

**JOINT PINOLE CITY COUNCIL & PINOLE SUCCESSOR AGENCY
AGENDA
MARCH 3, 2015**

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

The Joint Regular Pinole City Council Meeting and Special Meeting of the Pinole Successor Agency was held in the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Murray called the joint meetings to order at 5:32 p.m. and Council Member Long led the Pledge of Allegiance.

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

A. COUNCIL MEMBERS PRESENT

Mayor Peter Murray
Council Member Phil Green
Council Member Debbie Long
Council Member Tim Banuelos
Mayor Pro Tem Roy Swearingen

B. STAFF PRESENT

Belinda Espinosa, City Manager
Hector De La Rosa, Assistant City Manager
Benjamin T. Reyes, City Attorney
Assistant City Attorney, Stephanie Downs
Dean Allison, Development Services Director
Neil Gang, Police Chief
Rob Piper, Fire Chief
Patricia Athenour, City Clerk

City Clerk Athenour announced the agenda was posted on February 26, 2015 at 4:00 P.M. and all legally required notice was provided. Following an inquiry by the City Clerk, the Council reported there were no conflicts with any items on the agenda.

City Clerk Athenour entered the following document into the record: PowerPoint Exhibit materials on Item 10 A.

3. CONVENE TO A CLOSED SESSION (5:30 – 7 PM)

At 5:40 p.m., Mayor Murray convened the Noticed Closed Session to confer with the City Attorney and labor negotiators regarding the following:

- A. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code §54597.6
City Labor Negotiators: Belinda Espinosa, City Manager; Hector De La Rosa,
Employee Organizations: Fire Local 1230
- B. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Pursuant to Gov. Code 54956.9(d)(2). Number of Potential Cases: One

Successor Agency:

- C. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Pursuant to Gov. Code 54956.9(d)(2). Number of Potential Cases: One

**4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION
& ADJOURN THE SUCCESSOR AGENCY MEETING**

At 7:14 p.m. Mayor Murray reconvened the meeting in Open Session. He announced there were no reportable actions on any of the three items in Closed Session.

Successor Agency Chair Murray also adjourned the Special Successor Agency meeting.

5. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

- 1. March - Prescription Drug Abuse Awareness Month

Mayor Murray read the proclamation and said the City Clerk would mail it "Rx Martinez and the National Coalition Against Prescription Drug Abuse."

- 2. March - Bird Month and Arbor Day presented to the 2015 Pinole Garden Club Board

Mayor Murray read and presented the proclamation honoring Arbor Day and Bird month. It was accepted by President Ann Heintz, Co-President who also presented an informative slide show reciting the numerous Club activities, including their monthly meetings on the 2nd Tuesday of each month, September through June.

- 3. Honoring Pinole Valley High Girls Soccer Team
Tri-County Athletic League Champions

Mayor Murray presented a proclamation to the Pinole Valley High Girls Soccer Team (Lady Spartans for their title as Tri-County Athletic League Champions. The proclamation was presented to the Coach Mike Alzagha and each team member was introduced and acknowledged.

Board President Madeline Kronenberg said she was pleased to be in attendance to participate in recognizing the team. She was honored to be the School Board Liaison to the City of Pinole and offered her contact information. She stated that Pinole Valley High construction was on schedule and the District would deliver a brand new high school.

Mayor Murray called a five minute recess and reconvened at 7:78 pm.

B. Presentations / Recognitions

C. Community Announcements / Events

6. CITIZENS TO BE HEARD (Public Comments)

No citizens addressed the City Council.

7. CONSENT CALENDAR

Council Member Green raised a question on Item 7E, asking whether all the field users were in agreement. Mr. De La Rosa said this agreement was specific to the West Contra Costa Unified School District. Council member Green then confirmed all issues had been resolved regarding scheduling. Staff responded affirmatively.

Mayor Pro Tem Swearingen asked if the restrooms at Fernandez Park were included and available. Mr. De La Rosa said only if they are usable.

Mayor Murray said, in reference to stricken language regarding tobacco products and alcohol, should be stated in the agreement that should use of such occur on City property, it would be reported to the Police Department and the Recreation Department.

Assistant City Attorney Downs said referred to revisions she made in Section N to include language that the agreement complies with all Pinole Municipal Code sections related to tobacco and alcohol.

Council Member Long noted a correction on page 4, 5th paragraph, changing Council Green to Long.

ACTION: Motion By Council Members Banuelos / Swearingen, The City Council Approved the Consent Calendar, with A Noted Correction on page 5 of the Minutes

Vote:	Passed	5-0
	Ayes:	Banuelos, Green, Long, Murray, Swearingen
	Noes:	None
	Abstain:	None
	Absent:	None

- A. Approved the Minutes of the Meeting of February 17, 2015
- B. Received the February 14 – 27, 2015 List of Warrants and the February 27, 2015 Payroll in the Amount of \$345,344.33
- C. Adopted **Resolution 2015-07**, Approving Placement Of Liens For Delinquent Unpaid Waste Collection (Garbage) Charges Falling Delinquent Between September & December 2014, Considered At An Administrative Hearing On February 5, 2015 [**Council Report No. 2015-10; Action: Adopt Resolution Per Staff Recommendation (Athenour)**]
- D. Adopted **Resolution 2015-08**, Approve FY 2015/16 Annual Storm Water Utility Assessments For Drainage Maintenance And The National Pollutant Discharge Elimination System (NPDES) Program [**Council Report No. 2015-11; Action: Adopt Resolution Per Staff Recommendation (Allison)**]
- E. Adopted **Resolution 2015-09**, Review and Accept The Facility Use Agreement Amendments Between The City Of Pinole And West Contra Costa Unified School District [**Council Report No. 2015-12; Action: Adopt Resolution Per Staff Recommendation (De La Rosa)**]

8. PUBLIC HEARINGS

9. OLD BUSINESS

There were no Public Hearings or Old Business items.

10. NEW BUSINESS

- A. Discussion Regarding Measure S 2014 Funding Prioritization
[Council Report No. 2015-13; Action: Discuss & Provide Direction to Staff (Espinosa)]

Belinda Espinosa, City Manager presented Council Report No. 2015-13 and the exhibit materials into the record. She summarized the expenditures from Measure S 2006 in FY 2014/15 year and highlighted proposed funding in FY 2015/16. Still reported the anticipated obligations including the PERB settlement, and continued discussions regarding the need for an additional fire apparatus.

Richard Loomis, Finance Director, presented a five-year sustainability projection.

City Manager Espinosa outlined the major policy decisions for the City Council, as contained in the exhibit materials, as follows:

1. Reservation of the remaining 2006 Measure S for the PERB settlement
2. Acquisition of additional fire apparatus at a lease payment \$77,000 annually

The presentation included discussion on developing a three or five-year plan for Measure S 2014. The spending plan is proposed to:

- Cover all functional areas
- Include only one-time expenditures with two exceptions – Fire training officer & Development Services Project Manager
- A commitment to deferred maintenance for City-owned buildings
- Reinstitute public programming – PCTV, Cinema in the Park, Concerts in the Park, Swim Center and the 4th of July fireworks
- Establish a light duty vehicle equipment replacement fund

Ms. Espinosa provided Policy issues for Council consideration:

- Should we develop a separate reserve in Measure S 2014 fund?
- Should we develop a five-year spending plan
- Should we continue to add full time staff or part time staff
- How do we balance one time expenditures
- Should we eliminate the vehicle equipment depreciation fund in lieu of additional staff
- Should we establish a reserve for Sidewalk Maintenance each year or should we adopt an ordinance declaring immunity
- Should we make a contribution to the Pinole Library branch hours
- Do we consider re-opening Fire Station 74 in the future and if so, what model?
- Do we run 1 station? What model?

And, highlighted the direction from input received at the February 7th workshop and outlined in the exhibit materials.

- Amend the City Council financial policies to reflect the guiding principles of Measure S 2014 funding
- Measure S 2014 will be account for in a separate fund with its own reserve, annual amount pre-determined by policy and deposited in reserve account each budget year.
- Measure S 2014 funds should never result in deficit spending
- Facility maintenance should have a high priority for funding allocation

Finance Director Loomis presented the conceptual funding proposal forwarded by Council Member Long at the February workshop and included in the staff report exhibit materials. He said the philosophy was noted in a citizen comment, to “pay yourself first.”

Staff developed an alternative funding illustration using the reserve set-aside concept introduced by Council Member Long, using a twenty-five percent annually, over a five-year period to attempt to build the reserves with the idea of using some Measure S monies for needs in parks and recreation, PCTV and more to Police, and Development Services for infrastructure. He said he thought the concept introduced by Council Member Long had merit and could be used for developing budget policies for both Measure S 2006 and 2014.

Staff’s recommendation is to develop a spending plan that can be locked into the budget, which required direction from Council. The unresolved issues included a request for library funding, which would be a new program in Pinole, but not uncommon for other cities in the County.

Ms. Espinosa urged Council to focus on the principles and the concepts. She sought consensus in the framework, in order to maximize the amount set aside for programs and projects while still placing a deposit in the reserves. She closed the presentation to take comments and questions from Council.

Council Member Long noted the carryover on Page 10, Slide 20, which she identified as one-time money. Mr. Loomis confirmed that it would be swept into the reserve account to begin the next budget year. She asked whether this was reducing the staffing allocation at the Fire Department from fourteen to twelve, and placing the chief’s positions into the General Fund.

Council Member Banuelos was supportive of the concept but thought \$763,000 in the reserves was too high. He supported staff’s recommendation to drop a reserve deposit to 25% and also supported a reduction to 15% when there were more urgent projects. Council Member Banuelos voiced concern with Measure S reserves being spent on non-Measure S items, such as the staff proposal with increases funding for Police. He asked if there was just one reserve for Measure S.

Mr. Loomis said staff understood from Council that the direction had been for one General Fund reserve; however Council Member Long had supported two accounts.

Ms. Espinosa advised the Council to keep in mind that Measure S is really General Fund money.

Mayor Pro Tem Swearingen supported the 25% reserve fund, believed it to be obtainable, and also allow for more projects.

Council Member Green was unsure how staff calculated a 25% reserve. Mr. Loomis explained that he started with \$1.946 million, after updating the projected revenues up from \$1.8 Million.

Staff sought direction from Council on an amount of a reserve set aside from Measure S 2014.

Council Member Green said, in the first year, the reserve could be fifteen percent, but expressed his concern that it might be co-mingled with the regular General Fund monies. He said there should be one reserve fund that is strictly for emergencies.

Mayor Murray supported building a reserve. He all spoke to the focus on Public Works projects because there is extensive deferred maintenance to be done and should be addressed as soon as possible to defer further deterioration. He supported smoothing some of Measure S 2006 because it can’t continue to run a deficit. He asked whether there was a method to pay debts

with one-time monies to increase the funds available after the debt was paid. He said he was in agreement with the format proposed this evening, and also mentioned prioritizing and placing items on a schedule or calendar, like a CIP.

Ms. Espinosa referred back to slides 15, 16 and 17 to obtain Council consensus on the principles.

The following citizens addressed City Council:

Richard Waller, Pinole citizen, spoke about the allocation of Measure S funds, and his primary concern with the Pinole Senior Center. He said the roof condition and the carpeting was beyond redemption. He wanted to insure that the Council understood the citizen's concerns and hope it is a priority for fund allocation.

Mayor Pro Tem Swearingen said the Senior Center was discussed at the February 7 Workshop meeting and noted specifically the roof, carpeting and HVAC.

Mr. Waller asked the timing for the repairs. Mayor Murray said staff would be developing the timeline and did not have a response at this time. He said the funds are still in the future, but they are within their target.

Ms. Espinosa said that the roof study was underway, stating it was a high priority.

Jeff Rubin, Pinole citizen, expressed concern that Council was considering a fifty percent Measure S 2014 allocation for reserve funding. He questioned whether the measure would have passed if the voters knew of a set aside in a reserve account instead of for the programs and projects listed in the ballot measure. Rubin spoke in support of funding for the library. He championed for increased hours, stating five hours would allow the library to open a fifth day.

Mayor Murray said fifty percent was conceptual, a work in progress, not a defined target.

Council Member Green raised questions regarding Friday office hours, curb painting and crosswalk striping, and Pinole Creek maintenance. He asked the current number of the current Public Works staff.

City Manager Espinosa said as part of the annual street projects they plan to install thermo-plastic, which would replace striping in some areas. Development Services Director Allison responded to the staff resources and said there were down five persons from pre-recession composition.

Council Member Green said he supported one additional person.

Mayor Murray said the Council would review the policy issues individually to take Council comment.

- Separate fund for Measure S 2014 reserve

Ms. Espinosa opened with a response to a prior question raised by Council Member Green regarding her recommendation for a General Fund reserve. She said she supported a goal equal to six months of the budget, (\$5.5 million). Currently there is a 3.3 Million General Fund reserve balance, and that a deposit in the reserves should be a budgeted item. There are no reserves for Measure S at this time, there are unallocated funds that have not been spent (Measure S 2006).

Mayor Murray directed the discussion back to focus on Measure S funds and whether there should be a reserve in that account. Discussion ensued among the Council.

Council Member Green said he supports a goal to reach \$500,000 in unallocated funds in Measure S.

Mayor Pro Tem Swearingen did not support a separate reserve for Measure S; merely separate accounting of Measure S funds as promised to the citizens.

Council Member Banuelos also supported maintaining unallocated monies in Measure S.

Finance Director Loomis said heard they want to set aside a fiscal discipline of some amount to be put in General Fund reserves, as a budget line item, as well as unallocated funds remain in the Measure S each year for use for unanticipated needs. If Measure S revenue exceeds projections, the overage would be carried over as unallocated funds in that account.

Council Member Long said the \$763,000 and the formula proposed at the February 7 meeting was just conceptual. She identified the amount as 20% of the annual Measure S revenue. She was not married to any percentage or dollar amount, however was emphatic about building the City's reserves, and using Measure S as a component.

Ms. Espinosa said Council could set a goal for the reserve amount, and once the goal is met, the extra \$500,000 is extra unallocated money that can be used at your discretion

Discussion ensued on the distinction between unallocated funds and reserve funds.

Mayor Pro Tem Swearingen and Council Member Green supported an undefined amount of unallocated funds to remain in Measure S.

Mayor Murray said a Measure S reserve should remain in the Measure S fund. It was Council concurrence that definitions were needed.

Mayor Pro Tem Swearingen provided an explanation regarding allocation of the funds in Measure S. If there was Council direction to have Measure S reserves, an amount would be established, and any funds beyond that would be deemed unallocated for future unanticipated projects/ programs.

Assistant City Manager De La Rosa proposed setting a fixed dollar amount each year in Measure S 2014 to be transferred to the General Fund reserve, understanding that the reserve from Measure S and other revenues would contribute to the General fund reserve. Once the goal (\$5.5 Million) is reached, then all future Measure S 2014 funds would be left in Measure S 2014 as unallocated funds.

After the lengthy discussion the Council stated their final positions:

Council Member Green did not support Measure S funds going toward the reserves. He wanted as he defined, an "unallocated reserve."

The remainder of the Council members supported the concept of a fixed amount to be established for the General Fund reserve contribution, until the specified General Fund goal is reached, and remaining revenue remain as "unallocated" funds.

- Amend City Council financial policies to reflect Guiding Principles of Measure S 2014 Funding

The entire Council supported this principle.

- Measure S should never result in deficit spending

The entire Council supported this principle.

Council Member Green said currently Measure S 2006 was being overspent, which Espinosa said staff would address that later after changes with the Fire Department were changed.

Council Member Long said she was good with that concept, but wanted to insure that there will be funding in the General Fund to absorb the Fire Chief position. Mr. Loomis responded affirmatively.

The policy issues raised at the February 7 meeting related to Measure S reserves on Exhibit Slide 16 were not supported by the Council, based on the prior discussions above, with the exception that a pre-determined General Fund Reserve goal was established at \$5.5 Million.

Mayor Murray asked if there was a specific timeline to reach the \$5.5 Million GF reserve.

Council Member Green said the Council should deliver on promises to the voters, and all revenues over the annual projected amounts in Measure S, should remain as an unallocated balance.

- Maintenance of City Facilities Should Have a High Priority for Funding Allocations

Discussion ensued on this issue. Council members individually commented resulting in concurrence that facilities maintenance was a high priority.

Council Member Long said it encompasses a lot of different areas; it is a high priority, but could not say it was the highest.

Mayor Murray said the two highest priorities were building reserves and facility maintenance.

Council Member Banuelos said facility maintenance is a high priority but could vary from year to year

Mayor Pro Tem Swearingen agreed it was a high priority; facilities are deteriorating and becoming hazardous, specifically citing the Fernandez restrooms.

Council Member Green said promises made to the citizens on Measure S were a higher priority and with respect to facilities, the Senior Center roof was the number one priority.

Mayor Murray agreed deferred maintenance was a high priority.

Mr. Loomis explained that this was identified as a policy issue because staff was seeking direction to determine if Council prioritized facilities and infrastructure as the primary focus of the Measure S 2014 allocations.

Council Member Green raised questions regarding the proposed Public Works project manager position was proposed as a part-time position, as funded by Measure S 2014.

Ms. Espinosa said it was anticipated as a part-time position initially, but said if the Council approved an ambitious project list in Year 1; it can't be done with a part-time project manager.

Council Member Green suggested retaining a project manager for the WPCP upgrade and deploy Mr. Allison on the miscellaneous projects.

Both Council Members Long and Swearingen disagreed. Mayor Pro Tem Swearingen said that the proposed Public Works project manager would deliver projects requested and expected by the public, and allow the Development Services Director to focus on the larger matters.

Council Member Banuelos asked how to deal with the recurring items such as the library and the swim center funding. Mayor Murray said those items can be discussed when staff provided the three funding options at the next meeting.

City Manager Espinosa suggested before the next meeting, to study the handout provided at the February 7th workshop which identified the projects.

Council Member asked staff to provide the hourly cost to keep the library open in order.

This item would be discussed again at the March 17 Regular meeting.

11. REPORTS & COMMUNICATIONS

A. Mayor Report

1. Announcements

Mayor Murray reported on a meeting attended by Council Member Long and WCCUSD representatives regarding field scheduling and the City's role, which will be similar to the operation of the Pinole Middle School Gym. Discussion also included the Pinole Valley High campus hillside stabilization and demolition of the old campus, and campus security cameras. Enrollment at Shannon has increased and keeping that school open was the right decision. Councilmember Long added that they also discussed improvements in communication and dissemination of information to the community.

Mayor Pro Tem Swearingen reported that the Pinole Chamber was hosting the State of the City meeting on April at Due Rose Ristorante.

B. Mayoral & Council Appointments

- 1. Planning Commission Appointment**
- 2. Contra Costa Transportation Authority CAC Delegate**

Council Member Banuelos reported that the Interview Subcommittee recommended the appointment of Anthony Tave to the Planning Commission for the remainder of the term vacated by Paul Sekins and also to the CCTA Citizens Advisory Committee.

Tom Brooks, Chair of the Planning Commission thanked the Council and welcomed Anthony to the Planning Commission.

There was concurrence to appoint Anthony Tave to a term on the Planning Commission, expiring on April 30, 2016 and to a four-year appointment on the Contra Costa County Transportation Authority Citizens Advisory Committee.

There was discussion among the Council whether Mr. Tave was planning to resign from his position on TAPS and whether he was precluded from serving on more than one board.

City Attorney Athenour stated nothing in the Code precluded serving on more than one City committee.

Council discussion followed with Council Member Green expressing concern that it was possibly an overambitious commitment, considering that time involved in serving on the Planning Commission.

City Clerk Athenour said she would meeting with Mr. Tave to perform the oath of office and review obligations of the office, and would discuss this with him. Mayor Murray said he could also attend when the meeting was scheduled.

3. Commission Recruitment Update **[Verbal Report: (Athenour)]**

Ms. Athenour reported that yesterday she received another application for the Planning Commission. In April the terms of four of the seven commissioners expire. Staff has polled the incumbent commissioners regarding their interest in reappointment, and three have expressed interest in reappointment. Based on their willingness to continue service and their experience and expertise, staff recommends reappointment at the next meeting.

Staff will continue the announcement of the opening and will schedule interviews with the Council Subcommittee next month.

C. City Council Committee Reports

There were no Council reports.

D. Council Requests For Future Agenda Items

There were no Requests for Future Agenda Items.

E. City Manager Report / Department Staff

There was not report.

F. City Attorney Report

City Attorney Downs reported there was a trailer bill introduced to clarify the Redevelopment dissolution law. One of the changes includes public parking lots for governmental use. She said the League of CA Cities was opposing the legislation unless amended, stating other parts of the bill were rather onerous. She said it does not negatively affect Pinole.

12. ADJOURNMENT

At 10:11 p.m., Mayor Murray adjourned the Regular City Council meeting to the Regular City Council Meeting of March 17, 2015, in remembrance of Amber Swartz, who is still missing.

Submitted by:

Patricia Athenour, MMC
City Clerk

APPROVED BY COUNCIL: March 17, 2015