



# ADMINISTRATIVE REPORT

DATE: MAY 22, 2009

TO: MAYOR AND CITY COUNCIL  
BEN REYES, CITY ATTORNEY

FROM: BELINDA B. ESPINOSA, CITY MANAGER

## PLACES TO BE

- MAY 25- MEMORIAL DAY CELEBRATION HONORING VETERANS

A Memorial Day ceremony will be held on Monday May 25 in Fernandez Park honoring all Veterans. The ceremony, which will take place at 11:30 AM at the Memorial Fountain, will include recognition, a barbecue and games. Pinole Boy Scout troop 86 , Girl Scout Troop 1437 as well as the Pinole and Richmond VFW will be on hand conducting the ceremonies. All are invited to attend.

- MAY 25- CITY HALL CLOSED IN OBSERVANCE OF MEMORIAL DAY

- MAY 26 – SPECIAL WORKSHOP ON SEWER RATE INCREASE

The City is proposing a sewer rate increase for fiscal years 2009-10, FY 2010-11 and FY 2011-12. This was discussed at the May 19 City Council meeting but was held over for a special workshop in order to receive more public input. The meeting will be held in City Council Chambers beginning at 6:00 PM and it will be televised.

- MAY 26 – ECONOMIC DEVELOPMENT AND HOUSING ADVISORY COMMITTEE

The Economic Development and Housing Advisory Committee (EDHAC) will meet on Tuesday May 26<sup>th</sup> at 7:00p.m. The meeting will be in the Community Room at City Hall. EDHAC will discuss the Heritage Park Affordable Housing Development and the update to the 5-year Implementation Plan for the Redevelopment Area.

- MAY 27- WASTEWATER JPA MEETING

The Pinole–Hercules Wastewater JPA will be meeting on Wednesday at noon in the Community Room at Pinole City Hall. The major subject of the agenda is discussion of what option will be reported to the Regional Water Quality Control Board to meet the June 1

deadline as outlined in the National Pollutant Discharge Elimination System Permit for the Water Pollution Control Plan. The agenda is attached at the end of this report (see attached).

- **MAY 29- MEETING WITH DR HARTER ON SCHOOL SAFETY**

Councilmembers Murray and Long and I will be meeting with Dr Harter and PVHS Principal Sue Kahn to discuss safety in the Pinole schools. A report on the results will be forthcoming.

### **ITEMS OF INTEREST**

- **MORE NEWS ON THE STATE BUDGET IMPACTING CITIES PROPERTY TAX**

Most of you should be aware by now that the State budget Propositions 1A-F did not pass voter approval. The State is already taking steps to try and implement the Local Property Tax loan from cities. This effort includes trying to implement this “loan” in FY 2008-09. Basically, current legislation allows the State two opportunities to borrow funds from local government within a 10 year period. If the State borrows the funds, then they would have to pay it back to local government within three years before they would be able to implement this “loan” a second time.

For the City of Pinole this will equate to another \$382,000 in Property Tax that the State will take from us. We will have to make additional reductions to our General Fund expenditures if this occurs. Two articles have recently appeared in the Associated Press (see attached) about this effort. The California League of Cities has taken a position to fight this action (see attached).

- **REDUCED HOURS AT WEST CONTRA COSTA SANITARY LANDFILL**

West Contra Costa Sanitary landfill announced recently that they will be reducing operating hours on weekends at the Golden Bear Waste Recycling Center in Richmond. Beginning May 23, 2009 weekend hours will be reduced to 9am – 5pm on Saturdays and Sundays.

- **PINOLE POLICE DEPARTMENT**

**Part I Crimes** – Year to date, the Pinole Police Department has seen a 13% reduction in Part I crimes. The most significant drop is in stolen vehicles. This number has dropped from 71 last year at this time, to 32 this year, a 55% drop. The overall Part I Crimes can be seen on the Police Departments Web Site and also on the attachment to this document.

**Pinole Valley High School** – A successful meeting was held between Police Department administration and the administration of Pinole Valley High School. A number of issues including, activities of the School Resource Officer, crime reporting, School Safety Plan preparation, lines of communication, and specific methods of partnership were agreed upon. The complete document is attached at the end of this report.

**9-1-1 Center** – The dispatchers in our 9-1-1 center received new wireless headsets. This is a significant upgrade since they were previously attached by wire to their workstation, limiting their ability to move around. These new headphones came at no cost to the City since they were paid for through the State Emergency Telecommunications Fund.

**Chamber Meeting** – Police Chief Paul Clancy was the guest speaker at a general meeting of the Chamber of Commerce held at Round Table Pizza this week. A good discussion followed on the areas of partnership that will continue to be developing between the Police Department and the business community. These include an e-mail system to alert business owners to trends and suspicious activities and allow feedback to the Police Department on the effectiveness of their business programs.

**COPS Hiring Recovery Program (CHRP)** - We received word that our Grant request for three sworn positions is still in process. The United States Department of Justice received nationwide requests for more than 39,000 sworn positions totaling \$8.3 billion. The program is funded at \$1 billion so significant culling must be done. We will receive word on whether or not any or all of our three requested positions were approved by September 30, 2009.

- **[SMALL BUSINESS ADMINISTRATION LAUNCHES NEW LOAN PROGRAM](#)**

Small businesses suffering financial hardship as a result of the slow economy may be eligible to receive temporary relief to keep their doors open and get their cash flow back on track through to a new loan program. Beginning on June 15, the Small Business Administration (SBA) will start guaranteeing America's Recovery Capital (ARC) loans. ARC loans are deferred-payment loans of up to \$35,000 available to established, viable, for-profit small businesses that need short-term help to make their principal and interest payments on existing qualifying debt. ARC loans are interest-free to the borrower, 100 percent guaranteed by the SBA, and have no SBA fees associated with them.

As part of the Recovery Act, the ARC program was created as a no-interest, deferred payment loan to help small businesses that have a history of good performance, but as a result of the tough economy, are struggling to make debt payments.

ARC loans will be disbursed within a period of up to six months and will provide funds to be used for payments of principal and interest for existing, qualifying small business debt including mortgages, term and revolving lines of credit, capital leases, credit card obligations and notes payable to vendors, suppliers and utilities. Repayment will not begin until 12 months after the final disbursement. Borrowers don't have to pay interest on ARC loans. After the 12-month deferral period, borrowers will pay back the loan principal over a period of five years.

ARC loans will be made by commercial lenders, not SBA directly. For more information on ARC loans, visit [www.sba.gov](http://www.sba.gov). You can receive all of the SBA's News Releases via email. To subscribe, visit <http://web.sba.gov/list> and select Press Office.

- **UPCOMING COMMUNITY GROUP FUNDING PROGRAM PROJECT**

View Park (2021 Henry Avenue) will soon get a facelift thanks to Boy Scout Troop 86. On Sunday, May 31, 2009, the Scouts will spend a portion of their day clearing access trails and performing beautification activities at the park site. Through the Community Group Funding Program, the Redevelopment Agency will provide a grant to compensate the group for spending their time clearing trash, weeds, and debris along the access trail and around the flag and picnic area. The Scouts can look forward to some extra dollars to offset the costs of their volunteer work and the community will be able to enjoy a newly improved park site!

The Redevelopment Agency thanks the Boy Scouts and other participants in the Community Group Funding Program for their hard work to improve Pinole. For more information about the program, contact Redevelopment Analyst Leslie Carbahal at 510-724-9831 or [lcabahal@ci.pinole.ca.us](mailto:lcabahal@ci.pinole.ca.us).

- **NEW RESTAURANT ENTERS INTO AN EXCLUSIVE NEGOTIATION AGREEMENT**

City Council approved an exclusive negotiation agreement with Anokha Cuisine of India for the space at 2300 San Pablo Ave. The ENA is a negotiating process through which a formal deal will be structured. All deal terms, including improvement costs, lease rates and terms and schedule, will be brought back to the Agency for final review and approval. The ENA does not commit the City/Agency in any way. It formalizes the negotiation process and guarantees that both the City and the possible leasee negotiate in good faith. The restaurant owner wishes to bring a Northern Indian cuisine restaurant to the space that would serve lunch and dinner.

- **PINOLE VALLEY LANDSCAPE AND LIGHTING ASSESSMENT DISTRICT EXEMPTIONS DISTRIBUTED**

A Landscaping and Lighting District (District) was established in July 2008 to fund the beautification and maintenance of medians, lighting and traffic signals on Pinole Valley Road between Henry Avenue and Ramona Street. The City Council also approved a program to minimize the impacts from the District operations on small businesses by reducing assessments by providing an exemption for businesses with annual gross revenues less than \$750,000.

A letter, program guidelines, form for property owners, and form for business owners were mailed last week. Both forms must be submitted to the City by May 29 at 4:30 PM. The list of exemptions will be brought to the June 19 City Council meeting, which will also have a public

hearing for the District assessments. City staff will notify the property owners and business owners that they are exempt.

If anybody has questions about the District, assessments, or exemption, please call Graham Wadsworth at 510-724-9846 or Pam Bridant at 510-724-9010.

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**ATTACHMENT FOR "MORE NEWS ON STATE BUDGET":**

**Services at risk**

By SAMANTHA YOUNG, Associated Press Writer

Wednesday, May 20, 2009

(05-20) 15:19 PDT Los Angeles, CA (AP) --

Until now, the state's budget problems have been an abstraction to most Californians. That won't be the case much longer. Cities and counties that already have cut services, police and firefighters in a deepening recession could be in store for more cost-cutting in the months ahead, moves that would be felt in communities throughout the state.

Gov. Arnold Schwarzenegger has recommended the state borrow nearly \$2 billion in property tax revenue from local governments after voters soundly rejected three budget-related propositions in Tuesday's special election. The measures were intended to steer \$6 billion in revenue to the state, but their defeat has left lawmakers to figure out how to close a deficit that has grown to \$21 billion.

If cities and counties have some of their property taxes taken from them, local government officials say police and fire services would be reduced, school class sizes would get larger, libraries would cut hours and local parks would be messier. Some Los Angeles fire stations could be shut if the city is forced to make more budget cuts and the department is not allowed to fill vacant positions, Los Angeles Fire Department Capt. Tina Haro said Wednesday. That would mean longer response times when residents call 911. "It's going to take us longer to get to you and save your life, possibly, or start to put a fire out," she said.

Schools also face steep cuts. The governor has proposed cutting \$5.3 billion from the state's K-12 schools and community colleges. He has suggested schools could lay off teachers and shorten the school year by as many as seven days. That's on top of \$8.6 billion in education cuts included in the budget package lawmakers passed in February.

Los Angeles Unified School District Superintendent Ramon Cortines said Wednesday that voters' rejection of the budget propositions will force the nation's second largest district to impose furlough days and salary freezes, eliminate summer school, reduce after-school programs and put administrative employees on a 10-month work year. "Here's where we are — right at the edge of the precipice, being able to make payroll," Cortines said. "I don't see it getting any better, but we have got to preserve what we're doing in the classroom."

As property tax revenue declines, at least 75 cities have passed local resolutions declaring financial hardship, according to the League of California Cities. "They're laying off staff, furloughing staff, shortening hours at facilities," said Chris McKenzie, the league's executive director. "When somebody needs city services, they're going to find them harder to get."

Los Angeles Mayor Antonio Villaraigosa has said that as many as 2,800 layoffs may be needed to balance his city's budget if unions do not agree to furloughs, higher pension contributions and reduced health benefits. Stockton has sent layoff notices to 55 police officers and 35 civilian employees to address a \$31 million budget deficit. Vallejo city officials have warned they may be forced to slash city services by 20 percent, close two fire stations and cut 30 law enforcement positions. In the state capital, Sacramento officials are considering deep cuts to maintenance of the city's parks and golf courses.

Officials in some cities have said they could replace the money the state is proposing to borrow through borrowing of their own. Most would be forced to make more cuts in staffing and social services, said Paul A. Smith, senior legislative advocate at the Regional Council of Rural Counties.

To borrow from local government, the governor must first declare a fiscal emergency. The Legislature then would have to agree to suspend Proposition 1A, a 2004 voter-approved initiative that sought to protect government revenue after a series of state raids in the 1990s. If the Legislature approves the governor's proposal, the state would have to repay the \$2 billion taken from local governments over three years, with interest.

### **Deficit will darken Schwarzenegger's final months**

By JULIET WILLIAMS Associated Press Writer

Posted: 05/20/2009 02:57:53 PM PDT

Updated: 05/20/2009 02:57:53 PM PDT

LOS ANGELES—Gov. Arnold Schwarzenegger's election six years ago in California's unprecedented recall election was followed by unlimited promise that the state's famously dysfunctional finances would finally be fixed.

Today the Republican governor faces a financial crisis even worse than the one he inherited, after voters overwhelmingly rejected a slate of budget-balancing measures in Tuesday's special election. Figuring out how to fill a \$21.3 billion budget deficit—nearly a quarter of California's general fund—is likely to occupy most of his remaining time in office, foiling any chance he had left to build the type of legacy he desires.

"The budget mess will overshadow everything else the governor does until he leaves office. The problem is so big that he can forget about major policy innovations," said Jack Pitney, a political science professor at Claremont McKenna College in Southern California. "He was hoping to revolutionize state government. He'll be lucky to avoid a complete collapse."

It's the latest blow for a celebrity governor who came to Sacramento promising blockbuster-sized reforms. He vowed to end California's roller coaster finances by running the state like a business and cutting through the political gridlock. His promises to tear up the state's credit cards and "end the crazy deficit spending" seem like distant memories—and now impossible to accomplish before he leaves office in January 2011. Schwarzenegger has succeeded in

borrowing billions of dollars for infrastructure projects and pushing through redistricting reform, but his major achievements may end there.

A combination of political backbiting and financial reality already forced him to delay or cast aside many of his sweeping policy initiatives. The state's shaky finances will make rebuilding California's water system a long shot priority. Health care and education reforms have been defeated or scrapped.

Meanwhile, the recession is gnawing at the state's image of resilience. Unemployment has climbed to a record 11 percent, home foreclosures continue apace, the commercial real estate market has cratered and much of the construction industry has ground to a halt. With only a third of Californians approving of his job performance, Schwarzenegger has few bargaining tools remaining as he seeks to address the very same problems that compelled him to seek office six years ago.

The governor said Wednesday that he understands the message from the special election results: Californians want elected officials to solve the problems, not constantly turn to them. "Don't come to us for extra help. That was the message," Schwarzenegger said Wednesday after a meeting with Health and Human Services Secretary Kathleen Sebelius in Washington, D.C. "And you know something? I appreciate that when you hear that from the people. It gives us a chance to go and adjust, and say 'OK, we went in the wrong direction. Now let's go in the right direction and let's go do what the people want.'"

Schwarzenegger was scheduled to meet with legislative leaders Wednesday to begin discussing ways to bridge the budget gap. Within weeks, the state's budget crisis will transform from an abstraction in the minds of most Californians to painful reality.

The governor has proposed shortening the school year by seven days, eliminating health care for tens of thousands of low-income children, laying off up to 5,000 state employees and taking \$2 billion from local governments. The shift of local money is likely to translate into reduced police and firefighting services, shortened library hours and local parks becoming overgrown and strewn with trash.

"To take money out of local government suggests what the state does is more important than police, fire, after-school programs and library programs," said Chris McKenzie, executive director of the League of California Cities. "The voters have made it very clear they want the state to stand on its own two feet."

Tens of thousands of teachers also face the prospect of layoffs, and school officials were bracing for what they called unprecedented cuts. That is not the California Schwarzenegger hoped to be shaping during his final year-and-a-half in office. He already spent most of the last two years tied up in contentious budget negotiations, and the budget package he signed in February already raised taxes by \$12.8 billion and cut \$15 billion from state programs.

He has said he won't raise taxes again, setting the stage for clashes with state employee unions and other groups determined to protect their interests. In campaigning for the ballot propositions before Tuesday's election, Schwarzenegger tried to weave his own narrative in the face of likely defeat. He told audiences that Tuesday's special election was not about his time in office or the legacy he hopes to leave, but rather about California's future. That future now appears darker, at least in the short term. The scope of the crisis will challenge lawmakers to meet their rarely met June 15 to pass a balanced budget, creating the potential for another prolonged budget fight.

Schwarzenegger did get some good news on Wednesday. The federal government informed him that California will remain eligible for \$8 billion in Medicaid funds despite complaints from unions that previous pay cuts to home healthcare workers violated the terms of the federal stimulus bill. Schwarzenegger had appealed to administration officials not to jeopardize California's share of the economic stimulus funding because of the cuts to state programs lawmakers are being forced to make.

Kenneth Burt, political director of the California Federation of Teachers, which opposed parts of the ballot package, said there is still a role for Schwarzenegger during this critical time for the state—if he can reclaim his role as bipartisan peacemaker. "He's obviously a lame duck, but he still has a role to play in bringing together the legislative leaders," he said.

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Associated Press Writers Judy Lin and Samantha Young in Los Angeles and Kevin Freking in Washington, D.C., contributed to this report.

**May 19, 2009 Contact: Eva Spiegel, (916) 658-8228  
Cell, (530) 400-9068**

**FOR IMMEDIATE RELEASE**

**Voters Reject Borrowing to Bail State Out of Budget Mismanagement Defeat of Propositions 1A-E makes it Clear that Borrowing Local Government Revenues is an Unacceptable State Budget Solution**

**SACRAMENTO—** Rejecting the budget fixes put forth by state lawmakers in February with the defeat of Propositions 1A-E Tuesday, voters sent state lawmakers a resounding message: it's time for the state to deal with its fiscal problems once and for all. The League of California Cities urges the Legislature to heed the voters' message and focus on fixing its finances without taking local government revenues so that cities can provide the vital public safety and other services on which city residents rely day in and day out. Bailing the state out of its lack of fiscal discipline is bad public policy.

Tuesday's election results indicate the high level of frustration Californians have with state government and its inability to make prudent fiscal decisions. The League had supported the budget propositions because the package contained elements that helped the current budget shortfall and provided some longer term reform measures to give the state a healthier reserve.

In particular, the defeat of Prop 1C, the lottery securitization proposal, by such a large margin is a clear voter mandate to the state that it is absolutely unacceptable for the state to borrow to meet its budget obligations. Statewide opinion polls consistently show a vast majority of Californians themselves don't believe borrowing should be used to balance the state's budget and oppose public safety cuts.

It is irresponsible to hold city budgets hostage to fund the state budget. Borrowing local funds just deepens the state's structural deficit and compounds the already serious problems cities have funding basic community services. Cities are currently losing over \$900 million each year due to prior state raids of city funds—an amount that would pay for a lot of public safety and other local services. The state should balance its budget with its own revenues—not reach into the struggling budgets of cities to boost state spending. The local government credit card has expired,” said Chris McKenzie, League of California Cities executive director.

*Established in 1898, the League of California Cities is a nonprofit statewide association that advocates for cities with the state and federal governments and provides education and training services to elected and appointed city officials.*

1400 K Street, Suite 400 • Sacramento, California 95814  
Phone: (916) 658-8200 Fax: (916) 658-8240  
[www.cacities.org](http://www.cacities.org)



**AGENDA  
PINOLE / HERCULES  
WPCP Joint Powers Authority  
12:00 Noon  
May 27, 2009  
Community Room  
City of Pinole**



1. **Call to Order**
2. **Introduction of Participants**
3. **Additional Items to be added to the Agenda**
4. **Public Comments**
5. **Approve Minutes - Recommendation:**  
*Approve May 5, 2009 Draft Minutes*
6. **Operations**
  - A. **No Reports**
7. **Capital Improvements**
  - A. **Preliminary Engineering Study and Draft EIR for the Pinole only option at the Treatment Plant – Erwin Blancaflor**  
RECOMMENATION: Approve additional Scope of Work for Preliminary Engineering Study and Preparation of and EIR
  - B. **Presentation of Preliminary Engineering Study for Options 2 and 4 – Gary Dodson – Dodson Psomas Inc.**  
RECOMMENATION: Receive and File

**C. June 1, 2009 Submittal to Regional Water Quality Control Board. – Erwin Blancaflor and Dean Allison**

**RECOMMENDATION:** Authorize staff to submit the Anti-Degradation Study and to Identify Option 2 as the most viable option for Plant Upgrades to the Regional Water Quality Control Board

**8. Adjourn to the Next Meeting**

**Recommendation:**

Adjourn to next Regular Meeting June 24, 2009 at 12:00 Noon in the City of Hercules.

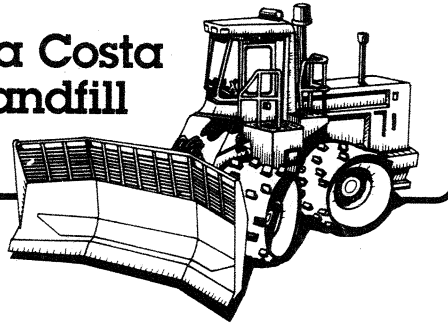
**POSTED: May 20, 2009 @ 10:00 a.m.**

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**Ana Morales**

**Kathleen Cyr**

**West Contra Costa  
Sanitary Landfill**



May 5, 2009

Ms. Lori Braunesreither, REHS  
Contra Costa Health Services  
2120 Diamond Blvd., Suite 200  
Concord, CA 94520

**Re: Golden Bear Waste Recycling Center 07-AA-0056**

Dear Ms. Braunesreither:

Due to the severe effects of the global recession and down turn in our local economy, Golden Bear Waste Recycling Center has seen a steadily declining amount of tonnage and customers on both Saturdays and Sundays. As a direct response to this significant drop-off of tonnage on these days, Golden Bear Waste Recycling Center will reduce its operating hours on Saturdays and Sundays to 9:00 a.m. to 5:00 p.m. These reduced hours will become effective May 23, 2009.

The Golden Bear Waste Recycling Center and our affiliated companies look forward to continuing our service to the West County area and the other communities we serve. We value our long standing relationship with the County, our LEA staff, and the communities. We would be pleased to provide any additional information you may need or answer any questions you may have. Please do not hesitate to contact me at (510) 412-4503.

Respectfully,

  
Peter Nuti  
General Manager – WCCSL

cc: The Honorable John Gioia, Supervisor District 1  
Kevin Finn, Area President  
Deidra Dingman, Solid Waste Program Manager Contra Costa County  
Chris Lehon, Executive Director WCCIWMA  
Bill Lindsay, City Manager, City of Richmond  
Brock Arner, City Manager, City of San Pablo  
Belinda Espinosa, City Manager, City of Pinole  
Nelson Oliva, City Manager, City of Hercules  
Scott Hanin, City Manager, City of El Cerrito  
Shawn Moberg, Richmond Sanitary Service  
Lewis Figone, Bay Cities and Bayview Refuse  
Mark Figone, East Bay Sanitary Service  
Fred Hunziker, Special Waste Sales Director

