

**CITY COUNCIL MEETING
MINUTES
April 26, 2022**

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

The City Council Meeting was held in a hybrid format (in-person and via Zoom videoconference and broadcast) from the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Salimi called the Special Meeting of the City Council to order at 6:00 p.m. and led the Pledge of Allegiance.

2. LAND ACKNOWLEDGEMENT

Before we begin, we would like to acknowledge the Ohlone people, who are the traditional custodians of this land. We pay our respects to the Ohlone elders, past, present and future, who call this place, Ohlone Land, the land that Pinole sits upon, their home. We are proud to continue their tradition of coming together and growing as a community. We thank the Ohlone community for their stewardship and support, and we look forward to strengthening our ties as we continue our relationship of mutual respect and understanding.

3. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

An official who has a conflict must, prior to consideration of the decision; (1) publicly identify in detail the financial interest that causes the conflict; (2) recuse himself/herself from discussing and voting on the matter; and (3) leave the room until after the decision has been made, Cal. Gov. Code § 87105.

A. COUNCILMEMBERS PRESENT

Vincent Salimi, Mayor
Norma Martinez-Rubin, Council Member
Anthony Tave, Council Member (Zoom teleconference)
Maureen Toms, Council Member

COUNCILMEMBERS ABSENT

Devin Murphy, Mayor Pro Tem

B. STAFF PRESENT

Andrew Murray, City Manager
Heather Bell, City Clerk
Eric Casher, City Attorney
Markisha Guillory, Finance Director
Lilly Whalen, Community Development Director
Sanjay Mishra, Public Works Director
Chris Wynkoop, Fire Chief
Maria Picazo, Recreation Manager
Stacy Shell, Human Resources Director
Roxane Stone, Deputy City Clerk

City Clerk Heather Bell announced the agenda had been posted on Thursday, April 21, 2022 at 5:00 p.m. with all legally required written notices. No written comments had been received in advance of the meeting.

Following an inquiry, the Council reported there were no conflicts with any items on the agenda.

4. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes and is subject to modification by the Mayor. Individuals may not share or offer time to another speaker. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting

Deputy City Clerk Roxane Stone reported there were no comments from the public.

5. WORKSHOP ITEMS

A. Fiscal Year (FY) 2022/23 General Fund Baseline Budget [Action: Receive Report and Provide Direction (Guillory)]

Finance Director Markisha Guillory provided a PowerPoint presentation of the City of Pinole Fiscal Year (FY) 2022/23 General Fund Baseline Budget, which included an overview of the budget and Long-Term Financial Plan (LTFP) and development of key dates for City Council actions. She reported the City's baseline budget position was favorable, excluded non-recurring items, and was the starting point for the FY 2022/23 budget projection and LTFP forecast. She highlighted the structurally balanced budget policy, recurring budget items in revenues and expenditures, FY 2022/23 budget assumptions-revenues and expenditures. A comparison of the FY 2022/23 General Fund Baseline Budget had shown the overall baseline budget as structurally balanced, with a deficit identified at \$164,324, to be addressed through the annual budget process to ensure the budget was balanced.

At this time the PowerPoint presentation moved into presentations from each City Department Head highlighting each Department's operations and functions, key accomplishments and upcoming projects. Presentations were provided from City Manager Andrew Murray, City Manager and Police Departments; City Attorney Eric Casher, City Attorney's Department; City Clerk Bell, City Clerk's Department; Community Development Director Lilly Whalen, Community Development Department; Recreation Manager Maria Picazo, Community Services Department (Recreation); Finance Director Guillory, Finance Department; Fire Chief Chris Wynkoop, Fire Department; Stacy Shell, Human Resources Director, Human Resources Department; and Public Works Director Sanjay Mishra, Public Works Department.

Finance Director Guillory recommended the City Council receive the report on the Fiscal Year (FY) 2022/23 General Fund baseline budget and direct staff to evaluate Council member requests for potential budget additions/deletions. Staff would return to the City Council on May 3, 2022 to present its analysis of the costs, benefits, and feasibility of Council members' ideas on additions and deletions to the baseline budget and present the Preliminary Proposed FY 2022/23 Operating and Capital Budget, and the FY 2022/23 Five-Year Capital Improvement Plan (CIP).

City Treasurer Roy Swearingen referenced the playground area at Pinole Valley Park and asked the status of re-turfing the soccer fields given the main fields were frequently used but in very poor condition with poor drainage and there could be liability issues.

Public Works Director Mishra reported some repair work was being done on a trial basis at Fernandez Park. There were no plans for improvements at Pinole Valley Park but there were plans for rehabilitation of the soccer fields in Fiscal Year 2023/24.

Mr. Swearingen asked that improvements planned for Pinole Valley Park for Fiscal Year 2023/24 be identified as a priority. He also asked that the funds budgeted for Soccer Field 2 be used for Soccer Field 1 given the need for a new irrigation system, and that the City Council consider another funding source for Soccer Field 2.

Council member Tave thanked staff for all of their hard work, particularly for the completed projects.

Council member Toms also thanked each Department for their accomplishments and asked the Public Works Director the status of the caretaker's home at Pinole Valley Park.

Public Works Director Mishra reiterated the Pinole Valley Park Rehabilitation Project had been scheduled for FY 2023/24, in the amount of \$200,000. The caretaker's home had not been scheduled for any work but the City Council may add funds in this budget process.

City Manager Murray added there had been some site visits to the caretaker's home; there were some restrictions on the use of the home, and it must be used for recreational purposes pursuant to state funding. A service model question remained to be resolved in terms of who resided in the home along with other criteria that must be met. There were also enforcement issues at Pinole Valley Park and he hoped to have a determination in the next few months.

Council member Toms inquired of the status of the City's contract with Contra Costa County for Animal Services, to which City Manager Murray explained that the City of Pinole, as with other cities in the County, had a long-standing agreement with Animal Services which was very high level. Animal Services had proposed a limited term (pilot) agreement and had been scheduled to make a presentation on the agreement to the City Council at its May 17, 2022 meeting.

Council member Toms also inquired of the status of the Beautification Committee, and City Manager Murray advised the Beautification Committee was an ad hoc committee that had completed its work. The recommendations the committee had proposed to be presented to the City Council as part of the Capital Improvement Plan (CIP) would to be discussed as part of agenda item 5C.

Council member Martinez-Rubin asked whether the playground surface areas scheduled for improvement excluded the baseball fields at Fernandez Park and similarly any improvements, if needed, at the dog parks. She reported she had received comments from the public that improvements were needed at the dog park.

Public Works Director Mishra explained that upgrades to the playground surfaces were for the children's playground surfaces pursuant to a grant. For Fernandez Park, the operations and maintenance staff were trying to do patch work but there was no capital budget planned for the

baseball park, which improvement would likely be in the range of \$250,000 or \$300,000. As to the dog park, he acknowledged that emails had been received from the public with concerns with the fence height and requests to repair the leaking foundation, which work had been completed. He was unaware of any requests for improvements to the dog park. As to the condition of the tennis courts across from the library nearest Pinole Valley Road, he was unaware of any concerns nor had received any comments via email but would review whether any complaints had been forwarded to the Public Works Department prior to his employment with the City.

Council member Martinez-Rubin inquired of the number of applications received for employment with the City of Pinole and which Department was the most attractive to applicants.

Human Resources Director Shell explained that the City of Pinole had become more attractive as an employer. She found the increase in applications relative to expanded recruitment efforts, but she would have to get back to the City Council on the specifics of each application.

Council member Martinez-Rubin recalled in the past year there had been some acknowledgement that the Fire Department's data collection had not meshed with other City Departments related to gauging the types of service calls received based on types of services. She asked the Fire Chief to clarify the Information System for Incident Response and Incident Report Management.

Fire Chief Wynkoop acknowledged there had been some slight delays in getting the Administrative Fire Captain position filled. One of the issues with the report management systems with the neighboring agencies not talking to each other was a related Information Technology (IT) issue and improvements to the IT Department would help to improve those kinks. Also, with the integration of the Contra Costa Fire Protection District (Con Fire) they would be housed under the exact same system and by definition they could extrapolate information more readily. If for some reason the Pinole Fire Department were to remain standalone, he had identified that issue as a "cross the bridge when they need to," but he was confident that would not be necessary.

Council member Martinez-Rubin referenced the state housing mandates and asked that information be used to update the narrative for the PowerPoint presentation information on the forecast of changes in the population, and City Manager Murray commented that the City of Pinole had steady and modest long-term growth. He expected some of the pending applications for development, once built, would not have an overall impact that would translate into an expected increase in need for services at this time. Staff did not want to try to forecast the outcome of pending housing review processes and even if approved those additional units would not result in changes to the long-term forecast service demands.

City Manager Murray explained that the City of Pinole's population growth had increased slowly but even with that population growth in development applications it was not a substantial enough increase to go back to the Department budgets to add one more person for "x" level of increase.

Council member Martinez-Rubin asked of the status of the police dispatch services contract, to which City Manager Murray stated the police dispatch services contract was a limited-term contract approved by the City Council and would expire this calendar year; however, the contract allowed the parties to extend the agreement by mutual consent of both parties. It was staff's opinion the contract be extended for at least another year at which point a new software system would be in place and would be a better time to discuss the future of the contract and the cost sharing relationship between Pinole and the cities of Hercules and San Pablo.

Council member Martinez-Rubin asked for clarification of the debt financing for capital improvement projects, and Finance Director Guillory advised that more information would be provided as part of Item 5B.

Responding to the Mayor, Human Resources Director Shell again commented on the increase in employment applications, a result of an expansion of the recruiting efforts through the use of social media, lifting some of the restrictions due to the pandemic and staff participation in recent job fairs.

City Manager Murray also commented on the changes in the job market and changes in transitions to careers which may have also led to an increase in applications.

Council member Toms referenced a parcel of land off of Silvercrest Street, which the Mayor had identified as a potential site for housing development but which was not a real high density area that could be developed and which General Plan designation would have to be researched by planning staff. From a planning perspective and in response to the Mayor, she suggested it did not make sense to increase the density on that parcel since it was located in an area with hillsides and given policies of preserving views and not increasing density in areas with steep hillsides.

Mayor Salimi asked the City Manager how the City of Pinole could better compare to its neighboring cities in terms of salaries.

City Manager Murray commented that since the recession, the total compensation the City of Pinole paid to employees had been below that of some of its peer agencies, but the City Council had made significant investment over the years to try and help salaries catch up to be competitive. There had also been total benchmarking studies done although they varied across the different classifications. He expected in the next year another total compensation benchmarking study would be needed to see where the classifications and salary ranges fell. He suggested one of the reasons the City may be more attractive to potential employees was that they were providing better compensation. If the City Council wanted to change the City's standing relative to the market, a costing exercise and labor negotiations would be required.

Mayor Salimi asked staff to provide information on what salary classifications the City of Pinole was below in comparison to its peers, but City Manager Murray explained that adjustments were typically made during the labor negotiations process and there was only one employee unit that would be effected and that information could be provided as part of labor negotiations. If the City Council approved the budget and labor negotiations ended up more than what had been approved in the budget, the City Council always had the option to consider other operating funds to increase labor costs.

PUBLIC COMMENTS OPENED

Tony Vossbrink, Pinole, asked the City Council to consider repainting and restriping City streets and roads, particularly along Appian Way, San Pablo Avenue and Pinole Valley Road including parking stalls, sidewalks, crossings, speed bumps, and curbs and that the work be considered a high priority. He asked the status of pending projects along Pinole Valley Road and the Pinole High School build-out, and expressed concern with inoperable streetlights and too many stop lights along the corridor down to the library. He added that the lights were currently not synchronized, which caused backups. He also expressed concern with carbon emission impacts.

Mayor Salimi advised the comments were more related to Item 5C than Item 5A, with staff to provide a response to the speaker via email.

In response to the concerns with the faded striping of lane lines, Public Works Director Mishra reported the speaker had raised the same concerns during a recent Traffic and Pedestrian Safety Committee (TAPS) meeting. He stated once the San Pablo Avenue project was completed all striping would be done and intersection striping at Appian Way had been completed recently to address concerns with multiple lanes. Re-striping would be done in a phased approach as part of operations and maintenance and would not be done as part of a massive task.

Rafael Menis, Pinole asked the status of the Pinole Community Gift Card Program; whether the City Clerk's Department managed the agenda packets for other City Commissions/Committees; whether a list could be provided to the public of the affirmative lawsuits in which the City of Pinole was involved; reported technical issues with the use of the website as part of the Pinole Community Survey and use of The Balancing Act tool; and while he understood a Management Compensation Study had been completed, asked whether a Class and Compensation Study had been done for other Departments, and if so the time period of the study.

Mayor Salimi commented that the issues with the screen for The Balancing Act Tool may have to do with the individual settings of the individual's cell phones since he had pulled up the link and had no issues.

City Manager Murray clarified that Pinole Perks was in the final design phase with a few more local merchants to be enrolled as participants before the City opened the Pinole Community Gift Card Program where the funding for that program was from the American Rescue Plan Act (ARPA). He too had no issues accessing The Balancing Act Tool on his cell phone but would speak with the vendor to determine whether there were any compatibility issues. He added the City had completed a total benchmarking study for all classifications.

City Clerk Bell clarified the City had staff that supported other City Commissions/Committees and identified who prepared the agenda packets. The City Clerk's Department prepared the agenda packets for the City Council and Finance Subcommittee agendas and others when needed.

Mayor Salimi added the City Clerk's Department had also been providing assistance to the West Mayors' Supervisors Association for the past six months.

City Attorney Casher also clarified the City of Pinole had a claim in the United States Bankruptcy Court against PG&E seeking to recover delayed damages associated with the construction of the Pinole-Hercules Wastewater Treatment Plant, which was a public case, and was also involved in two national cases. One national case involved opiates and the other was a Settlement Agreement with Monsanto. If settlements were approved, they would be approved at an open City Council meeting. Also, the City often had to go to the Contra Costa County Superior Court to obtain abatement warrants related to code enforcement activities.

James Tillman, Pinole a former member of many City Committees, the Planning Commission and Pinole-Hercules Wastewater Treatment Plant advocate, expressed concern with the increase in crime in the community. He requested a presentation from the Chief of Police on new officers and what state and federal funding could be provided to provide protection to the community. He asked that a future agenda item be considered to address those issues.

Mayor Salimi reported he had received data from the Police Chief that had shown crime had decreased in the City of Pinole and who had provided the statistics for violent and property crimes.

City Manager Murray concurred and stated the Police Department had assembled some data that identified the fact that property crimes and crimes in the commercial corridor had actually decreased as part of a multi-year trend and that information could be provided to the speaker. He understood there may be some recommendations for increased staffing at the Police Department as part of the budget, which may address some of the concerns.

City Manager Murray added that the Police Chief had provided a PowerPoint presentation at a prior City Council meeting on Police Department activities. The public was encouraged to watch the video of the meeting or contact the Police Chief.

Mr. Tillman commented that many crimes had not been reported, many residents felt unsafe in the community, crime had increased in the local shopping centers, and some type of enforcement was needed to ensure the public felt safe. He again asked for consideration of a future agenda item or a community workshop with the Police Chief.

Council member Toms reported the Pinole Police Department held regular meetings with the community. Another meeting was scheduled for April 27, 2022 from 5:30 to 6:30 p.m. at PSB Café (Old Bank Building).

Council member Martinez-Rubin found the community meetings held by the Pinole Police Department to be extremely beneficial and she encouraged the public to participate.

PUBLIC COMMENTS CLOSED

Council member Tave congratulated staff on the work, agreed public safety was important, urged residents to report any criminal activity to the Police Department and urged engagement and reaching out to City services and the City Council with any concerns.

Mayor Salimi suggested it would be helpful to know the baseline of the budget for the next fiscal year to show what had been accomplished. He thanked staff for exceeding expectations this fiscal year.

City Manager Murray explained that a new method had been instituted into the current fiscal year budget where each Department had provided an overview of projects in anticipation of the current fiscal year and they could report back on what had been planned and what had been accomplished, with that information to be assembled for the next fiscal year.

At this time, Director Guillory provided a preview of the Pinole Community Priorities Survey which had been launched on April 21, 2022 using The Balancing Act Tool, with 101 responses received so far in excess of the response rate of prior surveys. She provided an overview of the unweighted survey results with the top five priorities shown as parks and facilities maintenance, pavement maintenance and rehabilitation, public safety services, climate and environmental sustainability and community services. The responses weighted by rank had shown the top five priorities as the same but with public safety services the top priority. The survey remained open for another two weeks but could be extended if desired.

City Manager Murray welcomed input from the City Council on any budget additions or whether any items should be removed from the baseline.

Finance Director Guillory and City Manager Murray provided a status report on the Council Directed Initiatives for FY 2021/22 as outlined in the April 26, 2022 staff report.

Council member Tave asked that the Community Garden project be added to the list of Council Directed Initiatives.

Council member Toms asked about the timing for the Parks Master Plan, Local Road Safety Plan (LRSP) and Master Sewer Study since the implementation of those plans should be part of the budget.

City Manager Murray reported a Request for Proposal (RFP) would be issued for the Parks Master Plan before the end of the fiscal year. Staff planned to hold off on renovations to the playing field at Pinole Valley Park as earlier discussed until the Parks Master Plan had been completed. Staff was also nearing completion on two different sewer system master plans, a Master Plan, and a Management Plan, to be completed this fiscal year to be funded by the Sewer Fund. The LRSP was near completion. Comments on the LRSP had been provided to the consultant and the LRSP would be presented to the City Council by the end of this fiscal year.

Council member Toms recalled the Weatherization Energy Efficiency Program had been added to the Council Directed Initiatives at the last minute of a very long City Council meeting and had not been flushed out. She asked staff to review whether or not there would be a duplication of services since she was aware of a County-led program that already existed for Pinole residents, which was income restricted. She also asked staff to take a look at whether some of the Council Directed Initiatives could be moved up in implementation if ARPA funds were used.

Council member Tave recalled the discussion around the Weatherization Energy Efficiency Program had been intended to enhance the County's program.

City Manager Murray stated staff would be happy to come back at the next City Council meeting to discuss the three Council Directed Initiatives Council Member Toms had identified.

Director Guillory clarified that staff would be recommending the City's ARPA funds be moved into the General Fund to backfill revenue loss which allowed more leeway on the use of the funds.

Council member Martinez-Rubin spoke to one-time funding and asked that the renovation of the Faria House be added as a one-time expense and that staff research the costs associated with that independent of past discussions and what made sense given the life of the building. Since the City had shown a commitment to the renovation of the structure, she suggested there could be opportunities to augment that effort.

City Manager Murray advised that staff would assemble some information. Regardless of the future use of the Faria House, staff had the professional obligation to ensure the building did not further deteriorate due to neglect and there had been some discussions about what would be required to stabilize the building and put it to productive use.

Council member Martinez-Rubin also asked the status of the bocce ball courts and was informed by City Manager Murray that it was not feasible for the bocce courts to be considered for the original sites that had been identified but could be discussed further as part of the CIP.

Mayor Salimi clarified with the City Manager the Communications Plan would be completed before the end of the fiscal year and that one of the duties of the Assistant to the City Manager would be Communications and Engagement, with funds allocated for community engagement in the City Manager's Office budget in addition to what some City Departments were already doing on their own.

Mayor Salimi also clarified the Council Directed Initiative for Brandt Court street improvements were related to improvements for the existing street and not related to the acquisition of any new property. He also clarified with staff the budget for the Car Show and for Community Events would be reclassified as recurring costs.

City Manager Murray further clarified the City Council had allocated \$80,000 for this fiscal year which was ongoing for economic development support, but which was not sufficient to fund a full-time staff person. Staff was waiting for the completion of the Economic Development Strategy to provide recommendations for consideration.

Finance Director Guillory further clarified the possibility of a ballot measure for 2022 had not been budgeted.

City Manager Murray noted the budget included the forecast of revenues expected to be received and had not included a potential ballot measure but could be part of the LTFP to be discussed as part of Item 5B.

Council member Toms commented the idea of a bond measure had been raised with the consultants who would do surveys to address concerns expressed by many people on the nexus and the relationship between a Real Property Transfer Tax (RPTT) and those who would pay that tax versus capital needs and whether the City could float a bond. She had asked whether the survey could inquire whether there was community support for such an arrangement. She added the City Council received quarterly reports on the budget from the Finance Director and if the timing was right, and they had the information from the Communications Plan and the Economic Development Strategy, during the first quarter would be the time to modify the budget and not project and guess on expenditures. Funds could be left unallocated and then allocated once the information was available on how to implement the various plans.

Mayor Salimi re-opened public comment at this time.

Cordell Hindler, Richmond, explained that he had repeatedly requested a Class and Compensation Study since he had spoken with neighboring cities that had worked with a consultant who suggested other positions should be added to key leadership such as the Assistant to the City Manager position.

City Manager Murray reiterated a total benchmarking study had been done with the use of a consultant. The City had worked with a number of firms on a Class and Compensation Study, and different cities had different staffing structures in their City Manager's Offices. Pursuant to a recommendation from an organizational consultant, an Assistant to the City Manager and

Administrative Assistant positions would be implemented. He added that staff was in the midst of recruiting for the Assistant to the City Manager position.

Tony Gutierrez, Pinole, referenced the Pinole Community Priorities Survey, of which he had participated, but had learned about it from Pinole Patch. He asked how the City was getting the word about the surveys out to the community, and suggested there was a disconnect between what residents had said to him as compared to what he personally had seen occurring in the City with respect to crime. While violent crime had decreased, the number of nuisance crimes had increased and it was evident to long-time residents that Pinole was no longer a safe and quiet town.

Director Guillory reported that residents had been informed of the survey via mailers to residential and commercial addresses in the City, posting on the City Facebook page, City website and had been included in the Administrative Report.

City Manager Murray acknowledged the speaker's comments and while he recognized not all crimes were reported, Part 1 crimes (violent and property crimes) had decreased in Pinole. He encouraged members of the public to watch the video of the City Council meeting when the Police Chief had provided the presentation on Police Department activities and reach out to the Police Department with any concerns.

B. Preliminary Proposed Long-Term Financial Plan for Fiscal Year (FY) 2022/23-FY 2026/27 [Action: Receive Report and Provide Direction (Guillory)]

Finance Director Guillory provided a PowerPoint presentation which included an overview of the Preliminary Proposed Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2023/23-FY 2026/27. She recommended maintaining the current staffing and service levels and start to address unfunded liabilities, primarily capital asset renewal/replacement and Other-Post Employment Benefits (OPEB), pursue revenue generating opportunities and evaluate debt financing options. She asked that the City Council review the LTFP and provide direction to staff for changes to be incorporated into the next draft of the LTFP, the Revised Proposed Version to be presented to the City Council on May 17, 2022.

PUBLIC COMMENT OPENED

Cordell Hindler, Richmond, looked forward to the direction the City Council may take.

Tony Gutierrez, Pinole, questioned the City Manager's comments there had been no demographic changes in the City of Pinole which he found to be inconsistent with what had been happening on the ground. He asked how the demographics had been considered in the development of the LTFP. Referencing The Balancing Act Tool, he commented he had not been informed of the tool by mailer but had learned of it from Pinole Patch. He suggested whoever distributed the City's mailers had used an old mailing list and urged the City to improve its efforts to educate the public on its surveys.

City Manager Murray explained that the mailing list would be checked and if there was an inaccuracy the speaker would be sent a separate mailer. He added the sources of information for the trend analysis for demographics was the U.S. Census and the American Community Survey. For the purposes of the LTFP, demographic changes would include a significant increase

in the population or change in the size of a particular demographic group. The data from the sources used had not led the City to warrant a change in the staffing levels or in the level of service over the course of the five years of the LTFP.

Roy Swearingen, Pinole, commented the LTFP included no information on potential revenue sources that included applying for grants but should be included for the future, and the Finance Director confirmed that information could be considered in the LTFP.

Rafael Menis, Pinole, referred to the Community Block Grant Funds (CDBG) Program and the median household income for Contra Costa County as of January 1, 2022, whereas based on information he had the Median income for the City of Pinole was below the Low-Income household definition. He found the General Fund Reserves were generating substantially more revenue from interest in Year 2022/23 ongoing than previously and asked staff to provide clarification. Also, increased deficits had been forecast for 2025/26 onwards to the point the budget would be structurally unbalanced and asked for more detail as to the projected imbalance and what steps could be taken to correct that imbalance. He added it also appeared that roughly \$400,000 per year in unfunded funds could be used for capital outlays. He asked for clarification of the Gas Tax Fund, identified a structural deficit in the Public Safety Augmentation Fund, and a structural deficit in the fund balance for the Storm Water Fund and asked staff to provide clarification on those points.

Director Guillory clarified the information in the LTFP that had shown a structural deficit for FY 2025/26 and 2026/27, and advised that the LTFP would, in fact, be structurally balanced when the amount of the deficit was compared to the overall budget, to be addressed through the annual budget process. Pursuant to the trends across the five years, the forecast would be structurally balanced. As to the interest income for the General Reserve, it had been projected to increase over the five-year period given that as more funds were added to the General Reserve they would be additional idle funds that would generate income. Funds would be transferred to the General Reserve each year to meet the City's reserve policy and more cash would generate more income.

City Manager Murray explained the Gas Tax Fund had a growing balance since they had not accounted for one-time capital projects that would use those funds.

Director Guillory added the Gas Tax Fund aligned with the CIP.

As to the Public Safety Augmentation and Storm Water Funds, City Manager Murray and Finance Director Guillory explained that there was a large fund balance which would intentionally be spent down.

Council member Toms again clarified the Median income for Contra Costa County for a household of four and expressed the willingness to further clarify that point with Mr. Menis offline. She also clarified with the City Manager the numbers used for Median incomes household was for any family regardless of the size of the family and staff could not conclude that the average household in Pinole was below the poverty line based on the data provided.

PUBLIC COMMENTS CLOSED

Council member Toms thanked staff for the succinct LTFP. She looked forward to any changes and the use of any potential revenue from a transfer tax for the long term which may be necessary

when making a decision whether to place an item on the ballot, which may not need to be in the LTFP.

Council member Martinez-Rubin asked who would provide the information about potential revenue coming in from a transfer tax, whether a consultant or a forecast from staff.

City Manager Murray explained that forecasting had already been done as part of a potential RPTT, which had forecast \$2 million in revenue if an RPTT was approved. He outlined the prior years' LTFP process which had not recommended any specific changes to service levels or revenues, but which had laid out the landscape. The current LTFP would be more traditional, and the City Council may include specific recommendations for changes to service levels or revenues. Staff had included its recommendations for consideration as had previously been outlined. The LTFP could include the possibility of placing a ballot measure on the 2022 ballot and ask for an increase in the RPTT or place a ballot measure for a future obligation bond or explore multiple opportunities, with staff to return with recommendations. If the City Council determined it did not have enough information at this time, the LTFP could be left general, and staff could come back after more research such as considering other revenue options in-house.

Council member Martinez-Rubin asked staff to do some general research on general approaches to increase revenues. She did not want to bypass the Council's perspective on the type of revenue source such as a RPTT or General Obligation Bond, but wanted more information on the different forecasts, which she foresaw as an Excel exercise.

City Manager Murray confirmed that could be incorporated into the next version of the LTFP.

City Clerk Bell reported that Council member Tave was having technical difficulties and was no longer present via Zoom.

Council member Martinez-Rubin also referenced the \$42 million needed for streets and City Manager Murray clarified that capital needs included streets with the \$42 million reflected of a certain type of standard. Additional information could be included on capital assessments on that topic.

Mayor Salimi wanted the City Council to have a long-term budget that incorporated the capital needs of the City including streets and sewers. He noted the Public Works Director had previously advocated \$80 million worth of CIP funds for the next eight years. He wanted to see a budget for the next five years incorporate the capital improvements for the next eight years at \$80 million.

Council member Martinez-Rubin clarified that had not been her request. She requested research by staff to allow a sense of what the City needed, and the types of revenues needed to address the needs, different from a policy for revenue that wasn't available.

Mayor Salimi restated his request and Council member Martinez-Rubin again asked that staff be able to have the time to address information they had now with some forecast and then take it from there.

City Manager Murray commented on the importance of raising funds for capital needs given the need to have the cash on hand to spend on those projects, different from the ongoing revenue stream. He noted the \$80 million for the next eight years was not a figure he had vetted and was

a planning level estimate. The City was still in the midst of many capital level assessments that had been discussed on numerous occasions. He detailed the various components involved which involved different costs for the various levels of improvements to the sewer collection system and streets, as examples. Given the lack of all information needed on the City's capital assessments at this time, the inability of staff to identify the funds needed each year for a repayment stream to address that need, and no local revenue stream that would generate upwards of \$8 million per year for the next eight years, there was a lot that needed to be worked out.

City Manager Murray explained that the City's capital needs could be worked into the next version of the LTFP and he would ask the Public Works and Finance Directors to work together to identify the funding needed and the timing for the capital improvements and then identify a funding stream to support those improvements. Again, all available information would be incorporated into this draft of the LTFP.

Mayor Salimi asked the Finance Director to provide a report on the options to increase the revenue for the CIP, such as an RPTT and General Obligation Bond and other sources of revenue that may be available, which may require a consultant to come back and provide information. He asked the City Manager whether that information could be provided.

City Manager Murray suggested a consultant was not needed on the revenue side in that City staff could provide additional information on the mechanism and estimate what the revenue would be, but a consultant would need to provide assistance on the funds needed to bring the infrastructure up to an appropriate level. The City Council had already appropriated funding for those studies that were already underway, and staff again could provide additional information as part of the LTFP.

Council member Toms referred to an unallocated sewer reserve fund intended to get the City started on some repairs to its laterals which may get the City to a point of filling some of the needs that may be identified in the Sewer Master Plan. There were different revenue tools to pay for sewers and the ability to bond against fees, whereas for roads if a General Obligation Bond was considered she understood it may require a General or Special Election.

Mayor Salimi summarized the direction to staff to come back with a list of what was required for the CIP, what it would cost, the sources of revenue the City may have such as a ballot measure, General Obligation Bond, and any alternatives including what type of election was required.

City Manager Murray again stated that such information would be brought back as part of the next version of the LTFP to be addressed as additional content. He added the City did not have a Reserve Sewer Fund but had a large fund balance.

C. Overview of the Proposed Projects for FY 2022/23 Through 2026/27 Five-Year Capital Improvement Plan **[Action: Receive Report and Provide Direction (Mishra)]**

Public Works Director Mishra provided a PowerPoint presentation which included a draft overview of the Proposed Projects for FY 2022/23 through 2026/27, Five-Year Capital Improvement Plan and highlighted the Unfunded Project List. He advised that the next steps included the drafts of the LRSP, Sanitary Sewer Collection System Master Plan and Pavement Technical Assistance Program, request for additional positions for the upcoming year to assist with capital projects,

conduct a survey via The Balancing Act Tool, return to the Finance Subcommittee with the CIP document and project sheets, present the Draft CIP to the Planning Commission and thereafter to the City Council for review and adoption.

PUBLIC COMMENTS OPENED

Rafael Menis, Pinole, referenced the additional positions requested for the upcoming year and asked whether the requests had been included in the FY 2022/23 Baseline Budget or whether they would be added to the budget and future costs would be further extrapolated in the Five-Year Plan.

Finance Director Guillory advised the positions had not been included in the Baseline Budget and would be in addition to what had been budgeted for positions.

Roy Swearingen, Pinole, referenced the Unfunded Project List and costs for PG&E for the Pinole-Hercules Wastewater Treatment Plant, which were very high. He asked that the Unfunded Project List include solar for City facilities including the Plant. He suggested that the City could save money if able to fund solar photovoltaic operations for the Plant and he also liked the idea of recycled water from the Plant given the scarcity of water.

Public Works Director Mishra explained that a recycled water project had been funded and would be addressed in Fiscal Year 2022/23. Solar had been discussed and an energy audit had been planned for City facilities which would provide more information, but the Wastewater Treatment Plant was small, with inadequate space for solar although the facility would be reviewed as part of the Energy Audit.

City Manager Murray clarified that both projects were part of planning assessment projects. Again, an energy audit was planned for City facilities for the next fiscal year and a feasibility assessment for recycled water at the Wastewater Treatment Plant had been planned for next fiscal year with a presentation from another jurisdiction that had implemented a pilot program for recycled water to be presented this fiscal year.

PUBLIC COMMENTS CLOSED

Council member Toms understood the bocce courts had fallen off of the CIP list, which had not been reported to the City Council. She suggested at the very least the project should have been identified on the Unfunded Project List.

City Manager Murray clarified the City applied for a state parks grant to fund the development of the bocce courts with the Fowler House Committee having recommended some future locations, but which had proven to be infeasible to accommodate a bocce court. Given the City did not have a shovel-ready project to meet the state grant criteria, the City Council had approved the use of the grant funds for the renovation of the playgrounds at Fernandez and Pinole Valley Parks. If the City Council so directed a feasibility study for bocce courts could be included in the CIP.

Council member Toms suggested that while bocce courts were not feasible in the locations identified the project should be reviewed by the Community Services Commission to identify alternative locations, such as in the outfield of the baseball field near the railroad right-of-way

(ROW), which area had been considered for a Skate Park in the past. Also, a Community Garden should be included in the Parks Master Plan.

City Manager Murray commented the Community Garden could be included in the Parks Master Plan, although there was a question whether the project was significant enough to be included in the CIP and whether it could be implemented faster. He recommended City staff return with information on what a Community Garden may look like along with a potential cost and the City Council could then consider whether to appropriate funding in this fiscal year or consider inclusion in the Parks Master Plan.

City Manager Murray further clarified after review of prior City Council discussions of the bocce courts, staff had recommended further discussion of the bocce courts after the completion of the Parks Master Plan. He noted it was possible the bocce courts project had fallen off the CIP list since it had been agreed it would be discussed as part of the Parks Master Plan but could be added back to the list and identified in more than one location.

Council member Tave returned to the City Council meeting at 9:40 p.m. but continued to have technical difficulties.

Council member Tave was satisfied with the Community Garden being part of future discussions but would like staff to still take a look and see what could be done to fund the project and possibly approach community organizations that may be interested.

Council member Martinez-Rubin asked for clarification of the installation of the High-intensity Activated Crosswalk (HAWK) and was informed by Public Works Director Mishra the intent to have signals installed at various locations in the City, and once the intersections were identified to allow this improvement it could be addressed and moved to the CIP list.

City Manager Murray added the improvements anticipated for Appian Way and Marlesta Road were anticipated to be a HAWK but staff had additional funding for a fully signalized pedestrian safety project and he would work with staff to confirm whether or not the unfunded item was more than just that intersection and if so would be removed from the Unfunded Project List.

Council member Martinez-Rubin asked that the Faria House Renovations remain on the Unfunded Project List, to which City Manager Murray stated the project would only be removed if the project was funded and more information could be presented to the City Council as part of the budget.

Council member Martinez-Rubin also commented that some of the other items on the Unfunded Project List involved staff efforts to obtain funding. She commented it was tempting to align timelines related to different transportation plans and opportunities that may exist with the County and the West Contra Costa Transportation Advisory Committee (WCCTAC) counterparts and getting the projects ready for funding. She asked the Public Works Director if a project had to be actively identified on the list to ensure City staff time was being spent to seek funding. She did not want to lose the opportunities outside of Pinole.

Public Works Director Mishra explained that although staff resources were tight, staff always looked for funding opportunities. Many of the projects involved competitive grants and some projects involved smaller grants with short notice. The Unfunded Project List showed the projects

the City could do but staff would not actively pursue unless there was a grant opportunity presented.


City Manager Murray advised the Unfunded Project List was a carryover from the CIP from 2021 and he recommended a continuation of the discussion of the Unfunded Project List until staff could identify which of the projects would be informed by recommendations from Master Plans already underway, and Public Works Director Mishra agreed.

Mayor Salimi thanked staff for the presentation. He suggested anything was doable with the appropriate financing. He thanked everyone for their participation in the meeting.

6. ADJOURNMENT to the Regular City Council Meeting of May 3, 2022 in Remembrance of Amber Swartz.

At 10:03 p.m., Mayor Salimi adjourned the meeting to the Regular City Council Meeting of May 3, 2022 in Remembrance of Amber Swartz.

Submitted by:



Heather Bell, CMC
City Clerk

Approved by City Council:

