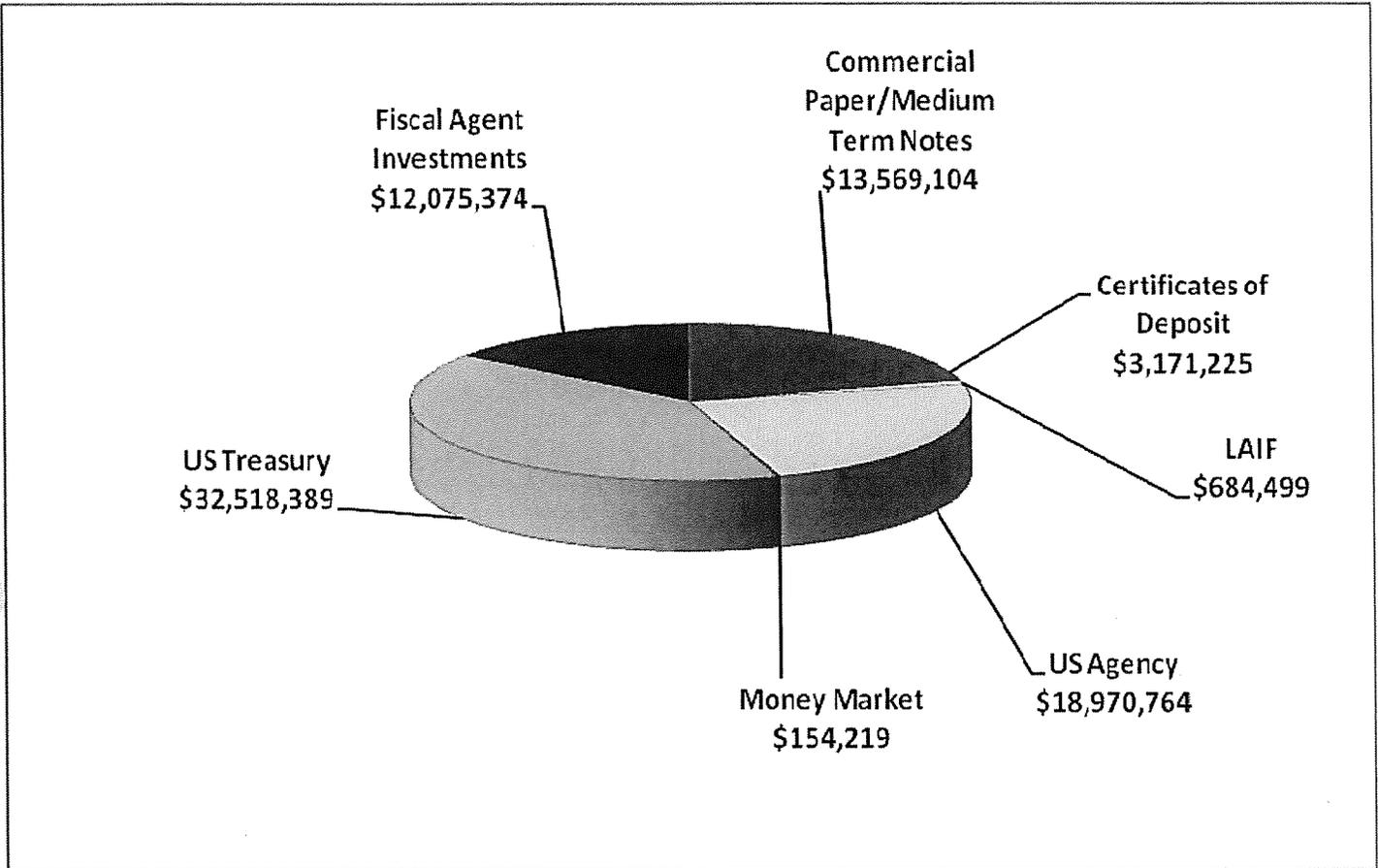
BACKGROUND: City of Antioch's portfolio as of December 2012 is in Compliance with The City's current Investment Policy. Based on the Portfolio as of December 2012 the City of Antioch is able to meet its expenditure requirements for the next six months.

20

1-22-2013

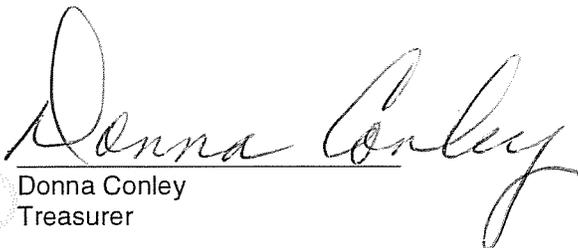
CITY OF ANTIOCH
SUMMARY REPORT ON THE CITY'S INVESTMENTS

DECEMBER 31, 2012



Total of City and Fiscal Agent Investments = \$81,143,574

All City investments are shown above and conform to the City Investment Policy. All investment transactions during this period are included in this report. As Treasurer of the City of Antioch and Finance Director of the City of Antioch, we hereby certify that sufficient investment liquidity and anticipated revenue are available to meet the next six (6) months' estimated expenditures.

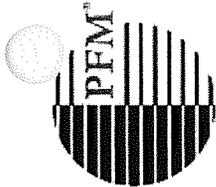

Donna Conley
Treasurer


Dawn Merchant
Finance Director

Fiscal Agent Cash Balances

Period Ended 12/31/2012

<u>Fund</u>	<u>Description</u>	<u>YTD Balance</u>
411	Golf Course Clubhouse	558,982.42
415	APFA 02 Lease Revenue Ref	1,006,516.79
431	ADA - Area 1	146,038.01
432	ADA - Area 2	319,412.37
615	APFA 93/03 Water Rfd Bonds	1,144,844.56
732	Lone Tree Assessment Dist	0.00
736	APFA Lone Diamond Reassmt 1998	8,899,579.47
	Total	<u>12,075,373.62</u>



Managed Account Issuer Summary

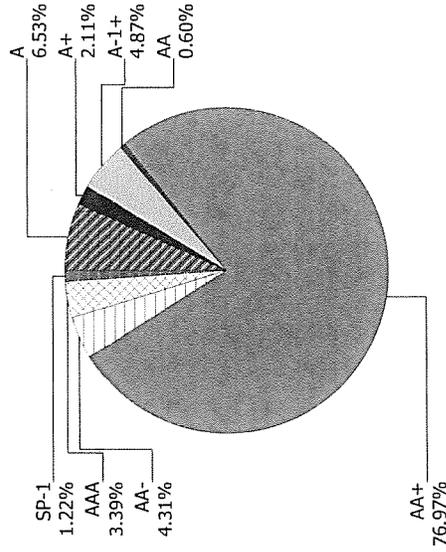
For the Month Ending December 31, 2012

CITY OF ANTIOCH, CA - 04380500

Issuer Summary

Credit Quality (S&P Ratings)

Issuer	Market Value of Holdings	Percent
BANK OF NEW YORK	1,440,070.97	2.11
BERKSHIRE HATHAWAY INC	858,774.55	1.26
CA ST DEPT OF WATER REV BONDS	500,720.00	0.73
CATERPILLAR INC	784,036.90	1.15
DEERE & COMPANY	959,054.70	1.40
FANNIE MAE	7,039,007.68	10.31
FEDERAL HOME LOAN BANKS	3,033,792.00	4.44
FREDDIE MAC	6,824,783.83	10.00
GENERAL ELECTRIC CO	2,223,747.28	3.26
IBM CORP	1,129,753.60	1.65
JOHNSON & JOHNSON	1,011,811.00	1.48
JP MORGAN CHASE & CO	2,714,089.90	3.98
MET WATER DISTRICT OF SOUTHERN CA	800,758.50	1.17
PROCTER & GAMBLE CO	503,215.00	0.74
STANDARD CHARTERED BANK	1,651,238.82	2.42
STATE OF CALIFORNIA	833,547.00	1.22
TOYOTA MOTOR CORP	1,673,432.20	2.45
UNITED STATES TREASURY	32,572,255.77	47.71
WAL-MART STORES INC	411,705.18	0.60
WESTPAC BANKING CORP NY	1,310,413.00	1.92
Total	\$68,276,207.88	100.00%



PFM Asset Management LLC



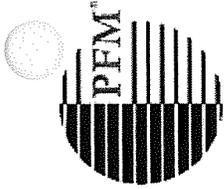
Managed Account Detail of Securities Held

For the Month Ending December 31, 2012

CITY OF ANTIPOCH, CA - 04380500

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES	DTD 03/02/2009 1.875% 02/28/2014	912828KF6	AA+	Aaa	04/30/12	05/01/12	2,573,339.84	0.27	15,927.14	2,546,499.95	2,548,145.00
US TREASURY NOTES	DTD 03/31/2009 1.750% 03/31/2014	912828KJ8	AA+	Aaa	10/27/11	10/31/11	3,098,085.94	0.39	13,413.46	3,050,651.46	3,057,069.00
US TREASURY NOTES	DTD 05/16/2011 1.000% 05/15/2014	912828QM5	AA+	Aaa	03/27/12	03/29/12	3,799,511.72	0.38	4,868.78	3,781,908.15	3,790,136.25
US TREASURY NOTES	DTD 07/15/2011 0.625% 07/15/2014	912828OU7	AA+	Aaa	11/02/11	11/07/11	579,492.19	0.33	1,660.16	577,575.92	578,526.48
US TREASURY NOTES	DTD 07/15/2011 0.625% 07/15/2014	912828OU7	AA+	Aaa	06/20/12	06/21/12	2,841,552.73	0.34	8,156.42	2,837,334.60	2,842,325.73
US TREASURY N/B	DTD 07/31/2012 0.125% 07/31/2014	912828TF7	AA+	Aaa	10/23/12	10/26/12	249,287.11	0.29	130.77	249,360.57	249,580.00
US TREASURY NOTES	DTD 09/15/2011 0.250% 09/15/2014	912828RG7	AA+	Aaa	10/12/11	10/14/11	1,140,701.17	0.53	857.73	1,144,564.84	1,150,269.10
US TREASURY NOTES	DTD 12/15/2011 0.250% 12/15/2014	912828RV4	AA+	Aaa	01/05/12	01/06/12	1,195,312.50	0.38	140.11	1,196,879.86	1,200,000.00
US TREASURY NOTES	DTD 02/15/2012 0.250% 02/15/2015	912828SE1	AA+	Aaa	02/22/12	02/27/12	1,492,207.03	0.43	1,416.44	1,494,416.12	1,499,296.50
US TREASURY NOTES	DTD 03/01/2010 2.375% 02/28/2015	912828MR8	AA+	Aaa	06/20/12	06/21/12	1,578,457.03	0.42	12,104.63	1,563,007.16	1,567,500.00
US TREASURY NOTES	DTD 03/01/2010 2.375% 02/28/2015	912828MR8	AA+	Aaa	04/30/12	05/01/12	2,639,453.13	0.39	20,174.38	2,606,530.85	2,612,500.00
US TREASURY NOTES	DTD 03/15/2012 0.375% 03/15/2015	912828SK7	AA+	Aaa	03/13/12	03/15/12	169,428.91	0.49	190.19	169,580.10	170,345.27
US TREASURY NOTES	DTD 03/15/2012 0.375% 03/15/2015	912828SK7	AA+	Aaa	06/27/12	06/28/12	824,355.47	0.40	923.00	824,477.07	826,675.58
US TREASURY NOTES	DTD 08/02/2010 1.750% 07/31/2015	912828NP1	AA+	Aaa	10/23/12	10/26/12	337,098.63	0.39	2,380.10	336,305.92	336,882.65





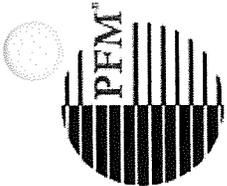
Managed Account Detail of Securities Held

For the Month Ending December 31, 2012

CITY OF ANTIOCH, CA - 04380500

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES	DTD 08/02/2010 1.750% 07/31/2015	912828NP1	AA+	Aaa	08/22/12	08/23/12	483,418.36	0.39	3,405.37	481,197.58	482,001.33
US TREASURY NOTES	DTD 08/02/2010 1.750% 07/31/2015	912828NP1	AA+	Aaa	09/06/12	09/10/12	3,772,832.03	0.33	26,547.21	3,757,184.90	3,757,537.25
US TREASURY NOTES	DTD 11/30/2010 1.375% 11/30/2015	912828PJ3	AA+	Aaa	11/01/12	11/05/12	2,815,981.64	0.40	3,306.04	2,811,882.93	2,815,340.63
US TREASURY NOTES	DTD 11/30/2010 1.375% 11/30/2015	912828PJ3	AA+	Aaa	11/29/12	12/05/12	3,091,289.06	0.35	3,626.37	3,089,031.48	3,088,125.00
Security Type Sub-Total							32,681,804.49	0.37	119,228.30	32,518,389.46	32,572,255.77
Municipal Bond / Note											
CA ST REV BONDS	DTD 08/23/2012 2.500% 06/20/2013	13063BB68	SP-1	MIG1	08/17/12	08/23/12	839,033.25	0.43	7,402.40	832,925.76	833,547.00
METRO WTR DIST AUTH, CA REV BONDS	DTD 06/28/2012 0.616% 07/01/2014	59266THP9	AAA	Aa1	06/21/12	06/28/12	575,000.00	0.62	1,771.00	575,000.00	575,425.50
METRO WTR DIST AUTH, CA REV BONDS	DTD 06/28/2012 0.943% 07/01/2015	59266THO7	AAA	Aa1	06/21/12	06/28/12	225,000.00	0.94	1,060.88	225,000.00	225,333.00
CA ST DEPT OF WATER REV BONDS	DTD 09/27/2012 0.650% 12/01/2015	13066KX87	AAA	Aa1	09/19/12	09/27/12	500,000.00	0.65	270.83	500,000.00	500,720.00
Security Type Sub-Total							2,139,033.25	0.59	10,505.11	2,132,925.76	2,135,025.50
Federal Agency Bond / Note											
FNMA NOTES	DTD 07/18/2011 0.875% 08/28/2014	3135G0BY8	AA+	Aaa	09/29/11	09/30/11	578,588.00	0.66	1,719.01	577,052.46	580,789.68
FHLMC NOTES	DTD 08/12/2011 0.500% 09/19/2014	3134G2YJ5	AA+	Aaa	09/20/11	09/21/11	1,597,863.68	0.55	2,266.67	1,598,771.18	1,606,241.60
FREDDIE MAC GLOBAL NOTES	DTD 08/05/2011 0.750% 09/22/2014	3134G2WG3	AA+	Aaa	09/28/11	09/30/11	911,820.00	0.68	1,876.88	911,058.82	917,460.18





Managed Account Detail of Securities Held

For the Month Ending December 31, 2012

CITY OF ANTIOCH, CA - 04380500

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note										
FREDDIE MAC GLOBAL NOTES DTD 08/05/2011 0.750% 09/22/2014	3134G2WG3	AA+	Aaa	08/30/11	08/31/11	2,462,838.00	0.58	5,053.13	2,457,267.58	2,470,085.10
FHLB NOTES DTD 11/08/2010 0.875% 12/12/2014	313371PC4	AA+	Aaa	01/19/12	01/19/12	3,028,170.00	0.55	1,385.42	3,018,983.55	3,033,792.00
FANNIE MAE GLOBAL NOTES DTD 04/19/2012 0.500% 05/27/2015	3135G0KM4	AA+	Aaa	04/17/12	04/19/12	1,376,011.80	0.59	651.67	1,376,903.83	1,385,009.40
FNMA NOTES (CALLABLE) DTD 08/07/2012 0.500% 08/07/2015	3135G0NG4	AA+	Aaa	08/02/12	08/07/12	3,399,660.00	0.50	6,800.00	3,399,705.05	3,400,285.60
FREDDIE MAC GLOBAL NOTES DTD 07/11/2012 0.500% 08/28/2015	3134G3ZA1	AA+	Aaa	07/30/12	07/31/12	1,827,129.78	0.46	3,117.71	1,826,842.45	1,830,996.95
FANNIE MAE GLOBAL NOTES DTD 11/16/2012 0.375% 12/21/2015	3135G0S80	AA+	Aaa	11/14/12	11/16/12	1,671,097.25	0.45	174.48	1,671,253.21	1,672,923.00
Security Type Sub-Total						16,853,178.51	0.54	23,044.97	16,837,838.13	16,897,583.51

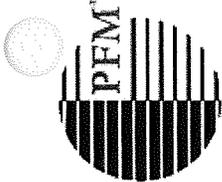
16,815,000.00

Corporate Note

JOHN DEERE CAPITAL CORP NOTE DTD 03/03/2011 1.600% 03/03/2014	24422ERA9	A	A2	02/28/11	03/03/11	499,505.00	1.63	2,622.22	499,803.78	506,559.00
CATERPILLAR FINANCIAL SE CORP NOTE DTD 04/01/2011 1.650% 04/01/2014	14912L4T5	A	A2	03/24/11	04/01/11	250,197.50	1.62	1,031.25	250,083.42	253,621.00
WAL MART STORES INC. CORP NOTES DTD 04/18/2011 1.625% 04/15/2014	931142DA8	AA	Aa2	04/11/11	04/18/11	403,906.50	1.72	1,389.38	404,522.11	411,705.18
IBM CORP GLOBAL NOTES DTD 05/12/2011 1.250% 05/12/2014	459200GW5	AA-	Aa3	05/09/11	05/12/11	814,233.90	1.28	1,386.63	814,648.15	824,696.87
JOHNSON & JOHNSON GLOBAL NOTE DTD 05/20/2011 1.200% 05/15/2014	478160AX2	AAA	Aaa	05/17/11	05/20/11	998,830.00	1.24	1,533.33	999,456.86	1,011,811.00
CATERPILLAR FINANCIAL SE NOTES DTD 05/20/2011 1.375% 05/20/2014	14912L4V0	A	A2	05/17/11	05/20/11	274,854.25	1.39	430.64	274,931.92	278,340.15
JP MORGAN CHASE & CO NOTES DTD 05/18/2009 4.650% 06/01/2014	46625HHN3	A	A2	12/19/11	12/22/11	1,062,853.30	2.43	3,913.75	1,041,044.07	1,064,141.05



PFM Asset Management LLC



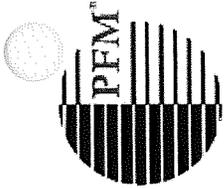
Managed Account Detail of Securities Held

For the Month Ending December 31, 2012

CITY OF ANTIOCH, CA - 04380500

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note												
PROCTER & GAMBLE CO CORP NOTES	742718DU0	500,000.00	AA-	Aa3	08/10/11	08/15/11	497,945.00	0.84	1,322.22	498,882.51	503,215.00	
DTD 08/15/2011 0.700% 08/15/2014												
BERKSHIRE HATHAWAY INC (FLOATING)	084670BA5	850,000.00	AA+	Aa2	08/10/11	08/15/11	850,000.00	0.98	1,120.82	850,000.00	858,774.55	
NOTES												
DTD 08/15/2011 1.010% 08/15/2014												
GENERAL ELEC CAP CORP GLOBAL NOTES	36962G5M2	1,050,000.00	AA+	A1	05/23/12	05/29/12	1,061,434.50	1.72	10,785.83	1,058,906.29	1,078,491.75	
DTD 01/09/2012 2.150% 01/09/2015												
GENERAL ELEC CAP CORP GLOBAL NOTES	36962G5M2	1,115,000.00	AA+	A1	01/04/12	01/09/12	1,113,840.40	2.19	11,453.53	1,114,210.11	1,145,255.53	
DTD 01/09/2012 2.150% 01/09/2015												
IBM CORP GLOBAL NOTES	459200HB0	305,000.00	AA-	Aa3	02/01/12	02/06/12	303,508.55	0.72	675.66	303,954.08	305,056.73	
DTD 02/06/2012 0.550% 02/06/2015												
BANK OF NEW YORK MELLON (CALLABLE)	06406HCC1	375,000.00	A+	Aa3	02/13/12	02/21/12	374,658.75	1.23	1,637.50	374,755.52	379,026.38	
NOTES												
DTD 02/21/2012 1.200% 02/20/2015												
CATERPILLAR FIN CORP NOTES	14912L5D9	250,000.00	A	A2	05/22/12	05/30/12	249,920.00	1.11	244.44	249,935.43	252,075.75	
DTD 05/30/2012 1.100% 05/29/2015												
JOHN DEERE CAPITAL CORP GLOBAL NOTES	24422ERS0	450,000.00	A	A2	06/26/12	06/29/12	449,878.50	0.96	23.75	449,898.73	452,495.70	
DTD 06/29/2012 0.950% 06/29/2015												
JPMORGAN CHASE & CO GLOBAL NOTES	46623EJR1	1,650,000.00	A	A2	10/15/12	10/18/12	1,649,323.50	1.11	3,680.42	1,649,368.58	1,649,948.85	
DTD 10/18/2012 1.100% 10/15/2015												
BANK OF NEW YORK MELLON (CALLABLE)	06406HCD9	425,000.00	A+	Aa3	10/18/12	10/25/12	424,562.25	0.73	545.42	424,588.80	423,421.55	
DTD 10/25/2012 0.700% 10/23/2015												
BANK OF NEW YORK MELLON (CALLABLE)	06406HCD9	640,000.00	A+	Aa3	12/17/12	12/20/12	638,067.20	0.81	821.33	638,087.85	637,623.04	
DTD 10/25/2012 0.700% 10/23/2015												
Security Type Sub-Total		11,865,000.00					11,917,519.10	1.41	44,618.12	11,897,078.21	12,036,259.08	
Commercial Paper												





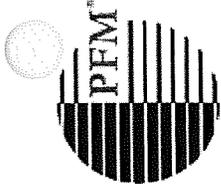
Managed Account Detail of Securities Held

For the Month Ending December 31, 2012

CITY OF ANTIOCH, CA - 04380500

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Commercial Paper												
TOYOTA MOTOR CREDIT CORP COMM PAPER		89233GSH0	1.675,000.00	A-1+	P-1	08/22/12	08/23/12	1,669,161.23	0.47	0.00	1,672,025.94	1,673,432.20
--		0.000% 05/17/2013										
Security Type Sub-Total			1,675,000.00					1,669,161.23	0.47	0.00	1,672,025.94	1,673,432.20
Certificate of Deposit												
STANDARD CHARTERED BANK NY CERT DEPOS		85325B0V9	1,650,000.00	A-1+	P-1	09/19/12	09/21/12	1,650,000.00	0.65	3,038.75	1,650,000.00	1,651,238.82
DTD 09/21/2012 0.650% 03/18/2013												
WESTPAC BANKING CORP NY (FLOAT) CD		96121TLT3	1,300,000.00	AA-	Aa2	02/14/12	02/16/12	1,300,000.00	1.47	2,184.00	1,300,000.00	1,310,413.00
DTD 02/16/2012 1.260% 02/14/2014												
Security Type Sub-Total			2,950,000.00					2,950,000.00	1.01	5,222.75	2,950,000.00	2,961,651.82
Managed Account Sub-Total			67,325,000.00					68,210,696.58	0.63	202,619.25	68,008,257.50	68,276,207.88
Securities Sub-Total			\$67,325,000.00					\$68,210,696.58	0.63%	\$202,619.25	\$68,008,257.50	\$68,276,207.88
Accrued Interest												\$202,619.25
Total Investments												\$68,478,827.13





Managed Account Security Transactions & Interest

For the Month Ending December 31, 2012

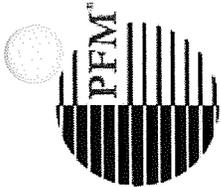
CITY OF ANTIIOCH, CA - 04380500

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
BUY											
	11/29/12	12/05/12	US TREASURY NOTES	912828PJ3	3,000,000.00	(3,091,289.06)	(566.62)	(3,091,855.68)			
			DTD 11/30/2010 1.375% 11/30/2015								
	12/17/12	12/20/12	BANK OF NEW YORK MELLON (CALLABLE)	06406HCD9	640,000.00	(638,067.20)	(684.44)	(638,751.64)			
			DTD 10/25/2012 0.700% 10/23/2015								
Transaction Type Sub-Total									(3,730,607.32)	(1,251.06)	(3,729,356.26)

INTEREST											
	12/01/12	12/01/12	JP MORGAN CHASE & CO NOTES	46625HHN3	1,010,000.00	0.00	23,482.50	23,482.50			
			DTD 05/18/2009 4.650% 06/01/2014								
	12/01/12	12/01/12	CA ST DEPT OF WATER REV BONDS	13066KX87	500,000.00	0.00	577.78	577.78			
			DTD 09/27/2012 0.650% 12/01/2015								
	12/03/12	12/03/12	MONEY MARKET FUND	MONEY0002	0.00	0.00	0.30	0.30			
	12/12/12	12/12/12	FHLB NOTES	31337IPC4	3,000,000.00	0.00	13,125.00	13,125.00			
			DTD 11/08/2010 0.875% 12/12/2014								
	12/15/12	12/15/12	US TREASURY NOTES	912828RV4	1,200,000.00	0.00	1,500.00	1,500.00			
			DTD 12/15/2011 0.250% 12/15/2014								
	12/21/12	12/21/12	FANNIE MAE GLOBAL NOTES	3135G0SB0	1,675,000.00	0.00	610.68	610.68			
			DTD 11/16/2012 0.375% 12/21/2015								
	12/29/12	12/29/12	JOHN DEERE CAPITAL CORP GLOBAL NOTES	24422ERS0	450,000.00	0.00	2,137.50	2,137.50			
			DTD 06/29/2012 0.950% 06/29/2015								
Transaction Type Sub-Total									41,433.76	41,433.76	0.00

SELL											
	11/29/12	12/05/12	BANK OF TOKYO MITSUBISHI COMM PAPER	06538BMO3	850,000.00	849,910.28	0.00	849,910.28	1,100.99	94.21	SPEC LOT
			-- 0.000% 12/24/2012								
	11/29/12	12/05/12	FNMA GLOBAL NOTES	3135G0AP8	2,175,000.00	2,201,991.75	7,401.04	2,209,392.79	(4,524.00)	9,677.88	SPEC LOT
			DTD 02/01/2011 1.250% 02/27/2014								
	12/17/12	12/20/12	BANK OF NEW YORK MELLON SR NOTES	06406HBK4	625,000.00	645,462.50	10,054.25	655,516.75	(33,450.00)	4,778.12	SPEC LOT
			DTD 08/27/2008 5.125% 08/27/2013								
Transaction Type Sub-Total									41,433.76	41,433.76	0.00





Managed Account Security Transactions & Interest

For the Month Ending December 31, 2012

CITY OF ANTIOCH, CA - 04380500

Transaction Type	Trade Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Transaction Type Sub-Total				3,650,000.00	3,697,364.53	17,455.29	3,714,819.82	(36,873.01)	14,550.21	
Managed Account Sub-Total					(31,991.73)	57,637.99	25,646.26	(36,873.01)	14,550.21	
Total Security Transactions					(\$31,991.73)	\$57,637.99	\$25,646.26	(\$36,873.01)	\$14,550.21	



**STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE
COUNCIL MEETING OF JANUARY 22, 2013**

FROM: Lynn Tracy Nerland, City Attorney

DATE: January 9, 2013

SUBJECT: Rejection of Claims

RECOMMENDATION:

Reject the listed claims:

1. David Morris & Kathryn Millard 12/13-2086 (wrongful death)

LTN/spd

cc: Anthony Allenza

**STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

Prepared by: Tina Wehrmeister, Community Development Director *TW*
Date: January 17, 2013
Subject: Adoption of an Ordinance Prohibiting Medical Marijuana Facilities

RECOMMENDATION

It is recommended the City Council adopt the attached ordinance amending Title 5 of the Antioch Municipal Code by adding a new Chapter 21 pertaining to the prohibition of Medical Marijuana Facilities.

BACKGROUND INFORMATION

The ordinance was introduced by the Council on January 8, 2013. The Council made no changes to the ordinance at this meeting.

FINANCIAL IMPACT

There is no direct fiscal impact associated with the adoption of the proposed ordinance.

OPTIONS

The recommended action is consistent with the City Council's introduction of the ordinance on January 8, 2013.

ATTACHMENTS

None.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH AMENDING
TITLE 5 OF THE ANTIOCH MUNICIPAL CODE BY ADDING A NEW CHAPTER 21
PERTAINING TO THE PROHIBITION OF MEDICAL MARIJUANA FACILITIES**

The City Council of the City of Antioch does ordain as follows:

SECTION 1. FINDINGS. In enacting this Ordinance, the City Council finds and takes legislative notice as follows:

1. In 1970, Congress enacted the Controlled Substances Act (CSA) (21 U.S.C. section 801 et seq.) which, among other things, makes it illegal to import, manufacture, distribute, possess or use marijuana for any purpose in the United States and further provides criminal penalties for marijuana use.

2. In 1996, the voters of the State of California approved Proposition 215, which was entitled the Compassionate Use Act of 1996 (the "Act;" Health and Safety (H&S) Code Section 11362.5 et seq.).

3. California courts have held that the Act creates a limited exception from criminal liability for seriously ill persons who are in need of medical marijuana for specified medical purposes and who obtain and use medical marijuana under limited, specified circumstances.

4. On January 1, 2004, the "Medical Marijuana Program" (MMP), codified as H&S Code Sections 11362.7 to 11362.83, was enacted by the State Legislature to clarify the scope of the Act and to allow cities and other governing bodies to adopt and enforce rules and regulations consistent with the MMP. The MMP at H&S Code section 11362.765 prohibits the cultivation or distribution of medical marijuana for a profit.

5. Medical marijuana collectives, cooperatives and dispensaries (collectively "dispensaries") have opened to distribute medical marijuana, along with mobile or delivery dispensaries and large marijuana grow operations in warehouses and residences that remain illegal under the federal CSA and not fully addressed in the State Act and MMP.

6. The Act expressly anticipates the enactment of additional local legislation. It provides: "Nothing in this section shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, nor to condone the diversion of marijuana for nonmedical purposes." (H&S Code Section 11362.5.) The MMP similarly anticipates local regulation, providing: "Nothing in

this article shall prevent a city ... from adopting and enforcing ... local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective; ... civil and criminal enforcement of local ordinances; [and] ... other laws consistent with this article.” (H & S Code Section 11362.83.)

7. Several California cities and counties that have permitted the establishment of medical marijuana facilities and dispensaries have experienced serious adverse impacts associated with and resulting from such facilities and dispensaries. According to these communities, according to news stories widely reported and according to medical marijuana advocates, medical marijuana facilities and dispensaries have resulted in and/or caused an increase in crime, including burglaries, robberies, violence, illegal sales of marijuana to, and use of marijuana by, minors and other persons without medical need in the areas immediately surrounding such medical marijuana dispensaries. The City Council reasonably anticipates that the City of Antioch will experience similar adverse impacts and effects. A California Police Chiefs Association compilation of police reports, news stories and statistical research regarding such crimes and secondary impacts is contained in a 2009 white paper report located at the following website: http://www.californiapolicechiefs.org/nav_files/marijuana_files/files/MarijuanaDispensariesWhitePaper_04229.pdf. This compilation, as well as a compilation of other similar accounts, are on file with the City Clerk. It is reasonable to conclude that similar adverse impacts on the public health, safety and welfare will likely also occur in the City of Antioch if medical marijuana dispensaries are permitted.

8. News stories regarding adverse impacts of medical marijuana dispensaries were also attached to the staff reports presented to the City Council and more recent news stories are attached to the staff report presented to the City Council with this ordinance on January 8, 2013. These compilations are on file with the City Clerk and on the City's website at www.ci.antioch.ca.us. It is reasonable to conclude that similar adverse impacts on the public health, safety and welfare will likely also occur in the City of Antioch if medical marijuana dispensaries are permitted.

9. According to at least one recent compilation by a medical marijuana advocacy organization, 85 cities and 8 counties in California have adopted moratoria or interim ordinances prohibiting medical marijuana dispensaries. 121 cities and 8 counties have adopted prohibitions against medical marijuana dispensaries. The compilation is available at: <http://www.safeaccessnow.org>. Following duly noticed public hearings, the City of Antioch adopted a temporary moratorium on medical marijuana dispensaries as defined in 2011 pursuant to Ordinance No. 2047-C-S and 2048-C-S to allow Antioch staff time to: (1) address the community concerns regarding the establishment and operation of medical marijuana dispensaries, (2) study the potential impacts the medical marijuana dispensaries may have on the public health, safety and welfare, (3) study and determine what local regulations may be appropriate or necessary for medical marijuana dispensaries, (4) study and determine the appropriate zoning and location for medical marijuana dispensaries, if any, and (5) determine appropriate controls for protection of public health, safety and welfare.

10. The California Attorney General has adopted guidelines for the interpretation and implementation of the state's medical marijuana laws, entitled "GUIDELINES FOR THE SECURITY AND NON-DIVERSION OF MARIJUANA GROWN FOR MEDICAL USE (August 2008)." (http://ag.ca.gov/cms_attachments/press/pdfs/n1601_medicalmarijuanaguidelines.pdf.) The Attorney General has stated in the guidelines that "[a]lthough medical marijuana 'dispensaries' have been operating in California for years, dispensaries, as such, are not recognized under the law." This selected reference to the guidelines is not intended as the City Council's agreement with or acceptance of the correctness of other provisions and legal conclusions in the guidelines, which are not binding on cities or courts. (*People v. Hochanadel* (2009) 176 Cal. App. 4th 997.)

11. Concerns about nonmedical marijuana use arising in connection with Proposition 215 and the MMP, and the widespread abuse of those laws by persons desiring to sell and use marijuana for recreational, non-medical purposes, also have been recognized by state and federal courts. One example is *People v. Leal* (2012) 2012 Cal. App. LEXIS 1126, in which the First District Court of Appeal stated:

Not surprisingly, it seems that the enhanced protection from arrest has proven irresistible to those illegally trafficking marijuana, for if there is even rough accuracy in the anecdotal estimate by the arresting detective in this case—that nearly 90 percent of those arrested for marijuana sales possess either a CUA recommendation or a card—then there is obviously widespread abuse of the CUA and the MMP identification card scheme by illicit sellers of marijuana. Ninety percent far exceeds the proportion of legitimate medical marijuana users one would expect to find in the populace at large. For this and other reasons, it is impossible for us not to recognize that many citizens, judges undoubtedly among them, believe the CUA has become a charade enabling the use of marijuana much more commonly for recreational than for genuine medical uses.

Other courts have reached similar conclusions. (See, e.g., *Bearman v. California Medical Bd.* (2009) 176 Cal.App.4th 1588; *People ex rel. Lungren v. Peron* (1997) 59 Cal.App.4th 1383, 1386 to 1387; *Gonzales v. Raich* (2005) 545 U.S. 1.) The Attorney General's 2008 guidelines also reflect that concern. (*People v. Hochanadel* (2009) 176 Cal. App. 4th 997.)

12. The courts have also issued the following rulings concerning the relationship between federal and state law and the medical use and distribution of marijuana:

- use, possession, distribution and sale of marijuana remain illegal under the federal CSA. (*Bearman v. California Medical Bd.* (2009) 176 Cal.App.4th 1588; *Ross v. RagingWire Telecommunications, Inc.* (2008) 42 Cal. 4th 920);

- despite California's Act and MMP, marijuana is deemed to have no accepted medical use under federal law. (*Gonzales v. Raich* (2005) 545 U.S. 1; *United States v. Oakland Cannabis Buyers' Cooperative* (2001) 532 U.S. 483);
- medical necessity is not a defense to prosecution under the federal CSA (*United States v. Oakland Cannabis Buyers' Cooperative*, 532 U.S. 483); and the federal government properly may enforce the CSA despite the Act and MMP (*Gonzales v. Raich* (2005) 545 U.S. 1);
- doctor-recommended marijuana use permitted by state law, but prohibited by federal law, is an illegal use of drugs for purposes of the ADA. (*James v. City of Costa Mesa* (9th Cir. 2012) 684 F.3d 825);
- there is no fundamental right to obtain or use medical marijuana (*Raich v. Gonzalez* (2007) 500 F. 3d 850); *People v. Urziceanu* (2005) 132 Cal.App.4th 747;
- filling out a form that designates a commercial enterprise as the qualified patient's "primary caregiver" is insufficient to establish a caregiver status (*People ex rel. Lungren v. Peron*, 59 Cal.App.4th 1383 (1997): a "primary caregiver" status requires a specified showing of consistently providing care, independent of any assistance in taking medical marijuana, at or before the time of assuming the responsibility of assisting with medical marijuana (*People v. Mentch* (2008) 45 Cal. 4th 274;
- operators of a storefront dispensary which sold marijuana to individuals did not operate within the CUA and the MMPA, and did not constitute a primary caregiver such that it was entitled to protections of the CUA and MMPA (*People v. Hochanadel* (2009) 176 Cal.App.4th 997 (review denied by California Supreme Court));

13. Article XI, Section 7 of the California Constitution provides a city may make and enforce within its limits all police, sanitary and other ordinances and regulations not in conflict with general laws. Two reported California decisions have specifically held that cities' zoning and land use laws prohibiting medical marijuana dispensaries are not preempted by either the Act or the MMP. (*City of Corona v. Naulls* (2008) 166 Cal.App.4th 418; *City of Claremont v. Kruse* (2009) 177 Cal.App.4th 1153.)

14. Despite the CUA and MMP, the United States Attorneys in California have taken actions to enforce the federal CSA against marijuana dispensaries, and have issued letters stating that California cities and officials face possible criminal prosecution for enabling dispensaries to violate the federal CSA. Copies of these letters are attached to the staff report presented to the City Council with this ordinance on January 8, 2013 and are on file with the City Clerk and on the City's website at www.ci.antioch.ca.us.

15. Allowing medical marijuana facilities, and issuing permits, business licenses or other applicable licenses or entitlements providing for the establishment and/or operation of medical marijuana facilities poses a threat to the public health, safety and welfare.

16. An ordinance prohibiting medical marijuana facilities, and prohibiting the issuance of any permits, licenses and entitlements for medical marijuana facilities, is necessary and appropriate to maintain and protect the public health, safety and welfare of the citizens of Antioch.

17. Marijuana plants, when grown outdoors, especially as they mature prior to harvest, often produce a distinctive, strong odor that can be detectable and offensive beyond the borders of the property on which it is grown.

18. Cities, counties and air quality districts in which marijuana is grown outdoors have received large numbers of complaints of odors related to the cultivation of marijuana.

19. Marijuana even when grown for medicinal purposes, is extremely valuable and has a high market value. Many cities have experienced criminal activities.

20. The strong smell of marijuana growing, as well as the knowledge of its cultivation, create an attractive nuisance that attracts persons to the growing marijuana, and creates the risk of burglary, trespassing, robbery and armed robbery, resulting often in serious injury or death, and requiring scarce police and public safety resources.

21. Regulating the cultivation of marijuana is necessary and appropriate to maintain and protect the public health, safety and welfare of the citizens of the City of Antioch.

SECTION 2. Title 5 of the Antioch Municipal Code is hereby amended by the addition of a new Chapter 21, to read as follows:

CHAPTER 21: MEDICAL MARIJUANA FACILITIES.

Sections:

- 5-21.01 Purpose.
- 5-21.02 Definitions and exceptions.
- 5-21.03 Prohibition of medical marijuana facilities.

§ 5-21.01. Purpose.

The purpose of this chapter is to prohibit the establishment, operation and location of medical marijuana facilities, as defined herein, in the City of Antioch.

§ 5-21.02. Definitions and exceptions.

A. For the purposes of this chapter, the following definitions shall apply:

1. "**Building**" means any structure having a roof supported by columns or walls, for the housing, shelter or enclosure of persons, animals, chattels, or property of any kind.

2. "**Cultivation**" means the planting, growing, harvesting, drying, or processing of marijuana plants, or any part thereof, for medical, non-recreational use.

3. "**Location**" means any parcel of land, whether vacant or occupied by a building, group of buildings, or accessory buildings, and includes the buildings, structures, yards, open spaces, lot width, and lot area.

4. "**Marijuana**" shall have the same meaning as set forth in California Health and Safety Code Section 11018 as of the effective date of this chapter and as subsequently amended. Currently under Section 11018, "**marijuana**" means all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted there from), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination. "**Marijuana**" shall also include

concentrated cannabis, the separated resin, whether crude or purified, obtained from marijuana, and any foodstuffs infused with marijuana or concentrated cannabis.

5. "**Medical marijuana facility**" means and includes (a) any facility, building, structure or location, whether fixed or mobile, where a primary caregiver makes available, sells, transmits, gives or otherwise provides medical marijuana to two or more of the following: a qualified patient or a person with an identification card, or a primary caregiver in strict accordance with California Health and Safety Code Section 11362.5 et seq., (b) any facility, building, structure or location where qualified patients and/or persons with identification cards and/or primary caregivers meet or congregate to cultivate or distribute marijuana for medical purposes; or (c) any not-for-profit site, facility, building, structure or location where two or more qualified patients and/or persons with an identification card associate, meet or congregate in order collectively or cooperatively, to distribute, sell, dispense, transmit, process, deliver, exchange or give away marijuana for medicinal purposes pursuant to Health and Safety Code Section 11362.5 et seq. and organized as a marijuana cooperative or collective as set forth in Health and Safety Code Section 11362.775.

Notwithstanding the foregoing, "**medical marijuana facility**" shall not include or mean the following facility, building or location, or use, which shall not be subject to enforcement for violation of this chapter, provided that the location of such facility, building or location, or use are otherwise regulated by applicable law, and further provided any such facility, building or location, or use complies strictly with applicable law, including, but not limited to, California Health and Safety Code Section 11362.5 et seq. and California Health and Safety Code Section 11362.7 et seq.:

(a) A clinic licensed pursuant to Chapter 1 of Division 2 of the California Health and Safety Code.

(b) A health-care facility licensed pursuant to Chapter 2 of Division 2 of the Health and Safety Code.

(c) A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 of Division 2 of the Health and Safety Code.

(d) A residential care facility for the elderly, licensed pursuant to Chapter 3.2 of Division 2 of the Health and Safety Code.

(e) A residential hospice, or a home health agency, licensed pursuant to Chapter 8 of Division 2 of the Health and Safety Code.

(f) Any dwelling unit where one (1) qualified patient, person with an identification card, and one other individual identified as the primary caregiver of that qualified patient, person with an identification card associate to collectively or cooperatively cultivate marijuana on-site for the personal medical use of the single qualified patient or person with an identification card Any such cultivation shall comply with all other City ordinances.

6. **"Primary caregiver", "qualified patient" and "person with an identification card"** shall be as defined in California Health and Safety Code Section 11362.7.

7. **"Structure"** means anything constructed or erected which is supported directly or indirectly on the earth, but not including any vehicle.

8. **"Vehicle"** means a device by which any person or property may be propelled, moved, or drawn upon a street, sidewalk or waterway, including but not limited to a device moved exclusively by human power.

B. Words and phrases not defined in this chapter shall be construed as defined in other parts of this Code. In the case of any conflict, the definitions provided in this chapter shall control.

§ 5-21.03. Prohibition of medical marijuana facilities.

A. Medical marijuana facilities, as defined herein, are prohibited in the City of Antioch. No person or entity shall operate, locate or otherwise permit or suffer a medical marijuana facility within the City of Antioch.

B. The City shall not issue, approve or grant any permit, license or other entitlement for the establishment or operation of a medical marijuana facility.

C. The prohibition in subsections A and B, above, includes, without limitation, renting, leasing, or otherwise permitting a medical marijuana facility to occupy or use a location, building, structure or vehicle.

D. The establishment, maintenance or operation of a medical marijuana facility as defined herein within the City limits of the City of Antioch is a public nuisance. Violations of this ordinance may be enforced

by any applicable law, with criminal penalties limited if inconsistent with the Compassionate Use Act of 1996 or California Health and Safety Code Section 11362.7 *et seq.*

SECTION 3. CEQA.

This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 15061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 4. CITY TO PREPARE CONSISTENT ZONING REGULATIONS.

This ordinance is intended as a Health and Safety ordinance, not a zoning ordinance. The City Council hereby directs staff to prepare for consideration by the Planning Commission and the Council amendments to the City's Zoning Ordinance consistent with this ordinance. This ordinance shall be effective as provided herein and by law, and the effectiveness of this health and safety ordinance shall not depend or be conditional upon the adoption of any such zoning amendments.

SECTION 5. NO VESTED RIGHTS.

This ordinance prohibits medical marijuana facilities. Neither this ordinance, nor any other provision of this Code or action, failure to act, statement, representation, certificate, approval, or permit issued by the City or its departments, or their respective representatives, agents, employees, attorneys or assigns, shall create, confer, or convey any vested or nonconforming right regarding any medical marijuana facility.

SECTION 6. SEVERABILITY.

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

SECTION 7. EFFECTIVE DATE.

This Ordinance shall be effective thirty (30) days from and after the date of its adoption.

SECTION 8. PUBLICATION; CERTIFICATION.

The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I do hereby certify that the foregoing ordinance was introduced by the City Council of the City of Antioch on January 8, 2013 and passed and adopted by the City Council of the City of Antioch at a regular meeting held on the ___ day of ____, 20__, by the foregoing vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Wade Harper, Mayor of the City of Antioch

ATTEST:

Arne Simonsen, City Clerk of the City of Antioch

**STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

Prepared by: Julie Haas-Wajdowicz, Environmental Resource Coordinator *JWH*
Approved by: Tina Wehrmeister, Community Development Director *TW*
Date: January 17, 2013
Subject: Resolution Supporting the Renewal of the Contra Costa Recycling
Market Development Zone

RECOMMENDATION

Adopt the resolution supporting the renewal of the Contra Costa Recycling Market Development Zone (CCRMDZ).

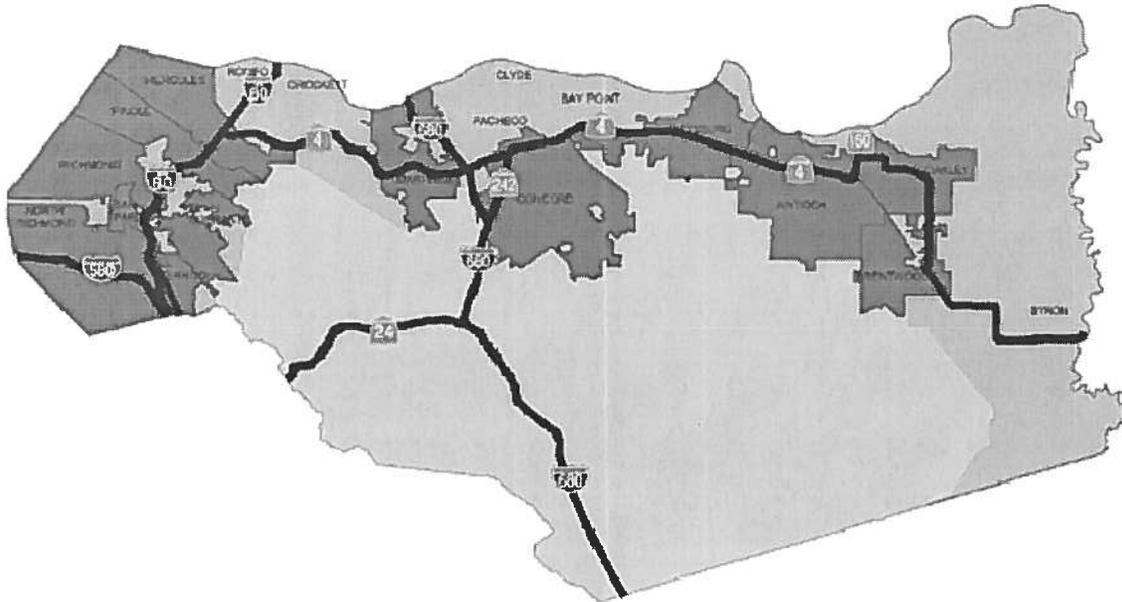
BACKGROUND INFORMATION

The California Public Resources Code Section 42010 provides for the establishment of the Recycling Market Development Zone (RMDZ) program throughout the State to provide incentives to stimulate development of post-consumer and secondary materials markets for recyclables. The RMDZ program combines recycling with economic development to fuel new businesses, expand existing ones, and create jobs. Recycling-based manufacturers located in RMDZs are eligible to apply for low-interest loans and other assistance provided by local zone administrators and by the CalRecycle's Materials Management and Local Assistance Division.

The RMDZ Loan Program offers financing for recycling manufacturers at the current rate of 4.0%. Loans are for up to \$2 Million per project, with up to 75% of a project financed. Loans can be for new or existing companies. CalRecycle also offers financial assistance, product marketing (for example, through the Recycle Store), and permitting assistance. There are currently 35 RMDZs, creating a regional representation of the state.

In March 1993, the CCRMDZ was designated by CalRecycle. RMDZ's must be renewed every 10 years and the CCRMDZ was renewed in 2003. The CCRMDZ is administered by the Contra Costa County Community Development Department. The Contra Costa County Recycling Market Development Zone follows the Industrial Shoreline of the county, as illustrated in Figure 1 below. Starting in the City of El Cerrito the zone heads north, following the shorelines of the San Francisco and San Pablo Bay, through the cities of Richmond, San Pablo, Pinole, and Hercules. At the Carquinez Straits, the zone heads East through Martinez, Concord, Pittsburg, Antioch, Oakley and Brentwood going up into the Sacramento Delta waterways. All unincorporated areas and communities in-between these cities such as El Sobrante, Rodeo, Port Costa, Pacheco, Bay Point and Byron are also part of the Contra Costa RMDZ.

Figure 1: Map of Contra Costa RMDZ



Currently, only one Antioch Business, FTG Construction Materials is participating in the RMDZ programs. Other companies in the CCRMDZ and in other zones across the State are likely buying recycled materials from Antioch's curbside and other recycling programs and manufacturing them into products that go back into the market place, helping Antioch close the loop and meet AB939 requirements.

FINANCIAL IMPACT

There is no impact to the General Fund. As the program is not administered by the City Staff, there is also no impact on staff resources. The RMDZ programs can be used as an additional tool by Economic Development Staff to assist businesses to site Antioch.

OPTIONS

Do not approve the renewal of the CCRMDZ. This could possibly result in the removal of the City of Antioch from the CCRMDZ or the complete elimination of the entire zone. This option is not recommended by staff, as the existence of the CCRMDZ has only positive effects on the City.

ATTACHMENTS

None.

RESOLUTION NO. 2013/**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH SUPPORTING RENEWAL OF THE CONTRA COSTA RECYCLING MARKET DEVELOPMENT ZONE

WHEREAS, the California Public Resources Code Section 42010 provides for the establishment of the Recycling Market Development Zone (RMDZ) program throughout the State to provide incentives to stimulate development of post-consumer and secondary materials markets for recyclables; and

WHEREAS, the Contra Costa RMDZ includes the cities of Antioch, Brentwood, Concord, El Cerrito, Oakley, Martinez, Hercules, Pinole, Pittsburg, Richmond, San Pablo and the unincorporated areas of Contra Costa County surrounding these cities; and

WHEREAS, cities and counties must meet and maintain a 50 percent reduction in landfill waste disposal as mandated in the California Integrated Waste Management Act; and

WHEREAS, the Contra Costa RMDZ is dedicated to establishing, sustaining and expanding recycling-based manufacturing businesses, which is essential for market development and to assist local jurisdictions in meeting the established landfill reduction goals; and

WHEREAS, the Contra Costa RMDZ designation will expire on March 31st, 2013, unless re-designated by CalRecycle; and

WHEREAS, the City of Antioch still desires existing and new recycling-based manufacturing businesses locating within the region to be eligible for the technical and financial incentives associated with the RMDZ program; and

WHEREAS, the renewal of the Contra Costa RMDZ is still necessary to facilitate local and regional planning, coordination, support of existing recycling-based manufacturing businesses, as well as attract private sector recycling business investments to the region; and

WHEREAS, the continued development of local markets for recycled materials would reduce the need to transport them out of the region in the future; and

WHEREAS, the current and proposed waste management practices and conditions are favorable to the development of post-consumer and secondary waste materials markets; and

WHEREAS, the California Legislature has defined environmental justice as "the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies" [Government Code section 65040.12(e)], and has directed the

RESOLUTION NO. 2013/**

January 22, 2013

Page 2

California Environmental Protection Agency to conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income populations of the state [Public Resources Code section 71110(a)]; and

WHEREAS, the Cities of Richmond, San Pablo, Pinole, Hercules, Martinez, Concord, Pittsburg, Antioch, Oakley and Brentwood and Contra Costa County have agreed to submit an application to CalRecycle requesting renewal as a RMDZ; and

WHEREAS, Contra Costa County has agreed to act as Lead Agency for the proposed renewal of the RMDZ; and

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), Contra Costa County has determined that this redesignation is exempt from CEQA; and

WHEREAS, the City of Antioch finds there are no grounds for the City of Antioch to assume the Lead Agency role or to prepare an environmental document; and

NOW, THEREFORE, THEREFORE BE IT RESOLVED as follows:

Section 1. The City of Antioch approves the submittal of a Recycling Market Development Zone renewal application to include the City of Antioch.

Section 2. Contra Costa County agrees to administer the RMDZ program in a manner that seeks to ensure the fair treatment of people of all races, cultures and incomes, including but not limited to soliciting public participation in all communities within the RMDZ.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the 22nd day of January, 2013, by the following vote:

AYES:

NOES:

ABSENT:

Arne Simonsen, City Clerk

**STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE
COUNCIL MEETING OF JANUARY 22, 2013**

FROM: Lynn Tracy Nerland, City Attorney *LTN*
DATE: January 15, 2013
SUBJECT: City of Antioch Representatives to the Municipal Pooling Authority

RECOMMENDATION:

Adopt the attached resolution naming the Human Resources/Economic Development Director as the City's Board Member to the Municipal Pooling Authority of Northern California ("Authority") and the City Attorney as the Alternate Board Member.

BACKGROUND:

The Authority was originally formed as a Joint Powers Agreement in 1977 among cities in Contra Costa County as a means of "insuring" or sharing risks as a pool because the traditional private insurance market became less of an option for public agencies. The California Government Code allows public agencies to create separate joint power authorities for this purpose.

The Authority is governed by a board composed of one individual from each member city. An alternate board member is also named, who may vote at any meeting at which the regular board member is absent.

Currently, City Attorney Lynn Tracy Nerland is the City's representative on the MPA Board and Human Resources Director/Economic Development Director Michelle Fitzer is the Alternate. Ms. Fitzer will be taking on more of the risk management activities and thus the role as the primary Board member.

FISCAL IMPACT:

None anticipated.

01/22/13

OPTIONS:

The City Council could appoint other individuals to the Authority's Board if they meet the qualifications regarding risk management experience and duties.

ATTACHMENT:

1. Resolution naming the Human Resources Director/Economic Development Director as the City's Board Member to the Municipal Pooling Authority of Northern California ("Authority") and the City Attorney as the Alternate Board Member.

RESOLUTION NO. 2013/

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH
DESIGNATING A BOARD MEMBER AND AN ALTERNATIVE BOARD MEMBER
TO THE MUNICIPAL POOLING AUTHORITY OF NORTHERN CALIFORNIA**

WHEREAS, the City of Antioch is a member of the Municipal Pooling Authority of Northern California (“Authority”); and

WHEREAS, the governing documents of the Authority require the city council of each member city to appoint one Board member and to appoint one alternative Board member to the Board of Directors of the Authority; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Antioch hereby designates the Human Resources/Economic Development Director as the City’s Board member to the Municipal Pooling Authority of Northern California; and

BE IT FURTHER RESOLVED, that the City Attorney is hereby appointed as the City’s Alternative Board member to the Municipal Pooling Authority of Northern California.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof, held on the ____ day of January 2013 by the following vote:

AYES: Council Members

NOES:

ABSENT:

CITY CLERK OF THE CITY OF ANTIOCH

**STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE
COUNCIL MEETING OF JANUARY 22, 2013**

FROM: Lynn Tracy Nerland, City Attorney 

DATE: January 15, 2013

SUBJECT: Standby City Council Members

ACTION:

Motion to appoint the following nominated Standby City Council Members:

Mayor Harper: 1) Vincent Manual; 2) Diane Gibson-Gray; 3) Robert Miller
Council Member Agopian: 1) Jim Davis; 2) Manny Soliz; 3) Lonnie Karste
Council Member Rocha: 1) Louie Rocha; 2) Ken Gray; 3) Jessica Fernandez
Council Member Tiscareno: 1) Reggie Moore; 2) Argentina Luevano; 3) Greg Feere
Council Member Wilson: 1) Don Freitas; 2) Lamar Thorpe

BACKGROUND:

Pursuant to state law (Government Code sections 8636-8644), Article 6 of Title 2 of the Antioch Municipal Code provides for the appointment of Standby City Council Members “in the event of a declaration of emergency and a Council Member is unavailable due to being killed, missing or having an incapacitating injury.” The provision for Standby Council Members allows for the continuity of government in the event of a catastrophic emergency. Standby Council Members are not activated in the event of a “regular” vacancy in a council seat.

FISCAL IMPACT:

No fiscal impact is anticipated as there is no compensation for Standby Council Members.

OPTIONS:

The Antioch Municipal Code indicates that Standby Council Members should be appointed, so no options are presented.

**STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE
COUNCIL MEETING OF JANUARY 22, 2013**

FROM: Lynn Tracy Nerland, City Attorney 
DATE: January 17, 2013
SUBJECT: Settlement Agreement with Northern California River Watch and updated Sewer System Management Plan (SSMP)

ACTION:

Motion to receive and file. A settlement with Northern California River Watch was reached within the authority previously given to the City Attorney in closed session (Attachment A). The Sewer System Management Plan ("SSMP" – Attachment B), which addresses requirements to prevent sanitary sewer overflows and reporting of such overflows, was administratively updated including the relevant settlement terms.

BACKGROUND:

Jerry Bernhaut from the Law Offices of Jack Silver on behalf of Northern California River Watch sent a letter to the City dated November 13, 2012 entitled: "Notice of Violations and Intent to File Suit under the Clean Water Act." The letter is attached as Exhibit A to the Settlement Agreement (Attachment A). Other cities and sanitary districts have received similar letters about sewer overflows.

The Settlement Agreement sets forth certain requirements such as inspecting sewer lines within 200 feet of water bodies; prioritizing repairs to those lines as needed; and repairing those lines within certain time periods based on priority. Requirements regarding reporting and sampling of certain sewer spills are also addressed. In addition, a program for inspection and repair of private sewer laterals will be presented for the City Council's consideration in the future.

FISCAL IMPACT:

There will be costs to implement the terms of the Settlement Agreement, which will be discussed in more detail through the CIP and budget process. The City, through its sewer fund, is required to pay Northern California River Watch \$35,000 in attorneys' fees. The City incurred legal fees as well.

OPTIONS:

No options are presented because the action is consistent with the direction provided in closed session.

ATTACHMENTS

- A. Settlement Agreement and Mutual Release of Claims
- B. Updated Sanitary Sewer Management Plan

SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS

This Settlement Agreement and Mutual Release of Claims (“AGREEMENT”) is entered into between Northern California River Watch (“NCRW”) and the City of Antioch (“City”) (collectively, the “PARTIES”) with respect to the following facts and objectives:

RECITALS

WHEREAS, NCRW is a 501(c)(3) non-profit, public benefit corporation organized under the laws of the State of California, dedicated to the protection, enhancement, and restoration of the rivers, creeks, and tributaries of Northern California;

WHEREAS, the City, organized under the laws of the State of California, owns and operates a collection system for the purpose of collecting and conveying for treatment wastewater from residential, commercial, and industrial sources to a wastewater treatment plant not owned or operated by the City;

WHEREAS, on or about November 13, 2012, NCRW provided the City with a Notice of Violation and Intent to File Suit under the Federal Water Pollution Control Act (“Clean Water Act” or “CWA”), 33 U.S.C. §1365, (“CWA Notice Letter”), which is attached hereto as **Exhibit A**;

WHEREAS, the City denies any and all of NCRW’s allegations and claims in the CWA Notice Letter;

WHEREAS, NCRW and the City, through their authorized representatives and without either adjudication of NCRW’s claims or admission by the City of any alleged violation or other wrongdoing, have chosen to resolve in full NCRW’s allegations in the CWA Notice Letter through settlement and avoid the cost and uncertainties of litigation; and

WHEREAS, NCRW and the City have agreed that it is in their mutual interest to enter into this AGREEMENT setting forth the terms and conditions appropriate to resolving NCRW’s allegations set forth in the CWA Notice Letter.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, NCRW and the City hereby agree as follows:

EFFECTIVE DATE

1. The term “Effective Date,” as used in this AGREEMENT, shall mean the last date on which the signature of a party to this AGREEMENT is executed.

AGREEMENT

2. **Sewer System Inspection and Repair**

a. **Televising and Grading Sewer Main Lines within 200 feet of Water Bodies**

The City has already inspected and televised all gravity sewer main lines that are equal to or less than 10 inches in diameter within approximately the last 10 years. Within five (5) years of the Effective Date of this AGREEMENT, for the approximately 25 miles of gravity sewer main lines that lie within two hundred (200) feet of water bodies (as defined in the City’s Sewer System Management Plan (“SSMP”) as “any stream, creek, river, pond, impoundment, lagoon, wetland, or bay” and not including storm drainage channels), the City agrees to inspect and closed circuit televise (“CCTV”) the City’s gravity sewer main lines exceeding 10 inches in diameter, not including force mains, and to grade all 25 miles of gravity sewer main lines of all sizes. Grading will be done using a Pipeline Assessment and Certification Program (“PACP”) rating scale.

b. **Prioritizing Repairs and Replacement**

The City currently has a recently revised SSMP, and a Sanitary Sewer Overflow and Backup Response Plan, both of which have been provided to NCRW. These documents contain a comprehensive inventory of sewer spill response activities, including field sampling protocols and sanitary sewer overflow (“SSO”) response activities, which are and will continue to be required for all SSOs, including those that reach water bodies, that the City will continue to implement. In addition, the City agrees that significantly defective gravity sewer main lines (having received a rating of 4 or 5 on the PACP rating scale) located within 200 feet of water bodies or of areas designated as critical habitat for endangered species will be given higher

priority for repair and replacement than other sewer main lines in the City with comparable defects located more than 200 feet from surface waters. A map showing relevant critical habitat designations is attached to this Agreement as **Exhibit B**.

c. Repair and Replacement Scheduling

The City agrees that in the course of completion of the televising and grading activities described in 2.a. above, the City will repair or replace, as needed, the gravity sewer main lines determined to be a grade of 5 within two (2) years of that determination and within four (4) years of determination of a grade of 4. With respect to sewer main lines that receive a grade of 3 based on the PACP rating system, the City will ascertain whether such lines need to be repaired and will use similar priority ranking to that described in paragraph 2.b.

d. The City agrees to CCTV all gravity sewer main lines, except force mains, within the ten (10) years following the effective date of this AGREEMENT, except for those sewer main lines that have undergone a CCTV inspection in the last ten (10) years and except for sewer main lines that were constructed, replaced, or repaired in the last twenty (20) years.

3. Private Sewer Lateral Inspection and Repair

Within two (2) years from the effective date of this AGREEMENT, the City staff will present to the City Council an ordinance establishing a program for the mandatory inspection and/or repair of privately owned sewer laterals. The proposed program will contain the following events (or additional events as identified by the City) that will serve as a basis or “trigger” for private sewer lateral inspection and/or repair:

a. At the point of property transfer, or the issuance of a building permit for a significant remodel (valuation of \$25,000 or more) or a change in use¹ that will result in an increase in flow (e.g., additional bedroom), except if inspection, repair or replacement

¹ A change in use of the structure served could include (1) from residential to non-residential use; (2) to a non-residential use resulting in higher flow than current non-residential use, and (3) non-residential use where the structure served has been vacant/unoccupied for more than three years.

of the sewer lateral has occurred in the last twenty (20) years, or except if lateral installed within last ten (10) years;

b. The occurrence of two (2) or more sanitary sewer overflows caused by the same private sewer lateral within two (2) years that the City is aware of;

c. Upon repair or replacement of the lower lateral or significant repair or replacement of the main sewer line to which the lateral is attached where evidence exists of issues related to the connected lateral (e.g., roots from the private lateral visible in the lower lateral or main sewer line, visible offsets or damage, etc.).

4. More Detailed SSO Reporting

The City agrees that:

a. Within six (6) months from the effective date of this AGREEMENT, the City agrees that it will include on or with the City's SSO reporting forms:

1) The method or calculations used for estimating total spill volume, spill volume that reached water bodies (if any), and the spill volume recovered;

2) A listing of nearby residences or business addresses contacted to attempt to establish the SSO start time, duration, and flow rate; and

3) Photographs of the manhole flow at the SSO site and the San Diego Method array, if applicable to the method used to estimate spill volume, or other photographs that may aid in establishing the spill volume.

b. In addition, the City agrees to the following:

1) Creation and maintenance of a link from the City's website to the State Water Resources Control Board ("SWRCB") CIWQS SSO Public Reports.

2) Provision of notification to all sewer service customers of the existence of the City's website link to the SWRCB's CIWQS reports, and notification of a commitment to respond and provide information to private parties submitting

overflow reports to CIWQS, where a duplicate report or other notification has been provided to the City.

c. Water Quality Sampling and Response

1) The City agrees to conduct water quality sampling and testing for total and fecal coliform and E. Coli whenever it is estimated that an SSO of fifty (50) gallons or more enters a water body, and if field crews can safely access the affected surface waters. If there are no SSO events of fifty (50) gallons or more that enter a water body, then no analysis is required under this paragraph.

2) In addition, during the first two years of this Agreement only, the City shall sample for ammonia and conduct a metals analysis² for two (2) Category I SSO events that reach surface waters, and submit the sampling results to NCRW within two (2) weeks after receiving the results from the laboratory. If only one Category I SSO occurs during the first two years of this Agreement, then that SSO will be sampled. If there are no Category I SSO events during the first two years of this Agreement, then no analysis is required under this paragraph.

3) If sampling and testing is required under the previous paragraphs, then the City should collect and test samples from three (3) locations: 1) the point of discharge to the water body; 2) in the water body upstream of the point of discharge; and 3) in the waterbody downstream of the point of discharge.

4) If any of the tested constituents are found at higher levels in the point of discharge sample and in the downstream sample than in the upstream sample, then the City agrees to determine and address the cause of the SSO that entered the water body, and will employ the following measures to prevent future overflows at that location by: 1) immediately spot repairing the defect or replacing a segment of the line if the SSO is caused by a structural defect; or 2) if the defect is non-structural, such as a grease

². The following 17 metals will be sampled using EPA Part 136 approved methods: Antimony, Arsenic, Barium, Beryllium, Cadmium, Chromium, Cobalt, Copper, Lead, Mercury, Molybdenum, Nickel, Selenium, Silver, Thallium, Vanadium, and Zinc.

blockage or vandalism, then perform additional maintenance, cleaning or other appropriate measures to remedy the non-structural defect.

5. NCRW Attorneys' Costs and Fees

The City agrees to pay to NCRW, within thirty (30) days of the effective date of this AGREEMENT, the sum of \$35,000.00 representing full satisfaction of all claims by NCRW for NCRW's investigative, expert, and attorneys' fees and costs. Payment shall be made by the City to NCRW in the form of a single check payable to "Northern California River Watch," and shall constitute full payment for all costs of anticipated litigation and attorneys' fees incurred by NCRW that have or could have been claimed in connection with NCRW's allegations in its CWA Notice Letter up to and including the Termination Date of this AGREEMENT, and for NCRW's expert and attorneys' fees and costs spent monitoring and enforcing the City's compliance with ongoing obligations under this AGREEMENT, with the exception of any action taken to enforce the settlement agreement in accordance with the dispute resolution procedures set forth in paragraphs 12 and 13 below.

TERMINATION DATE

6. This AGREEMENT shall terminate when one of the following occurs, whichever is earlier:

- a. December 31, 2022; or
- b. When the City completes the activities set forth in paragraphs 2 - 4 above, and payment pursuant to paragraph 5 has been made.

NO ADMISSION OR FINDING

7. Neither this AGREEMENT nor any payment pursuant to the AGREEMENT shall constitute evidence or be construed as a finding, adjudication, or acknowledgment of any fact, law or liability, nor shall it be construed as an admission of violation of any law, rule or regulation. However, this AGREEMENT and/or any payment pursuant to the AGREEMENT may constitute evidence in actions seeking compliance with this AGREEMENT.

MUTUAL RELEASE OF LIABILITY AND COVENANT NOT TO SUE

8. In consideration of the above, and except as otherwise provided by this AGREEMENT, the PARTIES hereby forever and fully release each other and their respective successors, assigns, directors, officers, agents, board members, representatives, and employees, and all persons, firms and corporations having an interest in them, from any and all environmental claims and demands of any kind, nature, or description whatsoever, and from any and all liabilities, damages, injuries, actions or causes of action, either at law or in equity, whether known or unknown, which the PARTIES have or may have against each other based upon or connected to NCRW's allegations as set forth in the CWA Notice Letter up to and including the Termination Date of this AGREEMENT.

9. The PARTIES acknowledge that they are familiar with section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

The PARTIES hereby waive and relinquish any rights or benefits they may have under California Civil Code section 1542 with respect to any other claims against each other arising from, or related to, the allegations and claims as set forth in the CWA Notice Letter up to and including the Termination Date of this AGREEMENT.

10. For the period beginning on the Effective Date and ending five (5) years from the Effective Date of this AGREEMENT, NCRW agrees that neither NCRW, its officers, executive staff, members of its governing board nor any organization under the control of NCRW, its officers, executive staff, or members of its governing board, will file a complaint pursuant to the CWA Notice Letter, or serve any new 60-day Notice Letter or file any lawsuit against the City seeking relief for alleged violations of the Clean Water Act, the Resource Conservation and Recovery Act ("RCRA"), the Endangered Species Act ("ESA"), or similar state statutes and/or regulations, including the California Porter-Cologne Water Quality Control Act, nor will NCRW support such lawsuits against the City brought by other groups or individuals by providing financial assistance, personnel time, or any other affirmative actions. For the period beyond

five years from the Effective Date of this AGREEMENT but prior to the Termination Date of this AGREEMENT, NCRW agrees that neither NCRW, its officers, executive staff, members of its governing board nor any organization under the control of NCRW will file a complaint or serve any new 60-day Notice Letter pertaining to any matter that is the subject of any pending relief agreed to by the City as a provision of this Agreement which has not been completed.

DISPUTE RESOLUTION PROCEDURES

11. Any disputes with respect to any of the provisions of this AGREEMENT shall be resolved through the following procedure. The PARTIES covenant and agree that, if either party believes the other is in violation of one or more terms of the AGREEMENT, the party shall provide notice to the other in writing of what actions or inactions they deem to be in violation of this AGREEMENT. Within thirty (30) days of receipt of such notice, the party receiving the notice shall respond to the notice in writing. If the PARTIES still dispute compliance with this AGREEMENT, within an additional thirty (30) days, the PARTIES will meet and confer in a good faith attempt to resolve their dispute. If the PARTIES cannot informally resolve the dispute, they will enter into binding arbitration, conducted by an arbitrator agreed upon by both PARTIES. Either party may request that the presiding judge of the Contra Costa County Superior Court may select an arbitrator if the PARTIES cannot reach an agreement. The arbitration shall be binding and not subject to ordinary judicial appeal; however, it shall be subject to the procedural provisions provided for under California Code of Civil Procedure sections 1280, *et seq.* The arbitration shall be conducted in accordance with the arbitration rules and procedures of JAMS (Judicial Arbitration and Mediation Service) to the extent other conventional rules are not promptly agreed to by the PARTIES. The relief the arbitrator is empowered to award is limited to injunctive relief to take action specified in this AGREEMENT, and the arbitrator shall be empowered to determine a prevailing party and may award payment of reasonable attorneys' fees and costs to a prevailing party. To the extent there are multiple issues with a different prevailing party, the arbitrator may take those facts into account in terms of an award for fees and costs, and can order each party to bear their own costs.

12. If NCRW asserts that the City is in violation of this AGREEMENT, and the City corrects the action or inaction within sixty (60) days of written notice from NCRW describing

the asserted violations, no further enforcement action under the terms of the AGREEMENT shall be taken by either party.

FORCE MAJEURE

13. Separate from, and in addition to any other limitations on the City's obligations under this AGREEMENT, the City's obligations to comply with any provisions of this AGREEMENT shall be excused or deferred if compliance, or a delay in compliance, is caused by an event or circumstance beyond the reasonable control of the City or any entity controlled by the City, including its contractors, and which event or circumstance could not have been reasonably foreseen and prevented by the exercise of due diligence by the City. Where implementation of the actions set forth in this AGREEMENT, within the deadlines prescribed, becomes unachievable, despite the timely good faith efforts of the City, the City shall notify NCRW in writing within thirty (30) days of the date that the City knew of the event or circumstance precluding compliance, and shall describe the reason for the non-performance. The PARTIES agree to meet and confer in good faith concerning the non-performance and, where the PARTIES concur that the non-performance was or is impossible, despite the timely good faith efforts of one of the PARTIES, compliance shall be excused or new performance deadlines shall be established by agreement of the parties. In the event that the PARTIES cannot timely agree, either party shall have the right to invoke the dispute resolution procedure described herein.

GENERAL PROVISIONS

14. **Construction.** The language in all parts of this AGREEMENT shall be construed according to its plain and ordinary meaning, except as to those terms defined by law, in the Clean Water Act, or specifically herein.

15. **Choice of Law.** This AGREEMENT shall be governed by the laws of the United States, and where applicable, the laws of the State of California.

16. **Severability.** In the event that any provision, section, or sentence of this AGREEMENT is held by a court to be unenforceable, the validity of the enforceable provisions shall not be adversely affected.

17. **Correspondence.** All notices required herein or any other correspondence pertaining to this AGREEMENT shall be sent by regular, certified, overnight, or electronic mail as follows:

If to NCRW:

Northern California River Watch
6841 Sebastopol Avenue, Suite 140
Sebastopol, CA 95472
Telephone: (707) 824-4372
Facsimile: (707) 824-4372

And to:

Jerry Bernhaut
c/o Northern California River Watch
Law Office of Jack Silver
PO Box 5469
Santa Rosa, CA 95402-5469
Telephone: (707) 528-8175
Facsimile: (707) 528-8675
j2bernhaut@yahoo.com

If to the City:

Lynn Tracy Nerland
City Attorney
City of Antioch
P.O. Box 5007
Antioch, CA 94531-5007
925-779-7015
925-779-7003 (fax)
lnerland@ci.antioch.ca.us

And to:

Melissa A. Thorne
Downey Brand LLP
621 Capitol Mall, 18th Floor
Sacramento, CA 95814
Telephone: (916) 444-1000
Facsimile: (916) 444-2100
mthorne@downeybrand.com

Notifications of communications shall be deemed submitted on the date that they are sent by electronic mail, postmarked and sent by first-class mail, or deposited with an overnight mail/delivery service. Any change of address or addresses shall be communicated in the manner described above for giving notices.

18. **Counterparts.** This AGREEMENT may be executed in any number of counterparts, all of which together shall constitute one original document. Telecopy, electronic, and/or facsimile copies of original signature shall be deemed to be originally executed counterparts of this AGREEMENT.

19. **Assignment.** Subject only to the express restrictions contained in this AGREEMENT, all of the rights, duties and obligations contained in this AGREEMENT shall inure to the benefit of and be binding upon the PARTIES, and their successors and assigns.

20. **Modification of the AGREEMENT:** This AGREEMENT, and any provisions herein, may not be changed, waived, discharged or terminated unless by a written instrument, signed by the PARTIES.

21. **Full Settlement.** This AGREEMENT constitutes a full and final settlement of this matter. It is expressly understood and agreed that the AGREEMENT has been freely and voluntarily entered into by the PARTIES with and upon advice of counsel.

22. **Integration Clause.** This is an integrated AGREEMENT. This AGREEMENT is intended to be a full and complete statement of the terms of the agreement between the PARTIES and expressly supersedes any and all prior oral or written agreements covenants, representations, and warranties (express or implied) concerning the subject matter of this AGREEMENT.

23. **Negotiated Agreement.** The PARTIES have negotiated this AGREEMENT, and agree that it shall not be construed against the party preparing it, but shall be construed as if the Parties jointly prepared this AGREEMENT and any uncertainty and ambiguity shall not be interpreted against any one party.

24. **Authority.** The undersigned representatives for NCRW and the City each certify that he or she is fully authorized by the party whom he represents to enter into the terms and conditions of this AGREEMENT.

The PARTIES hereby enter into this AGREEMENT.

Date: January _____, 2013

NORTHERN CALIFORNIA RIVER WATCH

By: _____

Name:

Title:

Date: January _____, 2013

CITY OF ANTIOCH

By: _____

Name:

Title:

APPROVED AS TO FORM:

For NCRW:

Date: January _____, 2013

LAW OFFICE OF JACK SILVER

By: _____
Jerry Bernhaut, Esq.

For the City:

Date: January 14, 2013

DOWNEY BRAND LLP

By: 
Melissa A. Thorme, Esq.

EXHIBIT A

Law Office of Jack Silver

P.O. Box 5469 Santa Rosa, California 95402
Phone 707-528-8175 Fax 707-528-8675
lhm28843@sbcglobal.net



**VIA CERTIFIED MAIL -
RETURN RECEIPT REQUESTED**

November 13, 2012



Head of Operations
City of Antioch
Sanitary Sewer Collection System
P.O. Box 5007
Antioch, CA 94531

Lynn Tracy Nerland, City Attorney
City of Antioch
City Hall
Third and H Streets
P.O. Box 5007
Antioch, CA 94531-5007

Re: Notice of Violations and Intent to File Suit Under the Clean Water Act

Dear Head of Operations and City Attorney:

NOTICE

The Clean Water Act ("CWA" or the "Act") § 505(b) requires that sixty (60) days prior to the initiation of a civil action under CWA § 505(a), 33 U.S.C. § 1365(a), a citizen must give notice of the intent to sue to the alleged violator, the Environmental Protection Agency ("EPA") and the State in which the violations occur.

Northern California River Watch ("River Watch") hereby places the City of Antioch hereinafter referred to as "the Discharger" on notice that following the expiration of 60 days from the date of this NOTICE, River Watch intends to bring suit in the United States District Court against the Discharger for continuing violations of an effluent standard or limitation, permit condition or requirement, a Federal or State Order or Plan issued under the CWA, in particular, but not limited to CWA § 505(a)(1), 33 U.S.C. § 1365(a)(1), the Code of Federal Regulations, and the Regional Water Quality Control Board - San Francisco Bay Region, Region Water Quality Control Plan ("Basin Plan,") as exemplified by the incidents of non-compliance identified and outlined in this Notice.

The CWA regulates the discharge of pollutants into navigable waters. The statute is structured in such a way that all discharge of pollutants is prohibited with the exception of enumerated statutory exceptions. One such exception authorizes a polluter, who has been issued a permit pursuant to CWA § 402, to discharge designated pollutants at certain levels subject to certain conditions. The effluent discharge standards or limitations specified in a National Pollutant Discharge Elimination System (“NPDES”) Permit, define the scope of the authorized exception to the 33 U.S.C. § 1311(a) prohibition, such that violation of a permit limit places a polluter in violation of 33 U.S.C. § 1311(a) and thus in violation of the CWA. Private parties may bring citizens’ suits pursuant to 33 U.S.C. § 1365 to enforce effluent standards or limitations, which are defined as including violations of 33 U.S.C. § 1311(a) and 33 U.S.C. § 1365(f)(1).

The CWA provides that authority to administer the NPDES permitting system in any given state or region can be delegated by the EPA to a state or to a regional regulatory agency, provided that the applicable state or regional regulatory scheme under which the local agency operates satisfies certain criteria. *See* 33 U.S.C. § 1342(b). In California, the EPA has granted authorization to a state regulatory apparatus comprised of the State Water Resources Control Board and several subsidiary regional water quality control boards, to issue NPDES permits. The entity responsible for issuing NPDES permits and otherwise regulating discharges in the region at issue in this Notice is the Regional Water Quality Control Board, San Francisco Bay Region (“RWQCB”).

The CWA requires that any Notice regarding an alleged violation of an effluent standard or limitation or of an order with respect thereto, shall include sufficient information to permit the recipient to identify the following:

1. *The specific standard, limitation, or order alleged to have been violated.*

To comply with this requirement River Watch has identified discharges of raw sewage from the Discharger’s sewage collection system to surface waters in violation of the prohibition of the CWA with regard to discharging a pollutant from a point source to waters of the United States without a NPDES permit, CWA § 301(a), 33 U.S.C. § 1311(a) and 33 U.S.C. § 1365(f).

2. *The activity alleged to constitute a violation.*

River Watch has set forth narratives below describing the discharges of raw sewage to surface waters as the activities leading to violations, and describing with particularity specific incidents referenced in the California State Water Resources Control Board’s (“SWRCB”) California Integrated Water Quality System (“CIWQS”) SSO Public Reports and other public documents in the Discharger’s possession or otherwise available to the Discharger, and incorporates by reference records cited below from which descriptions of specific incidents were obtained.

3. *The person or persons responsible for the alleged violation.*

The person or persons responsible for the alleged violations identified in this Notice are the City of Antioch as owner and operator of the sewage collection system, and those of its employees responsible for compliance with the Statewide General Waste Discharge Requirements For Sanitary Sewer Systems, Order No. 2006-003-DWQ ("Statewide WDR"), adopted on May 2, 2006, as revised by Order No. WQ 2008-0002.EXEC on February 20, 2008.

4. *The location of the alleged violation.*

The location of the various violations are identified in records created and/or maintained by or for the Discharger which relate to the Discharger's sewage collection system as further described in this Notice.

5. *The date or dates of violation or a reasonable range of dates during which the alleged activity occurred.*

River Watch has examined records maintained by the RWQCB and the Discharger for the period October 27, 2007 to October 27, 2012. The range of dates covered by this Notice is October 27, 2007 to October 27, 2012. River Watch will from time to time update this Notice to include all violations which occur after the range of dates currently covered. Some violations are continuous and therefore each day constitutes a violation.

6. *The full name, address, and telephone number of the person giving notice.*

The full name, address, and telephone number of the person giving notice is Northern California River Watch, referred to in this Notice as "River Watch." River Watch is a non-profit corporation dedicated to the protection and enhancement of the waters of the State of California including all rivers, creeks, streams and groundwater in Northern California. River Watch is organized under the laws of the State of California, and located at P.O. Box 817, Sebastopol, CA 95472. River Watch may be contacted via email: US@ncriverwatch.org, or through its attorneys.

River Watch has retained legal counsel with respect to the issues set forth in this Notice. All communications should be addressed to:

Jack Silver, Esq.
Law Offices of Jack Silver
Jerry Bernhaut, Esq.
P.O. Box 5469
Santa Rosa, CA 95402-5469
Tel. 707 528-8175 / Fax. 707 528-8675
Email: lhm28843@sbcglobal.net

BACKGROUND

The Discharger provides sewer services for the residents of the City of Antioch. The Discharger's service area lies within the watershed basins of the San Francisco Bay Delta. This waterway is a water of the United States. The Discharger provides sewage collection services for a population of over 103,000 residents. The Discharger owns and manages in excess of 300 miles of gravity sewers. The collected wastewater from all areas within the Discharger's service area is conveyed to the Delta-Diablo Sanitation District's Water Treatment Plant.

The Discharger has a history of sewer system overflows ("SSOs") from its ageing sewer lines. As recorded in the CIWQS Interactive SSO Reports, the Discharger's collection system experienced 163 SSOs between November 2007 and October 2012, with a combined volume of 18,163 gallons – 1,266 gallons of which reached surface waters. For example, on August 21, 2008, a reported spill of 2,390 gallons occurred at 1206 Lemontree Way, 590 gallons of which reached a surface water. Structural defects in the Discharger's collection system, which allow inflow and infiltration ("I/I") of rainwater and groundwater into the sewer lines, result in a build-up of pressure which causes SSOs. Overflows caused by blockages and I/I result in the discharge of raw sewage into gutters, canals and storm drains which are connected to adjacent surface waters such as the San Francisco Bay Delta.

The Discharger is a permittee under the Statewide WDR which requires that sewer system operators report SSOs to the CIWQS, including an estimate of the volume of any spill, the volume recovered and the volume which reached a surface water. The Discharger has a history of non-compliance with the SSO reporting requirements of the Statewide WDR. River Watch alleges the Discharger regularly under estimates the duration and volume of SSOs. The Discharger's field reports regularly report the spill start time and the time the Discharger was notified of the spill as identical. These equivalencies are highly unlikely and result in an under estimation of the duration and volume of the spill as well as an under estimation of the volume that reached a surface water. The Discharger's common practice of under estimating spill duration and volume undermines the credibility of reports of spills which reached a drainage channel and/or a separate storm drain where allegedly none of the spill reached a surface water.

River Watch alleges the Discharger regularly mistakenly reports spills as not reaching surface waters. In some cases, records indicate crews arriving within minutes of notification of a spill, which is also unlikely. In reporting the spill which occurred at 101 West 20th Street on September 4, 2012, the Discharger's field report indicates the estimated spill start time and the time the sanitary sewer agency was notified as 3:53:00.0, exactly the same time. The report indicates the spill reached a separate storm drainpipe and that not all the spill was recovered. However, next to the item "Estimated volume of spill that reached surface water, drainage channel, or not recovered from a separate storm drain" the entry is "N/A", indicating that none of the spilled sewage reached a surface water. Given the clear under estimation of the spill volume based on the identical start time and notification, River Watch

alleges a high degree of likelihood that some of the spilled sewage reached a surface water. The Discharger's SSO records generally do not indicate what method was used to estimate the total volume of the spill or how it was determined whether or how much reached a surface water.

In addition to surface overflows which discharge overland into surface waters, underground leakages ("exfiltration") caused by pipeline cracks and other structural defects result in discharges to adjacent surface waters via underground hydrological connections. Studies tracing human markers specific to the human digestive system in surface waters adjacent to defective sewer lines have verified the contamination of the adjacent waters with untreated sewage.¹ River Watch alleges that such discharges are continuous wherever ageing, damaged structurally defective sewer lines in the Discharger's collection system are located adjacent to surface waters. Surface waters and groundwater become contaminated with fecal coliform exposing people to human pathogens. The Discharger's chronic collection system failures pose a substantial threat to public health.

Any point source discharge of sewage effluent to waters of the United States must comply with technology-based, secondary treatment standards at a minimum, and any more stringent requirements necessary to meet applicable water quality standards and other requirements. Hence, the unpermitted discharge of wastewater from a sanitary sewer system to waters of the United States is illegal under the CWA. In addition, many Basin Plans adopted by the Regional Water Quality Control Boards contain discharge prohibitions which apply to the discharge of untreated or partially treated wastewater. The discharges described herein constitute a nuisance. These discharges are either: injurious to health; indecent or offensive to the senses; an obstruction to the free use of property; and occur during, or as a result of, the transportation, disposal or treatment of wastes.

The Discharger's illegal discharge of untreated wastewater is a significant contribution to the degradation of the San Francisco Bay and San Francisco Bay Delta, with serious adverse effects on the beneficial uses of these waters. River Watch members residing in the area have a vital interest in bringing the Discharger's operation of its collection system into compliance with the CWA.

VIOLATIONS

From October 27, 2007 through October 27, 2012, the Discharger has violated the CWA, the Basin Plan and the Code of Federal Regulations for discharging pollutants to waters of the United States from its collection system without a NPDES permit. The below-listed violations are reported by the SWRCB staff, and evidenced by the SWRCB's CIWQS

1

See the July, 2008 Report of the Human Marker Study conducted by Dr. Michael L. Johnson, U.C. Davis water quality expert, performed for the City of Ukiah, finding the presence of human derived bacteria in two creeks adjacent to defective sewer lines.

4.5 SSO Reporting Program Database Records and the Discharger's records. These violations are continuing.

<u>Violations</u>	<u>Description</u>
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1800	Collection system overflows caused by underground exfiltration.
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An event in which untreated sewage is discharged from the collection system prior to reaching the treatment Plant. Underground discharges are alleged to have been continuous throughout the 5 year period from October 27, 2007 through October 27, 2012. Evidence to support the allegation of underground discharge of raw sewage exists in the Discharger's own mass balance data regarding the number of connections in the service area, estimates of average daily volume of wastewater per connection, influent flow volumes to the treatment plant reported in the Discharger's records, video inspection of the collection system, and testing of waterways adjacent to sewer lines, creeks, and wetlands of the San Francisco Bay Delta, for nutrients, pathogens and other constituents indicating sewage contamination, such as caffeine.

60	SSOs
-----------	------

Evidenced in the SWRCB CIWQS Interactive SSO Reports, including the reports discussed above. Also, unrecorded surface overflows witnessed by local residents and surface overflows where it was inaccurately reported that zero (0) volume reached a surface water or drainage.

REMEDIAL MEASURES REQUESTED

River Watch believes the following remedial measures are necessary to bring the Discharger into compliance with the CWA and the Basin Plan, and to prioritize remedial measures to reflect the biological impacts of the Discharger's ongoing non-compliance with the CWA:

A. SEWER SYSTEM INVESTIGATION AND REPAIR

1. The repair or replacement of all sewer lines located within two hundred (200) feet from surface waters, including gutters, canals and storm drains which discharge to surface waters, which have been CCTV'd within the prior two (2) years and which have been found to be Significantly Defective (having received a rating of 4 or 5 on the PACP rating scale).
2. The completion of a Surface Water Condition Assessment of all sewer lines located within two hundred (200) feet from surface waters, including gutters, canals and storm drains, which have not been CCTV'd within the prior five (5) years.

3. Within one (1) year after completion of the Surface Water Condition Assessment, the repair or replacement of all sewer lines which have been found to be Significantly Defective.
4. With respect to sewer lines which receive a grade of 3 based on the PACP rating system, ascertain whether such lines need to be repaired or re-CCTV'd.
5. Amendment of the Discharger's long term Capital Improvements Plan within a period of five (5) years to provide for the Condition Assessment, by CCTV inspection, of its collection system on a six (6) year cycle, so that the entire collection system will be CCTV'd every six (6) years.

B. PRIVATE SEWER LATERAL INSPECTION AND REPAIR

1. Mandatory private sewer lateral inspection and repair program triggered by any of the following events:
 - a. Transfer of ownership of the property if no inspection/replacement of the sewer lateral occurred within twenty (20) years prior to the transfer;
 - b. The occurrence of two (2) or more SSOs caused by the private sewer lateral within two (2) years;
 - c. A change of the use of the structure served (1) from residential to non-residential uses (2) to a non-residential use that will result in a higher flow than the current non-residential use, and (3) non-residential uses where the structure served has been vacant/unoccupied for more than three (3) years;
 - d. Upon replacement or repair of any part of the sewer lateral;
 - e. Upon issuance of a building permit with a valuation of \$25,000.00 or more;
 - f. Upon significant repair or replacement of the main sewer line to which the lateral is attached.

C. MORE DETAILED SSO REPORTING

1. Modification of the Discharger's (SSO) reporting form submitted to the State of California, to require the method or calculations used for estimating total spill volume, spill volume that reached surface waters and spill volume recovered.
2. A listing of nearby residents or business operators contacted to attempt to establish the SSO start time, duration, and flow rate.

3. Photographs of the manhole flow at the SSO site and the San Diego Method array, if applicable to the method used to estimate spill volume; or other photographic evidence that may aid in establishing the spill volume.
4. Creation of web site capacity to track information regarding SSOs. In the alternative, a link from the Discharger's website to the SWRCB CIWQS SSO Public Reports.
5. Provision of notification to all customers and other members of the public of the existence of the web based program, including a commitment to respond to private parties submitting overflow reports.

D. WATER QUALITY SAMPLING AND TESTING

1. Water quality sampling and testing whenever it is estimated that an SSO of fifty (50) gallons or more enters surface waters, and if field crews can safely access the affected surface waters. The Discharger should collect and test samples from three (3) locations: the point of discharge, upstream of the point of discharge, and downstream of the point of discharge. Constituents tested for should include Ammonia, Total Coliform, and E. coli.
 - a. If any of said constituents are found at higher levels in the point of discharge sample and the downstream sample than in the upstream sample, the Discharger should determine and address the cause of the SSO that enters surface waters, and employ the following measures to prevent future overflows: (a) if the SSO is caused by a structural defect, then immediately spot repair the defect or replace the entire line; (b) if the defect is non-structural, such as a grease blockage or vandalism to a manhole cover, then perform additional maintenance or cleaning, and any other appropriate measures to fix the non-structural defect.

E. HUMAN MARKER SAMPLING

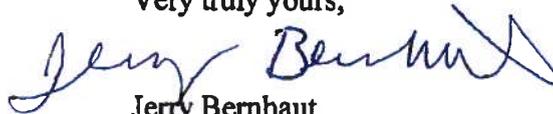
Performance of human marker sampling on creeks, rivers, wetlands and areas of the San Francisco Bay Delta adjacent to the Discharger's sewer lines to test for sewage contamination from underground exfiltration.

CONCLUSION

The violations as set forth in this Notice effect the health and enjoyment of members of River Watch who reside and recreate in the affected community. The members of River Watch use the affected watershed for domestic water supply, agricultural water supply, recreation, sports, fishing, swimming, shell fish harvesting, hiking, photography, nature walks and the like. The members' health, use and enjoyment of this natural resource is specifically impaired by the Discharger's violations of the CWA as set forth in this Notice.

River Watch believes this Notice sufficiently states grounds for filing suit. At the close of the 60-day notice period or shortly thereafter River Watch intends to file a citizen's suit under CWA § 505(a) against the Discharger for the violations identified in this Notice. During the 60-day notice period, River Watch is willing to discuss effective remedies for these violations. However, if the Discharger wishes to pursue such discussions in the absence of litigation, it is suggested that discussions be initiated soon so that they may be completed before the end of the 60-day notice period. River Watch does not intend to delay the filing of a lawsuit if discussions are continuing when that notice period ends.

Very truly yours,



Jerry Bernhaut

Attorney for Northern California River Watch

JB:lh

cc: Jim Jakel, City Manager
Members of the City Council
City of Antioch
City Hall
Third and H Streets
P.O. Box 5007
Antioch, CA 94531-5007

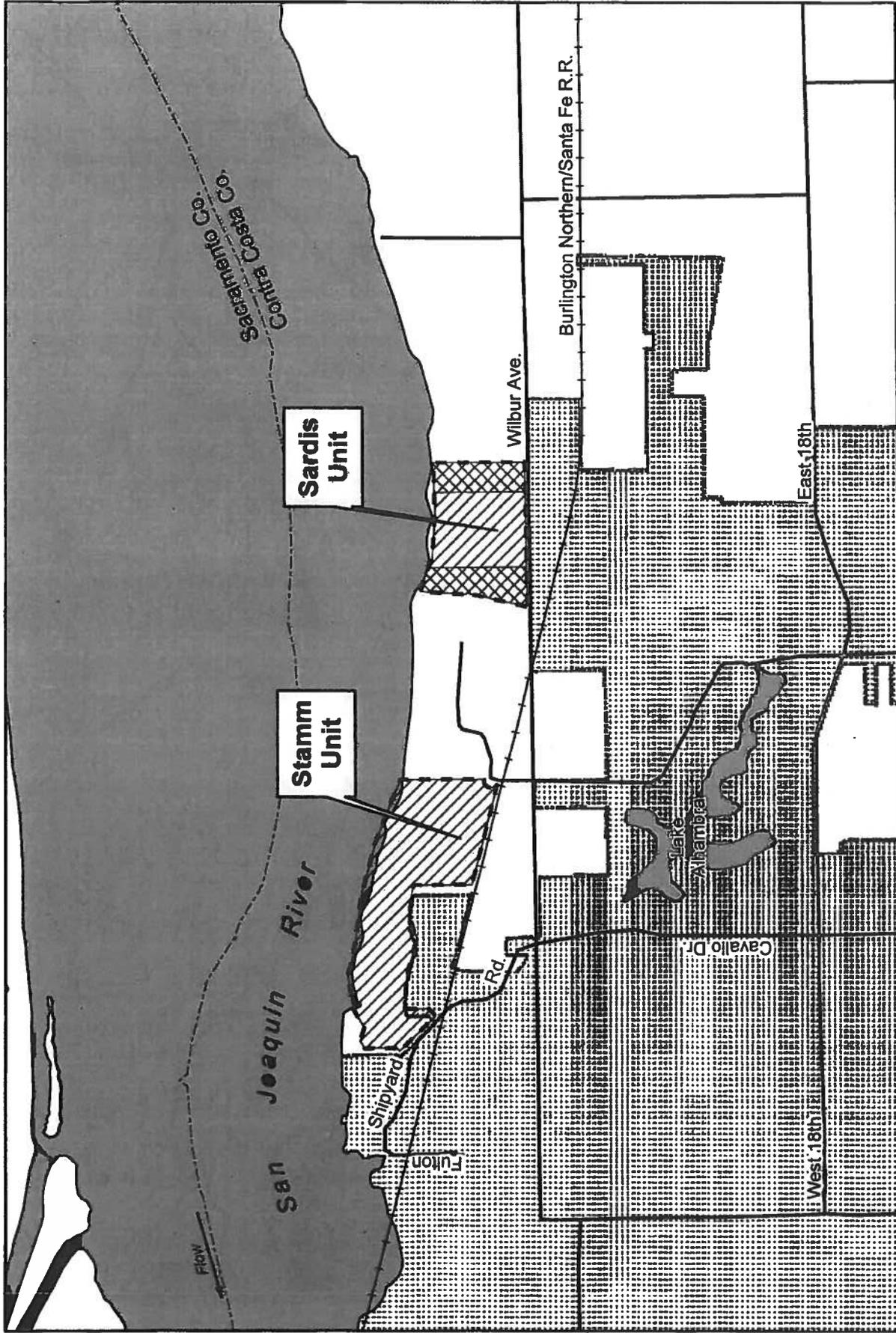
Administrator
U.S. Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N. W.
Mail Code 3213A
Washington, D.C. 20460

Regional Administrator
U.S. Environmental Protection Agency Region 9
75 Hawthorne St.
San Francisco, CA 94105

Executive Director
State Water Resources Control Board
P.O. Box 100
Sacramento, California 95812-100

EXHIBIT B

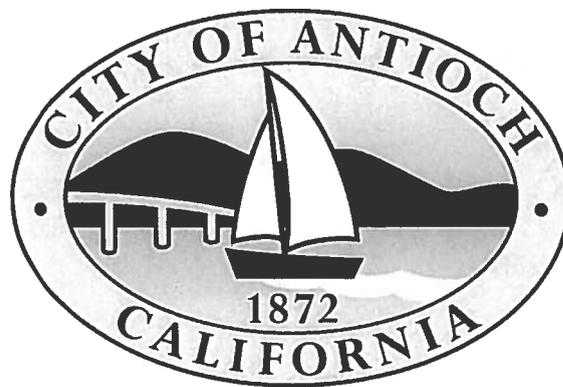
Antioch Dunes National Wildlife Refuge



CA/NV Refuge Planning Office, July 2001

- - - Approved Refuge Boundary
- [Dotted] City of Antioch
- [White] Unincorporated Contra Costa County
- [Diagonal Hatching] U.S. Fish and Wildlife Service Lands
- [Cross-Hatching] Pacific Gas and Electric Lands

CITY OF ANTIOCH



Sewer System Management Plan

January, 2013

Document Version Control

This Copy of the SSMP assigned to _____

Section	Date of Current Version	Comments
1. Goals	January, 2013	
2. Organization	January, 2013	
3. Legal Authority	January, 2013	
4. Operation and Maintenance Program	January, 2013	
5. Design and Performance Provisions	January, 2013	
6. Overflow Emergency Response Plan	January, 2013	
7. Fats, Oils and Grease (FOG) Control Program	January, 2013	
8. System Evaluation and Capacity Assurance Plan	January, 2013	
9. Monitoring, Measurement, and Program Modifications	January, 2013	
10. SSMP Audits	January, 2013	
11. Communication Program	January, 2013	

Definitions, Acronyms, and Abbreviations

Best Management Practices (BMPs) - Refers to the procedures employed to reduce sanitary sewer spills, including activities in commercial kitchens to minimize the quantity of grease that is discharged to the sanitary sewer system. Examples include scraping food scraps into the garbage can and dry wiping dishes and utensils prior to washing.

Calendar Year (CY) - January 1st to December 31st.

California Integrated Water Quality System (CIWQS) - Refers to the State Water Resources Control Board online electronic reporting system used to report SSOs, certify completion of the SSMP, and provide information on the sanitary sewer system. The electronic reporting requirement started on September 2, 2007 for Region 5.

Capital Improvement Plan (CIP) - Refers to the document that identifies planned capital improvements to the City's sanitary sewer system.

City - Refers to the City of Antioch.

Closed Circuit Television (CCTV) - Refers to the process and equipment that is used to internally inspect the condition of sewer lines.

Delta Diablo Sanitation District (DDSD) - The wastewater treatment facility to which the City discharges sewage.

Fats, Oils, and Grease (FOG) - Refers to fats, oils, and grease typically associated with food preparation and cooking activities that can cause blockages in the sanitary sewer system.

First Responder - Refers to the City employee who provides the City's initial response to a sewer system event.

Fiscal Year (FY) - July 1st to June 30th.

Food Service Establishment (FSE) - Refers to commercial or industrial facilities where food is handled/prepared/served that discharge to the sanitary sewer system.

Force Main - Refers to a pressure sewer used to convey wastewater from a pump station to the point of discharge.

Full-time Equivalent (FTE) - Refers to the equivalent of 2,080 paid labor hours per year by a regular, temporary, or contract employee.

General Waste Discharge Requirements (GWDR) - Refers to the State Water Resources Control Board Order No. 2006-0003-DWQ, Statewide General Waste Discharge Requirements for Sanitary Sewer Systems and accompanying Monitoring and Reporting Program, dated May 2, 2006, as revised on February 20, 2008 by Order No. WQ-2008-0002-EXEC.

Geographical Information System (GIS) - Refers to the City's computerized system used to capture, store, analyze, and manage geospatial data associated with the City's sanitary sewer system assets.

Global Positioning System (GPS) - Refers to the handheld unit used to determine the longitude and latitude of sanitary sewer overflows for use in CIWQS reporting.

Grease Removal Device (GRD) - Refers to grease traps or grease interceptors installed to remove FOG from the wastewater flow at food service establishments.

Infiltration/Inflow (I/I) - Refers to water that enters the sanitary sewer system from storm water and groundwater and increases the quantity of flow. Infiltration can enter through defects in the sanitary sewer system after flowing through the soil. Inflow enters the sanitary sewer without flowing through the soil. Typical points of inflow are holes in manhole lids and direct connections to the sanitary sewer (e.g. storm drains, area drains, and roof leaders).

Lateral - See Sewer Service Lateral.

Legal Cleanout – Refers to a cleanout installed on the Sewer Service Lateral that is located within the City’s easement and is constructed in accordance with the City’s standards.

Legally Responsible Official (LRO) - Refers to an individual with the authority to certify CIWQS reports and take other actions through CIWQS.

Lower Lateral – Refers to the portion of the sewer service lateral between the property line and the public sewer, which is generally owned by the City.

Manhole (MH) - Refers to an engineered structure intended to provide access to a sanitary sewer for maintenance and inspection.

Monitoring, Measurement, and Program Modifications (MMPM) - City tasks described in Section 9 of this SSMP.

National Pollution Discharge Elimination System (NPDES) - The discharge permitting system adopted under the federal Clean Water Act.

Office of Emergency Services (OES) - Refers to the California Governor’s Office of Emergency Services.

Operation and Maintenance (O&M) - Activities taken by the City to run and repair the sewer system.

Overflow Emergency Response Plan (OERP) – The City has adopted the “City of Antioch, Sanitary Sewer Overflow and Backup Response Plan,” prepared by DKF Solutions Group, and hereafter referred to as the “SSO/Backup Plan.”

Preventive Maintenance (PM) - Refers to proactive maintenance activities intended to prevent failures of the sanitary sewer system facilities (e.g., cleaning, CCTV, inspection).

Property Damage Overflow – Refers to a sewer overflow or backup that damages private property.

Public Information Officer (PIO) - A City employee designated to talk to the public and the press about City events and activities.

Regional Water Quality Control Board (RWQCB) - Refers to the Central Valley Regional Water Quality Control Board and staff responsible for protecting water resources within Region 5.

Sanitary Sewer Overflow (SSO) - Pursuant to the GWDR, an SSO means any overflow, spill, release, discharge or diversion of untreated or partially treated wastewater from a sanitary sewer system. SSOs include:

- (i) Overflows or releases of untreated or partially treated wastewater that reach waters of the United States;
- (ii) Overflows or releases of untreated or partially treated wastewater that do not reach waters of the United States; and

- (iii) Wastewater backups into buildings and on private property that are caused by blockages or flow conditions within the publicly-owned portion of a sanitary sewer system.

Sanitary Sewer System - Refers to the portion of the sanitary sewer facilities that are owned and operated by the City of Antioch.

Sensitive Area – Refers to areas where an SSO could result in a fish kill or pose an imminent or substantial danger to human health.

Sewer Service Lateral - Refers to the piping that conveys sewage from the building to the City's sewer system. See also Lower Lateral.

Sewer System – See Sanitary Sewer System.

Sewer System Management Plan (SSMP) - Refers to written plans and procedures required by the SWRCB's GWDR.

SSO/Backup Plan – refers to “City of Antioch, Sanitary Sewer Overflow and Backup Response Plan,” prepared by DKF Solutions Group.

State Water Resources Control Board (SWRCB) - Refers to the California State Water Resources Control Board and staff responsible for protecting the State's water resources, which is a subsection of the California Environmental Protection Agency (Cal-EPA).

Surface Waters – See Water of the State.

Water Body – A water body is any stream, creek, river, pond, impoundment, lagoon, wetland, or bay.

Water of the State – Water of the State means any water, surface or underground, including saline waters, within the boundaries of California. In case of a sewage spill, storm drains may be considered to be Waters of the State unless the sewage is completely contained and returned to the sewer system and that portion of the storm drain is cleaned.

Work Order (WO) - Refers to a document (paper or electronic) used to assign work and to record the results of the work in relation to responding to an SSO.

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Introduction

Background

This Sewer System Management Plan (SSMP) has been prepared in compliance with the State Water Resources Control Board (SWRCB) Order 2006-0003-DWQ: Statewide General Waste Discharge Requirements for Sanitary Sewer System (GWDR), as revised by Order No. WQ 2008-0002-EXEC on February 20, 2008. The GWDR prohibits sanitary sewer overflows (SSOs) and requires reporting of SSOs using the statewide CIWQS electronic reporting system.

This SSMP has been prepared by the City of Antioch (City) with assistance from Larson Consulting.

Organization of SSMP

The structure of this document follows the section numbering and nomenclature used in the GWDR. The SSMP includes eleven sections, as follows:

1. Goals
2. Organization
3. Legal Authority
4. Operation and Maintenance Program
5. Design and Performance Provisions
6. Overflow Emergency Response Plan
7. Fats, Oils and Grease (FOG) Control Program
8. System Evaluation and Capacity Assurance Plan
9. Monitoring, Measurement, and Program Modifications
10. SSMP Audits
11. Communication Program

System Overview

The City's wastewater collection system consists of approximately 300 miles of gravity pipeline, one small lift station, and one out-of-service lift station. The City's collection system serves a population of approximately 103,000 within the City's 29 square mile service area. The wastewater transported through the City's collection system is discharged into the Delta Diablo Sanitation District's (DDSD) conveyance system for treatment. The City is responsible for the gravity sewer mains and the lower lateral serving each building (when a legal clean out is present). DDSD is responsible for the operation and maintenance of the sewage pumping stations located on Fulton Shipyard Road @ Wilbur Avenue, and Neroly Road @ Wilbur Avenue, as well as all force mains within the City of Antioch and the wastewater treatment facility.

Section 1. Goals

1.1. Introduction

This section of the SSMP presents the City's goals for the management, operation, and maintenance of its sanitary sewer system.

1.2. GWDR Requirements for Goals Element of SSMP

The summarized requirements for the Goals element of the SSMP are to properly manage, operate, and maintain all parts of its wastewater collection system in order to reduce and prevent SSOs, as well as to mitigate any SSOs that occur.

1.3. Goals

The goals of the City's SSMP are:

1. To properly manage, operate, and maintain all portions of the City's wastewater collection system.
2. To provide adequate capacity to convey the peak wastewater flows associated with the design storm event.
3. To prevent or minimize the frequency of SSOs.
4. To mitigate the impacts that are associated with any SSO that may occur despite best efforts.
5. To meet all applicable regulatory notification and reporting requirements.

Section 2. Organization

2.1. Introduction

This section of the SSMP identifies City Staff responsible for implementing this SSMP, responding to SSO events, and meeting the SSO reporting requirements.

2.2. GWDR Requirements for Organization Element of SSMP

The requirements for the Organization element of the SSMP are summarized below:

The SSMP must identify:

1. The name of the responsible or authorized representative;
2. The names and telephone numbers for management, administrative, and maintenance positions responsible for implementing specific measures in the SSMP program. Include lines of authority as shown in an organization chart or similar document with a narrative explanation; and
3. The chain of communication for reporting SSOs, from receipt of a complaint or other information, including the person responsible for reporting SSOs to the State and Regional Water Board and other agencies if applicable (such as County Health Officer, County Environmental Health Agency, Regional Water Board, and/or State Office of Emergency Services (OES)).

2.3. Organization

The organization chart for the management, operation, and maintenance of the City's wastewater collection system is shown on Figure 2-1.

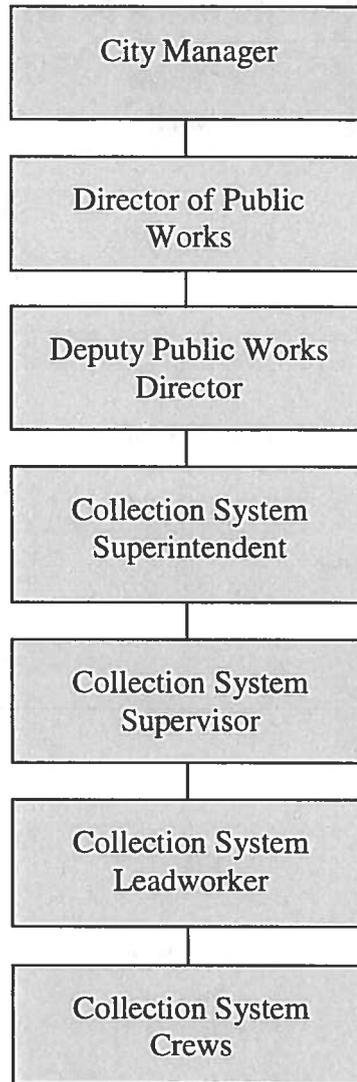
2.4. Authorized Representatives

The City's Authorized Representative in all wastewater collection system matters is the Deputy Public Works Director. He/she is authorized to submit verbal, electronic, and written spill reports to the Central Valley Regional Water Quality Control Board (RWQCB), SWRCB, Contra Costa County Health Services Agency, and OES. He/she, as the City's Designated LRO, is authorized to certify electronic spill reports submitted to the SWRCB through CIWQS or otherwise.

The Public Works Director is authorized to act as the City's LRO in the Deputy Public Works Director's absence. He/she is authorized to submit verbal, electronic, and written spill reports to the Central Valley Regional Water Quality Control Board (RWQCB), SWRCB, Contra Costa County Health Services Agency, and OES. He/she is authorized to certify electronic spill reports submitted to the SWRCB.

The Acting Collection Systems Supervisor is also authorized to submit verbal, electronic, and written spill reports to the RWQCB, SWRCB, Contra Costa County Health Services Agency, and OES. He/she is authorized to certify electronic spill reports submitted to the SWRCB.

Figure 2-1: Organization Chart and SSO Reporting Chain of Communication



2.5. Responsibility for SSMP Implementation

The Deputy Public Works Director is responsible for developing, implementing, and maintaining all elements of the City’s SSMP.

Other City Staff responsible for developing, implementing, and maintaining specific elements of the City’s SSMP, along with their job titles and contact information, are shown in Appendix 2-A.

2.6. SSO Reporting Chain of Communication

The SSO Reporting Chain of Command follows the Organization Chart shown on Figure 2-1. The SSO Reporting process and responsibilities are described in detail in Section 6 - Overflow Emergency Response Plan.

Appendix 2-A:

SSMP Development, Implementation, and Maintenance Responsibilities

Name	Job Title	Phone Number	SSMP Responsibility	Section
Ron Bernal	Public Works Director/City Engineer	(925) 779-6820	Legal Authority, Design Standards, Goals, Operations & Maintenance, OERP, System Evaluation & Capacity Assurance Plan	1,3,4,5,6,8
Mike Bechtholdt	Deputy Public Works Director	(925) 779-6953	Overall Responsibility for SSMP Implementation and Maintenance, OERP, Map Updates, MPPM, Audit, and Communication	1,2,4,6,9,10,11
Cleveland Porter/Brandon Chalk	Acting Collection System Supervisor	(925) 779-6970	O&M Program, OERP, MPPM, Communication Program	4,6,9,11
Julie Haas-Wajdowicz	Administrative Analyst – Clean Water Program	(925) 779-7097	FOG – Public Outreach	7
Mike Dixon, Delta Diablo Sanitation District	Maintenance Manager	(925) 756-1920	FOG, Source Control	7

Section 3. Legal Authority

3.1. Introduction

This section of the SSMP presents the City's legal authority to comply with the SSMP requirements, as provided in its Municipal Code and agreements with other agencies.

3.2. GWDR Requirements for Legal Authority Element of SSMP

The summarized requirements for the Legal Authority element of the SSMP are to demonstrate, through collection system use ordinances, service agreements, or other legally binding procedures, that it possesses the necessary legal authority to:

- (a) Prevent illicit discharges into its wastewater collection system (examples may include infiltration and inflow (I/I), storm water, chemical dumping, unauthorized debris and cut roots, etc.);
- (b) Require that sewers and connections be properly designed and constructed;
- (c) Ensure access for maintenance, inspection, or repairs for portions of the lateral owned or maintained by the City;
- (d) Limit the discharge of fats, oils, and grease (FOG) and other debris that may cause blockages;
- (e) Enforce any violation of its sewer ordinances;
- (f) Authority to inspect grease producing dischargers; and
- (g) Authority to enforce sewer-related ordinances.

3.3. Municipal Code

The *Antioch Municipal Code* describes the City's current legal authorities. The legal authorities provided in the Municipal Code address the specific requirements for this SSMP and are summarized on Table 3-1.

As necessary, the City will act to amend its Municipal Code to provide additional required legal authority. In addition, the City will continue to work with DDSD to provide the legal authority to permit and inspect FOG producing facilities within the City's service area.

Table 3-1: Legal Authorities

Requirement	Municipal Code Reference¹
General	
Prevent illicit discharges into the wastewater collection system	6-4.108
Limit the discharge of fats, oils, and grease and other debris that may cause blockages	6-4.109
Require that sewers and connections be properly designed and constructed	
Require proper installation, testing, and inspection of new and rehabilitated sewers	
Laterals	
Clearly define City responsibility	6-4.101, 6-4.201
Ensure access for maintenance, inspection, or repairs for portions of the service lateral owned or maintained by the City	6-4.102-.111
Control infiltration and inflow (I/I) from private service laterals	6-4.113 6-4.116
FOG Source Control	
Requirements to install grease removal devices (such as traps or interceptors), design standards for the grease removal devices, maintenance requirements, BMP requirements, record keeping and reporting requirements	6-4.103 6-4.112 6-4.115
Authority to inspect grease producing facilities	
Enforcement	
Enforce any violation of its sewer ordinances	1-2.07 5-1.103, 5-1.201 6-4.210

¹ The listed ordinances are examples of legal authority under the City’s Municipal Code and are not intended to be a comprehensive list of all available legal authority possessed by the City to abate sewer issues.

Section 4. Operations and Maintenance Program

4.1. Introduction

This section of the SSMP provides an overview of the City's sewer system operations and maintenance program. It is also intended to provide a checklist to support future SSMP audits.

4.2. GWDR Requirements for Operation and Maintenance Element of SSMP

The summarized requirements for the Operations and Maintenance Program are:

- (1) Maintain an up-to-date map of the sanitary sewer system, showing all gravity line segments and manholes, pumping facilities, pressure pipes and valves, and related conveyance facilities;
- (2) Describe routine preventive operation and maintenance activities by staff and contractors, including a system for scheduling regular maintenance and cleaning of the sanitary sewer system with more frequent cleaning and maintenance targeted at known problem areas (e.g., "hot spots"). The Preventative Maintenance (PM) program includes a system to document scheduled and completed activities, such as work orders;
- (3) Develop a rehabilitation and replacement plan to identify and prioritize system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. The program should include regular visual and TV inspections of manholes and sewer pipes, and a system for ranking the condition of sewer pipes and scheduling rehabilitation. Rehabilitation and replacement should focus on sewer pipes at risk of collapse or prone to more frequent blockages due to pipe defects. Finally, the rehabilitation and replacement plan should include a capital improvement plan that addresses proper management and protection of the infrastructure assets. The plan shall include a time schedule for implementing the short- and long-term plans plus a schedule for developing the funds needed for the capital improvement plan;
- (4) Provide training on a regular basis for staff in sanitary sewer system operations and maintenance, and require contractors to be appropriately trained; and
- (5) Provide equipment and replacement part inventories, including identification of critical replacement parts.

4.3. Collection System Mapping

The City has a Geographical Information System (GIS) that includes the information for its wastewater collection system assets including gravity line segments, manholes, pumping facilities, and force mains. The City also has information in its GIS for its storm drainage system. The GIS information is available to appropriate City staff.

The field crews use hard copy maps produced using the GIS. A process exists for GIS updates and corrections that are initiated by the field crews to ensure up-to-date and accurate information.

GIS updates and corrections are incorporated annually (at a minimum) from record drawings, corrections from crews based on field observation and repairs, development plans, and CIP information/projects.

4.4. Preventive Maintenance

The elements of the City's sewer system Operation and Maintenance Program include proactive, preventive, and corrective maintenance of gravity sewers, and periodic inspection and preventive maintenance for pump stations. The details of the City's O&M programs are described in this section.

4.4.1. Gravity Sewers

The City proactively cleans its sewer system every three years, and preventively cleans sewers with a history of problems ("hot spots") every 3, 6, and 12 months.

The City has one closed circuit television ("CCTV") inspection crew to proactively inspect its wastewater collection system facilities; to investigate the causes of stoppages and SSOs; and to support the Capital Improvement Program.

The City has already inspected and televised all gravity sewer main lines that are equal to or less than 10 inches in diameter within approximately the last 10 years. Within five (5) years from 2013, for the approximately 25 miles of gravity sewer main lines that lie within two hundred (200) feet of water bodies (as defined in the City's Sewer System Management Plan ("SSMP") as "any stream, creek, river, pond, impoundment, lagoon, wetland, or bay" and not including storm drainage channels), the City will inspect and CCTV the City's gravity sewer main lines exceeding 10 inches in diameter, not including force mains, and to grade all 25 miles of gravity sewer main lines of all sizes. Grading will be done using a Pipeline Assessment and Certification Program ("PACP") rating scale.

The City has one sewer repair crew to correct problems identified by the CCTV or sewer cleaning crews. Repairs are completed in priority order. Significantly defective gravity sewer main lines (having received a rating of 4 or 5 on the PACP rating scale) located within 200 feet of water bodies or of areas designated as critical habitat for endangered species will be given higher priority for repair and replacement than other sewer main lines in the City with comparable defects located more than 200 feet from surface waters.

The City conducts visual inspections of its wastewater collection system facilities during significant storm events. These facilities include sewers with known hydraulic limitations, pump stations, siphons, and creek crossings.

The wastewater collection system staff maintains a list of known structural deficiencies. This list is maintained in priority order. High priority structural deficiencies are repaired as soon as possible by the City's sewer repair crew or by an outside contractor on an as-needed basis.

In the course of completion of the televising and grading activities described above, the City will repair or replace, as needed, the gravity sewer main lines determined to be a grade of 5 within two (2) years of that determination and within four (4) years of determination of a grade of 4. With respect to sewer main lines that receive a grade of 3 based on the PACP rating system, the City will ascertain whether such lines need to be repaired and will use similar priority ranking to that described above.

The City will CCTV all gravity sewer main lines, except force mains by 2023, except for those sewer main lines that have undergone a CCTV inspection in the last ten (10) years and except for sewer main lines that were constructed, replaced, or repaired in the last twenty (20) years.

The City uses its Lucity CMMS to plan work, initiate work orders, and document completed work.

The City's standard operating procedure for sewer cleaning is included as Appendix 4-A.

4.4.2. Pump Stations

The City has a program of scheduled inspections and maintenance for the pump stations that it operates and maintains.

The preventive maintenance program consists of monthly inspection and cleaning and major maintenance as required.

4.4.3. Non-Routine Maintenance

Non-routine maintenance activities include investigation and response to any complaints regarding a manhole overflow, missing or shifted manhole covers, manhole covers that are excessively noisy, residential plumbing troubles, pump station malfunction, unexpected sewer odor, etc. Sewer complaints received by the Public Works Department are investigated and appropriate actions are taken to resolve the source of the problem.

4.4.4. Private Laterals

By January of 2015, the City staff will present to the City Council an ordinance establishing a program for the mandatory inspection and/or repair of privately owned sewer laterals. The proposed program will contain at least the following events that will serve as a basis or "trigger" for private sewer lateral inspection and/or repair:

- a. At the point of property transfer, or the issuance of a building permit for a significant remodel (valuation of \$25,000 or more) or a change in use² that will result in an increase in flow (e.g., additional bedroom), except if inspection, repair or replacement of the sewer lateral has occurred in the last twenty (20) years, or except if lateral installed within last ten (10) years;
- b. The occurrence of two (2) or more sanitary sewer overflows caused by the same private sewer lateral within two (2) years that the City is aware of;

² A change in use of the structure served could include (1) from residential to non-residential use; (2) to a non-residential use resulting in higher flow than current non-residential use, and (3) non-residential use where the structure served has been vacant/unoccupied for more than three years.

c. Upon repair or replacement of the lower lateral or significant repair or replacement of the main sewer line to which the lateral is attached where evidence exists of issues related to the connected lateral (e.g., roots from the private lateral visible in the lower lateral or main sewer line, visible offsets or damage, etc.).

4.5. Rehabilitation and Replacement Plan

The City has an ongoing sewer rehabilitation and replacement program to address the portions of its wastewater collection system where conditions warrant. The projects that are included in the City's Capital Improvement Program are shown in Appendix 4-B.

The funds that support the Capital Improvement Program come from the City's Sewer Fund. The Sewer Fund is an enterprise fund and sewer service charges are periodically reviewed and revised based on need.

4.6. Training Program

4.6.1. City Staff

The City uses a combination of in-house classes; equipment manufacturer training; on the job training (including periodic rotation); and conferences, seminars, and other training opportunities to train its wastewater collection system staff. Recurring training opportunities are shown on Table 4-1 and 4-2.

Table 4-1: Training Opportunities

Sponsor	Event	Timeframe	References
California Water Environment Association	Annual Conference	April	www.cwea.org
	Northern Regional Training Conference	September	
	Northern Regional Safety Training	October	
	Bay Area Collection Systems Committee	Monthly/Quarterly	
	Specialty Conferences	Periodic	
Tri-State Conference	Annual Conference	September	www.tristateseminar.com
Water Environment Federation	Collection System Specialty Conference	Spring	http://www.wef.org/ConferencesTraining/ConferencesEvents/CollectionSystems/

Sponsor	Event	Timeframe	References
California State University, Sacramento	Methods for Evaluating and Improving Collection System Performance		http://www.gateway.calstate.edu/extension/professional_development.cfm

Table 4-2: Training Resources (Materials)

Sponsor	Materials	Reference
California State University, Sacramento	Videos, manuals, home study courses	www.owp.csus.edu

The City requires its wastewater collection system employees in the position of Pipefitter II or higher to be certified in Collection System Maintenance by the California Water Environment Association. The certification process requires employees to demonstrate that they have participated in 12 hours of training every two years in order to renew their certificates.

4.6.2. Staff Contracted for City Projects

The City's contract language requires contractors working in the wastewater collection system to provide training for their employees.

4.7. Equipment and Parts Inventory

The list of the major equipment the City uses in the operation and maintenance of its sewer system is included in Appendix 4-C.

The City has developed a Critical Replacement Parts List and a Replacement Parts Inventory procedure. The Critical Sewer System Replacement Parts Inventory is included as Appendix 4-D.

Appendix 4-A: Standard Operating Procedure for Sewer Cleaning

Purpose

The purpose of this Standard Operating Procedure is to ensure that sewer cleaning is performed in a manner that will produce a high quality work product. Quality is important to ensure that the sanitary sewers will not experience problems prior to their next scheduled cleaning.

Goal

The goal of cleaning a gravity sewer is to restore the flow area to 95% of the original flow area of the pipe.

Required Equipment and Tools

1. Personal Protective Equipment (hardhat, steel toe boots, gloves, eye/face protection, hearing protection)
2. Calibrated gas detector
3. Proper safety cones, barricades, flagging, signs, or other traffic control devices
4. Confined space equipment – tripod, harness, and ventilation blower
5. Sanitary sewer system map book
6. Combo (jet rodder/vacuum) truck
7. 45-degree sewer cleaning nozzle and a rotating/spinning sewer cleaning nozzle
8. Six-wire skid (“proofer”) in sizes that may be needed during the day
9. Debris traps in the sizes that may be needed during the day
10. Manhole hook or pick-axe
11. Measuring wheel
12. Disinfectant

Required Forms

1. Cleaning work order
2. Daily truck report form
3. Damage report form

Procedures for Supervisor

1. Assign crew’s work at least three days in advance, when possible.
2. Determine any special traffic conditions that need to be addressed for the assignment. For heavy traffic areas, plan traffic control in advance so that ample traffic control devices and personnel can be transported to the jobsite. Give at least 24 hours notice to any business that will be adversely impacted by traffic control or the cleaning operations.

3. Identify the schedule for cleaning. When possible, cleaning operations should be conducted during normal business hours. When in residential areas, cleaning operations should not begin before 7:30 a.m. nor continue after 8:00 p.m. unless an emergency warrants working outside of these hours.

Procedures for Sewer Cleaning Crew

Prior to Leaving the Yard

1. Plan the work at the highest elevation in the upstream portion of the area and move downstream.
2. Wherever possible, plan to clean sewers from the downstream manhole.
3. Inspect the sewer cleaning nozzles for wear. Replace nozzles that are excessively worn.
4. If this is the crew's first day with this cleaning unit, inspect the first 200 feet of hose and couplings for damage or wear.

At the Jobsite

1. Wear proper personnel protective equipment (PPE).
2. Fill the water tank at or near the first jobsite.
3. Determine and confirm location of upstream and downstream manholes (use street addresses, if possible).
4. Look for any overhead utilities that may come into contact with the vacuum boom during the cleaning operation.
5. Set up proper traffic control by placing traffic signs, flags, cones and other traffic control devices.
6. Move the cleaning unit into the traffic control so that the hose reel is positioned over the manhole.
7. Open the manhole and use the gas detector to determine if it is safe to proceed with the cleaning operation.
8. Install the 45-degree or a rotating/spinning nozzle on the hose.

Cleaning Operation

1. Insert the debris trap.
2. Start the auxiliary engine.
3. Lower the hose, with a guide or roller to protect the hose, into the manhole and direct it into the sewer to be cleaned.
4. Start the high-pressure pump and set the engine speed to provide adequate pressure for the sewer cleaning operation.
5. Open the water valve and allow the hose to proceed up the sewer. The hose speed should not exceed 30 feet per minute.
6. Allow the hose to proceed 25% of the length of the sewer and pull the hose back.

7. Observe the nature and the quantity of debris pulled back to the manhole.
8. If there is little or no debris, allow the hose to proceed to the upstream manhole.
9. If there is moderate to heavy debris, clean the remaining portion of the sewer in steps not to exceed 25% of the length of the sewer.
10. Open the upstream manhole and verify that the nozzle is at or past the manhole.
11. The sewer has been adequately cleaned when:
12. Successive passes with a cleaning nozzle do not produce any additional debris, and
13. The sewer is able to pass a full size, six-wire skid (“proofer”) for its entire length.
14. Determine the nature and quantity of the debris removed during the cleaning operation. Use the following codes to report the nature and quantity of debris:

Type of Debris	Clear (no debris)	Light	Moderate	Heavy
Sand, grit, rock	CLR	DL	DM	DH
Grease	CLR	GL	GM	GH
Roots	CLR	RL	RM	RH
Other (specify)	CLR	OL	OM	OH

15. Remove the debris from the manhole using the vacuum unit.
16. Rewind the hose on the reel.
17. Remove the debris trap.
18. Clean the mating surface and close the manhole. Ensure that the manhole is properly seated.
19. Enter the results on the Work Order.
20. Move the cleaning unit, break down and stow the traffic controls.
21. Proceed to the next cleaning jobsite.

At the End of the Day

1. Inspect the equipment and tools for problems.
2. Report any problems with equipment, tools, or sewers that were cleaned during the day to the Supervisor.
3. Clean out debris box.
4. Turn in all completed Cleaning Work Orders to the Supervisor at end of shift.

Appendix 4-B: Rehabilitation and Replacement Program

Project Number	Project Title	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17
7734	Sewer Trunk Line Rehabilitation	800	800	800	800	800
7736	Sewer Line Corrosion Rehabilitation	250	250	250	250	250
7738	Country Hills Sewer Main Replacement	800	0	0	0	0
7739	L Street Sewer Main Replacement at HWY 4	0	500	0	0	0
Annual Totals		1,850	1,550	1,050	1,050	1,050
<p>Notes: All budget values are shown in \$1,000 Sewer Main Capacity Improvements are shown in the Section X System Evaluation and Capacity Assurance Plan</p>						

Appendix 4-C: Major Sewer System Equipment Inventory

Inventory Date: December, 2012

Inventory/Condition Checked by: Brandon Chalk

Equipment Number	Major Equipment Type	Year Purchased
101	Hydroflush Truck	2012
638	Combination Hydroflush Truck	2005
697	Combination Hydroflush Truck	2011
671	CCTV Inspection Truck – (Updated the computer and camera equipment 2010)	2000
658	Ford F-250 Utility Truck with Boom	1999
677	Ford F-550 Utility Truck with Boom	2000
635	Chevrolet 3500 Flatbed Truck	1994
691	Ford F-750 Bobtail Dump Truck	2003
688	Caterpillar 430D Backhoe	2002
684	Caterpillar 924G Front Loader	2001
988	Godwin 8" Trailer-Mounted Pump	2000
989	Godwin 4" Trailer-Mounted Pump	2000
990	Pipe Trailer with Pipe and Fittings	2002
974/987	Light Trailer with Generator (2)	2000
966	Trailer Mounted Compressor	1997
11, 13, 17	Diesel Whacker DS70 Soil Compactor (3)	2011
n/a	MSA Altair 5X Air Monitor (4)	2011
n/a	MSA Airhawk II Self Contained Breathing Apparatus (2)	2012
n/a	6500 Watt and EZ2500 Watt Honda Generators	1999

Appendix 4-D: Critical Sewer System Replacement Parts Inventory

Inventory Date: December, 2012

Inventory/Condition Checked by: Cleveland Porter

Part Description	Quantity in Inventory	Location
VCP Pipe – 4”, 6”, 8”, 21”, 36”		Maintenance Yard/Central Stores
PVC Pipe – 6”, 8”, 10”, 12”		Maintenance Yard/Central Stores
Ductile Iron Pipe – 4”, 6”, 8”, 10”, 12”, 16”, 18”		Maintenance Yard/Central Stores
VCP, PVC, and Ductile Iron Pipe, various fittings and couplings for multiple sizes		Maintenance Yard/Central Stores
Various sizes of manhole covers and rodding inlet covers		Maintenance Yard/Central Stores

Section 5. Design and Performance Provisions

5.1. Introduction

This section of the SSMP presents the City's Design and Construction Standards.

5.2. GWDR Requirements for Design and Performance Provisions Element of SSMP

The summarized requirements for the Design and Construction Standards element of the SSMP include design and construction standards and specifications for the installation of new sewer systems and for the rehabilitation and repair of existing sewer systems.

The City must also have procedures and standards for inspecting and testing the installation of new sewers, pump stations, and other appurtenances; and for rehabilitation and repair projects.

5.3. Standard Specifications for Wastewater Facilities

The City's standards pertaining to the design, construction, and inspection of gravity sewer systems, sewer force mains, and other facilities to be operated and maintained by the City are included in the current version of the Central Contra Costa Sanitary District Standard Specifications for Design and Construction (Design Standards). The intent of the Design Standards is to provide design engineers with information on the requirements and preferences for facilities to be conveyed to the City for ownership, operation, and maintenance. The Design Standards provide information on the type of facilities and equipment that are acceptable to the City. The Design Standards also cover the requirements for inspection and testing prior to acceptance by the City. Standards for the repair and rehabilitation of existing facilities are also addressed in the Standard Specifications.

Section 6. Overflow Emergency Response Plan

6.1. Introduction

6.1.1. Purpose

The purpose of the Overflow Emergency Response Plan (OERP) is to support an orderly and effective response to Sanitary Sewer Overflows (SSOs). The OERP provides guidelines for City personnel to follow in responding to, cleaning up, and reporting SSOs that may occur within the City's service area.

6.2. GWDR Requirements for OERP Element of SSMP

The City shall develop and implement an overflow emergency response plan that identifies measures to protect public health and the environment. At a minimum, this plan must include the following:

- (a) Proper notification procedures so that the primary responders and regulatory agencies are informed of all SSOs in a timely manner;
- (b) A program to ensure appropriate response to all overflows;
- (c) Procedures to ensure prompt notification to appropriate regulatory agencies and other potentially affected entities (e.g. health agencies, regional water boards, water suppliers, etc.) of all SSOs that potentially affect public health or reach the waters of the State in accordance with the Monitoring and Reporting Program (MRP). All SSOs shall be reported in accordance with this MRP, the California Water Code, other State law, and other applicable Regional Water Board Waste Discharge Requirements or National Pollutant Discharge Elimination System (NPDES) permit requirements. The SSMP should identify the officials who will receive immediate notification;
- (d) Procedures to ensure that appropriate staff and contractor personnel are aware of and follow the Emergency Response Plan and are appropriately trained;
- (e) Procedures to address emergency operations, such as traffic and crowd control and other necessary response activities; and
- (f) A program to ensure that all reasonable steps are taken to contain untreated wastewater and prevent discharge of untreated wastewater to Waters of the United States and minimize or correct any adverse impact on the environment resulting from the SSOs, including such accelerated or additional monitoring as may be necessary to determine the nature and impact of the discharge.

6.3. SSO/Backup Response Plan

The SSO/Backup Response Plan³ has been adopted as the City's OERP.

³ David Patzer, DKF Solutions Group, "City of Antioch, CA Sanitary Sewer Overflow and Backup Response Plan", Copyright © 2004-2008 or as revised.

6.4. Failure Analysis Investigation

The objective of the failure analysis investigation is to determine the “root cause” of the SSO and to identify corrective action(s) needed to reduce or eliminate future potential for SSOs to recur at that location or from that cause.

The investigation should include reviewing all relevant data to determine appropriate corrective action(s) for the line segment. The investigation should include:

- Reviewing and completing forms from the SSO/Backup Plan,
- Reviewing past maintenance records,
- Reviewing available photographs,
- Conducting a CCTV inspection to determine the condition of the line segment immediately following the SSO and reviewing the video and logs, and
- Interviewing staff that responded to the spill.

The product of the failure analysis investigation should be the determination of the root cause and the identification of the corrective actions. The completed Collection System Failure Analysis Form (Appendix 6-A) should be included in the SSO file.

6.4.1. Internal Documentation

6.4.1.1. Category I and II SSOs

The Deputy Public Works Director will prepare a file for each individual SSO. The file should include the following information:

- Initial service call information, including a listing of nearby residences or business addresses contacted to attempt to establish the SSO start time, duration, and flow rate,
- Forms from the SSO/Backup Plan, which will include the method or calculations used for estimating total spill volume, spill volume that reached water bodies (if any), and the spill volume recovered,
- Lucity Spill Report,
- Copies of the CIWQS report forms,
- Failure analysis investigation results,
- Photographs of the manhole flow at the SSO site and the San Diego Method array, if applicable to the method used to estimate spill volume, or other photographs that may aid in establishing the spill volume.

The following are optional for Category II SSOs:

- Appropriate maps showing the spill location,
- Water quality sampling and test results, if applicable.

In addition, the City will:

- 1) Maintain a link from the City's website to the State Water Resources Control Board ("SWRCB") CIWQS SSO Public Reports,
- 2) Provide notification to all sewer service customers of the existence of the City's website link to the SWRCB's CIWQS reports, and
- 3) Respond and provide information to private parties submitting overflow reports to CIWQS, where a duplicate report or other notification has been provided to the City.

6.4.1.2. Water Quality Sampling and Response

The City conducts water quality sampling and testing for total and fecal coliform and E. Coli whenever it is estimated that an SSO of fifty (50) gallons or more enters a water body, and if field crews can safely access the affected surface waters.

In addition, during 2013-2014, the City will sample for ammonia and conduct a metals analysis⁴ for two (2) Category I SSO events that reach surface waters.

If sampling and testing is conducted under the previous paragraphs, then the City will collect and test samples from three (3) locations: 1) the point of discharge to the water body; 2) in the water body upstream of the point of discharge; and 3) in the waterbody downstream of the point of discharge.

If any of the tested constituents are found at higher levels in the point of discharge sample and in the downstream sample than in the upstream sample, then the City will then determine and address the cause of the SSO that entered the water body, and will employ the following measures to prevent future overflows at that location by: 1) immediately spot repairing the defect or replacing a segment of the line if the SSO is caused by a structural defect; or 2) if the defect is non-structural, such as a grease

6.4.1.3. Private Lateral SSOs

A separate file will be prepared for each individual private lateral SSO, at the Deputy Public Works Director discretion, of which the City is aware. The file should include any relevant information from the above list.

⁴ The following 17 metals will be sampled using EPA Part 136 approved methods: Antimony, Arsenic, Barium, Beryllium, Cadmium, Chromium, Cobalt, Copper, Lead, Mercury, Molybdenum, Nickel, Selenium, Silver, Thallium, Vanadium, and Zinc.

6.4.2. External SSO Record Keeping Requirements⁵

The GWDR requires that individual SSO records be maintained by the City for a minimum of *five years* from the date of the SSO. This period may be extended when requested by a Regional Water Board's Executive Officer.

All records shall be made available for review upon State or Regional Water Board staff's request.

Records shall be retained for all SSOs, including but not limited to the following when applicable:

- Record of Certified report;
- All original recordings for continuous monitoring instrumentation;
- Service call records and complaint logs of calls received by the City;
- SSO calls;
- SSO records;
- Steps that have been and will be taken to prevent the SSO from recurring and a schedule to implement those steps.
- Work orders, work completed, and any other maintenance records from the previous five years which are associated with responses and investigations of system problems related to SSOs;
- A list and description of complaints from customers or others from the previous 5 years; and
- Documentation of performance and implementation measures for the previous five years.

If water quality samples are required by an environmental or health regulatory agency or State law, or if voluntary monitoring is conducted by the City or its agent(s), as a result of any SSO, records of monitoring information shall include:

- The date, exact place, and time of sampling or measurements;
- The individual(s) who performed the sampling or measurements;
- The date(s) and type(s) of analyses that were performed;
- The individual(s) who performed the analyses;
- The analytical technique or method used; and,
- The results of such analyses.

⁵ State Water Resources Control Board Monitoring and Reporting Program No. 2006-0003-DWQ (as revised by Order No. WQ 2008-0002.EXEC) Statewide General Waste Discharge Requirements for Sanitary Sewer Systems

6.5. Post SSO Event Debriefing

Every SSO event represents an opportunity to evaluate the City's response and reporting procedures. Each overflow event is unique, with its own elements and challenges, including volume, cause, location, terrain, and other parameters.

As soon as possible after major SSO events, all of the SSO response participants should meet to review the procedures used and to discuss what worked and where improvements could be made in responding to and mitigating future SSO events. The results of the debriefing should be recorded and tracked to ensure the action items are completed.

6.6. Equipment

Appendix 6-B provides a list of specialized equipment required to support the Overflow Emergency Response Plan.

6.7. Training

Section 4.6 above provides information on the training that is required and undertaken to support the SSO/Backup Plan.

6.7.1. Initial and Annual Refresher Training

All City personnel who may have a role in responding to, reporting, and/or mitigating a sewer system overflow also receive training on the contents of the SSO/Backup Plan. All new employees should receive training before they are placed in a position where they may have to respond. Current employees should receive annual refresher training on this plan and the procedures to be followed.

6.7.2. SSO Response Drills

Periodic training drills should be held to ensure that employees are up to date on the procedures, the equipment is in working order, and the required materials are readily available. The training drills should cover scenarios typically observed during sewer-related emergencies (e.g. mainline blockage, mainline failure, force main failure, pump station failure, and lateral blockage). The results and the observations during the drills should be recorded and action items should be tracked to ensure completion.

6.7.3. Record Keeping

Records should be kept of all training provided in support of this plan. The records for all scheduled training courses and for each overflow emergency response training event should include date, time, place, content, name of trainer(s), and names of attendees.

6.8. Contractors Working On City Sewer Facilities

All contractors working on City sewer facilities will be required to develop a project-specific OERP. All contractor personnel will be required to receive training in the contractor's OERP and to follow that OERP in the event that they cause or observe an SSO.

Appendix 6-A: Sample Collection System Failure Analysis Form

Collection System Failure Analysis Form

Incident Report #:		Prepared By:	
SSO/Backup Information			
Event Date:		Address:	
Est'd Start Time:		Other nearby residences or business addresses contacted:	
Est'd Volume Spilled:	Est.'d Volume Recovered:	Est'd Volume To Waters:	
Volume Calc. Method:		SSO Cause:	
Summary of Historical SSOs/Backups/Service Calls/Other Problems			
Date	Cause	Date Last Cleaned	Crew
Records Reviewed By:		Record Review Date:	
Summary of CCTV Information			
CCTV Inspection Date:		Tape Name/Number:	
CCTV Tape Reviewed By:		CCTV Review Date:	
Observations:			
Recommendations			
No Changes or Repairs Required			
Maintenance Equipment			
Maintenance Frequency			
Repair (Location and Type)			
Add to Capital Improvement Rehabilitation/Replacement List: Yes No			
Supervisor Review Date:		Superintendent Review Date:	

Appendix 6-B: Equipment Required to Support OERP

Closed Circuit Television (CCTV) Inspection Unit – A CCTV Inspection Unit is required to determine the cause of all SSOs from gravity sewers. CCTV can also be used for lateral sewers, as necessary.

Camera – A digital or disposable camera is required to record the conditions upon arrival, during clean up, and prior to departure.

Emergency Response Truck – A utility body pickup truck is required to store and transport the equipment needed to effectively respond to sewer emergencies. The equipment and tools should include containment items such as storm drain mats, plastic sheeting, and clean up materials.

Portable Pumps, Piping, and Hoses – Portable pumps, piping, and hoses will be used to pump around failed or plugged facilities and to recover spilled sewage. The portable pumps required to support this plan are:

- One 2 ½” pump
- One 4 inch pump
- One 8 inch pump

Two Combination Sewer Cleaning Trucks – A combination high velocity sewer cleaning truck with vacuum tank is required to clear blockages in gravity sewers, vacuum spilled sewage, and wash-down the impacted area following the SSO event.

One High Velocity Cleaning Truck – A high velocity sewer cleaning truck without vacuum capabilities to clear blockages in gravity sewers.

Flow Block Plugs, Hoses, and Air Compressor – Various sizes of plugs to contain sewage in the storm drain system preventing or minimizing the sewage from entering a water body. Plugs contain air hoses to provide inflation with a compressor.

Confined Space Equipment – Air monitors, Self-Contained Breathing Apparatus (SCBAs), tripod, winch, body harness, ropes, and air blower will be used to facilitate an entry into a confined space.

Traffic Control Devices – Traffic cones, barricades, signs, steel traffic plates, sand, rock, and asphalt, will be used to safely direct traffic through or around an SSO event.

Section 7. Fats, Oils, and Grease (FOG) Control Program

7.1. Introduction

This section presents the FOG Control Program for the City of Antioch. This FOG Control Program will be managed, staffed, and administered by DDS, which also runs the program in the Bay Point and Pittsburg service areas.

7.2. GWDR Requirements for FOG Control Element of SSMP

The summarized requirements for the FOG Control element of the SSMP are:

The collection system agency shall evaluate its service area to determine whether a FOG control program is needed. If the collection system agency determines that a FOG program is not needed, the collection system agency must provide justification for why it is not needed. If FOG is found to be a problem, the collection system agency must prepare and implement a FOG source control program to reduce the amount of these substances discharged to the sanitary sewer system. The FOG source control program shall include the following as appropriate:

- (a) An implementation plan and schedule for a public education outreach program that promotes proper disposal of FOG;
- (b) A plan and schedule for the disposal of FOG generated within the sanitary sewer system service area. This may include a list of acceptable disposal facilities and/or additional facilities needed to adequately dispose of FOG generated within a sanitary sewer system service area;
- (c) The legal authority to prohibit discharges to the system and identify measures to prevent SSOs and blockages caused by FOG;
- (d) Requirements to install grease removal devices (such as traps or interceptors), design standards for the grease removal devices, maintenance requirements, BMP requirements, record keeping and reporting requirements;
- (e) Authority to inspect grease producing facilities, enforcement authorities, and determination of whether the Agency has sufficient staff to inspect and enforce the FOG ordinance;
- (f) An identification of sewer system sections subject to FOG blockages and the establishment of a cleaning maintenance schedule for each section; and
- (g) Development and implementation of source control measures, for all sources of FOG discharged to the sewer system, for each sewer system section identified in (f) above.

7.3. Nature and Extent of FOG Problem

Data regarding the nature and extent of the FOG problems in the three sewer systems was analyzed including the location of FOG-related service calls (which include blockages), FOG-related SSOs, frequent preventive maintenance, and food service establishments (FSEs).

7.3.1. Antioch Sewer System

During the period May 2, 2007 through July 14, 2008, just 10% of the reported SSOs for this period were related to FOG. These recent SSOs all occurred in residential areas.

Therefore, the City's preventive maintenance efforts combined with the District's FOG Source Control Program appear to be effective in minimizing the problems associated with commercial FOG sources.

7.3.2. Summary of FOG Data Analysis

The analysis of the SSO, FSE, and frequent maintenance lines shows that FOG is a factor in the City, but the current FOG Source Control Program and the preventive maintenance programs have been effective at reducing the frequency of SSOs in commercial areas. The ongoing FOG-related problems appear to be associated with high density residential and, to a lesser extent, low-density residential sources.

7.4. FOG Source Control Program

The FOG Source Control Program will be continued by DDS and the City. The responsibilities of each of both agencies for the elements of the FOG Source Control Program are shown on Table 7-1.

Table 7-1: FOG Control Program Activities and Responsibilities

Focus	Activity	Antioch	DDSD
Commercial Sources	Focused FSE Program (permits, inspections)		X
	Inspect GRD maintenance		X
	Develop common standards for GRD	X	X
	Require installation of GRD	X	
	Inspect GRD installation	X	
	Identify FOG disposal sites and distribute to grease haulers		X
	Study feasibility of FOG disposal at DDSD TP		X
	Outreach to businesses		X
	Provide information re: FOG problems to District inspector(s)	X	
	Enforcement action	X	
High Density Residential Sources	Optimize sewer cleaning	X	
	Repair/replace problem sewers	X	
	Prepare outreach materials		X
	Outreach to property managers	X	
	Enforcement action	X	
Low Density Residential Sources	Optimize sewer cleaning	X	
	Repair/replace problem sewers	X	
	Prepare outreach materials		X
	Outreach to residents	X	
Gather Information	Gather information for next SSMP update	X	
	Customer survey		X

7.5. Public Outreach Program

DDSD and City crews provide information on proper FOG disposal to residents that have experienced a FOG-related blockage or SSO.

Blockages and SSOs caused by FOG appear to be primarily from residential sources. DDSD has prepared materials/flyers to be used for a focused public education/outreach program. DDSD and the City also provide public education/outreach materials to commercial and

residential sources that are tributary to sewers that experience FOG-related stoppages and SSOs.

7.6. Acceptable FOG Disposal Facilities

A list of facilities in the San Francisco Bay Area that accept grease from grease haulers is included as Appendix 7-A. The list will be provided to commercial grease haulers regularly working within the service area. Lists of grease haulers approved by the East Bay Municipal Utility District (EBMUD) and the Sacramento Regional County Sanitation District (SRCSD) are included as Appendices 7-B and 7-C.

7.7. FOG Inspections

7.7.1. FOG Legal Authority

The City's Municipal Code is identified providing the legal basis for the FOG Source Control Program as shown in Section 3 – Legal Authority. In addition, DDS D maintains its own legal authority for inspections and enforcement.

7.7.2. Staffing

DDS D and the City provide the staffing required to inspect and enforce the FOG ordinance.

7.7.3. Facility Inspections

DDS D conducts periodic facility inspections of permitted FSEs located in identified FOG Hot Spot areas to ensure that Best Management Practices (BMPs) are being followed, that GRDs are properly installed, and that operating/maintenance requirements are being followed. The frequency of inspection is based on the historical performance of the facility. Poor performing facilities are inspected more frequently. FSEs will be inspected at least once every three years.

7.7.4. Investigation and Enforcement

DDS D and the City will work together to identify FSEs that cause FOG-related blockages or SSOs. DDS D conducts facility inspections to determine the source of the FOG in these instances.

DDS D and the City will initiate enforcement action against FSEs in their service areas that are determined to be in violation of the requirements of the FOG Control Program. Enforcement actions may include a verbal warning, a written warning, administrative orders (which may include fines), and possibly disconnection from the public sewer system.

7.8. FOG Preventative Maintenance

DDS D's and the City's preventive maintenance programs are currently focused on the problematic sewer line segments. The ongoing identification of FOG Hot Spots provides the basis for the FOG Control Program. FOG sources that cause blockages or SSOs will be included in the FOG Control Program. The results of the sewer cleaning operations will be used to revise sewer cleaning frequencies.

DDS D/City staff will provide the DDS D FOG Source Control Program Inspectors with timely notice when gravity sewers experience FOG-related blockages or SSOs.

DDSD and the City will work together to update the FOG Hot Spot areas annually and will provide preventive maintenance for gravity sewers in their service areas that are located in the FOG Hot Spot areas at the frequency required to minimize recurring FOG-related blockages and SSOs.

7.9. GRD Requirements

7.9.1. Design Standards, Plan Review, and Inspection

DDSD and the City will develop common specifications for the installation and sizing of GRDs.

The City is responsible for reviewing proposed development plans to ensure that they address the installation of GRDs.

The City has in place processes to ensure the GRDs are properly installed during new construction and remodels as part of its Code Enforcement duties.

7.9.2. Maintenance Standards and BMPs

DDSD and the City will develop common standards for the proper maintenance of GRDs. FSEs that discharge significant quantities of grease will be tracked using discharge permits administered by DDSD.

DDSD will encourage FSEs to employ BMPs as part of their efforts to control the discharge of FOG to the public sewer system. The BMPs that will be encouraged include:

- Posting “No Grease” signs over sinks and dishwasher;
- Collecting and recycling cooking oil;
- “Dry wiping” pots, pans, and kitchen equipment before cleaning with proper disposal of the wipes and grease;
- Maintaining/cleaning grease traps on a regular schedule;
- Checking grease interceptors on a regular schedule (grease and solids should not exceed 25% of interceptor depth);
- Using absorbent paper under fryer baskets;
- Using absorbent (such a rice hulls, cat litter) to pick up oil and grease spills; and
- Not using emulsifiers or solvents other than dishwashing detergents.

DDSD’s activities will include the distribution of placards and literature promoting the use of BMPs and observations/comments will be provided during facility inspections to encourage the use of BMPs.

7.9.3. Record Keeping and Reporting

DDSD and the City will work together to update the list of FSEs in each service area annually.

Appendix 7-A**FOG Disposal Sites**

The City understands that the following locations accept grease from liquid waste haulers in the San Francisco Bay Area:

Business Name	Location	Phone Number	Services
Blue Sky Bio-Fuel, Inc.	Oakland	(510) 436-6654 (415) 250-9114	Primarily yellow grease, some brown grease. Can accept 7,000 gallons/day.
East Bay Municipal Utility District (EBMUD)	Oakland	(510) 287-1632	Accepts grease.
Palo Alto Wastewater Treatment Plant	Palo Alto	(650) 329-2598	Accepts 5,000 to 6,000 gallons/day on first come first serve basis. They are in the process of increasing their ability to accept more (as of July 2008).
Sacramento Regional County Sanitation District	Sacramento	(916) 875-FATS	
Salinas Tallow	Salinas	(800) 621-9000	Will consider accepting grease from other reputable haulers. They purchase yellow grease and process the interceptor grease with residue going to landfill.
San Jose Tallow Company	San Jose	(408) 452-8777	They don't accept interceptor grease, but would consider accepting from outside haulers if it wouldn't impact any of their grease hauling routes.
South Bayside Systems Authority	Redwood City	(650) 591-7121	Accepts grease.

Appendix 7-B East Bay Municipal Utility District (EBMUD) Approved Grease Haulers

EBMUD Approved Grease Haulers
 East Bay Municipal Utility District, Environmental Services Division
 Telephone (510) 287-1651

Name	Phone Number
A-1 Septic Tank Service, Inc.	(510) 886-4455
A-1 – Little River	(707) 937-0496
Able Septic Tank Service	(408) 377-9990
All Valley Environmental, Inc.	(559) 498-8378 or (559) 217-5949
Ameriguard Maintenance Services	(800) 347-7876
Blue Sky Bio-Fuels	(510) 868-9229
Burr Plumbing and Pumping	(408) 287-2877
Coast Environmental	(800) 588-7762
Darling International, Inc.	(415) 647-4890
Ernie's Plumbing	(925) 228-5242
Joe's Farmers Septic and Grease Service	(707) 546-3236
Liquid Environmental Solutions of California	(866) 694-7327
North Coast Sanitary	(707) 884-1095
Pioneer Liquid Transport	(800) 366-6808
Portosan – Santa Rosa	(707) 566-2000
R & D Grease Trap Cleaning	(707) 632-5827
Roto Rooter Plumbing	(510) 483-2324
SRC Pumping Company	(916) 363-1342
Trap Recyclers	(800) 994-7867

Appendix 7-C Sacramento Regional County Sanitation District Approved Grease Haulers

SRCSD Approved Grease Haulers as of July 2008.

Sacramento Regional County Sanitation District (SRCSD)

Telephone (916) 875-FATS

Name	Address	Phone Number
A-1 Septic Service	P.O. Box 762 West Sacramento, CA 94591	(916) 371-4160
ABC Plumbing, Heating & Air Conditioning	205 22 nd Street, Sacramento, CA 95816	(916) 448-0801
Ace Plumbing, Heating & Air	4405 Franklin Blvd., Sacramento, CA 95820	(916) 422-2333
Advanced Septic Service	6513 Auburn Blvd., Citrus Heights, CA 95621	(916) 726-5150
All Pumping & Septic	1289 Sonoma Avenue, Sacramento, CA 95815	(916) 925-1333
All Valley Environmental Inc.	523 N. Brawley Avenue, Fresno, CA 93706	(559) 498-8378
Ameriguard Maintenance Services, LLC	4681 E. Vine Avenue, Fresno, CA 93725	(559) 497-2925
APS Environmental, Inc	6643 32 nd Street 103, North Highlands, CA 95660	(916) 454-2000
Best Construction & Maintenance Inc.	8550 Jackson Road, Sacramento, CA 95826	(916) 383-4533
Chuck & Auburn Septic	4504 Yankee Hill Ct., Rocklin, CA 95677	(916)624-8500
Cook's Portable Toilets & Septic	1402 Riosa Road, Lincoln CA 95648	(916) 645-8560
Darling International	11946 Carpenter Road, Crows Landing, CA 95313	(209) 667-9153
C & C Septic Service	12851 Stockton Blvd., Galt, CA 95632	(916) 366-1111
Howard's Grease Trap Pumping	8185 Cashel Way, Sacramento, CA 95829	(916) 681-0433
Liquid Environmental Solutions of CA	Corporate office, 12626 High Bluff Drive, Suite 240, San Diego, CA 92130-2070	
Roto Rooter Plumbers	2551 Albatross Way, Sacramento, CA 95815	(916) 482-1422
Sacramento Rendering Company	dba SRC Pumping Co., P.O. Box 276424, Sacramento, CA 95830	(916)363-4821
Sweet Septic Systems	5701 Mother Lode Drive, Placerville, CA 95667	(916) 622-8768

Section 8. System Evaluation and Capacity Assurance Plan

8.1. Introduction

This section of the SSMP presents the City's programs and activities to provide adequate capacity.

8.2. GWDR Requirements for System Evaluation and Capacity Assurance Plan Element of SSMP

The summarized requirements for the System Evaluation and Capacity Assurance Plan (SECAP) element of the SSMP preparation and implementation of a capital improvement plan (CIP) that will provide hydraulic capacity of key sanitary sewer system elements for dry weather and peak flow conditions, as well as the appropriate design storm for wet weather events. At a minimum, the plan must include:

- (a) **Evaluation:** Evaluate those portions of the sanitary sewer system experiencing or contributing to SSO discharges caused by hydraulic deficiency. The evaluation must provide estimates of peak flows (including flows from SSOs that escape from the system) associated with conditions similar to those causing overflow events, estimates of the capacity of key system components, hydraulic deficiencies (including components of the system with limiting capacity), and the major sources that contribute to the peak flows associated with overflow events.
- (b) **Design Criteria:** Where design criteria do not exist or are deficient, undertake the evaluation identified in (a) above to establish appropriate design criteria.
- (c) **Capacity Enhancement Measures:** The steps needed to establish a short- and long-term CIP to address identified hydraulic deficiencies, including prioritization, alternatives analysis, and schedules. The CIP may include increases in pipe size, inflow and infiltration (I/I) reduction programs, increases and redundancy in pumping capacity, and storage facilities. The CIP shall include an implementation schedule and shall identify sources of funding.
- (d) **Schedule:** Develop a schedule of completion dates for all portions of the capital improvement program developed in (a)-(c) above. This schedule shall be reviewed and updated consistent with the SSMP review and update requirements.

8.3. Evaluation – Collection System Master Plan

The City completed a Sewer System Master Plan in September 2003 (Master Plan). The master planning effort included flow monitoring, elevation surveys, and the development of a hydraulic model.

Flows were monitored in 15 sewer basins. The flow monitoring was conducted during December 2002 and January 2003 and captured flow data for three major storm events.

Manhole rim and invert elevations were measured for 751 of the 809 manholes in the hydraulic model.

The criteria used for judging the capacity of a gravity sewer were:

< 12 inch diameter

Maximum d/D < 0.75

12 inch diameter and larger Maximum d/D < 0.90

The flows were estimated using the HYDRA 6.2 flow modeling software, all gravity sewers 10 inches in diameter and larger, and a 5 year – 24 hour return interval design storm

The Master Plan identified 211 gravity sewer line segments (60,100 feet) that needed additional capacity in order to handle the current flows associated with the design storm event; 24 hydraulic bottlenecks (short sections with capacity limitations) with a total length of 7,500 feet to be corrected; and 45 gravity sewer line segments with negative slope (10,500 feet) that could be anticipated to provide ongoing maintenance issues. The Master Plan also identified 31 additional gravity sewer line segments (11,500 feet) that would need additional capacity to support anticipated development in the northwestern part of the City. The projects to address the capacity-related issues were organized into six construction phases. The recommended projects and phases are shown on Appendix 8-A.

[add paragraph here re: PACP]

The current status of the capacity improvement projects identified in Master Plan is shown on Appendix 8-A.

8.4. Design Criteria

The capacity-related design criteria, including base wastewater flow and peaking factors, are included in Section 4 - Design and Performance Provisions.

8.5. Capacity Enhancement Measures - Capital Improvement Program

The City prepares an annual list of capital improvement projects that includes projects to address known collection system capacity issues. Public Works Engineering Staff prioritize and select the projects to be included on the annual list. Alternatives are analyzed and schedules are established during the design process. The City's CIP funding for sewer main capacity improvements is shown on Table 8-1.

Table 8-1: Sewer Main Capacity Improvement Funding

Fiscal Year	Sewer Expansion Fund
2012/2013	\$3,650,000
2013/2014	\$2,410,000
2014/2015	\$3,470,000

8.6. Schedule

The schedule for the City's capacity improvement projects is included in the City's CIP Detailed Budget which is included as Appendix 8-B.

8.7. References

Wastewater Collection System Master Plan, Winzler & Kelly, September 2, 2003.

Appendix 8-A: Capital Improvement Program Detailed Budget

Phase	Project	Length	Start Point	Probable Cost*	Project Status
1	1a	1,684	Lemontree Way & 'L' Street	\$500,000	Under Construction
	1b	197	West of Rio Grande Drive & Santa Barbara Way	\$150,000	Under Construction
	1c	7,711	County Hills Drive & Hillcrest Avenue	\$3,000,000	Under Design
2	2a	6,114	East 19th Street & A Street	\$1,700,000	Under Design
	2b	594	East Tregallas Road & Patricia Avenue	\$180,000	Not Initiated
	2c	346	Sunset Drive & Cavallo Road	\$100,000	Not Initiated
	2d	1,546	Eisenhower Way & Belle Drive	\$430,000	Not Initiated
3	3a	340	'G' Street & Gloucester Court	\$110,000	Not Initiated
	3b	2,252	West of Contra Loma Boulevard & Fitzuren Road	\$970,000	Not Initiated
	3c	1,821	West Antioch Creek & Sycamore Drive	\$890,000	Not Initiated
	3d	2,798	West 10 th Street & 'O' Street	\$1,500,000	Not Initiated
4	4a	3,738	Lone Tree Way & Hillcrest Avenue	\$2,570,000	Not Initiated
	4b	4,147	Lone Tree Way & Sagebrush Drive	1,750,000	Not Initiated
	4c	3,303	Lone Tree Way & Mokulumne Drive	\$1,400,000	Not Initiated
5	5a	1,446	West Antioch Creek & West 6 th Street	\$680,000	Not Initiated
	5b	1,907	North of Poppy Way & Aster Drive	\$650,000	Not Initiated
	5c	2,775	Hillcrest Avenue & Lone Tree Way	\$1,210,000	Not Initiated
	5d	3,994	Prewett Ranch Drive & Hillcrest Avenue	\$1,650,000	Not Initiated
6	6a	2,644	Lone Tree Way & Heidorn Ranch Road	\$1,820,000	Not Initiated
7	7a	5,305	North of Empire Avenue & Lone Tree Way	\$2,420,000	Not Initiated
	7b	1,760	Manhole J24-8-003	\$1,100,000	Not Initiated
8	8a	3,566	Manhole G24-2-002	\$1,790,000	Not Initiated
	8b	4,192	Manhole H24-1-004	\$1,670,000	Not Initiated
	8c	2,359	Manhole H24-6-004	\$1,380,000	Not Initiated
Totals		66,539		\$29,810,000	

* Probable costs are shown in August 2012 \$ (Engineering News Record Construction Cost Index = 9,351)

Appendix 8-B:

Schedule for Capacity Improvement Projects

Phase	Project	Length	Start Date	Project Status
1	Lemontree Way & 'L' Street	1,684	May 2012	Under Construction
1	West of Rio Grande Drive & Santa Barbara Way	197	September 2012	Under Construction
1	County Hills Drive & Hillcrest Avenue	7,711	Spring 2013	Under Design
2	East 19th Street & A Street	6,114		
2	East Tregallas Road & Patricia Avenue	594		
2	Sunset Drive & Cavallo Road	346	Fall 2013	Under Design
2	Eisenhower Way & Belle Drive	1,546	Fall 2013	Not Initiated
2	'G' Street & Gloucester Court	340	Fall 2013	Not Initiated
3	West of Contra Loma Boulevard & Fitzuren Road	2,252	Spring 2014	Not Initiated
3	West Antioch Creek & Sycamore Drive	1,821	Summer 2014	Not Initiated
3	West 10 th Street & 'O' Street	2,798	Summer 2014	Not Initiated

Section 9. Monitoring, Measurement, and Program Modifications

9.1. Introduction

This section of the SSMP presents the City's Monitoring, Measurement, and Program Modifications (MMPM).

9.2. GWDR Requirements for Monitoring, Measurement, and Program Modifications Element of SSMP

The requirements for the Monitoring, Measurement, and Program Modifications element of the SSMP are that the City shall:

- (a) Maintain and update relevant information used to establish and prioritize appropriate SSMP activities;
- (b) Monitor the implementation and, where appropriate, measure the effectiveness of each element of the SSMP;
- (c) Assess the success of the preventative maintenance program;
- (d) Update program elements, as appropriate, based on monitoring or performance evaluations; and
- (e) Identify and illustrate SSO trends, including: frequency, location, and volume.

9.3. Performance Measures

The indicators that the City uses to measure the performance of its wastewater collection system and the effectiveness of its SSMP are:

- Total number of SSOs (from gravity sewers and lower laterals);
- Number of SSOs for each cause (roots, grease, debris, pipe failure, capacity, pump station failures, and other);
- Portion of sewage contained/recovered compared to total volume spilled,
- Volume of spilled sewage discharged to surface water, if any, and
- Comparison of planned to actual performance for preventive maintenance.

9.4. Baseline Performance

The baseline performance, which shows the performance of the City's wastewater collection system, is shown on Table 9-1.

Trend and geospatial analysis will be added in future years as data becomes available for analysis.

Table 9-1: Baseline Performance January 2008 through December 2011

Performance Indicator	Calendar Year 2008		Calendar Year 2009		Calendar Year 2010		Calendar Year 2011	
	Mains	Laterals	Mains	Laterals	Mains	Laterals	Mains	Laterals
Size of System, miles	290	162.7	297	162.7	297	162.7	297	162.7
Number of SSOs	9	32	8	18	14	52	4	27
SSO Rate/100 Miles/Year	3.1	19.8	2.7	11	4.7	31.9	1.35	16.6
Volume, gallons	8,020	3,051	3,139	122	1,547	350	895	108
Portion Recovered	93%	77%	100%	72%	95%	84%	97%	77%
Portion to Surface Waters ⁶	7%	3%	0%	0%	0%	0%	0%	0%
Average Volume, gallons/SSO	891	95	392	6.8	110.5	6.7	223.8	4.3

9.5. Performance Monitoring and Program Changes

The City evaluates the performance of its wastewater collection system at least annually using the performance measures identified in Section 9.3 - Performance Measures. The City updates the data and analysis of performance measures at the time of the evaluation.

The City may use other performance measures in its evaluation. The City will prioritize its actions and initiate changes to this SSMP and the related programs based on the results of the evaluation.

⁶ The portion recovered and portion to surface waters does not in every case equal 100% because often portions of the SSO are to land, or evaporate, and are unable to be fully recovered.

Section 10. SSMP Program Audits

10.1. Introduction

This section of the SSMP presents the process that the City will follow to audit its SSMP Program.

10.2. GWDR Requirements for the SSMP Program Audits Element

The regulatory requirements for the SSMP include conducting periodic internal audits, appropriate to the size of the system and the number of SSOs. At a minimum, these audits must occur every two years and a report must be prepared and kept on file. This audit focuses on evaluating the effectiveness of the SSMP and the Enrollee's compliance with the SSMP requirements, including identification of any deficiencies in the SSMP and steps to correct them.

10.3. SSMP Audits

The City audits its SSMP periodically. The audit determines whether the SSMP meets the current requirements of the GWDR, whether the SSMP reflects the City's current practices, and whether the City is following the SSMP. The first audit was completed on March 1, 2010 and covered CY 2008 and 2009.

The audits are conducted by a team consisting of City Public Works Department staff. Audit teams may also include members from other areas of the City, outside agencies, and/or contractors.

The scope of the audit covers each of the sections of the SSMP. The Audit Checklist, based on the requirements in the GWDR, is used for the audits.

The results of the audits are included in an SSMP Audit Report. The SSMP Audit Report focuses on the effectiveness of the SSMP Program, compliance with the GWDR requirements, and identification of any deficiencies in the SSMP. The SSMP Audit Report identifies revisions needed for a more effective program. Information collected as part of Section 9 - Monitoring, Measurement, and Program Modifications are also reviewed during the audits. Tables and figures or charts are used in the Audit Report to summarize trends in the performance indicators. The Audit Report includes a list of any changes made to the SSMP resulting from the Audit findings. The Audit Report will be completed by March 1st following each audit year. Copies of the bi-annual Audit Reports will be maintained by the City for five years.

10.4. SSMP Updates

The City will update its SSMP at least every five years. The City will determine the need to update its SSMP more frequently based on the results of audits and the performance of its sanitary sewer system using information from the Monitoring and Measuring Program. In the event that the City decides that an update is warranted, the process to complete the update will be identified at that time.

The City Staff will seek the approval from the City Council for any significant changes to the SSMP. The authority for approval of minor or non-substantive changes, such as the modification of employee names and contact information, or procedural changes is delegated to the Director of Public Works.

Appendix 10-A: SSMP Audit Checklist

Audit Date _____

Audit Team Members _____

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
1	Goals	Reduce, prevent, and mitigate SSOs			
2	Organization	Designate LRO			
		Names and phone numbers for key management personnel			
		Names and phone numbers for key administrative personnel			
		Names and phone numbers for key maintenance personnel			
		Chain of communication for reporting SSOs			
3	Legal Authority	Prevent illicit discharges to sanitary sewer system			
		Require sewers and connection be properly designed and constructed			

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
		Ensure access for inspection, maintenance, and repairs (includes public portion of lateral)			
		Limit discharge of FOG and debris that may cause blockages			
		Require the installation of grease removal devices			
		Ability to inspect FOG producing facilities			
		Enforce violations of the City's sewer ordinances			
4	O&M Program	Maintain up-to-date maps of the sanitary sewer system			
		Describe routine preventive maintenance program			
		Document completed preventive maintenance using system such as work orders			
		Rehabilitation and replacement plan that identifies and prioritizes sanitary sewer system defects			

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
		Provide regular technical training for City sanitary sewer system staff			
		Require contractors to provide training for their workers who work in the City's sanitary sewer system facilities			
		Maintain equipment inventory			
		Maintain critical spare part inventory			
5	Design and Performance Provisions	Design and construction standards for new sanitary sewer system facilities			
		Design and construction standards for repair and rehabilitation of existing sanitary sewer system facilities			
		Procedures for the inspection and acceptance of new sanitary sewer system facilities			
		Procedures for the inspection and acceptance of repaired and rehabilitated sanitary sewer system facilities			
6	OERP	Procedures for the notification of primary responders			

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
		Procedures for the notification of regulatory agencies			
		Program to ensure appropriate response to all SSOs			
		Proper reporting of all SSOs			
		Procedure to ensure City staff are aware of and follow OERP			
		Procedure to ensure City staff are trained in the OERP procedures			
		Procedure to ensure contractor personnel are aware of and follow OERP			
		Procedure to ensure contractor personnel are trained in the OERP procedures			
		Procedures to address emergency operations such as traffic and crowd control			
		Program to prevent the discharge of sewage to surface waters			
		Program to minimize or correct the impacts of any SSOs that occur			

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
7	FOG Control Program	<p>Program of accelerated monitoring to determine the impacts of any SSOs that occur</p> <p>Public outreach program that promotes the proper disposal of FOG</p> <p>Plan for the disposal of FOG generated within the City's service area</p> <p>Demonstrate that the City has allocated adequate resources for FOG control</p> <p>Identification of sanitary sewer system facilities that have FOG-related problems</p> <p>Program of preventive maintenance for sanitary sewer system facilities that have FOG-related problems</p>			
8	SECAP	<p>Identification of elements of the sanitary sewer system that experience or contribute to SSOs caused by hydraulic deficiencies</p> <p>Established design criteria that provide adequate capacity</p>			

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
		Short term CIP that addressed known hydraulic deficiencies			
		Long term CIP that addressed known hydraulic deficiencies			
		Procedures that provide for the analysis, evaluation, and prioritization of hydraulic deficiencies			
		The short and long term CIPs include schedules for the correction of each identified hydraulic deficiency			
9	Monitoring, Measurement, and Program Modifications	Maintain relevant information to establish, evaluate, and prioritize SSMP activities			
		Monitor implementation of the SSMP			
		Measure, where appropriate, performance of the elements of the SSMP			
		Assess success of the preventive maintenance program			
		Update SSMP program elements based on monitoring or performance			

Section	Title	Requirement	SSMP Meets Current Requirements?	SSMP Current?	SSMP Implemented?
10	SSMP Program Audits	Identify and illustrate SSO trends Conduct periodic audits Record the results of the audit in a report			
		Record the changes made and/or corrective actions taken			
11	Communications Program	Communicate with the public regarding the preparation of the SSMP Communicate the public regarding the performance of the SSMP Communicate with tributary or satellite sewer systems			

Section 11. Communication Program

11.1. Introduction

This section of the SSMP presents the process involved in communicating with interested members of the public regarding the development, implementation, and performance of this plan. This Communication Program also addresses communication between Antioch, DDSD, and Pittsburg.

11.2. GWDR Requirements for the Communications Program Element of SSMP

The Communication Program requirements from the GWDR includes communication on a regular basis with the public on the development, implementation, and performance of its SSMP. The communication system shall provide the public the opportunity to provide input as the SSMP is developed and implemented.

The City shall also create a plan of communication with systems that are tributary and/or satellite to the City's sanitary sewer system.

11.3. Communication Regarding SSMP Development and Implementation

The City posted the following notice on its website to inform interested members of the public a copy of the SSMP is available for review at the Public Works Yard. The notice stated:

City of Antioch Sewer System Management Plan (SSMP)

Pursuant to State Water Resources Control Board Order 2006-0003-DWQ, Statewide General Discharge Requirements of Sanitary Sewer Systems, the City of Antioch has developed and implemented a Sewer System Management Plan (SSMP). The goal of the SSMP is to minimize the frequency and severity of sanitary sewer overflows. The SSMP covers the management, planning, design, and operation and maintenance of the agency's sanitary sewer system. The development process began in January 2007 and was completed April 2009 and was first adopted by Council on April 28, 2009. ([SSMP Staff Report](#)).

The SSMP is available for review at the Department of Public Works, 1201 West 4th Street, during normal business hours ([Department Home Page](#)). Interested parties can contact Mike Bechtholdt at (925) 779-6953 or mbechtholdt@ci.antioch.ca.us for additional information.

11.4. Communicating Sanitary Sewer System Performance

The City reports SSOs electronically to the California Integrated Water Quality System (CIWQS). The electronic SSO data are available by agency or region at: www.waterboards.ca.gov/ciwqs/publicreports.html

The City placed a notice on its website that the sanitary sewer performance information is available at the CIWQS public access website. The notice is:

Sanitary Sewer System Performance

Effective August 2007, the City began reporting SSOs electronically to the California Integrated Water Quality System (CIWQS). The electronic SSO data, as well as information regarding regulatory actions, is available at: www.waterboards.ca.gov/ciwqs/publicreports.html

11.5. Communication with Tributary/Satellite Sanitary Sewer Systems

The City is a satellite sanitary sewer system that discharges into DDSD's conveyance system and wastewater treatment plant. The City, the City of Pittsburg, and DDSD work together to develop and implement their SSMPs. The primary means of communication is through the SSMP Coordinating Committee that meets regularly. Each of the three agencies is represented on the committee and can place items on the committee meeting agenda.

The regular opportunities for communication include:

- Semi-annual SSMP Coordinating Committee meetings
- Annual Training Events, including SSMP refresher training and emergency response drills
- SSMP Program Audits – The three agencies intend to form an Audit Task Force with representation from each agency for the purpose of conducting the mandated SSMP Program Audits (see Section 10 - SSMP Program Audits for details).

The point of contact at each of the three agencies to communicate any SSMP-related issues is:

City of Antioch	Mike Bechtholdt	(925) 779-6953	mbechtholdt@ci.antioch.ca.us
DDSD	Mike Dixon	(925) 778-4040	miked@ddsd.org
City of Pittsburg	Walter Pease	(925) 756-1921	wpease@ci.pittsburg.ca.us

**STAFF REPORT TO THE ANTIOCH CITY COUNCIL
FOR CONSIDERATION AT THE COUNCIL MEETING OF JANUARY 22, 2013**

BY: Dawn Merchant, Finance Director

DATE: January 14, 2013

SUBJECT: City of Antioch - Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2012

Recommendation

Receive and file the following:

1. Comprehensive Annual Financial Report For The Fiscal Year Ended June 30, 2012.

Background

As required by State law, the City must publish a complete set of financial statements at the close of each fiscal year audited by a firm of licensed certified public accountants. This year's comprehensive annual financial report was audited by Badawi & Associates, Certified Public Accountants.

As stated in the Independent Auditor's Report, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Antioch, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, in conformity with generally accepted accounting principles.

Report to Management

Along with auditing the City's books, the auditors evaluate the financial system's internal accounting controls and structure as required by generally accepted auditing standards. There were no recommendations for improvement for Fiscal Year 2012.

Attachment: Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2012

City of Antioch, California

Comprehensive Annual
Financial Report



For the Fiscal Year Ended
June 30, 2012

CITY OF ANTIOCH, CALIFORNIA

**Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2012**

**Prepared By
Department of Finance**

City of Antioch Comprehensive Annual Financial Report

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**City of Antioch
Comprehensive Annual Financial Report**

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Office of the City Manager
P.O. Box 5007, Antioch, CA 94531-5007

Phone 925.779-7011
Fax 925.779-7054

December 5, 2012

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Antioch:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2012.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Badawi & Associates, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Antioch's financial statements for the year ended June 30, 2012. The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Antioch, incorporated in 1872, is located in the western part of the state and is the third largest city in Contra Costa County. California State Highway 4, connecting San Francisco-Oakland with Stockton and Central Valley points, bisects the City. Connecting with this freeway east of Antioch is State Highway 160, running north to Sacramento, across the Nejedly Bridge, offering access to Solano County and the Sacramento area. The City of Antioch currently occupies a land area of approximately 29 square miles and serves a population of about 103,833 residents. The City of Antioch receives property taxes levied on real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time-to-time.

The City of Antioch has operated under the Council-Manager form of government since 1872. Policy-making and legislative authority are vested in a City Council consisting of the Mayor and four other Council members. The four Council members are elected to four-year overlapping terms. The Mayor, who sits on the Council, is elected directly by the people and serves a term of four years. The City Clerk and City Treasurer are also elected for terms of four years. The City Council is responsible, among other duties, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The Antioch's City Manager is responsible for carrying out the policies and ordinances of the City Council and all management functions of the City, including the budget, delivery of services, hiring of all Department Directors, and implementation of capital projects.

The City of Antioch provides a wide range of municipal services, including police protection; recreational activities; community and economic development; street improvements and maintenance services; parks maintenance; water; sewer; general administrative and support services. The City does not provide fire services.

The annual budget serves as the foundation for the City of Antioch's financial planning and control. All departments of the City of Antioch are required to submit requests for appropriations to the City Manager by April 1. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents the proposed budget to the City Council for review prior to June 30. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30, the close of the City of Antioch's fiscal year. At mid-period of the budget cycle, the City Council reviews the budget and makes adjustments as needed to the appropriations.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department managers may make transfers of appropriations within a department. The level of budgetary control, that is, the level at which expenditures cannot legally exceed the appropriated amount, is established at the individual fund level. Expenditures above the appropriated amount require the special approval of the City Council.

Local economy: Overall, the local economy remains relatively sluggish after multiple years of rapid growth in the retail and employment sectors. Vacancies in many of the strip malls and the City's downtown business core continue. A positive sign, however, is the Lakeview Center on the NW corner of Lone Tree Way at Golf Course Rd., which is located on the drive-side for commuters returning home along the heavily-traveled Lone Tree corridor. This development project by Reynolds & Brown – which previously completed its Bluerock Business Center across the street – has resulted in the completion of a CVS and the 2012 opening of a Fresh & Easy Neighborhood Market, a chain owned by the British grocer Tesco.

Continuing through 2015, more than \$1 billion from various sources will continue to be spent on the current Highway 4 widening and the approved eBART project at the Hillcrest Station area in Antioch. The Water Emergency Transportation Authority has completed its environmental assessment, with the report slated to be presented to the City Council in January 2013, of the proposed Ferry Terminal station location in Downtown Antioch in a project envisioned to connect commuters to San Francisco, with a potential stop in Martinez and/or Hercules.

The Contra Costa County region, which includes the City of Antioch, has a civilian unemployment rate of 8.50% while the City's current unemployment rate is 9.60%. Antioch's population grew about 7.34% between 2002 and 2012 while the overall Contra Costa County growth rate during this corresponding time period was about 6.67%.

Current period financial information: The City continues to be challenged by the economic uncertainties felt nationwide and throughout the world. The City continues to experience declines in General Fund revenue particularly property taxes at 9.8% over two years. The City continues to face the task of bringing significantly reduced revenues in line with General Fund Budget expenditures to address the budgetary difficulties brought on by the struggling economy. Some of the ways in which the City has addressed this issue include: utilization of one-time revenues; successful pursuit of grant monies; concessions from employee bargaining units; workforce reductions; furloughs; mandatory reductions in departmental supplies, services and training budgets; and use of reserve funds. The City's steadfast goal is to reduce expenditures and align those costs with the existing revenue stream, which will allow the City to provide a basic level of services and continue to maintain General Fund reserves that meet City Council policy.

Long-term financial planning: Job development and expansion of the City's retail sales tax base are important factors for Antioch's economic health. With flat property and moderate increases in sales taxes projected in the upcoming fiscal year, the City has continued its efforts to attract companies with high-paying jobs. Employment within the City is estimated to consist of approximately 22,680 jobs.

The City Council recognizes the importance of maintaining a serviceable network of local and regional roads. Like most cities in the state, Antioch is dependent on a combination of local, state and federal revenue to support that work. An analysis of the current condition of all roads in Antioch, along with a recommendation regarding the level at which the roads can be maintained in the long term, is an annual undertaking that maintains our eligibility for continued federal road-repair funding; in addition to federal funding, other funding sources are continually being reviewed and sought after when appropriate.

In addition to the City's roads, water processing and distribution facilities, sidewalks, parks, medians, trails, open space, sanitary sewers, storm water sewers, street lights, traffic signals, fiber optic cabling, marina, the Prewett Water Park and other public buildings provide the framework and infrastructure that contributes to Antioch's quality of life. The better-maintained and adequately sized they are, the greater the opportunity for commerce, health, recreation and mobility within the community. Budgets include contributions toward the maintenance of these facilities and staff continues to look for new opportunities for funding of maintenance and replacement of infrastructure.

The most fundamental expectation of any community is public safety for its people and their property. An adequately staffed, well-trained and equipped police department is one of the keys to meeting that expectation. Historically, the Police Department has accounted for the most significant expenditure of General Fund revenues.

Strategies for increasing revenues and reducing expenditures in the General Fund are under continuous development and review. The City will aggressively focus on these strategies in the upcoming fiscal year as the state and nation continue to face turbulent financial times that ultimately trickles down to all local agencies.

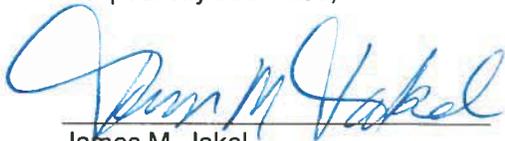
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Antioch for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2011; this was the twenty-second consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

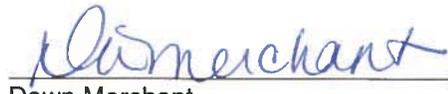
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department, particularly Dawn Merchant and Jo Castro. I would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the financial management of the City of Antioch.

Respectfully submitted,



James M. Jakel
City Manager



Dawn Merchant
Finance Director

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**CITY OF ANTIOCH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**ELECTED OFFICIALS AND
ADMINISTRATIVE PERSONNEL**

JUNE 30, 2012

ELECTED OFFICIALS

**Jim D. Davis, Mayor
Wade Harper, Mayor Pro-Tem
Brian Kalinowski, Council Member
Mary Helen Rocha, Council Member
Gary Agopian, Council Member
Donna Conley, City Treasurer
Denise Skaggs, City Clerk**

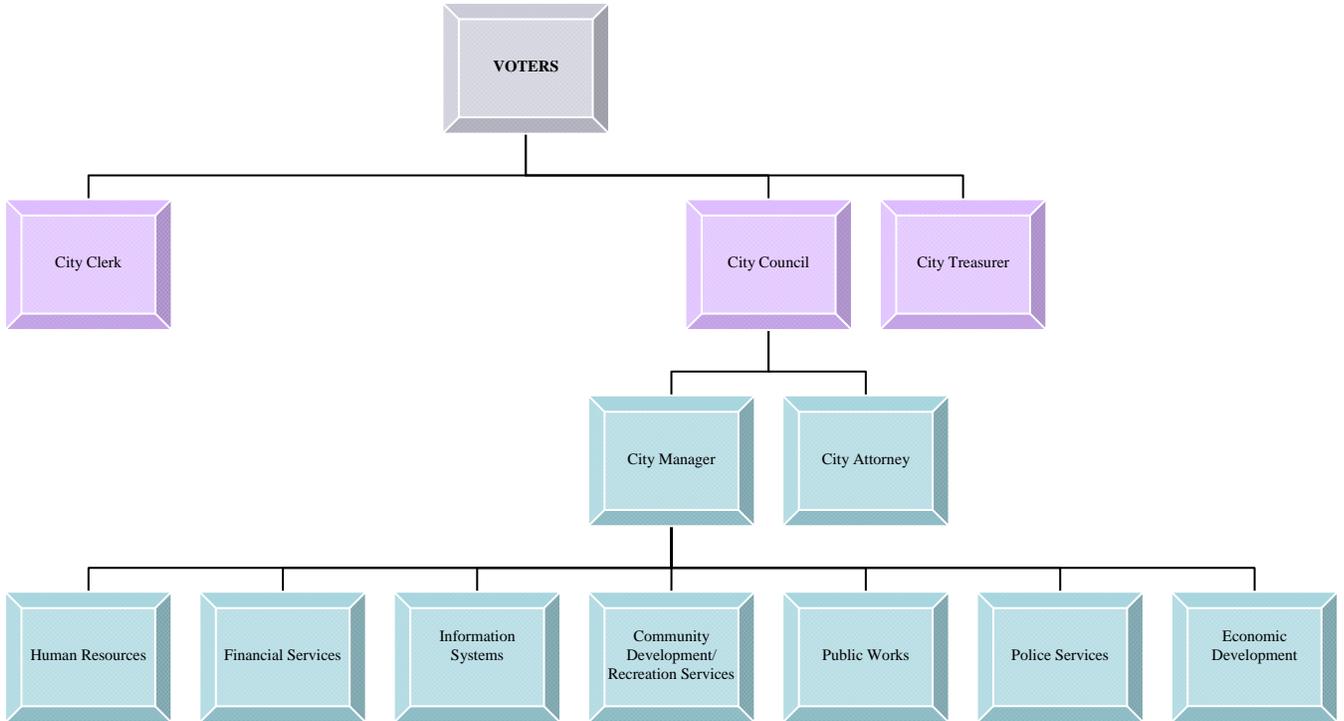
ADMINISTRATIVE PERSONNEL

City Manager
City Attorney
Public Works Director
Chief of Police
Community Development Director
Finance Director
Human Resources Director
Information Services Director

James M. Jakel
Lynn Tracy Nerland
Ron Bernal
Allan Cantando
Tina Wehrmeister
Dawn Merchant
Deborah McHenry
Alan Barton

City of Antioch
Third & "H" Streets, P.O. Box 5007
Antioch, California 94531-5007
www.ci.antioch.ca.us

City of Antioch-Organization of City Government



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Antioch
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Dandson

President

Jeffrey R. Enev

Executive Director



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Antioch
Antioch, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City Antioch, California (City), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2012, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

To the Honorable Mayor and Members of the City Council
of the City of Antioch
Page 2

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for major governmental funds, and funded status of pension and other post-employment benefit plans on pages 3 through 10, pages 79 through 84 and page 85 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, budget comparison information for non-major governmental funds and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the budget comparison information for non-major governmental funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Badawi and Associates
Certified Public Accountants
Oakland, California
December 5, 2012

CITY OF ANTIOCH
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012

As management of the City of Antioch, we offer readers of the City of Antioch's financial statements this narrative overview and analysis of the financial activities of the City of Antioch for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-ix of this report.

Financial Highlights

- The assets of the City of Antioch exceeded its liabilities at the close of the most recent fiscal year by \$550,509,812 (net assets). Of this amount, \$54,298,355 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$8,784,852 due mainly to the abolishment of redevelopment with the passage of AB 1X 26. Removal of the assets and liabilities of the former Antioch Development Agency resulted in a positive extraordinary item recognized in the financial statements.
- As of the close of the current fiscal year, the City of Antioch's governmental funds reported ending fund balances of \$42,470,337, an increase of \$2,800,498 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,036,561, or 21.3% of total General Fund expenditures, and 21.9% of total General Fund revenues.
- The City of Antioch's total long-term obligations for governmental activities decreased by \$11,363,537 and total long-term obligations for business-type activities increased by \$3,900,286.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Antioch's basic financial statements. The City of Antioch's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Antioch's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City of Antioch's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Antioch is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Antioch that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Antioch include general government, public works, public safety, parks and recreation and community development. The business-type activities of the City of Antioch include water and sewer utilities; a marina and a water park facility.

The government-wide financial statements include not only the City of Antioch itself (known as the primary government), but also a legally separate development agency and a legally separate public financing authority. Financial information for these component units is blended with the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 13-17 of this report.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Antioch, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Antioch can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Antioch maintains fifty-five individual funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, and three special revenue funds (Housing and Community Development, Gas Tax and Housing Successor Fund) all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages **21-28** of this report.

The City of Antioch adopts an annual appropriated budget for all its funds. A budgetary comparison schedule has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget.

Proprietary funds. The City of Antioch maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Antioch uses enterprise funds to account for its Water, Sewer, Marina and Prewett Water Park funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Antioch's various functions. The City of Antioch uses internal service funds to account for its vehicle repair and replacement, office equipment replacement, post employment medical benefits and loss control functions. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, Marina and Prewett Water Park funds. The Water, Sewer, Marina and Prewett Water Park funds are considered to be major funds of the City of Antioch. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages **29-32** of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Antioch's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page **33** of this report.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages **37-75** of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Antioch, assets exceeded liabilities by \$550,509,812 at the close of the most recent fiscal year.

By far the largest portion of the City of Antioch's net assets (82%) reflects its investment in capital assets (e.g., infrastructure (including water and sewer pipes), land, structures and improvements and equipment), less any related debt used to acquire those assets that are still outstanding. The City of Antioch uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Antioch's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-type Activities		TOTAL	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 77,315,351	\$ 72,577,605	\$ 42,943,324	\$ 35,782,711	\$ 120,258,675	\$ 108,360,316
Capital assets	333,573,486	338,980,121	153,919,289	155,638,224	487,492,775	494,618,345
Total assets	410,888,837	411,557,726	196,862,613	191,420,935	607,751,450	602,978,661
Current and other liabilities	9,843,639	7,397,854	3,018,647	2,013,244	12,862,286	9,411,098
Long-term obligations	34,411,663	45,775,200	9,967,689	6,067,403	44,379,352	51,842,603
Total liabilities	44,255,302	53,173,054	12,986,336	8,080,647	57,241,638	61,253,701
Net assets:						
Invested in capital assets,						
net of related debt	302,098,856	295,764,119	149,127,290	150,007,843	451,226,146	445,771,962
Restricted	43,431,026	48,610,708	1,554,285	1,476,245	44,985,311	50,086,953
Unrestricted	21,103,653	14,009,845	33,194,702	31,856,200	54,298,355	45,866,045
Total net assets	\$ 366,633,535	\$ 358,384,672	\$ 183,876,277	\$ 183,340,288	\$ 550,509,812	\$ 541,724,960

An additional portion of the City of Antioch's net assets (8.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$54,298,355) may be used to meet the government's ongoing obligations to citizens and creditors.

The government's total net assets increased by \$8,784,852 mainly due to the abolishment of redevelopment with the passage of AB 1X 26 by the California state legislature. Assets and liabilities of the former redevelopment were transferred to a private purpose trust fund and resulted in a net extraordinary gain in the current fiscal year. At the end of the current fiscal year, the City of Antioch is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its business-type activities.

Current and other assets increased by \$11,898,359 primarily due to increases in cash and investment balances and a balance due from the Successor Agency trust.

Current and other liabilities increased by \$3,451,188 due mainly to increased accounts payable, unearned revenue and net OPEB obligation.

Long-term obligations decreased \$7,463,251 due to the net of the removal of redevelopment agency debt of \$9,661,132 due to the abolishment of redevelopment and scheduled debt service payments. The debt of the former redevelopment agency is now accounted for in a private purpose trust fund.

Governmental and Business-Type Activities. Governmental activities increased the City of Antioch's net assets by \$8,248,863. There was an increase of \$535,989 in net assets reported in connection with the City of Antioch's business-type activities.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

CHANGE IN NET ASSETS

	Governmental Activities		Business-type Activities		TOTAL	
	2012	2011	2012	2011	2012	2011
Revenue:						
Program revenues:						
Charges for services	\$ 7,876,259	\$ 7,706,301	\$ 29,440,175	\$ 27,704,814	\$ 37,316,434	\$ 35,411,115
Operating grants and contributions	9,801,496	9,845,834	-	-	9,801,496	9,845,834
Capital grants and contributions	1,895,647	8,567,822	1,331,886	2,163,621	3,227,533	10,731,443
General revenues:						
Property tax	10,638,137	14,425,200	-	-	10,638,137	14,425,200
Sales tax	10,475,632	9,340,439	-	-	10,475,632	9,340,439
Motor vehicle in lieu	5,024,855	5,822,731	-	-	5,024,855	5,822,731
Other	8,952,617	8,611,551	1,405,962	2,060,489	10,358,579	10,672,040
Total revenues	54,664,643	64,319,878	32,178,023	31,928,924	86,842,666	96,248,802
Expenses:						
General government	6,735,782	6,640,163	-	-	6,735,782	6,640,163
Public works	13,670,642	16,147,160	-	-	13,670,642	16,147,160
Public safety	25,637,518	26,376,173	-	-	25,637,518	26,376,173
Parks and recreation	4,133,612	4,203,244	-	-	4,133,612	4,203,244
Community development	3,203,590	7,012,771	-	-	3,203,590	7,012,771
Interest on long-term debt	1,864,886	2,315,654	-	-	1,864,886	2,315,654
Water	-	-	25,244,162	18,947,222	25,244,162	18,947,222
Sewer	-	-	3,112,128	3,117,614	3,112,128	3,117,614
Marina	-	-	1,049,990	1,005,859	1,049,990	1,005,859
Prewett Water Park	-	-	1,762,448	1,740,365	1,762,448	1,740,365
Total expenses	55,246,030	62,695,165	31,168,728	24,811,060	86,414,758	87,506,225
Increase in net assets-before transfer	(581,387)	1,624,713	1,009,295	7,117,864	427,908	8,742,577
Contribution from Successor Agency Trust	638,023	-	-	-	638,023	-
Extraordinary items						
Redevelopment Dissolution	7,718,921	-	-	-	7,718,921	-
Transfers	473,306	68,630	(473,306)	(68,630)	-	-
Increase in net assets	8,248,863	1,693,343	535,989	7,049,234	8,784,852	8,742,577
Net assets - July 1	358,384,672	356,691,329	183,340,288	176,291,054	541,724,960	532,982,383
Net assets - June 30	\$ 366,633,535	\$ 358,384,672	\$ 183,876,277	\$ 183,340,288	\$ 550,509,812	\$ 541,724,960

Governmental activities. General Fund and Antioch Development Agency property tax revenues decreased due to lower assessed valuations (assessed valuation is \$6,560,872,164, a 7.2% decrease from the prior year). Capital grants and contributions decreased significantly due to less reimbursement received from the Antioch Area Public Facilities Financing Agency for the Prewett Community Center Project than in prior year.

Business-type activities. Business-type activities increased the City of Antioch's net assets by \$535,989 accounting for growth in the government's net assets. The increase was mainly attributable to savings in personnel costs and contractual services.

Financial Analysis of the Government's Funds

As noted earlier, the City of Antioch uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Antioch's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Antioch's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

As of the end of the current fiscal year, the City of Antioch's governmental funds reported combined ending fund balances of \$42,470,337, an increase of \$2,800,498 in comparison with the prior year. About 18.9% of this total amount, \$8,036,561, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is segregated into the following components: 1) *nonspendable* to indicate that it is not available for new spending because of its form (\$95,048) 2) *restricted* to indicate restrictions on use imposed by external parties, including enabling legislation (\$23,293,956) 3) *committed* to indicate restrictions on use as approved by the City Council (\$6,110,572), or 4) *assigned* for a variety of other purposes (\$4,934,200).

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source
Governmental Funds

Revenue by Source	FY 2011/2012		FY 2010/2011		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Taxes	\$ 34,424,230	58.6%	\$ 37,383,875	55.3%	\$ (2,959,645)	(7.9)%
Licenses and permits	1,096,177	1.9%	797,729	1.2%	298,448	37.4 %
Fines and penalties	153,610	0.3%	188,803	0.3%	(35,193)	(18.6)%
Investment income and rentals	1,065,320	1.8%	1,063,848	1.6%	1,472	0.1 %
Revenue from other agencies	8,469,597	14.4%	14,699,639	21.8%	(6,230,042)	(42.4)%
Current service charges	8,322,639	14.2%	8,391,107	12.4%	(68,468)	(0.8)%
Special assessment revenue	2,879,111	4.9%	2,775,559	4.1%	103,552	3.7 %
Other	2,315,017	3.9%	2,252,513	3.3%	62,504	2.8 %
Total	\$ 58,725,701	100.0%	\$ 67,553,073	100.0%	\$ (8,827,372)	-13.1%

The following provides an explanation of revenues by source that changed significantly over the prior year.

- Taxes decreased significantly due to the abolishment of the Antioch Development Agency. Former tax increment funds are now received by the Successor Agency Trust.
- Licenses and permits increased significantly due to increased building permit revenue over prior year.
- Fines and penalties decreased significantly due to less vehicle code fines and non-traffic fines being collected than last year.
- Revenue from other agencies decreased significantly over the prior year due to less reimbursements received from the Antioch Area Public Facilities Financing Agency for the Prewett Park Community Center project as a result of decreased project costs from prior year.

The following table presents the amount of expenditures by function as well as increases or decreases from the prior year.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

Expenditures by Function
Governmental Funds

Expenditures by Function	FY 2011/12		FY 2010/11		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Current						
General government	\$ 5,701,499	10.4%	\$ 6,073,438	8.5%	\$ (371,939)	(6.12%)
Public works	6,651,410	12.1%	8,586,852	12.0%	(1,935,442)	(22.54%)
Public safety	26,065,314	47.6%	26,927,692	37.8%	(862,378)	(3.20%)
Parks and recreation	3,640,806	6.6%	3,594,294	5.0%	46,512	1.3%
Community development	3,967,829	7.2%	8,856,026	12.4%	(4,888,197)	(55.20%)
Capital outlay	4,614,331	8.4%	13,183,073	18.5%	(8,568,742)	(65.00%)
Debt service	4,132,504	7.5%	4,073,413	5.7%	59,091	1.5%
Total	<u>\$ 54,773,693</u>	<u>100.0%</u>	<u>\$ 71,294,788</u>	<u>100.0%</u>	<u>\$ (16,521,095)</u>	<u>-23.2%</u>

The following provides an explanation of the expenditures by function that changed significantly over the prior year.

- Public works expenditures decreased mainly due to a one-time payment made last year to Contra Costa Transportation Authority in the amount of \$1.3 million for the Hillcrest Bridge project and decreased personnel costs.
- Community development expenditures decreased mainly due to decreased housing and community development projects.
- Capital outlay expenditures decreased due to less being spent on construction of the Prewett Community Park project.
- Debt service expenditures increased as a result of scheduled debt service payments.

The General Fund is the chief operating fund of the City of Antioch. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8,036,561, while total fund balance was \$8,489,101. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21.3% of total General Fund expenditures, while total fund balance represents 22.6%.

The fund balance of the City of Antioch's General Fund increased by \$1,704,045 during the current fiscal year. This increase is primarily attributable to lower than anticipated expenditures (primarily contractual services for public works and community development departments).

The fund balance of the Housing and Community Development Fund increased by \$49,952 in the current year primarily due to loan repayments received.

The fund balance of the Housing Successor Fund increased by \$4,569,332 during the current fiscal year. This is due to an extraordinary item resulting from the abolishment of redevelopment. A housing asset for repayment of a deferred set aside was transferred from the former Low and Moderate Income Housing Fund to the Housing Fund of the City. Repayment of this deferred set aside will come from the Successor Agency Trust.

The fund balance of the Gax Tax Fund increased by \$2,112,478 during the current fiscal year. This increase is primarily attributable to increased grant reimbursements for capital projects.

Proprietary funds. The City of Antioch's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

Unrestricted net assets of the Water Fund at the end of the year amounted to \$20,577,401 and those of the Sewer Fund amounted to \$13,544,886. Unrestricted net assets of the Marina Fund at the end of the year amounted to \$811,984 and unrestricted net assets of the Prewett Water Park Fund amounted to \$5,580.

- Water Fund total net assets decreased \$1,167,052 during the current fiscal year, which is mainly due to the addition of a long term payable to Delta Diablo Sanitation District for the City's cost share of a recycled water project.
- Sewer Fund total net assets increased \$1,467,069 during the current fiscal year, which is mainly due to the net of increased charges for services due to a sewer rate increase effective July 1, 2011 and decreased expenditures for contractual services.
- Marina Fund total net assets increased \$912,263 during the current fiscal year, which is mainly due to the net of increased charges for services and decreased expenditures for contractual services.

Other factors concerning the finances of these four funds have already been addressed in the discussion of the City of Antioch's business-type activities.

General Fund Budgetary Highlights

Differences between the final amended budget and the actual results resulted in \$687,516 higher revenues than projected and \$19,156 variance from appropriations and can be briefly summarized as follows:

- \$449,087 more in taxes revenue than projected due mainly to unanticipated funds distributed to the City as a taxing entity as a result of redevelopment dissolution and higher than anticipated sales tax revenues.
- \$110,684 more in licenses and permits due to higher building permit and street and curb permit revenue than projected.
- \$84,694 more in current service charges primarily due to more plan checking fee revenue and billings to departments for services than anticipated.

Capital Asset and Debt Administration

Capital assets. The City of Antioch's investment in capital assets for its governmental and business-type activities as of June 30, 2012, amounts to \$487,492,775 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure (including water and sewer pipes), structures and improvements, and equipment. The total net decrease in the City of Antioch's investment in capital assets for the current fiscal year was \$7,125,570.

Major capital asset events during the current fiscal year included the following:

- A variety of street construction projects such as Deer Valley road and Hillcrest avenue improvement and Lone Tree way improvement as well as expansion of Wilbur Avenue Bridge; Markley Creek Culvert Crossing and construction of turf fields at a community park. These made construction in progress for governmental activities as of the end of the current fiscal year reach \$3,111,274.
- Various building and system additions and improvements were completed in the Water, Sewer, Marina and Prewett Water Park funds at a cost of \$2,664,162. Work continued on the Marina Launch Ramp and various water and sewer system improvement projects causing construction in progress for business type activities at a cost of \$4,874,233 as of the end of the current fiscal year.
- Acceptance of donated infrastructure at an estimated value of \$326,354.

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures.

CITY OF ANTIOCH
Management's Discussion and Analysis, Continued
For the Fiscal Year Ended June 30, 2012

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year.

	Governmental Activities		Business-type Activities		Total		Increase/ Decrease
	2012	2011	2012	2011	2012	2011	
Land	\$ 13,575,982	\$ 14,019,971	\$ 3,558,467	\$ 3,558,467	\$ 17,134,449	\$ 17,578,438	\$ (443,989)
Construction in Progress	3,111,274	5,204,214	4,874,233	4,954,540	7,985,507	10,158,754	(2,173,247)
Infrastructure Structures and Improvements	256,418,540	257,514,608	99,865,346	101,124,769	356,283,886	358,639,377	(2,355,491)
Equipment	56,881,667	58,426,635	45,029,238	45,531,193	101,910,905	103,957,828	(2,046,923)
Total	3,586,023	3,814,693	592,005	469,255	4,178,028	4,283,948	(105,920)
	\$ 333,573,486	\$ 338,980,121	\$ 153,919,289	\$ 155,638,224	\$ 487,492,775	\$ 494,618,345	\$ (7,125,570)

Construction Commitments. Among the significant construction commitments were \$1.7 million towards the Wilbur Avenue Bridge project; \$2.8 million towards the Nelson Ranch project and \$1 million towards the Markley Creek Culvert projects.

Additional information on the City of Antioch's capital assets can be found in **Note 7 on page 52**.

Long-term debt. At the end of the current fiscal year, the City of Antioch had total debt outstanding of \$36,357,582. Of this amount, \$29,520,000 represents bonds secured solely by specified revenue sources (i.e., revenue bonds), \$3,297,082 represents loans payable and \$3,540,500 represents leases payable.

The City of Antioch's total long-term obligations for governmental activities decreased by \$11,363,537, and total long-term obligations for business-type activities increased by \$3,900,286 during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total assessed valuation. The current debt limitation for the City of Antioch is \$1,182,332,531. The City of Antioch has no outstanding general obligation debt.

Additional information on the City of Antioch's long-term debt can be found in **Note 8 on pages 55-58** of this report.

Economic Factors and Next Year's Budget

- The unemployment rate for the City of Antioch is currently 10.7%. This is the same as the state's average unemployment rate of 10.7% and higher than the national average rate of 8.40%
- The housing market continues to experience a slump, and foreclosure rates continue to rise.
- Assessed values in the City have declined approximately 1.01% for the 2012-13 tax year.
- AB 1X 26 as amended by AB 1484 was passed by the State legislature abolishing redevelopment agencies. As a result, assets and liabilities of the former Antioch Development Agency have been placed into a private purpose trust fund. The City now faces the challenge of providing economic development and housing assistance in blighted areas without redevelopment funding.

All of these factors were considered in preparing the City of Antioch's budget for the 2012-2013 fiscal year.

During the current fiscal year, General Fund net assets increased by \$1,704,045. The City of Antioch has appropriated \$14,051 of General Fund assigned fund balance for spending in the 2012-2013 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Antioch's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of Antioch, P. O. Box 5007, Antioch, CA 94531-5007.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Antioch
Statement of Net Assets
June 30, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 39,380,052	\$ 38,459,960	\$ 77,840,012
Receivables (net):			
Accounts	5,633,283	4,357,631	9,990,914
Taxes	2,554,411	-	2,554,411
Interest	261,305	7	261,312
Materials, parts and supplies	122,793	275,391	398,184
Internal balances	1,745,149	(1,745,149)	-
Prepaid items	283,221	21,846	305,067
Restricted cash and investments, held by fiscal agents	1,364,942	1,554,285	2,919,227
Loans receivable, net	20,057,838	-	20,057,838
Due from Successor Agency Trust	3,537,849	-	3,537,849
Deferred bond issuance costs	665,390	19,353	684,743
Net OPEB asset	1,709,118	-	1,709,118
Capital assets:			
Nondepreciable	16,687,256	8,432,700	25,119,956
Depreciable, net	316,886,230	145,486,589	462,372,819
Total assets	410,888,837	196,862,613	607,751,450
LIABILITIES			
Accounts payable	2,662,962	2,422,439	5,085,401
Accrued payroll	1,127,764	231,819	1,359,583
Interest payable	762,634	162,999	925,633
Deposits	3,158,477	167,650	3,326,127
Unearned revenue	722,846	33,740	756,586
Long-term obligations:			
Due within one year	1,692,394	1,180,449	2,872,843
Due beyond one year	32,719,269	8,787,240	41,506,509
Net pension obligation	354,764	-	354,764
Net OPEB obligation	1,054,192	-	1,054,192
Total liabilities	44,255,302	12,986,336	57,241,638
NET ASSETS			
Invested in capital assets, net of related debt	302,098,856	149,127,290	451,226,146
Restricted for:			
Debt service	1,364,843	1,554,285	2,919,128
Housing	24,729,554	-	24,729,554
Public safety	233,632	-	233,632
Public and capital facilities	-	-	-
Roads	14,745,424	-	14,745,424
Other	2,357,573	-	2,357,573
Total restricted net assets	43,431,026	1,554,285	44,985,311
Unrestricted net assets	21,103,653	33,194,702	54,298,355
Total net assets	\$ 366,633,535	\$ 183,876,277	\$ 550,509,812

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Activities
For the Fiscal Year Ended June 30, 2012

Functions / Programs	Expenses	Indirect Costs	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:					
General government	\$ 6,735,782	\$ 1,112,317	\$ 361,705	\$ 160,872	\$ -
Public works	13,670,642	279,519	2,149,510	6,621,755	1,853,147
Public safety	25,637,518	10,257	1,243,642	1,075,293	42,500
Parks and recreation	4,133,612	-	701,148	777,705	-
Community development	3,203,590	-	2,018,161	1,165,871	-
Interest on long-term liabilities	1,864,886	-	-	-	-
Total governmental activities	55,246,030	1,402,093	6,474,166	9,801,496	1,895,647
Business-type activities:					
Water	24,037,181	(1,206,981)	23,395,480	-	938,545
Sewer	2,964,671	(147,457)	4,452,983	-	393,341
Marina	1,002,335	(47,655)	681,233	-	-
Prewett Water Park	1,762,448	-	910,479	-	-
Total business-type activities	29,766,635	(1,402,093)	29,440,175	-	1,331,886
Total primary government	\$ 85,012,665	\$ -	\$ 35,914,341	\$ 9,801,496	\$ 3,227,533

General Revenues:

- Taxes:
 - Property taxes
 - Transient lodging tax
 - Franchise
 - Business license taxes based on gross receipts
 - Property transfer taxes
 - Sales and use tax
 - Other
 - Motor vehicle in lieu
 - Park in lieu
 - Investment income not restricted to specific programs
 - Other
 - Contribution from Successor Agency Trust
 - Extraordinary items - Redevelopment Dissolution
 - Transfers
- Total general revenues, extraordinary items and transfers**
- Change in net assets**
- Net assets - beginning of year**
- Net assets - end of year**

See accompanying notes to the basic financial statements

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (5,100,888)	\$ -	\$ (5,100,888)
(2,766,711)	-	(2,766,711)
(23,265,826)	-	(23,265,826)
(2,654,759)	-	(2,654,759)
(19,558)	-	(19,558)
(1,864,886)	-	(1,864,886)
(35,672,628)	-	(35,672,628)
-	(910,137)	(910,137)
-	1,734,196	1,734,196
-	(368,757)	(368,757)
-	(851,969)	(851,969)
-	(396,667)	(396,667)
(35,672,628)	(396,667)	(36,069,295)
10,638,137	-	10,638,137
120,260	-	120,260
4,165,958	-	4,165,958
1,048,271	-	1,048,271
283,190	-	283,190
10,475,632	-	10,475,632
-	1,090,566	1,090,566
5,024,855	-	5,024,855
215,374	-	215,374
354,549	315,396	669,945
2,765,015	-	2,765,015
638,023	-	638,023
7,718,921	-	7,718,921
473,306	(473,306)	-
43,921,491	932,656	44,854,147
8,248,863	535,989	8,784,852
358,384,672	183,340,288	541,724,960
\$ 366,633,535	\$ 183,876,277	\$ 550,509,812

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MAJOR GOVERNMENTAL FUNDS

General Fund - The General Fund is used to account for all of the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of the City which are not accounted for in another fund. For the City, the General Fund includes such activities as general government, public works, public safety, parks and recreation and community development.

Housing and Community Development Fund - This fund accounts for grant funds received from the Federal government for the purpose of developing viable urban communities.

Gas Tax Fund - This fund accounts for revenues and related expenditures received from the State under the Streets and Highway Code Sections 2105, 2106, 2107, and 2107.5. The allocations must be spent for street maintenance or construction and a limited amount for engineering.

Housing Successor Fund - This fund was established to account for the administration of housing assets transferred by the former Antioch Development Agency to the City as Housing Successor.

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

City of Antioch
Balance Sheet
Governmental Funds
June 30, 2012

	Special Revenue Funds			
	General Fund	Housing and Community Development	Gas Tax	Housing Successor Fund
ASSETS				
Cash and investments	\$ 9,333,410	\$ 8,235	\$ 7,035,411	\$ 995,189
Receivables (net):				
Accounts	1,331,124	605,261	1,200,459	-
Taxes	2,195,320	-	290,085	-
Interest	261,299	-	-	-
Due from other funds	879,276	-	-	-
Prepaid items	58,717	-	-	48,576
Restricted cash and investments	-	-	-	-
Loans receivable	1,122,165	6,298,582	-	14,497,867
Due from Successor Agency Trust	-	-	-	3,537,849
Total assets	\$ 15,181,311	\$ 6,912,078	\$ 8,525,955	\$ 19,079,481
LIABILITIES				
Accounts payable	\$ 1,362,248	\$ 390,561	\$ 50,671	\$ 9,465
Accrued payroll	995,432	-	2,272	2,817
Deposits	2,571,442	-	-	-
Due to other funds	-	120,552	-	-
Deferred revenue	1,763,088	6,298,582	-	14,497,867
Total liabilities	6,692,210	6,809,695	52,943	14,510,149
FUND BALANCES				
Nonspendable	60,337	-	-	-
Restricted	-	102,383	8,473,012	4,569,332
Committed	94,030	-	-	-
Assigned	298,173	-	-	-
Unassigned	8,036,561	-	-	-
Total fund balances	8,489,101	102,383	8,473,012	4,569,332
Total liabilities and fund balances	\$ 15,181,311	\$ 6,912,078	\$ 8,525,955	\$ 19,079,481

See accompanying notes to the basic financial statements.

Non-major Governmental		
Funds	Total	
\$ 19,260,619	\$ 36,632,864	
2,367,646	5,504,490	
69,006	2,554,411	
6	261,305	
-	879,276	
36,420	143,713	
1,364,942	1,364,942	
-	21,918,614	
-	3,537,849	
<u>\$ 23,098,639</u>	<u>\$ 72,797,464</u>	

\$ 739,355	\$ 2,552,300
95,092	1,095,613
587,035	3,158,477
758,724	879,276
81,924	22,641,461
<u>2,262,130</u>	<u>30,327,127</u>

34,711	95,048
10,149,229	23,293,956
6,016,542	6,110,572
4,636,027	4,934,200
-	8,036,561
<u>20,836,509</u>	<u>42,470,337</u>
<u>\$ 23,098,639</u>	<u>\$ 72,797,464</u>

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City of Antioch
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Assets - Governmental Activities
June 30, 2012

Fund Balances - Total Governmental Funds	\$ 42,470,337
<hr/>	
Amounts reported for governmental activities in the Statement of Net Assets were different because:	
Capital assets used in governmental activities are not current financial resources. Therefore they were not reported in the Governmental Funds Balance Sheet. Capital assets, net of Internal Service Funds assets \$1,662,912	<u>331,910,574</u>
Loans receivables are not available to pay for current-period expenditures and therefore are reported as deferred revenue in the fund financial statements, net of allowance.	<u>20,057,839</u>
Bond issuance costs are an expenditure in the governmental funds but are capitalized and amortized over the life of the bonds in the government-wide financial statements.	<u>665,390</u>
Internal service funds are used by management to charge the costs of vehicle repair and maintenance, stores, office equipment and replacement, and post employment medical benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net assets.	<u>6,983,587</u>
Certain liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental fund financial statements:	
Long-term debt:	
Due in one year, net of internal service funds liability of \$7,487	(1,684,907)
Due in more than one year, net of internal service funds liability of \$67,382	(32,651,887)
Net pension obligation	(354,764)
Accrued interest payable	<u>(762,634)</u>
Total long-term liabilities	<u>(35,454,192)</u>
Net Assets of Governmental Activities	\$ 366,633,535

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Special Revenue Funds			
	General Fund	Housing and Community Development	Gas Tax	Housing Successor Fund
REVENUES:				
Taxes	\$ 26,174,328	\$ -	\$ 2,875,700	\$ -
Licenses & permits	1,096,177	-	-	-
Fines and penalties	73,216	-	-	-
Investment income and rentals	462,671	531	55,290	18,490
Revenue from other agencies	909,801	950,022	3,681,838	-
Current service charges	6,951,544	12,928	1,050	-
Special assessment revenue	-	-	-	-
Other	939,981	379,290	2,826	52,054
Total revenues	36,607,718	1,342,771	6,616,704	70,544
EXPENDITURES:				
Current:				
General government	5,693,013	-	-	-
Public works	4,990,012	-	438,914	-
Public safety	25,176,810	-	-	-
Parks and recreation	-	-	-	-
Community development	1,760,471	1,292,819	-	84,126
Capital outlay	-	-	2,625,091	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	37,620,306	1,292,819	3,064,005	84,126
REVENUES OVER (UNDER) EXPENDITURES	(1,012,588)	49,952	3,552,699	(13,582)
OTHER FINANCING SOURCES (USES):				
Transfers in	3,687,512	-	-	1,045,065
Transfers (out)	(970,879)	-	(1,440,221)	-
Contribution from Successor Agency Trust	-	-	-	-
Total other financing sources (uses)	2,716,633	-	(1,440,221)	1,045,065
SPECIAL ITEMS:				
Extraordinary item	-	-	-	3,537,849
Net change in fund balances	1,704,045	49,952	2,112,478	4,569,332
FUND BALANCES:				
Beginning of year	6,785,056	52,431	6,360,534	-
End of year	\$ 8,489,101	\$ 102,383	\$ 8,473,012	\$ 4,569,332

Non-major Governmental			
Funds		Total	
\$ 5,374,202		\$ 34,424,230	
-		1,096,177	
80,394		153,610	
528,338		1,065,320	
2,927,936		8,469,597	
1,357,117		8,322,639	
2,879,111		2,879,111	
940,866		2,315,017	
<u>14,087,964</u>		<u>58,725,701</u>	
8,486		5,701,499	
1,222,484		6,651,410	
888,504		26,065,314	
3,640,806		3,640,806	
830,413		3,967,829	
1,989,240		4,614,331	
2,115,384		2,115,384	
2,017,120		2,017,120	
<u>12,712,437</u>		<u>54,773,693</u>	
<u>1,375,527</u>		<u>3,952,008</u>	
4,705,396		9,437,973	
(6,874,195)		(9,285,295)	
638,023		638,023	
<u>(1,530,776)</u>		<u>790,701</u>	
<u>(5,480,060)</u>		<u>(1,942,211)</u>	
(5,635,309)		2,800,498	
26,471,818		39,669,839	
<u>\$ 20,836,509</u>		<u>\$ 42,470,337</u>	

City of Antioch

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities For the Fiscal Year Ended June 30, 2012

Net Change in Fund Balances - Total Governmental Funds	\$	2,800,498
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report acquisition of capital assets as part of capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets were allocated over their estimated useful lives as depreciation expense.

Capital outlay		4,614,331
Depreciation, net of internal service funds depreciation of \$407,526		(9,682,211)

In the Statement of Activities, capital assets donated to the City are reported as general revenue, whereas in the governmental funds, capital assets donated do not increase financial resources. Thus, the change in net assets differs from the change in fund balances by the value of the asset donated.

326,354

In the Statement of Activities, only the gain (loss) on the sale or disposal of capital assets in reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the net cost of the asset sold.

(549,441)

Interest on deferred loans in the Statement of Activities do not provide current financial resources and are not reported as revenues in the funds.

312,603

Repayment of loans is reported as a revenue in governmental funds, and thus, has the effect of increasing fund balance because current financial resources have been received. For the City as a whole, however, the loan payments reduce the receivables in the Statement of Net Assets and do not result as a revenue in the Statement of Activities. The City's loan receivable was reduced because loan payments were received.

(1,009,308)

Governmental funds report expenditures pertaining to the establishment of certain deferred revenue related to long-term loans made. These deferred credits are not reported on the Statement of Net Assets and, therefore, the corresponding expense is not reported on the Statement of Activities.

630,386

Long term debt extinguishment due to the passage of AB 1X 26 abolishing redevelopment. The elimination of this debt reduces long-term liabilities in the Statement of Net Assets

Tax allocation bonds		9,661,132
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Bonds issuance cost are expensed on the fund statements. However, in the government-wide statement of activities, the bonds issuance cost are allocated over the life of the bonds. This amount represent the current year amortization of the bond issuance cost.

(35,790)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Lease revenue bonds		470,000
Capital lease obligations		326,018
Tax allocation bonds		1,319,366

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Increase in long-term claims liability		(254,807)
Increase in long-term compensated absences		(119,324)
Amortization of debt premium		10,375
Amortization of debt discount		(4,337)
Amortization of advance refunding difference		(41,182)
Increase in net pension obligation		(148,681)
Decrease in accrued interest payable		187,378

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities.

(564,497)

Change in Net Assets of Governmental Activities

	\$	8,248,863
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See accompanying notes to the basic financial statements.

PROPRIETARY FUND FINANCIAL STATEMENTS

Water Fund - This fund accounts for the operation of the City's water utility, a self-supporting activity which provides services on a user charge basis to residences and businesses.

Sewer Fund - This fund accounts for the maintenance of the City's sewer lines and related facilities. It is a self-supporting activity which provides services on a user charge basis to residences and businesses.

Marina Fund - This fund accounts for the operation of the City's Marina, which includes renting berths and fueling boats.

Prewett Water Park - This fund accounts for the operation of the Prewett Water Park, an aquatic recreational park.

Internal Service Funds - These funds account for the maintenance and replacement of vehicles and equipment; the operational maintenance, and replacement of office equipment used by City departments; charges for workers' compensation expenses; charges for post retirement medical benefits and charges for loss control, on a cost-reimbursement basis.

City of Antioch
Statement of Fund Net Assets
Proprietary Funds
June 30, 2012

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Marina	Non-major	Total	Activities
				Prewett		Internal
			Water Park		Service	Funds
ASSETS						
Current assets:						
Cash and investments	\$ 24,062,537	\$ 13,063,244	\$ 1,146,813	\$ 187,366	\$ 38,459,960	\$ 2,747,188
Accounts receivables, net	3,666,037	591,811	55,721	44,062	4,357,631	128,793
Interest receivables	7	-	-	-	7	-
Due from other funds	-	-	-	-	-	75,816
Materials, parts and supplies	265,361	-	10,030	-	275,391	122,793
Prepaid items	17,905	-	-	3,941	21,846	139,508
Deferred bond issuance costs	19,353	-	-	-	19,353	-
Restricted cash and investments	1,554,285	-	-	-	1,554,285	-
Total current assets	29,585,485	13,655,055	1,212,564	235,369	44,688,473	3,214,098
Noncurrent assets:						
Net OPEB asset	-	-	-	-	-	1,709,118
Capital assets:						
Nondepreciable:						
Land	1,002,231	14,553	469,953	2,071,730	3,558,467	-
Construction in progress	876,827	51,798	3,945,608	-	4,874,233	-
Depreciable:						
Water and sewer pipes	62,493,309	61,434,658	-	-	123,927,967	-
Structures and improvements	52,300,086	10,212,891	9,728,377	14,854,236	87,095,590	-
Vehicles and equipment	3,111,609	255,543	137,082	400,139	3,904,373	10,244,263
Less accumulated depreciation	(39,451,557)	(14,243,656)	(6,578,659)	(9,167,469)	(69,441,341)	(8,581,351)
Total capital assets	80,332,505	57,725,787	7,702,361	8,158,636	153,919,289	1,662,912
Total assets	109,917,990	71,380,842	8,914,925	8,394,005	198,607,762	6,586,128
LIABILITIES						
Current liabilities:						
Accounts payable	2,089,798	45,614	211,527	75,500	2,422,439	110,662
Accrued payroll	122,268	30,294	7,558	71,699	231,819	32,151
Interest payable	26,994	-	136,005	-	162,999	-
Deposits	91,840	-	41,066	34,744	167,650	-
Due to other funds	-	-	-	-	-	75,816
Deferred revenue	-	-	-	33,740	33,740	-
Compensated absences - due within one year	33,450	3,426	442	1,411	38,729	7,487
Long Term Payable-DDSD due within one year	252,026	-	-	-	252,026	-
Water revenue bonds - due within one year	745,000	-	-	-	745,000	-
Marina loans payable - due within one year	-	-	144,694	-	144,694	-
Total current liabilities	3,361,376	79,334	541,292	217,094	4,199,096	226,116
Noncurrent liabilities:						
Long Term Payable-DDSD	4,536,376	-	-	-	4,536,376	-
Compensated absences - due in more than one year	301,047	30,835	3,982	12,695	348,559	67,382
Net OPEB obligation	-	-	-	-	-	1,054,192
Water revenue bonds - due in more than one year	749,918	-	-	-	749,918	-
Marina loans - due in more than one year	-	-	3,152,387	-	3,152,387	-
Total noncurrent liabilities	5,587,341	30,835	3,156,369	12,695	8,787,240	1,121,574
Total liabilities	8,948,717	110,169	3,697,661	229,789	12,986,336	1,347,690
NET ASSETS						
Invested in capital assets, net of related debt	78,837,587	57,725,787	4,405,280	8,158,636	149,127,290	1,662,912
Restricted for debt service	1,554,285	-	-	-	1,554,285	-
Unrestricted	20,577,401	13,544,886	811,984	5,580	34,939,851	3,575,526
Total net assets	\$ 100,969,273	\$ 71,270,673	\$ 5,217,264	\$ 8,164,216	185,621,426	\$ 5,238,438

Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities.

(1,745,149)
Net assets of business-type activities \$ 183,876,277

See accompanying notes to the basic financial statements

City of Antioch
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Marina	Non-major	Total	Internal
				Prewett Water Park		Service Funds
OPERATING REVENUES:						
Charges for services	\$ 23,395,480	\$ 4,452,983	\$ 681,233	\$ 910,479	\$ 29,440,175	\$ 4,093,965
Revenue from other agencies	-	-	999,878	-	999,878	-
Other revenue	55,153	4,560	27,188	3,787	90,688	234,217
Total operating revenues	23,450,633	4,457,543	1,708,299	914,266	30,530,741	4,328,182
OPERATING EXPENSES:						
Wages and benefits	3,923,614	1,041,810	251,316	653,849	5,870,589	2,140,519
Utilities	1,781,315	-	31,875	138,234	1,951,424	-
Contractual services	8,234,763	609,675	157,469	145,257	9,147,164	1,973,709
Tools and supplies	8,820,360	147,719	151,951	210,000	9,330,030	556,621
Depreciation	2,193,389	1,235,110	306,497	567,794	4,302,790	407,526
Repairs and maintenance	163,788	14,032	4,267	53,427	235,514	302,834
Total operating expenses	25,117,229	3,048,346	903,375	1,768,561	30,837,511	5,381,209
OPERATING INCOME (LOSS)	(1,666,596)	1,409,197	804,924	(854,295)	(306,770)	(1,053,027)
NONOPERATING REVENUES (EXPENSES):						
Gain (loss) from disposal of capital assets	(79,296)	-	-	-	(79,296)	91,202
Investment income	201,634	105,292	7,886	584	315,396	33,223
Investment (expense)	(74,070)	-	(148,888)	-	(222,958)	-
Total nonoperating revenues (expenses)	48,268	105,292	(141,002)	584	13,142	124,425
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(1,618,328)	1,514,489	663,922	(853,711)	(293,628)	(928,602)
Capital contribution - connection fees	938,545	393,341	-	-	1,331,886	-
Capital contribution - City	-	4,810	-	-	4,810	9,704
Transfers in	-	-	250,000	295,000	545,000	306,007
Transfers (out)	(487,269)	(445,571)	(1,659)	(9,321)	(943,820)	(59,865)
CHANGE IN NET ASSETS	(1,167,052)	1,467,069	912,263	(568,032)	644,248	(672,756)
NET ASSETS:						
Beginning of year	102,136,325	69,803,604	4,305,001	8,732,248		5,911,194
End of year	\$ 100,969,273	\$ 71,270,673	\$ 5,217,264	\$ 8,164,216		\$ 5,238,438

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.

	(108,259)
Change in net assets of business-type activities	<u>\$ 535,989</u>

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Marina	Non-major	Total	Internal
				Prewett Water Park		Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash receipt from customers	\$ 23,199,927	\$ 4,423,276	\$ 2,416,340	\$ 965,001	\$ 31,004,544	\$ -
Cash receipt from other funds	-	-	-	-	-	5,352,269
Cash paid to suppliers for goods and services	(13,303,330)	(876,570)	(152,752)	(543,014)	(14,875,666)	(2,922,287)
Cash paid to employees for services	(3,946,270)	(1,053,751)	(250,475)	(644,415)	(5,894,911)	(2,135,443)
Net cash provided by (used in) operating activities	5,950,327	2,492,955	2,013,113	(222,428)	10,233,967	294,539
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in	-	-	250,000	295,000	545,000	306,007
Transfers (out)	(487,269)	(445,571)	(1,659)	(9,321)	(943,820)	(59,865)
Net cash provided by (used in) noncapital financing activities	(487,269)	(445,571)	248,341	285,679	(398,820)	246,142
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Capital asset additions	(658,530)	(626,638)	(1,293,877)	-	(2,579,045)	(291,858)
Capital contributions	938,545	393,341	-	-	1,331,886	9,704
Proceeds from disposal of capital assets	(79,296)	-	-	-	(79,296)	91,202
Principal paid on bonds	(720,000)	-	(138,464)	-	(858,464)	-
Interest paid on bonds	(46,335)	-	(154,599)	-	(200,934)	-
Net cash provided by (used in) capital and related financing activities	(565,616)	(233,297)	(1,586,940)	-	(2,385,853)	(190,952)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	201,633	105,292	7,886	584	315,395	33,223
Net cash provided by (used in) investing activities	201,633	105,292	7,886	584	315,395	33,223
Net change in cash and cash equivalents	5,099,075	1,919,379	682,400	63,835	7,764,689	382,952
CASH AND CASH EQUIVALENTS:						
Beginning of year	20,517,747	11,143,865	464,413	123,531	32,249,556	2,364,236
End of year	<u>\$ 25,616,822</u>	<u>\$ 13,063,244</u>	<u>\$ 1,146,813</u>	<u>\$ 187,366</u>	<u>\$ 40,014,245</u>	<u>\$ 2,747,188</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS:						
Cash and investments	\$ 24,062,537	\$ 13,063,244	\$ 1,146,813	\$ 187,366	\$ 38,459,960	\$ 2,747,188
Restricted cash and investments	1,554,285	-	-	-	1,554,285	-
End of year	<u>\$ 25,616,822</u>	<u>\$ 13,063,244</u>	<u>\$ 1,146,813</u>	<u>\$ 187,366</u>	<u>\$ 40,014,245</u>	<u>\$ 2,747,188</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:						
Operating income (loss)	\$ (1,666,596)	\$ 1,409,197	\$ 804,924	\$ (854,295)	\$ (306,770)	\$ (1,053,027)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:						
Depreciation	2,193,389	1,235,110	306,497	567,794	4,302,790	407,526
Decrease (increase) in:						
Accounts receivable	(268,884)	(34,242)	710,225	56,026	463,125	192,315
Materials, parts, and supplies	(17,371)	-	16,639	-	(732)	(74,351)
Other post employment benefit obligation	-	-	-	-	-	912,679
Prepaid items	1,312	13,912	-	(1,152)	14,072	(41,742)
Increase (decrease) in:						
Accounts payable	5,712,955	(119,056)	176,171	5,056	5,775,126	26,970
Accrued payroll	12,822	1,592	901	10,097	25,412	1,372
Deposits	18,178	(25)	(2,184)	5,710	21,679	-
Deferred revenue	-	-	-	(11,001)	(11,001)	-
Accrued compensated absences	(35,478)	(13,533)	(60)	(663)	(49,734)	3,704
Net cash provided by (used in) operating activities	\$ 5,950,327	\$ 2,492,955	\$ 2,013,113	\$ (222,428)	\$ 10,233,967	\$ 294,539
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:						
Contributions (donations) of capital assets to/from the general government	\$ (79,296)	\$ 4,810	\$ -	\$ -	\$ (74,486)	\$ 9,704
Total noncash capital and related financing activities	\$ (79,296)	\$ 4,810	\$ -	\$ -	\$ (74,486)	\$ 9,704

See accompanying notes to the basic financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

City of Antioch
Statement of Fiduciary Fund Assets and Liabilities
Fiduciary Funds
June 30, 2012

	Successor Agency Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and investments	\$ 6,466,667	\$ 935,192
Loans receivable	134,449	-
Interest receivable	2	57,959
Prepaid Items	-	1,958
Restricted cash and investments	245,438	9,963,651
Total assets	\$ 6,846,556	\$ 10,958,760
LIABILITIES		
Accounts payable	2,366,782	\$ 59,762
Accrued payroll	7,680	-
Due to City of Antioch	3,537,849	-
Due to bondholders	9,661,132	10,898,998
Total liabilities	\$ 15,573,443	\$ 10,958,760
NET ASSETS		
Held in trust for enforceable obligations of the former Antioch Development Agency	\$ (8,726,887)	

City of Antioch
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Fiscal Year Ended June 30, 2012

	<u>Successor Agency Private Purpose Trust Fund</u>
ADDITIONS	
Contributions:	
Redevelopment Property Tax Trust Fund	\$ 2,625,655
Net assets received upon dissolution of redevelopment agency	(7,584,472)
Investment earnings:	
Investment income and rentals	31,038
Total additions	<u>\$ (4,927,779)</u>
DEDUCTIONS	
Administrative expenses	\$ 219,007
Remittance to County	2,361,757
Enforceable obligations	1,218,344
Total deductions	<u>\$ 3,799,108</u>
CHANGE IN NET ASSETS	(8,726,887)
NET ASSETS:	
Beginning of year	-
End of year	<u>\$ (8,726,887)</u>

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CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 1 - THE FINANCIAL REPORTING ENTITY

(a) Reporting Entity

The City of Antioch, California (the "City"), operates under the Council-Manager form of government and provides the following services: police, highways and streets, sanitation, health services, culture-recreation, public improvements, planning and zoning, general administration services, water, and redevelopment through the Antioch Development Agency.

The governmental reporting entity consists of the City (Primary Government) and its component units. Component units are legally separate organizations for which the City is financially accountable or other organizations whose nature and significant relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (1) either the City's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the City.

The basic financial statements include blended component units. The blended component units, although legally separate entities are, in substance, part of the City's operations and so data from these units are combined with data of the primary government.

For financial reporting purposes, the City's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the City's Council. The financial statements of the individual component units may be obtained by writing to the City of Antioch, Finance Department, P.O. Box 5007, Antioch, CA 94531-5007.

(b) Blended Component Units

Antioch Development Agency

The former Antioch Development Agency (Agency) was created to prepare and implement plans for improvement, rehabilitation and development of certain areas within the City. The Agency and the City had a financial and operational relationship, which required that the Agency's basic financial statements be blended into the City's basic financial statements. The Agency's Board consisted exclusively of all five members of the City Council. As of February 1, 2012, all redevelopment agencies throughout California were abolished with the passage of AB 1X 26. Financial transactions through January 31, 2012 are presented in the accompanying financial statements. The City elected to become Successor Agency for the obligations of the former redevelopment agency. Those funds have been placed into trust. The City considers the trust to be a blended component unit.

Antioch Public Financing Authority

The Antioch Public Financing Authority (APFA) was formed for the purpose of financing the Water Treatment Plant Expansion, the Police Facilities Projects and other infrastructure improvements. The APFA and the City have a financial and operational relationship, which requires that the APFA's financial statements be blended into the City's financial statements. The APFA's Board consists exclusively of all five members of the City Council.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

Government-wide Financial Statements

The statement of net assets and statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues and other non exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function; and, therefore, are clearly identifiable to a particular function. Program revenues include 1) fees, fines and charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category - *governmental*, *proprietary* and *fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as non major funds.

Proprietary funds distinguish operating revenues and expenses and non operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges for customer services including: water and sewer charges, marina and water park fees, equipment maintenance and usage fees, and support charges. Operating expenses for enterprise funds and internal service funds include the cost of services, administrative expenses and depreciation on capital assets. All other revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

The City reports the following major governmental funds:

- The *General Fund* is used to account for all of the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of the City which are not accounted for in another fund. For the City, the General Fund includes such activities as general government, public works, public safety, parks and recreation and community development.
- The *Housing and Community Development Fund* accounts for grant funds received from the Federal government for the purpose of developing viable urban communities.
- The *Gas Tax Fund* accounts for funds received from the State under the State Street and Highways Code. Gas tax funds are limited to research, planning, construction, improvement, maintenance and operation of public streets and streetlights.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

- The *Housing Successor Fund* was established by the City with when it elected to become the Housing Successor to the Antioch Development Agency with the abolishment of redevelopment under AB 1X 26. This fund accounts for the administration of housing activities of the former Low and Moderate Income Housing Fund of the redevelopment agency.

The City reports the following major enterprise funds:

- The *Water Fund* accounts for the operation of the City's water utility, a self-supporting activity, which provides services on a user charge basis to residences and businesses.
- The *Sewer Fund* accounts for the maintenance of the City's sewer lines and related facilities. It is a self-supporting activity, which provides services on a user charge basis to residences and businesses.
- The *Marina Fund* accounts for the operation of the City's Marina Complex, which includes renting berths and fueling boats to the public.

The City reports the following additional fund types:

- *Internal Service Funds* account for the maintenance and replacement of vehicles and equipment; the operation, maintenance, and replacement of office equipment used by City departments; charges for workers' compensation expenses; charges for post retirement medical benefits and charges for loss control, on a cost-reimbursement basis.
- *Agency Funds* account for assets held by the City in the capacity of agent for individuals (refundable cash bonds and employee benefits), other governmental agencies (Fire Protection District and ECWMA) and special assessment debt without city commitment.
- *Private Purpose Trust Funds* account for the assets and liabilities held by the City as Successor Agency to the Antioch Development Agency.

(b) Measurement Focus, Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus. Agency funds have no measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales tax, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues. With respect to the gas tax fund, it is the City's policy to first apply revenues other than the gas tax itself to expenditures incurred within that program.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and enterprise fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The City has elected not to follow subsequent private-sector guidance.

(c) Internal Investment Pool

The City maintains an internal investment pool that is available for use by all funds. Investments in non-participating interest earning contracts (including guaranteed investment contracts) are reported at cost, and all other investments at fair value. Fair value is determined annually and is based on current market prices. The method of allocating interest earned on pooled deposits and investments among funds is based on average cash balances.

For purposes of the accompanying statement of cash flows for the enterprise and internal service funds, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash. The City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

(d) Receivables

During the course of normal operations, the City carried various receivable balances for taxes, interest, services, loan, utilities and special assessments. Accounts receivables are shown net of an allowance for doubtful accounts of \$118,784 in the General Fund and \$299,319 in the Water Enterprise Fund.

(e) Materials, Parts and Supplies

Material, parts and supplies are valued at average cost. Material, parts and supplies recorded in the internal service funds consist of expendable supplies for consumption. The cost is recorded as an expense at the time individual inventory items are consumed. Material, parts and supplies recorded in the Marina Enterprise Fund consists primarily of merchandise held for resale to the public.

(f) Loans Receivable

For the purposes of the governmental funds financial statements, expenditures related to long-term loans arising from loan subsidy programs are charged to operations upon funding and the loans are recorded with an offset to a deferred revenue account. The balance of the long-term loans receivable includes loans that may be forgiven if certain terms and conditions of the loans are met. For purposes of the government-wide financial statements, long-term loans are not offset by deferred revenue accounts and are net of an allowance.

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(g) Bond Issuance Costs, Original Issue Discounts and Premiums and Refunding of Debt

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and are amortized on a straight-line basis over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received are reported as debt service expenditures.

Gains or losses occurring from advance refundings, completed subsequent to June 30, 1993, are deferred and amortized into expense for both business-type activities and proprietary funds. For governmental activities, they are deferred and amortized into expense if they occurred subsequent to June 30, 2001.

(h) Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control. The City defines capital assets as assets with an estimated useful life in excess of one year and an initial, individual cost of \$5,000 or more.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Infrastructure	20 to 50 years
Water and Sewer Pipes	75 years
Structures and Improvements	10-30 years
Equipment	5-20 years
Vehicles	5-15 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Property Taxes and Special Assessments Revenue

Revenue is recognized in the fiscal year for which the tax and assessment are levied. The County of Contra Costa levies, bills and collects property taxes and special assessments for the City; under the County's "Teeter Plan", the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties.

Taxes are levied for each fiscal year on taxable real and personal property situated in the County. The levy is based on the assessed values as of the preceding January 1st, which is also the lien date. Property taxes on the secured roll are due in two installments: November 1st and February 1st and become delinquent after December 10th and April 10th, respectively. Supplemental property taxes are levied based on changes in assessed values between the date of real property sales or construction completion and the preceding assessment date. The additional supplemental property taxes are prorated from the first day of the month following the date of such occurrence. Property taxes on the unsecured roll are due on the lien date (January 1), and become delinquent if unpaid by August 31st.

Special assessment districts are established in various parts of the City to provide improvements to properties located in those districts. Properties are assessed for the cost of improvements; these assessments are payable over the term of the debt issued to finance the improvements.

(k) Accumulated Compensated Absences

The City accrues the cost for compensated absences (vacation, sick leave and comp time) when they are earned. City employees have a vested interest in accrued vacation time and all vacation hours will eventually either be used or paid by the City. Generally, employees earn and use their current vacation hours with a small portion being accrued or unused each year. As this occurs, the City incurs an obligation to pay for these unused hours. Sick leave benefits are only vested for employees with more than 10 years of service, up to a maximum of 40% of 800 hours.

(l) Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers within governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

(m) Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(a) Expenditures in Excess of Budget

Expenditures in the funds below exceeded appropriations by the amounts indicated, largely because budgets were not revised for higher than anticipated expenditures. Sufficient resources were available to finance these expenditures, primarily in the form of higher revenues and transfers than expected or from available fund balance.

	Appropriated Final Budget	Actual Expenditures	Excess
<i>Nonmajor Special Revenue Funds:</i>			
Animal Control	\$ 813,357	\$ 814,649	\$ (1,292)
Abandoned Vehicle	4,161	7,311	(3,150)
Traffic Signal Fee	28,730	31,603	(2,873)
Asset Forfeiture	75,541	76,219	(678)
Traffic Safety	20	28	(8)

NOTE 4 - CASH AND INVESTMENTS

(a) Cash and Investment Balances

The City has the following cash and investments at June 30, 2012:

Cash and investments:	
Petty cash	\$ 4,970
Deposits in banks	8,020,661
Certificate of Deposit	2,604,567
U.S. Government securities	23,455,876
U.S. Government agencies	30,935,792
Medium-term corporate notes	10,978,506
Money market	61,116
California Local Agency Investment Fund	9,180,383
Total cash and investments	85,241,871
Restricted cash and investments:	
California Asset Management Program	8,757
Guaranteed investment contracts	4,427,561
Money market	8,269,248
Repurchase agreements	422,750
Total restricted cash and investments	13,128,316
Total	\$ 98,370,187

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 4 - CASH AND INVESTMENTS, Continued

Cash and investments are presented on the Statement of Net Assets as follows at June 30, 2012:

	Government-Wide Statement of Net Assets	Fiduciary Funds Statement of Assets and Liabilities	Total
Cash and investments	\$ 77,840,012	\$ 7,401,859	\$ 85,241,871
Restricted cash and investments	2,919,227	10,209,089	13,128,316
Total	<u>\$ 80,759,239</u>	<u>\$ 17,610,948</u>	<u>\$ 98,370,187</u>

The City's dependence on property tax receipts, which are received semi-annually, requires it to maintain significant cash reserves to finance operations during the remainder of the year. The City pools cash from all sources and all funds, except amounts required to be held with fiscal agents, so that it can be safely invested at maximum yield and liquidity. Investment income is allocated among funds on the basis of average month-end cash balances.

Restricted cash and investments at June 30, 2012 was \$13,128,316, which was held by trustees or fiscal agents. These funds may only be used for specific capital outlay or for the payment of certain bonds or tax allocation bonds, and have been invested only as permitted by State statutes or applicable City ordinance, resolution or bond indentures.

(b) Cash Deposits

The carrying amount of the City's cash deposits was \$8,025,631 at June 30, 2012. The bank balance at June 30, 2012, was \$8,687,330, which was fully insured and/or was collateralized with securities held by the pledging financial institutions in the City's name as described in the following paragraph.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name. The fair value of pledged government securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City has waived collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation or Savings Association Insurance Fund.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 4 - CASH AND INVESTMENTS, Continued

(c) Investments

The City's investment policy, bond indentures, and Section 53601 of the California Government Code allow the City to invest in the following types of investments:

- Securities of the U.S. Government or its agencies
- Certificates of Deposit
- Bankers' Acceptances
- Commercial Paper
- Investment Grade Medium Term Corporate Notes
- Repurchase Agreements
- Local Agency Investment Fund Deposits
- Insured Savings Accounts or Money Market Accounts
- Guaranteed Investment Contracts
- Mutual funds as permitted by the Code

The City did not enter into reverse repurchase agreements during the year ended June 30, 2012.

At June 30, 2012, the City's investment position in the State of California Local Agency Investment Fund (LAIF) was \$9,180,383. This amount reflects the City's market value share in the pool. A factor of 100.1219643% was used to determine the market value. The total amount invested by all public agencies in LAIF at that day was \$60,612,199,285. Of that amount, 96.53% is invested in non derivative financial products and 3.47%, as compared to 5.01% in previous year, in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's position in the pool. Information is not available on whether the mutual funds in which the City has invested used, held or wrote derivative products during the fiscal year ended June 30, 2012.

As of June 30, 2012, the City's investment in the California Asset Management Program (CAMP) pool was \$8,758. A board of five trustees who are officials or employees of public agencies has oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's position in the pool.

(d) Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2012, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)		
		Less than 1	1 to 2	2 to 3
U.S. Government securities	\$ 23,455,875	\$ -	\$ 9,434,514	\$ 14,021,361
U.S. Government agencies	30,935,792	3,452,395	16,371,202	11,112,195
Medium-term corporate notes	10,978,507	1,021,928	5,010,900	4,945,679
Certificate of Deposit	2,604,567	2,604,567	-	-
Total	\$ 67,974,741	\$ 7,078,890	\$ 30,816,616	\$ 30,079,235

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 4 - CASH AND INVESTMENTS, Continued

(e) Credit Risk

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's and Moody's Investor's Service. At June 30, 2012, the City's credit risks, expressed on a percentage basis, were as follows:

Credit Quality Distribution for Securities with Credit Exposure as a percentage of total investments

<u>Investment Type</u>	<u>S&P's Credit Rating</u>	<u>% of Investments</u>
U.S. Government securities	AA+	34.51%
U.S. Government agencies	AAA	1.17%
U.S. Government agencies	AA+	43.47%
U.S. Government agencies	AA	0.87%
Medium-term corporate notes	AAA	1.49%
Medium-term corporate notes	AA+	4.50%
Medium-term corporate notes	AA-	2.39%
Medium-term corporate notes	AA	0.61%
Medium-term corporate notes	A+	3.03%
Medium-term corporate notes	A	4.13%
Certificate of Deposit	A-+1	3.83%
Total		<u>100.00%</u>

(f) Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the City's investments were subject to custodial credit risk.

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

(a) Current Balances

Current balances are expected to be repaid in the normal course of business during the following fiscal year. The City's current balances represent loans to cover temporary shortages of cash in individual funds.

The composition of interfund balances as of June 30, 2012, is as follows:

	Due From Other Funds	
	General Fund	Internal Service Funds
Due to Other Funds		
Housing and Community Development	\$ 120,552	\$ -
Nonmajor Governmental Funds	758,724	-
Internal Service Funds	-	75,816
	<u>\$ 879,276</u>	<u>\$ 75,816</u>

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS, Continued

(b) Due from Successor Agency Trust Fund

At June 30, 2012, the Housing Fund has a receivable due from the Successor Agency Trust Fund in the amount of \$3,537,849. Prior to the dissolution of redevelopment, Health and Safety Code required Project Areas to annually set aside 20% of tax increment revenues for low and moderate income housing development. Project Area #1 was formed prior to the year this requirement was established and the Agency began repaying the unfunded set-aside in fiscal year 1997. With the dissolution of redevelopment pursuant to AB 1X 26 as amended by AB1484, this asset has been transferred to the Housing Fund and related liability of the former Project Area #1 to the Successor Agency Trust. The liability is included on the Successor Agency's Enforceable Obligations Schedule and repayment will resume once a new repayment plan is approved by both the Successor Agency and the Oversight Board to the Successor Agency.

(c) Transfers to/from Other Funds

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following schedule summarizes transfers between funds.

Transfers In							
	Major Fund		Major Fund				Total
	General Fund	Housing Fund	Nonmajor Government Funds	Marina Enterprise	Prewett Water Park Enterprise	Internal Service	
Transfers Out	\$ -	\$ -	\$ 685,879	\$ -	\$ 285,000	\$ -	\$ 970,879
Gas Tax Fund	1,010,000	-	430,221	-	-	-	1,440,221
Nonmajor:							
Governmental	2,191,512	1,045,065	3,377,618	250,000	10,000	-	6,874,195
Water Enterprise	243,000	-	121,198	-	-	123,071	487,269
Sewer Enterprise	243,000	-	79,500	-	-	123,071	445,571
Marina Enterprise	-	-	1,659	-	-	-	1,659
Prewett Water Park	-	-	9,321	-	-	-	9,321
Internal Service	-	-	-	-	-	59,865	59,865
Total	\$3,687,512	\$1,045,065	\$4,705,396	\$ 250,000	\$ 295,000	\$ 306,007	\$ 10,288,980

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 - LOANS RECEIVABLE

The composition of the City's governmental activities loans receivable including interest as of June 30, 2012, is as follows:

Multi-unit Rental Rehabilitation Loans:	
West Rivertown Apartments/Eden Housing Project	6,278,428
Terrace Glen Project	1,940,131
Pinecrest Apartment Project	1,166,098
Rivertown Senior Housing	242,750
Riverstone Apartment	2,252,244
Hillcrest Terrace Project	1,292,282
Habitat for Humanity	220,538
Tabora Gardens	2,354,711
NSP Loans	49,135
Lone Tree Golf Course	1,122,165
Other loans	1,723,980
Total governmental activities	<u>\$ 21,918,614</u>

(a) Rental and Housing Rehabilitation Loans

The City administers rental and home improvement revolving loan funds using federal Community Development Block Grant (CDBG) funds and prior to 2012, redevelopment funds. The program provides below market rate loans, secured by deeds of trust, to eligible participants for rental and housing rehabilitation. Although payments for most loans are amortized over an established payment schedule, some loans allow for deferred payment of accrued interest and principal until the homeowner's property is sold or transferred, primarily for seniors and very low-income families. Repayments received from the outstanding loans are used to make additional rental and housing rehabilitation loans. Principal and interest outstanding balances at June 30, 2012, are \$3,276,152.

(b) Multi-Unit Rental Rehabilitation Loans

The City administers the following multi-unit rental improvement revolving loan funds using federal CDBG funds and prior to 2012, Antioch Development Agency Housing Set Aside monies.

West Rivertown Apartments/Eden Housing Project

The City and Agency have entered into three loan agreements with Eden Housing for the development of the West Rivertown Apartments. The agreements are as follows:

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 6 - LOANS RECEIVABLE, Continued

This project is the construction of a 57-unit, affordable housing townhouse development in the City's downtown with financing assistance from the Agency and several other agencies. In May 2000, the Agency entered into a disposition, development and loan agreement with Eden Rivertown Limited Partnership (the Developer). Under the terms of the loan agreement, the Developer must repay up to \$3,601,686 (maximum loan amount) to the Agency, which includes the purchase of the land from the Agency. The loan bears an interest rate of 3% per annum. The Developer is required to make annual payments of principal and interest to the Agency in the amount of 100% of residual receipts, less the portion of the residual receipts that is owed to Contra Costa County. Payments are to begin the July 1st after project completion and will end on the 55th anniversary date of the Agency promissory note dated February 11, 2002. Principal and interest outstanding at June 30, 2012 is \$4,655,158.

In 1994, the City loaned Community Housing Opportunities (CHOC) \$203,755 for the acquisition of property. CHOC determined that their planned development of this property was no longer feasible, and in November 2005, the City, the Agency, and CHOC agreed to the transfer of ownership of the property and loan to Eden Housing for the development of 40 units of affordable housing to expand the West Rivertown Project in the City's downtown. In order to complete the project, the Agency agreed to loan Eden Housing an additional \$1,458,400. The loan for \$203,755 is non-interest bearing and all principal and interest payments are deferred and will be forgiven at the expiration of the term. The loan for \$1,458,400 bears an interest rate of 3% per annum and will end on the 55th anniversary date of the issuance of certificates of occupancy by the City. Principal and interest outstanding on this loan at June 30, 2012 is \$1,419,515.

Terrace Glen Project

This project consists of a 32-unit, multifamily rental housing development. In August 1998, the City and former redevelopment agency made a commitment for \$850,000 in Community Development Block Grant (CDBG) funds, and \$547,625 in housing set-aside funds, respectively, towards this project. Commencing November 6, 1996, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on October 1, 1999, and on October 1 of each year thereafter, the developer will pay the City's/Agency's pro-rata percentage of the lender's share of residual receipts to the extent there are residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in March 2054. Principal and interest outstanding at June 30, 2012 is \$1,940,131.

Pinecrest Apartment Project

This project consists of a 24-residential unit development. In September 2000, the City and the former redevelopment agency made a commitment for \$570,000 in CDBG funds and \$300,000 in housing set-aside funds, respectively, towards this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on May 1, 2002, and on May 1 of each year thereafter, the developer will pay the City a pro-rate percentage of the lender's share of residual receipts to the extent there are residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in May 2055. Principal and interest outstanding at June 30, 2012 is \$1,166,098.

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 - LOANS RECEIVABLE, Continued

Rivertown Senior Housing

This project consists of a fifty-unit, affordable senior housing project. In September 1992, the former redevelopment agency made a commitment for \$442,750 in housing set-aside funds toward this project. In September 2001, the loan was amended to reduce the principal amount by \$200,000 to reflect funds not borrowed for the project. The loan is noninterest bearing and secured by a deed of trust with affordable housing requirements for 40 years. The balance of the loan is due and payable on October 1, 2033. Principal outstanding at June 30, 2012 is \$242,750.

Riverstone Apartments

This project consists of acquisition and rehabilitation of 136 apartment rental units for low and very low income households. On July 1, 2007, the former redevelopment agency made a commitment for \$2,025,000 in housing set-aside funds toward this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year loan term is secured by a deed of trust. Commencing on May 1st following the fifteenth anniversary of the first disbursement of the loan, and on May 1st of each year thereafter for the term of the loan, the developer will make repayments equal to the lesser of (i) the amount necessary to fully amortize the repayment of principal and interest on the loan for the remaining term or (ii) residual receipts. Payments will be first credited against accrued interest and then principal. Principal and interest outstanding at June 30, 2012 is \$2,252,244.

Hillcrest Terrace Project

This project consists of a 65-unit affordable senior housing project. In October 1998, the former redevelopment agency made a commitment for \$731,175 in housing set-aside funds towards this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on the June 1 after project completion, and on June 1 of each year thereafter, the developer will pay the Agency one-half of the residual receipts to the extent there is residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in June 2055. In September 2001, the Agency made a commitment of an additional \$200,000 due and payable October 1, 2038. Principal and interest outstanding for these loans at June 30, 2012 is \$1,292,282.

Habitat for Humanity

The City entered into an agreement with Habitat for Humanity East Bay (developer) to implement a Neighborhood Stabilization Program (NSP) under which the developer will acquire and rehabilitate approved vacant, single-family houses that are foreclosed and in need of renovation, located in qualifying neighborhoods in the City, and then sell the renovated houses to eligible low and moderate income purchasers. CDBG NSP funds made available to the developer for this program are in the form of loans. A loan agreement is entered into for each property purchased by the developer. The loans bear no interest, and are fully satisfied upon receipt of the net sales proceeds from the home. As of June 30, 2012, there was one loan outstanding for a property totaling \$220,538.

Tabora Gardens

This project consists of acquisition and development of 85 units of senior, multifamily housing affordable to low income households. On June 6, 2011, the former redevelopment agency made a commitment for \$300,000 in housing set-aside funds toward this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 58-year loan term is secured by a deed of trust. The loan is fully deferred and payment in full, including interest, is due upon expiration of the term. Principal and interest outstanding at June 30, 2012 is \$2,354,711.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 6 - LOANS RECEIVABLE, Continued

NSP Loans

The City provides loans of CDBG Neighborhood Stabilization Program funds to low and moderate income eligible persons that purchase homes through the NSP program implemented by Heart and Hands of Compassion. The loans are to assist in the purchase of the properties. The loans expire 30 years from the date of the notes, and payments of principal and interest are deferred until the end of the term. The unpaid principal balance, plus any shared appreciation, is due and payable upon expiration of the term, transfer of the property, or default. As of June 30, 2012, there are four loans outstanding totaling \$49,135.

(c) Lone Tree Golf Course

During fiscal year 2004-05, the City loaned the Lone Tree Golf Course monies to complete various improvements at the golf course. Annual interest only repayments began August 23, 2005. The loan agreement was amended in December 2007. The new term is for a term of 25 years from December 11, 2007 with interest being calculated based on the City's earnings on idle funds. The City has agreed to defer payment of the loan until next fiscal year upon review of the finances of the Golf Course. Principal outstanding at June 30, 2012, is \$900,000. During fiscal year 2005-06, the City loaned an additional \$296,220 to the Golf Course for parking lot improvements. The loan is non-interest bearing and deferred until next fiscal year as well. Principal outstanding on this loan is \$1,122,165 at June 30, 2012.

(d) Other Loans

The Agency administers a first time homebuyer loan program for qualified applicants. Principal is due at the end of 30 years or upon default, refinancing, sale or transfer of the property. The Agency is also entitled to a pro-rata share of appreciation on the property when the principal is paid. As of June 30, 2012 there is \$1,723,980 of loans outstanding.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance July 1, 2011	Additions	Reductions	Balance June 30, 2012
Governmental activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 14,019,971	\$ 572,254	\$ 1,016,243	\$ 13,575,982
Construction in progress	5,204,214	922,573	3,015,513	3,111,274
Total capital assets, not being depreciated	<u>19,224,185</u>	<u>1,494,827</u>	<u>4,031,756</u>	<u>16,687,256</u>
<i>Capital assets, being depreciated</i>				
Infrastructure	383,877,816	6,748,235	-	390,626,051
Structures and improvements	77,153,149	142,070	-	77,295,219
Equipment	13,724,956	430,378	483,726	13,671,608
Total capital assets, being depreciated	<u>474,755,921</u>	<u>7,320,683</u>	<u>483,726</u>	<u>481,592,878</u>
<i>Less accumulated depreciation for:</i>				
Infrastructure	(126,363,208)	(7,844,303)	-	(134,207,511)
Structures and improvements	(18,726,514)	(1,687,038)	-	(20,413,552)
Equipment	(9,910,263)	(558,397)	383,075	(10,085,585)
Total accumulated depreciation	<u>(154,999,985)</u>	<u>(10,089,738)</u>	<u>383,075</u>	<u>(164,706,648)</u>
Total capital assets, being depreciated, net	<u>319,755,936</u>	<u>(2,769,055)</u>	<u>100,651</u>	<u>316,886,230</u>
Governmental activities capital assets, net	<u>\$ 338,980,121</u>	<u>\$ (1,274,228)</u>	<u>\$ 4,132,407</u>	<u>\$ 333,573,486</u>
Business-type activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 3,558,467	\$ -	\$ -	\$ 3,558,467
Construction in progress	4,954,540	1,511,359	1,591,666	4,874,233
Total capital assets, not being depreciated	<u>8,513,007</u>	<u>1,511,359</u>	<u>1,591,666</u>	<u>8,432,700</u>
<i>Capital assets, being depreciated</i>				
Water and sewer pipes	123,535,019	392,950	-	123,927,969
Structures and improvements	85,025,379	2,070,211	-	87,095,590
Equipment	3,739,373	201,001	36,000	3,904,374
Total capital assets, being depreciated	<u>212,299,771</u>	<u>2,664,162</u>	<u>36,000</u>	<u>214,927,933</u>
<i>Less accumulated depreciation for:</i>				
Water and sewer pipes	(22,410,250)	(1,652,373)	-	(24,062,623)
Structures and improvements	(39,494,186)	(2,572,166)	-	(42,066,352)
Equipment	(3,270,118)	(78,251)	36,000	(3,312,369)
Total accumulated depreciation	<u>(65,174,554)</u>	<u>(4,302,790)</u>	<u>36,000</u>	<u>(69,441,344)</u>
Total capital assets, being depreciated, net	<u>147,125,217</u>	<u>(1,638,628)</u>	<u>-</u>	<u>145,486,589</u>
Business-type activities capital assets, net	<u>\$ 155,638,224</u>	<u>\$ (127,269)</u>	<u>\$ 1,591,666</u>	<u>\$ 153,919,289</u>

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 7 - CAPITAL ASSETS, Continued

Construction in Progress

Construction in progress for governmental activities primarily represents work being performed on Deer Valley and Hillcrest Improvement, G Street Safety Improvement, Lone Tree Way Improvement, Wilbur Avenue Bridge, Markley Creek Culvert Crossing, Turf field, various parks security cameras, and water park renovations.

Construction in progress for business type activities primarily represents work performed on water main replacement, reclaimed water pipeline, reservoir rehabilitation and sewer main replacement and the marina launch ramp project.

Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 892,353
Public works	7,880,755
Public safety	376,477
Parks and recreation	531,627
Community development	1,000
Depreciation of capital assets held by the City's Internal Service Fund is charged to the various functions based on their usage of the assets	407,526
Total depreciation expense - governmental functions	<u>\$ 10,089,738</u>

Depreciation expense was charged to governmental functions as follows:

Water	\$ 2,193,389
Sewer	1,235,110
Marina	306,497
Prewett Water Park	567,794
Total depreciation expense - business-type functions	<u>\$ 4,302,790</u>

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 8 - LONG-TERM OBLIGATIONS

(a) Long-Term Debt Composition

Long-term debt at June 30, 2012, consisted of the following:

Type of Indebtedness (Purpose)	Final Maturity	Annual Principal Installment	Interest Rates	Original Issue Amount	Outstanding at June 30, 2012
<u>Governmental Activities:</u>					
Lease Revenue Bonds:					
2001 Issue - ABAG Golf Course	7/1/31	\$85,000-400,000	3.00-5.25%	\$ 6,300,000	\$ 5,240,000
2002 Issue - APFA Municipal Facilities, Series A&B	1/1/32	\$495,000-9,740,000	4.375-5.63%	24,610,000	22,765,000
Total lease revenue bonds				30,910,000	28,005,000
Capital Lease:					
Honeywell Energy Retrofit	7/21/20	\$25,091-45,735	4.79%	4,050,000	3,540,500
Total governmental activities				34,960,000	31,545,500
<u>Business-type Activities:</u>					
Water Bonds:					
2003 Issue-APFA Revenue Refunding	7/1/13	\$140,000-770,000	1.25-3.625%	6,405,000	1,515,000
Total water bonds				6,405,000	1,515,000
Loans Payable:					
State of California Antioch Marina Loan	8/1/43	\$7,655-122,321	4.7-7.9%	6,500,000	3,297,082
Long Term Payable:					
Delta Diablo Sanitation District	12/31/30	\$248,176-251,638	0.077%	5,040,423	4,788,402
Total business-type activities				17,945,423	9,600,484
Total primary government				\$ 52,905,423	\$ 41,145,984

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 8 - LONG-TERM OBLIGATIONS, Continued

(b) Long-Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2012 are as follows:

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012	Amount Due Within One Year
Governmental Activities					
Lease Revenue Bonds	\$ 28,475,000	\$ -	\$ (470,000)	\$ 28,005,000	\$ 525,000
Deferred Amount on Refunding	(205,914)	-	41,182	(164,732)	-
Unamortized Discount	(86,749)	-	4,337	(82,412)	-
Unamortized Premiums	186,649	-	(10,375)	176,274	-
Tax Allocation Bonds	10,980,498	-	(10,980,498)	-	-
Capital Lease Payable	3,866,518	-	(326,018)	3,540,500	348,592
Claims Liability (Note 13)	409,278	847,254	(592,447)	664,085	591,507
Compensated Absences	2,149,920	324,427	(201,399)	2,272,948	227,295
Total Governmental Activities	\$ 45,775,200	\$ 1,171,681	\$ (12,535,218)	\$ 34,411,663	\$ 1,692,394
Business-type Activities					
Water bonds	\$ 2,235,000	\$ -	\$ (720,000)	\$ 1,515,000	\$ 745,000
Deferred Amount on Refunding	(43,729)	-	21,864	(21,865)	-
Unamortized Premiums	3,565	-	(1,782)	1,783	-
Loans Payable	3,435,545	-	(138,464)	3,297,081	144,694
Long Term Payable	-	5,040,423	(252,021)	4,788,402	252,026
Compensated Absences	437,022	11,072	(60,806)	387,288	38,729
Total Business-type Activities	\$ 6,067,403	\$ 5,051,495	\$ (1,151,209)	\$ 9,967,689	\$ 1,180,449

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. For the governmental activities, claims and judgments are generally liquidated by the General Fund, and a majority of compensated absences are generally liquidated by the general fund.

(c) Debt Service Requirements

As of June 30, 2012, annual debt service requirements of governmental activities to maturity are as follows:

Year ending June 30:	Lease Revenue Bonds	
	Principal	Interest
2012	\$ 525,000	\$ 1,521,829
2013	585,000	1,494,602
2014	650,000	1,463,764
2015	720,000	1,429,266
2016	790,000	1,390,507
2017-2021	5,245,000	6,204,188
2022-2026	7,435,000	4,473,219
2027-2031	12,055,000	3,050,875
Total	<u>\$ 28,005,000</u>	<u>\$ 21,028,250</u>

Interest payments and lease revenue bond retirements are serviced by revenues generated by the General Fund and tax increment from the former redevelopment agency.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 8 - LONG-TERM OBLIGATIONS, Continued

Principal and interest payments on the lease revenue bonds are payable from any revenue lawfully available to the City for the purpose of payment of Base Rental Payments. The total principal and interest remaining to be paid on the bonds is \$49,033,250. For the current year, principal and interest paid were \$2,519,931.

As of June 30, 2012 annual debt service requirements of business-type activities to maturity are as follows:

Year ending June 30:	Water Bonds		Marina Loans	
	Principal	Interest	Principal	Interest
2013	745,000	40,950	144,694	148,369
2014	770,000	13,956	151,206	141,857
2015	-	-	158,010	135,053
2016	-	-	165,108	127,943
2017	-	-	141,340	120,513
2018-2022	-	-	518,776	517,881
2023-2027	-	-	495,544	411,401
2028-2032	-	-	617,538	289,407
2033-2037	-	-	715,233	137,381
2038-2040	-	-	189,633	12,390
Total	\$ 1,515,000	\$ 54,906	\$ 3,297,082	\$ 2,042,195

Pursuant to the agreement, the annual principal and interest payments on the water bonds is solely from the net water revenues received and receivable. The total principal and interest remaining to be paid on the bonds is \$1,569,906. For the current year, principal and interest paid were \$794,070 and water net revenues were \$5,339,303. The water bonds required 15% of net revenues.

(d) Capital Lease

In October 2009, the City entered into a lease-purchase agreement in the amount of \$4,050,000 with Bank of America to finance the acquisition and retrofitting of interior building lighting in City facilities, street lights and park and site lighting fixtures throughout the City. The lease has an imputed interest rate of 4.79% and requires monthly payments beginning in August 2010 until July 2020, when the lease will terminate and the City will obtain title to the property. The project was completed in December 2010. As of June 30, 2012, the net book value of the assets completed has been recorded as Improvements other than Buildings in the amount of \$4,364,926.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 8 - LONG-TERM OBLIGATIONS, Continued

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2012 were as follows:

Year Ending June 30:	Governmental Activities
2013	\$ 510,606
2014	516,139
2015	521,729
2016	527,374
2017	533,076
2018-2021	1,679,927
Total minimum lease payments	4,288,851
Less: amount representing interest	(748,351)
Present value of minimum lease payments	<u>\$ 3,540,500</u>

(e) Long Term Payable

The City entered into a Joint Powers Agreement with Delta Diablo Sanitation District (DDSD) in November 2003 for DDSD to develop a recycled water program within City limits. As part of this agreement, DDSD would design, construct, own, operate and regulate all recycled water facilities to provide recycled water within the City of Antioch. The City would be responsible for 50% of the project cost, up to \$5,000,000 in principal with associated interest, of a loan DDSD obtained from the State Water Resources Control Board to complete the project. The project was completed in July 2011 and the City began paying a proportionate share of the project costs in December 2011. The total due at June 30, 2012 is \$4,788,402 representing the total share of principal and interest outstanding on the loan DDSD obtained. Repayment requirements are as follows:

Year ending June 30:	Long Term Payable	
	Principal	Interest
2013	248,367	3,659
2014	248,559	3,468
2015	248,750	3,276
2016	248,941	3,085
2017	249,133	2,893
2018-2022	1,249,546	11,585
2023-2027	1,253,360	6,771
2028-2032	1,005,071	1,938
Total	<u>\$ 4,751,727</u>	<u>\$ 36,675</u>

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 8 - LONG-TERM OBLIGATIONS, Continued

(f) Special Assessment Debt without City Commitment

The City is the collecting and paying agent for other special assessment debt, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in the City's financial statements. Cash held by the City on behalf of this district is recorded in the Agency Funds of the City. This district's outstanding debt balance at June 30, 2012 is as follows:

Lone Diamond Reassessment Revenue Bonds	<u>\$20,905,000</u>
Total	<u><u>\$20,905,000</u></u>

(g) Legal Debt Limit

As of June 30, 2012, the City's debt limit and legal debt margin (15% of valuation subject to taxation) was \$1,104,132,050.

NOTE 9 - NET ASSETS/FUND BALANCES

(a) Net Assets

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested capital assets (net of related debt), restricted and unrestricted.

Invested In Capital Assets, Net of Related Debt - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Assets - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets - This category represents net assets of the City, not restricted for any project or other purpose.

CITY OF ANTIOCH

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 9 - NET ASSETS/FUND BALANCES, Continued

(b) Fund Balances

Fund balances, presented in the governmental fund financial statements, represent the difference between assets and liabilities reported in a governmental fund. In fiscal year 2011, the City implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB 54 establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental funds. Fund balances are classified into categories based upon the type of restrictions imposed on the use of funds.

As of June 30, 2012 components of fund balance are described below:

- *Nonspendable* – portion of net resources that cannot be spent because of its form (i.e., long term loans, prepaids).
- *Restricted* – portion of net resources that are limited in use by grantors, laws or enabling legislation.
- *Committed* – portion of net resources that are limited to the use as established by formal action of the City Council. Committed fund balance can only be modified or rescinded by formal action of the City Council through resolution.
- *Assigned* – portion of net resources held for the use as established by the City Manager or his designee. The City Council has granted this authority to the City Manager through resolution.
- *Unassigned* – portion of net resources that represents amounts in excess of the other fund balance components. Only the General Fund can have a positive unassigned fund balance.

The City spends restricted fund balances first when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available. Committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent when expenditures are incurred for the purposes for which amounts in any of those unrestricted fund balance classifications could be used.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 9 - NET ASSETS/FUND BALANCES, Continued

	Major Funds				Non-major Governmental Funds	Total
	General Fund	Housing and Community Development	Gas Tax	Housing Successor Fund		
Nonspendable:						
Petty cash and prepaids	\$ 60,337	\$ -	\$ -	\$ -	\$ 34,711	\$ 95,048
Total nonspendable	<u>60,337</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,711</u>	<u>95,048</u>
Restricted for:						
Housing & Development	-	102,383	-	4,569,332	-	4,671,715
Debt service	-	-	-	-	1,361,894	1,361,894
Streets	-	-	8,473,012	-	3,533,752	12,006,764
PEG Programming	-	-	-	-	500,101	500,101
Storm Channels	-	-	-	-	2,738,660	2,738,660
Landscape Maintenance	-	-	-	-	1,420,143	1,420,143
Tidelands Areas	-	-	-	-	104,057	104,057
Law Enforcement	-	-	-	-	95,153	95,153
Traffic Safety	-	-	-	-	34,995	34,995
Parks & Recreation	-	-	-	-	218,486	218,486
Animal Shelter	-	-	-	-	29,567	29,567
Abandoned Vehicle	-	-	-	-	112,421	112,421
Total restricted	<u>-</u>	<u>102,383</u>	<u>8,473,012</u>	<u>4,569,332</u>	<u>10,149,229</u>	<u>23,293,956</u>
Committed to:						
Compensated absences	94,030	-	-	-	-	94,030
Parks	-	-	-	-	4,245,072	4,245,072
Arts & Cultural Activities	-	-	-	-	15,058	15,058
Recreation Programs	-	-	-	-	16,372	16,372
Field Maintenance	-	-	-	-	20,125	20,125
Memorial Field Maintenance	-	-	-	-	36,698	36,698
Road Repair	-	-	-	-	149,935	149,935
Waste Reduction	-	-	-	-	313,604	313,604
Youth Activities	-	-	-	-	101,215	101,215
Traffic Signals	-	-	-	-	1,118,463	1,118,463
Total committed	<u>94,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,016,542</u>	<u>6,110,572</u>
Assigned to:						
Contractual Services	14,051	-	-	-	-	14,051
Parks & Recreation	-	-	-	-	21,552	21,552
Capital Projects	-	-	-	-	1,235,051	1,235,051
Community Benefit Programs	-	-	-	-	150,182	150,182
RDA Contingency	284,122	-	-	-	-	284,122
AD 26	-	-	-	-	374,452	374,452
AD 27	-	-	-	-	2,854,790	2,854,790
Total assigned	<u>298,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,636,027</u>	<u>4,934,200</u>
Unassigned	8,036,561	-	-	-	-	8,036,561
Total fund balances	<u>\$ 8,489,101</u>	<u>\$ 102,383</u>	<u>\$ 8,473,012</u>	<u>\$ 4,569,332</u>	<u>\$ 20,836,509</u>	<u>\$ 42,470,337</u>

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 10 - PENSION PLAN

(a) Plan Description

All permanent employees are eligible to participate in the Public Employees' Retirement Fund (the Fund) of California Public Employees' Retirement System (CALPERS). The Fund is an agent multiple-employer defined benefit plan that acts as a common investment and administrative agent for various local and state governmental agencies within the State of California. The fund provides retirement, disability, and death benefits based on the employees' years of service, age and final compensation. Employees vest after five years of service and may receive retirement benefits at the age of 50 for public safety personnel or age 55 for miscellaneous employees. These benefit provisions and all other requirements are established by State statute and City ordinance. Copies of the Fund's annual financial report may be obtained from CALPERS' executive office: 400 P Street, Sacramento, CA 95814. A separate report for the City's plan within the Fund is not available.

(b) Funding Policy

Public safety employees and all other employees have an obligation to contribute 9% and 8%, respectively, of their salary to the Fund. The City contributes the entire 9% for sworn police safety employees, the entire 8% for non-sworn police safety employees, and 7% of the 8% of all other employees on their behalf and for their account. Beginning in fiscal year 2011, members of all bargaining groups began contributing a portion of the employer contributions with the amount increasing each year until 9%/8% is reached. The City is required to contribute at an actuarially determined rate. The required employer contribution rates for fiscal year 2011/12 were 20.038% for miscellaneous employees and 29.573% for safety employees of annual covered payroll. The contribution requirements of the plan members are established by State statute, and the employer contribution rate is established and may be amended by CALPERS.

(c) Annual Pension Cost

For fiscal year 2011/12, the City's annual pension cost of \$5,211,024 was equal to the required contributions. The required contribution was determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses); (b) projected salary increases that range from 3.55% to 14.45% (13.15% for safety plan) depending on age, service, and type of employment; (c) inflation of 3.0%; (d) payroll growth of 3.25%; and (e) individual salary growth based on a merit scale varying by duration of employment coupled with an assumed annual inflation component of 3.0% and an annual production growth of 0.25%. The actuarial value of the Fund's assets was determined using a technique that smoothes the effect of short-term volatility of the market value of investments over a three-year period. Unfunded actuarial accrued liability (UAAL) (or excess assets) is being amortized as a level percentage of projected payroll costs on a closed basis. The remaining amortization period as of June 30, 2009, was 29 years and 20 years for the miscellaneous and safety, respectively.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 10 - PENSION PLAN, Continued

(d) Three-Year Trend Information

The following table shows the City's required contributions and the percentage contributed, for the current year and each of the preceding two years.

Miscellaneous Plan				Safety Plan			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2010	\$ 2,006,493	100.0%	-	6/30/2010	\$ 2,922,082	100.0%	-
6/30/2011	1,704,292	100.0%	-	6/30/2011	2,873,814	100.0%	-
6/30/2012	2,039,099	100.0%	-	6/30/2011	3,171,925	100.0%	-

(e) Status and Funding Progress

Miscellaneous Employees: As of June 30, 2010, the most recent actuarial valuation date, the plan was 63.6% funded. The actuarial accrued liability for benefits was \$124,265,203, and the actuarial value of assets was \$101,190,100, resulting in an unfunded accrued liability of \$23,075,103.

**Miscellaneous Employees Retirement System
Funded Status of Plan**

Valuation Date*	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Status		Annual Covered Payroll	Unfunded Liability As A % of Payroll
6/30/2010	\$ 124,265,203	\$ 101,190,100	\$ 23,075,103	AVA 81.4%	MVA 63.6%	\$ 13,473,039	171.3%

Public Safety Employees: As of June 30, 2010, the most recent actuarial valuation date, the plan was 64.5% funded. The actuarial accrued liability for benefits was \$99,099,170, and the actuarial value of assets was \$80,923,199, resulting in an unfunded accrued liability of \$18,175,971.

**Public Safety Employees Retirement System
Funded Status of Plan**

Valuation Date*	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Status		Annual Covered Payroll	Unfunded Liability As A % of Payroll
6/30/2010	\$ 99,099,170	\$ 80,923,199	\$ 18,175,971	AVA 81.7%	MVA 64.5%	\$ 11,014,417	165.0%

*most current information

The required schedule of funding progress immediately following the notes to the financial statements presents additional, multi-year, trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 11 – SUPPLEMENTARY RETIREMENT PLAN

(a) Plan Description

Employees are eligible to receive benefits under this plan if he or she meets the requirements under one of the three tiers of the plan. The fund is an agent multiple-employer defined benefit plan established under Section 401 (a) and tax-exempt under Section 501 (a) of the Internal Revenue Code of 1986 and meets the requirements of a pension trust under California Government Code Sections 53215-53224. The trust is maintained by Public Agency Retirement Services (PARS) and provides for retirement, survivor continuance, pre-retirement disability and pre-retirement death benefits based upon the tier the member qualifies within. Employee vesting is determined within each tier:

- Tier I – Designated eligible employee by Plan Administrator that has terminated from employment and applied for benefits under plan vest immediately.
- Tier II – Vest after five years of employment.
- Tier III – Employee vested if a full time Sworn Police Officer on or after September 1, 2007 and has terminated employment and concurrently retires under a disability or industrial disability retirement under CALPERS.

These benefit provisions and all other requirements are established by State Statute and City ordinance. Copies of the Fund's annual financial report may be obtained from PARS office: P.O. Box 12919, Newport Beach, CA 92658-2919. A separate report for the City's plan within the fund is not available.

(a) Funding Policy

There is no requirement imposed by PARS to contribute any amount beyond the pay as you go contributions. For the fiscal year 2012, the City made a total of \$76,015 in pay as you go contributions.

(b) Annual Pension Cost

The amount necessary to fund future benefits is based on projections from the June 30, 2011 Actuarial Study completed by Bartel and Associates, LLC using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions include (a) 4.0% investment rate of return; (b) projected salary increases at 3.25% in the aggregate; (c) inflation of 3.0% and (d) individual salary growth based on merit increases per the CalPERS 1997-2007 Experience Study. The remaining amortization period as of June 30, 2011 was eighteen years for the plan.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 11 – SUPPLEMENTARY RETIREMENT PLAN, Continued

The following table shows the components of the City's annual pension cost for the year, the amount actually contributed to the plan, and changes in the City's net pension obligation to the Supplementary Retirement Plan:

Annual Required Contributions	\$ 235,000
Interest on net pension obligation	8,243
Adjustment to annual required contributions	<u>(18,547)</u>
Annual Pension Cost	224,696
Contributions Made	<u>(76,015)</u>
Increase in net pension obligation	148,681
Net pension obligation - beginning of year	<u>206,083</u>
Net pension obligation - end of year	<u><u>\$ 354,764</u></u>

(c) Trend Information

The following information shows the City's required contributions and the percentage contributed for the current year and prior two fiscal years.

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2010	\$176,000	42.3%	\$ 101,466
6/30/2011	179,805	41.8%	206,083
6/30/2012	224,696	33.8%	354,764

(d) Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the plan was 2.2% funded. The actuarial accrued liability for benefits was \$1,731,000, and the actuarial value of assets was \$38,000, resulting in an unfunded accrued liability of \$1,693,000.

Valuation Date*	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Status	AVA	MVA	Annual Covered Payroll	Unfunded Liability As A % of Payroll
6/30/2011	\$ 1,731,000	\$ 38,000	\$ 1,693,000	2.2%	0.0%	\$ 7,897,000	21.4%	

*most current information

The required schedule of funding progress immediately following the notes to the financial statements presents additional, multi-year, trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 12 - POST EMPLOYMENT MEDICAL BENEFITS

(a) Medical After Retirement Plan Trust

Plan Description. City of Antioch provides postretirement medical benefits to all eligible employees and their surviving spouses under the provisions of three formal City-sponsored plans (Miscellaneous Group, Management Group and Police Group). The effective date varies based upon the employee's classification and related memorandum of understanding (MOU). For all employees who retire from service (either regular retirement or disability retirement), the City shall pay a portion of their medical premiums based on their respective MOU currently in effect. The City's contributions are advanced-funded on an actuarially determined basis and recorded in the CalPERS Trust (CERBT). The Fund is a Section 115 Trust set up for the purpose of receiving employer contributions that will prefund health and other post employment benefit costs for retirees and their beneficiaries. As of June 30, 2012, there were 195 active participants and there were 171 retired participants eligible to receive post employment health care benefits. While the City currently maintains three Internal Service Funds to account for the payment of retiree medical benefits and reimbursements for these costs from the trust for each plan group, the CERBT accounts for the separate plans in one trust account. The City makes contributions to the CERBT based on a percentage of active employee payroll.

Funding Policy. There is no requirement imposed by CalPERS, to contribute any amount beyond the pay-as-you-go contributions. The cost of monthly insurance premiums may be shared between the retiree and the City. The cost sharing varies depending on: date of hire; the dependent status; and plan selected. A minimum employer monthly contribution requirement is established and may be amended by the CalPERS Board of Administration and applicable laws. Within the parameters of the law, individual contracting agencies, such as the City, are allowed to establish and amend the level of contributions made by the employer towards the monthly cost of the plans. Changes to the employer contribution amount towards retiree benefits are recorded in a resolution adopted by the City Council. The City has elected a five year amortization period for the Other Post Employment Benefits ("OPEB") plan assets deposited into the CERBT, permitted under GASB Statement 45 paragraph 13F, amortization periods allow for a maximum of 30 years with no minimum years.

The City has established a policy to make contributions, for the purpose of funding its calculated obligations over a period of time, enough to pay current benefits due, with the intent to make the full ARC contributions (9.7% of payroll for fiscal year 2012) as fiscal conditions improve, to the CERBT each year. The amount necessary to fund future benefits is based on projections from the January 1, 2011 Actuarial Study completed by Bickmore Risk Services in accordance with GASB Statement 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

For fiscal year 2012, the City made a total of \$1,119,472 in contributions.

Annual OPEB Cost and Net OPEB Obligation. The City's annual OPEB cost (expense) is calculated based on the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City of Antioch annual OPEB costs for the year segregated to show amounts by each City sponsored plan(although combined in the trust), the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the City Retiree Health Plan: (In Thousands)

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 12 - POST EMPLOYMENT MEDICAL BENEFITS, Continued

	Miscellaneous	Management	Police	Total
Annual Required Contributions	\$ 392	\$ 366	\$ 1,209	\$ 1,967
Interest on net OPEB obligation	(78)	(48)	11	(115)
Adjustment to annual required contributions	67	41	(9)	99
Annual OPEB Cost	381	359	1,211	1,951
Contributions Made	279	543	298	1,120
Increase in net OPEB obligation	(102)	184	(913)	(831)
Net OPEB Obligation - beginning of year	1,005	622	(141)	1,486
Net OPEB Obligation - end of year	<u>\$ 903</u>	<u>\$ 806</u>	<u>\$ (1,054)</u>	<u>\$ 655</u>

The following shows the calculation of the Annual Required Contributions for FY 2012 (in thousands):

	Miscellaneous	Management	Police	Total
Normal Cost at Year End	\$ 168	\$ 49	\$ 472	\$ 689
Amortization of UAAL	209	304	694	1,207
Interest	15	13	43	71
Annual Required Contribution (ARC)	<u>\$ 392</u>	<u>\$ 366</u>	<u>\$ 1,209</u>	<u>\$ 1,967</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan (shown by City sponsored plan), and the net OPEB asset (obligation) for FY2012 and the two previous years were as follows:

Miscellaneous			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB Asset
6/30/2010	\$ 699	35%	\$ 1,126
6/30/2011	357	66%	1,005
6/30/2012	381	73%	903

Management			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB Asset
6/30/2010	\$ 700	40%	\$ 663
6/30/2011	343	88%	622
6/30/2012	359	151%	806

Police			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB Asset (Obligation)
6/30/2010	\$ 893	24%	\$ 773
6/30/2011	1,101	17%	(141)
6/30/2012	1,211	25%	(1,054)

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 12 - POST EMPLOYMENT MEDICAL BENEFITS, Continued

Funded Status and Funding Progress. As of July 1, 2011, the most recent actuarial valuation date, the plan was 19.4% funded. The actuarial accrued liability for benefits was \$38,433 (in thousands), and the actuarial value of assets was \$7,455 (in thousands), resulting in an unfunded accrued liability of \$30,978 (in thousands).

**California Employers' Retiree Benefit Trust*
Funded Status of Plan**

Valuation Date:	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Status		Annual Covered Payroll	Unfunded Liability As A % of Payroll
				AVA	MVA		
7/1/11	\$38,433*	\$7,455*	\$30,978*	19.4%	19.4%	\$18,787*	164.9%

*The three City sponsored plans are maintained in one CERBT account; amounts in 000's

The required schedule of funding progress immediately following the notes to the financial statements presents additional, multi-year, trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2011 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions used include (a) a 4.80% investment rate of return; (b) projected salary increases at 3.25% per year; (c) inflation of 3.25% and (d) healthcare cost trend rates ranging between 5.50% and 9.00% between 2012 and 2018, with annual increases of 4.50% from 2019 and thereafter for City contributions linked to a specific medical plan and 0% between 2012 and 2014, with annual increases of 4.50% from 2015 and thereafter for City contributions that are capped. The Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level percentage of projected payroll over 30 years on a closed basis. The remaining amortization period as of June 30, 2012 was 26 years for the plan.

(b) Medical After Retirement Plan Account

Employees hired after September 1, 2007 are not eligible for post employment medical benefits as defined in the previous plan. The City has created a medical after retirement program in which the City will contribute 1.5% of the employee's base monthly salary into an account established for the employee to be used for future medical benefits. This plan is being administered by Operating Engineers Local 3. The City will match an additional amount of up to 1.0% of the employee contribution, for a total City contribution not to exceed 2.5%. Employees have the right to their individual plan upon separation of employment. As of June 30, 2012, there were 38 participants in the plan. During the year, the City contributed \$14,773 towards employee accounts.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City currently reports its risk management activities in its General Fund and Loss Control Internal Service Fund.

The City participates in the Municipal Pooling Authority (MPA), a joint powers agency (risk-sharing pool) established to provide an independently managed self-insurance program for members. The purpose of MPA is to spread the adverse effect of losses among the member agencies and to purchase excess insurance as a group, thereby reducing its expense.

The City's deductibles and maximum coverage follow:

<u>Coverage</u>	<u>Deductible</u>	<u>MPA</u>	<u>Excess Liability</u>
General liability	\$50,000	\$50,001-\$1,000,000	\$1,000,001-\$29,000,000
Workers compensation	\$0	\$0-\$500,000	\$500,001-\$50,000,000
Property damage	\$5,000 5%, min.	\$0	\$500 million at risk

The City contributes its pro rata share of anticipated losses to a pool administered by MPA. Should actual losses among participants be greater than the anticipated losses, the City will be assessed retrospectively its pro rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro rata share of the excess. The City paid premiums of \$905,654 during the year ended June 30, 2012. MPA has obtained excess coverage in the amount of \$28,000,000 for total coverage of \$29,000,000 through participation in the California Joint Powers Risk Management Association. MPA has also purchased excess property damage coverage through various commercial carriers. Settled claims have not exceeded this excess liability coverage in any of the past three fiscal years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated and includes incremental claim expenses. Allocated and unallocated claims adjustment expenditures are included in the liability balance. These losses include an estimate of claims that have been incurred but not reported. The claim liability balances at June 30, 2012 are discounted at 4.0%. This liability is the City's best estimate based on available information. Changes in the reported liability resulted from the following:

	<u>Beginning of Fiscal Year Liability</u>	<u>Deductibles and Charges in Estimates</u>	<u>Payments</u>	<u>End of Fiscal Year Liability</u>
2009-2010	\$ 642,325	\$ 823,417	\$ 819,212	\$ 646,530
2010-2011	646,530	289,536	526,788	409,278
2011-2012	409,278	847,254	592,447	664,085

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

(a) Antioch Area Public Facilities Financing Agency

The City and Antioch Unified School District (School District) are members of the Antioch Area Public Facilities Financing Agency (AAPFFA), a community facilities district comprising part of the City and the School District. The AAPFFA was formed to finance construction and acquisition of school facilities for the School District and public facilities for the City. The AAPFFA is controlled by a governing board consisting of seven members: two members of the City Council, two members of the District Board and three members from the general public. The board controls the operation and finances of the AAPFFA independent of influence by the City, and the AAPFFA is therefore excluded from the City's reporting entity.

The AAPFFA has issued Special Tax Bonds to finance various school district and City projects. These bonds are to be repaid out of a special tax levied on property owners of the community facilities district comprising the AAPFFA. During the fiscal year ended June 30, 2012 the AAPFFA contributed \$102,711 of bond proceeds to the City to finance construction of the City's Prewett Community Park. This contribution has been recorded as revenue from other agencies in the City's Capital Projects Funds. The City acts as fiscal agent for the AAPFFA. The City's Finance Department maintains accounting records and processes receipts and disbursements. The AAPFFA's financial statements are available by contacting the City of Antioch, Finance Department, P.O. Box 5007, Antioch, CA 94531-5007, 925-779-7055.

(b) Contra Costa County Home Mortgage Finance Authority

The City and Contra Costa County are members of the Contra Costa Home Mortgage Financing Authority (Home Mortgage). The Home Mortgage issued 1984 Home Mortgage Revenue Bonds for the purpose of facilitating the financing of low-income home mortgages in the City and County. The City made no contributions to the Home Mortgage during the fiscal year ended June 30, 2011. The Home Mortgage is governed by a board consisting of representatives of the County and City. The board controls the operations and finances of the Authority, independent of influence by the City. Therefore, the Home Mortgage is excluded from the City's reporting entity. The Home Mortgage's financial statements are available by contacting the Contra Costa County Community Development Department, 651 Pine Street, Martinez, CA 94553-1229, 925-646-4208.

NOTE 15 - COMMITMENTS AND CONTINGENCIES

(a) Grants

The City participates in Federal and State grant programs. These programs have been audited by the City's independent auditors in accordance with the provisions of the Federal Single Audit Act Amendments of 1996, and applicable Federal and State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

(b) Pending Litigation

The City is a defendant in a number of lawsuits, which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have a material adverse effect on the financial position of the City.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 15 - COMMITMENTS AND CONTINGENCIES, Continued

(c) Slatten Ranch

Slatten Ranch Regional Retail Shopping Center Agreements - When the Slatten Ranch regional retail shopping center was contemplated, the City and developers recognized the significant street and traffic improvements would be necessary to make the project possible. Slatten Ranch developers and retailers were encouraged to locate in Antioch due to the City's announced intention to participate in the infrastructure costs. The City agreed to pay the shopping center developers \$2,000,000 in ten annual installment payments of \$200,000 each (no interest). The first payment was made on June 18, 2005, and the final payment is due on June 18, 2014. The second reimbursement agreement required the City to pay Slatten Ranch Regional Retail Shopping Center a cash \$500,000 down payment toward the cost of the shopping center developers' extension of Lone Tree Way (\$741,964) upon the Target Store opening for business (October 6, 2003), followed by two annual payments thereafter of the remaining construction cost, plus 8% interest.

(d) Nokes

On December 3, 2002, the City of Antioch/Antioch Development Agency signed an agreement with Thomas Nokes of the Antioch Auto Center (Nokes). This agreement provided assistance for Nokes to purchase and remodel the auto dealership site at 1810 Somersville Road and various improvements on properties owned by Nokes that make up the Antioch Auto Center. The major improvements are the Nissan and Toyota dealerships. The transaction involved two separate agreements, one with the City and one with the Agency.

In order for Nokes to remain in the City, the Agency agreement offered incentives for Nokes to purchase the 1810 Somersville Road Toyota dealership. Nokes agreed not to move any of his dealerships from Antioch for at least 10 years. If this provision is violated, Nokes is obligated to repay the Agency all money received from the Agency, plus interest at the then current Bay Area CPI index. Under the Agency agreement, Nokes was required to purchase the 1810 Somersville location, upon which the Agency was required to pay Nokes \$600,000 upon receiving proof of ownership of the 1810 Somersville location. In addition, the City is obligated to make a maximum payment to Nokes of \$2.4 million. These payments are to be calculated from sales taxes generated by the Nokes dealerships, based upon 25% of such sales tax proceeds. Payments will continue until the maximum payment amount is reached. As of June 30, 2012, the City has paid \$2,268,571 towards this agreement.

(e) Construction Commitments

Among the significant construction commitments were \$1.7 million towards Wilbur Avenue Bridge, \$2.8 million towards the Nelson Ranch project, and approximately \$1 million towards Markley Creek Culvert Crossing.

CITY OF ANTIOCH

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2012

NOTE 16 – SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY

- (a) On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 24, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012/07.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between the redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of the dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City. The City considers the trust a blended component unit.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as “net assets received upon dissolution of redevelopment agency”.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

**NOTE 16 – SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY,
Continued**

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the “net assets received upon dissolution of redevelopment agency” that was recognized in the fiduciary fund financial statements.

The difference between the extraordinary loss recognized in the fund financial statements and the “net assets received upon dissolution of redevelopment agency” in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in governmental fund – increase to net assets of the Successor Agency Trust Fund	\$1,942,211
Loans receivable reported in governmental fund – increase to net assets of the Successor Agency Trust Fund	134,449
Long-term debt reported in the government-wide financial statements – decrease to net assets of the Successor Agency Trust Fund	(9,661,132)
Net assets received upon dissolution of redevelopment agency	\$7,584,472

The government-wide statement of activities reflects an extraordinary item in the amount of \$7,718,921 for the effect of the dissolution of redevelopment. The \$134,449 difference between the private purpose trust of the Successor Agency and the government-wide statements is due to loans receivable (see b below) which were deferred by the Antioch Development Agency that are now recognized on the full accrual basis by the private purpose trust.

The City elected to become the housing successor of the former redevelopment agency and thus the housing assets of the former Low and Moderate Income Housing Fund were transferred to the Housing Successor Special Revenue Fund as of February 1, 2012.

(b) Loans Receivable

The composition of the Successor Agency’s loans receivable as of June 30, 2012 is as follows:

Bases Loaded Restaurant	\$99,698
Vineyard Business Park	34,751
	\$134,449

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

**NOTE 16 – SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY,
Continued**

(1) Bases Loaded Restaurant

The former redevelopment agency administered a restaurant incentive program to assist owners and operators of new restaurants to be located in the Rivertown District by assisting with payment of costs for certain capital improvements. The owner must intend to operate and maintain the restaurant in the Rivertown District and has to be determined by the City to be eligible for this program. This agreement made a loan available in the amount of \$300,000 to be used for expenditures relating to capital improvements, fixtures or equipment with a useful life of more than five years and payment of impact fees imposed by the City of Antioch, Delta Diablo Sanitation District and Contra Costa County Environmental Services. The term of the loan is three years from the issuance of the Certificate of Occupancy or from the date that the restaurant opens for business. Each year that this agreement is in effect, the City as Successor Agency will forgive one-third (33 1/3%) of the loan amount. Upon the restaurant having been in continuous operation for three years, the entire amount of the loan shall be forgiven and the funds shall be considered to have been a grant. Upon termination of this agreement prior to successful completion of three years, the owner shall be obligated to pay the City as Successor Agency interest of the principal owed at the average rate of interest received by the City on its funds deposited in LAIF. Principal outstanding on this loan is \$99,698 at June 30, 2012.

(2) Vineyard Business Park

In November 2000, the former Antioch Development Agency entered into an 18-month lease agreement for the Vineyard Business Park. The Agency was obligated to lease 33,000 square feet of space until new tenants were assigned, or the end of the agreement, whichever occurred first. The lessor was then obligated to repay rents collected from the Agency at 10% per year for 10 years following the end of the agreement. Repayment of the \$99,753 obligation began in March 2004. The balance outstanding at June 30, 2012 is \$34,751.

(c) Long-Term Obligations

The Successor Agency is responsible for three outstanding bonds of the former redevelopment agency. A description of the bonds, including a schedule of changes in long term obligations and debt service requirements to maturity follows.

(1) Long-Term Debt Composition

Type of Indebtedness (Purpose)	Final Maturity	Annual Principal Installment	Interest Rates	Original Issue Amount	Outstanding at June 30, 2012
Tax Allocation Bonds:					
1994 - ADA Project 2	1/14/14	\$30,000-585,000	6.70-7.125%	\$ 1,475,000	\$ 460,000
2000 - ADA Project 1 Refunding	9/1/17	\$200,000-1,380,000	4.2-5.0%	14,450,000	7,310,000
2009 - ADA Project 1	9/1/27	\$95,343-142,289	2.60%	2,080,841	1,891,132
Total tax allocation bonds				<u>\$ 18,005,841</u>	<u>\$ 9,661,132</u>

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

**NOTE 16 – SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVELOPMENT AGENCY,
Continued**

(2) Long-Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2012 are as follows:

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012	Amount Due Within One Year
1994 Tax Allocation Bonds	\$ 665,000	\$ -	\$ (205,000)	\$ 460,000	\$ 220,000
2000 Tax Allocation Bonds	8,330,000	-	(1,020,000)	7,310,000	1,070,000
2009 Tax Allocation Bonds	1,985,498	-	(94,366)	1,891,132	96,819
Total obligations held by the Successor Agency Trust	<u>\$ 10,980,498</u>	<u>\$ -</u>	<u>\$ (1,319,366)</u>	<u>\$ 9,661,132</u>	<u>\$ 1,386,819</u>

(3) Debt Service Requirements

As of June 30, 2012, annual debt service requirements of governmental activities to maturity are as follows:

Year ending June 30:	Tax Allocation Bonds	
	Principal	Interest
2013	\$ 1,386,819	\$ 412,540
2014	1,469,336	342,050
2015	1,286,919	266,329
2016	1,344,569	204,536
2017	1,412,288	138,931
2018-2022	1,959,760	177,145
2023-2027	659,152	62,222
2028-2032	142,289	1,850
Total	<u>\$ 9,661,132</u>	<u>\$ 1,605,603</u>

Interest payments and bond retirements are serviced by revenues generated by the tax increment from the former redevelopment agency. Contra Costa County remits funds from the Redevelopment Property Tax Retirement Trust Fund to the Successor Agency to pay enforceable obligations of the former agency every six months.

NOTE 17 – SUBSEQUENT EVENT

Management has evaluated subsequent events through December 5, 2012, the date the financial statements were available to be issued. No events requiring recognition or disclosure in the financial statements were identified other than those related to the dissolution of redevelopment as described below in the following paragraphs.

On June 27, 2012, the California State Legislature amended ABx1 26 (the Dissolution Act) with AB 1484. This primary purpose of this new bill is to make technical and substantive amendments to the Dissolution Act for redevelopment. As part of the new bill, successor agencies are required to have a review to determine available cash assets of the dissolved redevelopment agencies that can be remitted to the taxing entities. The review for low and moderate income funds (LMIHF) was required to be completed by October 1, 2012 and is due for all other funds by December 15, 2012.

CITY OF ANTIOCH

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012**

NOTE 17 – SUBSEQUENT EVENT, Continued

The California State Department of Finance (DOF) was required to provide all agencies a determination of the completed LMIHF reviews by November 9, 2012 as to whether the DOF concurred with the amount of available cash as reported in the review or if the amount was being adjusted. Agencies then had five business days to remit the amount due to the County Auditor-Controller's for their respective jurisdictions.

The review completed for the former Low and Moderate Income Housing Fund of the Antioch Development Agency listed the amount available for taxing entities as \$1,236,650. This amount was transferred to the Successor Agency Private Purpose Trust Fund to be held until disposition to Contra Costa County. The DOF adjusted the amount to \$1,342,974, as the DOF stated that the review did not demonstrate the need to retain the amount of funds requested to fund future enforceable obligations. The City as Housing Successor has submitted a meet and confer request to the DOF as the City does not agree with this determination. Therefore, the City only remitted \$1,236,650 in the required timeframe with notice to the Contra Costa County Auditor-Controller that the difference in the amount was in dispute. The City had a meet and confer meeting with the DOF on November 28, 2012. A determination letter regarding the meeting is expected by December 15, 2012.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Antioch
Required Supplementary Information
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Schedule of Revenues and Transfers In - General Fund

FUNCTION/ACTIVITY:	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
TAXES				
Property secured	\$ 6,578,185	\$ 6,106,506	\$ 6,102,215	\$ (4,291)
Property in lieu of VLF	5,356,292	4,973,853	4,974,259	406
Property unsecured	275,575	275,575	279,499	3,924
Property other	65,875	65,875	357,941	292,066
Sales and use tax	9,421,464	10,375,284	10,475,632	100,348
Motor vehicle in-lieu	370,000	50,983	50,983	-
Transient lodging tax	66,000	66,000	84,308	18,308
Franchises - other	7,000	7,350	7,351	1
Franchises - gas	180,000	183,892	183,892	-
Franchises - electric	355,000	343,403	343,403	-
Franchises - cable tv	1,050,000	1,050,000	1,114,212	64,212
Franchises - garbage	879,140	879,140	869,171	(9,969)
Business license tax (Gross Receipts)	1,134,000	1,047,380	1,048,272	892
Property transfer tax	330,000	300,000	283,190	(16,810)
Total taxes	26,068,531	25,725,241	26,174,328	449,087
LICENSES AND PERMITS				
Bicycle licenses	40	165	165	-
Building permits	600,000	740,000	812,737	72,737
Street & curb permits	140,000	145,000	170,417	25,417
Wide vehicle/overload	4,000	6,500	7,536	1,036
Technology fee	10,000	13,500	14,734	1,234
Energy Inspection Fee	10,000	12,337	13,551	1,214
Pool Safety Fee	50	440	650	210
Accessibility Fee (Non-Resident)	2,000	2,380	2,423	43
Green Bldg Verification & Compliance	-	65,171	73,964	8,793
Total licenses and permits	766,090	985,493	1,096,177	110,684
FINES AND PENALTIES				
Vehicle code fines	100,000	53,000	42,849	(10,151)
Non-traffic fines	30,000	26,000	30,367	4,367
Total fines and penalties	130,000	79,000	73,216	(5,784)
INVESTMENT INCOME AND RENTALS				
Investment income	50,000	50,000	52,698	2,698
Rent and concessions	371,400	404,350	409,973	5,623
Total investment income and rentals	421,400	454,350	462,671	8,321
REVENUE FROM OTHER AGENCIES				
Homeowners property tax relief	60,000	70,000	78,134	8,134
P.O.S.T. reimbursements	15,000	8,000	10,647	2,647
Grant reimbursements	730,580	738,123	738,123	-
EBART contributions/reimbursement	102,860	52,215	64,528	12,313
Community Foundation-GenOn	-	18,369	18,369	-
Total revenue from other agencies	908,440	886,707	909,801	23,094

(Continued)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Schedule of Revenues and Transfers In - General Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
FUNCTION/ACTIVITY, Continued:				
CURRENT SERVICE CHARGES				
Administrative services	92,300	84,000	85,623	1,623
Legal fees	-	1,129	1,129	-
Special police services	803,035	726,035	739,531	13,496
False alarm fees	45,000	56,000	63,525	7,525
Plan checking fees	361,000	367,000	391,299	24,299
Planning fees	71,600	41,834	48,095	6,261
Inspection fees	35,000	45,000	56,289	11,289
Special public works services	35,400	52,715	51,630	(1,085)
Other service charges	17,500	16,731	17,473	742
Assessment fees	10,000	43,511	38,264	(5,247)
Charges for services	5,208,059	5,221,294	5,195,827	(25,467)
Billings to Department	294,854	211,601	262,859	51,258
Total current service charges	6,973,748	6,866,850	6,951,544	84,694
OTHER REVENUES				
Miscellaneous revenue	323,520	911,590	939,981	28,391
OTHER FINANCING SOURCES				
Transfers in:				
Gas Tax Fund	1,010,000	1,010,000	1,010,000	-
Pollution Elimination	304,833	264,833	258,282	(6,551)
Street Impact	1,100,000	1,100,000	1,100,000	-
Street Light and Landscape Maintenance Districts	541,238	581,992	581,992	-
Supplementary Law Enforcement Grant	100,000	160,658	156,238	(4,420)
Local Law Enforcement Block Grant	40,000	-	-	-
Traffic Safety	140,000	45,000	45,000	-
ADA Project #1	50,000	50,000	50,000	-
Water Fund	243,000	243,000	243,000	-
Sewer Fund	243,000	243,000	243,000	-
Total transfers in	3,772,071	3,698,483	3,687,512	(10,971)
Total other financing sources	3,772,071	3,698,483	3,687,512	(10,971)
Total general fund revenues and other financing sources	\$ 39,363,800	\$ 39,607,714	\$ 40,295,230	\$ 687,516

(Concluded)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Schedule of Expenditures and Transfers Out - General Fund

FUNCTION/ACTIVITY:	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
City Council	\$ 157,669	\$ 159,102	\$ 158,345	\$ 757
City Attorney	420,603	386,152	387,067	(915)
City Manager	397,999	367,749	365,993	1,756
City Clerk	103,383	230,401	225,079	5,322
City Treasurer	255,854	169,601	161,450	8,151
Personnel Services	422,957	393,469	391,743	1,726
Economic Development	688,283	734,985	744,812	(9,827)
Finance/Purchasing	1,857,639	1,828,316	1,819,654	8,662
Warehouse & Central Stores	11,965	12,055	11,950	105
Emergency Services	21,007	11,226	10,586	640
Non-Departmental	1,328,931	1,288,034	1,416,334	(128,300)
Total general government	5,666,290	5,581,090	5,693,013	(111,923)
PUBLIC WORKS				
Maintenance Administration	306,912	303,557	299,148	4,409
General Maintenance Services	82,019	77,194	74,768	2,426
Street Maintenance	1,439,993	1,158,001	1,122,472	35,529
Engineering and Land Development	786,901	802,742	783,372	19,370
Signal & Street Lighting	503,452	505,407	567,151	(61,744)
Striping & Signing	566,398	549,495	547,194	2,301
Facilities Maintenance	511,229	421,754	414,498	7,256
Park Maintenance	756,864	757,746	725,707	32,039
Median and General Landscape	382,936	331,353	342,415	(11,062)
Work Alternative	127,975	123,030	113,287	9,743
Total public works	5,464,679	5,030,279	4,990,012	40,267
PUBLIC SAFETY				
Administration	3,293,632	3,365,081	3,359,544	5,537
Police Reserve	6,180	6,611	7,372	(761)
Prisoner Custody	794,776	673,713	607,021	66,692
Community Policing Division	14,039,120	13,532,207	13,742,690	(210,483)
Traffic Division	793,934	823,229	825,212	(1,983)
Investigation	2,528,665	2,722,068	2,753,251	(31,183)
Special Operations Unit	1,027,458	1,049,274	1,052,502	(3,228)
Communications	2,393,444	2,282,215	2,268,442	13,773
Community Volunteer	79,737	67,462	64,775	2,687
Facility Maintenance	525,735	508,923	496,001	12,922
Total public safety	25,482,681	25,030,783	25,176,810	(146,027)

(Continued)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Schedule of Expenditures and Transfers Out - General Fund

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
COMMUNITY DEVELOPMENT				
Office of the Director	481,317	486,564	485,114	1,450
Land Planning Services	493,773	398,936	385,116	13,820
Neighborhood Improvement	110,770	132,654	125,706	6,948
Capital Improv/Engineering Administration	119,050	142,419	121,357	21,062
Engineering Services	108,176	107,016	83,302	23,714
Building Inspections	585,791	575,991	559,876	16,115
Total community development	1,898,877	1,843,580	1,760,471	83,109
Total current expenditures	38,512,527	37,485,732	37,620,306	(134,574)
OTHER FINANCING USES:				
Transfers out:				
Animal Control	436,226	490,425	485,993	4,432
Antioch WaterPark	40,000	299,523	285,000	14,523
Recreation	456,295	116,772	-	116,772
Downtown Street Light & Landscape District	77,000	77,000	69,000	8,000
Citywide 2A Maintenance District	100,000	100,000	90,000	10,000
Honeywell Capital Lease	40,889	40,889	40,886	3
Total transfers out	1,150,410	1,124,609	970,879	153,730
Total general fund expenditures and transfers out	\$ 39,662,937	\$ 38,610,341	\$ 38,591,185	\$ 19,156

(Concluded)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Special Revenue Fund - Housing and Community Development

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 260	\$ 260	\$ 531	\$ 271
Revenue from other agencies	1,966,562	1,934,592	950,022	(984,570)
Current service charges	-	11,458	12,928	1,470
Other	200,000	389,200	379,290	(9,910)
Total revenues	2,166,822	2,335,510	1,342,771	(992,739)
EXPENDITURES:				
Current:				
Community development	2,083,126	2,332,916	1,292,819	1,040,097
Total expenditures	2,083,126	2,332,916	1,292,819	1,040,097
REVENUES OVER (UNDER) EXPENDITURES	83,696	2,594	49,952	47,358
OTHER FINANCING (USES):				
Transfers (out)	(80,000)	-	-	-
Total other financing (uses)	(80,000)	-	-	-
Net change in fund balances	\$ 3,696	\$ 2,594	49,952	\$ 47,358
FUND BALANCES:				
Beginning of year			52,431	
End of year			\$ 102,383	

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Special Revenue Fund - Gas Tax

	Budget		Actual	Variance With
	Original	Final		Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 2,756,497	\$ 2,637,577	\$ 2,875,700	\$ 238,123
Investment income and rentals	25,000	25,000	55,290	30,290
Revenues from other agencies	15,147,000	5,155,491	3,681,838	(1,473,653)
Current service charges	-	1,050	1,050	-
Other	-	2,826	2,826	-
Total revenues	17,928,497	7,821,944	6,616,704	(1,205,240)
EXPENDITURES:				
Current:				
Public works	581,538	582,345	438,914	143,431
Capital outlay	16,705,000	4,444,183	2,625,091	1,819,092
Total expenditures	17,286,538	5,026,528	3,064,005	1,962,523
REVENUES OVER (UNDER) EXPENDITURES	641,959	2,795,416	3,552,699	757,283
OTHER FINANCING (USES):				
Transfers (out)	(1,440,237)	(1,440,237)	(1,440,221)	16
Total other financing (uses)	(1,440,237)	(1,440,237)	(1,440,221)	16
Net change in fund balances	\$ (798,278)	\$ 1,355,179	2,112,478	\$ 757,299
FUND BALANCES:				
Beginning of year			6,360,534	
End of year			\$ 8,473,012	

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2012

Special Revenue Fund - Housing Successor Fund

	Budget		Actual	Variance With
	Original	Final		Final Budget
				Positive
				(Negative)
REVENUES:				
Investment income and rentals	\$ 4,000	\$ 11,500	\$ 18,490	\$ 6,990
Other	15,000	53,054	52,054	(1,000)
Total revenues	19,000	64,554	70,544	5,990
EXPENDITURES:				
Current:				
Community development	1,954,420	310,272	84,126	226,146
Total expenditures	1,954,420	310,272	84,126	226,146
REVENUES OVER (UNDER) EXPENDITURES	(1,935,420)	(245,718)	(13,582)	232,136
OTHER FINANCING SOURCES:				
Transfers in	1,504,937	775,347	1,045,065	269,718
Total other financing sources	1,504,937	775,347	1,045,065	269,718
SPECIAL ITEMS:				
Extraordinary item	-	-	3,537,849	3,537,849
Net change in fund balances	\$ (430,483)	\$ 529,629	4,569,332	\$ 501,854
FUND BALANCES:				
Beginning of year			-	
End of year			\$ 4,569,332	

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2012

REQUIRED SUPPLEMENTARY INFORMATION UNFUNDED LIABILITY

Miscellaneous Employees Retirement System
Funded Status of Plan

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Status		Annual Covered Payroll	Unfunded Liability as a % of Payroll
				AVA	MVA		
				6/30/2008	\$ 107,642,813		
6/30/2009	120,714,384	97,456,257	23,258,127	80.7%	58.8%	15,984,932	145.5%
6/30/2010	124,265,203	101,190,100	23,075,103	81.4%	63.6%	13,473,039	171.3%

Public Safety Employees Retirement System
Funded Status of Plan

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Status		Annual Covered Payroll	Unfunded Liability as a % of Payroll
				AVA	MVA		
				6/30/2008	\$ 84,605,111		
6/30/2009	93,154,520	75,898,795	17,255,725	81.5%	59.7%	12,284,277	140.5%
6/30/2010	99,099,170	80,923,199	18,175,971	81.7%	64.5%	11,014,417	165.0%

Supplementary Retirement Plan
Funded Status of Plan

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Status		Annual Covered Payroll	Unfunded Liability as a % of Payroll
				AVA	MVA		
				6/30/2009	\$ 1,026,000		
6/30/2011	1,731,000	38,000	1,693,000	2.2%	0.0%	7,897,000	21.4%

California Employers' Retiree Benefit Trust
Funded Status of Plan

Valuation Date	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Status		Annual Covered Payroll	Unfunded Liability as a % of Payroll
				AVA	MVA		
				1/1/2009	\$ 25,836,000		
1/1/2011	25,338,471	7,375,365	17,963,106	29.1%	29.1%	18,786,946	95.6%
7/1/2011	38,433,174	7,454,949	30,978,225	19.4%	19.4%	18,786,946	164.9%

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2012

BUDGETARY BASIS OF ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the required supplementary information:

1. The City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a minute order.
4. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase the total expenditures of any fund must be approved by the City Council. Expenditures may not legally exceed budgeted appropriations at the fund level without City Council approval.
5. The City adopts a one year budget for its General Fund, Special Revenue Funds and Capital Projects Funds. Debt Service Funds budgetary control is achieved through bond indenture provisions.
6. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Amounts presented include amendments approved by the City Council.
7. Encumbrance accounting is employed as an extension of formal budgetary integration in the City's governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances, since they do not yet constitute expenditures or liabilities. Encumbrances are reappropriated in the following year. Unexpended appropriations lapse at year end.

SUPPLEMENTAL INFORMATION

City of Antioch
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
ASSETS				
Cash and investments	\$ 14,639,949	\$ -	\$ 4,620,670	\$ 19,260,619
Accounts, net	1,428,978	622,823	315,845	2,367,646
Tax	69,006	-	-	69,006
Interest	-	6	-	6
Prepaid items	31,762	2,949	1,709	36,420
Restricted cash and investments	-	1,364,942	-	1,364,942
Total assets	\$ 16,169,695	\$ 1,990,720	\$ 4,938,224	\$ 23,098,639
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 531,115	\$ 3,200	\$ 205,040	\$ 739,355
Accrued payroll	88,996	-	6,096	95,092
Deposits	481,601	-	105,434	587,035
Due to other funds	128,868	622,677	7,179	758,724
Deferred revenue	81,924	-	-	81,924
Total liabilities	1,312,504	625,877	323,749	2,262,130
Fund Balances:				
Nonspendable:				
Petty cash and prepaid items	31,762	2,949	-	34,711
Restricted for:				
Debt service	-	1,361,894	-	1,361,894
Streets	3,533,752	-	-	3,533,752
PEG Programming	500,101	-	-	500,101
Storm Channels	2,738,660	-	-	2,738,660
Landscape Maintenance	1,420,143	-	-	1,420,143
Tidelands Areas Protection	104,057	-	-	104,057
Law Enforcement	95,153	-	-	95,153
Traffic Safety	34,995	-	-	34,995
Parks & Recreation	218,486	-	-	218,486
Animal Shelter Maintenance /Operation	29,567	-	-	29,567
Abandoned Vehicle	112,421	-	-	112,421
Committed to:				
Parks	4,245,072	-	-	4,245,072
Arts & Cultural Activities	15,058	-	-	15,058
Recreation Programs	16,372	-	-	16,372
Field Maintenance	20,125	-	-	20,125
Memorial Field Maintenance	36,698	-	-	36,698
Road Repair	149,935	-	-	149,935
Waste Reduction	313,604	-	-	313,604
Youth Activities/Building Maintenance	101,215	-	-	101,215
Traffic Signals	1,118,463	-	-	1,118,463
Assigned to:				
Parks & Recreation	21,552	-	-	21,552
Capital Projects	-	-	1,235,051	1,235,051
Community Benefit Programs	-	-	150,182	150,182
AD 26	-	-	374,452	374,452
AD 27	-	-	2,854,790	2,854,790
Total fund balances	14,857,191	1,364,843	4,614,475	20,836,509
Total liabilities and fund balances	\$ 16,169,695	\$ 1,990,720	\$ 4,938,224	\$ 23,098,639

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
REVENUES:				
Taxes	\$ 1,497,466	\$ -	\$ 3,876,736	\$ 5,374,202
Fines and penalties	80,394	-	-	80,394
Investment income and rentals	487,555	-	40,783	528,338
Revenue from other agencies	2,246,313	-	681,623	2,927,936
Current service charges	1,276,056	-	81,061	1,357,117
Special assessment revenue	2,879,111	-	-	2,879,111
Other	494,276	425,214	21,376	940,866
Total revenues	8,961,171	425,214	4,701,579	14,087,964
EXPENDITURES:				
Current:				
General government	-	8,486	-	8,486
Public works	690,602	-	531,882	1,222,484
Public safety	888,504	-	-	888,504
Parks and recreation	3,640,806	-	-	3,640,806
Community development	252,731	-	577,682	830,413
Capital outlay	1,196,404	-	792,836	1,989,240
Debt service:				
Principal retirement	-	2,115,384	-	2,115,384
Interest and fiscal charges	-	2,017,120	-	2,017,120
Total expenditures	6,669,047	4,140,990	1,902,400	12,712,437
REVENUES OVER (UNDER) EXPENDITURES	2,292,124	(3,715,776)	2,799,179	1,375,527
OTHER FINANCING SOURCES (USES):				
Transfers in	762,624	3,324,616	618,156	4,705,396
Transfers (out)	(2,668,654)	-	(4,205,541)	(6,874,195)
Contribution from Successor Agency Trust	-	638,023	-	638,023
Total other financing sources (uses)	(1,906,030)	3,962,639	(3,587,385)	(1,530,776)
SPECIAL ITEMS:				
Extraordinary item	-	(229,043)	(5,251,017)	(5,480,060)
Net change in fund balances	386,094	17,820	(6,039,223)	(5,635,309)
FUND BALANCES:				
Beginning of year	14,471,097	1,347,023	10,653,698	26,471,818
End of year	\$ 14,857,191	\$ 1,364,843	\$ 4,614,475	\$ 20,836,509

NON-MAJOR SPECIAL REVENUE FUNDS

These funds account for the proceeds derived from special revenue sources, which are legally restricted to expenditures for specified purposes.

Delta Fair Property Fund

This fund accounts for revenues resulting from the sale or lease of surplus right-of-way property acquired from the State. In accordance with agreements with the State, expenditures must be for park and recreational facilities.

Recreation Programs

This fund accounts for revenue received to cover the costs of recreation programs provided by the City's Leisure Services Divisions.

Animal Control Fund

This fund accounts for revenues and expenditures of the City's animal services program. A portion of the revenues required to operate this function comes from animal licenses and shelter, adoption, handling, and impound fees. The remainder comes from a subsidy transfer from the General Fund.

Civic Arts Fund

This fund accounts for money specifically set aside for art programs and projects. Revenues come from a percentage of the City's Transient Occupancy Tax. Expenditures are for a variety of programs in the fund and performing arts, as well as projects such as Art in Public Places.

Park in Lieu Fund

This fund accounts for revenues from park dedication fees required of all new construction. Monies are accumulated in accounts allocated to certain parks on the basis of the area in which the construction is taking place. These funds are then appropriated and spent for park development.

Senior Bus Fund

This fund accounts for the City's Senior Bus Program, which provides door-to-door transportation to frail, elderly, and disabled individuals. Revenue sources are grant funds through the Metropolitan Transportation Commission and fees paid by riders and the Antioch Committee on Aging.

Abandoned Vehicles Fund

This fund accounts for revenue from AB 4114, which charges a \$1.00 fee on the registration of all vehicles located in the City. The funds are received from the County and are used to remove abandoned vehicles from City streets.

Traffic Signal Fee Fund

This fund accounts for fees from developers for all new traffic signal construction.

Asset Forfeitures Fund

This fund was established to account for the proceeds from sales of assets seized in connection with drug enforcement. These proceeds are to be used for law enforcement purposes.

Measure J Growth Management Program Fund

This fund accounts for Measure J Funds, which are used to construct roads.

NON-MAJOR SPECIAL REVENUE FUNDS, Continued

Child Care Fund

This fund accounts for lease revenue received and City expenditures relating to the child care center leased from the City by the YWCA.

Tidelands Assembly Bill 1900

In 1990, the California State Legislature passed legislation that created tidelands entitlement areas. Funds are generated by payments from the lessees of the City's tidelands areas. This revenue is limited to improving accessibility and/or protection of the City's waterfront areas.

Maintenance Districts

Established to account for revenue and related expenditures of lighting and landscape activities.

Solid Waste Reduction AB 939

Under AB 939, a special fee is levied by the State against each ton of solid waste, which is disposed at landfill sites. A portion of this fee goes back to the cities on a quarterly basis for use in achieving AB 939 goals.

Pollution Elimination

This fund was established to account for activities related to the National Pollution Discharge Elimination Program. The purpose of this program is to monitor and reduce storm water pollution.

Supplemental Law Enforcement

This fund accounts for supplemental public safety funding allocated in AB 3229. Funds must be used for front-line police services and must supplement and not supplant existing funding for law enforcement services.

Street Impact Fund

This fund accounts for franchise taxes received.

Traffic Safety Fund

This fund accounts for fines and forfeitures received under Section 1463 of the Penal Code. Funds shall be used exclusively for official traffic control devices, the maintenance thereof, equipment and supplies for traffic law enforcement and traffic accident prevention.

PEG Franchise Fee Fund

This fund accounts for a 1% fee collected from video franchises to support local Public, Educational and Governmental Programming (PEG).

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City of Antioch
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2012

	Delta Fair Property	Recreation Programs	Animal Control	Civic Arts	Park in Lieu	Senior Bus	Abandoned Vehicles
ASSETS							
Cash and investments	\$ 63,667	\$ 376,241	\$ 69,783	\$ 3,888	\$ 4,206,111	\$ 174,608	\$ 112,421
Receivables:							
Accounts, net	-	87,549	3,406	303	-	70,200	-
Taxes	-	-	-	11,139	-	-	-
Prepaid items	-	5,704	-	-	-	-	-
Total assets	\$ 63,667	\$ 469,494	\$ 73,189	\$ 15,330	\$ 4,206,111	\$ 244,808	\$ 112,421
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 49,517	\$ 11,349	\$ 272	\$ 24,706	\$ 937	\$ -
Accrued payroll	-	36,740	23,525	-	-	3,833	-
Deposits	-	222,414	8,748	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Deferred revenue	-	81,924	-	-	-	-	-
Total liabilities	-	390,595	43,622	272	24,706	4,770	-
Fund balances:							
Nonspendable:							
Petty cash and prepaid items	-	5,704	-	-	-	-	-
Restricted for:							
Streets	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	-
PEG Programming	-	-	-	-	-	-	-
Storm Channels	-	-	-	-	-	-	-
Landscape Maintenance	-	-	-	-	-	-	-
Tidelands Areas Protection	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-
Traffic Safety	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	218,486	-
Animal Shelter Maintenance /Operation	-	-	29,567	-	-	-	-
Abandoned Vehicle	-	-	-	-	-	-	112,421
ADA Obligation	-	-	-	-	-	-	-
Committed to:							
Parks	63,667	-	-	-	4,181,405	-	-
Arts & Cultural Activities	-	-	-	15,058	-	-	-
Recreation Programs	-	16,372	-	-	-	-	-
Field Maintenance	-	20,125	-	-	-	-	-
Memorial Field Maintenance	-	36,698	-	-	-	-	-
Road Repair	-	-	-	-	-	-	-
Waste Reduction	-	-	-	-	-	-	-
Youth Activities/Building Maintenance	-	-	-	-	-	-	-
Traffic Signals	-	-	-	-	-	-	-
Assigned to:							
Parks & Recreation	-	-	-	-	-	21,552	-
Total fund balances	63,667	78,899	29,567	15,058	4,181,405	240,038	112,421
Total liabilities and fund balances	\$ 63,667	\$ 469,494	\$ 73,189	\$ 15,330	\$ 4,206,111	\$ 244,808	\$ 112,421

City of Antioch
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2012

	Supplemental				
	Law	Street	Traffic	PEG Fanchise	
	Enforcement	Impact	Safety	Fee	Total
ASSETS					
Cash and investments	\$ -	\$ -	\$ 23,502	\$ 471,434	\$ 14,639,949
Receivables:					
Accounts, net	4,859	273,957	11,493	-	1,428,978
Taxes	-	-	-	57,867	69,006
Prepaid items	-	-	-	-	31,762
Total assets	\$ 4,859	\$ 273,957	\$ 34,995	\$ 529,301	\$ 16,169,695
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 29,200	\$ 531,115
Accrued payroll	-	-	-	-	88,996
Deposits	-	-	-	-	481,601
Due to other funds	4,846	124,022	-	-	128,868
Deferred revenue	-	-	-	-	81,924
Total liabilities	4,846	124,022	-	29,200	1,312,504
Fund balances:					
Nonspendable:					
Petty cash and prepaid items	-	-	-	-	31,762
Restricted for:					
Streets	-	-	-	-	3,533,752
Parks	-	-	-	-	-
PEG Programming	-	-	-	500,101	500,101
Storm Channels	-	-	-	-	2,738,660
Landscape Maintenance	-	-	-	-	1,420,143
Tidelands Areas Protection	-	-	-	-	104,057
Law Enforcement	13	-	-	-	95,153
Traffic Safety	-	-	34,995	-	34,995
Parks & Recreation	-	-	-	-	218,486
Animal Shelter Maintenance /Operation	-	-	-	-	29,567
Abandoned Vehicle	-	-	-	-	112,421
ADA Obligation	-	-	-	-	-
Committed to:					
Parks	-	-	-	-	4,245,072
Arts & Cultural Activities	-	-	-	-	15,058
Recreation Programs	-	-	-	-	16,372
Field Maintenance	-	-	-	-	20,125
Memorial Field Maintenance	-	-	-	-	36,698
Road Repair	-	149,935	-	-	149,935
Waste Reduction	-	-	-	-	313,604
Youth Activities/Building Maintenance	-	-	-	-	101,215
Traffic Signals	-	-	-	-	1,118,463
Assigned to:					
Parks & Recreation	-	-	-	-	21,552
Total fund balances	13	149,935	34,995	500,101	14,857,191
Total liabilities and fund balances	\$ 4,859	\$ 273,957	\$ 34,995	\$ 529,301	\$ 16,169,695

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	Delta Fair Property	Recreation Programs	Animal Control	Civic Arts	Park in Lieu
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ 35,952	\$ -
Fines and penalties	-	-	-	-	-
Investment income and rentals	19,456	242,337	28	16	34,196
Revenue from other agencies	-	483,245	42,500	-	-
Current service charges	-	692,632	281,297	-	215,374
Special assessment revenue	-	-	-	-	-
Other	-	342,835	13,462	-	-
Total revenues	19,456	1,761,049	337,287	35,968	249,570
EXPENDITURES:					
Current:					
Public works	440	-	-	-	66,237
Public safety	-	-	814,649	-	-
Parks and recreation	-	1,810,033	-	24,262	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	440	1,810,033	814,649	24,262	66,237
REVENUES OVER (UNDER) EXPENDITURES	19,016	(48,984)	(477,362)	11,706	183,333
OTHER FINANCING SOURCES (USES):					
Transfers in	-	70,000	485,993	-	-
Transfers (out)	(10,000)	(9,807)	(548)	-	-
Total other financing sources (uses)	(10,000)	60,193	485,445	-	-
Net change in fund balances	9,016	11,209	8,083	11,706	183,333
FUND BALANCES:					
Beginning of year	54,651	67,690	21,484	3,352	3,998,072
End of year	\$ 63,667	\$ 78,899	\$ 29,567	\$ 15,058	\$ 4,181,405

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	Senior Bus	Abandoned Vehicles	Traffic Signal Fee	Asset Forfeitures	Measure J Growth Management Program
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-	-
Investment income and rentals	1,611	925	5,480	2,880	27,901
Revenue from other agencies	275,000	42,913	-	-	1,132,112
Current service charges	8,517	-	78,236	-	-
Special assessment revenue	-	-	-	-	-
Other	44	-	-	65,521	1,877
Total revenues	285,172	43,838	83,716	68,401	1,161,890
EXPENDITURES:					
Current:					
Public works	-	-	27,579	-	304,619
Public safety	-	7,311	-	66,516	-
Parks and recreation	185,206	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	4,024	9,703	1,158,857
Total expenditures	185,206	7,311	31,603	76,219	1,463,476
REVENUES OVER (UNDER) EXPENDITURES	99,966	36,527	52,113	(7,818)	(301,586)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers (out)	(35,000)	-	-	-	(389,156)
Total other financing sources (uses)	(35,000)	-	-	-	(389,156)
Net change in fund balances	64,966	36,527	52,113	(7,818)	(690,742)
FUND BALANCES:					
Beginning of year	175,072	75,894	1,066,350	129,016	4,224,494
End of year	\$ 240,038	\$ 112,421	\$ 1,118,463	\$ 121,198	\$ 3,533,752

Child Care	Tidelands Assembly Bill - 1900	Lighting & Landscape District	Park 1A Maintenance District	Solid Waste Reduction AB 939	Pollution Elimination	Supplemental Law Enforcement
\$ -	\$ -	\$ -	\$ 21,360	\$ 160,000	\$ -	\$ -
-	-	-	-	-	-	-
70,219	7,709	12,462	29,930	3,215	21,057	13
-	-	-	231	114,074	-	156,238
-	-	-	-	-	-	-
-	-	2,000,030	-	-	879,081	-
-	-	59,542	-	10,751	244	-
70,219	7,709	2,072,034	51,521	288,040	900,382	156,251
-	453	-	-	-	290,384	-
-	-	-	-	-	-	-
7,491	-	1,503,840	61,304	-	-	-
-	-	-	-	149,861	102,870	-
-	-	-	-	-	-	-
7,491	453	1,503,840	61,304	149,861	393,254	-
62,728	7,256	568,194	(9,783)	138,179	507,128	156,251
-	-	171,631	-	-	35,000	-
(35,000)	-	(616,992)	(12,631)	-	(258,282)	(156,238)
(35,000)	-	(445,361)	(12,631)	-	(223,282)	(156,238)
27,728	7,256	122,833	(22,414)	138,179	283,846	13
73,487	96,801	1,284,030	35,694	175,425	2,454,814	-
\$ 101,215	\$ 104,057	\$ 1,406,863	\$ 13,280	\$ 313,604	\$ 2,738,660	\$ 13

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	Street Impact	Traffic Safety	PEG Franchise Fee	Total
REVENUES:				
Taxes	\$ 1,056,665	\$ -	\$ 223,489	\$ 1,497,466
Fines and penalties	-	80,394	-	80,394
Investment income and rentals	4,493	(371)	3,998	487,555
Revenue from other agencies	-	-	-	2,246,313
Current service charges	-	-	-	1,276,056
Special assessment revenue	-	-	-	2,879,111
Other	-	-	-	494,276
Total revenues	1,061,158	80,023	227,487	8,961,171
EXPENDITURES:				
Current:				
Public works	890	-	-	690,602
Public safety	-	28	-	888,504
Parks and recreation	-	-	48,670	3,640,806
Community development	-	-	-	252,731
Capital outlay	-	-	23,820	1,196,404
Total expenditures	890	28	72,490	6,669,047
REVENUES OVER (UNDER) EXPENDITURES	1,060,268	79,995	154,997	2,292,124
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	762,624
Transfers (out)	(1,100,000)	(45,000)	-	(2,668,654)
Total other financing sources (uses)	(1,100,000)	(45,000)	-	(1,906,030)
Net change in fund balances	(39,732)	34,995	154,997	386,094
FUND BALANCES:				
Beginning of year	189,667	-	345,104	14,471,097
End of year	<u>\$ 149,935</u>	<u>\$ 34,995</u>	<u>\$ 500,101</u>	<u>\$ 14,857,191</u>

City of Antioch
Budgetary Comparison Schedule
Delta Fair Property Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 10,500	\$ 19,300	\$ 19,456	\$ 156
Total revenues	10,500	19,300	19,456	156
EXPENDITURES:				
Current:				
Public works	439	443	440	3
Total expenditures	439	443	440	3
REVENUES OVER (UNDER) EXPENDITURES	10,061	18,857	19,016	159
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(10,000)	(10,000)	-
Total other financing sources (uses)	-	(10,000)	(10,000)	-
Net change in fund balances	\$ 10,061	\$ 8,857	9,016	\$ 159
FUND BALANCES:				
Beginning of year			54,651	
End of year			\$ 63,667	

City of Antioch
Budgetary Comparison Schedule
Recreation Programs Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 220,100	\$ 249,464	\$ 242,337	\$ (7,127)
Revenue from other agencies	633,894	484,415	483,245	(1,170)
Current service charges	743,750	683,469	692,632	9,163
Other	45,000	340,168	342,835	2,667
Total revenues	<u>1,642,744</u>	<u>1,757,516</u>	<u>1,761,049</u>	<u>3,533</u>
EXPENDITURES:				
Current:				
Parks and recreation	2,138,908	1,913,050	1,810,033	103,017
Capital outlay	10,000	7,000	-	7,000
Total expenditures	<u>2,148,908</u>	<u>1,920,050</u>	<u>1,810,033</u>	<u>110,017</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(506,164)</u>	<u>(162,534)</u>	<u>(48,984)</u>	<u>113,550</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	526,295	186,772	70,000	(116,772)
Transfers (out)	(9,807)	(9,807)	(9,807)	-
Total other financing sources (uses)	<u>516,488</u>	<u>176,965</u>	<u>60,193</u>	<u>(116,772)</u>
Net change in fund balances	<u>\$ 10,324</u>	<u>\$ 14,431</u>	11,209	<u>\$ (3,222)</u>
FUND BALANCES:				
Beginning of year			<u>67,690</u>	
End of year			<u>\$ 78,899</u>	

City of Antioch
Budgetary Comparison Schedule
Animal Control Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ -	\$ 28	\$ 28	\$ -
Revenue from other agencies	-	42,500	42,500	-
Current service charges	287,800	248,068	281,297	33,229
Other	11,000	11,399	13,462	2,063
Total revenues	<u>298,800</u>	<u>301,995</u>	<u>337,287</u>	<u>35,292</u>
EXPENDITURES:				
Current:				
Public safety	734,478	813,357	814,649	(1,292)
Total expenditures	<u>734,478</u>	<u>813,357</u>	<u>814,649</u>	<u>(1,292)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(435,678)</u>	<u>(511,362)</u>	<u>(477,362)</u>	<u>34,000</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	436,226	490,425	485,993	(4,432)
Transfers (out)	(548)	(548)	(548)	-
Total other financing sources (uses)	<u>435,678</u>	<u>489,877</u>	<u>485,445</u>	<u>(4,432)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ (21,485)</u>	8,083	<u>\$ 29,568</u>
FUND BALANCES:				
Beginning of year			<u>21,484</u>	
End of year			<u>\$ 29,567</u>	

City of Antioch
Budgetary Comparison Schedule
Civic Arts Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 25,000	\$ 23,000	\$ 35,952	\$ 12,952
Investment income and rentals	25	25	16	(9)
Total revenues	<u>25,025</u>	<u>23,025</u>	<u>35,968</u>	<u>12,943</u>
EXPENDITURES:				
Current:				
Parks and recreation	26,024	25,445	24,262	1,183
REVENUES OVER (UNDER) EXPENDITURES	<u>(999)</u>	<u>(2,420)</u>	<u>11,706</u>	<u>14,126</u>
Net change in fund balances	<u><u>\$ (999)</u></u>	<u><u>\$ (2,420)</u></u>	<u>11,706</u>	<u><u>\$ 14,126</u></u>
FUND BALANCES:				
Beginning of year			<u>3,352</u>	
End of year			<u><u>\$ 15,058</u></u>	

City of Antioch
Budgetary Comparison Schedule
Park in Lieu Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 5,000	\$ 20,000	\$ 34,196	\$ 14,196
Current service charges	40,000	163,963	215,374	51,411
Total revenues	45,000	183,963	249,570	65,607
EXPENDITURES:				
Current:				
Public works	15,869	80,870	66,237	14,633
Capital outlay	1,800,000	2,800,000	-	2,800,000
Total expenditures	1,815,869	2,880,870	66,237	2,814,633
REVENUES OVER (UNDER) EXPENDITURES	(1,770,869)	(2,696,907)	183,333	2,880,240
Net change in fund balances	\$ (1,770,869)	\$ (2,696,907)	183,333	\$ 2,880,240
FUND BALANCES:				
Beginning of year			3,998,072	
End of year			\$ 4,181,405	

City of Antioch
Budgetary Comparison Schedule
Senior Bus Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 800	\$ 800	\$ 1,611	\$ 811
Revenue from other agencies	275,000	275,000	275,000	-
Current service charges	14,000	10,500	8,517	(1,983)
Other	-	-	44	44
Total revenues	<u>289,800</u>	<u>286,300</u>	<u>285,172</u>	<u>(1,128)</u>
EXPENDITURES:				
Current:				
Parks and recreation	219,687	204,463	185,206	19,257
Total expenditures	<u>219,687</u>	<u>204,463</u>	<u>185,206</u>	<u>19,257</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>70,113</u>	<u>81,837</u>	<u>99,966</u>	<u>18,129</u>
OTHER FINANCING (USES):				
Transfers (out)	(35,000)	(35,000)	(35,000)	-
Total other financing (uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 35,113</u>	<u>\$ 46,837</u>	<u>64,966</u>	<u>\$ 18,129</u>
FUND BALANCES:				
Beginning of year			<u>175,072</u>	
End of year			<u>\$ 240,038</u>	

City of Antioch
Budgetary Comparison Schedule
Abandoned Vehicle Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 650	\$ 650	\$ 925	\$ 275
Revenue from other agencies	25,000	42,000	42,913	913
Total revenues	25,650	42,650	43,838	1,188
EXPENDITURES:				
Current:				
Public safety	8,300	4,161	7,311	(3,150)
REVENUES OVER (UNDER) EXPENDITURES	17,350	38,489	36,527	(1,962)
Net change in fund balances	\$ 17,350	\$ 38,489	36,527	\$ (1,962)
FUND BALANCES:				
Beginning of year			75,894	
End of year			\$ 112,421	

City of Antioch
Budgetary Comparison Schedule
Traffic Signal Fee Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 3,000	\$ 5,000	\$ 5,480	\$ 480
Current service charges	50,000	68,462	78,236	9,774
Total revenues	53,000	73,462	83,716	10,254
EXPENDITURES:				
Current:				
Public works	8,731	24,706	27,579	(2,873)
Capital outlay	250,000	4,024	4,024	-
Total expenditures	258,731	28,730	31,603	(2,873)
REVENUES OVER (UNDER) EXPENDITURES	(205,731)	44,732	52,113	7,381
Net change in fund balances	\$ (205,731)	\$ 44,732	52,113	\$ 7,381
FUND BALANCES:				
Beginning of year			1,066,350	
End of year			\$ 1,118,463	

City of Antioch
Budgetary Comparison Schedule
Asset Forfeitures Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,750	\$ 1,600	\$ 2,880	\$ 1,280
Other	40,000	41,209	65,521	24,312
Total revenues	41,750	42,809	68,401	25,592
EXPENDITURES:				
Current:				
Public safety	56,571	56,136	66,516	(10,380)
Capital outlay	10,000	19,405	9,703	9,702
Total expenditures	66,571	75,541	76,219	(678)
REVENUES OVER (UNDER) EXPENDITURES	(24,821)	(32,732)	(7,818)	24,914
Net change in fund balances	\$ (24,821)	\$ (32,732)	(7,818)	\$ 24,914
FUND BALANCES:				
Beginning of year			129,016	
End of year			\$ 121,198	

City of Antioch
Budgetary Comparison Schedule
Measure J Growth Management Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 15,000	\$ 15,000	\$ 27,901	\$ 12,901
Revenue from other agencies	886,845	1,177,032	1,132,112	(44,920)
Other	-	1,877	1,877	-
Total revenues	901,845	1,193,909	1,161,890	(32,019)
EXPENDITURES:				
Current:				
Public works	29,483	279,488	304,619	(25,131)
Capital outlay	1,856,080	1,192,231	1,158,857	33,374
Total expenditures	1,885,563	1,471,719	1,463,476	8,243
REVENUES OVER (UNDER) EXPENDITURES	(983,718)	(277,810)	(301,586)	(23,776)
OTHER FINANCING (USES):				
Transfers (out)	-	(389,156)	(389,156)	-
Total other financing (uses)	-	(389,156)	(389,156)	-
Net change in fund balances	\$ (983,718)	\$ (666,966)	\$ (690,742)	\$ (23,776)
FUND BALANCES:				
Beginning of year			4,224,494	
End of year			\$ 3,533,752	

City of Antioch
Budgetary Comparison Schedule
Child Care Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 69,701	\$ 70,015	\$ 70,219	\$ 204
Total revenues	69,701	70,015	70,219	204
EXPENDITURES:				
Current:				
Parks and recreation	2,432	7,766	7,491	275
REVENUES OVER (UNDER) EXPENDITURES	67,269	62,249	62,728	479
OTHER FINANCING (USES):				
Transfers (out)	(35,000)	(35,000)	(35,000)	-
Total other financing (uses)	(35,000)	(35,000)	(35,000)	-
Net change in fund balances	\$ 32,269	\$ 27,249	27,728	\$ 479
FUND BALANCES:				
Beginning of year			73,487	
End of year			\$ 101,215	

City of Antioch
Budgetary Comparison Schedule
Tidelands Assembly Bill-1900 Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 11,515	\$ 7,350	\$ 7,709	\$ 359
Total revenues	11,515	7,350	7,709	359
EXPENDITURES:				
Current:				
Public works	499	569	453	116
REVENUES OVER (UNDER) EXPENDITURES	11,016	6,781	7,256	475
Net change in fund balances	\$ 11,016	\$ 6,781	7,256	\$ 475
FUND BALANCES:				
Beginning of year			96,801	
End of year			\$ 104,057	

City of Antioch
Budgetary Comparison Schedule
Lighting & Landscape District Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 3,700	\$ 5,200	\$ 12,462	\$ 7,262
Special assessment revenue	2,000,753	1,988,116	2,000,030	11,914
Other	-	9,187	59,542	50,355
Total revenues	<u>2,004,453</u>	<u>2,002,503</u>	<u>2,072,034</u>	<u>69,531</u>
EXPENDITURES:				
Current:				
Parks and recreation	1,795,652	1,728,869	1,503,840	225,029
REVENUES OVER (UNDER) EXPENDITURES	<u>208,801</u>	<u>273,634</u>	<u>568,194</u>	<u>294,560</u>
OTHER FINANCING (USES):				
Transfers in	690,981	643,256	171,631	(471,625)
Transfers (out)	(1,075,314)	(1,069,727)	(616,992)	452,735
Total other financing (uses)	<u>(384,333)</u>	<u>(426,471)</u>	<u>(445,361)</u>	<u>(18,890)</u>
Net change in fund balances	<u>\$ (175,532)</u>	<u>\$ (152,837)</u>	122,833	<u>\$ 275,670</u>
FUND BALANCES:				
Beginning of year			<u>1,284,030</u>	
End of year			<u>\$ 1,406,863</u>	

City of Antioch
Budgetary Comparison Schedule
Park 1A Maintenance District Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 23,000	\$ 20,845	\$ 21,360	\$ 515
Investment income and rentals	40,100	30,100	29,930	(170)
Revenue from other agencies	100	115	231	116
Total revenues	<u>63,200</u>	<u>51,060</u>	<u>51,521</u>	<u>461</u>
EXPENDITURES:				
Current:				
Parks and recreation	<u>73,897</u>	<u>64,522</u>	<u>61,304</u>	<u>3,218</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(10,697)</u>	<u>(13,462)</u>	<u>(9,783)</u>	<u>3,679</u>
OTHER FINANCING SOURCES (USES):				
Transfers (out)	<u>(14,905)</u>	<u>(13,521)</u>	<u>(12,631)</u>	<u>(890)</u>
Total other financing sources (uses)	<u>(14,905)</u>	<u>(13,521)</u>	<u>(12,631)</u>	<u>(890)</u>
Net change in fund balances	<u>\$ (25,602)</u>	<u>\$ (26,983)</u>	<u>(22,414)</u>	<u>\$ 2,789</u>
FUND BALANCES:				
Beginning of year			<u>35,694</u>	
End of year			<u>\$ 13,280</u>	

City of Antioch
Budgetary Comparison Schedule
Solid Waste Reduction AB 939 Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 160,000	\$ 160,000	\$ 160,000	\$ -
Investment income and rentals	1,800	1,800	3,215	1,415
Revenue from other agencies	45,000	87,012	114,074	27,062
Other	3,000	9,911	10,751	840
Total revenues	209,800	258,723	288,040	29,317
EXPENDITURES:				
Current:				
Community development	152,790	167,771	149,861	17,910
Total expenditures	152,790	167,771	149,861	17,910
REVENUES OVER (UNDER) EXPENDITURES	57,010	90,952	138,179	47,227
Net change in fund balances	\$ 57,010	\$ 90,952	138,179	\$ 47,227
FUND BALANCES:				
Beginning of year			175,425	
End of year			\$ 313,604	

City of Antioch
Budgetary Comparison Schedule
Pollution Elimination Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 10,000	\$ 10,000	\$ 21,057	\$ 11,057
Special assessment revenue	825,000	879,081	879,081	-
Other	-	-	244	244
Total revenues	835,000	889,081	900,382	11,301
EXPENDITURES:				
Current:				
Public works	881,938	364,927	290,384	74,543
Community development	152,788	131,774	102,870	28,904
Capital outlay	400,000	-	-	-
Total expenditures	1,434,726	496,701	393,254	103,447
REVENUES OVER (UNDER) EXPENDITURES	(599,726)	392,380	507,128	114,748
OTHER FINANCING SOURCES (USES):				
Transfers in	35,000	35,000	35,000	-
Transfers (out)	(304,833)	(264,833)	(258,282)	6,551
Total other financing sources (uses)	(269,833)	(229,833)	(223,282)	6,551
Net change in fund balances	\$ (869,559)	\$ 162,547	283,846	\$ 121,299
FUND BALANCES:				
Beginning of year			2,454,814	
End of year			\$ 2,738,660	

City of Antioch
Budgetary Comparison Schedule
Supplemental Law Enforcement Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ -	\$ -	\$ 13	\$ 13
Revenue from other agencies	100,000	160,658	156,238	(4,420)
Total revenues	100,000	160,658	156,251	(4,407)
OTHER FINANCING (USES):				
Transfers (out)	(100,000)	(160,658)	(156,238)	4,420
Total other financing (uses)	(100,000)	(160,658)	(156,238)	4,420
Net change in fund balances	\$ -	\$ -	13	\$ 13
FUND BALANCES:				
Beginning of year			-	
End of year			\$ 13	

City of Antioch
Budgetary Comparison Schedule
Street Impact Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,056,665	\$ 56,665
Investment income and rentals	2,000	4,500	4,493	(7)
Total revenues	1,002,000	1,004,500	1,061,158	56,658
EXPENDITURES:				
Current:				
Public works	500	900	890	10
REVENUES OVER (UNDER) EXPENDITURES	1,001,500	1,003,600	1,060,268	56,668
OTHER FINANCING (USES):				
Transfers (out)	(1,100,000)	(1,100,000)	(1,100,000)	-
Total other financing (uses)	(1,100,000)	(1,100,000)	(1,100,000)	-
Net change in fund balances	\$ (98,500)	\$ (96,400)	(39,732)	\$ 56,668
FUND BALANCES:				
Beginning of year			189,667	
End of year			\$ 149,935	

City of Antioch
Budgetary Comparison Schedule
Traffic Safety Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Fines and penalties	\$ 140,000	\$ 45,000	\$ 80,394	\$ 35,394
Investment income and rentals	500	100	(371)	(471)
Total revenues	140,500	45,100	80,023	34,923
EXPENDITURES:				
Current:				
Public Safety	180	20	28	(8)
REVENUES OVER (UNDER) EXPENDITURES	140,320	45,080	79,995	34,915
OTHER FINANCING (USES):				
Transfers (out)	(145,000)	(45,000)	(45,000)	-
Total other financing (uses)	(145,000)	(45,000)	(45,000)	-
Net change in fund balances	\$ (4,680)	\$ 80	34,995	\$ 34,915
FUND BALANCES:				
Beginning of year			-	
End of year			\$ 34,995	

City of Antioch
Budgetary Comparison Schedule
PEG Franchise Fee Special Revenue Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 220,000	\$ 220,000	\$ 223,489	\$ 3,489
Investment income and rentals	1,500	2,000	3,998	1,998
Total revenues	221,500	222,000	227,487	5,487
EXPENDITURES:				
Current:				
Parks and Recreation	56,404	93,383	48,670	44,713
Capital outlay	30,000	28,000	23,820	4,180
Total expenditures	86,404	121,383	72,490	48,893
REVENUES OVER (UNDER) EXPENDITURES	135,096	100,617	154,997	54,380
Net change in fund balances	\$ 135,096	\$ 100,617	154,997	\$ 54,380
FUND BALANCES:				
Beginning of year			345,104	
End of year			\$ 500,101	

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NON-MAJOR DEBT SERVICE FUNDS

Debt Service Funds are used to account for the payment of principal and interest on the general debt service of the City and related entities.

Golf Course Clubhouse/Irrigation

In 1985 and 1994, the City of Antioch participated in the Association of Bay Area Governments' pooled Certificates of Participation to fund improvements to the clubhouse at the City's golf course and irrigation system, respectively. The fund accumulates monies for the payment of principal and interest from a portion of the fees collected and transmitted by the Antioch Public Golf Corporation.

Antioch Development Agency

This fund accumulates principal and interest payments on the Development Agency Tax Allocation Bonds. Redevelopment was dissolved effective 2/1/12 with the passage of AB 1x26 and the assets were transferred into trust.

Antioch Public Financing Agency

This fund accumulates principal and interest payments on the Certificates of Participation issued to fund the building of the municipal facilities.

City of Antioch
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2012

	Golf Course Clubhouse/ Irrigation	Antioch Development Agency	Antioch Public Financing Authority	Honeywell Capital Lease	Total
ASSETS					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts, net	622,823	-	-	-	622,823
Interest	2	-	4	-	6
Prepaid items	-	-	2,949	-	2,949
Restricted cash and investments	723,438	-	641,504	-	1,364,942
Total assets	\$ 1,346,263	\$ -	\$ 644,457	\$ -	\$ 1,990,720
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 3,200	\$ -	\$ 3,200
Due to other funds	622,677	-	-	-	622,677
Total liabilities	622,677	-	3,200	-	625,877
Fund balances:					
Nonspendable:					
Petty cash and prepaid items	-	-	2,949	-	2,949
Restricted for:					
Debt service	723,586	-	638,308	-	1,361,894
Total fund balances	723,586	-	641,257	-	1,364,843
Total liabilities and fund balances	\$ 1,346,263	\$ -	\$ 644,457	\$ -	\$ 1,990,720

City of Antioch

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Debt Service Funds

For the Fiscal Year Ended June 30, 2012

	Glof Course Clubhouse/ Irrigation	Antioch Development Agency	Antioch Public Financing Authority	Honeywell Capital Lease	Total
REVENUES:					
Investment income and rentals	\$ 425,178	\$ 14	\$ 22	\$ -	\$ 425,214
Total revenues	425,178	14	22	-	425,214
EXPENDITURES:					
Current:					
General government	2,996	10	5,480	-	8,486
Debt service:					
Principal retirements	155,000	1,319,366	315,000	326,018	2,115,384
Interest and fiscal charges	265,301	284,613	1,289,065	178,141	2,017,120
Total expenditures	423,297	1,603,989	1,609,545	504,159	4,140,990
REVENUES OVER (UNDER) EXPENDITURES	1,881	(1,603,975)	(1,609,523)	(504,159)	(3,715,776)
OTHER FINANCING SOURCES:					
Transfer in	-	1,579,326	1,241,150	504,140	3,324,616
Contribution from Successor Agency Trust Fund	-	-	638,023	-	638,023
Total other financing sources	-	1,579,326	1,879,173	504,140	3,962,639
SPECIAL ITEMS:					
Extraordinary item		(229,043)			(229,043)
Net change in fund balances	1,881	(253,692)	269,650	(19)	17,820
FUND BALANCES:					
Beginning of year	721,705	253,692	371,607	19	1,347,023
End of year	\$ 723,586	\$ -	\$ 641,257	\$ -	\$ 1,364,843

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NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are utilized to account for resources used for the acquisition and construction of capital facilities by the City, with the exception of those assets financed by proprietary funds.

Antioch Development Agency

There are six funds (Low & Moderate Income Housing, Area 1, Area 2, Area 3, Area 4, and Area 4.1) that account for acquisition, demolition and construction in the four Development Agency project areas of the City of Antioch. With the exception of Area 1, the funds are considered to be nonmajor funds. Financing is provided by property tax increments and bond proceeds. Redevelopment was dissolved effective 2/1/12 with the passage of AB 1x26 and the assets of these funds were transferred to a trust fund.

Capital Improvement Fund

This fund records all revenues, expenditures, assets and liabilities associated with City capital projects. It accounts for resources used to construct or acquire capital assets and make capital improvements.

Prewett Community Park

This fund accounts for the construction of the Prewett Community Center. The City is reimbursed for expenses by the Antioch Area Public Facilities Financing Agency through mello roos bond proceeds.

Special Assessment Districts

These funds were established to account for construction and acquisition of land and public improvements in various assessment districts. Financing is provided by assessment bond proceeds.

Hillcrest Bridge District

This fund accounts for developer fees collected to fund bridge construction in the Hillcrest Area.

Residential Development Allocation

This fund accounts for contributions by developers for various projects as determined by the City Council.

City of Antioch
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2012

	Antioch Development Agency						
	Project	Project	Project	Project	Project	Low and Moderate	Capital
	Area #1	Area #2	Area #3	Area #4	Area #4.1	Income Housing	Improvement
ASSETS							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,068,844
Accounts receivable, net	-	-	-	-	-	6,265	253,413
Prepaid items	-	-	-	-	-	-	-
Total assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,265	\$ 1,322,257
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,850	\$ 140,161
Accrued payroll	-	-	-	-	-	3,415	1,928
Deposits	-	-	-	-	-	-	200
Due to other funds	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	6,265	142,289
Fund Balances:							
Assigned for:							
Capital Projects	-	-	-	-	-	-	1,179,968
Community Benefit Programs	-	-	-	-	-	-	-
AD 26	-	-	-	-	-	-	-
AD 27	-	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-	1,179,968
Total liabilities and fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,265	\$ 1,322,257

City of Antioch
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2012

	<u>Special Assessment Districts</u>					Total
	Prewett			Hillcrest	Residential	
	Community Park	Hillcrest District #26	Lone Diamond	Bridge District	Development Allocation	
ASSETS						
Cash and investments	\$ 97,500	\$ 374,452	\$ 2,855,543	\$ 39,165	\$ 185,166	\$ 4,620,670
Accounts receivable, net	56,167	-	-	-	-	315,845
Prepaid items	1,709	-	-	-	-	1,709
Total assets	\$ 155,376	\$ 374,452	\$ 2,855,543	\$ 39,165	\$ 185,166	\$ 4,938,224
LIABILITIES AND FUND BALANCE						
Liabilities:						
Accounts payable	\$ 27,045	\$ -	\$ -	\$ -	\$ 34,984	\$ 205,040
Accrued payroll	-	-	753	-	-	6,096
Deposits	105,234	-	-	-	-	105,434
Due to other funds	7,179	-	-	-	-	7,179
Total liabilities	139,458	-	753	-	34,984	323,749
Fund Balances:						
Assigned for:						
Capital Projects	15,918	-	-	39,165	-	1,235,051
Community Benefit Programs	-	-	-	-	150,182	150,182
AD 26	-	374,452	-	-	-	374,452
AD 27	-	-	2,854,790	-	-	2,854,790
Total fund balances	15,918	374,452	2,854,790	39,165	150,182	4,614,475
Total liabilities and fund balances	\$ 155,376	\$ 374,452	\$ 2,855,543	\$ 39,165	\$ 185,166	\$ 4,938,224

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2012

	Antioch Development Agency						
	Project Area #1	Project Area #2	Project Area #3	Project Area #4	Project Area #4.1	Low and Moderate Income Housing	Capital Improvement
REVENUES:							
Taxes	\$ 2,338,186	\$ 571,041	\$ 24,525	\$ 608,000	\$ 334,984	\$ -	\$ -
Investment income and rentals	(2,006)	2,301	178	504	478	2,896	6,199
Revenue from other agencies	-	-	-	-	-	-	579,012
Current service charges	-	-	-	-	-	-	4,820
Other	-	-	-	-	1,750	1,000	5,433
Total revenues	2,336,180	573,342	24,703	608,504	337,212	3,896	595,464
EXPENDITURES:							
Current:							
Public works	-	-	-	-	-	-	350,351
Community development	183,909	2,223	177	3,978	1,218	225,570	-
Capital outlay	-	-	-	-	-	-	790,060
Total expenditures	183,909	2,223	177	3,978	1,218	225,570	1,140,411
REVENUES OVER (UNDER) EXPENDITURES	2,152,271	571,119	24,526	604,526	335,994	(221,674)	(544,947)
OTHER FINANCING (USES):							
Transfers in	-	-	-	-	-	-	618,156
Transfers (out)	(2,289,462)	(427,924)	(24,823)	(312,826)	(105,441)	(1,045,065)	-
Total other financing sources (uses)	(2,289,462)	(427,924)	(24,823)	(312,826)	(105,441)	(1,045,065)	618,156
SPECIAL ITEMS:							
Extraordinary item	2,548,582	(1,953,940)	(152,464)	(475,680)	(443,016)	(4,774,499)	-
Net change in fund balances	2,411,391	(1,810,745)	(152,761)	(183,980)	(212,463)	(6,041,238)	73,209
FUND BALANCES:							
Beginning of year	(2,411,391)	1,810,745	152,761	183,980	212,463	6,041,238	1,106,759
End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,179,968

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2012

	<u>Special Assessment Districts</u>					Total
	Prewett	Hillcrest	Lone	Hillcrest	Residential	
	Community Park	District #26	Diamond	Bridge District	Development Allocation	
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,876,736
Investment income and rentals	1,762	3,083	23,514	284	1,590	40,783
Revenue from other agencies	102,611	-	-	-	-	681,623
Current service charges	-	508	58,715	17,018	-	81,061
Other	-	-	1,193	-	12,000	21,376
Total revenues	104,373	3,591	83,422	17,302	13,590	4,701,579
EXPENDITURES:						
Current:						
Public works	95,503	14,696	71,251	81	-	531,882
Community development	-	-	-	-	160,607	577,682
Capital outlay	-	-	2,776	-	-	792,836
Total expenditures	95,503	14,696	74,027	81	160,607	1,902,400
REVENUES OVER (UNDER)						
EXPENDITURES	8,870	(11,105)	9,395	17,221	(147,017)	2,799,179
OTHER FINANCING (USES):						
Transfers in	-	-	-	-	-	618,156
Transfers (out)	-	-	-	-	-	(4,205,541)
Total other financing sources (uses)	-	-	-	-	-	(3,587,385)
SPECIAL ITEMS:						
Extraordinary item	-	-	-	-	-	(5,251,017)
Net change in fund balances	8,870	(11,105)	9,395	17,221	(147,017)	(6,039,223)
FUND BALANCES:						
Beginning of year	7,048	385,557	2,845,395	21,944	297,199	10,653,698
End of year	\$ 15,918	\$ 374,452	\$ 2,854,790	\$ 39,165	\$ 150,182	\$ 4,614,475

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City of Antioch
Budgetary Comparison Schedule
ADA Project Area #1 Capital Project Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Incremental property taxes	\$ 4,578,100	\$ 4,578,100	\$ 2,338,186	\$ (2,239,914)
Investment income and rentals	10,000	10,000	(2,006)	(12,006)
Total revenues	<u>4,588,100</u>	<u>4,588,100</u>	<u>2,336,180</u>	<u>(2,251,920)</u>
EXPENDITURES:				
Community development	1,740,949	1,740,949	183,909	1,557,040
Total expenditures	<u>1,740,949</u>	<u>1,740,949</u>	<u>183,909</u>	<u>1,557,040</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,847,151</u>	<u>2,847,151</u>	<u>2,152,271</u>	<u>(694,880)</u>
OTHER FINANCING (USES):				
Transfers (out)	3,585,241	3,585,241	(2,289,462)	(5,874,703)
Total other financing (uses)	<u>3,585,241</u>	<u>3,585,241</u>	<u>(2,289,462)</u>	<u>(5,874,703)</u>
SPECIAL ITEMS:				
Extraordinary item	-	-	2,548,582	2,548,582
Net change in fund balances	<u>\$ 6,432,392</u>	<u>\$ 6,432,392</u>	2,411,391	<u>\$ (4,021,001)</u>
FUND BALANCES:				
Beginning of year			(2,411,391)	
End of year			<u>\$ -</u>	

City of Antioch
Budgetary Comparison Schedule
ADA Project Area #2 Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Incremental property taxes	\$ 1,063,358	\$ 1,063,358	\$ 571,041	\$ (492,317)
Investment income and rentals	5,000	5,000	2,301	(2,699)
Total revenues	1,068,358	1,068,358	573,342	(495,016)
EXPENDITURES:				
Community development	1,813,572	1,813,572	2,223	1,811,349
REVENUES OVER (UNDER) EXPENDITURES	(745,214)	(745,214)	571,119	1,316,333
OTHER FINANCING (USES):				
Transfers (out)	(722,049)	(722,049)	(427,924)	294,125
Total other financing (uses)	(722,049)	(722,049)	(427,924)	294,125
SPECIAL ITEMS:				
Extraordinary item	-	-	(1,953,940)	(1,953,940)
Net change in fund balances	\$ (1,467,263)	\$ (1,467,263)	(1,810,745)	\$ (343,482)
FUND BALANCES:				
Beginning of year			1,810,745	
End of year			\$ -	

City of Antioch
Budgetary Comparison Schedule
ADA Project Area #3 Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Incremental property taxes	\$ 44,190	\$ 44,190	\$ 24,525	\$ (19,665)
Investment income and rentals	100	100	178	78
Total revenues	44,290	44,290	24,703	(19,587)
EXPENDITURES:				
Community development	101,039	101,039	177	100,862
REVENUES OVER (UNDER) EXPENDITURES	(56,749)	(56,749)	24,526	81,275
OTHER FINANCING (USES):				
Transfers (out)	(40,924)	(40,924)	(24,823)	16,101
Total other financing (uses)	(40,924)	(40,924)	(24,823)	16,101
SPECIAL ITEMS:				
Extraordinary item	-	-	(152,464)	(152,464)
Net change in fund balances	\$ (97,673)	\$ (97,673)	(152,761)	\$ (55,088)
FUND BALANCES:				
Beginning of year			152,761	
End of year			\$ -	

City of Antioch
Budgetary Comparison Schedule
ADA Project Area #4 Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Incremental property taxes	\$ 1,205,000	\$ 1,205,000	\$ 608,000	\$ (597,000)
Investment income and rentals	1,000	1,000	504	(496)
Total revenues	<u>1,206,000</u>	<u>1,206,000</u>	<u>608,504</u>	<u>(597,496)</u>
EXPENDITURES:				
Community development	830,949	830,949	3,978	826,971
REVENUES OVER (UNDER) EXPENDITURES	<u>375,051</u>	<u>375,051</u>	<u>604,526</u>	<u>229,475</u>
OTHER FINANCING (USES):				
Transfers (out)	(645,612)	(645,612)	(312,826)	332,786
Total other financing (uses)	<u>(645,612)</u>	<u>(645,612)</u>	<u>(312,826)</u>	<u>332,786</u>
SPECIAL ITEMS:				
Extraordinary item	-	-	(475,680)	(475,680)
Net change in fund balances	<u>\$ (270,561)</u>	<u>\$ (270,561)</u>	<u>(183,980)</u>	<u>\$ 86,581</u>
FUND BALANCES:				
Beginning of year			183,980	
End of year			<u>\$ -</u>	

City of Antioch
Budgetary Comparison Schedule
ADA Project Area #4.1 Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Incremental property taxes	\$ 634,035	\$ 634,035	\$ 334,984	\$ (299,051)
Investment income and rentals	1,500	1,500	478	(1,022)
Other	9,975	9,975	1,750	(8,225)
Total revenues	645,510	645,510	337,212	(308,298)
EXPENDITURES:				
Community development	453,930	453,930	1,218	452,712
Total expenditures	453,930	453,930	1,218	452,712
REVENUES OVER (UNDER) EXPENDITURES	191,580	191,580	335,994	144,414
OTHER FINANCING (USES):				
Transfers (out)	(262,854)	262,854	(105,441)	(368,295)
Total other financing (uses)	(262,854)	262,854	(105,441)	(368,295)
SPECIAL ITEMS:				
Extraordinary item	-	-	(443,016)	(443,016)
Net change in fund balances	\$ (71,274)	\$ 454,434	(212,463)	\$ (666,897)
FUND BALANCES:				
Beginning of year			212,463	
End of year			\$ -	

City of Antioch
Budgetary Comparison Schedule
Capital Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 3,000	\$ 3,000	\$ 6,199	\$ 3,199
Revenue from other agencies	934,253	1,342,463	579,012	(763,451)
Current service charges	25,000	5,904	4,820	(1,084)
Other	20,000	22,563	5,433	(17,130)
Total revenues	<u>982,253</u>	<u>1,373,930</u>	<u>595,464</u>	<u>(778,466)</u>
EXPENDITURES:				
Current:				
Public works	45,090	240,012	350,351	(110,339)
Capital outlay	1,194,253	2,699,434	790,060	1,909,374
Total expenditures	<u>1,239,343</u>	<u>2,939,446</u>	<u>1,140,411</u>	<u>1,799,035</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(257,090)</u>	<u>(1,565,516)</u>	<u>(544,947)</u>	<u>1,020,569</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	290,000	618,156	618,156	-
Total other financing sources (uses)	<u>290,000</u>	<u>618,156</u>	<u>618,156</u>	<u>-</u>
Net change in fund balances	<u>\$ 32,910</u>	<u>\$ (947,360)</u>	73,209	<u>\$ 1,020,569</u>
FUND BALANCES:				
Beginning of year			<u>1,106,759</u>	
End of year			<u>\$ 1,179,968</u>	

City of Antioch
Budgetary Comparison Schedule
Prewett Community Park Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ -	\$ 1,800	\$ 1,762	\$ (38)
Revenue from other agencies	-	249,384	102,611	(146,773)
Total revenues	-	251,184	104,373	(146,811)
EXPENDITURES:				
Public works	24,755	242,061	95,503	146,558
Total expenditures	24,755	242,061	95,503	146,558
REVENUES OVER (UNDER) EXPENDITURES	(24,755)	9,123	8,870	(253)
Net change in fund balances	\$ (24,755)	\$ 9,123	8,870	\$ (253)
FUND BALANCES:				
Beginning of year			7,048	
End of year			\$ 15,918	

City of Antioch
Budgetary Comparison Schedule
Hillcrest District #26 Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 750	\$ 1,500	\$ 3,083	\$ 1,583
Current service charges	-	508	508	-
Total revenues	<u>750</u>	<u>2,008</u>	<u>3,591</u>	<u>1,583</u>
EXPENDITURES:				
Public works	44,484	14,894	14,696	198
Capital outlay	345,000	-	-	-
Total expenditures	<u>389,484</u>	<u>14,894</u>	<u>14,696</u>	<u>198</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(388,734)</u>	<u>(12,886)</u>	<u>(11,105)</u>	<u>1,781</u>
Net change in fund balances	<u><u>\$ (388,734)</u></u>	<u><u>\$ (12,886)</u></u>	<u>(11,105)</u>	<u><u>\$ 1,781</u></u>
FUND BALANCES:				
Beginning of year			<u>385,557</u>	
End of year			<u><u>\$ 374,452</u></u>	

City of Antioch
Budgetary Comparison Schedule
Lone Diamond Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 10,000	\$ 12,000	\$ 23,514	\$ 11,514
Current service charges	10,000	53,499	58,715	5,216
Other	-	1,193	1,193	-
Total revenues	<u>20,000</u>	<u>66,692</u>	<u>83,422</u>	<u>16,730</u>
EXPENDITURES:				
Public works	154,336	84,289	71,251	13,038
Capital outlay	1,000,000	10,000	2,776	7,224
Total expenditures	<u>1,154,336</u>	<u>94,289</u>	<u>74,027</u>	<u>20,262</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(1,134,336)</u>	<u>(27,597)</u>	<u>9,395</u>	<u>36,992</u>
Net change in fund balances	<u>\$ (1,134,336)</u>	<u>\$ (27,597)</u>	<u>9,395</u>	<u>\$ 36,992</u>
FUND BALANCES:				
Beginning of year			<u>2,845,395</u>	
End of year			<u>\$ 2,854,790</u>	

City of Antioch
Budgetary Comparison Schedule
Hillcrest Bridge District Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 250	\$ 250	\$ 284	\$ 34
Current service charges	-	14,986	17,018	2,032
Total revenues	250	15,236	17,302	2,066
EXPENDITURES:				
Public works	322	122	81	41
REVENUES OVER (UNDER) EXPENDITURES	(72)	15,114	17,221	2,107
Net change in fund balances	\$ (72)	\$ 15,114	17,221	\$ 2,107
FUND BALANCES:				
Beginning of year			21,944	
End of year			\$ 39,165	

City of Antioch
Budgetary Comparison Schedule
Residential Development Allocation Capital Projects Fund
For the Fiscal Year Ended June 30, 2012

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 500	\$ 750	\$ 1,590	\$ 840
Other	-	-	12,000	12,000
Total revenues	<u>500</u>	<u>750</u>	<u>13,590</u>	<u>12,840</u>
EXPENDITURES:				
Community development	127,823	167,238	160,607	6,631
Total expenditures	<u>127,823</u>	<u>167,238</u>	<u>160,607</u>	<u>6,631</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(127,323)</u>	<u>(166,488)</u>	<u>(147,017)</u>	<u>19,471</u>
Net change in fund balances	<u><u>\$ (127,323)</u></u>	<u><u>\$ (166,488)</u></u>	<u>(147,017)</u>	<u><u>\$ 19,471</u></u>
FUND BALANCES:				
Beginning of year			<u>297,199</u>	
End of year			<u><u>\$ 150,182</u></u>	

INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.

Vehicle Repair and Replacement

This fund accounts for the maintenance and replacement of vehicles and equipment used by all City departments. The source of revenue for this fund is rental fees charged to the various departments.

Office Equipment Replacement

This fund accounts for the costs incurred for the operation, maintenance, and replacement of office equipment used by City departments. The source of revenue for this fund is rental fees charged to the various user departments.

Post Retirement Medical

These funds are used to pay post retirement medical benefits for retirees under the following categories: Miscellaneous, Police, and Management employees.

Loss Control Fund

These funds are used to pay workers' compensation insurance premiums and the salary of the administrative analyst.

City of Antioch
Combining Statement of Net Assets
Internal Services Funds
June 30, 2012

	Vehicle Repair & Replacement	Office Equipment Replacement	Post Retirement Medical		
			Miscellaneous	Police	Management
ASSETS					
Current assets:					
Cash and investments	\$ 1,218,317	\$ 1,103,615	\$ -	\$ -	\$ 22,139
Accounts receivable, net	114,829	13,964	-	-	-
Due from other funds	-	-	-	-	-
Materials, parts and supplies	122,793	-	-	-	-
Prepaid items	-	46,378	23,450	24,542	45,138
Total current assets	1,455,939	1,163,957	23,450	24,542	67,277
Noncurrent assets:					
Net OPEB asset	-	-	903,114	-	806,004
Capital assets:					
Vehicles and equipment	7,496,683	2,747,580	-	-	-
Less accumulated depreciation	(6,403,109)	(2,178,242)	-	-	-
Net capital assets	1,093,574	569,338	-	-	-
Total assets	2,549,513	1,733,295	926,564	24,542	873,281
LIABILITIES					
Current liabilities:					
Accounts payable	54,483	55,027	-	161	970
Accrued payroll	9,690	22,461	-	-	-
Due to other funds	-	-	47,734	28,082	-
Current portion of compensated absences	1,025	6,462	-	-	-
Total current liabilities	65,198	83,950	47,734	28,243	970
Long-term liabilities:					
Compensated absences	9,226	58,156	-	-	-
Net OPEB obligation	-	-	-	1,054,192	-
Total long-term liabilities	9,226	58,156	-	1,054,192	-
Total liabilities	74,424	142,106	47,734	1,082,435	970
NET ASSETS					
Investment in capital assets, net of related debt	1,093,574	569,338	-	-	-
Unrestricted	1,381,515	1,021,851	878,830	(1,057,893)	872,311
Total net assets	\$ 2,475,089	\$ 1,591,189	\$ 878,830	\$ (1,057,893)	\$ 872,311

Loss		
Control		Total
\$ 403,117	\$	2,747,188
-		128,793
75,816		75,816
-		122,793
-		139,508
<u>478,933</u>		<u>3,214,098</u>
-		1,709,118
-		10,244,263
-		(8,581,351)
-		<u>1,662,912</u>
<u>478,933</u>		<u>6,586,128</u>
21		110,662
-		32,151
-		75,816
-		7,487
<u>21</u>		<u>226,116</u>
-		67,382
-		<u>1,054,192</u>
-		<u>1,121,574</u>
<u>21</u>		<u>1,347,690</u>
-		1,662,912
<u>478,912</u>		<u>3,575,526</u>
<u>\$ 478,912</u>	<u>\$</u>	<u>5,238,438</u>

City of Antioch
Combining Statement of Revenues, Expenses and Changes in Net Assets
Internal Services Funds
For the Fiscal Year Ended June 30, 2012

	Vehicle Repair & Replacement	Office Equipment Replacement	Post Retirement Medical		
			Miscellaneous	Police	Management
OPERATING REVENUES:					
Charges for services	\$ 1,112,044	\$ 1,202,972	\$ 282,214	\$ 324,940	\$ 435,414
Other revenue	42,502	123	2,766	638	187,263
Total operating revenues	1,154,546	1,203,095	284,980	325,578	622,677
OPERATING EXPENSES:					
Wages and benefits	320,838	696,598	279,464	292,750	539,505
Contractual services	225,416	475,095	108,680	917,491	9,070
Tools and supplies	503,613	52,281	-	-	-
Depreciation	349,601	57,925	-	-	-
Repairs and maintenance	253,863	48,971	-	-	-
Total operating expenses	1,653,331	1,330,870	388,144	1,210,241	548,575
OPERATING INCOME (LOSS)	(498,785)	(127,775)	(103,164)	(884,663)	74,102
NONOPERATING REVENUES:					
Gain on sale of property	91,202	-	-	-	-
Investment income	10,171	7,729	6,669	(473)	5,715
Total nonoperating revenues	101,373	7,729	6,669	(473)	5,715
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS					
CONTRIBUTIONS AND TRANSFERS	(397,412)	(120,046)	(96,495)	(885,136)	79,817
Capital contribution - City	-	9,704	-	-	-
Transfers in	-	246,142	-	-	59,865
Transfers (out)	-	-	-	(59,865)	-
Net income (loss)	(397,412)	135,800	(96,495)	(945,001)	139,682
NET ASSETS:					
Beginning of year	2,872,501	1,455,389	975,325	(112,892)	732,629
End of year	\$ 2,475,089	\$ 1,591,189	\$ 878,830	\$ (1,057,893)	\$ 872,311

Loss	
Control	Total
\$ 736,381	\$ 4,093,965
925	234,217
<u>737,306</u>	<u>4,328,182</u>
11,364	2,140,519
237,957	1,973,709
727	556,621
-	407,526
-	302,834
<u>250,048</u>	<u>5,381,209</u>
<u>487,258</u>	<u>(1,053,027)</u>
-	91,202
3,412	33,223
<u>3,412</u>	<u>124,425</u>
490,670	(928,602)
-	9,704
-	306,007
-	(59,865)
<u>490,670</u>	<u>(672,756)</u>
(11,758)	5,911,194
<u>\$ 478,912</u>	<u>\$ 5,238,438</u>

City of Antioch
Combining Statement of Cash Flows
Internal Services Funds
For the Fiscal Year Ended June 30, 2012

	Vehicle Repair & Replacement	Office Equipment Replacement	Post Retirement Medical		
			Miscellaneous	Police	Management
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash receipt from other funds	\$ 1,041,532	\$ 1,200,435	\$ 410,010	\$ 1,317,743	\$ 645,243
Cash payment to suppliers for goods and services	(1,050,365)	(593,130)	(109,044)	(917,580)	(9,371)
Cash payment to employees for services	(319,556)	(685,179)	(279,464)	(292,750)	(539,505)
Net cash provided by (used in) operating activities	(328,389)	(77,874)	21,502	107,413	96,367
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Due to other funds	-	-	(28,171)	(47,075)	(139,808)
Due from other funds	-	290,870	-	-	-
Transfers in	-	246,142	-	-	59,865
Transfers (out)	-	-	-	(59,865)	-
Net cash provided by (used in) noncapital financing activities	-	537,012	(28,171)	(106,940)	(79,943)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital asset additions	(220,456)	(71,402)	-	-	-
Capital contributions	-	9,704	-	-	-
Proceeds from sale of capital assets	91,202	-	-	-	-
Net cash provided by (used in) capital and related financing activities	(129,254)	(61,698)	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received (paid)	10,171	7,729	6,669	(473)	5,715
Net cash provided by (used in) investing activities	10,171	7,729	6,669	(473)	5,715
Net change in cash and cash equivalents	(447,472)	405,169	-	-	22,139
Cash and cash equivalents, beginning of year	1,665,789	698,446	-	-	-
Cash and cash equivalents, end of year	<u>\$ 1,218,317</u>	<u>\$ 1,103,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,139</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:					
Operating income (loss)	\$ (498,785)	\$ (127,775)	\$ (103,164)	\$ (884,663)	\$ 74,102
Adjustments to reconcile operating income (loss) to cash flows from operating activities:					
Depreciation	349,601	57,925	-	-	-
Decrease (increase) in:					
Accounts receivable	(113,014)	(2,660)	22,717	79,486	205,786
Materials, parts, and supplies	(74,351)	-	-	-	-
OPEB asset	-	-	102,313	-	(183,220)
OPEB obligation	-	-	-	912,679	-
Prepaid items	-	(39,857)	(364)	(250)	(1,271)
Increase (decrease) in:					
Accounts payable	6,878	23,074	-	161	970
Accrued payroll	1,054	3,777	-	-	-
Accrued compensated absences	228	7,642	-	-	-
Net cash provided by (used in) operating activities	\$ (328,389)	\$ (77,874)	\$ 21,502	\$ 107,413	\$ 96,367

Loss Control	Total
\$ 737,306	\$ 5,352,269
(242,797)	(2,922,287)
(18,989)	(2,135,443)
<u>475,520</u>	<u>294,539</u>

-	(215,054)
(75,816)	215,054
-	306,007
-	(59,865)
<u>(75,816)</u>	<u>246,142</u>

-	(291,858)
-	9,704
-	91,202
<u>-</u>	<u>(190,952)</u>

3,412	33,223
<u>3,412</u>	<u>33,223</u>
403,116	382,952
1	2,364,236
<u>\$ 403,117</u>	<u>\$ 2,747,188</u>

\$ 487,258	\$ (1,053,027)
-	407,526
-	192,315
-	(74,351)
-	(80,907)
-	912,679
-	(41,742)
(4,113)	26,970
(3,459)	1,372
(4,166)	3,704
<u>\$ 475,520</u>	<u>\$ 294,539</u>

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AGENCY FUNDS

Agency Funds account for assets held by a governmental unit in the capacity of agent for individuals, governmental entities, and nonpublic organizations.

Employee Benefits

This fund serves as a clearing account for certain employee benefits. Funds come from payroll expenditures and are disbursed to the different employee benefit providers.

Storm Drain Districts D55 and D56

The City collects storm drain fees from developers and builders. This fund accounts for all the fees collected and sent to the County on quarterly basis. The City receives an administrative fee equal to 0.5% of the total fees collected.

Refundable Cash Bond

The Engineering Department requires developers to post a bond for certain projects. This fund serves as a holding account for the bonds issued and deposited in a noninterest bearing checking account.

Assessment District Without City Commitment

These funds account for all money collected to pay for debt service of the various assessment districts for which the City acts as paying agent but has no legal commitment or obligation.

Fire Protection

The City has entered into an agreement with the Contra Costa Consolidated Fire District whereby the City collects fire protection facility fees from developers based on the number of units built. Fees are to provide fire protection facilities only.

East County Water Management Association

The Governing Board of the East County Water Management Association has authorized the City to account for the financial operations of the association. The City's Finance Director uses this fund to record collections and disbursements of funds as authorized by the Association.

City of Antioch
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Employee Benefits				
Assets:				
Cash and investments	\$ 104,063	\$ 58,991	\$ (50,019)	\$ 113,035
Accounts receivable	13	771	(784)	-
Total assets	\$ 104,076	\$ 59,762	\$ (50,803)	\$ 113,035
Liabilities:				
Accounts payable	\$ 50,019	\$ 59,762	\$ (50,019)	\$ 59,762
Due to others	54,057	-	(784)	53,273
Total Liabilities	\$ 104,076	\$ 59,762	\$ (50,803)	\$ 113,035
Storm Drain Districts D55 & D56				
Assets:				
Cash and investments	\$ -	\$ 71,291	\$ (71,291)	\$ -
Liabilities:				
Accounts payable	\$ -	\$ 71,291	\$ (71,291)	\$ -
Refundable Cash Bond				
Assets:				
Cash and investments	\$ 618,945	\$ 159,194	\$ (132,010)	\$ 646,129
Liabilities:				
Accounts payable	-	-	-	\$ -
Due to others	618,945	159,194	(132,010)	646,129
Total Liabilities	\$ 618,945	\$ 159,194	\$ (132,010)	\$ 646,129
Assessment Districts Without City Commitment				
Assets:				
Cash and investments	\$ 553,237	\$ 1,020,045	\$ (1,472,695)	\$ 100,587
Assessment receivable	338,582	-	(338,582)	-
Interest receivable	57,371	57,959	(57,371)	57,959
Prepaid items	-	1,958	-	1,958
Restricted cash and investments	8,886,114	16,062,357	(14,984,820)	9,963,651
Total assets	\$ 9,835,304	\$ 17,142,319	\$ (16,853,468)	\$ 10,124,155
Liabilities:				
Due to others	\$ 9,835,304	\$ 17,142,319	\$ (16,853,468)	\$ 10,124,155

City of Antioch
Combining Statement of Changes in Assets and Liabilities
Agency Funds, Continued
For the Fiscal Year ended June 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
Fire Protection				
Assets:				
Cash and investments	\$ 289,619	\$ 109,146	\$ (326,556)	\$ 72,209
	<u>\$ 289,619</u>	<u>\$ 109,146</u>	<u>\$ (326,556)</u>	<u>\$ 72,209</u>
Liabilities:				
Due to others	\$ 289,619	\$ 109,146	\$ (326,556)	\$ 72,209
Total liabilities	<u>\$ 289,619</u>	<u>\$ 109,146</u>	<u>\$ (326,556)</u>	<u>\$ 72,209</u>
ECWMA				
Assets:				
Cash and investments	\$ 6,578	\$ 50	\$ (3,396)	\$ 3,232
	<u>\$ 6,578</u>	<u>\$ 50</u>	<u>\$ (3,396)</u>	<u>\$ 3,232</u>
Liabilities:				
Due to others	\$ 6,578	\$ 50	\$ (3,396)	\$ 3,232
	<u>\$ 6,578</u>	<u>\$ 50</u>	<u>\$ (3,396)</u>	<u>\$ 3,232</u>
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 1,572,442	\$ 1,418,717	\$ (2,055,967)	\$ 935,192
Accounts receivable	13	771	(784)	-
Assessment receivable	338,582	-	(338,582)	-
Interest receivable	57,371	57,959	(57,371)	57,959
Prepaid items	-	1,958	-	1,958
Restricted cash and investments	8,886,114	16,062,357	(14,984,820)	9,963,651
Total assets	<u>\$ 10,854,522</u>	<u>\$ 17,541,762</u>	<u>\$ (17,437,524)</u>	<u>\$ 10,958,760</u>
Liabilities:				
Accounts payable	\$ 50,019	\$ 131,053	\$ (121,310)	\$ 59,762
Due to others	10,804,503	17,410,709	(17,316,214)	10,898,998
Total liabilities	<u>\$ 10,854,522</u>	<u>\$ 17,541,762</u>	<u>\$ (17,437,524)</u>	<u>\$ 10,958,760</u>

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STATISTICAL SECTION

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

CITY OF ANTIOCH
Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	\$259,028	\$260,336	\$257,475	\$257,715	\$266,225	\$280,385	\$279,610	\$292,426	\$295,764	\$302,099
Restricted	40,894	39,252	34,636	37,170	39,373	44,710	46,710	44,812	48,611	43,431
Unrestricted	<u>19,068</u>	<u>18,500</u>	<u>38,648</u>	<u>43,967</u>	<u>40,466</u>	<u>27,922</u>	<u>22,500</u>	<u>19,453</u>	<u>14,010</u>	<u>21,104</u>
Total governmental activities net assets	<u>\$318,990</u>	<u>\$318,088</u>	<u>\$330,759</u>	<u>\$338,852</u>	<u>\$346,064</u>	<u>\$353,017</u>	<u>\$348,820</u>	<u>\$356,691</u>	<u>\$358,385</u>	<u>\$366,634</u>
Business-type activities										
Invested in capital assets, net of related debt	\$98,252	\$108,023	\$119,887	\$125,699	\$144,521	\$149,526	\$150,985	\$149,207	\$150,008	\$149,127
Restricted	3,374	3,293	3,629	3,644	2,414	2,655	2,456	1,673	1,476	1,554
Unrestricted	<u>37,088</u>	<u>34,568</u>	<u>32,526</u>	<u>32,791</u>	<u>22,087</u>	<u>21,210</u>	<u>21,979</u>	<u>25,411</u>	<u>31,856</u>	<u>33,195</u>
Total business-type activities net assets	<u>\$138,714</u>	<u>\$145,884</u>	<u>\$156,042</u>	<u>\$162,134</u>	<u>\$169,022</u>	<u>\$173,391</u>	<u>\$175,420</u>	<u>\$176,291</u>	<u>\$183,340</u>	<u>\$183,876</u>
Primary government										
Invested in capital assets, net of related debt	\$357,280	\$368,359	\$377,362	\$383,414	\$410,746	\$429,911	\$430,595	\$441,633	\$445,772	\$451,226
Restricted	44,268	42,545	38,265	40,814	41,788	47,365	49,166	46,485	50,087	44,985
Unrestricted	<u>56,156</u>	<u>53,068</u>	<u>71,174</u>	<u>76,758</u>	<u>62,553</u>	<u>49,132</u>	<u>44,479</u>	<u>44,864</u>	<u>45,866</u>	<u>54,299</u>
Total primary government net assets	<u>\$457,704</u>	<u>\$463,972</u>	<u>\$486,801</u>	<u>\$500,986</u>	<u>\$515,087</u>	<u>\$526,408</u>	<u>\$524,240</u>	<u>\$532,982</u>	<u>\$541,725</u>	<u>\$550,510</u>

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses										
Governmental activities:										
General government	\$5,711	\$6,032	\$7,510	\$6,560	\$9,038	\$8,926	\$9,338	\$7,379	\$6,640	\$6,736
Public works	11,909	19,232	15,349	14,254	15,109	15,764	19,452	13,305	16,147	13,671
Public safety	18,480	19,619	20,941	22,721	24,716	28,875	30,296	28,228	26,376	25,637
Parks and recreation	2,955	3,051	3,629	3,942	4,489	4,401	4,497	4,397	4,203	4,134
Community development	6,982	8,628	7,969	6,846	8,323	8,905	8,683	8,052	7,013	3,204
Interest on long-term liabilities	2,303	2,479	2,438	2,381	2,298	2,251	2,195	2,206	2,316	1,865
Total governmental activities	<u>48,340</u>	<u>59,041</u>	<u>57,836</u>	<u>56,704</u>	<u>63,973</u>	<u>69,122</u>	<u>74,461</u>	<u>63,567</u>	<u>62,695</u>	<u>55,247</u>
Business-type activities										
Water	17,459	17,698	18,043	17,827	20,415	23,087	22,900	20,371	18,948	25,244
Sewer	2,521	3,331	3,331	2,900	2,509	2,820	2,973	3,464	3,118	3,112
Marina	746	1,045	1,092	1,133	1,180	1,208	1,175	1,012	1,005	1,050
Prewett Water Park	1,592	1,575	1,708	1,845	1,922	2,089	2,299	2,084	1,740	1,762
Total business-type activities	<u>22,318</u>	<u>23,649</u>	<u>24,174</u>	<u>23,705</u>	<u>26,026</u>	<u>29,204</u>	<u>29,347</u>	<u>26,931</u>	<u>24,811</u>	<u>31,168</u>
Total primary government expenses	<u>70,658</u>	<u>82,690</u>	<u>82,010</u>	<u>80,409</u>	<u>89,999</u>	<u>98,326</u>	<u>103,808</u>	<u>90,498</u>	<u>87,506</u>	<u>86,415</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	14	386	55	50	2,548	1,645	2,850	2,536	1,360	1,474
Public works	213	747	1,559	1,180	993	3,012	1,572	2,895	3,369	2,429
Public safety	1,656	1,467	1,126	1,336	1,408	1,346	1,621	1,678	1,270	1,254
Community development	2,747	2,861	4,099	3,625	3,814	4,208	2,755	1,262	1,147	2,018
Other activities	1,879	2,034	2,269	2,541	2,779	687	637	646	560	701
Operating grants and contributions	7,653	8,646	5,706	5,609	7,303	7,772	6,136	5,971	9,846	9,802
Capital grants and contributions	4,404	5,119	19,409	4,088	2,974	7,856	8,789	17,425	8,568	1,896
Total governmental activities program revenues	<u>18,566</u>	<u>21,260</u>	<u>34,223</u>	<u>18,429</u>	<u>21,819</u>	<u>26,526</u>	<u>24,360</u>	<u>32,413</u>	<u>26,120</u>	<u>19,574</u>
Business-type activities:										
Fines, forfeitures and charges for services										
Water	18,857	20,508	19,018	19,364	20,906	20,842	20,180	19,293	21,687	23,395
Sewer	1,880	2,529	3,646	3,902	3,744	3,738	3,816	4,050	4,320	4,453
Marina	708	724	163	763	749	807	811	711	658	681
Prewett Water Park	718	668	703	825	812	835	955	927	1,040	910
Capital grants and contributions:										
Water	4,038	3,485	4,443	2,535	1,532	2,449	1,214	918	1,159	939
Sewer	4,192	3,537	6,105	2,394	2,276	2,714	1,397	714	1,004	393
Total business-type activities program revenues	<u>30,393</u>	<u>31,451</u>	<u>34,078</u>	<u>29,783</u>	<u>30,019</u>	<u>31,385</u>	<u>28,373</u>	<u>26,613</u>	<u>29,868</u>	<u>30,771</u>
Total primary government program revenues	<u>48,959</u>	<u>52,711</u>	<u>68,301</u>	<u>48,212</u>	<u>51,838</u>	<u>57,911</u>	<u>52,733</u>	<u>59,026</u>	<u>55,988</u>	<u>50,345</u>
Net (expense)/revenue										
Governmental activities	-29,774	-37,781	-23,613	-38,275	-42,154	-42,596	-50,101	-31,154	-36,575	-35,673
Business-type activities	8,075	7,802	9,904	6,078	3,993	2,181	-974	-318	5,057	-397
Total primary government net expense	<u>-21,699</u>	<u>-29,979</u>	<u>-13,709</u>	<u>-32,197</u>	<u>-38,161</u>	<u>-40,415</u>	<u>-51,075</u>	<u>-31,472</u>	<u>-31,518</u>	<u>-36,070</u>

CITY OF ANTIOCH
Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands) - Continued

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revenues and Other Changes In Net Assets										
Governmental activities:										
Taxes:										
Property taxes	11,624	12,759	14,074	15,912	18,284	18,576	17,927	15,381	14,425	10,638
Transient lodging tax	398	281	308	327	372	360	242	113	80	120
Franchise	1,928	2,024	2,055	2,410	2,889	3,595	3,466	4,172	3,901	4,166
Business license fees based on gross receipts	904	1,074	1,075	1,194	1,150	1,243	1,024	1,084	1,010	1,048
Property transfer taxes	638	697	989	875	508	333	432	344	255	283
Other	111	0	0	0	0	0	0	0	0	0
Sales and use tax	8,845	9,372	10,945	11,071	11,843	11,725	9,909	9,476	9,340	10,476
Motor vehicle in lieu	5,580	4,510	5,969	9,039	8,031	8,356	7,538	5,928	5,823	5,025
Park in lieu	612	145	682	586	283	148	388	49	45	215
Investment income not restricted	3,383	597	1,802	1,522	3,237	3,508	2,042	595	454	355
Donated capital assets	0	0	0	0	0	0	0	0	0	0
Other	529	4,519	1,224	3,187	2,344	2,391	3,900	1,881	2,867	2,765
Contribution from Successor Agency Trust	0	0	0	0	0	0	0	0	0	638
Extraordinary items - Redevelopment Dissolution	0	0	0	0	0	0	0	0	0	7,719
Transfers	2,257	902	1,208	1,089	426	-687	-965	3	69	473
Total government activities	<u>36,809</u>	<u>36,880</u>	<u>40,331</u>	<u>47,212</u>	<u>49,367</u>	<u>49,548</u>	<u>45,903</u>	<u>39,026</u>	<u>38,269</u>	<u>43,921</u>
Business-type activities:										
Investment income not restricted	1,676	269	1,404	815	1,590	1,305	825	360	349	315
Other	1,687	0	59	288	305	193	1,214	831	1,711	1,091
Transfers	-2,257	-902	-1,208	-1,089	-426	687	965	-3	-69	-473
Total business type activities	<u>1,106</u>	<u>-633</u>	<u>255</u>	<u>14</u>	<u>1,469</u>	<u>2,185</u>	<u>3,004</u>	<u>1,188</u>	<u>1,991</u>	<u>933</u>
Total primary government	<u><u>37,915</u></u>	<u><u>36,247</u></u>	<u><u>40,586</u></u>	<u><u>47,226</u></u>	<u><u>50,836</u></u>	<u><u>51,733</u></u>	<u><u>48,907</u></u>	<u><u>40,214</u></u>	<u><u>40,260</u></u>	<u><u>44,854</u></u>
Change in Net Assets										
Governmental activities	7,035	-901	16,718	8,937	7,213	6,952	-4,198	7,872	1,694	8,248
Business-type activities	9,181	7,169	10,159	6,092	5,462	4,366	2,030	870	7,048	536
Total primary government	<u><u>\$16,216</u></u>	<u><u>\$6,268</u></u>	<u><u>\$26,877</u></u>	<u><u>\$15,029</u></u>	<u><u>\$12,675</u></u>	<u><u>\$11,318</u></u>	<u><u>-\$2,168</u></u>	<u><u>\$8,742</u></u>	<u><u>\$8,742</u></u>	<u><u>\$8,784</u></u>

Source: City of Antioch Financial Report

CITY OF ANTIOCH
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Fund										
Reserved	\$163	\$121	\$167	\$48	\$239	\$872	\$894	\$259	\$ -	\$ -
Unreserved	6,815	5,552	6,074	8,686	11,694	8,534	4,392	5,488	-	-
Nonspendable	-	-	-	-	-	-	-	-	34	60
Committed	-	-	-	-	-	-	-	-	102	94
Assigned	-	-	-	-	-	-	-	-	92	298
Unassigned	-	-	-	-	-	-	-	-	6,557	8,037
Total general fund	<u>\$6,978</u>	<u>\$5,673</u>	<u>\$6,241</u>	<u>\$8,734</u>	<u>\$11,933</u>	<u>\$9,406</u>	<u>\$5,286</u>	<u>\$5,747</u>	<u>\$6,785</u>	<u>\$8,489</u>
All other governmental funds										
Reserved	\$25,495	\$20,030	\$18,597	\$20,473	\$23,095	\$22,507	\$15,430	\$13,428	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	15,864	16,887	17,049	16,206	13,409	14,912	18,253	20,496	-	-
Capital projects funds	695	585	11,351	12,175	6,611	2,912	3,767	2,034	-	-
Nonspendable	-	-	-	-	-	-	-	-	3,562	35
Restricted	-	-	-	-	-	-	-	-	21,494	23,294
Committed	-	-	-	-	-	-	-	-	5,566	6,017
Assigned	-	-	-	-	-	-	-	-	4,675	4,636
Unassigned	-	-	-	-	-	-	-	-	-2,412	0
Total all other governmental funds	<u>\$42,054</u>	<u>\$37,502</u>	<u>\$46,997</u>	<u>\$48,854</u>	<u>\$43,115</u>	<u>\$40,331</u>	<u>\$37,450</u>	<u>\$35,958</u>	<u>\$32,885</u>	<u>\$33,982</u>

Note: Fiscal years 2002 through 2010 are pre-implementation of GASB 54. Fiscal year 2011 represents new fund balance classifications post implementation of GASB 54.

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$32,187	\$33,061	\$37,293	\$42,675	\$44,917	\$45,979	\$42,165	\$37,744	\$37,384	\$34,424
Licenses and permits	1,554	1,450	1,763	1,684	1,463	1,400	735	857	798	1,096
Fines and penalties	357	358	392	376	301	214	362	306	189	154
Investment income and rentals	3,080	809	1,547	1,991	3,480	3,794	2,491	1,380	1,064	1,065
Revenue from other agencies	4,685	7,643	4,063	4,457	5,722	7,756	10,667	20,602	14,699	8,470
Current service charges	4,244	4,476	5,737	5,361	13,229	11,614	11,106	9,418	8,391	8,323
Special assessment revenue	1,718	1,917	2,379	2,699	2,845	2,802	2,731	2,793	2,775	2,879
Other	863	3,500	13,076	3,768	1,634	1,575	3,852	1,161	2,253	2,315
Total Revenues	48,688	53,214	66,250	63,011	73,591	75,134	74,109	74,261	67,553	58,726
Expenditures										
Current:										
General government	5,624	5,531	5,993	7,434	8,738	8,331	8,976	6,971	6,073	5,702
Public works	6,884	7,405	8,748	7,586	9,233	9,269	12,888	7,159	8,587	6,652
Public safety	17,592	19,484	20,209	22,413	26,159	29,629	31,202	29,340	26,928	26,065
Parks and recreation	2,711	2,752	3,251	3,560	4,365	4,076	4,023	3,776	3,594	3,641
Community development	8,363	8,980	8,939	8,902	10,557	11,390	11,308	9,685	8,856	3,968
Capital outlay	13,869	13,432	6,853	6,140	13,739	13,840	8,176	20,331	13,183	4,614
Debt service:										
Principal retirement	1,027	674	957	1,377	1,249	1,170	1,255	1,345	1,764	2,115
Interest	2,073	2,430	2,391	2,337	2,271	2,219	2,167	2,133	2,290	1,999
Fiscal charges	24	13	15	15	15	16	14	14	19	18
Bond issuance costs	168	0	0	0	0	0	0	29	0	0
Payment to advance refunding escrow	0	0	0	0	0	0	0	0	0	0
Total Expenditures	58,335	60,701	57,356	59,764	76,326	79,940	80,009	80,783	71,294	54,774
Excess (deficiency) of revenues over (under) expenditures	-9,647	-7,487	8,894	3,247	-2,735	-4,806	-5,900	-6,522	-3,741	3,952
Other financing sources (uses)										
Transfers in	12,331	17,066	10,653	10,573	12,208	13,212	13,130	12,380	11,264	9,438
Transfer out	-10,278	-15,435	-9,483	-9,471	-12,011	-13,717	-14,231	-11,147	-11,430	-9,285
Capital lease	0	0	0	0	0	0	0	2,177	1,873	0
Proceeds of bonds	14,375	0	0	0	0	0	0	2,081	0	0
Debt premium	153	0	0	0	0	0	0	0	0	0
Payment to refunded bond escrow agent	-14,311	0	0	0	0	0	0	0	0	0
Contribution from Successor Agency Trust	0	0	0	0	0	0	0	0	0	638
Extraordinary item	0	0	0	0	0	0	0	0	0	-1,942
Total other financing sources (uses)	2,270	1,631	1,170	1,102	197	-505	-1,101	5,491	1,707	-1,151
Net change in fund balances	-\$7,377	-\$5,856	\$10,064	\$4,349	-\$2,538	-\$5,311	-\$7,001	-\$1,031	-\$2,034	\$2,801
Debt service as a percentage of non-capital expenditures	6.97%	6.57%	6.63%	6.93%	5.62%	5.13%	4.76%	5.75%	6.98%	8.20%

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years - General Fund
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax	Sales Tax	Motor Vehicle In Lieu Tax (VLF)	Gax Tax	Transient Lodging Tax	Franchise Taxes	Business License Tax	Property Transfer Tax	Total
2003	\$ 6,440	\$ 9,307	\$ 5,580	\$ 1,807	\$ 166	\$ 1,928	\$ 904	\$ 638	\$ 26,770
2004	7,190	9,862	4,510	1,854	197	2,024	1,074	697	27,408
2005	14,074	10,945	5,969	1,878	308	2,055	1,075	989	37,293
2006	15,912	11,071	9,039	1,848	327	2,410	1,194	875	42,676
2007	18,284	11,843	8,031	1,840	372	2,888	1,151	508	44,917
2008	18,577	11,725	8,355	1,790	170	3,596	1,243	333	45,789
2009	17,927	9,909	7,537	1,627	242	3,466	1,024	432	42,164
2010	15,381	9,476	5,928	1,660	113	3,757	1,084	344	37,743
2011	14,425	9,340	5,823	2,550	80	3,900	1,010	255	37,383
2012	10,638	10,476	5,025	2,876	120	3,958	1,048	283	34,424

Source: City of Antioch Annual Financial Report

CITY OF ANTIOCH
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	Total Secured Tax Roll	Unsecured Tax Roll	Less Homeowners' Exemptions	Less Other Tax Exempt Property	Total Taxable Assessed Value	Less Redevelopment Assessed Valuation	Value of Taxable Property
2003	\$ 6,185,975	\$ 162,900	\$ (138,412)	\$ (173,556)	\$ 6,036,907	\$ (498,164)	\$ 5,538,743
2004	6,944,785	160,438	-141,982	-174,688	6,788,553	-526,264	6,262,289
2005	7,650,995	169,357	-140,839	-187,641	7,491,872	-537,174	6,954,698
2006	8,609,319	179,497	-137,104	-191,490	8,460,222	-601,289	7,858,933
2007	9,883,012	183,270	-131,886	-197,614	9,736,782	-654,506	9,082,276
2008	10,949,191	178,902	-128,392	-533,214	10,466,487	-704,753	9,761,734
2009	10,108,077	224,814	-126,214	-674,711	9,531,966	-754,155	8,777,811
2010	8,011,789	235,898	-123,979	-687,894	7,435,814	-765,856	6,669,958
2011	7,662,034	220,183	-121,652	-691,413	7,069,152	-724,248	6,344,904
2012	7,155,541	205,339	-116,601	-683,407	6,560,872	-691,917	5,868,955

NOTE: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold.

California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by annual calculation, to all the taxing entities within a tax rate area. The City of Antioch includes 39 tax rate areas.

Source: Contra Costa County Certificate of Assessed Valuations

City of Antioch
Principal Property Taxpayers
FY 2011-12 Compared To FY 2002-03
(amounts expressed in thousands, except for Rank and Percentages)

2011-2012 Local Secured Assessed Valuation - \$7,151,957,250

Taxpayer	2012			2003		
	Total Secured Assessed Value (A)	Rank	Percentage of Total Secured Assessed Value	Total Secured Assessed Value	Rank	Percentage of Total Secured Assessed Value
Kaiser Foundation Hospitals/Health Plan	427,752,729	1	5.981%	26,370,576	4	0.447%
Sutter East Bay Hospital	117,843,295	2	1.648%	48,586,428	1	0.824%
Inland America & Stephens LLC	32,731,965	3	0.458%	0.00		0.000%
Sequoia Equities - Cross Pointe	32,681,760	4	0.457%	0.00		0.000%
Runaway Bay LLC	26,766,259	5	0.374%	0.00		0.000%
Camden Village LLC	23,654,000	6	0.331%	0.00		0.000%
Costco Wholesale Corporation	20,463,000	7	0.286%	0.00		0.000%
Georgia-Pacific Gypsum LLC	20,094,051	8	0.281%	0.00		0.000%
Lakeshore Antioch	18,219,591	9	0.255%	0.00		0.000%
DS Founders LLC	17,553,883	10	0.245%	0.00		0.000%
GWF Power Systems Limited Partnership	0.00		0.000%	43,277,824	2	0.734%
GWF Power Systems Company	0.00		0.000%	35,801,925	3	0.607%
Millbrae Square Co., LLC	0.00		0.000%	20,363,336	5	0.345%
Delta Square-Oxford LP	0.00		0.000%	19,624,703	6	0.333%
Macerich Partnership	0.00		0.000%	19,515,335	7	0.331%
McBail Company	0.00		0.000%	19,199,541	8	0.326%
Gaylord Container Corporation	0.00		0.000%	16,276,725	9	0.276%
Wal-Mart Real Estate	0.00		0.000%	15,468,665	10	0.262%
	<u>\$737,760,533</u>		<u>10.316%</u>	<u>\$264,485,058</u>		<u>4.485%</u>

The amounts shown above include assessed value data for both the City and the Antioch Development Agency

(A) Amounts listed for top ten taxpayers only.

Source: County Assessor's Office via ParcelQuest

**CITY OF ANTIOCH
PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year	Basic County Wide Levy	BART	East Bay Regional Park	Community College 2002 Bonds	Community College 2006 Bonds	Total
2003	1.0000	-	0.0065	0.0040	-	1.0105
2004	1.0000	-	0.0057	0.0038	-	1.0095
2005	1.0000	-	0.0057	0.0042	-	1.0099
2006	1.0000	0.0048	0.0057	0.0047	-	1.0152
2007	1.0000	0.0076	0.0080	0.0038	0.0070	1.0264
2008	1.0000	0.0076	0.0080	0.0038	0.0070	1.0264
2009	1.0000	0.0090	0.01	0.0040	0.0026	1.0256
2010	1.0000	0.0057	0.0108	0.0046	0.008	1.0219
2011	1.0000	0.0031	0.0084	0.0049	0.0084	1.0248
2012	1.0000	0.0041	0.0071	0.0049	0.0095	1.0256

Source: Contra Cost County Assessors Office

City of Antioch
Property Tax Levies and Collections (1)
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year	City Property Tax Levied and Collected	Development Agency Property Tax Levied and Collected	Total Tax Levied and Collected	Value of City Property Subject To Local Tax Rate	Value of Development Agency Property Subject to Local Tax Rate	Total Value of Property Subject To Local Tax Rate
2003	17,615	5,157	22,772	5,538,741	498,164	6,036,905
2004	18,625	5,539	24,164	6,262,289	526,264	6,788,553
2005	19,088	5,750	24,838	6,954,698	537,174	7,491,872
2006	18,435	6,583	25,018	7,556,091	601,280	8,157,371
2007	21,028	7,015	28,043	9,082,277	654,506	9,736,783
2008	20,865	7,375	28,240	9,761,734	704,753	10,466,487
2009	19,704	7,952	27,656	8,777,811	754,155	9,531,966
2010	16,940	7,759	24,699	6,669,959	765,856	7,435,815
2011	16,574	7,348	23,922	6,344,904	724,248	7,069,152
2012	14,187	3,877 (2)	18,064	5,868,955	691,917	6,560,872

(1) Figures include data for property within the city, redevelopment project areas and for assessments.

(2) Figure represent taxes levied and collected for development agency through January 31, 2012 prior to dissolution of redevelopment with the passage of Abx 1 26

NOTE: Taxes collected are the same as the amounts levied because Contra Costa County follows California's alternate method of apportionment (the Teeter Plan). Under the Teeter Plan, all amounts levied are apportioned to the County and other taxing agencies regardless of whether they are collected in the current year or not.

Source: Contra Costa County Assessed Valuation Report and Tax Reconciliation Sheet

City of Antioch
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Estimated Actual Value of Taxable Property (1)	Per Capita (2)
	Lease Revenue Bonds	Tax Allocation Bonds	Capital Leases	Water Bonds	Marina Loans			
2003	30,415	15,430	1,160	11,840	4,349	63,194	1.14%	638
2004	30,300	15,180	851	10,235	4,251	60,817	0.97%	602
2005	30,160	14,690	524	8,535	4,150	58,059	0.83%	575
2006	29,980	13,840	117	6,750	4,044	54,731	0.70%	542
2007	29,770	12,955	-	4,900	3,932	51,557	0.57%	510
2008	29,520	12,035	-	4,260	3,816	49,631	0.51%	496
2009	29,230	11,070		3,605	3,695	47,600	0.54%	476
2010	28,895	12,141	2,177	2,930	3,568	49,711	0.75%	487
2011	28,475	10,981	3,867	2,235	3,436	48,994	0.77%	480
2012	28,005	-	3,541	1,515	3,297	36,358	0.62%	356

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City of Antioch Financial Report

(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property.

(2) Population data can be found in the Demographic and Economic Statistics schedule

**City of Antioch
Ratios of General Bonded Debt Outstanding**

The City of Antioch has not had any outstanding general obligation bond debt since 2001-02.

CITY OF ANTIOCH
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt limit	\$952,331	\$1,065,783	\$1,173,053	\$1,318,322	\$1,509,942	\$1,669,214	\$1,549,934	\$1,237,153	\$1,182,333	\$1,104,132
Total net debt applicable to limit	0	0	0	0	0	0	0	0	0	0
Legal debt margin	\$952,331	\$1,065,783	\$1,173,053	\$1,318,322	\$1,509,942	\$1,318,322	\$1,549,934	\$1,237,153	\$1,182,333	\$1,104,132
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2012

The following numbers are not expressed in thousands:
Assessed value \$6,560,872,164
Add back: exempt real property 800,008,169
Total assessed value 7,360,880,333

Debt limit (15% of total assessed value) 1,104,132,050
Debt applicable to limit:
General obligation bonds 0
Less: Amount set aside for repayment
of general obligation debt 0
Total net debt applicable to limit 0
Legal debt margin \$1,104,132,050

Source: City of Antioch Finance Department and Contra Costa County Certificate of Assessed Valuations for fiscal year 2010-11

Note: Beginning in Fiscal Year 2000-01, the City of Antioch did not have any general obligation debt. However, under State finance law, the City of Antioch's outstanding general obligation debt should not exceed 15% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**City of Antioch
Pledged Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Water Revenue Bonds (1) (in thousands)						Special Assessment Bonds		
	Gross Water Charges And Other	Less: Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service		Debt Service Coverage	Special Assessment Collections (2)	Outstanding	
				Principal	Interest			Hillcrest	Lone Diamond
2003	20,081	17,040	3,041	1,425	644	1.47%	11,017,332	166	72,555
2004	20,649	17,400	3,249	1,585	271	1.75%	10,080,827	6,675	68,680
2005	19,665	15,814	3,851	1,700	320	1.91%	11,860,106	5,030	64,115
2006	20,279	15,705	4,574	1,785	250	2.25%	8,015,198	3,410	59,935
2007	22,264	18,297	3,967	1,850	181	1.95%	7,546,480	1,708	51,020
2008	21,796	20,174	1,622	640	142	2.07%	7,550,756	170.00	46,795
2009	21,585	19,804	1,781	655	126	2.28%	7,464,602	-	41,170
2010	20,226	17,390	2,836	675	108	3.62%	7,401,685	-	35,045
2011	22,103	16,609	5,494	695	88	7.02%	7,476,123	-	26,905
2012	23,652	22,924	728	720	66	0.93%	7,425,102	-	20,905

(1) Details regarding the City of Antioch's outstanding debt can be found in the notes to the financial statements. Water Charges and Other includes investment earnings but not tap fees. Operating expenses do not include interest or depreciation.

(2) Special Assessment Debt without City Commitment: The City is the collecting and paying agent for other special assessment debt, but has no direct or contingent liability or moral obligation for the payment of this debt. Therefore, this debt is not included in the City's financial statements. Cash held by the City on behalf of these districts is recorded in the Agency Funds of the City.

Source: City of Antioch Financial Statements

CITY OF ANTIOCH
Direct and Overlapping Debt
June 30, 2012

2011-12 Assessed Valuation	\$6,560,872,164
Antioch Development Agency Incremental Valuation:	691,916,549
Adjusted Assessed Valuation:	<u>\$5,868,955,615</u>

JURISDICTION	Total Debt 6/30/2012	Percent Applicable (1)	City's Share of Debt 6/30/2012
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Bay Area Rapid Transit District	\$412,540,000	1.373%	\$5,664,174
Contra Costa Community College District	223,985,000	4.809%	10,771,439
Antioch Unified School District Schools Facilities Improvement District No.	39,927,391	88.183%	35,209,171
Liberty Union High School District	57,130,000	2.793%	1,595,641
Brentwood Union School District	51,424,704	5.152%	2,649,401
City of Antioch 1915 Act Bonds	20,905,000	100.000%	20,905,000
East Bay Regional Park District	129,525,000	2.132%	2,761,473
Antioch Area Community Facilities District No. 1989-1	73,650,000	100.000%	73,650,000
Total Overlapping Tax and Assessment Debt			<u>\$153,206,299</u>
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Direct Debt:			
City of Antioch Lease Revenue Bonds	\$28,005,000	100.000%	\$28,005,000
Subtotal Direct General Fund Debt			<u>\$28,005,000</u>
Overlapping Debt:			
Contra Costa County General Fund Obligations	\$301,690,976	4.787%	\$14,441,947
Contra Costa County Pension Obligations	358,495,000	4.787%	17,161,156
Contra Costa Community College District Certificates of Participation	855,000	4.809%	41,117
Antioch Unified School District Certificates of Participation	20,175,000	90.849%	18,328,786
Brentwood Union School District Certificates of Participation	2,618,592	5.152%	134,910
Contra Costa Fire Protection District Pension Obligations	111,595,000	10.831%	12,086,854
Subtotal gross overlapping General Fund Debt			<u>\$62,194,770</u>
Less: Contra Costa County Obligations supported from revenue funds			5,422,129
Subtotal net overlapping General Fund Debt			<u>\$56,772,641</u>
COMBINED TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$84,777,641</u>
COMBINED TOTAL NET DEBT			<u><u>\$237,983,939</u></u>

NOTES:

- (1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's taxable assessed value. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2011-12 Assessed Valuation:

Total Overlapping Tax and Assessment Debt: 2.29%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$28,005,000): 0.47%

Gross Combined Total Debt: 4.07%

Net Combined Total Debt: 3.98%

Source: California Municipal Statistics, Inc.

**City of Antioch
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City of Antioch Population(1)</u>	<u>Contra Costa County Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2003	99,065	987,531	\$ 45,775,727	\$ 46,354	6.8%
2004	101,097	992,424	48,923,798	49,297	6.2%
2005	100,913	999,013	51,534,263	51,585	5.3%
2006	100,163	1,000,834	55,318,933	55,237	5.3%
2007	100,150	1,009,152	58,043,926	57,518	5.3%
2008	100,361	1,023,344	59,914,142	58,547	7.6%
2009	100,957	1,037,890	56,221,077	54,169	12.20%
2010	102,330	1,052,605	58,382,965	55,465	12.80%
2011	103,054	1,056,064	*	*	12.50%
2012	103,833	*	*	*	10.20%

*No Data Available

Data Sources:

- (1) State Department of Finance
- (2) U.S. Department of Commerce, Bureau of Economic Analysis (data shown is for Contra Costa County)
- new estimates for 2010; revised estimates for 2000-2009 as of April 2012
- (3) State of California Employee Development Dept., Labor Market Info, Data Library

**City of Antioch
Principal Employers
Current Year and Nine Years Ago**

Employer	2012		2003	
	Approx. Number of Employees¹	Percentage Of Total City Employment	Number of Employees	Percentage Of Total City Employment
Kaiser Permanente	2,151	4.35%	600	1.52%
Antioch Unified School District	1,629	3.29%	1,860	4.73%
Sutter Delta Medical Center ²	1,200	2.42%	700	1.78%
Contra Costa County Social Services	593	1.20%	360	0.91%
Wal-Mart	291	0.59%	375	0.95%
Target	286	0.58%	-	0.00%
City of Antioch	272	0.55%	361	0.92%
Costco	265	0.54%	175	0.44%
Antioch Auto Center	223	0.45%	-	0.00%
Safeway	144	0.07%	-	0.00%
Long's Drugs (corporate office)	-	0.00%	260	0.66%
Mervyn's	-	0.00%	240	0.61%
Tri Delta Transit	-	0.00%	180	0.46%

¹ As of 09/20/2012 Source: City of Antioch Economic Development Department

² Includes approximately 300 contract employees

**City of Antioch
Operating Indicators by Function
Last Ten Fiscal Years**

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Police								161		
Physical arrests	4,732	5,166	4,872	4,983	6,471 (1)	6,734	7,288	5,990	4,830	4,296
Parking violations*	12,199	12,485	1,985	3,334	2,256 (1)	1,188	1,391	1,241	963	1,310
Traffic violations*	NA	NA	7,440	8,749	4,703 (1)	7,049	12,664	5,905	3,320	2,123
Sworn Officers	113	114	114	118	125	126	126	126	126	126
Reserve Personnel	11	11	11	5	4	4	166	4	4	4
Support Personnel	45	47	47	55	58	58	58	58	58	58
Highways and streets										
Street resurfacing, sq ft	318,252	206,745	207,800	137,100	209,269	128,685	387,760	164,929	879,575	711,900
Potholes repaired	2,687	3,207	3,574	3,702	2,022	3,076	170	n/a	(2)	(2)
Culture and recreation										
Athletic sports complex admissions	NA	25,610	27,775	29,831	32,693	31,429	33,650	33,640	40,000	41,500
Community center admissions										
Nick Rodriguez Community Center	NA	1,004,823	960,717	946,667	819,324	558,624	173	314,731	127,545	46,233
Antioch Community Center	NA	NA	NA	NA	NA	NA	NA	NA	150,937	234,102
Prewett Community Center	NA	126,132	133,234	161,572	133,138	129,250	120,121	80,591	80,041	83,556
Water										
New connections	986	140	392	351	209	236	170	207	139	169
Water main breaks	2	3	2	13	25	18	18	28	17	39
Average daily consumption (thousands of gallons)	17,455	18,574	18,591	17,703***	18,473	19,519	17,195	15,190	15,539	16,043
Sewer**										
New connections	1,694	112	176	310	166	184	140	181	106	144

(1) Of the City's 5 Traffic Unit Officers, one Traffic Unit Officer was transferred to patrol in July 2006 and four were transferred to patrol in October 2006. Therefore, there was an increase in physical arrests and decreases in traffic and parking violations.
(2) The City no longer tracks this data.

*Parking and Traffic violations were combined until 2004/05

**The City does not process daily sewage - it maintains the sewer line that connects to the main sewer. Delta Diablo Sanitation District is responsible for sewage treatment.

***Fiscal Year 2005/06 was a very wet year for the City of Antioch; therefore, less water was consumed.

Source: Various City Departments

CITY OF ANTIOCH
FULL TIME CITY EMPLOYEES
BY FUNCTION

Last Eight Fiscal Years

FUNCTION	2005*	2006	2007	2008	2009	2010	2011	2012
General government	55	45	51	50	52	52	52	52
Public safety ¹								
Sworn Police Officers	114	118	126	126	126	126	126	126
Community Service Officers	18	17	19	20	20	20	20	20
Administrative Staff	36	36	39	39	39	39	39	39
Public works	34	41	41	42	42	42	43	48
Community Development	38	40	47	43	42	42	42	42
Capital Improvement ²	-	-	-	5	5	5	5	-
Recreation	18	18	18	18	18	18	18	18
Water	39	38	38	41	41	41	41	41
Wastewater	<u>7</u>	<u>12</u>	<u>12</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
Total employees	<u>359</u>	<u>365</u>	<u>391</u>	<u>399</u>	<u>400</u>	<u>400</u>	<u>401</u>	<u>401</u>

*Information not available prior to 2005

¹ Fire services are provided by Contra Costa Fire Protection District

² Capital Improvement was part of Community Development prior to 2008, and became part of Public Works in 2012

Source: City of Antioch budgets

**City of Antioch
Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	NA	NA	NA	41	41	43	43	43	42	39
Fire Stations*	4	4	4	4	4	4	4	4	4	4
Highways and streets										
Streets (miles)	269.00	283.00	307.91	315.61	339.16	352.62	360.02	482.62	566.31	745.32
Streetlights	6,150	6,258	6,258	6,346	6,501	6,486	8,600	8,649	8,697	8,714
Traffic Signals, City Owned	41	41	41	42	42	99	100	101	101	101
Culture and recreation										
Parks acreage	300	300	306	306	308	308	308	308	308	308
Parks	28	28	31	31	32	33	33	33	33	33
Swimming pools	7	7	7	7	7	7	7	7	7	7
Community centers	3	3	3	3	3	3	3	3	4	4
Water										
Water lines (miles)	253.01	259.99	272.24	278.80	285.35	278.80	340.00	341.68	344.52	344.91
Number of water meters	29,942	30,082	30,474	30,825	30,683	31,061	31,231	30,931	31,468	31,254
Maximum daily treatment capacity (millions of gallons)	29.39	29.99	30.73	31.55	31.55	30.02	27.01	26.49	29.00	26.13
Fire hydrants	3,124	3,199	3,231	3,401	3,443	3,443	3,443	3,443	3,522	3,537
Sewer**										
Sanitary sewer lines (miles)	220.20	226.75	238.77	248.82	250.87	255.70	300.00	300.68	302.70	303.20
Number of sewer connections	28,728	28,828	29,004	29,314	29,480	29,664	29,804	29,535	29,657	29,818
Storm drains (miles)	129.20	134.28	144.36	150.75	157.14	161.42	220.00	221.01	222.12	222.13

*The City of Antioch's fire protection is provided by the Contra Costa Fire Protection District

**The City does not process daily sewage - it maintains the sewer line that connects to the main sewer. Delta Diablo Sanitation District is responsible for sewage treatment.

Sources: Various City departments.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Antioch, California (City), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates
Certified Public Accountants
Oakland, California
December 5, 2012

**STAFF REPORT TO THE ANTIOCH CITY COUNCIL
FOR CONSIDERATION AT THE COUNCIL MEETING OF JANUARY 22, 2013**

PREPARED BY: Dawn Merchant, Finance Director

DATE: January 14, 2013

SUBJECT: Single Audit Report For The Fiscal Year Ended June 30, 2012

Recommendation

Receive and file:

1. Single Audit Report For The Year Ended June 30, 2012.

Background

As required by the Single Audit Act, governments that expend \$500,000 or more on federal awards must be audited to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the award. This year's audit report was completed by Badawi & Associates, Certified Public Accountants.

As stated in the report, no deficiencies in internal control over financial reporting considered to be material weaknesses were identified. One deficiency in internal control over compliance was identified as outlined on page 12 of the attached report in relation to federal reporting for Community Development Block Grant Funds. Once made aware of the deficiency, City staff filed the appropriate report. Refer to page 12 of the report for the City's complete response to the finding.

Attachment: Single Audit Report For The Year Ended June 30, 2012

City of Antioch

Antioch, California

Single Audit Reports

For the year ended June 30, 2012

City of Antioch
Single Audit Reports
For the year ended June 30, 2012
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Antioch (City) as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 5, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

To the Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates
Certified Public Accountants
Oakland, California
December 5, 2012

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE AND THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California

Compliance

We have audited the City of Antioch, California's (City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2012. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item SA2012-01.

Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

To the Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California
Page 2

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item SA 2012-01. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

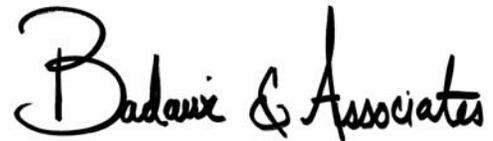
Schedule of Federal Expenditures

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Antioch as of and for the year ended June 30, 2012, and have issued our report thereon dated December 5, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

The City's responses to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's response and, accordingly, we express no opinion on the response.

To the Honorable Mayor and Members of City Council
of the City of Antioch
Antioch, California
Page 3

This report is intended solely for the information and use of management, City Council, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates
Certified Public Accountants
Oakland, California
December 5, 2012

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City of Antioch
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2012

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Agency or Pass-Through Number	Federal Expenditures
U.S. Department of Housing and Urban Development:			
<i>Direct Program:</i>			
Community Development Block Grants Entitlement Cluster			
- Community Development Block Grant	14.218	B-10-MC-060045	\$ 184,973
- Community Development Block Grant	14.218	B-11-MC-060045	468,256
- ARRA- Community Development Block Grant- NSP	14.218	B-08-MN-06-0001	635,158
- ARRA- Community Development Block Grants Entitlement	14.253	B-09-MY-060045	3,922
Total Community Development Block Grants Entitlement Cluster			<u>1,292,309</u>
Total U.S. Department of Housing & Urban Development			<u>1,292,309</u>
U.S. Department of Justice:			
<i>Direct Program:</i>			
- ARRA- COPS Hiring Recovery Grant	16.710	2009RKWX0092	738,123
Total U.S Department of Justice			<u>738,123</u>
U.S. Department of Transportation			
<i>Passed through the California Department of Transportation</i>			
Highway Planning and Construction Cluster			
- Highway Planning and Construction	20.205	RSTPL-5038(022)	1,838,222
- Highway Planning and Construction	20.205	BHLS-5038(006)	292,550
Total Highway Planning and Construction Cluster			<u>2,130,772</u>
Total U.S. Department of Transportation			<u>2,130,772</u>
U.S. Department of Energy:			
<i>Direct Program:</i>			
- ARRA-Energy Efficiency and Conservation Block Grant	81.128	DE-SC0001714	36,401
Total U.S. Department of Energy			<u>36,401</u>
Total Expenditures of Federal Awards			<u>\$ 4,197,605</u>

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City of Antioch

Notes to the Schedule of Expenditures of Federal Awards For the year ended June 30, 2012

1. REPORTING ENTITY

The City of Antioch (City) was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities. The City uses the City Council/Manager form of government. The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government's exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The following component units are included in the basic financial statements of the City.

- Antioch Development Agency
- Public Financing Authority

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Funds received under the various grant programs have been recorded within general, special revenue, and capital projects funds of the City. The City utilizes the accrual basis of accounting for these funds. The accompanying Schedule of Expenditures of Federal Awards (Schedule) is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in, the preparation of the City's basic financial statements.

Schedule of Expenditures of Federal Awards

The accompanying Schedule presents the activity of all federal financial assistance programs of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through the State of California and other local agencies. The Schedule was prepared only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the City.

City of Antioch
Single Audit Reports
Schedule of Findings and Questioned Costs
For the year ended June 30, 2012

3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the City provided federal awards to subrecipients as follows:

Program Title	CFDA #	Subrecipients	Amount Paid
Community Development Block Grant	14.218	Child Abuse Prevention Council	4,000
	14.218	Community Violence Solutions	5,000
	14.218	Food Bank of Contra Costa and Solano	6,000
	14.218	Stand!	13,500
	14.218	The Bedford Center	9,000
	14.218	City of Antioch	376,131
	14.218	Contra Costa Senior Legal Services	5,000
	14.218	Ombudsman Services	5,000
	14.218	Senior Outreach Services	11,000
	14.218	Court Appointed Special Advocates	5,000
	14.218	Lions Blind Center	5,000
	14.218	Antioch Chamber Community Foundation	10,706
	14.218	Contra Costa Child Care Council	12,500
	14.218	Opportunity Junction	79,434
Community Development Block Grant (ARRA)	14.253	Antioch Historical Society	3,922
		Total	<u>551,193</u>
Energy Efficiency and Conservation Block Grant (ARRA)	81.128	Rising Sun Energy Center	10,000

City of Antioch
Schedule of Findings and Questioned Costs, Continued
For the year ended June 30, 2012

A. Summary of Auditors' Results

Financial Statements

Types of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? No

Any noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Type of auditors' report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in Accordance with section 510(a) of OMB Circular A-133 Yes

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster	Expenditures
14.218, 14.253	CDBG Cluster	\$ 1,292,309
16.710	ARRA- COPS Hiring Recovery Grant	738,123
	Total Expenditures of All Major Federal Programs	2,030,432
	Total Expenditures of Federal Awards	\$ 4,197,605
	Percentage of Total Expenditures of Federal Awards	48%

Dollar threshold used to distinguish between type A and type B program \$300,000

Auditee qualified as low-risk auditee under section 530 of OMB Circular A-133? Yes

City of Antioch
Single Audit Reports
Schedule of Findings and Questioned Costs, Continued
For the year ended June 30, 2012

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No financial statement findings were noted.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

SA2012-01 Reporting, Control Activities (Significant Deficiency) and Compliance

Program:

Community Development Block Grant Cluster (CFDA Number 14.218 and 14.253, U.S. Department of Housing and Urban Development, Award Number B-10-MC06-0045, B-11-MC06-0045, B-09-MY06-0045, and B-08-MN-06-0001)

Condition:

For any sub-award equal to or greater than \$25,000, the City did not file any required FFATA sub-award report in fiscal year 2012.

Criteria:

In accordance with Federal Funding Accountability and Transparency Act (FFATA), Prime Awardees awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$25,000.

Cause:

The City was not aware of this compliance requirement, as no instruction was provided by the Contra Costa County CDBG Consortium, which includes City of Antioch.

Context and Effect:

The City was not in compliance with the FFATA requirement.

Questioned Costs:

No questioned costs noted.

Recommendation:

We recommend that the City file all required reports to be in compliance with grant requirements.

View of Responsible Officials and Planned Corrective Action:

Once the City was made aware of the FFATA requirement and that the information was not being imported from the IDIS database as was the understanding of the Contra Costa County CDBG Consortium (including the City of Antioch), the required information was entered into the federal database. The City will ensure that future reports are filed as needed.

City of Antioch
Single Audit Reports
Schedule of Findings and Questioned Costs, Continued
For the year ended June 30, 2012

**D. PRIOR YEAR FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM
AUDIT**

No major federal award findings were noted.

**STAFF REPORT TO THE ANTIOCH CITY COUNCIL
FOR CONSIDERATION AT THE COUNCIL MEETING OF JANUARY 22, 2013**

BY: Dawn Merchant, Finance Director

DATE: January 14, 2013

SUBJECT: City of Antioch – Auditors’ Communication with Those Charged with Governance for the Fiscal Year Ended June 30, 2012

Recommendation

Receive and file the following:

1. Auditors’ Communication with Those Charged with Governance for the Fiscal Year Ended June 30, 2012.

Background

As required by State law, the City must publish a complete set of financial statements at the close of each fiscal year audited by a firm of licensed certified public accountants. As part of the audit process, professional auditing standards require that the auditing firm (Badawi & Associates, Certified Public Accountants) provide certain information to the City Council regarding the audit.

As stated in the attached report, there were:

- **No** transactions entered into by the City during the fiscal year that lacked authoritative guidance or consensus;
- **No** difficulties in dealing with management in performing and completing the audit;
- **No** misstatements identified during the audit;
- **No** disagreements with management during the course of the audit

Attachment: Auditors’ Communication with Those Charged with Governance for the Fiscal Year Ended June 30, 2012

City of Antioch

Antioch, California

*Auditors' Communication with
Those Charged with Governance*

For the year ended June 30, 2012



December 5, 2012

To The Honorable Mayor and Members
of the City Council of the City of Antioch
Antioch, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Antioch, California (City) for the year ended June 30, 2012, and have issued our report thereon dated December 5, 2012. Professional standards require that we provide you with the following information related to our audit.

The Auditor's Responsibilities under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

As stated in our engagement letter dated April 30, 2012, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the City's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" applicable to each of its major federal programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the City's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you.

To The Honorable Mayor and Members
of the City Council of the City of Antioch
Antioch, California
Page 2

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Investments Valuations
- Allowance for uncollectible accounts
- Accumulated Depreciation
- Net Other Post-employment Benefits (OPEB) Obligation

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Summary of Significant Accounting Policies
- Cash and Investments
- Capital Assets
- Pension Plan
- Other Postemployment Benefits (OPEB) Plan
- Commitments and Contingencies

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

To The Honorable Mayor and Members
of the City Council of the City of Antioch
Antioch, California
Page 3

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There was no misstatement identified during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 5, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

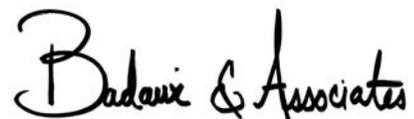
To The Honorable Mayor and Members
of the City Council of the City of Antioch
Antioch, California
Page 4

Other information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates
Certified Public Accountants
Oakland, California
December 5, 2012

**STAFF REPORT TO THE MAYOR AND CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

PREPARED BY: Scott Buenting, Associate Engineer, Capital Improvements Division

REVIEWED BY: Ron Bernal, Public Works Director/City Engineer *REB*

DATE: January 15, 2013

SUBJECT: Consideration of Bids for the Community Park Synthetic Turf Fields
(P.W. 394-7F)

RECOMMENDATION

It is recommended City Council award the project to the low bidder, Goodland Landscape Construction, Inc., in the amount of \$1,295,000.00.

BACKGROUND INFORMATION

On January 15, 2013, five (5) bids were received and opened as shown on the attached tabulation. The low bid was submitted by Goodland Landscaping Construction, Inc. of Tracy in the amount of \$1,295,000.00. The bids have been checked and found to be without any errors or omissions.

This project will consist of removing the existing natural turf soccer fields at Community Park and constructing a base for new synthetic turf to be installed by FieldTurf after this project is completed. Decorative perimeter fencing and field lighting will be installed around the facility and a new electrical/storage building will be constructed. Cables and conduit for future site security cameras will also be installed.

FINANCIAL IMPACT

The 2012-2013 Capital Improvement Budget includes \$2,413,000 of Measure WW Park Bond funding for design, engineering and construction of this project. The Engineer's estimate for construction of this project was \$1,300,000.00.

OPTIONS

None considered at this time.

ATTACHMENTS

A: Tabulation of Bids

ATTACHMENT "A"

CITY OF ANTIOCH TABULATION OF BIDS

JOB TITLE: Community Park Synthetic Turf Soccer Fields
(P.W. 394-7F)

BIDS OPENED: January 15, 2013 ~ 2:00 p.m.
City Council Chambers

	Engineer's Estimate	Goodland Landscape Construction Tracy	O.C. Jones & Sons Berkeley	Robert A. Bothman, Inc. San Jose	Interstate Grading & Paving, Inc. S. San Francisco	Suarez & Munoz Construction, Inc. San Jose
TOTAL BID PRICE	\$1,300,000.00	\$1,295,000.00	\$1,305,700.00	\$1,355,038.00	\$1,490,000.00	\$1,519,000.00

Goodland Landscape Construction, Inc.	Robert A Bothman, Inc.	O.C. Jones & Sons	Interstate Grading & Paving, Inc.	Suarez & Munoz Construction
<ul style="list-style-type: none"> <u>Lime Treatment</u> Griffin Soil Electrical Modesto Executive Electric Fencing Richter Fence Building Restroom Facilities Survey Kier & Wright 	<ul style="list-style-type: none"> Fencing Golden Bay Fence & Iron Works Building Restroom Facilities Electrical Columbia Electric Tree Removal Mountain F. Enterprises 	<ul style="list-style-type: none"> Fencing Concrete Luminart Western Stabilization Electrical Columbia Electric Landscape Green Growth Industries Building Restroom Facilities Underground Barrys Backhoe Service 	<ul style="list-style-type: none"> Concrete Luminart Fencing Golden Bay Fence & Iron Works Electrical Columbia Electric Building Restroom Facilities Landscape Green Growth Industries Lime Treatment Western Stabilization Underground Barrys Backhoe Service Tree Removal MTF Enterprises 	<ul style="list-style-type: none"> <u>Lime Treatment</u> Griffin Soil Fencing Chain Link Fence & Supply Tree Removal Atlas Tree Surgery Building Restroom Facilities Survey Construction Survey Electrical Columbia Electric

**STAFF REPORT TO THE MAYOR AND CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

PREPARED BY: Scott Buenting, Associate Engineer, Capital Improvements Division 

REVIEWED BY: Ron Bernal, Public Works Director/City Engineer 

DATE: January 15, 2013

SUBJECT: Resolution Accepting Work and Authorizing the Public Works Director/City Engineer to File a Notice of Completion for the Water Main Replacement at Various Locations, (P.W. 503-13)

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution accepting work, authorizing the Public Works Director/City Engineer to File a Notice of Completion and authorizing the Director of Finance to make a final payment in the amount \$65,710.26 plus retention of \$21,273.94 to be paid thirty five days (35) after recordation of the Notice of Completion and upon resolution of the outstanding subcontractor claims.

BACKGROUND INFORMATION

On March 13, 2012, the City Council awarded a contract to Universal Underground, Inc. in the amount of \$409,495 to replace the aging domestic water facilities on Elizabeth Lane, Elizabeth Court, Plumleigh Avenue, Roberts Street and Diablo Avenue.

On November 26, 2012, the Contractor completed all work associated with this project with a final contract price, including all changes, of \$425,478.86.

The Contractor has been paid \$338,494.66 for work performed on this project. Including retention, an additional \$86,984.20 remains due the Contractor. Three stop notice claims totaling \$89,992.01 from various workers and subcontractors have been filed against this project and remain unresolved. Due to the outstanding claims against this project, the City Attorney has advised staff to finalize the original contract with Universal Underground, Inc. and withhold further payments until the subcontractor claims are resolved.

FINANCIAL IMPACT

The final contract price for this project is \$425,478.86. The final contract price varies from the amount awarded predominately due to an increase in the extent of water facility replacement and additional work required to work around existing underground facilities. Funding for this project was provided through the Water Line Expansion Fund.

OPTIONS

No options are suggested at this time.

ATTACHMENTS

- A: Resolution Accepting Work
- B: Notice of Completion

RESOLUTION NO. 2013/**

**RESOLUTION ACCEPTING WORK AND DIRECTING
THE PUBLIC WORKS DIRECTOR/CITY ENGINEER TO FILE A NOTICE OF
COMPLETION AND AUTHORIZING FINAL PAYMENT TO
UNIVERSAL UNDERGROUND, INC. FOR THE
WATER MAIN REPLACEMENT AT VARIOUS LOCATIONS
(P.W. 503-13)**

WHEREAS, the Public Works Director/City Engineer, has certified the completion of all work provided to be done under and pursuant to the contract between the City of Antioch and Universal Underground, Inc. and;

WHEREAS, it appears to the satisfaction of this City Council that said work under said contract has been fully completed and done as provided in said contract and the plans and specifications therein referred to;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Antioch, that:

1. The above-described work is hereby accepted.
2. The Public Works Director/City Engineer is directed to execute and file for recordation with the County Recorder, County of Contra Costa, a Notice of Completion thereof.
3. The Director of Finance is hereby directed to pay the contractor a final payment in the amount \$65,710.26 plus retention of \$21,273.94 to be paid thirty five days (35) after recordation of the Notice of Completion and upon resolution of the outstanding subcontractor claims.

* * * * *

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Antioch at a regular meeting thereof held on the 22nd day of January, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ARNE SIMONSEN, City Clerk

Recorded at the request
of and for the benefit
of the City of Antioch

When recorded, return
to City of Antioch
Capital Improvements Department
P.O. Box 5007
Antioch, CA 94531-5007

NOTICE OF COMPLETION

FOR

WATER MAIN REPLACEMENT AT VARIOUS LOCATIONS IN THE CITY OF ANTIOCH (P.W. 503-13)

NOTICE IS HEREBY GIVEN that the work and improvements hereinafter described, the contract for which was entered into by and between the City of Antioch and Universal Underground, Inc. was completed on November 26, 2012.

The surety for said project was The Gray Insurance Company.

The subject project consisted of installing domestic water facilities on Elizabeth Lane, Elizabeth Court, Plumleigh Avenue, Roberts Street and Diablo Avenue in the City of Antioch, California.

**THE UNDERSIGNED STATES UNDER PENALTY OF
PERJURY THAT THE ABOVE IS TRUE AND CORRECT**

Date

Public Works Director/City Engineer

**STAFF REPORT TO THE ANTIOCH CITY COUNCIL
FOR CONSIDERATION AT THE COUNCIL MEETING OF JANUARY 22, 2013**

Prepared by: Dawn Merchant, Finance Director

Date: January 15, 2013

Subject: Approval of Extension of Contract for Professional Auditing Services for Fiscal Years Ending June 30, 2013 and 2014.

Recommendation

Extend Professional Auditing Services contract to Badawi & Associates, Certified Public Accountants, for fiscal years ending June 30, 2013 and 2014.

Background

In 2010, the City went out to bid for professional auditing services for the fiscal years ending June 30, 2010, 2011 and 2012 with an option to extend the contract for an additional two fiscal years pending satisfactory performance and negotiation of terms. Caporicci & Larson, Certified Public Accountants, was awarded the contract in 2010. The firm subsequently merged with another firm, and the partner in charge of the City's engagement opened his own practice, Badawi & Associates, Certified Public Accountants. City management authorized assignment of the contract and audit files to Badawi & Associates and the June 30, 2012 audit was completed by that firm.

The City has been very pleased with the audit firm's professionalism and expertise. Badawi & Associates, Certified Public Accountants, has proposed audit fees of \$65,560 for the fiscal year ending June 30, 2013 and \$67,526 for the fiscal year ending June 30, 2014 for a total contract extension amount of \$133,086 for two fiscal years. The City paid the firm \$63,650 for fiscal year 2012 audit services, and the proposed fees represent a 3% increase each fiscal year. The City will go out to bid for auditing services at the expiration of the contract extension.

Financial Impact

The fees for professional auditing services are included in the fiscal year 2013 budget and projected fiscal year 2014 budget.

Options

1. Approve Extension of Professional Auditing Services Contract to Badawi & Associates, Certified Public Accountants for the Fiscal Years Ending June 30, 2013 and June 30, 2014
2. Provide other direction to staff

**STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE COUNCIL MEETING
OF JANUARY 22, 2013**

Prepared by: Alan Barton, Director of Information Systems 
Approved by: Ron Bernal, Public Works Director/City Engineer 
Date: January 16, 2013
Subject: Authorize the contract and purchase for the Computer Virtualization Upgrade Project for Fiscal Year 2012/2013

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to execute the cooperative purchase arrangement via the Merced County FOCUS (Fast Open Contracts Utilization Services) Contract, and issuance of a purchase order for computer equipment, professional services, and three (3) years of maintenance and support for the City's mobile desktop program to AMS.NET, Livermore, CA \$108,888.

BACKGROUND

Staff is seeking approval to expand the current virtual desktop pilot program. The pilot program has been functioning for six months and is being utilized by the Public Works' Water Distribution, Collections/NPDES Divisions and the Community Development's Code Enforcement Division. The system allows users full access to all work related computer information, i.e. GIS, work orders, and email at the job site. This is accomplished by providing users with a mobile device such as an iPad or laptop with a cellular data connection. The mobile device allows the user to access a virtual desktop machine that resides on a server at City Hall. It is by accessing this virtual desktop machine from within the City's network that allows the user to have access to all work related computer information.

The current virtual environment will only support about eight server and desktop machines. An expansion of the current system is required in order to continue to support Public Works' and Code Enforcement's initiative of mobile workstations for field personnel. The proposed system will support up to 50 servers and desktop machines, which provides ample room for future growth. The proposed system is also scalable, which will save on cost and time when expansion is required in the future.

The users have provided positive feedback on the time and cost savings realized by having this capability in the field. The Code Enforcement Manager, who has been testing this technology, estimates each field officer could save up to three (3) hours of time each day. With the size of Antioch and the time it takes to drive across town during school or peak traffic hours, staff's ability to input data and information as well as access files, maps and information without having to return to the office will result in increased efficiency and cost savings.

FINANCIAL IMPACT

This is a cooperative purchase or "piggy back" agreement. Funding for the \$108,888 project is allocated as follows: \$40,000 from Sewer Collections (6212220); \$40,000 from Water Distribution (6112330); \$10,000 from Code Enforcement (1005160); \$10,000 from Information Systems (5731440); and \$8,888 from NPDES (2292585).

OPTIONS

Council may direct staff to investigate other options.

01/22/13

**STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

Prepared by: Tina Wehrmeister, Community Development Director 
Reviewed by: Jim Jakel, City Manager
Lynn Tracy Nerland, City Attorney
Date: January 10, 2013
Subject: Extension of an Interim Urgency Zoning Ordinance Prohibiting the Issuance of Permits, Licenses or Approvals for Construction, Establishment or Operation of any Computer Gaming and Internet Access Business

RECOMMENDATION

It is recommended that the City Council adopt the attached interim urgency zoning ordinance extending the prohibition of the issuance of permits, licenses or approvals for construction, establishment or operation of any computer gaming and internet access business within the City of Antioch on an interim basis pending consideration of amendments to Title 9 of the Antioch Municipal Code for a period of one year and declaring the urgency thereof (four-fifths (4/5th) vote required).

BACKGROUND / DISCUSSION

On February 28, 2012 the City Council adopted an urgency ordinance establishing a temporary moratorium on the issuance of permits, licenses, or approvals for construction, establishment or operation of Computer Gaming and Internet Access Businesses. The City Council extended the moratorium on April 10, 2012 for a period of 10 month and 15 days as provided by State law. The staff reports for these meetings are included as Attachment "A" and provide more details regarding the issue and the urgent need for a temporary moratorium to address public safety, health and welfare issues raised by these Computer Gaming and Internet Access Businesses (as defined in the ordinance).

Pursuant to Government Code Section 65858 this moratorium may be extended for one additional year, provided that the current and immediate threat to the public safety, health and welfare still exists, and the City follows the public notice and hearing procedures for extension of the moratorium.

Although the City Council adopted Urgency Ordinance No. 2053 on February 28, 2012 and Ordinance No. 2054-C-S on March 13, 2012 adding Chapter 11 of Title 5 of the Antioch Municipal Code (Attachment "B") regarding licensing procedures and certain operational regulations for Computer Gaming and Internet Access Businesses, the current provisions do not fully take into account the impacts related to the location, concentration and manner of construction, establishment and operation of these uses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community that could be addressed with a zoning ordinance.

Attachment "C" is a memorandum from the Antioch Police Department summarizing calls for service at the existing internet access businesses (one business closed in September 2012). At one location, calls for service increased 56% over a 6 ½ month period. At the second location, calls for service also increased significantly. The nature of the calls for service at both locations include but are not limited to miscellaneous disturbances, narcotic arrests, drug dealing, man with a gun, warrant arrests, felony assault, recovering a stolen car, burglary, selling stolen property, suspicious subjects, loitering, an intoxicated subject threatening to kill the reporting party, employee theft, disgruntled ex-employee, physical fight, and brandishing a knife.

In addition to the issues associated with calls for service and impacts to the Police Department, a recent law enforcement advisory was published by the State Department of Justice indicating that these types of business models may constitute illegal gambling (see Attachment "D").

For all of these reasons, staff is recommending that the moratorium on new internet access businesses be extended.

Proper noticing procedures were followed in advance of this item being placed on the agenda and the agenda report was available to interested parties 10 days in advance of the meeting.

FISCAL IMPACT

There is no direct fiscal impact with the adoption of the proposed urgency ordinance. However, it is expected that limiting the number of Computer Gaming and Internet Access Businesses will reduce the drain on police services, while considering appropriate zoning regulations related to these uses. There will be staff time expended to prepare the zoning ordinance addressing Computer Gaming and Internet Access Businesses.

OPTIONS

The Council may choose not to adopt the urgency ordinance extending the moratorium. This will leave the City without a zoning ordinance specifically addressing Computer Gaming and Internet Access Businesses.

ATTACHMENTS

- A: February 28, 2012 and April 10, 2012 staff reports
- B: Ordinance No. 2054-C-S
- C: Antioch Police Department memorandum dated January 8, 2013
- D: Department of Justice, Bureau of Gambling Control advisory, December 5, 2012

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH EXTENDING AN INTERIM URGENCY ZONING ORDINANCE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 PROHIBITING THE ISSUANCE OF PERMITS, LICENSES OR APPROVALS FOR CONSTRUCTION, ESTABLISHMENT OR OPERATION OF COMPUTER GAMING AND INTERNET ACCESS BUSINESSES WITHIN THE CITY ON AN INTERIM BASIS PENDING CONSIDERATION OF AMENDMENTS TO TITLE 9 OF THE ANTIOCH MUNICIPAL CODE

The City Council of the City of Antioch does ordain as follows:

SECTION 1. Interim Urgency Zoning Ordinance. This ordinance is adopted pursuant to the authority of Section 65858 of the Government Code of the State of California, the Antioch City Municipal Code and applicable laws.

SECTION 2. Findings. The Antioch City Council hereby finds, determines and declares as follows:

A. The City of Antioch holds the right to make and enforce all laws and regulations not in conflict with the general laws, and the City holds all rights and powers established by state law.

B. The City has received and anticipates additional requests for the construction, establishment and operation of Computer Gaming and Internet Access Businesses (as defined herein) within the City. However, the provisions of the City Municipal Code that may regulate the construction, operation and establishment of Computer Gaming and Internet Access Businesses in the City are inadequate and need review, study, and revision. The current provisions also fail to fully take into account the impacts related to the location and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. While the City's codes do regulate mechanical or electronic games, the computer stations at Computer Gaming and Internet Access Businesses are used in a manner that may be considered different from coin-operated video game machines, and therefore have different impacts. There is generally a charge for use of the computer station, and many users may occupy a particular station for multiple consecutive hours, creating unknown impacts on the surrounding area and businesses, such as observed lines of individuals waiting to access these businesses. Some Computer Gaming and Internet Access Businesses may stage late-night gaming sessions, which may encourage violation of the City's curfew ordinance or create and promote other late-night noise and related impacts on the surrounding community. Recently there have been Computer Gaming and Internet Access Businesses that promote "sweepstakes gaming" which encourages game playing that may provide chances to be awarded prizes. The

extended use of such facilities by multiple persons waiting for a limited number of computer stations could contribute to increased detrimental effects on the commercial area where located and the surrounding residential area.

E. The City Council of the City of Antioch is also concerned with the increased calls for service, increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

F. The City of Antioch, as well as neighboring cities, has experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows and as further described in attachments to the staff report:

1. On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking and other crimes, as well as on outstanding warrants. While some of these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.
6. At 2962 Delta Fair Boulevard, calls for service at that location and at neighboring businesses have increased from 109 to 259 over a twelve month period since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 over a 7-month

period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

8. At 2962 Delta Fair Boulevard, there have been a total of twenty five (25) calls for service in approx 6 ½ months. There were no calls for service from September 2012 to the end of this calendar year, which coincides with the business closure. During the previous year (February 16, 2011 – February 15, 2012) the Internet Room generated sixteen (16) calls for service for an entire year. The calls for service in the 6 ½ months of 2012 from, February to September, increased 56%. The nature of the calls for service at the Internet Room included, but were not limited to: miscellaneous disturbances, suspicious subjects, loitering, an intoxicated subject threatening to kill the reporting party, a stolen car, employee theft, disgruntled ex-employee, physical fight and brandishing a knife.
9. At the Cot on the Web located at 2333A/2331B Buchanan Road there have been a total of thirty one (31) calls for service from February 16, 2012 until December 31, 2012. There were two (2) additional calls for service generated by a neighboring business that involved Cot on the Web. During the previous reporting period of approx 5 ½ months, September 1, 2011 to February 15, 2012, there were a total of (6) calls for service. The nature of the calls for service at Cot on the Web have included, but were not limited to: miscellaneous disturbances, narcotic arrests, drug dealing, man with a gun, warrant arrests, felony assault, recovering a stolen car, burglary, and selling stolen property.

G. Without the enactment of this Ordinance, multiple applicants could quickly receive entitlements which would allow additional Computer Gaming and Internet Access Businesses that pose a threat to the public health, safety, and welfare. The City Council hereby determines that the Municipal Code is in need of updating to protect the public against health, safety, and welfare dangers caused by Computer Gaming and Internet Access Businesses. In particular, although the City Council adopted Urgency Ordinance No. 2053 on February 28, 2012 and Ordinance No. 2054-C-S on March 13, 2012 adding Chapter 11 of Title 5 of the Antioch Municipal Code regarding licensing procedures and certain operational regulations, the current provisions do not fully take into account the impacts related to the location, concentration and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community that could be addressed with a zoning ordinance.

The City requires additional time to prepare, evaluate and adopt reasonable regulations, including land use regulations through a zoning ordinance, regarding the construction, placement and operation of Computer Gaming and Internet Access Businesses so that such regulations are applied in a nondiscriminatory manner.

H. In order to prevent the frustration of these studies and the implementation of new regulations, the public interest, health, safety, and welfare require immediate enactment of this Ordinance. The absence of this Ordinance would impair the orderly and effective implementation of contemplated Municipal Code amendments, and any further authorization of

these uses within the City during the period of the interim zoning regulations may be in conflict with or may frustrate the contemplated updates and revisions of the Municipal Code.

I. Based on the foregoing, the City finds that there is a current and immediate threat to the public health, safety, or welfare and that this Ordinance is necessary in order to protect the City from the potential effects and impacts of Computer Gaming and Internet Access Businesses in the City, potential increases in crime, impacts on parking availability in the business areas of the City, the aesthetic impacts to the City, and other similar or related effects on property values and the quality of life in the City's neighborhoods.

J. The City Council further finds that this interim zoning regulation is a matter of local and City-wide importance and is not directed towards any particular business that currently seeks to construct or operate a Computer Gaming and Internet Access Business.

K. The City Council finds that this Ordinance is authorized by the City's police powers. The City Council further finds that the length of the interim zoning regulations imposed by this Ordinance will not in any way deprive any person of rights granted by State or federal laws, because the interim zoning regulation is short in duration and essential to protect the public health, safety and welfare.

L. City staff has provided a staff report indicating that additional time is needed to study these complicated issues and noticed a public hearing for January 22, 2013 for the City Council's consideration of an extension of the temporary moratorium.

SECTION 3. Interim Regulations. The following provisions are hereby adopted as interim zoning standards pertaining to the review or approval of any entitlements or the issuance of any permits or licenses pursuant to the Antioch Municipal Code for Computer Gaming and Internet Access Businesses. The approval of any entitlements or the issuance of any permit or license in the City in conflict with these provisions is expressly prohibited:

- A. **Restricted Activities.** In accordance with the authority granted the City of Antioch under Article XI, Section 7 of the California Constitution and California Government Code Section 65858, the moratorium adopted by the City Council on February 28, 2012 is extended for 10 months and 15 days from the date of this ordinance. No permit or any other applicable license or entitlement for use, including, but not limited to, the issuance of a business license, business permit, building permit, conditional use permit, or zoning text amendment shall be approved or issued for the establishment or operation of a Computer Gaming and Internet Access Business in the City of Antioch. Additionally, Computer Gaming and Internet Access Business are hereby expressly prohibited in all areas and zoning districts of the City. The two existing Computer Gaming and Internet Access Businesses may continue to operate at their current locations: Internet Room at 2962 Delta Fair Boulevard and Cot on the Web at 2333 Buchanan Road. No expansion of the number of computer terminals is allowed. Expansion of tenant floor space is permitted in order to allow compliance with the licensing procedures and regulations in Title 5, Chapter 11 of the Antioch Municipal Code.
- B. **Definitions.** In addition to the definitions contained in the City's Municipal Code, the following words and phrases shall, for the purposes of this Ordinance, be defined as follows, unless it is clearly apparent from the context that another

meaning is intended. Should any of the definitions be in conflict with the current provisions of the Municipal Code, the following definitions shall prevail:

1. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

2. "Public Use or Internet Learning Center" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This interim ordinance shall take effect immediately upon its adoption and shall continue in effect for 12 months (one year) from the date of its adoption by not less than a four-fifths vote of the Antioch City Council, unless superseded by a subsequent ordinance of the City Council.

SECTION 7. Report of Council. Ten days prior to the expiration of this Ordinance, or any extension thereof, this Council shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of this ordinance, or any extension thereof.

SECTION 8. Declaration of Urgency. This ordinance is hereby declared to be an urgency measure necessary for the immediate protection of the public health, safety and welfare. This Council hereby finds that there is a current and immediate threat to the public health, safety and welfare. The reasons for this urgency are declared and set forth in Section 2 of this Ordinance and are incorporated herein by reference.

ORDINANCE NO.

Page 6

SECTION 9. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I **HEREBY CERTIFY** that the foregoing Ordinance was introduced and adopted as an urgency ordinance pursuant to the terms of California Government Code Section 65858 at a regular meeting of the City Council of the City of Antioch on the 22nd day of January, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Wade Harper, Mayor of the City of Antioch

ATTEST:

Arne Simonsen, City Clerk of the City of Antioch

ATTACHMENT "A"

STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE MEETING OF APRIL 10, 2012

Prepared by: Tina Wehrmeister, Community Development Director *JW*

Date: April 5, 2012

Subject: Adoption of an Urgency Ordinance Extending a Temporary Moratorium on the issuance of permits, licenses or approvals for construction, establishment or operation of Computer Gaming and Internet Access Businesses

RECOMMENDATION

It is recommended that the City Council adopt the attached urgency ordinance extending a temporary moratorium on the issuance of permits, licenses, or approvals for construction, establishment or operation of Computer Gaming and Internet Access Businesses within the City of Antioch on an interim basis pending consideration of amendments to Title 9 of the Antioch Municipal Code for a period of 10 months and 15 days and declaring the urgency to do so (four-fifths vote).

BACKGROUND / DISCUSSION

On February 28, 2012 the City Council adopted an urgency ordinance establishing a temporary moratorium on the issuance of permits, licenses, or approvals for construction, establishment or operation of Computer Gaming and Internet Access Businesses. The staff report for that City Council meeting is included as Attachment "A" and provides more details regarding the issue and the urgent need for a temporary moratorium to address public safety, health and welfare issues raised by these Computer Gaming and Internet Access Businesses (as defined in the ordinance).

Pursuant to Government Code Section 65858 this moratorium is effective for 45 days and can be extended for up to a total of 2 years, provided that the current and immediate threat to the public safety, health and welfare still exists, and the City follows the public notice and hearing procedures for extension of the moratorium.

Although the City Council adopted Urgency Ordinance No. 2053 on February 28, 2012 and Ordinance No. 2054-C-S on March 13, 2012 adding Chapter 11 of Title 5 of the Antioch Municipal Code (Attachment "B") regarding licensing procedures and certain operational regulations for Computer Gaming and Internet Access Businesses, the current provisions do not fully take into account the impacts related to the location, concentration and manner of construction, establishment and operation of these uses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community that could be addressed with a zoning ordinance.

Due to staffing levels, the complexity of the issues to be studied and the ongoing public safety, health and welfare issues raised by Computer Gaming and Internet Access businesses, it is recommended that the moratorium be extended for 10 months and 15 days. Any further

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extension would require an additional noticed public hearing. Proper noticing procedures were followed in advance of this item being placed on the agenda.

Staff recommends that expansion of the use (e.g. more computer terminals) not be allowed so as to not increase the potential for conflicts with land use regulations under consideration, but that expansion of space to allow compliance with the licensing procedures and regulations in Title 5 of the Antioch Municipal Code be allowed, such as if more space is needed to create an indoor waiting area in order to decrease loitering outside of these businesses.

FISCAL IMPACT

There is no direct fiscal impact with the adoption of the proposed urgency ordinance. However, it is expected that limiting the number of Computer Gaming and Internet Access Businesses will reduce the drain on police services, while considering appropriate zoning regulations related to these uses. There will be staff time expended to prepare the zoning ordinance addressing Computer Gaming and Internet Access Businesses.

OPTIONS

The Council may choose not to adopt the urgency ordinance extending the moratorium. This will leave the City without a zoning ordinance specifically addressing Computer Gaming and Internet Access Businesses.

ATTACHMENTS

- A. February 28, 2012 staff report
- B. Ordinance No. 2054-C-S Adding Chapter 11 to Title 5 to the Antioch Municipal Code

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH EXTENDING AN INTERIM URGENCY ZONING ORDINANCE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 PROHIBITING THE ISSUANCE OF PERMITS, LICENSES OR APPROVALS FOR CONSTRUCTION, ESTABLISHMENT OR OPERATION OF COMPUTER GAMING AND INTERNET ACCESS BUSINESSES WITHIN THE CITY ON AN INTERIM BASIS PENDING CONSIDERATION OF AMENDMENTS TO TITLE 9 OF THE ANTIOCH MUNICIPAL CODE

The City Council of the City of Antioch does ordain as follows:

SECTION 1. Interim Urgency Zoning Ordinance. This ordinance is adopted pursuant to the authority of Section 65858 of the Government Code of the State of California, the Antioch City Municipal Code and applicable laws.

SECTION 2. Findings. The Antioch City Council hereby finds, determines and declares as follows:

A. The City of Antioch holds the right to make and enforce all laws and regulations not in conflict with the general laws, and the City holds all rights and powers established by state law.

B. The City has received and anticipates additional requests for the construction, establishment and operation of Computer Gaming and Internet Access Businesses (as defined herein) within the City. However, the provisions of the City Municipal Code that may regulate the construction, operation and establishment of Computer Gaming and Internet Access Businesses in the City are inadequate and need review, study, and revision. The current provisions also fail to fully take into account the impacts related to the location and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. While the City's codes do regulate mechanical or electronic games, the computer stations at Computer Gaming and Internet Access Businesses are used in a manner that may be considered different from coin-operated video game machines, and therefore have different impacts. There is generally a charge for use of the computer station, and many users may occupy a particular station for multiple consecutive hours, creating unknown impacts on the surrounding area and businesses, such as observed

lines of individuals waiting to access these businesses. Some Computer Gaming and Internet Access Businesses may stage late-night gaming sessions, which may encourage violation of the City's curfew ordinance or create and promote other late-night noise and related impacts on the surrounding community. Recently there have been Computer Gaming and Internet Access Businesses that promote "sweepstakes gaming" which encourages game playing that may provide chances to be awarded prizes. The extended use of such facilities by multiple persons waiting for a limited number of computer stations could contribute to increased detrimental effects on the commercial area where located and the surrounding residential area.

E. The City Council of the City of Antioch is also concerned with the increased calls for service, increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

F. The City of Antioch, as well as neighboring cities, has experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows and as further described in attachments to the staff report:

1. On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking and other crimes, as well as on outstanding warrants. While some of

these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.

6. At 2962 Delta Fair Boulevard, calls for service at that location and at neighboring businesses have increased from 109 to 259 over a twelve month period since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

G. Without the enactment of this Ordinance, multiple applicants could quickly receive entitlements which would allow additional Computer Gaming and Internet Access Businesses that pose a threat to the public health, safety, and welfare. The City Council hereby determines that the Municipal Code is in need of updating to protect the public against health, safety, and welfare dangers caused by Computer Gaming and Internet Access Businesses. In particular, although the City Council adopted Urgency Ordinance No. 2053 on February 28, 2012 and Ordinance No. 2054-C-S on March 13, 2012 adding Chapter 11 of Title of the Antioch Municipal Code regarding licensing procedures and certain operational regulations, the current provisions do not fully take into account the impacts related to the location, concentration and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community that could be addressed with a zoning ordinance.

The City requires additional time to prepare, evaluate and adopt reasonable regulations, including land use regulations through a zoning ordinance, regarding the construction, placement and operation of Computer Gaming and Internet Access Businesses so that such regulations are applied in a nondiscriminatory manner.

H. In order to prevent the frustration of these studies and the implementation of new regulations, the public interest, health, safety, and welfare require immediate enactment of this Ordinance. The absence of this Ordinance would impair the orderly and effective implementation of contemplated Municipal Code amendments, and any further authorization of these uses within the City during the period of the interim zoning regulations may be in conflict with or may frustrate the contemplated updates and revisions of the Municipal Code.

I. Based on the foregoing, the City finds that there is a current and immediate threat to the public health, safety, or welfare and that this Ordinance is necessary in order to protect the City from the potential effects and impacts of Computer Gaming and Internet Access Businesses in the City, potential increases in crime, impacts on parking availability in the business areas of the City, the aesthetic impacts to the City, and other similar or related effects on property values and the quality of life in the City's neighborhoods.

J. The City Council further finds that this interim zoning regulation is a matter of local and City-wide importance and is not directed towards any particular business that currently seeks to construct or operate a Computer Gaming and Internet Access Business.

K. The City Council finds that this Ordinance is authorized by the City's police powers. The City Council further finds that the length of the interim zoning regulations imposed by this Ordinance will not in any way deprive any person of rights granted by State or federal laws, because the interim zoning regulation is short in duration and essential to protect the public health, safety and welfare.

L. City staff has provided a staff report indicating that additional time is needed to study these complicated issues and noticed a public hearing for April 10, 2012 for the City Council's consideration of an extension of the temporary moratorium.

SECTION 3. Interim Regulations. The following provisions are hereby adopted as interim zoning standards pertaining to the review or approval of any entitlements or the issuance of any permits or licenses pursuant to the Antioch Municipal Code for Computer Gaming and Internet Access Businesses. The approval of any entitlements or the issuance of any permit or license in the City in conflict with these provisions is expressly prohibited:

- A. **Restricted Activities.** In accordance with the authority granted the City of Antioch under Article XI, Section 7 of the California Constitution and California Government Code Section 65858, the moratorium adopted by the City Council on February 28, 2012 is extended for 10 months and 15 days from the date of this ordinance. No permit or any other applicable license or entitlement for use, including, but not limited to, the issuance of a business license, business permit, building permit, conditional use permit, or zoning text amendment shall be approved or issued for the establishment or operation of a Computer Gaming and Internet Access Business in the City of Antioch. Additionally, Computer Gaming and Internet Access Business are hereby expressly prohibited in all areas and zoning districts of the City. The two existing Computer Gaming and Internet Access Businesses may continue to operate at their current locations: Internet Room at 2962 Delta Fair Boulevard and Cot on the Web at 2333 Buchanan Road. No expansion of the number of computer terminals is allowed. Expansion of tenant floor space is permitted in order

to allow compliance with the licensing procedures and regulations in Title 5, Chapter 11 of the Antioch Municipal Code.

B. Definitions. In addition to the definitions contained in the City's Municipal Code, the following words and phrases shall, for the purposes of this Ordinance, be defined as follows, unless it is clearly apparent from the context that another meaning is intended. Should any of the definitions be in conflict with the current provisions of the Municipal Code, the following definitions shall prevail:

1. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

2. "Public Use or Internet Learning Center" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 16061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This interim ordinance shall take effect immediately upon its adoption and shall continue in effect for 10 months and 15 days from the date of its adoption by not less than a four-fifths vote of the Antioch City Council, unless superseded by a subsequent ordinance of the City Council.

SECTION 7. Report of Council. Ten days prior to the expiration of this Ordinance, or any extension thereof, this Council shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of this ordinance, or any extension thereof.

SECTION 8. Declaration of Urgency. This ordinance is hereby declared to be an urgency measure necessary for the immediate protection of the public health, safety and welfare. This Council hereby finds that there is a current and immediate threat to the public health, safety and welfare. The reasons for this urgency are declared and set forth in Section 2 of this Ordinance and are incorporated herein by reference.

SECTION 9. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I HEREBY CERTIFY that the foregoing Ordinance was introduced and adopted as an urgency ordinance pursuant to the terms of California Government Code Section 65858 at a regular meeting of the City Council of the City of Antioch on the 10th day of April, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

James D. Davis, Mayor of the City of Antioch

ATTEST:

Denise Skaggs, City Clerk of the City of Antioch

ATTACHMENT "A"

STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE MEETING OF FEBRUARY 28, 2012

Prepared by: Tina Wehrmeister, Community Development Director 
Reviewed by: Jim Jakel, City Manager 
Date: February 23, 2012
Subject: Computer Gaming and Internet Access Businesses

RECOMMENDATION

It is recommended that the City Council:

1. Motion to read the Interim Urgency Zoning Ordinance, Urgency Ordinance and Regular Ordinance by title only;
2. Motion to adopt the attached Interim Urgency Zoning Ordinance prohibiting the issuance of permits, licenses or approvals for construction, establishment or operation of any computer gaming and internet access business within the City of Antioch on an interim basis pending consideration of amendments to Title 9 of the Antioch Municipal Code for a period of forty-five days and declaring the urgency thereof (four-fifths vote required) (Attachment "A");
3. Motion to adopt an Urgency Ordinance amending Title 5 of the Antioch Municipal Code by adding Chapter 11 pertaining to the licensing procedures and regulations for Computer Gaming and Internet Access Businesses and making findings declaring the urgency thereof (four-fifths vote required) (Attachment "B");
4. Motion to introduce a Regular Ordinance amending Title 5 of the Antioch Municipal Code by adding Chapter 11 pertaining to the licensing procedures and regulations for Computer Gaming and Internet Access Businesses (majority vote required) (Attachment "C"); and
5. Motion to adopt a resolution to initiate an amendment to the Zoning Ordinance to address computer gaming and internet access businesses (majority vote required) (Attachment "D").

BACKGROUND INFORMATION

Operations at Internet Room, T's Internet Café and Cot on the Web

During the past two years, the City received business license applications for the Internet Room (2962 Delta Fair Boulevard), T's Internet Café (1908 A Street and previously at 1836 A Street and 1653 A Street) and Cot on the Web (2333 Buchanan Road), which were described as offering "print, copy, fax services and internet access" or "internet sales" (Attachment "E"). In effect, City staff envisioned Kinko's-like businesses offering copying, computer and fax services

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to small businesses and individuals and thus the businesses were allowed to open as permitted uses at the given locations.

However, the City began receiving complaints regarding nuisance and illegal activities occurring in and near these facilities, such as loitering, vandalism, panhandling, theft, and assaults. The Police Department prepared a summary chart showing calls at each location and the surrounding vicinity before and during the time the use opened (Attachment "F"). Of particular note, at 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 (a 52% increase) over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

Attachment "G" shows 9-1-1 calls for service at each location. The Police Department also indicates that the following number of arrests were made at each location for the given time period. This does not mean that all of the arrested individuals committed crimes at these locations, but reflects that those engaged in criminal activity frequent these locations. The arrests were for violations including robbery, illegal drug use and sales, burglary, assaults, public intoxication, as well as arrests for outstanding warrants:

<u>Business</u>	<u>Location</u>	<u>Time Period</u>	<u># Arrests</u>
Internet Room	2962 Delta Fair Blvd.	2/116/11-02/15/12	2
T's Internet Café	1908 A Street	08/20/11-12/31/11	9
T's Internet Café	1653 A Street	09/01/10-08/31/11	14
T's Internet Café	1836 A Street	03/06/10-07/23/10	5
Cot on the Web	2333 Buchanan #A	09/01/11-02/15/12	1

Upon visiting these businesses during the course of investigating complaints, staff found that the primary activity of the patrons at each of these locations is playing a sweepstakes game, which resembles video slot machines. A copy of the "Sweepstakes Rules" from the Cot on the Web is attached (Attachment "H"). Concerns were raised that the on-going "sweepstakes games" appeared to be potentially illegal gambling; although, that is not the focus of the action before the City Council.

Ms. Simmons, the owner of T's Internet Café (now closed) and Cot on the Web has stated that her business sells internet time and also runs a sweepstakes as a promotional tool to draw customers. The customer receives a number of sweepstakes entries proportional to the amount of internet time purchased. The customer then plays the sweepstakes entries on the computer via an interface that resembles a video slot machine. At Cot on the Web, the potential maximum single winnings are over \$1,000. At the Internet Room, staff was told that a maximum single winning payout could reach \$2,800.

Determination that Use was a Mechanical or Electrical Game

With rising concerns about the general health, safety, and welfare of the community, staff determined that the primary activity at these facilities was not offering internet, copy, print and fax services to small businesses, but rather a gaming business. Putting aside whether this gaming activity is illegal gambling under state law, the Community Development Director

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determined that the use was more properly classified as a Mechanical or Electronic Game, pursuant to Municipal Code Section 9-5.3816 (Attachment "I"). Such uses are prohibited within 1000 feet of a playground or school and a use permit is required for other locations.

Once this determination was made, staff sent Notices of Violation to the existing internet café/sweepstakes businesses and did not permit T's Internet Café to relocate without first obtaining a use permit (Attachment "J"). The owners of all three businesses have appealed that determination (Attachment "K"). In part, Allan Moore, the attorney for the Internet Room, indicates that his client is engaged in internet activities protected by the First Amendment and that the California Appellate Court in *Vo v. City of Garden Grove* (115 Cal. App. 4th 425(2004)) does not allow for unfettered discretion in issuing a use permit for such a use. However, in discussions with staff, the businesses expressed a willingness to work with the City to address the concerns through appropriate regulations.

Urgency Ordinance

To adopt a regular ordinance, a first reading of the ordinance is held and then a second reading to adopt the ordinance at a regular meeting of the City Council. A regular ordinance is effective 30 days after adoption. An urgency ordinance is adopted at one meeting and takes effect immediately following a 4/5 vote of the City Council finding that there is a need for the immediate preservation of the public peace, health and safety.

It is not uncommon for a city council to adopt an urgency ordinance followed by taking the steps to adopt a regular ordinance in case there is any question about the findings for the immediate preservation of the public peace, health and safety.

Interim Ordinances/Moratoriums

An interim zoning ordinance is often called a moratorium and takes effect immediately to prohibit a use. Pursuant to Government Code Section 65858, the City may establish a moratorium prohibiting any use that may be in conflict with a contemplated general plan, specific plan, or zoning proposal that the City Council, Planning Commission or the Planning Department is considering in order to protect and preserve the public safety, health and welfare. A moratorium lasts only 45 days, but may be extended for up to a total of two (2) years, provided that the current and immediate threat to the public safety, health and welfare still exists, and the City follows the public notice and hearing procedures for extension of the moratorium. Interim ordinances require a 4/5 vote of the City Council.

In order to initiate a zoning ordinance, a Resolution of Initiation is required by the Antioch Municipal Code directing staff, and then presumably the Planning Commission, to consider whether amendments to the zoning ordinance (Title 9 of the Antioch Municipal Code) are appropriate.

DISCUSSION

Rather than continue to debate whether the existing computer gaming and internet access businesses fall within the existing Mechanical or Electronic Game Ordinance in Antioch Municipal Code Section 9-5.3816 through appeals to the Board of Administrative Appeals, staff recommends that the City Council use its regulatory police power to study and address these uses and their impacts. Staff proposes the following definition for these uses:

“Computer Gaming and Internet Access Business” shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access Business is synonymous with a personal computer (“PC”) café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

“Public Use or Internet Learning Center” shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

It is presumed that the businesses would not feel compelled to continue with their appeals of the Community Development Director’s determination that their businesses fall under Mechanical or Electronic Game Ordinance in Antioch Municipal Code Section 9-5.3816, as the more specific Interim Zoning Ordinance and Urgency Ordinance will in effect supersede the application of the Mechanical or Electronic Game Ordinance making the appeals moot.

During this study period, no new computer gaming and internet access businesses could open and the existing two businesses would be required to follow the regulations set forth in the Urgency Ordinance (Attachment “B”). This approach should alleviate any concerns that the City is negatively impacting anyone’s ability to access the internet and possible First Amendment rights. During this study period, City staff can meet with the representatives of these businesses to better address the issues that have been raised.

It should also be noted that computers accessing the internet are available at no charge at the Library Annex at the Antioch Community Center at Prewett Park and at the Antioch Library located at 501 W. 18th Street.

Urgency Findings

The existing computer gaming and internet access businesses have created impacts that create immediate threats to the public peace, health or safety, as more specifically shown in the testimony provided by the Police Department including the log of the calls for service at each facility; summary showing calls for service at each location and the surrounding vicinity before and during the time the use opened; and arrests from these various locations.

Threats to public health, safety and welfare experienced in Antioch at the computer gaming and internet access businesses include criminal activity associated with robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism, property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these computer gaming and internet access businesses. Truancy and curfew violations have also been experienced in other communities.

Operation of additional computer gaming and internet access businesses will increase these negative impacts while the use is being studied. Further, additional computer gaming and internet access businesses could create conflicts among land uses or conflict with the City’s

long-term planning goals. Thus, it is recommended that the City Council also adopt a resolution initiating an Amendment to the Zoning Ordinance to formally commence the process for studying land use issues related to computer gaming and internet access businesses, including whether the uses should only be allowed in specific zoning districts, whether there should be limitations on the concentration of uses, and similar issues.

Proposed Regulations

The proposed regulations set forth in the Urgency Ordinance and Regular Ordinance to establish a licensing scheme for Computer Gaming and Internet Access Businesses and address operational issues like prohibiting minors in the business during school hours, hours of operation, establishment of an interior waiting area with seats to avoid loitering, staffing levels, surveillance system, alarm system, security guards, prohibition on private rooms and the like. Staff has already scheduled a meeting with the business operators for Monday, February 27, 2012 to address these regulations and related items. Staff will be reporting at the City Council meeting regarding the outcome of this meeting.

FISCAL IMPACT

The computer gaming and internet access businesses are causing negative impacts to the City's limited police resources, so it is prudent to address the negative impacts.

There is no direct fiscal impact with the adoption of the proposed Interim Urgency Zoning Ordinance and Urgency Ordinance, introduction of the Regular Ordinance and adoption of the Resolution Initiating a Zoning Amendment. There will be staff time expended to meet with business representatives and to finalize a Regular Ordinance and prepare a Zoning Amendment, if appropriate.

OPTIONS

1. If the Council chose not to adopt the Interim Urgency Zoning Ordinance by 4/5 vote, then additional computer gaming and internet access businesses could open without the benefit of the City further studying the impacts of these businesses and appropriate land use regulations.
2. If the Council chose not to adopt the Urgency Ordinance by 4/5 vote, then the Regular Ordinance can be introduced on a majority vote. The Regular Ordinance would require a second reading for adoption and then be effective 30 days later.
3. The Council could choose not to initiate a Resolution for a Zoning Amendment, but staff recommends that the Council start the process for staff, and potentially Planning Commission, to at least study the issue to determine if Zoning Ordinance Amendments would be appropriate for this computer gaming and internet access business use.

ATTACHMENTS

- A. Interim Urgency Zoning Ordinance prohibiting the issuance of permits, licenses or approvals for construction, establishment or operation of any computer gaming and internet access business within the City of Antioch on an interim basis pending consideration of amendments to Title 9 of the Antioch Municipal Code for a period of forty-five days and declaring the urgency thereof

- B. Urgency Ordinance amending Title 5 of the Antioch Municipal Code by adding Chapter 11 pertaining to the licensing procedures and regulations for Computer Gaming and Internet Access Businesses and making findings declaring the urgency thereof
- C. Regular Ordinance amending Title 5 of the Antioch Municipal Code by adding Chapter 11 pertaining to the licensing procedures and regulations for Computer Gaming and Internet Access Businesses
- D. Resolution to initiate an amendment to the Zoning Ordinance to address Computer Gaming and Internet Access Businesses
- E. Business License Applications for Internet Room, T's Internet Café and Cot on the Web
- F. Comparison of Calls for Service prepared by the Police Department
- G. Log of Calls for Service at the Internet Room, T's Internet Café and Cot on the Web
- H. Sweepstakes Rules from Cot on the Web
- I. Municipal Code Section 9-5.3816
- J. Determination by Community Development Director regarding uses
- K. Appeals by the Internet Room, T's Internet Café and Cot on the Web

ATTACHMENT "A"

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH ADOPTING AN INTERIM URGENCY ZONING ORDINANCE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 PROHIBITING THE ISSUANCE OF PERMITS, LICENSES OR APPROVALS FOR CONSTRUCTION, ESTABLISHMENT OR OPERATION OF COMPUTER GAMING AND INTERNET ACCESS BUSINESSES WITHIN THE CITY ON AN INTERIM BASIS PENDING CONSIDERATION OF AMENDMENTS TO TITLE 9 OF THE ANTIOCH MUNICIPAL CODE FOR A PERIOD OF FORTY-FIVE DAYS AND DECLARING THE URGENCY THEREOF

The City Council of the City of Antioch does ordain as follows:

SECTION 1. Interim Urgency Zoning Ordinance. This ordinance is adopted pursuant to the authority of Section 65858 of the Government Code of the State of California, the Antioch City Municipal Code and applicable laws.

SECTION 2. Findings. The Antioch City Council hereby finds, determines and declares as follows:

A. The City of Antioch holds the right to make and enforce all laws and regulations not in conflict with the general laws, and the City holds all rights and powers established by state law.

B. The City has received and anticipates additional requests for the construction, establishment and operation of Computer Gaming and Internet Access Businesses (as defined herein) within the City. However, the provisions of the City Municipal Code that may regulate the construction, operation and establishment of Computer Gaming and Internet Access Businesses in the City are inadequate and need review, study, and revision. The current provisions also fail to fully take into account the impacts related to the location and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. While the City's codes do regulate mechanical or electronic games, the computer stations at Computer Gaming and Internet Access Businesses are used in a manner that may be considered different from coin-operated video game machines, and therefore have different impacts. There is generally a charge for use of the computer station, and many users may occupy a particular station for multiple consecutive hours,

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creating unknown impacts on the surrounding area and businesses, such as observed lines of individuals waiting to access these businesses. Some Computer Gaming and Internet Access Businesses may stage late-night gaming sessions, which may encourage violation of the City's curfew ordinance or create and promote other late-night noise and related impacts on the surrounding community. Recently there have been Computer Gaming and Internet Access Businesses that promote "sweepstakes gaming" which encourages game playing that may provide chances to be awarded prizes. The extended use of such facilities by multiple persons waiting for a limited number of computer stations could contribute to increased detrimental effects on the commercial area where located and the surrounding residential area.

E. The City Council of the City of Antioch is also concerned with the increased calls for service, increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

F. The City of Antioch, as well as neighboring cities, have experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows:

1. On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking and other crimes, as well as on outstanding warrants. While some of

these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.

6. At 2962 Delta Fair Boulevard, calls for service have increased at that location and at neighboring businesses as much as 450% since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 (a 52% increase) over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

G. Without the enactment of this Ordinance, multiple applicants could quickly receive entitlements which would allow additional Computer Gaming and Internet Access Businesses that pose a threat to the public health, safety, and welfare. The City Council hereby determines that the Municipal Code is in need of updating to protect the public against health, safety, and welfare dangers caused by Computer Gaming and Internet Access Businesses. The City requires additional time to prepare, evaluate and adopt reasonable regulations regarding the construction, placement and operation of Computer Gaming and Internet Access Businesses so that such regulations are applied in a nondiscriminatory manner.

H. In order to prevent the frustration of these studies and the implementation of new regulations, the public interest, health, safety, and welfare require immediate enactment of this Ordinance. The absence of this Ordinance would impair the orderly and effective implementation of contemplated Municipal Code amendments, and any further authorization of these uses within the City during the period of the interim zoning regulations may be in conflict with or may frustrate the contemplated updates and revisions of the Municipal Code.

I. Based on the foregoing, the City finds that there is a current and immediate threat to the public health, safety, or welfare and that this Ordinance is necessary in order to protect the City from the potential effects and impacts of Computer Gaming and Internet Access Businesses in the City, potential increases in crime, impacts on parking availability in the business areas of the City, the aesthetic impacts to the City, and other similar or related effects on property values and the quality of life in the City's neighborhoods.

J. The City Council further finds that this interim zoning regulation is a matter of local and City-wide importance and is not directed towards any particular business that

currently seeks to construct or operate a Computer Gaming and Internet Access Business.

K. The City Council finds that this Ordinance is authorized by the City's police powers. The City Council further finds that the length of the interim zoning regulations imposed by this Ordinance will not in any way deprive any person of rights granted by state or federal laws, because the interim zoning regulation is short in duration and essential to protect the public health, safety and welfare.

SECTION 3. Interim Regulations. The following provisions are hereby adopted as interim zoning standards pertaining to the review or approval of any entitlements or the issuance of any permits or licenses pursuant to the Antioch Municipal Code for Computer Gaming and Internet Access Businesses. The approval of any entitlements or the issuance of any permit or license in the City in conflict with these provisions is expressly prohibited:

A. **Restricted Activities.** For a period of forty-five (45) days following the enactment of this Ordinance, no person shall be issued a permit, license or land use entitlement for the construction, placement, or operation of new Computer Gaming and Internet Access Businesses within the City. The City Manager or his or her designee shall review any application for a permit, license or land use entitlement to determine applicability of the provisions of this Ordinance. City Staff, City boards and City commissions are directed to refrain from issuing any application for any permits, licenses or land use entitlement, including, but not limited to, use permits, variances, building permits, licenses and certificates of occupancy, necessary for construction, placement, or operation of a Computer Gaming and Internet Access Business. These prohibitions shall remain in effect during the forty-five (45) days following enactment of this Ordinance. The two existing Computer Gaming and Internet Access Businesses may continue to operate at their current locations: Internet Room at 2962 Delta Fair Boulevard and Cot on the Web at 2333 Buchanan Road.

B. **Definitions.** In addition to the definitions contained in the City's Municipal Code, the following words and phrases shall, for the purposes of this Ordinance, be defined as follows, unless it is clearly apparent from the context that another meaning is intended. Should any of the definitions be in conflict with the current provisions of the Municipal Code, the following definitions shall prevail:

1. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from

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users. Computer Gaming and Internet Access Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

2. "Public Use or Internet Learning Center" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 16061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This interim ordinance shall take effect immediately upon its adoption and shall continue in effect for forty-five (45) days from the date of its adoption by not less than a four-fifth's vote of the Antioch City Council, and shall thereafter be of no further force and effect, unless, after notice pursuant to Government Code Section 65090 and public hearing, the Antioch City Council extends this Ordinance, and the interim zoning regulations adopted thereby, pursuant to Government Code Section 65858.

SECTION 7. Report of Council. Ten days prior to the expiration of this Ordinance, or any extension thereof, this Council shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of this ordinance, or any extension thereof.

SECTION 8. Declaration of Urgency. This ordinance is hereby declared to be an urgency measure necessary for the immediate protection of the public health, safety and welfare. This Council hereby finds that there is a current and immediate threat to

the public health, safety and welfare. The reasons for this urgency are declared and set forth in Section 2 of this Ordinance and are incorporated herein by reference.

SECTION 9. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I **HEREBY CERTIFY** that the foregoing Ordinance was introduced and adopted as an urgency ordinance pursuant to the terms of California Government Code Section 65858 at a regular meeting of the City Council of the City of Antioch on the 28th day of February, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

James D. Davis, Mayor of the City of Antioch

ATTEST:

Denise Skaggs, City Clerk of the City of Antioch

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ATTACHMENT "B"

ORDINANCE NO.

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH AMENDING TITLE 5 OF THE ANTIOCH MUNICIPAL CODE BY ADDING A NEW CHAPTER 11 PERTAINING TO THE LICENSING PROCEDURES AND REGULATIONS FOR COMPUTER GAMING AND INTERNET ACCESS BUSINESSES AND MAKING FINDINGS DECLARING THE URGENCY THEREOF

The City Council of the City of Antioch does ordain as follows:

SECTION 1. The City Council finds as follows:

A. The City Council of the City of Antioch is concerned with the increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

B. The City of Antioch, as well as neighboring cities, have experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows:

1. On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking

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and other crimes, as well as on outstanding warrants. While some of these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.

6. At 2962 Delta Fair Boulevard, calls for service have increased at that location and at neighboring businesses as much as 450% since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 (a 52% increase) over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. The City Council of the City of Antioch finds that the activities of Computer Gaming and Internet Access Businesses have become frequently associated with detrimental impacts to the surrounding area.

E. The Antioch Municipal Code does not currently provide adequate standards and regulations concerning the review, approval and operation of Computer Gaming and Internet Access Businesses. Section 9-5.3816 pertaining to Mechanical or Electronic Games is at least 30 years old and does not specifically address regulations pertinent to Computer Gaming and Internet Access Businesses.

F. The City Council finds, determines and declares that the current threat to the public health, safety and welfare of the City and its citizens necessitates the immediate enactment of this Ordinance to help deter and prevent crimes and criminal activity from occurring at and around Computer Gaming and Internet Access Businesses.

G. The City Council further finds that this Ordinance constitutes a matter of Citywide importance and is not directed towards nor targeted at any particular parcel of property, any particular business or any proposed occupant.

SECTION 2. Title 5 of the Antioch Municipal Code is hereby amended by the addition of a new Chapter 11, to read as follows:

“Chapter 11”

COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

Sections:

<u>5-11.01</u>	Purpose.
<u>5-11.02</u>	Definitions.
<u>5-11.10</u>	Computer Gaming and Internet Access Business - License required.
<u>5-11.11</u>	Term of license.
<u>5-11.12</u>	Renewal of license.
<u>5-11.20</u>	License application and issuance.
<u>5-11.30</u>	Transfer of license.
<u>5-11.40</u>	Alterations to Computer Gaming and Internet Access Business.
<u>5-11.50</u>	License revocation.
<u>5-11.60</u>	Operational standards and regulations.
<u>5-11.70</u>	Abatement of nuisance.
<u>5-11.80</u>	Penalty.
<u>5-11.90</u>	License fees.

§ 5-11.01 Purpose.

It is the purpose and intent of this chapter to regulate Computer Gaming and Internet Access Businesses to promote the protection of the public from the dangers of fire and hazards to health, to ensure the full protection of minors, and for the general preservation of the peace and welfare of the community. It is the intent of the City to establish minimally intrusive protocols to provide reasonable accountability for computer gaming and internet access and use at Computer Gaming and Internet Access Businesses. The City finds such accountability to be reasonably necessary to minimize the risk of use of the computer and/or internet by persons at Computer Gaming and Internet Access Businesses for criminal purposes and to increase the opportunities for the safe apprehension of such persons patronizing Computer Gaming and Internet Businesses for criminal purposes, while recognizing rights of individuals to use the internet and Computer Gaming and Internet Access Businesses for legitimate purposes.

§ 5-11.02 Definitions.

A. “Computer Gaming and Internet Access Business” shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access Business is synonymous with a personal computer (“PC”) café, internet café,

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cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

B. "Public Use or Internet Learning Business" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

§ 5-11.10 Computer Gaming and Internet Access Businesses - License required.

It is unlawful for any person to engage in, conduct or carry on, in or upon any premises or real property located within the City, the activities of an Computer Gaming and Internet Access Business, unless such person has been granted a valid license pursuant to the provisions of this chapter. A separate license shall be required for each location within the City where a Computer Gaming and Internet Access Business is to be established. Public Use or Internet Learning Business shall be exempt from the license requirements herein.

§ 5-11.11 Term of license.

The term of a Computer Gaming and Internet Access Business license, unless sooner suspended or revoked, shall be one year.

§ 5-11.12 Renewal of license.

A Computer Gaming and Internet Access Business license, issued pursuant to the provisions of this chapter, that has not been suspended or revoked, may be renewed, upon payment of the renewal application fee, for a period not to exceed one year upon written application to the Community Development Director made at least sixty (60) days prior to the expiration date of the current valid license. This application for renewal of a license shall contain all of the information required by Section § 5-11.120 of this chapter and shall be processed in accordance with the provisions of this chapter.

§ 5-11.20 License application and issuance.

A. Any person desiring to obtain a license or to renew an existing license to operate a Computer Gaming and Internet Access Business shall file a written application with the Community Development Director. The application shall be signed under the penalty of perjury. Prior to submitting the application, a nonrefundable fee, in an amount established by resolution of the City Council, shall be paid to the City to defray the cost of the investigation and issuance

required by this chapter. The license issuance or renewal fee required under this chapter shall be in addition to any other license or fee required under this code.

B. Neither the filing of an application for a license or renewal thereof nor payment of an application or renewal fee shall authorize the operation of a Computer Gaming and Internet Access Business until such license has been granted or renewed.

C. Each applicant for a Computer Gaming and Internet Access Business license or renewal thereof shall furnish the following information:

1. The present or proposed address where the business is to be conducted;
2. The full and true name under which the business will be conducted;
3. The full and true name and any other names used by the applicant and owner of the business, if the owner is not the applicant;
4. The applicant and owner's present residential and business addresses and telephone numbers;
5. Each residential and business address of the applicant and the owner for the five-year period immediately preceding the date of filing the application and the inclusive dates of each address;
6. The California driver's license or identification number of the applicant and owner;
7. A precise description of the activities and/or services to be provided;
8. A detailed site and floor plan of the proposed business, depicting the building and unit proposed and including interior dimensions and off-street parking spaces required by the City's zoning code;
9. A detailed description of the food and beverage service, if any, that will be offered to patrons;
10. The dates and hours during which the Computer Gaming and Internet Access Business is desired to be conducted and a list of the fees to be charged patrons;

11. The name(s) of the person(s) responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business;

12. A statement as to whether the applicant, owner, or any person to be responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business has, within the past five (5) years, had any permit or license issued in conjunction with a Computer Gaming and Internet Access Business in any jurisdiction, and whether during that period the license was suspended or revoked. If so, then the application shall provide the name of the issuing agency and an explanation of the suspension or revocation;

13. Signature of the property owner indicating approval of the submission of the license application; and

14. Such other information as the Community Development Director may require to discover the truth of the matters required to be set forth in the application.

D. The applicant shall present proof to the Community Development Director that the required application or application renewal fee has been paid, and shall present the application containing the information and supporting documentation required by subsection C of this section. A copy of the application shall be distributed to the City's Planning and Building Divisions, the Police Department and the Fire District for review.

E. When any change occurs regarding the written information required by subsection C of this section to be included in the application, the applicant or license holder, as the case may be, shall give written notification of such change to the Community Development Director within five (5) business days of such change.

F. The Community Development Director shall have a reasonable time, not to exceed thirty (30) days to investigate the facts set forth in the application and to receive comments from the City's Planning and Building Departments, the Police Department and the Fire District. The Community Development Director shall, within sixty (60) days after the date of the filing of the application, grant the license or renewal thereof only if it is found that all of the following requirements have been met:

1. The required fees have been paid;
2. The application and all information contained therein conform in all respects to the provisions of this chapter;
3. The applicant has not knowingly made a material misrepresentation of fact in the application;

4. The proposed Computer Gaming and Internet Access Business would comply with this chapter and all other applicable city, county and state laws including, but not limited to, health, zoning, fire and safety requirements and standards, and that, as proposed, the Computer Gaming and Internet Access Business would not tend to generate criminal activities, present unnecessary criminal opportunities, or tend to cause violations of curfews by minors due to failure to comply with Federal or State law or the Municipal Code including but not limited to Operational Standards set forth below ;

5. The applicant is at least eighteen (18) years of age;

6. The Computer Gaming and Internet Access Business site and floor plan have been reviewed by the City's Planning and Building Departments and the Police Department and Fire District, which have approved the same as well as all fire and panic safety equipment required to be installed; all requirements of the Americans with Disabilities Act have been satisfied; and that the maximum occupancy has been established, will be posted and will not likely be exceeded based on the floor plan; and,

7. The Community Development Director has not received evidence that the applicant has, within the previous five (5) years, had any license or entitlement to operate a Computer Gaming and Internet Access Business revoked due to the applicant's commission of a crime or violation of the operational standards or conditions of approval applicable to a Computer Gaming and Internet Access Business; provided, however, a Computer Gaming and Internet Access Business license may be granted subject to additional conditions designed to preclude a recurrence of the events or activities causing the prior license revocation.

G. If the Community Development Director does not find that all of the requirements of subsection F of this section have been met, the application shall be denied.

1. In the event that an application for a license or renewal thereof is denied, written notice of the denial shall be given to the applicant within sixty (60) days after the date of the filing of the application specifying the ground(s) of the denial and a description of the hearing rights provided by Section § 5-11.20(G)(2), below. Notice of denial of the application may be personally served or served by first-class postage prepaid and addressed to the applicant at the address set forth in the application. Mailed notice shall be deemed received three (3) days after mailing.

2. The decision of the Community Development Director may be appealed by filing a written notice requesting a hearing within ten (10) calendar days of the decision of the Community Development Director. The appeal may be heard by a Hearing Officer (for purposes of this section, the term Hearing

Officer shall mean the City Manager or a Hearing Officer appointed by the City Manager) or by the Board of Administrative Appeals, pursuant to Chapter 4 of Title 1 of the Municipal Code.

a. The hearing shall be conducted within forty-five (45) days of the request.

b. The hearing shall be conducted under such rules of procedure as are appropriate to quasi-judicial proceedings, provided that the applicant and the City shall be entitled to present relevant evidence, testify under oath, and call witnesses who shall testify under oath. The Hearing Officer/Board of Administrative Appeals shall not be bound by the statutory rules of evidence in the hearing. The applicant shall have the burden of proof that the Community Development Director's determination was wrong. The hearing shall be recorded so that a transcript of the hearing can be prepared by either party.

c. At the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall decide whether the grounds for denial, revocation or non-renewal exist. Within ten (10) days after the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall file with the City Clerk, together with the recording of the hearing, a written decision supported by written findings based on the evidence submitted and a statement of the order. A copy of the decision shall be forwarded by certified mail, postage prepaid, to the applicant by the City Clerk. The decision of the Hearing Officer/Board of Administrative Appeals shall become effective three (3) days after its mailing to the applicant unless timely appealed as provided in the following Section.

H. The decision of the Hearing Officer or Board of Administrative Appeals shall be final unless appealed to the City Council by the filing of a written appeal with the City Clerk by the City Manager or member of the Council within ten (10) calendar days of mailing of the decision. All such appeals shall be filed with the City Clerk and shall be public records. The City Council shall, at a duly noticed meeting within forty-five (45) days from the date the written appeal was filed, independently review the entire record, including the recording or transcript of the hearing and any oral or written arguments which may be offered to the City Council by the appellant. At the conclusion of the review, a majority of the City Council members present may decide to sustain the decision, modify the decision, or order the decision stricken and issue such order as the City Council finds is supported by the entire record. The lack of a majority to take action means that the decision of the Hearing Officer or Board of Administrative Appeals remains in effect. The action of the City Council shall be final and conclusive, shall be rendered in writing within ten days, and shall be immediately mailed or delivered to the applicant.

I. Notwithstanding any provisions in this chapter regarding the occurrence of any action within a specified period of time, the applicant may

request additional time beyond that provided or may request a continuance regarding any decision or consideration by the City of the pending appeal. Extensions of time sought by applicants shall not be considered delay on the part of the City or constitute failure by the City to provide for prompt decisions on applications.

J. The time for a court challenge to a decision under this section is governed by California Code of Civil Procedure § 1094.8 and notice of the City's decision and its findings shall include citation to California Code of Civil Procedure § 1094.8.

§ 5-11.30 Transfer of license.

Unless prior application is made, thereafter approved, and a license issued thereon, upon the sale or transfer of any interest in a Computer Gaming and Internet Access Business, the license shall immediately become null and void. A new application must be made and a new fee paid by any person desiring to own or operate the Computer Gaming and Internet Access Business. Any application involving the sale or transfer of any interest in an existing Computer Gaming and Internet Access Business, as well as any license which may thereafter be granted, shall be subject to the provisions of this chapter.

§ 5-11.40 Alterations to Computer Gaming and Internet Access Businesses.

A. A holder of a valid Computer Gaming and Internet Access Business license shall notify the Community Development Director, in writing, of any proposed change in the business location, floor plan or business name at least thirty (30) days prior to such change.

B. Nothing in this section shall excuse the owner of a Computer Gaming and Internet Access Business from obtaining all other approvals necessary to change a location, floor plan or business name, including but not limited to building permits.

§ 5-11.50 License revocation.

A. If the City finds that any person holding an Computer Gaming and Internet Access Business license has violated or allowed the violation of any of the provisions of this chapter or has conducted business in a manner that could have been grounds for license denial, the license may be revoked following notice and a hearing.

B. No revocation shall become effective until the license holder has been notified in writing of the right to a hearing pursuant to the provisions of section § 5-11.20(G) of this chapter. Notice of the pending revocation and right

to appeal shall be given to the license holder either by personal delivery or registered mail, addressed to the license holder at the address set forth in the license application. Mailed notice shall be deemed received three (3) days after mailing.

C. If a request for hearing is filed within ten (10) calendar days from the notice provided in B above, the City shall conduct an appeal hearing as provided in section § 5-11.20(G) H, I and J, above. The revocation shall be stayed pending the decision, unless, in the determination of the City Manager, immediate suspension pending the hearing is necessary due to an immediate threat to the public health, safety or welfare. Otherwise, the revocation shall become effective upon expiration of the appeal period.

§ 5-11.60 **Operational standards and regulations.**

A. Prohibitions regarding Minors.

1. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during any time that he or she is required to be in attendance at school unless accompanied by a parent or legal guardian.
2. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during the hours of the Juvenile Protection Curfew of 11:01 p.m. through 5:00 a.m. seven nights a week, pursuant to Article 2 of Chapter 10 of Title 5 of the Antioch Municipal Code.
3. Signs shall be placed at the entrance of the business and inside the business setting forth these restrictions in lettering of at least two (2) inches in size.

B. Hours of Operation. The Computer Gaming and Internet Access Business shall not be open to customers, patrons or any member of the public between the hours of 12:00 a.m. and 8:00 a.m. on Friday, Saturday and Sunday or between the hours of 11:00 p.m. and 8:00 a.m. Monday through Thursday.

C. Interior Waiting Area. An interior waiting area with not less than eight (8) seats shall be provided for customers waiting to use a computer. The number of seats shall be increased by one (1) for every five (5) additional computers beyond twenty-five (25) computers in the business. No outside waiting or seating area is permitted.

D. No Smoking or Consumption of Alcoholic Beverages. No person shall be permitted to smoke or consume alcoholic beverages on the inside of the

premises. The sale of cigarettes and alcohol on the premises is prohibited. No intoxicated or disorderly person shall be allowed to remain on the premises.

E. Staffing. Employees shall be at least 18 years of age. There shall be a minimum of two (2) employees staffing the Computer Gaming and Internet Access Business during all working hours with at least one manager or supervisor. The ratio of employees to computers and/or other electronic devices that access the internet shall be 2:15. During each employee's working hours, the employee shall wear a badge identifying the business and the employee's full name. Security personnel indicated in Section I below shall not be included in this minimum staffing number

F. Occupancy. Occupancy shall not exceed that required under the Uniform Building Code and Uniform Fire Code. The maximum occupancy load shall be posted at the main entrance.

G. Surveillance System.

1. The Chief of Police may require a Computer Gaming and Internet Access Business operator to install a digital camera/video surveillance system on the premises in the event there are or have been repeated calls for police services relating to the premises including, but not limited to, assaults, public intoxication, vandalism, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. In the event of such a determination, the establishment shall maintain and operate a camera/video surveillance system during all business hours. The system shall cover the entire interior of the premises and all entrances to and exits from the establishment. Tapes/disks shall be kept a minimum of fourteen (14) calendar days, or as required by the Chief of Police. The owner shall permit a representative of the Police Department's office to inspect the tapes/disks during business hours.

3. A sign shall be posted inside and at the entrances to the establishment indicating that the premises are under camera/video surveillance.

H. Window Coverings. Window areas shall not be covered, tinted or made opaque in any way, or obscured in any way by landscaping, floor displays, equipment or the like, excepting during daylight hours when partial blinds or other equivalent window coverings may be used as long as the interior remains visible from the public right of way.

I. Security Guards.

1. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to provide a security guard(s) on the premises

in the event there are repeated calls for police services relating to the premises including, but not limited to, assaults, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. The security guard shall be uniformed and be employed by a Private Patrol Operator that is currently licensed with the California Department of Consumer Affairs. The name of the Patrol Operator with state license number and the guard registration numbers shall be provided to the Community Development Department. Any changes to the Patrol Operator shall be approved by the Police Chief at least two working days prior to Patrol Operator taking over security at the business.

3. The security guard shall also patrol the exterior of the business and any parking lot areas.

4. The Chief of Police may require more than one security guard if there are more than fifteen (15) computers or similar devices or continued repeated calls for service indicate that one security guard is not adequate.

J. No Adult Entertainment Business or Adult Boutique. Any access to adult entertainment oriented web sites, as defined in section 9-5.203 of this code, is prohibited unless specifically permitted under sections 9-5.3808 or 9-5.3808.1 of this code.

K. No Other Amusement Devices. No pool tables or other amusement devices not directly related to the internet and similar computer devices shall be permitted in the business.

L. No Tournaments. No gaming tournaments for cash prizes deemed to be gambling under the provisions of State Law shall be permitted.

M. Interior Signs. User rates and other fees must be conspicuously posted on the premises.

N. No Illegal Gambling. Under no circumstances shall electronic game machines, which include computers and other amusement devices, be used for illegal gaming or gambling. The applicant shall be responsible for ensuring customers do not use any electronic game machine for illegal gaming or gambling.

O. No Litter. The applicant shall provide adequate trash receptacles both inside and outside of the building. The applicant shall keep the outside of the business, including the parking lot, free of litter, trash and debris.

P. No Private Booths. Any booth or individual computer use area within the business shall be visible from a continuous and accessible main aisle

in a public portion of the Computer Gaming and Internet Access Business, and shall not be obscured by any door, curtain, wall, two-way mirror or other device which would prohibit a person from seeing the entire interior of the booth/individual viewing area from the main aisle. Further, no one shall maintain any booth/individual viewing area in any configuration unless the entire interior wherein the computer that is being used is visible from one main aisle. No doors are permitted on a booth/individual viewing area. No partially or fully enclosed booth/individual viewing areas or partially or fully concealed booth/individual viewing areas shall be maintained.

Q. Alarm System. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to install an alarm system that distinguishes between a burglary and a robbery. The system shall monitor twenty-four hours per day. All public entrance and exit doors to the business shall have electronic monitoring system that produce a sound when a person transverses the doorway. If required by the Chief of Police, the system shall be electronically connected with the Police Department if activated.

R. Number of Computers. The number of computers or similar devices in a Computer Gaming and Internet Access Business shall not exceed thirty square feet of floor area per computer of the floor area that is dedicated to the placement of computers for rent or charge.

§ 5-11.70 Abatement of nuisance.

Any Computer Gaming and Internet Access Business operated, conducted or maintained contrary to the provisions of this chapter shall be and hereby is declared to be unlawful and a public nuisance, and the City may, in addition to or in lieu of any other remedy, commence an action or proceeding for the abatement, removal or enjoyment thereof, and may take such other steps and may apply to such court or courts as may have jurisdiction to grant such relief to abate or remove such establishment and restrain and enjoin any person from operating, conducting or maintaining a Computer Gaming and Internet Access Business contrary to the provisions of this chapter.

§ 5-11.90 Penalty.

It shall be unlawful for any person to violate any provision or to fail to comply with any of the requirements of this chapter. Any person violating, permitting or causing the violation of this chapter shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished as set forth in chapter 1-2.01 of this code, or any successor provision thereto. Each person shall be deemed guilty of a separate offense for each and every day, or any portion thereof, during which any violation of any provision of this chapter is committed, continued or permitted by such person and shall be deemed punishable therefore as provided in this section.

§ 5-11.90 License fees.

The City Council shall, by resolution, set a fee for application for a Computer Gaming and Internet Access Business license. Until such fee is set, the application fee shall be the minimum fee currently established for the application extension fee in the City's Master Fee Schedule."

SECTION 3. Compliance for Existing Business; Time. It is the desire and intent of the City Council that any and all existing and legal Computer Gaming and Internet Access Businesses come into compliance with the terms of this Ordinance as rapidly as possible and that all applications, review and decisions be processed on an expedited basis. Within fourteen (14) calendar days of the effective date of this ordinance, every existing Computer Gaming and Internet Access Business shall file a statement with the Community Development Director evidencing its compliance with all provisions of this chapter and providing all information as provided in § 5-11.40. The review and determination of the Community Development Director shall be provided within fourteen (14) days of the filing of the application. In the event that the license requires the installation of improvements at the business (e.g., lighting, surveillance, etc) all such improvements shall be installed per a schedule agreed to by the Community Development Director; however, not to exceed twenty-one (21) days following the determination of the Community Development Director on the license application.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 16061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This Ordinance is hereby declared an urgency measure pursuant to the terms of California Government Code section 36937 (b) and shall be effective immediately upon adoption by a four-fifths (4/5th) vote of the City Council.

SECTION 7. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I HEREBY CERTIFY that the foregoing Ordinance was introduced and adopted as an urgency ordinance pursuant to the terms of California Government Code Section 36937 (b) at a regular meeting of the City Council of the City of Antioch on the 28th day of February, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

James D. Davis, Mayor of the City of Antioch

ATTEST:

Denise Skaggs, City Clerk of the City of Antioch

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ATTACHMENT "C"

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH AMENDING TITLE 5 OF THE ANTIOCH MUNICIPAL CODE BY ADDING A NEW CHAPTER 11 PERTAINING TO THE LICENSING PROCEDURES AND REGULATIONS FOR COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

The City Council of the City of Antioch does ordain as follows:

SECTION 1. The City Council finds as follows:

A. The City Council of the City of Antioch is concerned with the increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

B. The City of Antioch, as well as neighboring cities, have experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows:

1. On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking and other crimes, as well as on outstanding warrants. While some of

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these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.

6. At 2962 Delta Fair Boulevard, calls for service have increased at that location and at neighboring businesses as much as 450% since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 (a 52% increase) over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. The City Council of the City of Antioch finds that the activities of Computer Gaming and Internet Access Businesses have become frequently associated with detrimental impacts to the surrounding area.

E. The Antioch Municipal Code does not currently provide adequate standards and regulations concerning the review, approval and operation of Computer Gaming and Internet Access Businesses. Section 9-5.3816 pertaining to Mechanical or Electronic Games is at least 30 years old and does not specifically address regulations pertinent to Computer Gaming and Internet Access Businesses.

F. The City Council further finds that this Ordinance constitutes a matter of City-wide importance and is not directed towards nor targeted at any particular parcel of property, any particular business or any proposed occupant.

SECTION 2. Title 5 of the Antioch Municipal Code is hereby amended by the addition of a new Chapter 11, to read as follows:

"Chapter 11"

COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

Sections:

<u>5-11.01</u>	Purpose.
<u>5-11.02</u>	Definitions.
<u>5-11.10</u>	Computer Gaming and Internet Access Business - License required.
<u>5-11.11</u>	Term of license.
<u>5-11.12</u>	Renewal of license.
<u>5-11.20</u>	License application and issuance.
<u>5-11.30</u>	Transfer of license.
<u>5-11.40</u>	Alterations to Computer Gaming and Internet Access Business.
<u>5-11.50</u>	License revocation.
<u>5-11.60</u>	Operational standards and regulations.
<u>5-11.70</u>	Abatement of nuisance.
<u>5-11.80</u>	Penalty.
<u>5-11.90</u>	License fees.

§ 5-11.01 Purpose.

It is the purpose and intent of this chapter to regulate Computer Gaming and Internet Access Businesses to promote the protection of the public from the dangers of fire and hazards to health, to ensure the full protection of minors, and for the general preservation of the peace and welfare of the community. It is the intent of the City to establish minimally intrusive protocols to provide reasonable accountability for computer gaming and internet access and use at Computer Gaming and Internet Access Businesses. The City finds such accountability to be reasonably necessary to minimize the risk of use of the computer and/or internet by persons at Computer Gaming and Internet Access Businesses for criminal purposes and to increase the opportunities for the safe apprehension of such persons patronizing Computer Gaming and Internet Businesses for criminal purposes, while recognizing rights of individuals to use the internet and Computer Gaming and Internet Access Businesses for legitimate purposes.

§ 5-11.02 Definitions.

A. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access

Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

B. "Public Use or Internet Learning Business" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

§ 5-11.10 Computer Gaming and Internet Access Businesses - License required.

It is unlawful for any person to engage in, conduct or carry on, in or upon any premises or real property located within the City, the activities of an Computer Gaming and Internet Access Business, unless such person has been granted a valid license pursuant to the provisions of this chapter. A separate license shall be required for each location within the City where a Computer Gaming and Internet Access Business is to be established. Public Use or Internet Learning Business shall be exempt from the license requirements herein.

§ 5-11.11 Term of license.

The term of a Computer Gaming and Internet Access Business license, unless sooner suspended or revoked, shall be one year.

§ 5-11.12 Renewal of license.

A Computer Gaming and Internet Access Business license, issued pursuant to the provisions of this chapter, that has not been suspended or revoked, may be renewed, upon payment of the renewal application fee, for a period not to exceed one year upon written application to the community development director made at least sixty (60) days prior to the expiration date of the current valid license. This application for renewal of a license shall contain all of the information required by Section § 5-11.120 of this chapter and shall be processed in accordance with the provisions of this chapter.

§ 5-11.20 License application and issuance.

A. Any person desiring to obtain a license or to renew an existing license to operate a Computer Gaming and Internet Access Business shall file a written application with the Community Development Director. The application shall be signed under the penalty of perjury. Prior to submitting the application, a nonrefundable fee, in an amount established by resolution of the City Council,

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shall be paid to the City to defray the cost of the investigation and issuance required by this chapter. The license issuance or renewal fee required under this chapter shall be in addition to any other license or fee required under this code.

B. Neither the filing of an application for a license or renewal thereof nor payment of an application or renewal fee shall authorize the operation of a Computer Gaming and Internet Access Business until such license has been granted or renewed.

C. Each applicant for a Computer Gaming and Internet Access Business license or renewal thereof shall furnish the following information:

1. The present or proposed address where the business is to be conducted;
2. The full and true name under which the business will be conducted;
3. The full and true name and any other names used by the applicant and owner of the business, if the owner is not the applicant;
4. The applicant and owner's present residential and business addresses and telephone numbers;
5. Each residential and business address of the applicant and the owner for the five-year period immediately preceding the date of filing the application and the inclusive dates of each address;
6. The California driver's license or identification number of the applicant and owner;
7. A precise description of the activities and/or services to be provided;
8. A detailed site and floor plan of the proposed business, depicting the building and unit proposed and including interior dimensions and off-street parking spaces required by the city's zoning code;
9. A detailed description of the food and beverage service, if any, that will be offered to patrons;
10. The dates and hours during which the Computer Gaming and Internet Access Business is desired to be conducted and a list of the fees to be charged patrons;

11. The name(s) of the person(s) responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business;

12. A statement as to whether the applicant, owner, or any person to be responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business has, within the past five (5) years, had any permit or license issued in conjunction with a Computer Gaming and Internet Access Business in any jurisdiction, and whether during that period the license was suspended or revoked. If so, then the application shall provide the name of the issuing agency and an explanation of the suspension or revocation;

13. Signature of the property owner indicating approval of the submission of the license application; and

14. Such other information as the Community Development Director may require to discover the truth of the matters required to be set forth in the application.

D. The applicant shall present proof to the Community Development Director that the required application or application renewal fee has been paid, and shall present the application containing the information and supporting documentation required by subsection C of this section. A copy of the application shall be distributed to the City's Planning and Building Divisions, the Police Department and the Fire District for review.

E. When any change occurs regarding the written information required by subsection C of this section to be included in the application, the applicant or license holder, as the case may be, shall give written notification of such change to the Community Development Director within five (5) business days of such change.

F. The Community Development Director shall have a reasonable time, not to exceed thirty (30) days to investigate the facts set forth in the application and to receive comments from the City's Planning and Building Departments, the Police Department and the Fire District. The Community Development Director shall, within sixty (60) days after the date of the filing of the application, grant the license or renewal thereof only if it is found that all of the following requirements have been met:

1. The required fees have been paid;
2. The application and all information contained therein conform in all respects to the provisions of this chapter;

3. The applicant has not knowingly made a material misrepresentation of fact in the application;

4. The proposed Computer Gaming and Internet Access Business would comply with this chapter and all other applicable city, county and state laws including, but not limited to, health, zoning, fire and safety requirements and standards, and that, as proposed, the Computer Gaming and Internet Access Business would not tend to generate criminal activities, present unnecessary criminal opportunities, or tend to cause violations of curfews by minors due to failure to comply with Federal or State law or the Municipal Code including but not limited to Operational Standards set forth below ;

5. The applicant is at least eighteen (18) years of age;

6. The Computer Gaming and Internet Access Business site and floor plan have been reviewed by the City's Planning and Building Departments and the Police Department and Fire District, which have approved the same as well as all fire and panic safety equipment required to be installed; all requirements of the Americans with Disabilities Act have been satisfied; and that the maximum occupancy has been established, will be posted and will not likely be exceeded based on the floor plan; and,

7. The Community Development Director has not received evidence that the applicant has, within the previous five (5) years, had any license or entitlement to operate a Computer Gaming and Internet Access Business revoked due to the applicant's commission of a crime or violation of the operational standards or conditions of approval applicable to a Computer Gaming and Internet Access Business; provided, however, a Computer Gaming and Internet Access Business license may be granted subject to additional conditions designed to preclude a recurrence of the events or activities causing the prior license revocation.

G. If the Community Development Director does not find that all of the requirements of subsection F of this section have been met, the application shall be denied.

1. In the event that an application for a license or renewal thereof is denied, written notice of the denial shall be given to the applicant within sixty (60) days after the date of the filing of the application specifying the ground(s) of the denial and a description of the hearing rights provided by Section § 5-11.20(G)(2), below. Notice of denial of the application may be personally served or served by first-class postage prepaid and addressed to the applicant at the address set forth in the application. Mailed notice shall be deemed received three (3) days after mailing.

2. The decision of the Community Development Director may be appealed by filing a written notice requesting a hearing within ten (10) calendar days of the decision of the Community Development Director. The appeal may be heard by a Hearing Officer (for purposes of this section, the term Hearing Officer shall mean the City Manager or a Hearing Officer appointed by the City Manager) or by the Board of Administrative Appeals, pursuant to Chapter 4 of Title 1 of the Municipal Code.

a. The hearing shall be conducted within forty-five (45) days of the request.

b. The hearing shall be conducted under such rules of procedure as are appropriate to quasi-judicial proceedings, provided that the applicant and the City shall be entitled to present relevant evidence, testify under oath, and call witnesses who shall testify under oath. The Hearing Officer/Board of Administrative Appeals shall not be bound by the statutory rules of evidence in the hearing. The applicant shall have the burden of proof that the Community Development Director's determination was wrong. The hearing shall be recorded so that a transcript of the hearing can be prepared by either party.

c. At the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall decide whether the grounds for denial, revocation or non-renewal exist. Within ten (10) days after the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall file with the City Clerk, together with the recording of the hearing, a written decision supported by written findings based on the evidence submitted and a statement of the order. A copy of the decision shall be forwarded by certified mail, postage prepaid, to the applicant by the City Clerk. The decision of the Hearing Officer/Board of Administrative Appeals shall become effective three (3) days after its mailing to the applicant unless timely appealed as provided in the following Section.

H. The decision of the Hearing Officer or Board of Administrative Appeals shall be final unless appealed to the City Council by the filing of a written appeal with the City Clerk by the City Manager or member of the Council within ten (10) calendar days of mailing of the decision. All such appeals shall be filed with the City Clerk and shall be public records. The City Council shall, at a duly noticed meeting within forty-five (45) days from the date the written appeal was filed, independently review the entire record, including the recording or transcript of the hearing and any oral or written arguments which may be offered to the City Council by the appellant. At the conclusion of the review, a majority of the City Council members present may decide to sustain the decision, modify the decision, or order the decision stricken and issue such order as the City Council finds is supported by the entire record. The lack of a majority to take action means that the decision of the Hearing Officer or Board of Administrative Appeals remains in effect. The action of the City Council shall be final and

conclusive, shall be rendered in writing within ten days, and shall be immediately mailed or delivered to the applicant.

I. Notwithstanding any provisions in this chapter regarding the occurrence of any action within a specified period of time, the applicant may request additional time beyond that provided or may request a continuance regarding any decision or consideration by the City of the pending appeal. Extensions of time sought by applicants shall not be considered delay on the part of the City or constitute failure by the City to provide for prompt decisions on applications.

J. The time for a court challenge to a decision under this section is governed by California Code of Civil Procedure § 1094.8 and notice of the City's decision and its findings shall include citation to California Code of Civil Procedure § 1094.8.

§ 5-11.30 Transfer of license.

Unless prior application is made, thereafter approved, and a license issued thereon, upon the sale or transfer of any interest in a Computer Gaming and Internet Access Business, the license shall immediately become null and void. A new application must be made and a new fee paid by any person desiring to own or operate the Computer Gaming and Internet Access Business. Any application involving the sale or transfer of any interest in an existing Computer Gaming and Internet Access Business, as well as any license which may thereafter be granted, shall be subject to the provisions of this chapter.

§ 5-11.40 Alterations to Computer Gaming and Internet Access Businesses.

A. A holder of a valid Computer Gaming and Internet Access Business license shall notify the Community Development Director, in writing, of any proposed change in the business location, floor plan or business name at least thirty (30) days prior to such change.

B. Nothing in this section shall excuse the owner of a Computer Gaming and Internet Access Business from obtaining all other approvals necessary to change a location, floor plan or business name, including but not limited to building permits.

§ 5-11.50 License revocation.

A. If the City finds that any person holding an Computer Gaming and Internet Access Business license has violated or allowed the violation of any of the provisions of this chapter or has conducted business in a manner that could

have been grounds for license denial, the license may be revoked following notice and a hearing.

B. No revocation shall become effective until the license holder has been notified in writing of the right to a hearing pursuant to the provisions of section § 5-11.20(G) of this chapter. Notice of the pending revocation and right to appeal shall be given to the license holder either by personal delivery or registered mail, addressed to the license holder at the address set forth in the license application. Mailed notice shall be deemed received three (3) days after mailing.

C. If a request for hearing is filed within ten (10) calendar days from the notice provided in B above, the City shall conduct an appeal hearing as provided in section § 5-11.20(G) H, I and J, above. The revocation shall be stayed pending the decision, unless, in the determination of the City Manager, immediate suspension pending the hearing is necessary due to an immediate threat to the public health, safety or welfare. Otherwise, the revocation shall become effective upon expiration of the appeal period.

§ 5-11.60 Operational standards and regulations.

A. Prohibitions regarding Minors.

1. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during any time that he or she is required to be in attendance at school unless accompanied by a parent or legal guardian.

2. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during the hours of the Juvenile Protection Curfew of 11:01 p.m. through 5:00 a.m. seven nights a week, pursuant to Article 2 of Chapter 10 of Title 5 of the Antioch Municipal Code.

3. Signs shall be placed at the entrance of the business and inside the business setting forth these restrictions in lettering of at least two (2) inches in size.

B. Hours of Operation. The Computer Gaming and Internet Access Business shall not be open to customers, patrons or any member of the public between the hours of 12:00 a.m. and 8:00 a.m. on Friday, Saturday and Sunday or between the hours of 11:00 p.m. and 8:00 a.m. Monday through Thursday.

C. Interior Waiting Area. An interior waiting area with not less than eight (8) seats shall be provided for customers waiting to use a computer. The number of seats shall be increased by one (1) for every five (5) additional

computers beyond twenty-five (25) computers in the business. No outside waiting or seating area is permitted.

D. No Smoking or Consumption of Alcoholic Beverages. No person shall be permitted to smoke or consume alcoholic beverages on the inside of the premises. The sale of cigarettes and alcohol on the premises is prohibited. No intoxicated or disorderly person shall be allowed to remain on the premises.

E. Staffing. Employees shall be at least 18 years of age. There shall be a minimum of two (2) employees staffing the Computer Gaming and Internet Access Business during all working hours with at least one manager or supervisor. The ratio of employees to computers and/or other electronic devices that access the internet shall be 2:15. During each employee's working hours, the employee shall wear a badge identifying the business and the employee's full name. Security personnel indicated in Section below shall not be included in this minimum staffing number

F. Occupancy. Occupancy shall not exceed that required under the Uniform Building Code and Uniform Fire Code. The maximum occupancy load shall be posted at the main entrance.

G. Surveillance System.

1. The Chief of Police may require a Computer Gaming and Internet Access Business operator to install a digital camera/video surveillance system on the premises in the event there are or have been repeated calls for police services relating to the premises including, but not limited to, assaults, public intoxication, vandalism, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. In the event of such a determination, the establishment shall maintain and operate a camera/video surveillance system during all business hours. The system shall cover the entire interior of the premises and all entrances to and exits from the establishment. Tapes/disks shall be kept a minimum of fourteen (14) calendar days, or as required by the Chief of Police. The owner shall permit a representative of the Police Department's office to inspect the tapes/disks during business hours.

3. A sign shall be posted inside and at the entrances to the establishment indicating that the premises are under camera/video surveillance.

H. Window Coverings. Window areas shall not be covered, tinted or made opaque in any way, or obscured in any way by landscaping, floor displays, equipment or the like, excepting during daylight hours when partial blinds or other equivalent window coverings may be used as long as the interior remains visible from the public right of way.

I. Security Guards.

1. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to provide a security guard(s) on the premises in the event there are repeated calls for police services relating to the premises including, but not limited to, assaults, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. The security guard shall be uniformed and be employed by a Private Patrol Operator that is currently licensed with the California Department of Consumer Affairs. The name of the Patrol Operator with state license number and the guard registration numbers shall be provided to the Community Development Department. Any changes to the Patrol Operator shall be approved by the Police Chief at least two working days prior to Patrol Operator taking over security at the business.

3. The security guard shall also patrol the exterior of the business and any parking lot areas.

4. The Chief of Police may require more than one security guard if there are more than fifteen (15) computers or similar devices or continued repeated calls for service indicate that one security guard is not adequate.

J. No Adult Entertainment Business or Adult Boutique. Any access to adult entertainment oriented web sites, as defined in section 9-5.203 of this code, is prohibited unless specifically permitted under sections 9-5.3808 or 9-5.3808.1 of this code.

K. No Other Amusement Devices. No pool tables or other amusement devices not directly related to the internet and similar computer devices shall be permitted in the business.

L. No Tournaments. No gaming tournaments for cash prizes deemed to be gambling under the provisions of State Law shall be permitted.

M. Interior Signs. User rates and other fees must be conspicuously posted on the premises.

N. No Illegal Gambling. Under no circumstances shall electronic game machines, which include computers and other amusement devices, be used for illegal gaming or gambling. The applicant shall be responsible for ensuring customers do not use any electronic game machine for illegal gaming or gambling.

O. No Litter. The applicant shall provide adequate trash receptacles both inside and outside of the building. The applicant shall keep the outside of the business, including the parking lot, free of litter, trash and debris.

P. No Private Booths. Any booth or individual computer use area within the business shall be visible from a continuous and accessible main aisle in a public portion of the Computer Gaming and Internet Access Business, and shall not be obscured by any door, curtain, wall, two-way mirror or other device which would prohibit a person from seeing the entire interior of the booth/individual viewing area from the main aisle. Further, no one shall maintain any booth/individual viewing area in any configuration unless the entire interior wherein the computer that is being used is visible from one main aisle. No doors are permitted on a booth/individual viewing area. No partially or fully enclosed booth/individual viewing areas or partially or fully concealed booth/individual viewing areas shall be maintained.

Q. Alarm System. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to install an alarm system that distinguishes between a burglary and a robbery. The system shall monitor twenty-four hours per day. All public entrance and exit doors to the business shall have electronic monitoring system that produce a sound when a person transverses the doorway. If required by the Chief of Police, the system shall be electronically connected with the police department if activated.

R. Number of Computers. The number of computers or similar devices in a Computer Gaming and Internet Access Business shall not exceed thirty square feet of floor area per computer of the floor area that is dedicated to the placement of computers for rent or charge.

§ 5-11.70 Abatement of nuisance.

Any Computer Gaming and Internet Access Business operated, conducted or maintained contrary to the provisions of this chapter shall be and hereby is declared to be unlawful and a public nuisance, and the City may, in addition to or in lieu of any other remedy, commence an action or proceeding for the abatement, removal or enjoyment thereof, and may take such other steps and may apply to such court or courts as may have jurisdiction to grant such relief to abate or remove such establishment and restrain and enjoin any person from operating, conducting or maintaining a Computer Gaming and Internet Access Business contrary to the provisions of this chapter.

§ 5-11.90 Penalty.

It shall be unlawful for any person to violate any provision or to fail to comply with any of the requirements of this chapter. Any person violating, permitting or causing the violation of this chapter shall be deemed guilty of a

misdemeanor and upon conviction thereof shall be punished as set forth in chapter 1-2.01 of this code, or any successor provision thereto. Each person shall be deemed guilty of a separate offense for each and every day, or any portion thereof, during which any violation of any provision of this chapter is committed, continued or permitted by such person and shall be deemed punishable therefore as provided in this section.

§ 5-11.90 License fees.

The City Council shall, by resolution, set a fee for application for a Computer Gaming and Internet Access Business license. Until such fee is set, the application fee shall be the minimum fee currently established for the application extension fee in the City's Master Fee Schedule."

SECTION 3. Compliance for Existing Business; Time. It is the desire and intent of the City Council that any and all existing and legal Computer Gaming and Internet Access Businesses come into compliance with the terms of this Ordinance as rapidly as possible and that all applications, review and decisions be processed on an expedited basis. Within fourteen (14) calendar days of the effective date of this ordinance, every existing Computer Gaming and Internet Access Business shall file a statement with the Community Development Director evidencing its compliance with all provisions of this chapter and providing all information as provided in § 5-11.40. The review and determination of the Community Development Director shall be provided within fourteen (14) days of the filing of the application. In the event that the license requires the installation of improvements at the business (e.g., lighting, surveillance, etc) all such improvements shall be installed per a schedule agreed by the Community Development Director; however, not to exceed twenty-one (21) days following the determination of the Community Development Director on the license application.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 16061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

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SECTION 6. Effective Date. This Ordinance shall take effect thirty (30) days after adoption as provided by Government Code Section.

SECTION 7. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I **HEREBY CERTIFY** that the foregoing Ordinance was introduced on 28th day of February, 2012 and adopted at a regular meeting of the City Council of the City of Antioch on _____, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

James D. Davis, Mayor of the City of Antioch

ATTEST:

Denise Skaggs, City Clerk of the City of Antioch

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ATTACHMENT "D"

RESOLUTION NO. 2012/**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANTIOCH ADOPTING A RESOLUTION OF INTENT TO INITIATE AN AMENDMENT TO CHAPTER 5 OF TITLE 9 OF THE ANTIOCH MUNICIPAL CODE TO ADDRESS COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

WHEREAS, Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users; "Computer Gaming and Internet Access Business" is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center, which is defined as an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition; and

WHEREAS, the City has received and anticipates additional requests for the construction, establishment and operation of Computer Gaming and Internet Access Businesses within the City; and

WHEREAS, the City of Antioch, as well as neighboring cities, have experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering; and

WHEREAS, there have been complaints about prostitution associated with these uses and it is known that other cities have experienced significant gang-related activities occurring at these Computer Gaming and Internet Access Businesses; and

WHEREAS, the City Council has determined that the provisions of the City Municipal Code that may regulate the construction, operation and establishment of Computer Gaming and Internet Access Businesses in the City are inadequate and need review, study, and revision to fully take into account the impacts related to the location and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community;

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Antioch adopts this resolution of intention to initiate an amendment to Chapter 5 of Title 9 of the Antioch Municipal Code to address land use issues with Computer Gaming and Internet Access Businesses

A51
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RESOLUTION NO. 2012/**

February 28, 2012

Page 2

* * * * *

I HEREBY CERTIFY that the foregoing resolution was duly passed and adopted by the City Council of the City of Antioch, California, at a regular meeting thereof held on the 28th day of February 2012, by the following vote:

AYES:

NOES:

ABSENT:

DENISE SKAGGS, City Clerk

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**CITY OF ANTIOGH
BUSINESS LICENSE RENEWAL**



DUE BY
BUSINESS NO. 3004773
CLASS GO

INSTRUCTIONS

1. MAILING NAME & ADDRESS 15 Internet Cafe Antioch CA 94531		2. BUSINESS NAME 15 Internet Cafe	
3. BUSINESS ADDRESS 1653 A St		4. BUSINESS CITY, ST, ZIP Antioch CA 94509	
5. PHONE 925 522 0701	6. EMERGENCY PHONE 925	8. FAX	7. BUSINESS DESCRIPTION Internet Cafe
9. STATE ID#		10. SELLER'S PERMIT#	11. HOME OCCUPATION Aventorember e-commerce web
12. OWNER #1 TYPE (Sole Proprietorship, Partnership, CORP, Trust)		13. CERTIFICATION NO.	14. NUMBER OF EMPLOYEES
15. OWNER #1 NAME Patricia Simmons		16. OWNER #2 NAME	
17. OWNER #1 ADDRESS (NO PO BOXES, STATE REQUIREMENT)		18. OWNER #2 ADDRESS (NO PO BOXES, STATE REQUIREMENT)	
19. OWNER #1 CITY, ST, ZIP Antioch CA 94531		20. OWNER #2 CITY, ST, ZIP	
21. OWNER #1 HOME PHONE 925		22. OWNER #2 HOME PHONE	
23. OWNER #1 SSN	24. OWNER #1 DL	25. OWNER #2 SSN	26. OWNER #2 DL
27. CONTACT NAME Patricia Simmons		28. CONTACT PHONE 925	
29. LICENSE TYPE (Office use only)	29A. INTERNET ADDRESS		
30. GROSS RECEIPTS	30B. NUMBER OF CARD TABLES	30C. NUMBER OF VEHICLES	
31. LICENSE FEE	32. RENTAL FEE	33. APPLICATION FEE	
34. TOTAL AMOUNT DUE (combine lines 31, 32 & 33)		35. DATE BUSINESS TERMINATED (IF OUT OF BUSINESS)	
OFFICE USE ONLY			
Effective Date	Expir. Date 4-30-11	Planning Dept. <i>Memo</i>	Blkg Dept. <i>AB</i> Cert. Of Occ.
Purchase Date	Receipt No. 412134	Zoning: <i>C-2</i>	Health Dept.

The undersigned, being authorized to make this Application, hereby declares to the best of his knowledge and belief that this is a true, correct, and complete Application made pursuant to the Antioch Municipal Code.

Sign Here *Patricia Simmons* Signature Date *4/6/11*

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**CITY OF ANTIOCH
BUSINESS LICENSE
DELINQUENCY NOTICE**

DUE BY: 05/30/2010
BUSINESS NO 3004773
CLASS CODE: 0 - 0

INSTRUCTIONS

3rd Notice

Please review the complete form and make corrections to this side. Complete lines 30, 31, 32, 33 and 34.
Use schedule on reverse side to calculate fees.

Your license fee is delinquent, add a 10% penalty if paid after due date

1. MAILING NAME & ADDRESS T'S INTERNET CAFE [REDACTED] ANTIOCH, CA 94531-6357 [Barcode]		2. BUSINESS NAME T'S INTERNET CAFE	
		3. BUSINESS ADDRESS 1836 A ST	
		4. BUSINESS CITY, ST, ZIP ANTIOCH, CA 94509-2602	
5. PHONE (925)522-0801	6a. EMERGENCY PHONE 925-[REDACTED]	6b. FAX	6c. E-MAIL ADDRESS:
7. BUSINESS DESCRIPTION INTERNET SALES			
8. FED ID#	9. STATE ID#	10. SELLERS'S PERMIT #	11. HOME OCCUPATION #
12. OWNER TYPE (Sole Proprietorship, Partnership, CORP, Trust) [REDACTED]		13. CERTIFICATION NO.	14. NUMBER OF EMPLOYEES
15. OWNER #1 NAME Patricia Cooper Simmons		16. OWNER #2 NAME	
17. OWNER #1 ADDRESS (NO PO BOXES, STATE REQUIREMENT) [REDACTED]		18. OWNER #2 ADDRESS (NO POBOXES, STATE REQUIREMENT)	
19. OWNER #1 CITY, ST, ZIP Antioch CA 94531		20. OWNER #2 CITY, ST, ZIP	
21. OWNER #1 HOME PHONE Kevin Amadio		22. OWNER #2 HOME PHONE	
23. OWNER #1 SSN [REDACTED]	24. OWNER #1 DL [REDACTED]	25. OWNER #2 SSN	26. OWNER #2 DL
27. CONTACT NAME Patricia Cooper-Simmons		28. CONTACT PHONE	
29. LICENSE TYPE (Office use only)	29A INTERNET ADDRESS		
30A. GROSS RECEIPTS	30B. NUMBER OF CARD TABLES [REDACTED]	30C. NUMBER OF VEHICLES [REDACTED]	
31. LICENSE FEE [REDACTED]	32. PENALTY [REDACTED]	33. APPLICATION FEE [REDACTED]	
34. TOTAL AMOUNT DUE (combine lines 33, 34 & 35) [REDACTED]		35. DATE BUSINESS TERMINATED (IF OUT OF BUSINESS)	
OFFICIAL USE ONLY			
Effective Date: 05/01/2010	Expir. Date: 04/30/2011	Planning Dept:	Bldg Dept:
Purchase Date: JUN 23 2010	Receipt No: 348181	Zoning:	Health Dept:

The undersigned, being authorized to make this Application, hereby declares to the best of his knowledge and belief that this is a true, correct, and complete Application made pursuant to the Antioch Municipal Code.

Sign Here

[Handwritten Signature]
Signature

Date

6-21-10

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A97

**CITY OF ANTIOCH
BUSINESS LICENSE APPLICATION**



DUE BY
BUSINESS NO: 3006114
CLASS CODE:

INSTRUCTIONS

1. MAILING NAME & ADDRESS Cot on the web 2333A Buchanan Antioch CA 94509		2. BUSINESS NAME Cot on the web	
3. BUSINESS ADDRESS 2333A Buchanan		4. BUSINESS CITY, ST, ZIP Antioch CA 94509	
5. PHONE 925 2018332	6. ALT PHONE 925 [REDACTED]	8a. CELL PHONE 925 [REDACTED]	8b. FAX NUMBER
6c. EMAIL ADDRESS Aevent@remembercontact.net		7. BUSINESS DESCRIPTION Fax Copy Print Internet	
8. FED ID#	9. STATE ID#	10. SELLER'S PERMIT#	11. HOME OCCUPATION#
12. OWNER TYPE (Sole Proprietorship, Partnership, CORP, Trust)		13. CERTIFICATION NO.	14. NUMBER OF EMPLOYEES
15. OWNER#1 NAME Patricia Simmons		18. OWNER#2 NAME	
17. OWNER#1 ADDRESS (NO PO BOXES, STATE REQUIREMENT)		18. OWNER#2 ADDRESS (NO PO BOXES, STATE REQUIREMENT)	
19. OWNER#1 CITY, ST, ZIP Antioch CA 94531		20. OWNER#2 CITY, ST, ZIP	
21. OWNER#1 HOME PHONE 925 [REDACTED]		22. OWNER#2 HOME PHONE	
23. OWNER#1 SSN	24. OWNER#1 DI	25. OWNER#2 SSN	26. OWNER#2 DI
27. CONTACT NAME Patricia Simmons		28. CONTACT PHONE	
29. LICENSE TYPE (Office use only)	29a. INTERNET ADDRESS		
30A. GROSS RECEIPTS	30B. NUMBER OF CARD TABLES	30C. NUMBER OF VEHICLES	30D. STICKER FEE (\$5/VEHICLE)
31. LICENSE FEE	32. PENALTY	33. APPLICATION FEE	
34. TOTAL AMOUNT DUE (combine lines 31, 32 & 33)		35. DATE BUSINESS TERMINATED (IF OUT OF BUSINESS)	
OFFICE USE ONLY			
Effective Date	Expir. Date	Planning Dept. <i>ES</i>	Bldg Dept. <i>MB</i>
Purchase Date: SEP 29 2011	Receipt No. 450689	Zoning <i>ES</i>	Health Dept.

The undersigned, being authorized to make this Application, hereby declares to the best of his knowledge and belief that this is a true, correct, and complete Application made pursuant to the Antioch Municipal Code.

Sign Here Patricia Simmons
Signature _____ Date _____

Handwritten initials/signature

ATTACHMENT "F"

ADDRESS	BUSINESS	Before Internet Café		Internet Café		%Change
		2/16/10 - 2/15/11	2/16/11 - 2/15/12	2/16/10 - 2/15/11	2/16/11 - 2/15/12	
Delta Fair BL		Totals	109	259		137.61%
2954	CA Check Cashing	52	124			138.46%
2958	Super Wine	44	77			75.00%
2962	Internet Room	0	16			nc
2970	Gold Palace	0	3			
2974	UPS Store	7	15			114.29%
2980	The OTS group	0	7			
2982	Geeta's Herbal Spa & Salon	3	6			100.00%
2996		1	0			
3000	Better Homes Realty	2	11			450.00%

Sample types of Calls	Before Internet Café		Internet Café		%Change
	2/16/10 - 2/15/11	2/16/11 - 2/15/12	2/16/10 - 2/15/11	2/16/11 - 2/15/12	
CA Check Cashing					
DISPO CLASS					
MSDS	7	21			200.00%
SUSC	7	16			128.57%
ATMC	7	19			171.43%
DRUN	0	3			
FINF	0	11			
LOIT	0	5			
Super Wine					
DISPO CLASS					
ATMC	9	14			55.56%
AUTT	0	2			
MSDS	7	21			200.00%
SUSC	3	12			300.00%

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A44

ADDRESS	BUSINESS	Before Internet Café		Internet Café		After Internet Café		
		2/1/09-8/30/09	2009	2/1/10-8/30/10	2010	2/1/11-8/30/11	2011	2010-2011
	Totals	157	240			158		
1800	Gas of America	29	59			40		-34.17%
1806	Juarez	7	8			9		-32.20%
1808		1	0			1		12.50%
1818	Grocery Outlet	49	50			31		nc
1826		0	1			0		-38.00%
1828		4	0			4		-100.00%
1836	Internet Café	0				0		nc
1840	Gold Star	1	9			2		-100.00%
1844		0	0			2		-77.78%
1848	Quick Check	2	5			1		nc
1852		3	1			1		-80.00%
1860	Lamothe Cleaners	3	9			7		0.00%
1864		1	1			0		-22.22%
1868	Delta Vaccum	1	5			3		-100.00%
1870	CCC Fed Credit Union	4	1			1		-40.00%
1872	Berrys	1	0			1		0.00%
1884	Thai Cuisine	0	2			1		-50.00%
1888	Cheers	0	4			4		0.00%
1890	Rock Bottom Records	6	9			5		-44.44%
1892	Minute Man Press	1	0			1		nc
1894	STARBUCKS	29	1			2		100.00%
1896	STARBUCKS	15	48			43		-10.42%

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5.5 months

ADDRESS	BUSINESS	Before Internet Café		Internet Café		After Internet Café	
		9/1/09-8/31/10	9/1/10-8/31/11	9/1/10-8/31/11	%Change	09/01/11 - 2/15/12	
A ST	Totals	166	279	279	68.07%	72	
1611	Cruisers	61	72	72	18.03%	27	
1615	Fireside Thrift	10	7	7	-30.00%	6	
1623	Auto Zone	46	57	57	23.91%	22	
1625	The Beauty Source	9	6	6	-33.33%	0	
1631	Delta Barber	2	15	15	650.00%	3	
1633		0	1	1	nc	0	
1635	Russell's Cheesecake	0	3	3	nc	0	
1639		1	5	5	400.00%	2	
1641	World Fashion	21	4	4	-80.95%	0	
1645	Los Caporalles	2	4	4	100.00%	2	
1653	Internet Café	0	57	57	nc	4	
1657	Launderland	6	12	12	100.00%	5	
1661		0	2	2	nc	0	
1663	Dollar Store	8	24	24	200.00%	1	

ADDRESS	BUSINESS	Before Internet Café		Internet Café	
		8/20/10-12/31/10	2010	8/20/11-12/31/11	2011
A ST	Totals	3	38	38	1166.67%
1900		1	4	4	300.00%
1908	Internet Café	0	34	34	nc
1912	APEX	2	0	0	-100.00%

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A5-F3

ADDRESS	BUSINESS	Before Internet Café		Internet Café		%Change
		9/1/10 - 2/15/11	9/1/11 - 2/15/12	9/1/11 - 2/15/12	9/1/11 - 2/15/12	
BUCHANAN RD	Totals	7	19	19	19	171.43%
2327	OKAWA	2	2	2	2	0.00%
2329	Brooks & Books	0	1	1	1	
2331 #A	Serenity Salon & Spa	0	2	2	2	
2331 #B	Black Diamond Print	0	3	3	3	
2333 #A	COT on the Web	0	6	6	6	
2333 #B	Dominos Pizza	5	5	5	5	0.00%

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A52-F4

ATTACHMENT "G"

CALLS FOR SERVICE
2962 DELTA FAIR BL
2/16/11 - 2/15/12

PRINTED:2/16/2012

<u>EVENT#</u>	<u>RCV_TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOP</u>
11068917	7/26/11 0:46	MSIN	MSIN		NEW INTERNET CAFE - NAME AND LOCATION NOTED FOR ADDITION TO CAD.
11097719	10/16/11 20:29	911U	911U		NVC/VOIP LINE
11109110	11/21/11 12:46	MEDPD	FIDA		FIRE ENRT FOR A MALE LAYING ON THE GROUND, BARELY CONSCIOUS
11109512	11/22/11 18:18	27SUB	WRNO	11010014	OV NEW CASE FOR WARRANT XXXXXXXXXXXX
11116985	12/17/11 0:40	FINF	FINF		MALE FELL OUTSIDE IS BLEEDING FROM SIDE OF HIS FACE
12001418	1/5/12 15:37		CANC		
12002550	1/9/12 2:00	96	WRNO	12000286	
12007174	1/24/12 2:06		VCOO		
12007425	1/24/12 22:00	415V	DISC		VERB WITH SUBJ IFO LOC
12008291	1/27/12 19:49	415UG	MSDS		GROUP IFO REFUSING TO LEAVE.. RP IS OTS SECURITY
12008631	1/28/12 22:11	10851	CIVI		2007 GRY DODGE MAGNUM XXXXXXXXXX (LOC VIA DMV) RP SAID HE JUST MET SOME GUY AND HE ALLOWED HIM TO DRIVE HIS VEH TO THIS LOC SO RP COULD USE THE RESTROOM BEF THEY WENT OVER THE HILL TO "DO SOME BUSN" WHEN RP CAME OUT, UNK MALE THAT HE JUST MET WAS GONE WITH RPS VEH..... OCC SOMETIME DURING THE NIGHT 07 GRY DODGE MAGNUM LIC XXXXXXXXXX
12008717	1/29/12 8:39	10851	CIVI		
12009234	1/30/12 22:56	1059	XPAT		
12009256	1/31/12 1:30	96	VCOO	12001054	
12011363	2/6/12 22:29	VCOO	VCOO		
12011680	2/8/12 0:51		ATMC		

TOTAL # EVENTS 16

TOTAL # CASES 3

{EVENT_MAIN.ADDR_ST} = "DELTA FAIR BL" and
{EVENT_MAIN.ADDR_NUM} = "2962" and
{EVENT_MAIN.RCV_TIME} in DateTime (2011, 02, 16, 00, 00, 00) to DateTime (2012, 02, 15, 23, 59, 59)

h:\Crystal Reports\CFS Reports\InternetCafes\CFS-Syn-2962DFB.rpt

Report is based on unaudited CAD/RMS data at time of report generation.
Report for analysis purposes only - not for distribution - Law Enforcement Use Only

AGI
Page 1 of 1
A53 GT

CALLS FOR SERVICE
1908 A ST
8/20/11 - 12/31/11

PRINTED:2/16/2012

<u>EVENT#</u>	<u>RCV TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOP</u>
11077745	8/20/11 22:26	415UG	MSDS		HMA LSW RED HAT RED SHIRT IFO THROWING THINGS AT THE BUSN AND YELLING THAT HE IS GOING TO COME BACK AND HURT THE EMPS... PER RP THE BUSN JUST MOVED AND THEY ARE NOW AT 1908 A ST .. [REDACTED] CAME IN AS 1653 A ST .. WAS ADV TO CONTACT PHONE COMPANY TO CORRECT .. PLS HAVE OFCR CONFIRM ADDRESS WHEN 97
11078136	8/22/11 7:58		ACCN	11006858	
11086692	9/15/11 0:54	417	SUSC		OCCRD AT 19TH/ D ST
11089401	9/22/11 22:25	PTOW	PTOW		5 AGO ... MALE POINTED THE GUN AT RP AND COCKED IT
11090260	9/25/11 2:03	647F	DRUN	11007953	91 CHEV VAN WHI CALIC #4 [REDACTED] LEFT ON PREMISE W/O PERMISSION
11091081	9/27/11 18:19	95	NARC	11008041	IN SMOKING AREA IN THE BACK OF THE BLDG.. 1051 WF BLN HAIR LSW BLK SHIRT AND BLU JEANS REFUSING TO LEAVE.... ACTING VERY AGGRESSIVE
11094268	10/6/11 22:42	96	AUTR	11008369	
11094358	10/7/11 6:42	SUSP	SUPP		RP SAID POLICE WERE LOOKING FOR A MALE RE A 10851 VEH...RP SAID THE MALE IS BACK, WM YELLOW HAT, THIN BUILD....MALE RAN OFF WB ON W 20TH....NFI
11096757	10/14/11 1:32	94	WRNO	11008608	TRO ON W 20TH
11096763	10/14/11 1:54	96	MSNF	11008609	SEP INC FOR THE 96
11097174	10/15/11 5:09	SUSP	SUPP		[REDACTED] IS IFO T'S INTERNET IN MULTIPLE COLOR ZIP UP HOODIE, BLK PANTS, WHI SHOES. SUBJ SHOULD HAVE PC ON A 288 CASE
11098790	10/20/11 1:41	FINF	FINF		F/A ENRT FOR CUSTOMER FEELING ILL, SWELLING IN LEGS AND HANDS, SUFFERS FROM LUPIS, CONSCIOUS AND BREATHING
11098824	10/20/11 4:58	FINF	FINF		MALE 24YS POSS ASTHMA ATTACK, AWAKE
11098851	10/20/11 8:11		WRNO	11008857	
11100420	10/24/11 21:56		WRNO	11009027	
11100726	10/25/11 23:27	94	FIED		
11101053	10/27/11 2:40	SUSV	SUSC		RP RECVD INFO THAT HIS GIRLF [REDACTED] 37 YO LEFT IN A 10851 WHI HOND ACC WITH 3 BM'S AND ARE PARKED AT THE ABOVE BUSN - NFI
11101413	10/28/11 3:18	415V	DISC		TO THE REAR OF BUSN, 6 MALES ARGUING. RP CLAIMS SOMEONE HAS A GUN BUT WHEN QUESTIONED FURTHER MALE SAID HE DOESN'T KNOW AND HUNG UP
11101754	10/28/11 23:06	FINF	FINF		ANOTHER CALL OF ODOR OF NATURAL GAS..CONFIRE 49
11103379	11/2/11 19:06	415UG	SUSC		BELLIGERNT FEMALE ON 19TH SIDE OF STORE.. ASKED TO LEAVE SO SHES UPSET
11105196	11/8/11 20:34	94	SUSC		WFA WRG BABY BLUE TANK TOP
11105283	11/9/11 8:36	94	WRNO	11009540	BEH THE ABOVE
11106500	11/13/11 2:01	96	VCOO		X21, [REDACTED] HAT DK PLAID SWTER

<u>EVENT#</u>	<u>RCV TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOPSIS</u>
11109312	11/22/11 5:01	415UG	SRVC		BMA 20'S REFUSING TO LEAVE AFTER FALLING ASLEEP AT THE STATION AND RUNNING OUT OF MONEY/ TIME ON HIS ACCOUNT.. STILL SITTING AT A COMPUTER WRG BLK HOODED SWEATSHIRT
11110006	11/24/11 12:21	96	AUTR	11010069	
11110550	11/26/11 11:12	96	SUSC		PLOT
11111845	11/30/11 21:06	1059	HOOO		RP SAYS PATRONS FROM INTERNET CAFE ARE SMOKING HS BY THE DUMPSTER IN THE BACK PLOT.. RIGHT NOW MALE AND 2 FEMALES
11111949	12/1/11 8:54	94	WRNO		
11112557	12/2/11 22:01	UNK	SUSC		IN BACK PARKING LOT RP GOT A CALL FROM A SEC GUARD WHO IS 97 IN BACK PARKING LOT... SAID HE HAD SOMEONE IN CUFFS THEN THE PHONE DROPPED AND LINE WENT DEAD. RP IS 49 BUT REQUESTING PD ALSO
11113240	12/5/11 2:26	96	SUSC		
11116649	12/16/11 4:32		XPAT		
11118279	12/21/11 12:18		SUSC		
11119257	12/24/11 14:16		MSNF		
11120678	12/29/11 18:35	415	DRUN	11011304	

TOTAL # EVENTS 34

TOTAL # CASES 11

{EVENT_MAIN.ADDR_ST} = "A ST" and
 {EVENT_MAIN.ADDR_NUM} = "1908" and
 {EVENT_MAIN.RCV_TIME} in DateTime (2011, 08, 20, 00, 00, 00) to DateTime (2011, 12, 31, 23, 59, 59)

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CALLS FOR SERVICE

1653 A ST

9/1/10 - 8/31/11

PRINTED:2/16/2012

EVENT#	RCV TIME	CLASS	DISPO	CASE#	SYNOP
10089393	9/11/10 0:52	415F	ASLS		MALE AND FEMALE ON THE PHONE - BOTH SOUND INTOX OR ON H&S - SAYS PARKER, JOHN IS ON PAROLE AND GAVE THE FEMALE RP'S HUSB A LUMP ON HIS HEAD - AND NOW HE IS TRYING TO TAKE HIS VEH
10096584	9/30/10 22:35		NARC	10008553	
10096629	10/1/10 0:47	94	SUSC		
10103792	10/22/10 1:55		WRNO	10009178	
10110505	11/12/10 0:15	94	WRNO	10009842	
10111087	11/13/10 20:29	94	SUSC		
10112776	11/18/10 21:15	211A	ROBB	10010053	MALE W/BLK MASK, BLK HOODED SWEATSHIRT, BLK JEANS, JUST ROBBED MONEY FROM REGISTER, WAS ARMED W/SAW OFF SHOT GUN SHOT IT AT A CO WORKER, NO ONE HIT
10115832	11/28/10 19:36	488	THOF		IPOD STOLEN AND RP WANTS APD TO CK THEIR CAMERAS FOR THE RESP...OK TO SEND OFC PER C22
10116206	11/29/10 23:22	CIVI	CIVI		RP FOUND HER BLU PONT TRANSPORT VAN AT THE ABOVE LOCATION - RP SAYS HER DAUGHTER TOOK IT AND SHE IS STILL THERE - NOW A MALE IS THERE TRYING TO TAKE VEH FROM THE RP - VEH HAS DIABLO DEALER PAPER PLATES VIN: [REDACTED]
10116816	12/1/10 20:52	94	SUSC		
10116863	12/1/10 23:25	95	VCOO		
10118970	12/8/10 23:48	PROM	PCOO		3 TO 4 SHOTS HEARD, NOTHING SEEN - SECURITY HAS INFO
10125571	12/30/10 19:54	96	VCOO		
11002393	1/8/11 21:01	488	THOF		THEFT OF CELL PH BY UNK RESP E # GIVEN
11008727	1/28/11 20:56	94	MSDS		ON 3
11008803	1/29/11 0:39	95	NARC	11000809	BLK HOND NP
11010169	2/2/11 11:26	HOOO	HOOO		[REDACTED] WORKS AT LOC AND HIS GIRLFRIEND [REDACTED] ARE BUYING AND SELLING DRUGS AT LOC....SHE SAYS HE SOMETIMES "CHEEKS" HIS DRUGS.....UNK IF THEY ARE THERE NOW OR NOT...RP SAYS [REDACTED] HAS TRACK MARKS ALL OVER HIS ARMS BUT WEARS LONG SLEEVED SHIRTS TO COVER THEM UP
11010329	2/2/11 21:45	94	SUSC		
11010370	2/3/11 1:06	94	VCOO		
11013060	2/10/11 23:00	96	VCOO		
11015349	2/18/11 0:51	95	VCOO		
11015870	2/19/11 20:48		SUPP		
11015889	2/19/11 22:23	95	VCOO		

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 A56-64

<u>EVENT#</u>	<u>RCV TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOPSIS</u>
11016438	2/21/11 20:07	415F	MSDS		VERY LOUD VERBAL 2 HFS #1 WEARING PINK SHIRT GRY SWEATPANTS...
11016818	2/23/11 0:47	1059	XPAT		
11017471	2/25/11 1:47	95	NARC	11001604	
11020498	3/5/11 23:26	96	SUSC		
11023162	3/13/11 23:21	95	VCOO		
11024113	3/16/11 22:42	94	MSDS		
11025168	3/20/11 3:18	215	CARJ	11002337	10 AGO OCC NEAR AT 20TH/C RP JUST WALKED HERE TO CALL JAMIE UNK LAST NAME AND HER FRIEND HIT RP WITH A PIPE AND BBQ AN THEN TOOK RPS SIL FORD F350 KING CAB, UNK LIC REGISTERD TO [REDACTED] (RP NOT SURE OF SPELLING) MEDICAL REFUSED ALSO TOOK CELL [REDACTED]
11026661	3/25/11 1:59	FIRE	FDIC		VEH ON FIRE CUSTOMER INSIDE THE BUSN - NO ONE IN THE VEH / UNK WHAT HAPPENED.. XFERRED TO FIRE - ENR
11029305	4/1/11 23:32	94	SUPP		
11029757	4/3/11 2:34	95	VCOO		
11029765	4/3/11 3:00	95	VCOO		
11034055	4/16/11 2:20	95	VCOO		
11036122	4/21/11 21:46	96	SRVC		
11036157	4/21/11 23:31	96	PARK		
11036883	4/24/11 0:54	415	MALM		2 SUBJS CHASING EACH OTHER IN THE PARKING LOT, 1 IN A BLK NISS AND 1 IN A GREEN HONDA, PR ADV THE GREEN HONDA HIT A WHI CADI
11038848	4/29/11 23:58		PARK		
11038890	4/30/11 1:59	94	SUSC		
11041791	5/8/11 1:28		WRAN	11003794	
11043128	5/12/11 1:11	95	VCOO		
11043224	5/12/11 10:02	94	WRNO	11003932	
11043239	5/12/11 10:53	94	SUSC		
11043876	5/13/11 23:23	95	VCOO		
11044017	5/14/11 10:32	94	SUSC		
11045926	5/20/11 3:02	1059	NARC	11004182	
11048426	5/27/11 14:11	94	SUSC		
11049360	5/30/11 9:38	SUSV	SUSC		MALE DRIVING THRU THE PL SEVERAL TIMES IN A BLK DURANGO...LS PARKED TRO OF RITE AIDE DRIVER WM C4
11050187	6/1/11 22:40	96	PARK		

<u>EVENT#</u>	<u>RCV TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOP</u>
11050220	6/2/11 0:36	PARK	PARK		
11050899	6/3/11 20:30	PARK	PARK		
11062140	7/5/11 22:53	27SUB	SUSC		RECD INFO THAT PAROLEE AT LARGE IS AT THIS LOC...RESP IS [REDACTED] UNK DOB....RP HAS NFI. SUBJ IS NOT HIS PAROLEE AND HE HAS NFI.....NO BAIL CDC IN WPS W/4
11063231	7/9/11 0:40	94	SUSC		
11063642	7/10/11 2:41	314	EXPO		WF BLN HAIR ABOUT 24YO 504-505... STRIPPED DOWN NAKED IFO .. WAS WEARING A BLU MINI SKIRT.... FEM ARRIVED WITH A BM BLK HAT WHI SHIRT BLU SHORTS SAGGING BELOW HIS BUTTOCKS.. BOTH SUBJS HEAVILY INTOXICATED
11064952	7/14/11 1:57	10851R	AUTR	11005755	C5 ON UNOCCUPIED 10851
11065264	7/14/11 22:07	94	MSDS		94 ON 4
11065295	7/14/11 23:57	96	SUSC		
11067206	7/21/11 0:25	415	CARJ	11005954	SUBJ TRIED TO REPORT A GUY NAMED [REDACTED] JUST TOOK HIS VEH, BLK 2000 TOYT CAMRY LICTHEN 415 BROKE OUT OVER THE PHONE
11070675	7/31/11 10:26	95	SUPP		
11070676	7/31/11 10:32		AUTT	11006251	
11070678	7/31/11 10:38		AUTR		
11071782	8/3/11 20:09	HOOO	HOOO		ABOUT 6 SUBJS HANGING OUT IFO THE LOC, APPEAR TO BE USING HS
11071927	8/4/11 10:10	96	SUSC		
11072239	8/5/11 3:08	96	VCOO		
11073120	8/7/11 13:25	94	WRNO	11006430	WTH 1
11074887	8/12/11 18:11	94	SUSC		

TOTAL # EVENTS 67

TOTAL # CASES 14

{EVENT_MAIN.ADDR_NUM} = "1653" and
 {EVENT_MAIN.ADDR_ST} = "A ST" and
 {EVENT_MAIN.RCV_TIME} in DateTime (2010, 09, 01, 00, 00, 00) to DateTime (2011, 08, 31, 00, 00, 00)

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CALLS FOR SERVICE

1836 A ST

2/1/10 - 8/30/10

PRINTED:2/16/2012

EVENT#	RCV TIME	CLASS	DISPO	CASE#	SYNOPSIS
10016711	2/19/10 15:10	5150	AIDX		PURSE MISSING FROM THE BINGO HALL NEAR THIS LOC RP HAS NO MAILING ADDRESS OR HOME SAYS SHE IS HOMELESS AND OUT OF OR ALMOST OUT OF HER MEDS FOR BIPOLAR, SUICIDAL TENDENCIES... PURSE WAS BRO MED SIZE WITH RPS TEETH, MEDS AND CADBURY EGGS INSIDE
10019077	2/26/10 19:47	94	SUSC		W/2
10021601	3/6/10 0:29	94	WRNO	10002054	
10030328	3/31/10 9:46	CAT	CATC		
10032897	4/8/10 0:37	94	WRNO	10003164	INT CAFE
10033045	4/8/10 13:49	415L	MSDS		WM TRANSIENT IFO THE BUSN ASKING FOR MONEY, NOT BOTHERING ANYONE BUT RP WOULD LIKE HIM MOVED ALONG WEARING OLD GRN ARMY JKT
10034163	4/11/10 17:32	SUSP	SUSC		BMA APPROX 20 LSW BEANIE WHI/BLU/RED JACKET KEEPS COMING INTO BUSN ACTING SUSP LS WALKING TWDS A ST
10034675	4/13/10 11:49	415V	SUSC		UNCOOPERATIVE RP SAYING SOMEONE IS TRYING TO FIGHT HIM OVER MONEY HE OWES RESP IS WMA 18-19 YO LONG BLN HAIR BLK SHIRT BLU JEANS ARRIVED ON FOOT
10045265	5/12/10 23:37	96	SUSC		
10046344	5/15/10 18:29	488	THOF		RPS CELL PHONE STOLEN FROM A MALE ...RP THINKS HES ON THE VIDEO
10047837	5/19/10 23:03	96	SUSC		
10048541	5/21/10 23:31	10851R	AUTR	10004654	UNOCC'D 10851
10050612	5/27/10 20:36	95	VCOO		GRAY CELICA NO PLATES
10050627	5/27/10 21:26	95	VCOO		
10053703	6/4/10 20:35	95	AUTS	10005105	
10056437	6/11/10 23:50	SUPP	SUPP		RP ADV SUSP IN JOES LIQUORS INCIDENT YESTERDAY IS A BM, THIN WEARING GLASSES, 99 CENT ONLY BAGS IN HIS HANDS..SUBJ WALKING TWDS INTERNET CAFE...OFC KIDD WAS LOOKING FOR THIS SUBJ PER THE RP
10059069	6/19/10 1:21	94	ASLS		
10061397	6/24/10 23:04		NARC	10005669	
10061417	6/25/10 0:35	94	ATMC		
10064092	7/2/10 1:14	96	SUSC		
10066477	7/7/10 22:05	95	VCOO		
10071603	7/22/10 22:52	94	HOOO	10006488	
10071827	7/23/10 16:24	415D	ASLS	10006501	INSIDE BUSINESS MALE AND FEMALE YELLING AT EACH OTHER..NOW PHYSICAL..CAN HEAR THEM YELLING....BMA 27 YRS...506 180 LBS LONG SLEEVE GRY SHIRT.....BFA 30 YRS...BLK SHIRT...NO WEAPONS SEEN...NO INJURIES

<u>EVENT#</u>	<u>RCV TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOP</u>
10072022	7/24/10 1:21	96	VCOO		
10073649	7/28/10 22:01	96	SUSC		
10073978	7/29/10 21:25	94	PCOO		
10083767	8/26/10 22:12	94	VCOO		

TOTAL # EVENTS 27

TOTAL # CASES 7

{EVENT_MAIN.RCV_TIME} in DateTime (2010, 02, 01, 00, 00, 00) to DateTime (2010, 08, 30, 00, 00, 00) and
 {EVENT_MAIN.ADDR_NUM} = "1836" and
 {EVENT_MAIN.ADDR_ST} = "A ST"

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CALLS FOR SERVICE
2333 BUCHANAN RD #A
9/1/11 - 2/15/12

PRINTED:2/16/2012

<u>EVENT#</u>	<u>RCV TIME</u>	<u>CLASS</u>	<u>DISPO</u>	<u>CASE#</u>	<u>SYNOPSIS</u>
11085380	9/11/11 10:52	33A	ALAF		BUSN CAUGHT ON THE WEB POA FRONT DOOR/ FRONT MOTION 7787004
12003100	1/10/12 20:36	95	NARC	12000344	C4
12005356	1/18/12 1:58	PARK	VCOO		
12008958	1/30/12 4:44	96	LOIT		
12009252	1/31/12 1:18	96	SUSC		
12011679	2/8/12 0:35		VCOO		

TOTAL # EVENTS 6

TOTAL # CASES 1

{EVENT_MAIN.ADDR_NUM} = "2333" and
{EVENT_MAIN.RCV_TIME} in DateTime (2011, 09, 01, 00, 00, 00) to DateTime (2012, 02, 15, 23, 59, 59) and
{EVENT_MAIN.ADDR_APT} = "A" and
{EVENT_MAIN.ADDR_ST} = "BUCHANAN RD"

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Report is based on unaudited CAD/RMS data at time of report generation.
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Page 1 of 1
Aht 69

ATTACHMENT "H"

SWEEPSTAKES GAMES RULES:

1. Game Rules are pursuant to California Business and Professions Code Sections, 17539.5, 17539.15 (amended September 30, 2008), and 17539.55.
2. Lucky Symbols™ Sweepstakes game chances **CAN NOT BE PURCHASED OR SOLD.**
3. **THERE IS NO PURCHASE OR PAYMENT NECESSARY TO PLAY LUCKY SYMBOLS™ SWEEPSTAKES.**
4. Any person over the age of eighteen (18) may request a free sweepstakes game chance. No solicitation is required or implied with this free offer with regard to free sweepstake chances awarded in connection to the purchase of Internet Time Services. All game chances have the same "game chance" of winning a sweepstakes prize. Any person upon accepting a free sweepstakes game chance acknowledges and accepts the terms and conditions set forth in these Game Rules.
5. One free sweepstakes game chance per customer per business day is permitted inclusive of all participating Lucky Symbols™ Sweepstakes Game locations throughout the State of California. Legal name, current address, date of birth and phone number must be provided in writing to receive a free sweepstakes game chance. All personal information gathered will be kept confidential and will not be sold or used in any manner or condition other than to positively identify and keep record of all persons granted a free sweepstakes game chance.
6. All sweepstakes game prizes are redeemed and awarded on the same business. No exceptions considered or accepted. All unclaimed sweepstakes game prizes are considered forfeited by the player.
7. Sweepstakes Game Chances have no cash value and therefore cannot be sold or redeemed for cash or anything of value.
8. Sweepstakes Game Chances are obtained solely by the purchase of Internet Time Access to a live Browser web interlink site (s) on demand by the user. Internet Time Access is the only recognized tangible commodity sold and/or purchased.
9. Sweepstake Game Chances are offered for the purpose of promoting increased sales of Internet Time Services Access.
10. The following classes of persons are not eligible to participate in the free sweepstakes game chances: present or former employees or agents of any Internet Time Access location engaged in the sale of Internet Time Services and offers Sweepstakes Game Chances to promote increased sales of Internet Time Services Access to the general public.
11. All played and winning and redeemed Sweepstakes Game Chance receipts remain to be the property of the game operator.
12. Sweepstakes Game Chance participants agree to release and hold harmless the game sponsor, its officers, members, employees, attorneys, affiliated organizations and agents, as well as the owners of any participating locations, and said owners' directors, officers, members, employees, attorneys, affiliated organizations and agents, from any and all claims, demands, liabilities, costs, expenses, penalties, damages (including incidental, consequential and punitive damages), injuries, death, losses of any kind, including, without limitation, reasonable attorney's fees, arising from or in connection with or that may result from their acceptance or use of a prize, their participation in the Sweepstakes Game Chances. Game participants agree not to dispute or contest the Sweepstakes Game Chances winning or losing outcomes. Participants accept responsibility for all federal, state and local taxes on any Sweepstakes Game prizes awarded to the winners.

GAME PRIZES AND ODDS OF WINNING:

1. The number of prizes awarded and the total value of all prize awarded to win depends on the total number of Sweepstakes Game Chances played. The more game chances played increases the player's odds of winning a prize. Some game prize's ratio of win will make some prizes a more frequent winning prize. All prizes are eligible to be a winning prize for any player. All prizes are awarded as a cash prize. Face value of each game prize are represented by the actual cash prize award amount assigned to that specific and separate game prize award. Example: A \$20.00 game prize can be redeemed for a twenty dollar (\$20.00) cash prize.

All game prizes must be redeemed on the same business day and must be redeemed at the same Sweepstake: Game operator location. No exceptions considered or accepted.

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ATTACHMENT "I"

9-5.3816 MECHANICAL OR ELECTRONIC GAMES.

These are subject to the following regulations:

(A) Any proprietor owning or operating a business lawfully in existence on August 26, 1982, shall be deemed to have been issued a permit pursuant to this article, provided such proprietor, within 30 calendar days after said date, submits on a form prescribed by the City Manager a record of information on such existing business. No filing fee or permit fee shall be payable therefor. The provisions of this section shall apply to subsequent proprietors at the same location.

(B) Machines may be replaced without a change in such permit. In the event machines are added after August 26, 1982, to total more than three machines for the establishment, a use permit will be required under the provisions of this article.

(C) It shall be unlawful for any proprietor to install, operate, or maintain to be operated any mechanical or electronic game without first having obtained a use permit. The permit shall be conspicuously posted at the location of the games in the premises and shall not be removed during the period for which the license was issued. In cases where the mechanical or electronic games occupy more than 50% of the premises' customer floor space, or account for 50% or more of the premises' gross revenue, or where 10 or more such games are proposed, the use permit shall be referred to the Council for final approval pursuant to the provisions of this article. The use permit shall state the number of games, and the use of additional games shall require a new or modified use permit.

(D) No operator shall install or allow any mechanical or electronic game to be installed in any proprietor's place of business which game requires a permit as provided for in this article unless such proprietor has been issued such permit.

(E) Applicants for use permits shall undergo a background check by the Police Department. The permit may be denied if the applicant has been convicted of a crime which has relevance to the operation of the premises.

(F) No such use permit shall apply to any premises other than the location originally approved. Upon change of ownership, the new owner shall receive clearance from the Police Department; however, no other use permit proceedings shall be required for such transfer if the new owner received police clearance.

(G) The permit provided for in this article may be revoked or suspended as provided for in this chapter. In addition, the violation of any provision of this article shall be grounds for revocation or suspension.

(H) The following shall be considered as standard use permit conditions which can be used as the basis for use permit revocation or suspension:

- (1) There shall be adult supervision during the hours of operation.

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- (2) There shall be no minors consuming alcohol on the premises.
- (3) There shall be no use, sale, exchange, or presence of drugs or other illegal substances on the premises.
- (4) Patrons shall not become a nuisance to the properties within the immediate vicinity.

(I) It shall be unlawful for any proprietor of a mechanical or electronic game to cause, permit, or allow such game to be located, operated, or maintained to be operated within 1,000 feet of the nearest street entrance to or exit from any public playground or public or private school of elementary or high school grades, such distance to be measured from such entrance or exit in the most direct line or route on, along, or across such street or streets adjacent to such public playground or public or private school of elementary or high school grade. The restrictions established by this section shall not apply to businesses lawfully in existence and operating on August 26, 1982.

(J) It shall be unlawful for any proprietor or employee to allow any minor under 18 years of age to play or use any such games during the academic year for public schools in the city, except during school holidays and on Saturdays and Sundays, and between the hours of 7:00 a.m. and 10:00 p.m. on all days preceding school days and between 7:00 a.m. and 11:00 p.m. on all other days.

(K) This article shall not apply to the following:

- (1) Any operation involving three or fewer mechanical or electronic games, except where such games provide the main or primary source of income for the proprietor thereof;
- (2) The operation or maintenance of such games within recreational enterprises, such as bowling alleys or poolrooms, where a use permit has already been obtained; and
- (3) Premises or operations licensed by the Department of Alcoholic Beverage Control of the State for on-sale consumption of alcoholic beverages, excepting therefrom any such premises or operations which lawfully permit minors, such as bona fide public eating places.

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ATTACHMENT "J"



January 5, 2012

Will Beaubien
Beaubien Investment Group
One Market Street
Spear Tower, Suite 3600
San Francisco, CA 94105

Patricia Cooper-Simmons
T's Internet Café
3127 Sunflower Drive
Antioch, CA 94531

Re: **T's Internet Café**
522 West 2nd Street, Antioch (APN 066-051-006)

Dear Mr. Beaubien and Ms. Cooper-Simmons:

The City of Antioch understands that the business operating as T's Internet Café falls under the regulations contained in Section 9-5.3816 of the Antioch Municipal Code relating to Mechanical and Electronic Games, attached in its entirety. Subsection (I), pasted below, specifically regulates locations of said businesses. The building at 522 West 2nd Street, Antioch (APN 066-051-006) is located with 1,000 feet of a public school. Therefore, a Use Permit for Mechanical and Electronic gaming cannot be accepted and the use cannot be approved.

- (I) It shall be unlawful for any proprietor of a mechanical or electronic game to cause, permit, or allow such game to be located, operated, or maintained to be operated within 1,000 feet of the nearest street entrance to or exit from any public playground or public or private school of elementary or high school grades, such distance to be measured from such entrance or exit in the most direct line or route on, along, or across such street or streets adjacent to such public playground or public or private school of elementary or high school grade. The restrictions established by this section shall not apply to businesses lawfully in existence and operating on August 26, 1982.

Staff has observed contractors working at the above address without a Building Permit. A Stop Work Notice was given today. A Building Permit will not be issued for T's Internet Café as the use is not permitted.

I can be reached at 779.7038 or twehrmeister@ci.antioch.ca.us should you have questions.

Sincerely,

Tina Wehrmeister
Community Development Director

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NOTICE OF VIOLATION OF THE ANTIOCH MUNICIPAL CODE
MECHANICAL OR ELECTRONIC GAMES

January 10, 2012

Patricia Simons
Cot on the Web
2333 Buchanan Road, #A
Antioch, CA 94509

Patricia Simons
3127 Sunflower Drive
Antioch, CA 94531

Parcel No. 076-432-014
Address: 2333 Buchanan Road, #A, Antioch, CA

The City of Antioch understands that the business operating as Cot on the Web falls under the regulations contained in Section 9-5.3816 of the Antioch Municipal Code relating to Mechanical and Electronic Games, attached in its entirety. Section 9-5.3816(C) states:

It shall be unlawful for any proprietor to install, operate, or maintain to be operated any mechanical or electronic game without first having obtained a use permit.

The City does not have record of your business obtaining a Use Permit. You are required to submit a Use Permit application by January 30, 2012. An application is attached for your convenience.

The City is providing this one-time opportunity to voluntarily abate the above violation(s) and public nuisance without the need for the City to issue Administrative Citations, which carry fines that range from \$100 to \$1,000 for every day the violation(s) are permitted to remain and/or take other action to compel your compliance.

Thank you in advance for your cooperation in abating these violation(s). If you have any questions, you may contact me at (925) 779-7038 or twehrmeister@ci.antioch.ca.us.

Sincerely,

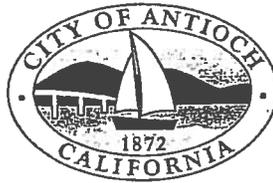
Tina Wehrmeister
Community Development Director

cc: June Patricia Smoot
Jeffery & Carolyn McClung

Community Development Department

P.O. Box 5007 • 200 H Street • Antioch, CA 94531-5007 • Tel: 925-779-7035 • Fax: 925-779-7034 • www.ci.antioch.ca.us

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Abb



NOTICE OF VIOLATION OF THE ANTIOCH MUNICIPAL CODE
MECHANICAL OR ELECTRONIC GAMES

James Hayes
Rapid Business Solutions
2962 Delta Fair Blvd
Antioch, CA 94509

January 18, 2012

Parcel No. 076-440-031
Address: 2962 Delta Fair Blvd., Antioch, CA

The City of Antioch understands that the business operating as Rapid Business Solutions falls under the regulations contained in Section 9-5.3816 of the Antioch Municipal Code relating to Mechanical and Electronic Games, attached in its entirety. Section 9-5.3816(C) states:

It shall be unlawful for any proprietor to install, operate, or maintain to be operated any mechanical or electronic game without first having obtained a use permit.

The City does not have record of your business obtaining a Use Permit. You are required to submit a Use Permit application by January 30, 2012. An application is attached for your convenience.

The City is providing this one-time opportunity to voluntarily abate the above violation(s) and public nuisance without the need for the City to issue Administrative Citations, which carry fines that range from \$100 to \$1,000 for every day the violation(s) are permitted to remain and/or take other action to compel your compliance.

Thank you in advance for your cooperation in abating these violation(s). If you have any questions, you may contact me at (925) 779-7038 or twehrmeister@ci.antioch.ca.us.

Sincerely,

Tina Wehrmeister
Community Development Director

cc: Chiu Family LLC

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ATTACHMENT "K"



GagenMcCoy

William E. Gagen, Jr.
Gregory L. McCoy
Patrick J. McMahon
Charles A. Koss
Michael J. Markowitz
Richard C. Raines
Barbara Duval Jewell
Robert M. Fanucci
Allan C. Moore
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Amanda Bevins
Martin Lysons
Lauren E. Dodge
Sarah S. Nix
Ross Pytlik
Brian P. Mulry
Amanda Beck

Of Counsel
Linn K. Coombs

The Law Offices of
Gagen, McCoy, McMahon, Koss
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A Professional Corporation

Danville Office
279 Front Street
P.O. Box 218
Danville, California 94526-0218
Telephone: (925) 837-0585
Fax: (925) 838-5985

February 6, 2012

Napa Valley Office
The Offices At Southbridge
1030 Main Street, Suite 212
St. Helena, California 94574
Telephone: (707) 963-0909
Fax: (707) 963-5527

Please Reply To:

Danville



By Email and Hand-Delivery
February 6, 2012
Board of Administrative Appeals
City of Antioch
Chair Frederick Rouse
c/o City Clerk
200 "H" Street
Antioch, CA 94509

Re: City Notice of Violation dated January 18, 2012
Rapid Business Solutions/2962 Delta Fair Boulevard, Antioch (APN 076-440-031)
Administrative Appeal

Dear Chair Rouse, Board members, and City Clerk:

Our office represents James Hayes, owner and operator of Rapid Business Solutions, located at 2962 Delta Fair Boulevard in Antioch (the Internet café), with regard to the City of Antioch's Notice of Violation dated January 18, 2012.

The City's Notice of Violation states that the business (Internet café) operating as Rapid Business Solutions falls within the City's Municipal Code at §9-5.3816, relating to "Mechanical and Electronic Games." The Notice of Violation states that the Internet café is therefore required to submit a Use Permit application by January 30, 2012.¹

¹ By email exchange, City staff extended the response date to February 6, 2012. Our office further held an informal meeting with Staff on February 2, 2012, and confirmed our Appeal or other response would be filed on/before February 6, 2012.

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Please consider this letter a Notice of Appeal of the administrative decision to take the proposed action. (We are filing this Notice of Appeal in anticipation of the City moving forward to take action as outlined in the City's Notice of Violation. If the City does not take such action, and/or if the City will work with us as outlined below, we will withdraw the Notice of Appeal.)

Mr. Hayes wants to work with the City and to continue to be a good neighbor to all adjacent businesses and the greater Antioch community. We understand and appreciate the City's desire to ensure that all businesses comply with the City's ordinances and do not create a nuisance, an increase in vandalism, or any similar land use impacts. We want to cooperate with the City on any such issue as it relates to the Internet café, including increased security, etc., and we will commit to working with the City.

Having stated the above, we hereby appeal the City's potential action (to require a Use Permit or to issue Administrative Citations), based on several grounds, including the following.

1. Applicability of §9-5.3816

The City's Municipal Code at §9-5.3816 is entitled "Mechanical or Electronic Games." Section (C) states as follows:

It shall be unlawful for any proprietor to install, operate or maintain any mechanical or electronic game without first having obtained a use permit . .

The City's Municipal Code defines "Mechanical or Electronic Games" in its Definitions section, at §9-5.203, as follows:

Any machine, apparatus, contrivance, appliance, or device which may be operated or played upon the placing or depositing therein of any coin, check, slug, ball, or any other article or device, or by paying therefore either in advance of or after use, involving in its use either skill or chance, including, but not limited to, a tape machine, pinball machine, bowling game machine, shuffleboard machine, marble game machine, horse racing machine, basketball game machine, baseball game machine, football game machine, electronic video game, or any other similar machine or device.

We note that §9-5.3816 as referenced above relates back to businesses operating as of August 26, 1982. At that time, there was no such thing as "Internet cafes" as they are known today. As set forth below, Internet cafes, Cybercafes and related businesses provide access to the Internet, which is recognized as an activity afforded special protection under the First Amendment.

February 6, 2012

Page 3

We do not believe the City's §9-5.3816 was intended to apply to the Internet, and we do not believe the business activities and facilities (including the computers and related facilities) of Mr. Hayes' Internet café fall within the definition of §9-5.203.

2. City Requirement for a Use Permit

The City's Notice of Violation indicates it intends to require that the subject ongoing business (the Internet café) obtain a Use Permit. The City's Municipal Code at §9-5.2703 (B)(1) requires certain findings for the issuance of a Use Permit, including:

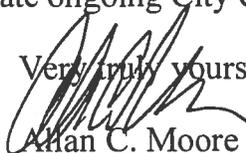
“That the granting of such [Use Permit] will not be detrimental to the public health or welfare ...”

California Appellate cases and authorities state that the discretion of local agencies to require an applicant to obtain a Use Permit is severely limited when First Amendment rights are implicated. This is particularly the case for businesses which provide access to the Internet.

In *Vo v. City of Garden Grove* (115 Cal. App. 4th 425 (2004)), the City of Garden Grove adopted an emergency interim ordinance and a moratorium against new CyberCafes. The ordinance required existing Cybercafes to apply for a Use Permit by a certain date. *The Court held such Use Permit requirement to be invalid.* In its decision, the Court noted that the City's Use Permit ordinance gave the City broad discretion to deny the Use Permit if the use impacts the “public health, safety or general welfare” (*the same criteria in the City of Antioch's ordinance*). The Court found that Garden Grove's Use Permit process gave the City too much discretion to restrict First Amendment rights.

For these and related reasons, we respectfully believe that the City should not impose a Use Permit requirement on Mr. Hayes' existing Internet cafe business. However, as noted above, we do want to work with the City with regard to reasonable steps we can agree on to address legitimate ongoing City concerns.

Very truly yours,



Allan C. Moore

cc: Tina Wehrmeister
Director of Community Development Department

Lynn Tracy Nerland
City Attorney

James Hayes

GAGEN, McCOY, McMAHON, KOSS, MARKOWITZ & RAINES
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
279 FRONT STREET
DANVILLE, CA 94526
PHONE (925) 837-0585

103540



90-2267-1211

2/6/2012

PAY Fifty & No/100 Dollars

50.00

GAGEN, McCOY, McMAHON, KOSS, MARKOWITZ & RAINES
TWO SIGNATURES REQUIRED OVER \$1,000.00 DOLLARS

AUTHORIZED SIGNATURE

TO THE
ORDER
OF
City of Antioch

⑈ 103546 ⑈ ⑆ 121122676 ⑆ 153453447705 ⑈

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1/23/11

I am appealing letter sent to Cot On The Web 2223a Buchanan rd Antioch CA 94509. It states that I need to get an arcade permit for the sale of internet time I am not a arcade in any way and do not sell anything but internet time.

Any questions

Patricia Simmons

925-209-8332

3127 Sunflower
Antioch CA 94531

Aeventtoremember@ComCast.Net

CITY OF ANTIOCH
925-779-7055

RECH: 00477860 1/24/2012 12:13 PM
OPER: FV3 TERM: 003
REF#:

TRAN: 132.0000 Other Sv Chg Copies
APPEAL FOR COT ON THE WEB
Other Service Chars 50.00CR

TENDERED: 50.00 CASH
APPLIED: 50.00-

CHANGE: 0.00



ORIGINAL

RECEIVED

JAN 24 2012

CITY OF ANTIOCH
CITY CLERK

A80
K5
A7Z

1-12-12

To: The city of Antioch

I Am Appealing letter received 1-5-12
by Tina Wehmeister stating my sales of
Internet Time/Phone Cards ARE Electronic
Games. T's internet cafe Does NOT sell
Any kind of Game At All. I Do NOT
feel A Electronic Game permit is needed
for T's internet cafe

RECEIVED

JAN 12 2012

CITY OF ANTIOCH
CITY CLERK

Thank
you

Patricia Simmons

T's internet cafe

925-209-8332

CITY OF ANTIOCH
925-779-7055

RECH: 00475867 1/12/2012 10:29 AM
OPER: FV3 TERM: 003
REF#:

TRAN: 132.0000 Other Sv Cha-Copies
PATRICIA SIMMONS
Other Service Chrg 50.00CR

TENDERED: 60.00 CASH
APPLIED: 50.00-

CHANGE: 10.00

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ATTACHMENT "B"

ORDINANCE NO. 2054-C-S

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH AMENDING TITLE 5 OF THE ANTIOCH MUNICIPAL CODE BY ADDING A NEW CHAPTER 11 PERTAINING TO THE LICENSING PROCEDURES AND REGULATIONS FOR COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

The City Council of the City of Antioch does ordain as follows:

SECTION 1. The City Council finds as follows:

A. The City Council of the City of Antioch is concerned with the increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

1. **B.** The City of Antioch, as well as neighboring cities, have experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows and as further described in attachments to the staff report: On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking

and other crimes, as well as on outstanding warrants. While some of these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.

6. At 2962 Delta Fair Boulevard, calls for service at that location and at neighboring businesses have increased from 109 to 259 over a twelve month period since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. The City Council of the City of Antioch finds that the activities of Computer Gaming and Internet Access Businesses have become frequently associated with detrimental impacts to the surrounding area.

E. The Antioch Municipal Code does not currently provide adequate standards and regulations concerning the review, approval and operation of Computer Gaming and Internet Access Businesses. Section 9-5.3816 pertaining to Mechanical or Electronic Games is at least 30 years old and does not specifically address regulations pertinent to Computer Gaming and Internet Access Businesses.

F. The City Council further finds that this Ordinance constitutes a matter of City-wide importance and is not directed towards nor targeted at any particular parcel of property, any particular business or any proposed occupant.

SECTION 2. Title 5 of the Antioch Municipal Code is hereby amended by the addition of a new Chapter 11, to read as follows:

"Chapter 11

COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

Sections:

<u>5-11.01</u>	Purpose.
<u>5-11.02</u>	Definitions.
<u>5-11.10</u>	Computer Gaming and Internet Access Business - License required.
<u>5-11.11</u>	Term of license.
<u>5-11.12</u>	Renewal of license.
<u>5-11.20</u>	License application and issuance.
<u>5-11.30</u>	Transfer of license.
<u>5-11.40</u>	Alterations to Computer Gaming and Internet Access Business.
<u>5-11.50</u>	License revocation.
<u>5-11.60</u>	Operational standards and regulations.
<u>5-11.70</u>	Abatement of nuisance.
<u>5-11.80</u>	Penalty.
<u>5-11.90</u>	License fees.

§ 5-11.01 Purpose.

It is the purpose and intent of this chapter to regulate Computer Gaming and Internet Access Businesses to promote the protection of the public from the dangers of fire and hazards to health, to ensure the full protection of minors, and for the general preservation of the peace and welfare of the community. It is the intent of the City to establish minimally intrusive protocols to provide reasonable accountability for computer gaming and internet access and use at Computer Gaming and Internet Access Businesses. The City finds such accountability to be reasonably necessary to minimize the risk of use of the computer and/or internet by persons at Computer Gaming and Internet Access Businesses for criminal purposes and to increase the opportunities for the safe apprehension of such persons patronizing Computer Gaming and Internet Businesses for criminal purposes, while recognizing rights of individuals to use the internet and Computer Gaming and Internet Access Businesses for legitimate purposes.

§ 5-11.02 Definitions.

A. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access

Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

B. "Public Use or Internet Learning Business" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

§ 5-11.10 Computer Gaming and Internet Access Businesses - License required.

It is unlawful for any person to engage in, conduct or carry on, in or upon any premises or real property located within the City, the activities of an Computer Gaming and Internet Access Business, unless such person has been granted a valid license pursuant to the provisions of this chapter. A separate license shall be required for each location within the City where a Computer Gaming and Internet Access Business is to be established. Public Use or Internet Learning Business shall be exempt from the license requirements herein.

§ 5-11.11 Term of license.

The term of a Computer Gaming and Internet Access Business license, unless sooner suspended or revoked, shall be one year.

§ 5-11.12 Renewal of license.

A Computer Gaming and Internet Access Business license, issued pursuant to the provisions of this chapter, that has not been suspended or revoked, may be renewed, upon payment of the renewal application fee, for a period not to exceed one year upon written application to the community development director made at least sixty (60) days prior to the expiration date of the current valid license. This application for renewal of a license shall contain all of the information required by Section § 5-11.20 of this chapter and shall be processed in accordance with the provisions of this chapter.

§ 5-11.20 License application and issuance.

A. Any person desiring to obtain a license or to renew an existing license to operate a Computer Gaming and Internet Access Business shall file a written application with the Community Development Director. The application shall be signed under the penalty of perjury. Prior to submitting the application, a nonrefundable fee, in an amount established by resolution of the City Council,

shall be paid to the City to defray the cost of the investigation and issuance required by this chapter. The license issuance or renewal fee required under this chapter shall be in addition to any other license or fee required under this code.

B. Neither the filing of an application for a license or renewal thereof nor payment of an application or renewal fee shall authorize the operation of a Computer Gaming and Internet Access Business until such license has been granted or renewed.

C. Each applicant for a Computer Gaming and Internet Access Business license or renewal thereof shall furnish the following information:

1. The present or proposed address where the business is to be conducted;
2. The full and true name under which the business will be conducted;
3. The full and true name and any other names used by the applicant and owner of the business, if the owner is not the applicant;
4. The applicant and owner's present residential and business addresses and telephone numbers;
5. Each residential and business address of the applicant and the owner for the five-year period immediately preceding the date of filing the application and the inclusive dates of each address;
6. The California driver's license or identification number of the applicant and owner;
7. A precise description of the activities and/or services to be provided;
8. A detailed site and floor plan of the proposed business, depicting the building and unit proposed and including interior dimensions and off-street parking spaces required by the city's zoning code;
9. A detailed description of the food and beverage service, if any, that will be offered to patrons;
10. The dates and hours during which the Computer Gaming and Internet Access Business is desired to be conducted and a list of the fees to be charged patrons;

11. The name(s) of the person(s) responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business;

12. A statement as to whether the applicant, owner, or any person to be responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business has, within the past five (5) years, had any permit or license issued in conjunction with a Computer Gaming and Internet Access Business in any jurisdiction, and whether during that period the license was suspended or revoked. If so, then the application shall provide the name of the issuing agency and an explanation of the suspension or revocation;

13. Signature of the property owner indicating approval of the submission of the license application; and

14. Such other information as the Community Development Director may require to discover the truth of the matters required to be set forth in the application.

D. The applicant shall present proof to the Community Development Director that the required application or application renewal fee has been paid, and shall present the application containing the information and supporting documentation required by subsection C of this section. A copy of the application shall be distributed to the City's Planning and Building Divisions, the Police Department and the Fire District for review.

E. When any change occurs regarding the written information required by subsection C of this section to be included in the application, the applicant or license holder, as the case may be, shall give written notification of such change to the Community Development Director within five (5) business days of such change.

F. The Community Development Director shall have a reasonable time, not to exceed thirty (30) days to investigate the facts set forth in the application and to receive comments from the City's Planning and Building Departments, the Police Department and the Fire District. The Community Development Director shall, within sixty (60) days after the date of the filing of the application, grant the license or renewal thereof only if it is found that all of the following requirements have been met:

1. The required fees have been paid;

2. The application and all information contained therein conform in all respects to the provisions of this chapter;

3. The applicant has not knowingly made a material misrepresentation of fact in the application;

4. The proposed Computer Gaming and Internet Access Business would comply with this chapter and all other applicable city, county and state laws including, but not limited to, health, zoning, fire and safety requirements and standards, and that, as proposed, the Computer Gaming and Internet Access Business would not generate criminal activities, present unnecessary criminal opportunities, or cause violations of curfews by minors due to failure to comply with Federal or State law or the Municipal Code including but not limited to Operational Standards set forth below ;

5. The applicant is at least eighteen (18) years of age;

6. The Computer Gaming and Internet Access Business site and floor plan have been reviewed by the City's Planning and Building Departments and the Police Department and Fire District, which have approved the same as well as all fire and panic safety equipment required to be installed; all requirements of the Americans with Disabilities Act have been satisfied; and that the maximum occupancy has been established, will be posted and will not likely be exceeded based on the floor plan; and,

7. The Community Development Director has not received evidence that the applicant has, within the previous five (5) years, had any license or entitlement to operate a Computer Gaming and Internet Access Business revoked due to the applicant's commission of a crime or violation of the operational standards or conditions of approval applicable to a Computer Gaming and Internet Access Business; provided, however, a Computer Gaming and Internet Access Business license may be granted subject to additional conditions designed to preclude a recurrence of the events or activities causing the prior license revocation.

G. If the Community Development Director does not find that all of the requirements of subsection F of this section have been met, the application shall be denied.

1. In the event that an application for a license or renewal thereof is denied, written notice of the denial shall be given to the applicant within sixty (60) days after the date of the filing of the application specifying the ground(s) of the denial and a description of the hearing rights provided by Section § 5-11.20(G)(2), below. Notice of denial of the application may be personally served or served by first-class postage prepaid and addressed to the applicant at the address set forth in the application. Mailed notice shall be deemed received three (3) days after mailing.

2. The decision of the Community Development Director may be appealed by filing a written notice requesting a hearing within ten (10) calendar days of the decision of the Community Development Director. The appeal may be heard by a Hearing Officer (for purposes of this section, the term Hearing Officer shall mean the City Manager or a Hearing Officer appointed by the City Manager) or by the Board of Administrative Appeals, pursuant to Chapter 4 of Title 1 of the Municipal Code.

a. The hearing shall be conducted within forty-five (45) days of the request.

b. The hearing shall be conducted under such rules of procedure as are appropriate to quasi-judicial proceedings, provided that the applicant and the City shall be entitled to present relevant evidence, testify under oath, and call witnesses who shall testify under oath. The Hearing Officer/Board of Administrative Appeals shall not be bound by the statutory rules of evidence in the hearing. The applicant shall have the burden of proof that the Community Development Director's determination was wrong. The hearing shall be recorded so that a transcript of the hearing can be prepared by either party.

c. At the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall decide whether the grounds for denial, revocation or non-renewal exist. Within ten (10) days after the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall file with the City Clerk, together with the recording of the hearing, a written decision supported by written findings based on the evidence submitted and a statement of the order. A copy of the decision shall be forwarded by certified mail, postage prepaid, to the applicant by the City Clerk. The decision of the Hearing Officer/Board of Administrative Appeals shall become effective three (3) days after its mailing to the applicant unless timely appealed as provided in the following Section.

H. The decision of the Hearing Officer or Board of Administrative Appeals shall be final unless appealed to the City Council by the filing of a written appeal with the City Clerk by the City Manager or member of the Council within ten (10) calendar days of mailing of the decision. All such appeals shall be filed with the City Clerk and shall be public records. The City Council shall, at a duly noticed meeting within forty-five (45) days from the date the written appeal was filed, independently review the entire record, including the recording or transcript of the hearing and any oral or written arguments which may be offered to the City Council by the appellant. At the conclusion of the review, a majority of the City Council members present may decide to sustain the decision, modify the decision, or order the decision stricken and issue such order as the City Council finds is supported by the entire record. The lack of a majority to take action means that the decision of the Hearing Officer or Board of Administrative Appeals remains in effect. The action of the City Council shall be final and

conclusive, shall be rendered in writing within ten days, and shall be immediately mailed or delivered to the applicant.

I. Notwithstanding any provisions in this chapter regarding the occurrence of any action within a specified period of time, the applicant may request additional time beyond that provided or may request a continuance regarding any decision or consideration by the City of the pending appeal. Extensions of time sought by applicants shall not be considered delay on the part of the City or constitute failure by the City to provide for prompt decisions on applications.

J. The time for a court challenge to a decision under this section is governed by California Code of Civil Procedure § 1094.8 and notice of the City's decision and its findings shall include citation to California Code of Civil Procedure § 1094.8.

§ 5-11.30 Transfer of license.

Unless prior application is made, thereafter approved, and a license issued thereon, upon the sale or transfer of any interest in a Computer Gaming and Internet Access Business, the license shall immediately become null and void. A new application must be made and a new fee paid by any person desiring to own or operate the Computer Gaming and Internet Access Business. Any application involving the sale or transfer of any interest in an existing Computer Gaming and Internet Access Business, as well as any license which may thereafter be granted, shall be subject to the provisions of this chapter.

§ 5-11.40 Alterations to Computer Gaming and Internet Access Businesses.

A. A holder of a valid Computer Gaming and Internet Access Business license shall notify the Community Development Director, in writing, of any proposed change in the business location, floor plan or business name at least thirty (30) days prior to such change.

B. Nothing in this section shall excuse the owner of a Computer Gaming and Internet Access Business from obtaining all other approvals necessary to change a location, floor plan or business name, including but not limited to building permits.

§ 5-11.50 License revocation.

A. If the City finds that any person holding an Computer Gaming and Internet Access Business license has violated or allowed the violation of any of the provisions of this chapter or has conducted business in a manner that could

have been grounds for license denial, the license may be revoked following notice and a hearing.

B. No revocation shall become effective until the license holder has been notified in writing of the right to a hearing pursuant to the provisions of section § 5-11.20(G) of this chapter. Notice of the pending revocation and right to appeal shall be given to the license holder either by personal delivery or registered mail, addressed to the license holder at the address set forth in the license application. Mailed notice shall be deemed received three (3) days after mailing.

C. If a request for hearing is filed within ten (10) calendar days from the notice provided in subsection B above, the City shall conduct an appeal hearing as provided in section § 5-11.20(G) H, I and J, above. The revocation shall be stayed pending the decision, unless, in the determination of the City Manager, immediate suspension pending the hearing is necessary due to an immediate threat to the public health, safety or welfare. Otherwise, the revocation shall become effective upon expiration of the appeal period.

§ 5-11.60 Operational standards and regulations.

A. Prohibitions regarding Minors.

1. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during any time that he or she is required to be in attendance at school unless accompanied by a parent or legal guardian.

2. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during the hours of the Juvenile Protection Curfew of 11:01 p.m. through 5:00 a.m. seven nights a week, pursuant to Article 2 of Chapter 10 of Title 5 of the Antioch Municipal Code.

3. Signs shall be placed at the entrance of the business and inside the business setting forth these restrictions in lettering of at least two (2) inches in size.

B. Hours of Operation. The Computer Gaming and Internet Access Business shall not be open to customers, patrons or any member of the public between the hours of 12:00 a.m. and 8:00 a.m. on Friday, Saturday and Sunday or between the hours of 11:00 p.m. and 8:00 a.m. Monday through Thursday.

C. Interior Waiting Area. An interior waiting area with not less than five (5) seats shall be provided for customers waiting to use a computer. The number of seats shall be increased by one (1) for every five (5) additional

computers beyond twenty-five (25) computers in the business. No outside waiting or seating area is permitted.

D. No Smoking or Consumption of Alcoholic Beverages. No person shall be permitted to smoke or consume alcoholic beverages on the inside of the premises. The sale of cigarettes and alcohol on the premises is prohibited. No intoxicated or disorderly person shall be allowed to remain on the premises.

E. Staffing. Employees shall be at least 18 years of age. There shall be a minimum of two (2) employees staffing the Computer Gaming and Internet Access Business during all working hours with at least one manager or supervisor. The ratio of employees to computers and/or other electronic devices that access the internet shall be 2:40. During each employee's working hours, the employee shall wear a badge identifying the business and the employee's name. Security personnel indicated in Section below shall not be included in this minimum staffing number.

F. Occupancy. Occupancy shall not exceed that required under the Uniform Building Code and Uniform Fire Code. The maximum occupancy load shall be posted at the main entrance.

G. Surveillance System.

1. The Chief of Police may require a Computer Gaming and Internet Access Business operator to install a digital camera/video surveillance system on the premises in the event there are or have been repeated calls for police services relating to the premises including, but not limited to, assaults, public intoxication, vandalism, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. In the event of such a determination, the establishment shall maintain and operate a camera/video surveillance system during all business hours. The system shall cover the entire interior of the premises and all entrances to and exits from the establishment. Tapes/disks shall be kept a minimum of fourteen (14) calendar days, or as required by the Chief of Police. The owner shall permit a representative of the Police Department's office to inspect the tapes/disks during business hours.

3. A sign shall be posted inside and at the entrances to the establishment indicating that the premises are under camera/video surveillance.

H. Window Coverings. Window areas shall not be covered, tinted or made opaque in any way, or obscured in any way by landscaping, floor displays, equipment or the like, excepting during daylight hours when partial blinds or other equivalent window coverings may be used as long as the interior remains visible from the public right of way.

I. Security Guards.

1. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to provide a security guard(s) on the premises in the event there are repeated calls for police services relating to the premises including, but not limited to, assaults, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. The Chief of Police may require security guards to be uniformed and be employed by a Private Patrol Operator that is currently licensed with the California Department of Consumer Affairs. The name of the Patrol Operator with state license number and the guard registration numbers shall be provided to the Community Development Department. Any changes to the Patrol Operator shall be approved by the Police Chief at least two working days prior to Patrol Operator taking over security at the business.

3. The Chief of Police may require security guards to also patrol the exterior of the business and any parking lot areas.

4. The Chief of Police may require more than one security guard if there are more than fifteen (15) computers or similar devices or continued repeated calls for service indicate that one security guard is not adequate.

J. No Adult Entertainment Business or Adult Boutique. Any access to adult entertainment oriented web sites, as defined in section 9-5.203 of this code, is prohibited unless specifically permitted under sections 9-5.3808 or 9-5.3808.1 of this code.

K. No Other Amusement Devices. No pool tables or other amusement devices not directly related to the internet and similar computer devices shall be permitted in the business.

L. No Tournaments. No gaming tournaments for cash prizes deemed to be gambling under the provisions of State Law shall be permitted.

M. Interior Signs. User rates and other fees must be conspicuously posted on the premises.

N. No Illegal Gambling. Under no circumstances shall electronic game machines, which include computers and other amusement devices, be used for illegal gaming or gambling. The applicant shall be responsible for ensuring customers do not use any electronic game machine for illegal gaming or gambling.

O. No Litter. The applicant shall provide adequate trash receptacles both inside and outside of the building. The applicant shall keep the outside of the business, including the parking lot, free of litter, trash and debris.

P. No Private Rooms. Any individual computer use area within the business shall be visible from a public portion of the Computer Gaming and Internet Access Business, and shall not be obscured by any door, curtain, wall, two-way mirror or other device which would prohibit a person from seeing the entire interior of the computer use area. Further, no one shall maintain any individual viewing area in any configuration unless the entire interior wherein the computer that is being used is visible to staff and customers. No doors are permitted on an individual viewing area. No partially or fully enclosed individual viewing areas or partially or fully concealed individual viewing areas shall be maintained.

Q. Alarm System. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to install an alarm system that distinguishes between a burglary and a robbery. The system shall monitor twenty-four hours per day. All public entrance and exit doors to the business shall have electronic monitoring system that produce a sound when a person transverses the doorway. If required by the Chief of Police, the system shall be electronically connected with the police department if activated.

R. Number of Computers. The number of computers or similar devices in a Computer Gaming and Internet Access Business shall not exceed thirty square feet of floor area per computer of the floor area that is dedicated to the placement of computers for rent or charge.

§ 5-11.70 Abatement of nuisance.

Any Computer Gaming and Internet Access Business operated, conducted or maintained contrary to the provisions of this chapter shall be and hereby is declared to be unlawful and a public nuisance, and the City may, in addition to or in lieu of any other remedy, commence an action or proceeding for the abatement, removal or enjoyment thereof, and may take such other steps and may apply to such court or courts as may have jurisdiction to grant such relief to abate or remove such establishment and restrain and enjoin any person from operating, conducting or maintaining a Computer Gaming and Internet Access Business contrary to the provisions of this chapter.

§ 5-11.90 Penalty.

It shall be unlawful for any person to violate any provision or to fail to comply with any of the requirements of this chapter. Any person violating, permitting or causing the violation of this chapter shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished as set forth in

section 1-2.01 of this code, or any successor provision thereto. Each person shall be deemed guilty of a separate offense for each and every day, or any portion thereof, during which any violation of any provision of this chapter is committed, continued or permitted by such person and shall be deemed punishable therefore as provided in this section.

§ 5-11.90 License fees.

The City Council shall, by resolution, set a fee for application for a Computer Gaming and Internet Access Business license. Until such fee is set, the application fee shall be the minimum fee currently established for the application extension fee in the City's Master Fee Schedule."

SECTION 3. Compliance for Existing Business; Time. It is the desire and intent of the City Council that any and all existing and legal Computer Gaming and Internet Access Businesses come into compliance with the terms of this Ordinance as rapidly as possible and that all applications, review and decisions be processed on an expedited basis. Within fourteen (14) calendar days of the effective date of this ordinance, every existing Computer Gaming and Internet Access Business shall file a statement with the Community Development Director evidencing its compliance with all provisions of this chapter and providing all information as provided in § 5-11.20. The review and determination of the Community Development Director shall be provided within fourteen (14) days of the filing of the application. In the event that the license requires the installation of improvements at the business (e.g., lighting, surveillance, etc) all such improvements shall be installed per a schedule agreed by the Community Development Director; however, not to exceed twenty-one (21) days following the determination of the Community Development Director on the license application.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 16061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This Ordinance shall take effect thirty (30) days after adoption as provided by Government Code Section.

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SECTION 7. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I **HEREBY CERTIFY** that the foregoing Ordinance was introduced on 28th day of February, 2012 and adopted at a regular meeting of the City Council of the City of Antioch on the 13th day of March, 2012, by the following vote:

AYES: Council Members Rocha, Agopian and Mayor Pro Tem Harper

NOES: Council Member Kalinowski

ABSENT: Mayor Davis

ABSTAIN: None

/s/ WADE HARPER

Mayor Pro Tem of the City of Antioch

ATTEST:

/s/ DENISE SKAGGS

Denise Skaggs, City Clerk of the City of Antioch

A96
B15

ATTACHMENT "B"

ORDINANCE NO. 2054-C-S

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH AMENDING TITLE 5 OF THE ANTIOCH MUNICIPAL CODE BY ADDING A NEW CHAPTER 11 PERTAINING TO THE LICENSING PROCEDURES AND REGULATIONS FOR COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

The City Council of the City of Antioch does ordain as follows:

SECTION 1. The City Council finds as follows:

A. The City Council of the City of Antioch is concerned with the increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

1. B. The City of Antioch, as well as neighboring cities, have experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows and as further described in attachments to the staff report: On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking

and other crimes, as well as on outstanding warrants. While some of these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.

6. At 2962 Delta Fair Boulevard, calls for service at that location and at neighboring businesses have increased from 109 to 259 over a twelve month period since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 over a 7-month period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. The City Council of the City of Antioch finds that the activities of Computer Gaming and Internet Access Businesses have become frequently associated with detrimental impacts to the surrounding area.

E. The Antioch Municipal Code does not currently provide adequate standards and regulations concerning the review, approval and operation of Computer Gaming and Internet Access Businesses. Section 9-5.3816 pertaining to Mechanical or Electronic Games is at least 30 years old and does not specifically address regulations pertinent to Computer Gaming and Internet Access Businesses.

F. The City Council further finds that this Ordinance constitutes a matter of City-wide importance and is not directed towards nor targeted at any particular parcel of property, any particular business or any proposed occupant.

SECTION 2. Title 5 of the Antioch Municipal Code is hereby amended by the addition of a new Chapter 11, to read as follows:

"Chapter 11"

COMPUTER GAMING AND INTERNET ACCESS BUSINESSES

Sections:

<u>5-11.01</u>	Purpose.
<u>5-11.02</u>	Definitions.
<u>5-11.10</u>	Computer Gaming and Internet Access Business - License required.
<u>5-11.11</u>	Term of license.
<u>5-11.12</u>	Renewal of license.
<u>5-11.20</u>	License application and issuance.
<u>5-11.30</u>	Transfer of license.
<u>5-11.40</u>	Alterations to Computer Gaming and Internet Access Business.
<u>5-11.50</u>	License revocation.
<u>5-11.60</u>	Operational standards and regulations.
<u>5-11.70</u>	Abatement of nuisance.
<u>5-11.80</u>	Penalty.
<u>5-11.90</u>	License fees.

§ 5-11.01 Purpose.

It is the purpose and intent of this chapter to regulate Computer Gaming and Internet Access Businesses to promote the protection of the public from the dangers of fire and hazards to health, to ensure the full protection of minors, and for the general preservation of the peace and welfare of the community. It is the intent of the City to establish minimally intrusive protocols to provide reasonable accountability for computer gaming and internet access and use at Computer Gaming and Internet Access Businesses. The City finds such accountability to be reasonably necessary to minimize the risk of use of the computer and/or internet by persons at Computer Gaming and Internet Access Businesses for criminal purposes and to increase the opportunities for the safe apprehension of such persons patronizing Computer Gaming and Internet Businesses for criminal purposes, while recognizing rights of individuals to use the internet and Computer Gaming and Internet Access Businesses for legitimate purposes.

§ 5-11.02 Definitions.

A. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access

Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

B. "Public Use or Internet Learning Business" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

§ 5-11.10 Computer Gaming and Internet Access Businesses - License required.

It is unlawful for any person to engage in, conduct or carry on, in or upon any premises or real property located within the City, the activities of an Computer Gaming and Internet Access Business, unless such person has been granted a valid license pursuant to the provisions of this chapter. A separate license shall be required for each location within the City where a Computer Gaming and Internet Access Business is to be established. Public Use or Internet Learning Business shall be exempt from the license requirements herein.

§ 5-11.11 Term of license.

The term of a Computer Gaming and Internet Access Business license, unless sooner suspended or revoked, shall be one year.

§ 5-11.12 Renewal of license.

A Computer Gaming and Internet Access Business license, issued pursuant to the provisions of this chapter, that has not been suspended or revoked, may be renewed, upon payment of the renewal application fee, for a period not to exceed one year upon written application to the community development director made at least sixty (60) days prior to the expiration date of the current valid license. This application for renewal of a license shall contain all of the information required by Section § 5-11.20 of this chapter and shall be processed in accordance with the provisions of this chapter.

§ 5-11.20 License application and issuance.

A. Any person desiring to obtain a license or to renew an existing license to operate a Computer Gaming and Internet Access Business shall file a written application with the Community Development Director. The application shall be signed under the penalty of perjury. Prior to submitting the application, a nonrefundable fee, in an amount established by resolution of the City Council,

shall be paid to the City to defray the cost of the investigation and issuance required by this chapter. The license issuance or renewal fee required under this chapter shall be in addition to any other license or fee required under this code.

B. Neither the filing of an application for a license or renewal thereof nor payment of an application or renewal fee shall authorize the operation of a Computer Gaming and Internet Access Business until such license has been granted or renewed.

C. Each applicant for a Computer Gaming and Internet Access Business license or renewal thereof shall furnish the following information:

1. The present or proposed address where the business is to be conducted;
2. The full and true name under which the business will be conducted;
3. The full and true name and any other names used by the applicant and owner of the business, if the owner is not the applicant;
4. The applicant and owner's present residential and business addresses and telephone numbers;
5. Each residential and business address of the applicant and the owner for the five-year period immediately preceding the date of filing the application and the inclusive dates of each address;
6. The California driver's license or identification number of the applicant and owner;
7. A precise description of the activities and/or services to be provided;
8. A detailed site and floor plan of the proposed business, depicting the building and unit proposed and including interior dimensions and off-street parking spaces required by the city's zoning code;
9. A detailed description of the food and beverage service, if any, that will be offered to patrons;
10. The dates and hours during which the Computer Gaming and Internet Access Business is desired to be conducted and a list of the fees to be charged patrons;

11. The name(s) of the person(s) responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business;

12. A statement as to whether the applicant, owner, or any person to be responsible for the operation, management, and supervision of the Computer Gaming and Internet Access Business has, within the past five (5) years, had any permit or license issued in conjunction with a Computer Gaming and Internet Access Business in any jurisdiction, and whether during that period the license was suspended or revoked. If so, then the application shall provide the name of the issuing agency and an explanation of the suspension or revocation;

13. Signature of the property owner indicating approval of the submission of the license application; and

14. Such other information as the Community Development Director may require to discover the truth of the matters required to be set forth in the application.

D. The applicant shall present proof to the Community Development Director that the required application or application renewal fee has been paid, and shall present the application containing the information and supporting documentation required by subsection C of this section. A copy of the application shall be distributed to the City's Planning and Building Divisions, the Police Department and the Fire District for review.

E. When any change occurs regarding the written information required by subsection C of this section to be included in the application, the applicant or license holder, as the case may be, shall give written notification of such change to the Community Development Director within five (5) business days of such change.

F. The Community Development Director shall have a reasonable time, not to exceed thirty (30) days to investigate the facts set forth in the application and to receive comments from the City's Planning and Building Departments, the Police Department and the Fire District. The Community Development Director shall, within sixty (60) days after the date of the filing of the application, grant the license or renewal thereof only if it is found that all of the following requirements have been met:

1. The required fees have been paid;

2. The application and all information contained therein conform in all respects to the provisions of this chapter;

3. The applicant has not knowingly made a material misrepresentation of fact in the application;

4. The proposed Computer Gaming and Internet Access Business would comply with this chapter and all other applicable city, county and state laws including, but not limited to, health, zoning, fire and safety requirements and standards, and that, as proposed, the Computer Gaming and Internet Access Business would not generate criminal activities, present unnecessary criminal opportunities, or cause violations of curfews by minors due to failure to comply with Federal or State law or the Municipal Code including but not limited to Operational Standards set forth below ;

5. The applicant is at least eighteen (18) years of age;

6. The Computer Gaming and Internet Access Business site and floor plan have been reviewed by the City's Planning and Building Departments and the Police Department and Fire District, which have approved the same as well as all fire and panic safety equipment required to be installed; all requirements of the Americans with Disabilities Act have been satisfied; and that the maximum occupancy has been established, will be posted and will not likely be exceeded based on the floor plan; and,

7. The Community Development Director has not received evidence that the applicant has, within the previous five (5) years, had any license or entitlement to operate a Computer Gaming and Internet Access Business revoked due to the applicant's commission of a crime or violation of the operational standards or conditions of approval applicable to a Computer Gaming and Internet Access Business; provided, however, a Computer Gaming and Internet Access Business license may be granted subject to additional conditions designed to preclude a recurrence of the events or activities causing the prior license revocation.

G. If the Community Development Director does not find that all of the requirements of subsection F of this section have been met, the application shall be denied.

1. In the event that an application for a license or renewal thereof is denied, written notice of the denial shall be given to the applicant within sixty (60) days after the date of the filing of the application specifying the ground(s) of the denial and a description of the hearing rights provided by Section § 5-11.20(G)(2), below. Notice of denial of the application may be personally served or served by first-class postage prepaid and addressed to the applicant at the address set forth in the application. Mailed notice shall be deemed received three (3) days after mailing.

2. The decision of the Community Development Director may be appealed by filing a written notice requesting a hearing within ten (10) calendar days of the decision of the Community Development Director. The appeal may be heard by a Hearing Officer (for purposes of this section, the term Hearing Officer shall mean the City Manager or a Hearing Officer appointed by the City Manager) or by the Board of Administrative Appeals, pursuant to Chapter 4 of Title 1 of the Municipal Code.

a. The hearing shall be conducted within forty-five (45) days of the request.

b. The hearing shall be conducted under such rules of procedure as are appropriate to quasi-judicial proceedings, provided that the applicant and the City shall be entitled to present relevant evidence, testify under oath, and call witnesses who shall testify under oath. The Hearing Officer/Board of Administrative Appeals shall not be bound by the statutory rules of evidence in the hearing. The applicant shall have the burden of proof that the Community Development Director's determination was wrong. The hearing shall be recorded so that a transcript of the hearing can be prepared by either party.

c. At the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall decide whether the grounds for denial, revocation or non-renewal exist. Within ten (10) days after the conclusion of the hearing, the Hearing Officer/Board of Administrative Appeals shall file with the City Clerk, together with the recording of the hearing, a written decision supported by written findings based on the evidence submitted and a statement of the order. A copy of the decision shall be forwarded by certified mail, postage prepaid, to the applicant by the City Clerk. The decision of the Hearing Officer/Board of Administrative Appeals shall become effective three (3) days after its mailing to the applicant unless timely appealed as provided in the following Section.

H. The decision of the Hearing Officer or Board of Administrative Appeals shall be final unless appealed to the City Council by the filing of a written appeal with the City Clerk by the City Manager or member of the Council within ten (10) calendar days of mailing of the decision. All such appeals shall be filed with the City Clerk and shall be public records. The City Council shall, at a duly noticed meeting within forty-five (45) days from the date the written appeal was filed, independently review the entire record, including the recording or transcript of the hearing and any oral or written arguments which may be offered to the City Council by the appellant. At the conclusion of the review, a majority of the City Council members present may decide to sustain the decision, modify the decision, or order the decision stricken and issue such order as the City Council finds is supported by the entire record. The lack of a majority to take action means that the decision of the Hearing Officer or Board of Administrative Appeals remains in effect. The action of the City Council shall be final and

conclusive, shall be rendered in writing within ten days, and shall be immediately mailed or delivered to the applicant.

I. Notwithstanding any provisions in this chapter regarding the occurrence of any action within a specified period of time, the applicant may request additional time beyond that provided or may request a continuance regarding any decision or consideration by the City of the pending appeal. Extensions of time sought by applicants shall not be considered delay on the part of the City or constitute failure by the City to provide for prompt decisions on applications.

J. The time for a court challenge to a decision under this section is governed by California Code of Civil Procedure § 1094.8 and notice of the City's decision and its findings shall include citation to California Code of Civil Procedure § 1094.8.

§ 5-11.30 Transfer of license.

Unless prior application is made, thereafter approved, and a license issued thereon, upon the sale or transfer of any interest in a Computer Gaming and Internet Access Business, the license shall immediately become null and void. A new application must be made and a new fee paid by any person desiring to own or operate the Computer Gaming and Internet Access Business. Any application involving the sale or transfer of any interest in an existing Computer Gaming and Internet Access Business, as well as any license which may thereafter be granted, shall be subject to the provisions of this chapter.

§ 5-11.40 Alterations to Computer Gaming and Internet Access Businesses.

A. A holder of a valid Computer Gaming and Internet Access Business license shall notify the Community Development Director, in writing, of any proposed change in the business location, floor plan or business name at least thirty (30) days prior to such change.

B. Nothing in this section shall excuse the owner of a Computer Gaming and Internet Access Business from obtaining all other approvals necessary to change a location, floor plan or business name, including but not limited to building permits.

§ 5-11.50 License revocation.

A. If the City finds that any person holding an Computer Gaming and Internet Access Business license has violated or allowed the violation of any of the provisions of this chapter or has conducted business in a manner that could

have been grounds for license denial, the license may be revoked following notice and a hearing.

B. No revocation shall become effective until the license holder has been notified in writing of the right to a hearing pursuant to the provisions of section § 5-11.20(G) of this chapter. Notice of the pending revocation and right to appeal shall be given to the license holder either by personal delivery or registered mail, addressed to the license holder at the address set forth in the license application. Mailed notice shall be deemed received three (3) days after mailing.

C. If a request for hearing is filed within ten (10) calendar days from the notice provided in subsection B above, the City shall conduct an appeal hearing as provided in section § 5-11.20(G) H, I and J, above. The revocation shall be stayed pending the decision, unless, in the determination of the City Manager, immediate suspension pending the hearing is necessary due to an immediate threat to the public health, safety or welfare. Otherwise, the revocation shall become effective upon expiration of the appeal period.

§ 5-11.60 Operational standards and regulations.

A. Prohibitions regarding Minors.

1. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during any time that he or she is required to be in attendance at school unless accompanied by a parent or legal guardian.

2. Minors (under 18 years of age), unless legally emancipated, shall not be permitted to enter or remain in a Computer Gaming and Internet Access Business during the hours of the Juvenile Protection Curfew of 11:01 p.m. through 5:00 a.m. seven nights a week, pursuant to Article 2 of Chapter 10 of Title 5 of the Antioch Municipal Code.

3. Signs shall be placed at the entrance of the business and inside the business setting forth these restrictions in lettering of at least two (2) inches in size.

B. Hours of Operation. The Computer Gaming and Internet Access Business shall not be open to customers, patrons or any member of the public between the hours of 12:00 a.m. and 8:00 a.m. on Friday, Saturday and Sunday or between the hours of 11:00 p.m. and 8:00 a.m. Monday through Thursday.

C. Interior Waiting Area. An interior waiting area with not less than five (5) seats shall be provided for customers waiting to use a computer. The number of seats shall be increased by one (1) for every five (5) additional

computers beyond twenty-five (25) computers in the business. No outside waiting or seating area is permitted.

D. No Smoking or Consumption of Alcoholic Beverages. No person shall be permitted to smoke or consume alcoholic beverages on the inside of the premises. The sale of cigarettes and alcohol on the premises is prohibited. No intoxicated or disorderly person shall be allowed to remain on the premises.

E. Staffing. Employees shall be at least 18 years of age. There shall be a minimum of two (2) employees staffing the Computer Gaming and Internet Access Business during all working hours with at least one manager or supervisor. The ratio of employees to computers and/or other electronic devices that access the internet shall be 2:40. During each employee's working hours, the employee shall wear a badge identifying the business and the employee's name. Security personnel indicated in Section below shall not be included in this minimum staffing number.

F. Occupancy. Occupancy shall not exceed that required under the Uniform Building Code and Uniform Fire Code. The maximum occupancy load shall be posted at the main entrance.

G. Surveillance System.

1. The Chief of Police may require a Computer Gaming and Internet Access Business operator to install a digital camera/video surveillance system on the premises in the event there are or have been repeated calls for police services relating to the premises including, but not limited to, assaults, public intoxication, vandalism, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. In the event of such a determination, the establishment shall maintain and operate a camera/video surveillance system during all business hours. The system shall cover the entire interior of the premises and all entrances to and exits from the establishment. Tapes/disks shall be kept a minimum of fourteen (14) calendar days, or as required by the Chief of Police. The owner shall permit a representative of the Police Department's office to inspect the tapes/disks during business hours.

3. A sign shall be posted inside and at the entrances to the establishment indicating that the premises are under camera/video surveillance.

H. Window Coverings. Window areas shall not be covered, tinted or made opaque in any way, or obscured in any way by landscaping, floor displays, equipment or the like, excepting during daylight hours when partial blinds or other equivalent window coverings may be used as long as the interior remains visible from the public right of way.

I. Security Guards.

1. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to provide a security guard(s) on the premises in the event there are repeated calls for police services relating to the premises including, but not limited to, assaults, gang activity, weapons offenses, disturbances of the peace and juvenile crimes including truancy.

2. The Chief of Police may require security guards to be uniformed and be employed by a Private Patrol Operator that is currently licensed with the California Department of Consumer Affairs. The name of the Patrol Operator with state license number and the guard registration numbers shall be provided to the Community Development Department. Any changes to the Patrol Operator shall be approved by the Police Chief at least two working days prior to Patrol Operator taking over security at the business.

3. The Chief of Police may require security guards to also patrol the exterior of the business and any parking lot areas.

4. The Chief of Police may require more than one security guard if there are more than fifteen (15) computers or similar devices or continued repeated calls for service indicate that one security guard is not adequate.

J. No Adult Entertainment Business or Adult Boutique. Any access to adult entertainment oriented web sites, as defined in section 9-5.203 of this code, is prohibited unless specifically permitted under sections 9-5.3808 or 9-5.3808.1 of this code.

K. No Other Amusement Devices. No pool tables or other amusement devices not directly related to the internet and similar computer devices shall be permitted in the business.

L. No Tournaments. No gaming tournaments for cash prizes deemed to be gambling under the provisions of State Law shall be permitted.

M. Interior Signs. User rates and other fees must be conspicuously posted on the premises.

N. No Illegal Gambling. Under no circumstances shall electronic game machines, which include computers and other amusement devices, be used for illegal gaming or gambling. The applicant shall be responsible for ensuring customers do not use any electronic game machine for illegal gaming or gambling.

O. No Litter. The applicant shall provide adequate trash receptacles both inside and outside of the building. The applicant shall keep the outside of the business, including the parking lot, free of litter, trash and debris.

P. No Private Rooms. Any individual computer use area within the business shall be visible from a public portion of the Computer Gaming and Internet Access Business, and shall not be obscured by any door, curtain, wall, two-way mirror or other device which would prohibit a person from seeing the entire interior of the computer use area. Further, no one shall maintain any individual viewing area in any configuration unless the entire interior wherein the computer that is being used is visible to staff and customers. No doors are permitted on an individual viewing area. No partially or fully enclosed individual viewing areas or partially or fully concealed individual viewing areas shall be maintained.

Q. Alarm System. The Chief of Police may require a specific Computer Gaming and Internet Access Business operator to install an alarm system that distinguishes between a burglary and a robbery. The system shall monitor twenty-four hours per day. All public entrance and exit doors to the business shall have electronic monitoring system that produce a sound when a person transverses the doorway. If required by the Chief of Police, the system shall be electronically connected with the police department if activated.

R. Number of Computers. The number of computers or similar devices in a Computer Gaming and Internet Access Business shall not exceed thirty square feet of floor area per computer of the floor area that is dedicated to the placement of computers for rent or charge.

§ 5-11.70 Abatement of nuisance.

Any Computer Gaming and Internet Access Business operated, conducted or maintained contrary to the provisions of this chapter shall be and hereby is declared to be unlawful and a public nuisance, and the City may, in addition to or in lieu of any other remedy, commence an action or proceeding for the abatement, removal or enjoyment thereof, and may take such other steps and may apply to such court or courts as may have jurisdiction to grant such relief to abate or remove such establishment and restrain and enjoin any person from operating, conducting or maintaining a Computer Gaming and Internet Access Business contrary to the provisions of this chapter.

§ 5-11.90 Penalty.

It shall be unlawful for any person to violate any provision or to fail to comply with any of the requirements of this chapter. Any person violating, permitting or causing the violation of this chapter shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished as set forth in

section 1-2.01 of this code, or any successor provision thereto. Each person shall be deemed guilty of a separate offense for each and every day, or any portion thereof, during which any violation of any provision of this chapter is committed, continued or permitted by such person and shall be deemed punishable therefore as provided in this section.

§ 5-11.90 License fees.

The City Council shall, by resolution, set a fee for application for a Computer Gaming and Internet Access Business license. Until such fee is set, the application fee shall be the minimum fee currently established for the application extension fee in the City's Master Fee Schedule."

SECTION 3. Compliance for Existing Business; Time. It is the desire and intent of the City Council that any and all existing and legal Computer Gaming and Internet Access Businesses come into compliance with the terms of this Ordinance as rapidly as possible and that all applications, review and decisions be processed on an expedited basis. Within fourteen (14) calendar days of the effective date of this ordinance, every existing Computer Gaming and Internet Access Business shall file a statement with the Community Development Director evidencing its compliance with all provisions of this chapter and providing all information as provided in § 5-11.20. The review and determination of the Community Development Director shall be provided within fourteen (14) days of the filing of the application. In the event that the license requires the installation of improvements at the business (e.g., lighting, surveillance, etc) all such improvements shall be installed per a schedule agreed by the Community Development Director; however, not to exceed twenty-one (21) days following the determination of the Community Development Director on the license application.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 16061 (b) (3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This Ordinance shall take effect thirty (30) days after adoption as provided by Government Code Section.

SECTION 7. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

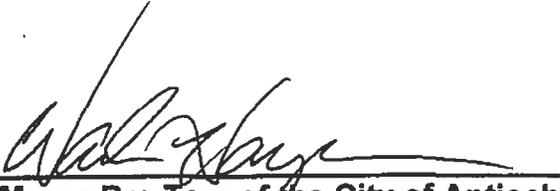
I HEREBY CERTIFY that the foregoing Ordinance was introduced on 28th day of February, 2012 and adopted at a regular meeting of the City Council of the City of Antioch on the 13th day of March, 2012, by the following vote:

AYES: Council Members Rocha, Agopian and Mayor Pro Tem Harper

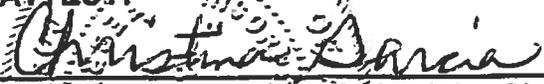
NOES: Council Member Kalinowski

ABSENT: Mayor Davis

ABSTAIN: None



Mayor Pro Tem of the City of Antioch

for  **ATTEST**


Denise Skaggs, City Clerk of the City of Antioch

ATTACHMENT "C"

ANTIOCH POLICE DEPARTMENT INTER-OFFICE MEMORANDUM

TO: Tina Wehrmeister, Community Development Director
FROM: Stephen J. McConnell, Captain, Field Services Division
DATE: January 8, 2013
SUBJECT: **Internet Cafés – Calls for Service**

BACKGROUND INFORMATION

As requested the Police Department recently culled "Calls for Service" data related to the two Internet Cafés (Internet Room & Cot on the Web) that have been operating in the City. As you know the Internet Room ceased operating on or about September 15, 2012. The time frame we used when searching for the calls for service started on February 16, 2012 and ended on December 31, 2012. The February 16th start date was chosen because it was a day after the previous "Calls for Service" report ended.

INTERNET ROOM

At the Internet Room, there have been a total of twenty five (25) calls for service in approx 6 ½ months. There were no calls for service from September to the end of this calendar year, which coincides with their closure. During the previous year (February 16, 2011 – February 15, 2012) the Internet Room generated sixteen (16) calls for service for an entire year. The calls for service in the 6 ½ months of 2012 increased just over 56% over the number of calls for service for all of last year.

The nature of the calls for service at the Internet Room included, but was not limited to: miscellaneous disturbances, suspicious subjects, loitering, an intoxicated subject threatening to kill the reporting party, a stolen car, employee theft, disgruntled ex-employee, physical fight and brandishing a knife.

COT ON THE WEB

At the Cot on the Web there have been a total of thirty one (31) calls for service from February 16, 2012 until December 31, 2012. There were two (2) additional calls for service generated by a neighboring business that involved Cot on the Web. During the previous reporting period of approx 5 ½ months, September 1, 2011 to February 15, 2012, there were a total of (6) calls for service.

The nature of the calls for service at the Cot on the Web have included, but were not limited to: miscellaneous disturbances, narcotic arrests, drug dealing, man with a gun, warrant arrests, felony assault, recovering a stolen car, burglary, and selling stolen property.

FINDING

It is the Police Department's opinion that the type and volume of the calls for service at these two businesses have caused a burden to an understaffed Police Department; the calls have and do create a public nuisance and otherwise pose a threat to public health, safety and the welfare of the community at large.

ATTACHMENT "D"



BUREAU OF GAMBLING CONTROL

KAMALA D. HARRIS
Attorney General

WAYNE J. QUINT JR.
Bureau Chief

NUMBER 11

LAW ENFORCEMENT ADVISORY

DECEMBER 5, 2012

Internet Cafés

With increasing frequency, so-called "Internet cafés" that sell Internet time or phone cards in conjunction with a "promotional sweepstakes," are operating throughout California. The "sweepstakes aspect" of the Internet cafés permits customers to play gambling-themed games on computers to win cash prizes. The Bureau of Gambling Control (Bureau) considers Internet cafés that offer these types of sweepstakes to be illegal gambling operations.

Method of Operation:

In general, Internet cafés are located in storefront strip malls, though they can also be standalone establishments. Numerous computer terminals or stations are located inside each Internet café. Customers generally purchase Internet time or phone time using a magnetic striped card provided by the Internet café. After making a purchase of Internet time or phone time, customers swipe the magnetic card through a card reader at a computer terminal or station inside the Internet café to play gambling-themed games. Along with the Internet time or phone time, customers receive sweepstakes "entries" or "credits" based upon the amount spent (e.g., 100 sweepstakes entries for \$1.00 of Internet time purchased). The sweepstakes entries are displayed on the computer screens as "credits." The customer then has the option to select one of several gambling-themed games and makes bets with the credits. Customers who win prizes can cash in any winnings, or use the winnings to purchase additional internet time and sweepstakes entries. Cash prizes ranging from \$1.00 to as much as \$4,000 are paid out daily. Customers may be able to receive and play 100 credits per 24-hour period for free, but must purchase Internet time or phone card time to obtain additional sweepstakes credits to play the games once they have played the free credits.

In addition to the onsite computers, a server running the sweepstakes software will typically be present, although a remote location server might also be used. The software operates and controls the game play and pay outs at the computer terminals and maintains customer information. The software is most often provided by out-of-state companies and is designed with the intent of circumventing state gambling laws. It can reasonably be anticipated that this software will be continuously modified to avoid detection and analysis in an attempt to prevent prosecution.

Existing Law:

Computers that offer the sweepstakes generally described above are illegal “slot machine[s] or device[s]” prohibited by Penal Code section 330b, subdivision (d). (See also *People ex rel. Lockyer v. Pacific Gaming Technologies* (2000) 82 Cal.App.4th 699 [a vending machine dispensing pre-paid telephone cards with “a sweepstakes feature” and prizes determined by a pre-set computer program is an unlawful gambling device under Penal Code section 330b].) Penal Code section 330a, subdivision (a), describes as prohibited “any slot or card machine, contrivance, appliance or mechanical device” on “which money or other valuable thing is staked or hazarded.” (See also Pen. Code, § 330.1.) Business and Professions Code sections 17200, et seq., and 17500, et seq., provide for civil penalties and other remedies against these Internet café operations for unlawful business practices and false advertising. Penal Code section 335a states, “Any and all money seized in or in connection with such machine or device shall, immediately after such a machine or device has been so destroyed, be paid into the treasury of the city or county.” The operator may sue for recovery of the devices within 30 days after issuance of the notice of intended destruction under Penal Code section 335a.

Assistance:

The Bureau will assist California law enforcement agencies working toward prosecution or pursuing civil or administrative actions in connection with Internet café gambling operations. Assistance may encompass advice, Bureau personnel and equipment, search and arrest warrant examples, and other experienced assistance with enforcement operations. The local law enforcement agency will retain the lead role and be responsible for evidence retention, seizure of funds, and prosecution, or civil or administrative action against the establishment.

This advisory is for informational purposes only and is not intended to be legal advice.

For more information regarding this advisory, contact the California Department of Justice, Bureau of Gambling Control at (916)227-3584

**STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

Prepared by: Tina Wehrmeister, Community Development Director 
Date: January 22, 2013
Subject: **Agenda Item 3: *Supplemental Report:*** Extension of an Interim Urgency Zoning Ordinance Prohibiting the Issuance of Permits, Licenses or Approvals for Construction, Establishment or Operation of any Computer Gaming and Internet Access Business

RECOMMENDATION

It is recommended that the City Council:

1. Make a motion to read the ordinance by title only; and
2. Make a motion to adopt the attached revised interim urgency zoning ordinance extending the prohibition of the issuance of permits, licenses or approvals for construction, establishment or operation of any computer gaming and internet access business within the City of Antioch on an interim basis pending consideration of amendments to Title 9 of the Antioch Municipal Code for a period of one year and declaring the urgency thereof (four-fifths (4/5th) vote required).

BACKGROUND / DISCUSSION

The ordinance has been revised from the one provided with the original staff report to indicate that there is only one existing computer gaming and internet access business that will be allowed to continue operating: Cot on the Web at 2333 Buchanan Road. The Internet Room at 2962 Delta Fair Boulevard closed since the initial interim urgency zoning ordinance was adopted.

The revisions are shown in strikeout text to Section 3.A of the proposed ordinance (page 4) with the struck-out text to be deleted in the final version.

ATTACHMENTS

Proposed revised interim urgency zoning ordinance extending the prohibition of the issuance of permits, licenses or approvals for construction, establishment or operation of any computer gaming and internet access business within the City of Antioch.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ANTIOCH EXTENDING AN INTERIM URGENCY ZONING ORDINANCE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 65858 PROHIBITING THE ISSUANCE OF PERMITS, LICENSES OR APPROVALS FOR CONSTRUCTION, ESTABLISHMENT OR OPERATION OF COMPUTER GAMING AND INTERNET ACCESS BUSINESSES WITHIN THE CITY ON AN INTERIM BASIS PENDING CONSIDERATION OF AMENDMENTS TO TITLE 9 OF THE ANTIOCH MUNICIPAL CODE

The City Council of the City of Antioch does ordain as follows:

SECTION 1. Interim Urgency Zoning Ordinance. This ordinance is adopted pursuant to the authority of Section 65858 of the Government Code of the State of California, the Antioch City Municipal Code and applicable laws.

SECTION 2. Findings. The Antioch City Council hereby finds, determines and declares as follows:

A. The City of Antioch holds the right to make and enforce all laws and regulations not in conflict with the general laws, and the City holds all rights and powers established by state law.

B. The City has received and anticipates additional requests for the construction, establishment and operation of Computer Gaming and Internet Access Businesses (as defined herein) within the City. However, the provisions of the City Municipal Code that may regulate the construction, operation and establishment of Computer Gaming and Internet Access Businesses in the City are inadequate and need review, study, and revision. The current provisions also fail to fully take into account the impacts related to the location and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community.

C. Computer Gaming and Internet Access Businesses often have local school students and minors as their target market, and thereby may encourage the assembly of significant numbers of minors without supervision by parents or guardians. Further, given concerns about attendance at the Antioch Unified School District such congregation of students should not be allowed during regular school hours.

D. While the City's codes do regulate mechanical or electronic games, the computer stations at Computer Gaming and Internet Access Businesses are used in a manner that may be considered different from coin-operated video game machines, and therefore have different impacts. There is generally a charge for use of the computer station, and many users may occupy a particular station for multiple consecutive hours, creating unknown impacts on the surrounding area and businesses, such as observed lines of individuals waiting to access these businesses. Some Computer Gaming and Internet Access Businesses may stage late-night gaming sessions, which may encourage violation of the City's curfew ordinance or create and promote other late-night noise and related impacts on the surrounding community. Recently there have been Computer Gaming and Internet Access Businesses that promote "sweepstakes gaming" which encourages game playing that may provide chances to be awarded prizes. The

extended use of such facilities by multiple persons waiting for a limited number of computer stations could contribute to increased detrimental effects on the commercial area where located and the surrounding residential area.

E. The City Council of the City of Antioch is also concerned with the increased calls for service, increasing reports of violent criminal behavior and related detrimental neighborhood effects associated with Computer Gaming and Internet Access Businesses.

F. The City of Antioch, as well as neighboring cities, has experienced criminal activity associated with Computer Gaming and Internet Access Businesses, including incidents involving robbery, illegal drug use and sales, burglary, assaults, public intoxication, vandalism and property damage and loitering. It is also known that other cities have experienced significant gang-related activities and prostitution occurring at these Computer Gaming and Internet Access Businesses. For example, the Antioch Police Department has documented a significant increase in service related calls involving a variety of crimes in these businesses and within the neighborhoods adjacent to Computer Gaming and Internet Access Businesses and include the representational incidents below as findings as follows and as further described in attachments to the staff report:

1. On April 13, 2010, there was a call for service from T's Internet Café at 1836 A Street because of a fight over someone owing someone money and on July 23, 2010 a call for service regarding another fight.
2. At T's Internet Café at 1653 A Street on September 11, 2010, there was a call for service regarding possible assault, drug violations and carjacking. On November 18, 2010, a male robbed money from the business with a sawed-off shot gun and shot at one of the workers. On February 2, 2011, there was a call for service regarding drug selling. On July 21, 2011, there was a report of a car theft and then a fight broke out.
3. At the Internet Room at 2962 Delta Fair Boulevard, on January 28, 2012, there was a report of a stolen vehicle.
4. At T's Internet Café at 1908 A Street on August 20, 2011, someone was throwing things at the business and threatening to harm the employees.
5. While at Computer Gaming and Internet Access Businesses in Antioch, individuals have been arrested for robbery, narcotics violations, carjacking and other crimes, as well as on outstanding warrants. While some of these crimes may have occurred elsewhere, it does show a propensity for individuals who engage in criminal activity to patronize Computer Gaming and Internet Access Businesses.
6. At 2962 Delta Fair Boulevard, calls for service at that location and at neighboring businesses have increased from 109 to 259 over a twelve month period since the Internet Room started operating.
7. At 1836 A Street, before T's Internet Café opened there were 157 calls for service from that location and neighboring businesses over a 7-month period from February 1, 2009 through August 30, 2009. While T's Internet Café was operating at 1836 A Street, calls for service increased to 240 over a 7-month

period from February 1, 2010 through August 30, 2010. When T's Internet Café closed at that location, calls for service from that location and neighboring businesses went back down to 158 calls for service over the 7-month period from February 1, 2011 through August 30, 2011, almost identical to the rates before T's Internet Café opened.

8. At 2962 Delta Fair Boulevard, there have been a total of twenty five (25) calls for service in approx 6 ½ months. There were no calls for service from September 2012 to the end of this calendar year, which coincides with the business closure. During the previous year (February 16, 2011 – February 15, 2012) the Internet Room generated sixteen (16) calls for service for an entire year. The calls for service in the 6 ½ months of 2012 from, February to September, increased 56%. The nature of the calls for service at the Internet Room included, but were not limited to: miscellaneous disturbances, suspicious subjects, loitering, an intoxicated subject threatening to kill the reporting party, a stolen car, employee theft, disgruntled ex-employee, physical fight and brandishing a knife.
9. At the Cot on the Web located at 2333A/2331B Buchanan Road there have been a total of thirty one (31) calls for service from February 16, 2012 until December 31, 2012. There were two (2) additional calls for service generated by a neighboring business that involved Cot on the Web. During the previous reporting period of approx 5 ½ months, September 1, 2011 to February 15, 2012, there were a total of (6) calls for service. The nature of the calls for service at Cot on the Web have included, but were not limited to: miscellaneous disturbances, narcotic arrests, drug dealing, man with a gun, warrant arrests, felony assault, recovering a stolen car, burglary, and selling stolen property.

G. Without the enactment of this Ordinance, multiple applicants could quickly receive entitlements which would allow additional Computer Gaming and Internet Access Businesses that pose a threat to the public health, safety, and welfare. The City Council hereby determines that the Municipal Code is in need of updating to protect the public against health, safety, and welfare dangers caused by Computer Gaming and Internet Access Businesses. In particular, although the City Council adopted Urgency Ordinance No. 2053 on February 28, 2012 and Ordinance No. 2054-C-S on March 13, 2012 adding Chapter 11 of Title 5 of the Antioch Municipal Code regarding licensing procedures and certain operational regulations, the current provisions do not fully take into account the impacts related to the location, concentration and manner of construction, establishment and operation of Computer Gaming and Internet Access Businesses, and the related public health, safety, and welfare concerns, including but not limited to the impacts they may have on parking, surrounding uses, and the community that could be addressed with a zoning ordinance.

The City requires additional time to prepare, evaluate and adopt reasonable regulations, including land use regulations through a zoning ordinance, regarding the construction, placement and operation of Computer Gaming and Internet Access Businesses so that such regulations are applied in a nondiscriminatory manner.

H. In order to prevent the frustration of these studies and the implementation of new regulations, the public interest, health, safety, and welfare require immediate enactment of this Ordinance. The absence of this Ordinance would impair the orderly and effective implementation of contemplated Municipal Code amendments, and any further authorization of

these uses within the City during the period of the interim zoning regulations may be in conflict with or may frustrate the contemplated updates and revisions of the Municipal Code.

I. Based on the foregoing, the City finds that there is a current and immediate threat to the public health, safety, or welfare and that this Ordinance is necessary in order to protect the City from the potential effects and impacts of Computer Gaming and Internet Access Businesses in the City, potential increases in crime, impacts on parking availability in the business areas of the City, the aesthetic impacts to the City, and other similar or related effects on property values and the quality of life in the City's neighborhoods.

J. The City Council further finds that this interim zoning regulation is a matter of local and City-wide importance and is not directed towards any particular business that currently seeks to construct or operate a Computer Gaming and Internet Access Business.

K. The City Council finds that this Ordinance is authorized by the City's police powers. The City Council further finds that the length of the interim zoning regulations imposed by this Ordinance will not in any way deprive any person of rights granted by State or federal laws, because the interim zoning regulation is short in duration and essential to protect the public health, safety and welfare.

L. City staff has provided a staff report indicating that additional time is needed to study these complicated issues and noticed a public hearing for January 22, 2013 for the City Council's consideration of an extension of the temporary moratorium.

SECTION 3. Interim Regulations. The following provisions are hereby adopted as interim zoning standards pertaining to the review or approval of any entitlements or the issuance of any permits or licenses pursuant to the Antioch Municipal Code for Computer Gaming and Internet Access Businesses. The approval of any entitlements or the issuance of any permit or license in the City in conflict with these provisions is expressly prohibited:

- A. **Restricted Activities.** In accordance with the authority granted the City of Antioch under Article XI, Section 7 of the California Constitution and California Government Code Section 65858, the moratorium adopted by the City Council on February 28, 2012 is extended for 10 months and 15 days from the date of this ordinance. No permit or any other applicable license or entitlement for use, including, but not limited to, the issuance of a business license, business permit, building permit, conditional use permit, or zoning text amendment shall be approved or issued for the establishment or operation of a Computer Gaming and Internet Access Business in the City of Antioch. Additionally, Computer Gaming and Internet Access Business are hereby expressly prohibited in all areas and zoning districts of the City. The ~~two~~ one existing Computer Gaming and Internet Access Businesses may continue to operate at ~~their~~ its current locations: ~~Internet Room at 2962 Delta Fair Boulevard and~~ Cot on the Web at 2333 Buchanan Road. No expansion of the number of computer terminals is allowed. Expansion of tenant floor space is permitted in order to allow compliance with the licensing procedures and regulations in Title 5, Chapter 11 of the Antioch Municipal Code.
- B. **Definitions.** In addition to the definitions contained in the City's Municipal Code, the following words and phrases shall, for the purposes of this Ordinance, be defined as follows, unless it is clearly apparent from the context that another

meaning is intended. Should any of the definitions be in conflict with the current provisions of the Municipal Code, the following definitions shall prevail:

1. "Computer Gaming and Internet Access Business" shall mean an establishment that provides more than four (4) computers or other electronic devices for access to the world wide web, internet, e-mail, video games or computer software programs which operate alone or are networked (via LAN, WAN or otherwise) or which function as a client/server program, and which seeks compensation, in any form, from users. Computer Gaming and Internet Access Business is synonymous with a personal computer ("PC") café, internet café, cyber café, sweepstakes gaming facilities, business center, internet sales business and internet center, but does not include a Public Use or Internet Learning Center as defined herein.

2. "Public Use or Internet Learning Center" shall mean an establishment that provides computer access which is operated by the City of Antioch, a school district, a library, a college district, or a private institution of learning which provides classes in computer instruction or a non-profit organization which does not receive compensation in any form other than school tuition.

SECTION 4. CEQA. This ordinance is not a project within the meaning of Section 15378 of the State CEQA (California Environmental Quality Act) Guidelines, because it has no potential for resulting in physical change in the environment, directly or ultimately. In the event that this Ordinance is found to be a project under CEQA, it is subject to the CEQA exemption contained in CEQA Guideline section 15061(b)(3) because it can be seen with certainty to have no possibility of a significant effect on the environment.

SECTION 5. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 6. Effective Date. This interim ordinance shall take effect immediately upon its adoption and shall continue in effect for 12 months (one year) from the date of its adoption by not less than a four-fifths vote of the Antioch City Council, unless superseded by a subsequent ordinance of the City Council.

SECTION 7. Report of Council. Ten days prior to the expiration of this Ordinance, or any extension thereof, this Council shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of this ordinance, or any extension thereof.

SECTION 8. Declaration of Urgency. This ordinance is hereby declared to be an urgency measure necessary for the immediate protection of the public health, safety and welfare. This Council hereby finds that there is a current and immediate threat to the public health, safety and welfare. The reasons for this urgency are declared and set forth in Section 2 of this Ordinance and are incorporated herein by reference.

SECTION 9. Publication; Certification. The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with State law.

* * * * *

I **HEREBY CERTIFY** that the foregoing Ordinance was introduced and adopted as an urgency ordinance pursuant to the terms of California Government Code Section 65858 at a regular meeting of the City Council of the City of Antioch on the 22nd day of January, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Wade Harper, Mayor of the City of Antioch

ATTEST:

Arne Simonsen, City Clerk of the City of Antioch

**REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF JANUARY 22, 2013**

Prepared by: Victor Carniglia, Consultant for the City of Antioch 

Date: January 15, 2013

Subject: Update on the Status of Antioch Ferry Terminal

RECOMMENDATION

Staff recommends that the City Council receive the presentation, and provide comments and direction as appropriate.

BACKGROUND INFORMATION

Historical Overview:

The Water Emergency Transportation Authority (WETA) is a State agency that was formed through legislation (SB 976) approved by the State Legislature in October 2007. This legislation, combined with follow up legislation in 2008 (SB 1093) transformed what was primarily a planning agency, namely the Water Transit Authority (WTA), into an agency with significant funding to consolidate and run ferry service, and to expand ferry service in the Bay Area. Notably, the implementing legislation added the letter "E" to the name of the agency, and tasked WETA with the responsibility to develop a ferry system that would provide the Bay Area with effective emergency transportation services in the event of a catastrophic emergency, such as a major earthquake. The extension of ferry service to Antioch has been part of the overall ferry system plan under both WTA and its successor agency WETA. Ferry service to Antioch would almost certainly be linked with ferry service to Martinez.

A key challenge for WETA has been balancing the need to cost effectively run a transit service (in this case ferry service), while addressing its legislative mandate to be able to provide effective transportation services in a catastrophic emergency. This challenge is further complicated by the fact that while WETA may be capital funding "rich", relatively speaking, they tend to be operational funding "poor", and must rely heavily on bridge toll and other funds from MTC to offset operational costs.

Draft Short Range Transit Plan (SRTP):

With WETA's recent takeover of the Alameda/Oakland and Vallejo ferry services, WETA is now fully functioning as a transit agency. As a requirement for WETA and other transit agencies to receive Federal funding, WETA is required to prepare what is known as a "Short Range Transit Plan" (SRTP). While such a plan serves a number of purposes, it includes a requirement to project capital expenditures over a ten year period, along with an analysis of operational expenses and projected fare box recovery.

When WETA first published the draft SRTP in late August 2012, the City had a number of serious concerns with the draft document. The City's concerns largely revolved around the fact that Antioch, along with a number of other jurisdictions including Martinez and Hercules, were in effect considered to be "long term projects" outside the time frame of the plan (the SRTP covers Fiscal Years 2012 to 2021) from both a capital and operational funding perspective. The City, along with staff from Martinez and Hercules, worked with WETA on modifications to the draft SRTP to address these concerns, while acknowledging WETA's requirements and constraints. State Senator Mark DeSaulnier and his office provided the City with invaluable support in working with WETA. This support from the Senator greatly facilitated all parties reaching a mutually acceptable solution.

Final Short Range Transit Plan (SRTP):

On January 10, 2013 the WETA Board formally approved the Final SRTP with a series of wording and other changes that satisfactorily addressed the City's concerns. The following is a brief summary of the notable changes incorporated into the Final SRTP by the WETA staff and Board:

- The Antioch ferry terminal, along with Martinez and Hercules, are now referred to in the SRTP as "Additional Expansion Projects" within the 2012 to 2021 timeframe, as opposed to "Long Term Projects" outside the 2012-2021 timeframe.
- A total of \$25 million has been allocated within the time frame of the Final SRTP for ferry terminals in Antioch, Martinez, and Hercules. As previously mentioned, any ferry service to Antioch will almost certainly be linked to service to Martinez. Hercules happens to have very significant dredging costs and associated constraints.
- The initial draft of the SRTP only allocated approximately \$700,000 in funds to the City. This \$700,000 for planning and environmental studies remains in the Final SRTP, in addition to the added \$25 million in capital funding.
- Wording has been added to the Final SRTP to explicitly state that if there is any capital cost savings in WETA's construction program, that such savings could be reallocated to the "Additional Expansion Projects", namely Antioch, Martinez, and Hercules.
- Language has been included in the Operations Chapter of the Final SRTP to provide for ferry service to Antioch, Martinez, and Hercules, on the assumption that each jurisdiction will prepare a suitable "sustainable funding plan" to ensure WETA adequate fare box recovery. This issue of ensuring WETA adequate operational funding and fare box recovery is the biggest single hurdle the City needs to address in moving ferry service forward.
- Wording has been included in the Final SRTP whereby WETA agrees to periodically update their ridership projections. This is a critical issue given the low future

ridership projections contained in the current WETA ridership study, which was prepared during the peak of the recession.

Next Steps:

While the City was coordinating with WETA on the SRTP over the last several months, work between the City and WETA also proceeded on the design, existing site conditions, and cost of an Antioch ferry terminal. A report by the architect “Marcie Wong and Associates” under contract with WETA has been prepared evaluating possible locations and design alternatives along the Antioch waterfront for a ferry terminal. This analysis includes preliminary cost estimates. Another report, prepared by the engineering/environmental firm “GHD”, evaluates existing site conditions at the ferry terminal sites being analyzed. These two reports will be presented by WETA staff and their consultants to the City Council at the February 12, 2013 Council meeting. At the February 12, 2013 Council meeting a work program will also be presented, along with a timeline identifying next steps for moving the Antioch ferry terminal project forward.

FISCAL IMPACTS

As this is primarily an update, there are no direct fiscal impacts to the City as to any item being presented. Ultimately the implementation of ferry service to Antioch will require a future financial commitment on the part of the City. The extent of this future financial commitment will be determined as the ferry terminal project moves forward, and depends on a number of variables, including the City’s future success in securing funding from outside sources.

ALTERNATIVES

None, as the primary purpose of the agenda item is to update the City Council.

ATTACHMENTS

None.

**STAFF REPORT TO THE CITY COUNCIL
FOR CONSIDERATION AT THE MEETING OF January 22, 2013**

Prepared by: Brian Nunnally, Economic Development Analyst 
Approved by: Ron Bernal, Acting City Manager 
Date: January 16, 2013
Subject: Three Partial-Term Appointments for Three Vacancies on the Economic Development Commission (EDC)

RECOMMENDATION

It is recommended that the City Council receives and files the attached applications, and the Mayor appoint and Council approve the appointment of three commissioners.

BACKGROUND INFORMATION

Three commissioners recently resigned from the Economic Development Commission for various reasons, so following newspaper advertisements and announcements at the City Council Meetings, seven candidates applied for the three partial-term vacancies, two of which are set to expire in June 2013 and the other set to expire in June 2015.

Mayor Harper and I interviewed six applicants on January 15, 2013 after one of the original seven applicants removed herself from consideration prior to the interviews. The six applicants are as follows:

- Moses de los Reyes
- Peter Donisanu
- Kendra Ebinger
- Rhoda Parhams
- Lamar Thorpe
- Karen Williams

FINANCIAL IMPACT

None.

OPTIONS

- Appoint three applicants.
- Do not appoint applicants to all three vacancies and request that Staff re-advertise the vacancies.

ATTACHMENTS

A: Candidate's Applications

RECEIVED

AUG 21 2012

CITY OF ANTIOCH
CITY CLERK

APPLICATION DEADLINE: _____

APPLICATION FOR COMMUNITY SERVICE

NAME OF BOARD OR COMMISSION ECONOMIC DEVELOPMENT COMMISSION

PRINT YOUR NAME MOSES DE LOS REYES

ADDRESS 5075 HANSEN DRIVE CITY ANTIOCH

ZIP CODE 94531 PHONE (H) [REDACTED] (W) [REDACTED]

E-MAIL ADDRESS [REDACTED]

EMPLOYER MASTER COMPLIANCE SERVICES, LLC

ADDRESS 5075 HANSEN DRIVE CITY ANTIOCH, CA 94531

OCCUPATION PRINCIPAL OWNER

YEARS LIVE IN THE CITY OF ANTIOCH 13 YEARS

LIST THE THREE (3) MAIN REASONS FOR YOUR INTEREST IN THIS APPOINTMENT:

1) PROMOTE BUSINESS DEVELOPMENT

2) PROMOTE WORKFORCE DEVELOPMENT

3) PROMOTE LOCAL COMMUNITY PROJECTS AIMED AT
LOCAL ECONOMIC DEVELOPMENT

HAVE YOU ATTENDED ANY MEETINGS OF THIS BOARD/COMMISSION? NO

HAVE YOU HAD ANY PREVIOUS CITY COMMUNITY SERVICE ON THIS BOARD/COMMISSION? (If yes, please explain) I SERVED AT THE POLICE CRIME PREVENTION COMMISSION THAT FOCUSED ON NEIGHBORHOOD WATCH. I AM NOW RETIRED AND I HAVE MORE TIME ON LOCAL PROJECTS.

WHAT SKILLS/KNOWLEDGE DO YOU HAVE THAT WOULD BE HELPFUL IN SERVING ON THE BOARD/COMMISSION FOR WHICH YOU ARE APPLYING? PURSUANT TO CCR 49 PART 26 AND VARIOUS LEGISLATION, I CAN ASSIST IN PROMOTING LOCAL BUSINESS AND WORKFORCE GOALS. I CAN APPLY MY PROFESSIONAL EXPERIENCE ON MANY LOCAL ECONOMIC DEVELOPMENT PROJECTS, NOW THAT I AM RETIRED. MY PROFESSIONAL EXPERTISE IN BUSINESS AND COMMUNITY OUTREACH HELPS IN ECONOMIC DEVELOPMENT.

(Over)

PLEASE INDICATE ANY FURTHER INFORMATION OR COMMENTS YOU WISH TO MAKE THAT WOULD BE HELPFUL IN REVIEWING YOUR APPLICATION.

I WAS THE FOUNDER /ADMINISTRATOR OF THE ALAMEDA COUNTY BUSINESS OUTREACH BUREAU (BOB) AND OF THE ALAMEDA COUNTY APPRENTICESHIP COLLABORATIVE (ACAC) THAT PROMOTED STRONG BUSINESS AND WORKFORCE DEVELOPMENT IN ALAMEDA COUNTY. MULTI-MILLION DOLLAR PROJECTS WERE SUPPORTED BY BOB AND ACAC. I WOULD LIKE TO HELP IN THE ECONOMIC DEVELOPMENT OF THE CITY OF ANTI
I WAS APPOINTED BY THE ALAMEDA COUNTY BOARD OF SUPERVISORS TO REPRESENT ALAMEDA COUNTY AT THE SMALL BUSINESS ADVISORY COMMITTEE OF THE SAN FRANCISCO PUBLIC UTILITIES COMMISSION WHERE I SERVED FOR FIVE YEARS HANDLING \$5.3 BILLION WORTH OF
PLEASE READ THE ATTACHED GENERAL INFORMATION REGARDING BOARDS AND COMMISSION SO YOU ARE AWARE OF THE DUTIES, TIME AND FREQUENCY OF MEETINGS.

CAN YOU ATTEND MEETINGS AT THE DESIGNATED TIME? YES

PLEASE ATTACH YOUR RESUME (REQUIRED TO BE CONSIDERED FOR APPOINTMENT).

PLEASE NOTE THIS COMPLETED APPLICATION IS AVAILABLE FOR PUBLIC REVIEW.

THE TOP THREE/FOUR CANDIDATES WILL UNDERGO A BACKGROUND CHECK BY THE ANTIOCH POLICE DEPARTMENT PRIOR TO APPOINTMENT.

DELIVER OR MAIL TO: CITY CLERK'S OFFICE
P.O. BOX 5007
ANTIOCH, CA 94531-5007

Moses de los Reyes

Signature

8/21/12

Date

If you would like to be considered for future openings on Boards or Commission, please check the appropriate lines(s) and return to City Hall. You will be notified when an opening occurs.

- Board of Administrative Appeals
- Building Board of Appeals
- Economic Development Commission
- Investment Advisory Committee
- Parks and Recreation Commission
- Planning Commission
- Police Crime Prevention Commission
- Youth Commission

How did you learn of this opening?

Word of Mouth Channel 26 _____ Newspaper: _____
If website, name of site: City of Antioch
Other? Website Address: _____

Name: MOSES DE LOS REYES

Address: 5075 HANSEN DRIVE, ANTIOCH, CA 94531

Phone: work: [REDACTED] home: [REDACTED]

Please mail to: City Clerk
City of Antioch
P.O. Box 5007
Antioch, CA 94531-5007

MOSES DE LOS REYES, MCA

TITLES/POSITIONS

- Principal Owner – Master Compliance Services, LLC
- Administrator - Alameda County Contract and Labor Compliance Programs (Retired)

PROFESSIONAL EXPERIENCE

- Founder/Administrator - Alameda County Labor Compliance Program (State Approved)
- Founder /Administrator - Alameda County Apprenticeship Collaborative (ACAC)
- Founder/Administrator - Alameda County Business Outreach Bureau “BOB”
- Volunteer Worker/Preacher – Church of Christ, 39 years: Resident Worker for 15 years

EDUCATIONAL BACKGROUND

- Master of Compliance Administration from Morgan State University
- Master of Public Administration from California State University, East Bay
- Bachelor of Science in Philosophy & Business Administration from California State University, Los Angeles

AWARDS & RECOGNITION

- Certificate of Appreciation by CalMentor
- Certificate of Honor by the San Francisco Public Utilities Commission
- Alameda County Manager of the Year Award
- Hispanic Chamber of Commerce Advocate of the Year Award
- Merit Award by the American Public Works Association

PROFESSIONAL & CIVIC ORGANIZATIONS

- CalMentor by Caltrans District 4
- American Public Works Association
- American Contract Compliance Association (Board Member)
- Economic Development Alliance for Business
- Bay Area Contract Compliance Officers’ Association
- San Francisco Public Utilities Commission Small Business Advisory Committee
- East Bay Interagency Alliance
- Mount Diablo Audubon Society (Board Member)
- City of Antioch Crime Prevention Commission
- Antioch Historical Society
- Kiwanis International

CHAMBERS OF COMMERCE MEMBERSHIP

- Castro Valley Chamber of Commerce
- Hayward Chamber of Commerce
- Livermore Chamber of Commerce
- North Silicon Valley Chamber of Commerce
- Pleasanton Chamber of Commerce
- Hispanic Chamber of Commerce of Alameda County
- Filipino-American Chamber of Commerce, East Bay

RECEIVED

SEP 05 2012

CITY OF ANTIOCH
CITY CLERK

APPLICATION DEADLINE: _____

APPLICATION FOR COMMUNITY SERVICE

NAME OF BOARD OR COMMISSION Economic Development Commission

PRINT YOUR NAME Petru "Peter" Davisanu

ADDRESS 3045 Enca Way CITY Antioch

ZIP CODE 94509 PHONE (H) [REDACTED] (W) [REDACTED]

E-MAIL ADDRESS [REDACTED]

EMPLOYER Wells Fargo Bank

ADDRESS 420 Montgomery Street CITY San Francisco

OCCUPATION Macroeconomic Investment Research Analyst

YEARS LIVE IN THE CITY OF ANTIOCH Since 2009

LIST THE THREE (3) MAIN REASONS FOR YOUR INTEREST IN THIS APPOINTMENT:

- 1) The city has good bones + an underutilization of business resources.
- 2) Want to provide opportunities for my children when they get older.
- 3) I want to provide more business opportunities for the residents of Antioch.

HAVE YOU ATTENDED ANY MEETINGS OF THIS BOARD/COMMISSION? Yes

HAVE YOU HAD ANY PREVIOUS CITY COMMUNITY SERVICE ON THIS BOARD/COMMISSION? (If yes, please explain) No

WHAT SKILLS/KNOWLEDGE DO YOU HAVE THAT WOULD BE HELPFUL IN SERVING ON THE BOARD/COMMISSION FOR WHICH YOU ARE APPLYING? As the son of a small business owner and student of economics and practitioner I have a big picture understanding of what can be done. I bring marketing, planning + collaboration skills that can be applied immediately help bring business to Antioch.

(Over)

PLEASE INDICATE ANY FURTHER INFORMATION OR COMMENTS YOU WISH TO MAKE THAT WOULD BE HELPFUL IN REVIEWING YOUR APPLICATION.

Antioch is lacking a "so-what" statement with respect to the Bay Area Business Community. I believe that with my help, Antioch can better market itself to be an East County Business Hub. Antioch also lacks a holistic plan to attract, retain and help new businesses thrive. I hope to assist where I can in Developing this Plan.

PLEASE READ THE ATTACHED GENERAL INFORMATION REGARDING BOARDS AND COMMISSION SO YOU ARE AWARE OF THE DUTIES, TIME AND FREQUENCY OF MEETINGS.

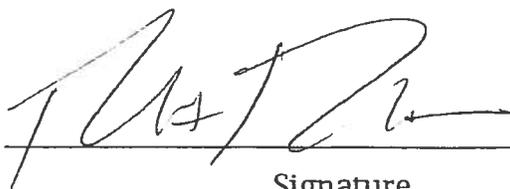
CAN YOU ATTEND MEETINGS AT THE DESIGNATED TIME? Yes, Punctually.

PLEASE ATTACH YOUR RESUME (REQUIRED TO BE CONSIDERED FOR APPOINTMENT).

PLEASE NOTE THIS COMPLETED APPLICATION IS AVAILABLE FOR PUBLIC REVIEW.

THE TOP THREE/FOUR CANDIDATES WILL UNDERGO A BACKGROUND CHECK BY THE ANTIOCH POLICE DEPARTMENT PRIOR TO APPOINTMENT.

DELIVER OR MAIL TO: CITY CLERK'S OFFICE
P.O. BOX 5007
ANTIOCH, CA 94531-5007



Signature

9/3/12

Date

If you would like to be considered for future openings on Boards or Commission, please check the appropriate lines(s) and return to City Hall. You will be notified when an opening occurs.

_____ Board of Administrative Appeals

_____ Building Board of Appeals

_____ Economic Development Commission

_____ Investment Advisory Committee

_____ Parks and Recreation Commission

_____ Planning Commission

_____ Police Crime Prevention Commission

_____ Youth Commission

How did you learn of this opening?

Word of Mouth _____ Channel 26 _____ Newspaper: _____

If website, name of site: City of Antioch City Government

Other? Website Address: _____

Name: Peter Dawson

Address: 3045 Enca Way 94509

Phone: work: [REDACTED] home: [REDACTED]

Please mail to: City Clerk
City of Antioch
P.O. Box 5007
Antioch, CA 94531-5007

Peter Donisanu

3045 Enea Way, Antioch, CA 94509

[REDACTED]

Educational Background

- Achieved Master of Business Administration Degree from City University of Seattle with an emphasis in Finance, June 2006
- Achieved Bachelor of Arts Degree from ITT Technical Institute majoring in Project Management and Information Technology, June 2008

Professional Background

2008 – Present: Work as a Quantitative/Global Research Analyst, AVP at Wells Fargo Wealth Management in San Francisco, California with the following responsibilities:

- Independently author original macroeconomic research on individual countries and regions that reinforce the investment strategy team's views on investment themes and asset class opportunities; these reports are made available to the public via the internet
- Represent the Global Investment Strategy team on internal conference calls and at tradeshow
- When necessary, partner with the internal marketing team to produce marketing collateral utilized by the Chief Investment Officer for driving new business
- Build complex analyses utilizing probabilistic approaches for historical and what-if scenarios for asset classes and portfolio construction
- Maintenance of multivariate quantitative country equity model for Developed and Emerging Markets utilized by investment managers and financial advisors to implement tactical shifts in client portfolios
- Assist in the development of capital market assumptions for global equities, fixed income, real assets and alternative investments using statistical methods based on a building block approach
- Develop stable, non-singular correlation matrices for use in conjunction with capital market assumptions
- Research current events beyond news headlines and author quick market updates to communicate investment implications to clients and internal partners
- Create Microsoft Access-based applications for use in research, marketing and model development

2002 – 2008: Worked as an Operations Analyst as Wells Fargo Services in Portland, Oregon with the following responsibilities:

- Forecasted and maintained department operating annual budget of \$50MM and reconciled general ledger accounts
- Tracked, monitored and forecasted operational productivity for six operating units, utilizing database mining techniques for management reporting
- Proactively suggested enhancements to processes and procedures and worked with operational units to develop and implement Best Practices to enhance productivity
- Single point of contact for database and system work-stream technological break/fix issues and system enhancements

Governance Membership

2011 – Present: Voting member of the Wells Fargo Family Wealth (Abbot Downing) Asset Allocation Committee

2011 – Present: Member of the Wells Fargo Wealth, Brokerage & Retirement Global Investment Strategy Committee

2010 – Present: Member of the Wells Fargo Private Bank Guided Portfolios Committee

2008 – Present: Member of the Wells Fargo Wealth, Brokerage & Retirement Investment Strategy Council

Economic Development Commission (EDC)

Name: Kendra Ebinger Address: 5118 Homestead Court
Antioch, California 94531 US
Home Phone: [REDACTED] Alternate Phone:
Email: [REDACTED] Former Last Name: Camp
Month and Day of Birth: 05/10

Personal Information

Driver's License: Yes, California [REDACTED], Class C
Can you, after employment, submit proof of your legal right to work in the United States? Yes
What is your highest level of education? Bachelor's Degree

Resume

Text Resume

Resume

Kendra Ebinger
5118 Homestead Court
Antioch, Ca 94531
[REDACTED]

Qualifications

I set a high standard for professionalism and have good managerial skills. I have worked in an administrative position for 3 years and have acquired many skills required in both clerical and management positions. I multi-task very well and have a natural ability to lead others. I am a hard worker, punctual, organized, friendly, has a strong telephone voice, can learn new skills quickly, can work with others and honest. I have worked both as an Assistant Director and Acting Director of a Child Care Center. I am proficient in the necessary programs to perform book keeping and spreadsheets, including but not limited to Excel, Word, Publisher and Power Point.

C.P.R Certified
10 years of teaching experience
3 years administrative experience
Teacher Level Child Development Permit
A.S. Degree in Early Childhood Development
B.A. Degree in Liberal Studies

Education

Deer Valley High School
Antioch, Ca
Completed 2 years
Type of study: general

Prospects High School
Antioch, Ca
Graduated
Type of study: general

Los Medanos Community College
Pittsburg, Ca
Graduated 2008
A.S. Degree in Early Childhood Development

California State University East Bay
Concord, Ca
Graduated
B.A. Degree in Liberal Studies
Summa Cum Lade

Work Experience

Antioch Partnership
209 G St.
Antioch, Ca
Position: Teacher's aid
(925) 706-1669
2001-2002

Crossroad Hospice
1109 Vicente Street
San Francisco, Ca
Position: Data Entry
(415)682-2111
2007-2008

Knowledge Learning Corporation
6760 Marsh Creek Road
Clayton, Ca
Position: Preschool Teacher
(925)672-0717
2002-2009

Knowledge Learning Corporation
6760 Marsh Creek Road
Clayton, Ca
Position: Assistant Director/ Acting Center Director
(925)672-0717
2009-Present

Attachments

Attachment	File Name	File Type	Created By
Ebinger Resume	kResume updated 2012	Resume	Job Seeker
References	References for Kendra Ebinger	References	Job Seeker

Agency-Wide Questions

1. Q: Are you related to any current City of Antioch employee?
A: No

Supplemental Questions

1. Q: Are you a current City of Antioch resident or current owner/operator of a business located in Antioch?
A: Yes
2. Q: How many years have you been a City of Antioch resident or owner/operator of a business located in Antioch?
A: 3
3. Q: Can you attend meetings at the current designated days and times?
A: Yes

4. Q: Current employer:
A: Knowledge Universe

5. Q: Current job title:
A: Assistant Director

6. Q: Address, city, and zip code of current employer:
A: 2321 Eagle Rock Ave, Brent wood Ca 94513

7. Q: List the three (3) main reasons for your interest in this appointment.
A: I live in Antioch and my child will attend the local schools. I would also like to be involved in the decision making process that affects me and my family.

8. Q: Have you attended any meetings of this Board/Commission?
A: Yes

9. Q: Have you previously served on this Board/Commission with the City of Antioch?
A: No

10. Q: If you answered 'No' to the previous question, please type 'N/A'. If you answered 'Yes' to the previous question, please list dates of service.
A: NA

11. Q: What skills/knowledge do you have that would be helpful in serving on the Board/Commission for which you are applying?
A: I work well in groups and can effectively communicate my point of view. I believe I have a voice as a citizen of Antioch, I have extensive knowledge on planning and carrying out various projects.

12. Q: Please indicate any further information or comments you wish to make that would be helpful in reviewing your application.
A: I am very interested in local governments and their inner workings therefore I would love a chance to be a part of this commission.

13. Q: If you would like to be considered for future openings on Boards or Commissions, please select all in which you're interested.
A: Board of Administrative Appeals
Economic Development Commission
Parks and Recreation Commission
Planning Commission
Police Crime Prevention Commission

14. Q: How did you learn of this opening?
A: City of Antioch Website

Resume

Kendra Ebinger
5118 Homestead Court
Antioch, Ca 94531
[REDACTED]

Qualifications

I set a high standard for professionalism and have good managerial skills. I have worked in an administrative position for 3 years and have acquired many skills required in both clerical and management positions. I multi-task very well and have a natural ability to lead others. I am a hard worker, punctual, organized, friendly, has a strong telephone voice, can learn new skills quickly, can work with others and honest. I have worked both as an Assistant Director and Acting Director of a Child Care Center. I am proficient in all Microsoft Office programs designed to perform book keeping and spreadsheets tasks, including but not limited to Excel, Word, Publisher and Power Point.

C.P.R Certified
10 years of teaching experience
5 years administrative experience
Teacher Level Child Development Permit
A.S. Degree in Early Childhood Development
B.A. Degree in Liberal Studies

Education

Prospects High School
Antioch, Ca
Graduated
Type of study: general

Los Medanos Community College
Pittsburg, Ca
Graduated 2008
A.S. Degree in Early Childhood Development

California State University East Bay
Concord, Ca
Graduated
B.A. Degree in Liberal Studies
Summa Cum Lade

Work Experience

Antioch Partnership
209 G St.
Antioch, Ca
Position: Teacher's aid
(925) 706-1669
2001-2002

Crossroad Hospice
1109 Vicente Street
San Francisco, Ca
Position: Data Entry

Economic Development Commission (EDC)

Name: Rhoda D Parhams Address: P,O, Box 3886
Antioch, California 94531 US
Home Phone: [REDACTED] Alternate Phone: [REDACTED]
Email: [REDACTED] Former Last Name:
Month and Day of Birth:

Personal Information

Driver's License: Yes, California, [REDACTED], Class C
Can you, after employment, submit proof of your legal right to work in the United States? Yes
What is your highest level of education? Master's Degree

Resume

Text Resume

RHODA D. PARHAMS MBA

Phone: [REDACTED] • Bay Area, CA

LinkedIn: [REDACTED]

Accomplished, results-oriented director-level manager with proven success in managing critical municipal organization with multimillion dollar budget. Experience includes construction/project management contract negotiation, financial and management expertise in a multidisciplinary, multicultural environment. Demonstrated success in applying multidisciplinary approach to ensure collaborative resolution to challenges with various city disciplines, community advocates and professional contracted services.

- Strategic (Leadership in team coaching, Process Improvement, Automate Project Delivery)
- Employee Relations (Team development/mentoring, and Professional Development)
- Change Agent (Organizational Development, Organization re-engineering)
- Public Liaison (Community Outreach, Cross Departmental Budget Planning, Fiscal Transparency)

Professional experience includes public service (municipal executive/ director level), facilities manager, asset manager (private sector), project/construction manager.

PROFESSIONAL EXPERIENCE

City and County of San Francisco, San Francisco, CA 2005 -- 2010

The Recreation and Park Department is the major property holder in the City and County of San Francisco.

CAPITAL PROGRAM MANAGER, RECREATION AND PARKS DEPARTMENT

Direct all capital improvement projects, across the department's 240 facilities combining breakthrough leadership skills and business acumen. Successfully restructured the Capital Improvement Division through the selection, hiring, directing, and mentored a cross-functional staff of 21 professionals in executing the 199 major renovation/construction projects successfully completing the department's 10-year \$552M capital plan. Ensured consistent on-time, within budget delivery of projects through meticulous tracking, oversight and monthly reporting to the City Controller and General Obligation Bond Oversight Committee while serving two years as department representative on Citywide Budget Planning Committee.

Key highlights

- Responsible for the delivery of the 10-year capital plan six months early, and with a budget surplus, by directing the successful completion and/or closeout of 199 projects.
- Achieved voter approval for a \$150M bond issuance to commence the 2008 Clean and Safe Neighborhood Park Bond Program, as a result of the successful completion of the \$1.2M facilities deficiency plan.

- Negotiated and spearheaded the development of the facilities assessment software designed to identify facility deficiencies, prioritize improvements, project cost for capital improvements for all 230 facilities resulting in transparency and accountability for the public.
- Increased the productivity of project delivery by 34% resulting in a six month time savings on the successful delivery of the 2000 Proposition A Bond program.

Rhoda D. Parhams [REDACTED] Page 2

San Francisco Unified School District, San Francisco, CA 2001 -- 2005
 One of the top-performing urban school districts in the country, with 153 primary and secondary schools.

DIRECTOR OF FACILITIES - DESIGN AND CONSTRUCTION

Direct the Capital Design and Construction Division, managing staff responsible for the delivery of all capital improvement projects and reestablished the five year Deferred Maintenance Program, including extensive ADA upgrades required across the district. Oversee the construction of the final two elementary schools, resulted in award winning, cutting edge, and environmentally sustainable school sites, and were completed on time and within budget. Directed the activities of 21 cross-function professionals, (engineers, architects, project managers, hazardous material experts, technical and administrative staff). Maintained departmental accountability through monthly reports with meetings with: the public, the Board of Education and City of San Francisco Bond Oversight Commission.

Key highlights

- Authored the strategic growth blueprint for the district's proposed \$295M bond program and 10-year Facility Master Plan.
- Developed and implemented new project tracking and reporting system resulting in the timely , efficient delivery of projects and reestablishment of the five-year Facilities Deferred Maintenance Program for the school district..
- Directed design and construction projects to achieve recognition for excellence in sustainability and Green technology.

Don Todd Associates, Inc., San Francisco, CA 1998 -- 2001
 Employee-owned, full-service project and construction management firm with projects ranging from \$1M to more than \$1B.

PROJECT CONSTRUCTION MANAGER

Leveraged expertise in operations, and industry knowledge to direct the construction of a variety of high-profile projects in excess of \$18M mark.

Key highlights

- Managed the completion of several high-profile projects with historical, environmental, and economic sensitivity, including the \$18.M Stanford University Lagunita Dormitory complex restoration as directed by the Stanford Historic Preservation Planning Group.

ADDITIONAL EXPERIENCE

EXPERIENCE UNLIMITED, CONCORD, CALIFORNIA 2012 - PRESENT
 TITLE: Business Operations - Membership information and tracking.

FACILITATOR/MENTOR, ANTIOCH, CALIFORNIA 2012-PRESENT
 Salvation Army - Women's Support Group, Antioch, California

EDUCATION & PROFESSIONAL DEVELOPMENT

MBA, Business Management -- University of California East Bay, Hayward, CA
 BS, Business Administration -- University of Phoenix, Concord, CA

Attachments

Attachment	File Name	File Type	Created By
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Agency-Wide Questions

1. Q: Are you related to any current City of Antioch employee?
A: No

Supplemental Questions

1. Q: Are you a current City of Antioch resident or current owner/operator of a business located in Antioch?
A: Yes
2. Q: How many years have you been a City of Antioch resident or owner/operator of a business located in Antioch?
A: 17 years
3. Q: Can you attend meetings at the current designated days and times?
A: Yes
4. Q: Current employer:
A: Between Positions
5. Q: Current job title:
A: N/A
6. Q: Address, city, and zip code of current employer:
A: N/A
7. Q: List the three (3) main reasons for your interest in this appointment.
A: Community development; increase in tax base; elevation of work force
8. Q: Have you attended any meetings of this Board/Commission?
A: Yes
9. Q: Have you previously served on this Board/Commission with the City of Antioch?
A: No
10. Q: If you answered 'No' to the previous question, please type 'N/A'. If you answered 'Yes' to the previous question, please list dates of service.
A: N/A
11. Q: What skills/knowledge do you have that would be helpful in serving on the Board/Commission for which you are applying?
A: Ten years experience at Program/Director Level Management with the City of San Francisco
12. Q: Please indicate any further information or comments you wish to make that would be helpful in reviewing your application.
A: I am a long time resident of Antioch and am committed to seeing our city prosper and grow.

13. Q: If you would like to be considered for future openings on Boards or Commissions, please select all in which you're interested.

A: Board of Administrative Appeals
Parks and Recreation Commission
Planning Commission
Police Crime Prevention Commission

14. Q: How did you learn of this opening?

A: Other

RHODA D. PARHAMS MBA

Phone: [REDACTED] • Bay Area, CA
LinkedIn: [REDACTED]

Accomplished, results-oriented director-level manager with proven success in managing critical municipal organization with multi-million dollar budget. Experience includes construction/project management contract negotiation, financial and management expertise in a multidiscipline, multicultural environment. Demonstrated success in applying multidisciplinary approach to ensure collaborative resolution to challenges with various city disciplines, community advocates and professional contracted services.

- Strategic (Leadership in team coaching, Process Improvement, Automate Project Delivery)
- Employee Relations (Team development/mentoring, and Professional Development)
- Change Agent (Organizational Development, Organization re-engineering)
- Public Liaison (Community Outreach, Cross Departmental Budget Planning, Fiscal Transparency)

Professional experience includes public service (municipal executive/ director level), facilities manager, asset manager (private sector), project/construction manager.

PROFESSIONAL EXPERIENCE

City and County of San Francisco, San Francisco, CA

2005 — 2010

The Recreation and Park Department is the major property holder in the City and County of San Francisco.

CAPITAL PROGRAM MANAGER, RECREATION AND PARKS DEPARTMENT

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Key highlights

- Responsible for the delivery of the 10-year capital plan six months early, and with a budget surplus, by directing the successful completion and/or closeout of 199 projects.
- Achieved voter approval for a \$150M bond issuance to commence the 2008 Clean and Safe Neighborhood Park Bond Program, as a result of the successful completion of the \$1.2M facilities deficiency plan.
- Negotiated and spearheaded the development of the facilities assessment software designed to identify facility deficiencies, prioritize improvements, project cost for capital improvements for all 230 facilities resulting in transparency and accountability for the public.
- Increased the productivity of project delivery by 34% resulting in a six month time savings on the successful delivery of the 2000 Proposition A Bond program.

San Francisco Unified School District, San Francisco, CA**2001 — 2005***One of the top-performing urban school districts in the country, with 153 primary and secondary schools.***DIRECTOR OF FACILITIES - DESIGN AND CONSTRUCTION**

Direct the Capital Design and Construction Division, managing staff responsible for the delivery of all capital improvement projects and reestablished the five year Deferred Maintenance Program, including extensive ADA upgrades required across the district. Oversee the construction of the final two elementary schools, resulted in award winning, cutting edge, and environmentally sustainable school sites, and were completed on time and within budget. Directed the activities of 21 cross-function professionals, (engineers, architects, project managers, hazardous material experts, technical and administrative staff). Maintained departmental accountability through monthly reports with meetings with: the public, the Board of Education and City of San Francisco Bond Oversight Commission.

Key highlights

- Authored the strategic growth blueprint for the district's proposed \$295M bond program and 10-year *Facility Master Plan*.
- Developed and implemented new project tracking and reporting system resulting in the timely, efficient delivery of projects and reestablishment of the five-year Facilities Deferred Maintenance Program for the school district..
- Directed design and construction projects to achieve recognition for excellence in sustainability and Green technology.

Don Todd Associates, Inc., San Francisco, CA**1998 — 2001***Employee-owned, full-service project and construction management firm with projects ranging from \$1M to more than \$1B.***PROJECT CONSTRUCTION MANAGER**

Leveraged expertise in operations, and industry knowledge to direct the construction of a variety of high-profile projects in excess of \$18M mark.

Key highlights

- Managed the completion of several high-profile projects with historical, environmental, and economic sensitivity, including the \$18.M Stanford University Lagunita Dormitory complex restoration as directed by the Stanford Historic Preservation Planning Group.

ADDITIONAL EXPERIENCE**EXPERIENCE UNLIMITED, CONCORD, CALIFORNIA****2012 - PRESENT**

TITLE: Business Operations - Membership information and tracking.

FACILITATOR/MENTOR, ANTIOCH, CALIFORNIA**2012-PRESENT**

Salvation Army - Women's Support Group, Antioch, California

EDUCATION & PROFESSIONAL DEVELOPMENT**MBA, Business Management** — University of California East Bay, Hayward, CA**BS, Business Administration** — University of Phoenix, Concord, CA -

Economic Development Commission (EDC)

Name: Lamar A Thorpe Address: 4547 Sweetwater Street
Antioch, California 94531 US
Home Phone: [REDACTED] Alternate Phone:
Email: [REDACTED] Former Last Name:
Month and Day of Birth: 04/06

Personal Information

Driver's License: Yes, California, [REDACTED] Class C
Can you, after employment, submit proof of your legal right to work in the United States? Yes
What is your highest level of education? Master's Degree

Resume

Text Resume

SUMMARY OF QUALIFICATIONS

- Experienced, resourceful development officer able to work independently in fast paced environment;
- Excellent interpersonal and public communication skills; able to build personal and institutional relationships and interact well with diverse constituencies; bilingual in English and Spanish;
- Critical thinker and problem solver; able to effectively manage volunteers, advisory boards, and classrooms.

DEVELOPMENT EXPERIENCE

SAN JOSE STATE UNIVERSITY Mar 2012 - Current

? Director of Development, Lurie College of Education(LCOE)

- Responsible for all LCOE alumni development, communications and outreach, and serves as special advisor to the Dean.
- Overseeing LCOE's \$19,000 campaign in conjunction with the University's Acceleration Campaign.
- Managing a portfolio of 130 major and principal gift prospects, LCOE's Campaign Committee and LCOE's Alumni Board of Directors.
- Leading the planning and design phase for the construction of a new student services center, which will merge several student and academic support service operations in one central location to efficiently and better serve our undergraduate, graduate and professional students made possible by a generous gift of a private donor.

DELAWARE VALLEY COLLEGE MAY 2011 - MAR 2012

? MAJOR GIFTS OFFICER

- Develop and implement comprehensive cultivation, solicitation, and stewardship strategies for major gift (\$25,000+) and planned giving prospects towards campaign.
- Building a prospect pool based on new prospects and past donors; research and identify new prospects by making cold calls, discovery calls and visits; travel mid-Atlantic to meet monthly visit metric.
- Identify prospects to participate in specific events, committees and other programs that promote the cultivation process.
- Articulate and implement strategies for communicating with donors; draft and customize institutional correspondence, proposals and other written materials for all assigned prospects.
- Meet and collaborate with academic deans, faculty and senior college officials to create development plans, seek new opportunities to engage prospects, and develop a comprehensive understanding of institutional priorities.

CITIZENS FOR LAMAR THORPE Oct 2009 - Sept 2010

? Candidate

- Identified and solicited donations of more than \$30,000 for democratic primary race for state delegate.
- Planned, developed and executed philanthropic strategic plan; successfully achieved campaign fundraising goals through personal, online, direct mail solicitations, and fundraising events.

- Lead and managed campaign committee composed of Campaign Manager, Treasurer, Policy Director, Outreach Coordinator, and Communications and Media Director.
- Recruited more than 30 volunteers for canvassing, mailings, campaign events and electioneering.

THE GEORGE WASHINGTON UNIVERSITY Jun 2007 – May 2009

? Assistant Director of Development, Luther Rice Society

- Identified, cultivated and solicited leadership annual gift prospects; successfully raising more than \$100,000 annually towards team's established \$1 million goal.
- Traveled nationally to visit with 150 alumni annually to solicit leadership gifts.
- Identified and recruited volunteer leadership for the Luther Rice Society Advisory Council; prepared written and visual materials and organized sessions to train volunteers in the most effective techniques for the solicitation of leadership gifts.
- Managed portfolio of 200 prospects and donors that included alumni, faculty and staff; developed and managed alumni and development events, as assigned.
- Re-launched the Luther Rice Society, university's largest leadership annual giving society, composed of individuals making leadership gifts ranging between \$1000 and \$25,000; managed society's 15-member Executive Committee.
- Established GW's first annual African American Reunion; recruited 45-member African American Alumni Advisory Board; resulting in an increase of African American alumni donor participation.

- LEADERSHIP EXPERIENCE -

THE GEORGE WASHINGTON UNIVERSITY – PRESIDENTIAL ADMINISTRATIVE FELLOW JUN 2007 – MAY 2009

- Served in various ambassadorial roles to advance GW's objectives and reputation in the areas of philanthropy, research, service learning and sustainability.
- Assisted in hosting official university dignitaries, including former U.S. Presidents Jimmy Carter, George H.W. Bush, Bill Clinton, Secretary-General Kofi Annan, and former Pakistani President Pervez Musharraf.
- Serviced on a host of university task forces; and provided research and recommendations to high level university officials.

THE GEORGE WASHINGTON UNIVERSITY – STUDENT ASSOCIATION PRESIDENT May 2006 – May 2007

- Represented student body of 20,000+ law, medical, graduate, undergraduate and professional students to university administration, board of trustees, the local, Washington, DC community and government.
- Directed a budget of more than \$600,000; oversaw the funding to over 350 student organizations.
- Supervised, managed and evaluated executive branch of Student Association made up of 15 vice presidents and directors, and 8 administrative support staff members.
- Served on the Presidential Search Committee that selected Dr. Steven Knapp as GW's 16th president.

UNITED STATES NAVY RESERVE – LEGALMAN 2ND CLASS (SURFACE WARFARE) Dec 2004 – Oct 2007

- Supported Region Legal Service Office Northeast, Washington Navy Yard (active duty counter part)
- Honorably discharged.

UNITED STATES NAVY – LEGALMAN 2ND CLASS (SURFACE WARFACE) Jan 2000 – Oct 2004

- Served as Leading Petty Officer (LPO) at Trial Service Office Northeast Groton. As LPO I directed, strengthened, and managed all aspects of office administration including the preparation of over 80 court proceedings. I also supervised and trained junior military personnel in office administration, military proceedings, and military customs. Lastly, I supported 6 attorneys for 210+ cases and traveled an 11-state area of responsibility.
- Served on board USS FRANK CABLE, Apra Harbor, Guam where I performed general legal office work and legal research and writing for administrative hearing boards and proceedings. Also, I performed basic seamanship duties during open ocean transit and port visits.
- Honorably discharged.

EDUCATION AND LEADERSHIP TRAINING

THE GEORGE WASHINGTON UNIVERSITY, Washington, DC May, 2009

- Master of Arts, Women's Studies; selected as a GW Presidential Administrative Fellow

THE GEORGE WASHINGTON UNIVERSITY, Washington, DC May, 2007

- Bachelor of Arts, Sociology and Women's Studies (Double Major); elected Student President
- NAVAL JUSTICE SCHOOL - Newport, RI Dec, 2002
- Certificate in Military Justice, Paralegal Studies and Court Reporting

NOTABLE AWARDS AND RECOGNITIONS

- 9th Annual Coalition of Adoption Programs Gala, honoree and keynote speaker, 2009
- Finalist, University-wide Service Excellence Celebration, Award for Student Staff Award, 2008 (for my leadership in facilitating the Exploratory Review Committee on African American Engagement)
- 11th Annual Alpha Kappa Alpha, Inc Mu Delta Chapter Black Male Appreciation Dinner, honoree, 2007
- GW Black Alumni Association's Making an Impact Award, 2006
- GW Student Leaders Scholarship and Award, 2006
- Navy and Marine Corps Achievement Medal, 2005 (awarded for professional and leadership achievement)
- Navy Good Conduct Medal, 2003 (awarded to recognize the "all-around" good Navy enlisted person, well qualified in all phases of conduct and performance)
- Global War on Terrorism Expeditionary Medal, 2003 (awarded to service members who deployed abroad for service in the Global War on Terrorism Operations during or after the attacks on September 11th, 2001)
- Enlisted Surface Warfare Specialist Insignia, 2001 (awarded for having attained significant experience in surface ships)
- Navy Meritorious Unit Commendation, 2001 (awarded to unit for humanitarian efforts in East Timor immediately following an Indonesian Army and pro-Indonesian militia rampage, murdering hundreds)
- Commanding Officer's Citation, 2000 (awarded for exemplary performance of duty)

Attachments

Attachment	File Name	File Type	Created By
Resume	Resume for Economic Development Commission	Resume	Job Seeker

Agency-Wide Questions

1. Q: Are you related to any current City of Antioch employee?
A: No

Supplemental Questions

1. Q: Are you a current City of Antioch resident or current owner/operator of a business located in Antioch?
A: Yes
2. Q: How many years have you been a City of Antioch resident or owner/operator of a business located in Antioch?
A: less than 1
3. Q: Can you attend meetings at the current designated days and times?
A: Yes
4. Q: Current employer:
A: San Jose State University
5. Q: Current job title:
A: Director of Development
6. Q: Address, city, and zip code of current employer:

A: One Washington Square

7. Q: List the three (3) main reasons for your interest in this appointment.

A: Community service, leadership, and diversity in thought.

8. Q: Have you attended any meetings of this Board/Commission?

A: Yes

9. Q: Have you previously served on this Board/Commission with the City of Antioch?

A: No

10. Q: If you answered 'No' to the previous question, please type 'N/A'. If you answered 'Yes' to the previous question, please list dates of service.

A: NA

11. Q: What skills/knowledge do you have that would be helpful in serving on the Board/Commission for which you are applying?

A: SKILLS: Communication, leadership, negotiation. KNOWLEDGE: Women's studies, business, private-public partnerships

12. Q: Please indicate any further information or comments you wish to make that would be helpful in reviewing your application.

A: NA

13. Q: If you would like to be considered for future openings on Boards or Commissions, please select all in which you're interested.

A: Economic Development Commission
Planning Commission

14. Q: How did you learn of this opening?

A: City of Antioch Website
Other

LAMAR A. THORPE

Antioch, CA 94531

or

SUMMARY OF QUALIFICATIONS

- Experienced, resourceful development officer able to work independently in fast paced environment;
- Excellent interpersonal and public communication skills; able to build personal and institutional relationships and interact well with diverse constituencies; bilingual in English and Spanish;
- Critical thinker and problem solver; able to effectively manage volunteers, advisory boards, and classrooms.

DEVELOPMENT EXPERIENCE

SAN JOSE STATE UNIVERSITY

Mar 2012 – Current

▪ **Director of Development, Lurie College of Education(LCOE)**

- Responsible for all LCOE alumni development, communications and outreach, and serves as special advisor to the Dean.
- Overseeing LCOE's \$19,000 campaign in conjunction with the University's Acceleration Campaign.
- Managing a portfolio of 130 major and principal gift prospects, LCOE's Campaign Committee and LCOE's Alumni Board of Directors.
- Leading the planning and design phase for the construction of a new student services center, which will merge several student and academic support service operations in one central location to efficiently and better serve our undergraduate, graduate and professional students made possible by a generous gift of a private donor.

DELAWARE VALLEY COLLEGE

MAY 2011 – MAR 2012

▪ **MAJOR GIFTS OFFICER**

- Develop and implement comprehensive cultivation, solicitation, and stewardship strategies for major gift (\$25,000+) and planned giving prospects towards campaign.
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- Identify prospects to participate in specific events, committees and other programs that promote the cultivation process.
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CITIZENS FOR LAMAR THORPE

Oct 2009 – Sept 2010

▪ **Candidate**

- Identified and solicited donations of more than \$30,000 for democratic primary race for state delegate.
- Planned, developed and executed philanthropic strategic plan; successfully achieved campaign fundraising goals through personal, online, direct mail solicitations, and fundraising events.
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- Recruited more than 30 volunteers for canvassing, mailings, campaign events and electioneering.

THE GEORGE WASHINGTON UNIVERSITY

Jun 2007 – May 2009

▪ **Assistant Director of Development, Luther Rice Society**

- Identified, cultivated and solicited leadership annual gift prospects; successfully raising more than \$100,000 annually towards team's established \$1 million goal.
- Traveled nationally to visit with 150 alumni annually to solicit leadership gifts.

LAMAR A. THORPE (CONTINUED)

- Identified and recruited volunteer leadership for the Luther Rice Society Advisory Council; prepared written and visual materials and organized sessions to train volunteers in the most effective techniques for the solicitation of leadership gifts.
- Managed portfolio of 200 prospects and donors that included alumni, faculty and staff; developed and managed alumni and development events, as assigned.
- Re-launched the Luther Rice Society, university's largest leadership annual giving society, composed of individuals making leadership gifts ranging between \$1000 and \$25,000; managed society's 15- member Executive Committee.
- Established GW's first annual African American Reunion; recruited 45-member African American Alumni Advisory Board; resulting in an increase of African American alumni donor participation.

- LEADERSHIP EXPERIENCE -

- THE GEORGE WASHINGTON UNIVERSITY – PRESIDENTIAL ADMINISTRATIVE FELLOW** JUN 2007 – MAY 2009
- Served in various ambassadorial roles to advance GW's objectives and reputation in the areas of philanthropy, research, service learning and sustainability.
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 - Serviced on a host of university task forces; and provided research and recommendations to high level university officials.
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- Represented student body of 20,000+ law, medical, graduate, undergraduate and professional students to university administration, board of trustees, the local, Washington, DC community and government.
 - Directed a budget of more than \$600,000; oversaw the funding to over 350 student organizations.
 - Supervised, managed and evaluated executive branch of Student Association made up of 15 vice presidents and directors, and 8 administrative support staff members.
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- Supported Region Legal Service Office Northeast, Washington Navy Yard (active duty counter part)
 - **Honorably discharged.**
- UNITED STATES NAVY – LEGALMAN 2ND CLASS (SURFACE WARFARE)** Jan 2000 – Oct 2004
- Served as Leading Petty Officer (LPO) at **Trial Service Office Northeast Groton**. As LPO I directed, strengthened, and managed all aspects of office administration including the preparation of over 80 court proceedings. I also supervised and trained junior military personal in office administration, military proceedings, and military customs. Lastly, I supported 6 attorneys for 210+ cases and traveled an 11-state area of responsibility.
 - Served on board **USS FRANK CABLE**, Apra Harbor, Guam where I performed general legal office work and legal research and writing for administrative hearing boards and proceedings. Also, I performed basic seamanship duties during open ocean transit and port visits.
 - **Honorably discharged.**

EDUCATION AND LEADERSHIP TRAINING

- THE GEORGE WASHINGTON UNIVERSITY, Washington, DC May, 2009
- **Master of Arts, Women's Studies; selected as a GW Presidential Administrative Fellow**
- THE GEORGE WASHINGTON UNIVERSITY, Washington, DC May, 2007
- **Bachelor of Arts, Sociology and Women's Studies (Double Major); elected Student President**
- NAVAL JUSTICE SCHOOL - Newport, RI Dec, 2002
- **Certificate in Military Justice, Paralegal Studies and Court Reporting**

NOTABLE AWARDS AND RECOGNITIONS

- 9th Annual Coalition of Adoption Programs Gala, honoree and keynote speaker, 2009

LAMAR A. THORPE (CONTINUED)

- **Finalist, University-wide Service Excellence Celebration, Award for Student Staff Award, 2008** (for my leadership in facilitating the Exploratory Review Committee on African American Engagement)
- **11th Annual Alpha Kappa Alpha, Inc Mu Delta Chapter Black Male Appreciation Dinner, honoree, 2007**
- **GW Black Alumni Association's Making an Impact Award, 2006**
- **GW Student Leaders Scholarship and Award, 2006**
- **Navy and Marine Corps Achievement Medal, 2005** (awarded for professional and leadership achievement)
- **Navy Good Conduct Medal, 2003** (awarded to recognize the "all-around" good Navy enlisted person, well qualified in all phases of conduct and performance)
- **Global War on Terrorism Expeditionary Medal, 2003** (awarded to service members who deployed abroad for service in the Global War on Terrorism Operations during or after the attacks on September 11th, 2001)
- **Enlisted Surface Warfare Specialist Insignia, 2001** (awarded for having attained significant experience in surface ships)
- **Navy Meritorious Unit Commendation, 2001** (awarded to unit for humanitarian efforts in East Timor immediately following an Indonesian Army and pro-Indonesian militia rampage, murdering hundreds)
- **Commanding Officer's Citation, 2000** (awarded for exemplary performance of duty)

Economic Development Commission (EDC)

Name: Karen D Williams Address: 2601 Strawberry Ct.
Antioch, California 94531 US
Home Phone: [REDACTED] Alternate Phone: [REDACTED]
Email: [REDACTED] Former Last Name: Dumas
Month and Day of Birth: 12/15

Personal Information

Driver's License: Yes, California, [REDACTED], Class C CDL
Can you, after employment, submit proof of your legal right to work in the United States? Yes
What is your highest level of education? Some College

Resume

Text Resume

Karen D. Williams
2601 Strawberry Ct.
Antioch, CA 94531
[REDACTED]
[REDACTED]

SUMMARY QUALIFICATIONS

- Dedicated, loyal employee with diverse career background.
- Proven ability to complete assigned projects on time while unsupervised or as an effective team member.
- Demonstrated ability to utilize available resources and follow through to completion.
- Possess strong work ethic with 100% dedication to assigned tasks.
- Work well with wide range of people.
- Capable of learning new skills rapidly.
- Advanced Level Proficiency in Microsoft Office Suite: (Word, Excel, PowerPoint, Access, Outlook) SAP, Adobe Acrobat, Word Perfect and Lotus Notes.

PROFESSIONAL EXPERIENCE

Bayer HealthCare, Berkeley CA 2003-2010

Issuance and Archive Coordinator

- Responsible for controlled site document accountability, site document Issuance, short term and long term archiving and retrieval of site documents, file
- Maintenance and logbook issuance.
- Confer with department supervisors or other personnel to assess progress and discuss needed changes for batch productions records for electronic issuance.
- Responsible for maintaining appropriate level of Batch Production Records as requested.
- Responsible for site book holder sets.
- Trained production supervisors on emergency issuance of Batch Production Records.

Bayer HealthCare, Berkeley CA 1999-2003

Sr. Documentation Coordinator

- Responsible in coordinating with Production Planning and Manufacturing personnel in ensuring quality and efficiency of controlled documentation.
- Track the flow of controlled documents within classified areas of Manufacturing
- Prepare and stage lot packets according to the Production schedule.
- Prepare sample and drum labels for BPR lot packets.
- Responsible for all Revisions.
- Responsible for transferring Plasma documents to QA using site wide BPR Tracking System.
- Copy reproduction of HPPS documents before sending to QA.
- Cross training of documentation personnel.

Olsten Staffing @ Bayer, Berkeley CA 1996-1999
Documentation Coordinator

- Provided support to QA Release department independently under minimal Supervision.
 - Performed batch production records (BPRs) verification from Manufacturing to QA Release office.
 - Responsible for tracking BPRs using Paradox database.
 - Typically arranged internal departmental meetings.
 - Compiled Final Container Lot Packets.
 - Organized, maintained, and created files for Batch Production Records (BPRs).
 - Performed various clerical duties such as ordering office supplies, data entry, filing, maintenance of department records and schedules, completion of assignments requiring research of records.
- Compiled data from records and prepared reports and spreadsheets. Arranged agenda, refreshments, travel arrangements, handouts, and promotions for meetings. Answered telephones and routed messages in the absence of any department employees.

City of Oakland, Oakland CA 1995-1996
Parking Control Technician

- Patrolling the streets in an assigned area to cite illegally parked vehicles and to enforce motor vehicle parking regulations. Places identifying marks on parked vehicles, or records identifying information into hand-held computer, and subsequently checks for these data/marks as means of identifying vehicles, which are parked beyond the legal time limit.
- Arranges for removal of unlawfully parked vehicles by state and local codes.
- Make notes of actions taken in line of duty and prepares detailed reports.

City of San Leandro, San Leandro CA 1995-1996
Administrative Assistant

- Administrative/clerical support: typing, filing and scheduling meetings.
- Distributed external and internal departmental mail.
- Copy reproductions of documents, presentations and reports.
- Ordered all office supplies.

Kaiser Permanente, Hayward CA 1994-1994
Medical Records Clerk

- Administrative/clerical support: typing, filing, copy reproduction and scheduling meetings.
- Retrieved patient medical records for physicians, technicians, or other medical personnel.

EDUCATION

St. Elizabeth High School Diploma, 1991
Chabot College General Education

Attachments

Attachment	File Name	File Type	Created By
Karen Williams Resume	KarenWilliamsResume	Resume	Job Seeker

Agency-Wide Questions

1. Q: Are you related to any current City of Antioch employee?
A: No

Supplemental Questions

1. Q: Are you a current City of Antioch resident or current owner/operator of a business located in Antioch?
A: Yes
2. Q: How many years have you been a City of Antioch resident or owner/operator of a business located in Antioch?
A: 12

3. Q: Can you attend meetings at the current designated days and times?

A: Yes

4. Q: Current employer:

A: Laid off

5. Q: Current job title:

A: N/A

6. Q: Address, city, and zip code of current employer:

A: 2601 Strawberry Ct., Antioch

7. Q: List the three (3) main reasons for your interest in this appointment.

A: The three main reason I am interested in becoming a part of the Economic Development Commission (EDC) because I feel I can bring new and fresh ideas to the Economic Development of Antioch. I feel Antioch is a diamond in the rough and just need to implement the same objectives as other neighboring communities i.e. Brentwood, Walnut Creek and Pleasanton. I feel I would be an asset to the Economic Development Commission (EDC) because I am 39 years old, married, and a mother of two children. I have always desired to be a servant to my community and I feel this is the perfect opportunity for me to help the City of Antioch flourish into a better community.

8. Q: Have you attended any meetings of this Board/Commission?

A: No

9. Q: Have you previously served on this Board/Commission with the City of Antioch?

A: No

10. Q: If you answered 'No' to the previous question, please type 'N/A'. If you answered 'Yes' to the previous question, please list dates of service.

A: N/A

11. Q: What skills/knowledge do you have that would be helpful in serving on the Board/Commission for which you are applying?

A: I possess a California Department of Real Estate Salesperson license it would be helpful in serving on the Economic Development Commission.

12. Q: Please indicate any further information or comments you wish to make that would be helpful in reviewing your application.

A: I want to set an example for my two children that it is imperative to serve your community in which you live.

13. Q: If you would like to be considered for future openings on Boards or Commissions, please select all in which you're interested.

A: Economic Development Commission
Planning Commission
Police Crime Prevention Commission

14. Q: How did you learn of this opening?

A: City of Antioch Website

Karen D. Williams
2601 Strawberry Ct.
Antioch, CA 94531



SUMMARY QUALIFICATIONS

- Dedicated, loyal employee with diverse career background.
- Proven ability to complete assigned projects on time while unsupervised or as an effective team member.
- Demonstrated ability to utilize available resources and follow through to completion.
- Possess strong work ethic with 100% dedication to assigned tasks.
- Work well with wide range of people.
- Capable of learning new skills rapidly.
- Advanced Level Proficiency in Microsoft Office Suite: (Word, Excel, PowerPoint, Access, Outlook) SAP, Adobe Acrobat, Word Perfect and Lotus Notes.

PROFESSIONAL EXPERIENCE

Bayer Corporation, Berkeley CA

2003-2010

Issuance and Archive Coordinator

- Responsible for controlled site document accountability, site document Issuance, short term and long term archiving and retrieval of site documents, file Maintenance and logbook issuance.
- Confer with department supervisors or other personnel to assess progress and discuss needed changes for batch productions records for electronic issuance.
- Responsible for maintaining appropriate level of Batch Production Records as requested.
- Responsible for site book holder sets.
- Trained production supervisors on emergency issuance of Batch Production Records.

Bayer Corporation, Berkeley CA

1999-2003

Sr. Documentation Coordinator

- Responsible in coordinating with Production Planning and Manufacturing personnel in ensuring quality and efficiency of controlled documentation.
- Track the flow of controlled documents within classified areas of Manufacturing
- Prepare and stage lot packets according to the Production schedule.
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- Responsible for transferring Plasma documents to QA using site wide BPR Tracking System.
- Copy reproduction of HPPS documents before sending to QA.
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- Compiled Final Container Lot Packets.
- Organized, maintained, and created files for Batch Production Records (BPRs).
- Performed various clerical duties such as ordering office supplies, data entry, filing, maintenance of department records and schedules, completion of assignments requiring research of records. Compiled data from records and prepared reports and spreadsheets. Arranged agenda, refreshments, travel arrangements, handouts, and promotions for meetings. Answered telephones and routed messages in the absence of any department employees.

City of Oakland, Oakland CA

1995-1996

Parking Control Technician

- Patrolling the streets in an assigned area to cite illegally parked vehicles and to enforce motor vehicle parking regulations. Places identifying marks on parked vehicles, or records identifying information into hand-held computer, and subsequently checks for these data/marks as means of identifying vehicles, which are parked beyond the legal time limit.
- Arranges for removal of unlawfully parked vehicles by state and local codes.
- Make notes of actions taken in line of duty and prepares detailed reports.

City of San Leandro, San Leandro CA

1995-1996

Administrative Assistant

- Administrative/clerical support: typing, filing and scheduling meetings.
- Distributed external and internal departmental mail.
- Copy reproductions of documents, presentations and reports.
- Ordered all office supplies.

Kaiser Permanente, Hayward CA

1994-1994

Medical Records Clerk

- Administrative/clerical support: typing, filing, copy reproduction and scheduling meetings.
- Retrieved patient medical records for physicians, technicians, or other medical personnel.

EDUCATION

St. Elizabeth High
Chabot College

High School Diploma, 1991
General Education

References Available Upon Request

**STAFF REPORT TO THE ANTIOCH PUBLIC FINANCING AUTHORITY
FOR CONSIDERATION AT THE BOARD MEETING OF JANUARY 22, 2013**

PREPARED BY: Dawn Merchant, Finance Director

Date: January 14, 2013

Subject: Antioch Public Financing Authority – Basic Financial Statements and Independent Auditors’ Report for the Year Ended June 30, 2013

Recommendation:

Receive and file the Antioch Public Financing Authority Basic Financial Statements and Independent Auditors’ Reports for the year ended June 30, 2012.

Background

As required by State law, the Antioch Public Financing Authority must publish a complete set of financial statements at the close of each fiscal year audited by a firm of licensed certified public accountants. This year's annual financial report was audited by Badawi & Associates, Certified Public Accountants.

As stated in the Independent Auditor's Report, the basic financial statements present fairly, in all material respects, the financial position of the Authority, as of June 30, 2012, and the changes in its financial position and its cash flows in conformity with generally accepted accounting principles.

Attachment: - City of Antioch Public Financing Authority – Basic Financial Statements and Independent Auditor’s Report for the Year Ended June 30, 2012

City of Antioch Public Financing Authority

(A Component Unit of the City of
Antioch, California)

*Basic Financial Statements
and Independent Auditor's Report*

For the year ended June 30, 2012

City of Antioch Public Financing Authority
Basic Financial Statements
For the year ended June 30, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of the City of Antioch Public Financing Authority
Antioch, California

We have audited the accompanying financial statements of the City of Antioch Public Financing Authority (Authority), a component unit of the City of Antioch, as of and for the year ended June 30, 2012, which collectively comprise the Authority's basic financial statements, as listed in the table of contents. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2012, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

To the Board of Directors
of the City of Antioch Public Financing Authority
Antioch, California
Page 2

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 3 through 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's financial statements as a whole. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates
Certified Public Accountants
Oakland, California
December 5, 2012

ANTIOCH PUBLIC FINANCING AUTHORITY
Management's Discussion and Analysis

This section of the Antioch Public Financing Authority's (the Authority) financial statements presents a narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2012. Please read it in conjunction with the Authority's basic financial statements.

Financial Highlights

- Cash receipts from leases during the year totaled \$2,745,922. All of these receipts were used to pay debt service requirements for fiscal year 2011/12.

Financial Statements

The Authority's financial statements are those of a special-purpose government engaged only in providing debt financing for capital improvements benefiting the City of Antioch (the City) and the former Antioch Development Agency (the Agency). Under Governmental Accounting Standards Board (GASB) Statement No. 34, governments like the Authority that have only business-type activities may present only enterprise fund financial statements as follows: (1) statement of net assets; (2) statement of revenues, expenses and changes in net assets; and (3) statement of cash flows.

The Authority's basic financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The following table indicates the net assets as of June 30, 2012 and June 30, 2011:

	<u>2012</u>	<u>2011</u>
Assets:		
Current assets	\$ 3,970,752	\$ 3,847,174
Noncurrent assets	<u>23,705,302</u>	<u>24,862,579</u>
Total assets	<u>27,676,054</u>	<u>28,709,753</u>
 Liabilities:		
Current liabilities	1,772,941	1,996,565
Noncurrent liabilities	<u>23,161,464</u>	<u>24,220,573</u>
Total liabilities	<u>24,934,405</u>	<u>26,217,138</u>
 Total net assets	<u><u>\$ 2,741,649</u></u>	<u><u>\$ 2,492,615</u></u>

Use of the Authority's net assets is restricted. At June 30, 2012, the Authority's total net assets were restricted for debt service.

ANTIOCH PUBLIC FINANCING AUTHORITY
Management's Discussion and Analysis

The following table indicates the changes in net assets for the fiscal year ended June 30, 2012 and June 30, 2011:

	2012	2011
Revenues:		
Lease interest revenue from the City of Antioch	\$ 1,690,560	\$ 1,732,687
Investment income	100	854
Total revenues	1,690,660	1,733,541
Expenses:		
General and administrative	52,842	213,268
Fiscal charges	9,750	8,578
Interest expense	1,379,034	1,446,448
Total expenses	1,441,626	1,668,294
Change in net assets	249,034	65,247
Net assets, beginning of year	2,492,615	3,102,368
Prior period adjustment	-	(675,000)
Net assets, beginning of year restated	2,492,615	2,427,368
Net assets, end of year	\$ 2,741,649	\$ 2,492,615

The Authority's total revenues decreased by \$42,881 to \$1,690,660 in the fiscal year ended June 30, 2012. The decrease in revenue was due to decreased lease interest revenue from the City of Antioch.

Debt Administration

The long-term debt of the Authority at June 30, 2012 included \$24,280,000 of outstanding lease revenue bonds. The lease revenue bonds will be repaid through lease agreements with the City that are structured to meet principal and interest requirements when due.

During fiscal year 2012, the Authority's total debt decreased by \$1,035,000.

Request for Information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department of the City of Antioch, P.O. Box 5007, Antioch, California 94531-5007.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Antioch Public Financing Authority
Statement of Net Assets
June 30, 2012

ASSETS	
Current assets:	
Restricted cash and investments	\$ 2,195,790
Interest receivables	11
Prepaid items	5,210
Lease interest receivable due from the City of Antioch	659,741
Net investment in leases - current portion	1,110,000
Total current assets	<u>3,970,752</u>
Noncurrent assets:	
Deferred charges	535,302
Net investment in leases	23,170,000
Total noncurrent assets	<u>23,705,302</u>
Total assets	<u><u>27,676,054</u></u>
LIABILITIES	
Current liabilities:	
Accounts payable	3,200
Interest payable	659,741
Bond payable - due within one year	1,110,000
Total current liabilities	<u>1,772,941</u>
Noncurrent liabilities:	
Bond payable - due in more than one year	23,161,464
Total noncurrent liabilities	<u>23,161,464</u>
Total liabilities	<u><u>24,934,405</u></u>
NET ASSETS	
Restricted for debt service	<u>2,741,649</u>
Total net assets	<u><u>\$ 2,741,649</u></u>

See accompanying Notes to Basic Financial Statements.

Antioch Public Financing Authority
Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended June 30, 2012

OPERATING REVENUES:

Lease interest revenue from the City of Antioch	\$ 1,690,560
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OPERATING EXPENSES:

General and administrative	52,842
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Fiscal charges	9,750
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Total operating expenses	<u>62,592</u>
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OPERATING INCOME	<u>1,627,968</u>
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NONOPERATING REVENUES:

Interest expense	(1,379,034)
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Investment income	100
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Total nonoperating revenues	<u>(1,378,934)</u>
------------------------------------	--------------------

Change in net assets	249,034
-----------------------------	---------

NET ASSETS:

Beginning of year	<u>2,492,615</u>
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End of year	<u>\$ 2,741,649</u>
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Antioch Public Financing Authority
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash receipts from lessee - principal	\$ 1,035,000
Cash receipts from lessee - interest	1,710,922
Cash payments for administrative and fiscal charges	(11,660)
Net cash provided by operating activities	<u>2,734,262</u>

**CASH FLOWS FROM NONCAPITAL
FINANCING ACTIVITIES:**

Payments of bond principal	(1,035,000)
Interest paid on bonds	(1,348,505)
Payments of interfund loans	(281,462)
Net cash used in noncapital financing activities	<u>(2,664,967)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest received	97
Net cash provided by investing activities	<u>97</u>
Net change in cash and cash equivalents	<u>69,392</u>

CASH AND CASH EQUIVALENTS:

Beginning of year	<u>2,126,398</u>
End of year	<u>\$ 2,195,790</u>

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES:**

Operating income	\$ 1,627,968
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Accounts payables	3,200
Deferred charges	47,277
Investment in leases	1,035,000
Lease interest receivable	20,362
Prepaid items	455
Total adjustments	<u>1,106,294</u>
Net cash provided by operating activities	<u>\$ 2,734,262</u>

See accompanying Notes to Basic Financial Statements.

Antioch Public Financing Authority
Statement of Fiduciary Fund Assets and Liabilities
Agency Funds
June 30, 2012

ASSETS

Cash and investments	\$	100,587
Prepays		1,958
Interest receivable		57,959
Restricted cash and investments		<u>9,963,650</u>

Total assets **\$** 10,124,154

LIABILITIES

Due to others	\$	<u>10,124,154</u>
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Total liabilities **\$** 10,124,154

See accompanying Notes to Basic Financial Statements.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements
For the year ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Antioch Public Financing Authority (Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

A. *Financial Reporting Entity*

The Antioch Public Financing Authority (Authority) is a nonprofit corporation organized by the City of Antioch (City) and the Antioch Development Agency (Agency) under the laws of the State of California. The Authority was organized to provide financial assistance to the City and the Agency by financing real and personal property and improvements for the benefit of the residents of the City and surrounding areas.

B. *Basis of Accounting and Measurement Focus*

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The Authority's government-wide financial statements include a Statement of Net Assets, a Statement of Activities and Changes in Net Assets and a Statement of Cash Flows. These statements present summaries of business type activities for the Authority.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. The Statement of Activities and Changes in Net Assets presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The type of transactions reported as program revenues for the Authority are reported in charges for services.

The Authority applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the committee on Accounting Procedure.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Fiduciary Assets and Liabilities. The Authority's Fiduciary Funds represent Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for using the accrual basis of accounting.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash and Cash Equivalent

The Authority pools its cash and investments with the City's cash & investments. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

In accordance with GASB Statement No. 40, Deposit and Investment Disclosures (Amendment of GASB No. 3), certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying Basic Financial Statements.

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash. The Authority considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The Authority also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Long-Term Obligations

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities in the business type activities. Bond premiums and discounts and issuance costs, if material, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

E. Net Assets

In the basic financial statements, net assets are classified in the following category:

Restricted Net Assets - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

F. Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Authority's policy is to apply restricted net assets first.

G. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires Authority management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

2. CASH AND INVESTMENTS

The Authority's cash and investments consist of cash and investments held by fiscal agents and cash and investments pooled with the City's cash and investments. At June 30, 2012, the Authority had the following cash and investment balances:

	Business-Type Activities	Agency Funds	Total
Restricted cash and investments	\$ 2,195,790	\$ 9,963,650	\$ 12,159,440
Cash and investment pooled with the City	-	100,587	100,587
Total cash and investments	<u>\$ 2,195,790</u>	<u>\$ 10,064,237</u>	<u>\$ 12,260,027</u>

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name. The market value of pledged government securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City has waived collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation or Savings Association Insurance Fund.

(A) Investments

The City's investment policy, bond indentures and Section 53601 of the California Government Code allow the City to invest in the following types of investments:

- Securities of the U.S. Government or its agencies
- Certificates of Deposit
- Bankers' Acceptances
- Commercial Paper
- Investment Grade Medium Term Corporate Notes
- Repurchase Agreements
- Local Agency Investment Fund Deposits
- Insured Savings Accounts or Money Market Accounts
- Guaranteed Investment Contracts
- Mutual funds as permitted by the Code

The City did not enter into reverse repurchase agreements during the year ended June 30, 2012.

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The balance is available for withdrawal on demand.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

2. CASH AND INVESTMENTS, Continued

The City's investments with LAIF at June 30, 2012, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30 2012, the City invested in LAIF, which had invested 3.47% of the pool investment funds in Structured Notes and Asset-Backed Securities. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The fair value of LAIF was calculated by applying a factor of 1.001219643 to total investments held by LAIF.

The City invests in the California Asset Management Program (CAMP) pool. A board of five trustees who are officials or employees of public agencies have oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's position in the pool.

(B) Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rate, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2012, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)		
		Less than 1	1 to 2	2 to 3
U.S. Government securities	\$ 23,455,875	\$ -	\$ 9,434,514	\$ 14,021,361
U.S. Government agencies	30,935,792	3,452,395	16,371,202	11,112,195
Medium-term corporate notes	10,978,507	1,021,928	5,010,900	4,945,679
Certificate of Deposit	2,604,567	2,604,567	-	-
Total	\$ 67,974,741	\$ 7,078,890	\$ 30,816,616	\$ 30,079,235

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

2. CASH AND INVESTMENTS, Continued

(C) Credit Risk

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's and Moody's Investor's Service. At June 30, 2012, the City's credit risks, expressed on a percentage basis, were as follows:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments

Investment Type	S&P's Credit Rating	% of Investments
U.S. Government securities	AA+	34.51%
U.S. Government agencies	AAA	1.17%
U.S. Government agencies	AA+	43.47%
U.S. Government agencies	AA	0.87%
Medium-term corporate notes	AAA	1.49%
Medium-term corporate notes	AA+	4.50%
Medium-term corporate notes	AA-	2.39%
Medium-term corporate notes	AA	0.61%
Medium-term corporate notes	A+	3.03%
Medium-term corporate notes	A	4.13%
Certificate of Deposit	A++1	3.83%
Total		100.00%

(D) Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City or the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the City's investments were subject to custodial credit risk.

3. NET INVESTMENT IN LEASES

Debt service on the outstanding lease revenue bonds are funded with lease payments made by the City and the City former RDA to the Authority for the use of buildings and leasehold improvements acquired or constructed with bond proceeds issued by the Authority. In the lease agreements relating to the bonds, the City and the City former RDA have covenanted to make rental payments in amounts corresponding to the Authority's debt service requirements and related costs. Net investment in leases reflects the present value of remaining future lease payments due from the City and the City former RDA. As of June 30, 2012, the Authority's net investment in leases was \$24,280,000.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

4. LONG-TERM OBLIGATIONS

A summary of the Authority's long-term debt transactions for the year ended June 30, 2012, is presented below.

Description	Balance July 1, 2011	Retirements	Balance June 30, 2012	Classification	
				Amounts Due Within One Year	Amounts Due in More than One Year
2002 APFA Series A & B	\$ 23,080,000	\$ (315,000)	\$ 22,765,000	\$ 365,000	\$ 22,400,000
Deferred loss on refunding	(205,913)	41,183	(164,730)	-	(164,730)
Unamortized premiums	186,649	(10,375)	176,274	-	176,274
2003 Water Refunding Bonds	2,235,000	(720,000)	1,515,000	745,000	770,000
Deferred loss for refunding	(43,728)	21,864	(21,864)	-	(21,864)
Unamortized premiums	3,565	(1,781)	1,784	-	1,784
Total	\$ 25,255,573	\$ (984,109)	\$ 24,271,464	\$ 1,110,000	\$ 23,161,464

A. 2002 APFA Series A & B

The annual debt service requirements for the 2002 Lease Revenue Bonds outstanding at June 30, 2012 were as follows:

2002 Series A				2002 Series B			
Year Ending June 30,	Principal	Interest	Total	Year Ending June 30,	Principal	Interest	Total
2013	\$ -	\$ 562,925	\$ 562,925	2013	365,000	702,569	\$ 1,067,569
2014	-	562,925	562,925	2014	420,000	682,494	1,102,494
2015	-	562,925	562,925	2015	475,000	659,394	1,134,394
2016	-	562,925	562,925	2016	535,000	633,269	1,168,269
2017	-	562,925	562,925	2017	600,000	603,844	1,203,844
2018-2022	-	2,814,625	2,814,625	2018-2022	4,130,000	2,431,688	6,561,688
2023-2027	-	2,814,625	2,814,625	2023-2027	6,005,000	1,017,844	7,022,844
2028-2032	10,235,000	2,814,625	13,049,625				
Total	\$ 10,235,000	\$ 11,258,500	\$ 21,493,500	Total	\$ 12,530,000	\$ 6,731,102	\$ 19,261,102

Interest payments and lease revenue bond retirements are serviced by revenues generated by the tax increment from the City former RDA.

Principal and interest payments on the lease revenue bonds are payable from any revenue lawfully available to the City for the purpose of payment of Base Rental Payments. The total principal and interest remaining to be paid on the bonds is \$40,754,602. For the current year, principal and interest paid were \$1,597,819.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

4. LONG-TERM OBLIGATIONS, Continued

B. 2003 Water Revenue Refunding Bonds

The annual debt service requirements for the 2003 Water Revenue Refunding Bonds outstanding at June 30, 2012 were as follows:

2003 Water Revenue Refunding Bonds			
Year Ending June 30,	Principal	Interest	Total
2013	745,000	40,950	785,950
2014	770,000	13,956	783,956
Total	\$ 1,515,000	\$ 54,906	\$ 1,569,906

Pursuant to the agreement, the annual principal and interest payments on the water bonds are funded solely from the net water revenues billed and received. The total principal and interest remaining to be paid on the bonds is \$1,569,906. For the current year, principal and interest paid were \$794,070 and water net revenues were \$5,339,303. The water bonds required 15% of net revenues.

5. REASSESSMENT REVENUE BONDS

The 1998 Reassessment District 27/31R Series A and Subordinate Series B Reassessment Revenue Bonds (the Reassessment Bonds) were issued pursuant to a refunding plan of several outstanding special assessment bonds and the Marks-Roos Local Bond Pooling Act of 1985 and are not reflected in the Authority's basic financial statements because they are special obligations payable solely from and secured by specific revenue sources described in the bond resolutions and official statements. Neither the faith nor credit, the taxing power of the Authority, the City, State of California or any political subdivision thereof, is pledged for payment of the Bonds. The Authority acts solely as a debt service fiduciary agent for the assessed property owners and the bondholders and accounts for these fiduciary responsibilities in agency funds.

City of Antioch Public Financing Authority
Notes to Basic Financial Statements, Continued
For the year ended June 30, 2012

5. REASSESSMENT REVENUE BONDS, Continued

Interest on the Hillcrest and Reassessment Bonds is payable semi-annually on March 2 and September 2.

	District 27/31R	
	Series A	Subordinate Series B
Dates of remaining maturity	September 2, 2006 - 2018	September 2, 2006 - 2018
Face amount of issue	\$ 48,320,000	\$ 44,875,000
Interest rates	3.85% - 4.3%	5.1% - 5.9%
Bonds outstanding	\$ 11,075,000	\$ 9,830,000

6. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Authority participates in the Municipal Pooling Authority (MPA) through its relationship with the City. The purpose of the MPA is to spread the adverse effects of losses among the member agencies and to purchase excess insurance as a group, thereby reducing expenses. The City's deductibles and maximum coverage for general liability are as follows:

Deductible	MPA	Excess Liability
\$50,000	\$50,001-\$1,000,000	\$1,000,001-\$29,000,000

There have been no claims in the past three fiscal years which exceeded the Authority's excess coverage. The Authority had no claims outstanding at June 30, 2012.

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SUPPLEMENTAL INFORMATION

Antioch Public Financing Authority
Combining Statement of Net Assets
Proprietary Funds
June 30, 2012

	2002 Lease Revenue Refunding Bonds	2003 Water Revenue Refunding Bonds	Total
ASSETS			
Current assets:			
Restricted cash and investments	\$ 641,505	\$ 1,554,285	\$ 2,195,790
Interest receivables	4	7	11
Prepaid items	2,949	2,261	5,210
Lease interest receivable due from the City of Antioch	632,747	26,994	659,741
Net investment in leases - current portion	365,000	745,000	1,110,000
Total current assets	<u>1,642,205</u>	<u>2,328,547</u>	<u>3,970,752</u>
Noncurrent assets:			
Deferred charges	515,949	19,353	535,302
Net investment in leases	22,400,000	770,000	23,170,000
Total noncurrent assets	<u>22,915,949</u>	<u>789,353</u>	<u>23,705,302</u>
Total assets	<u>24,558,154</u>	<u>3,117,900</u>	<u>27,676,054</u>
LIABILITIES			
Current liabilities:			
Accounts payable	3,200	-	3,200
Interest payable	632,747	26,994	659,741
Bond payable - due within one year	365,000	745,000	1,110,000
Total current liabilities	<u>1,000,947</u>	<u>771,994</u>	<u>1,772,941</u>
Noncurrent liabilities:			
Bond payable - due in more than one year	22,411,544	749,920	23,161,464
Total noncurrent liabilities	<u>22,411,544</u>	<u>749,920</u>	<u>23,161,464</u>
Total liabilities	<u>23,412,491</u>	<u>1,521,914</u>	<u>24,934,405</u>
NET ASSETS			
Restricted for debt service	1,145,663	1,595,986	2,741,649
Total net assets	<u>\$ 1,145,663</u>	<u>\$ 1,595,986</u>	<u>\$ 2,741,649</u>

Antioch Public Financing Authority
Combining Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	2002 Lease Revenue Refunding Bonds	2003 Water Revenue Refunding Bonds	Total
OPERATING REVENUES:			
Lease interest revenue from the City of Antioch	\$ 1,555,512	\$ 135,048	\$ 1,690,560
OPERATING EXPENSES:			
General and administrative	33,404	19,438	52,842
Fiscal charges	6,246	3,504	9,750
Total operating expenses	39,650	22,942	62,592
OPERATING INCOME	1,515,862	112,106	1,627,968
NONOPERATING REVENUES (EXPENSES):			
Interest expense	(1,304,964)	(74,070)	(1,379,034)
Investment income	21	79	100
Total nonoperating revenues (expenses)	(1,304,943)	(73,991)	(1,378,934)
Change in net assets	210,919	38,115	249,034
NET ASSETS:			
Beginning of year	934,744	1,557,871	2,492,615
End of year	\$ 1,145,663	\$ 1,595,986	\$ 2,741,649

Antioch Public Financing Authority
Combining Schedule of Cash Flows by Bond Program
Proprietary Funds
For the Fiscal Year Ended June 30, 2012

	2002 Lease Revenue Refunding Bonds	2003 Water Revenue Refunding Bonds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from lessee - principal	\$ 315,000	\$ 720,000	\$ 1,035,000
Cash receipts from lessee - interest	1,564,174	146,748	1,710,922
Cash payments for administrative and fiscal charges	(8,560)	(3,100)	(11,660)
Net cash provided by operating activities	1,870,614	863,648	2,734,262
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Payments of bond principal	(315,000)	(720,000)	(1,035,000)
Interest paid on bonds	(1,282,818)	(65,687)	(1,348,505)
Payments of interfund loans	(281,462)	-	(281,462)
Net cash used in noncapital financing activities	(1,879,280)	(785,687)	(2,664,967)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	19	78	97
Net cash provided by investing activities	19	78	97
Net change in cash and cash equivalents	(8,647)	78,039	69,392
CASH AND CASH EQUIVALENTS:			
Beginning of year	650,152	1,476,246	2,126,398
End of year	<u>\$ 641,505</u>	<u>\$ 1,554,285</u>	<u>\$ 2,195,790</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 1,515,862	\$ 112,106	\$ 1,627,968
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Accounts Payable	3,200	-	3,200
Deferred charges	27,924	19,353	47,277
Investment in Leases	315,000	720,000	1,035,000
Lease interest receivable	8,662	11,700	20,362
Prepaid items	(34)	489	455
Total adjustments	<u>354,752</u>	<u>751,542</u>	<u>1,106,294</u>
Net cash provided by operating activities	\$ 1,870,614	\$ 863,648	\$ 2,734,262
Non cash items:			
Amortization of premium and deferred loss on refunding of debt	\$ 30,808	\$ 20,083	\$ 50,891

Antioch Public Financing Authority
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2012

Reassessment District 27/31R 1998 Reassessment Revenue Bonds	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
Assets:				
Cash and investments	\$ 553,237	\$ -	\$ (452,650)	\$ 100,587
Assessment receivable	338,582	-	(338,582)	-
Interest receivable	57,371	588	-	57,959
Prepays	-	1,958	-	1,958
Restricted cash and investments	8,886,114	1,077,536		9,963,650
Total assets	\$ 9,835,304	\$ 1,080,082	\$ (791,232)	\$ 10,124,154
Liabilities:				
Due to bondholders	9,835,304	1,080,082	(791,232)	10,124,154
Total liabilities	\$ 9,835,304	\$ 1,080,082	\$ (791,232)	\$ 10,124,154

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
of the City of Antioch Public Financing Authority
Antioch, California

We have audited the accompanying financial statements of the City of Antioch Public Financing Authority (Authority), a component unit of the City of Antioch, as of and for the year ended June 30, 2012 and have issued our report thereon dated December 5, 2012. We conducted our audit in accordance with generally accepted auditing standards in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

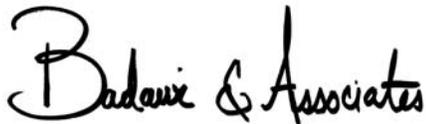
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the Authority's internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

To the Board of Directors
of the City of Antioch Public Financing Authority
Antioch, California
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's basic financial statements are free of material misstatements, we performed tests of its compliance with certain provision of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the Authority Board, management, and the California State Controller's office and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates
Certified Public Accountants
Oakland, California
December 5, 2012

CITY OF ANTIOCH AS SUCCESSOR AGENCY TO
THE ANTIOCH DEVELOPMENT AGENCY
CLAIMS BY FUND REPORT
FOR THE PERIOD OF
NOVEMBER 20, 2012 - JANUARY 16, 2013
FUND/CHECK#

239 Redevelopment Obligation Retirement Fund

343095 FEDEX	SHIPPING	25.94
343145 BADAWI & ASSOCIATES	DDR-OTHER FUNDS	6,000.00

431 Redevelopment Obligation Retirement Fund (for former Project Area #1)

Non Departmental

342480 BANK OF NEW YORK MELLON	FISCAL AGENT FEE	2,915.00
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CITY OF ANTIOCH AS HOUSING SUCCESSOR TO
THE ANTIOCH DEVELOPMENT AGENCY
CLAIMS BY FUND REPORT
FOR THE PERIOD OF
NOVEMBER 20, 2012 - JANUARY 16, 2013
FUND/CHECK#

227 Housing Fund

Housing - CIP

342694 KENNEDY, JANET	CONSULTANT SERVICES	630.00
342740 SIERRA CORPORATE MANAGEMENT	VISTA DIABLO SUBSIDY	51,434.71
342867 CONTRA COSTA COUNTY	DDR BALANCE	106,324.00
343103 KENNEDY, JANET	CONSULTANT SERVICES	840.00
343145 BADAWI & ASSOCIATES	DDR-LMIHF	6,000.00

**STAFF REPORT TO THE CITY COUNCIL FOR CONSIDERATION AT THE
COUNCIL MEETING OF JANUARY 22, 2013**

FROM: Lynn Tracy Nerland, City Attorney 
DATE: January 18, 2013
SUBJECT: *Supplemental Staff Report:* Settlement Agreement with Northern California River Watch and updated Sewer System Management Plan (SSMP)

ACTION:

Motion to receive and file the fully-executed signature page of the Settlement Agreement with Northern California River Watch, along with the other documents presented in the staff report dated January 17, 2013.

ATTACHMENT:

- A. Signature Page of Settlement Agreement and Mutual Release of Claims

24. **Authority.** The undersigned representatives for NCRW and the City each certify that he or she is fully authorized by the party whom he represents to enter into the terms and conditions of this AGREEMENT.

The PARTIES hereby enter into this AGREEMENT.

Date: January 18, 2013

NORTHERN CALIFORNIA RIVER WATCH

By: Margaret H. Fairclough
Name: Margaret H. Fairclough
Title: Board President

Date: January 18, 2013

CITY OF ANTIOCH

By: Lynn Tracy Nerland
Name: Lynn Tracy Nerland
Title: City Attorney

APPROVED AS TO FORM:

For NCRW:

Date: January 18, 2013

LAW OFFICE OF JACK SILVER

Jerry Bernhaut
By: Jerry Bernhaut, Esq.

For the City:

Date: January 14, 2013

DOWNEY BRAND LLP

Melissa A. Thorne
By: Melissa A. Thorne, Esq.