

REGULAR MEETING OF THE  
CONCORD CITY COUNCIL/  
CITY COUNCIL SITTING AS THE  
CONCORD/PLEASANT HILL  
HEALTH CARE DISTRICT  
CITY COUNCIL CHAMBER  
1950 PARKSIDE DRIVE  
CONCORD, CALIFORNIA  
TUESDAY, MAY 12, 2015

The Concord City Council met in a regular meeting in the City Council Conference Room located in Wing A at 1950 Parkside Drive at 5:30 p.m. on Tuesday, May 12, 2015, with Mayor Grayson presiding. All Councilmembers were present. The meeting was recessed and immediately reconvened in a closed session to confer with Labor Negotiators pursuant to Government Code Section 54957.6. City Negotiators: Valerie Barone, City Manager; Laura Brunson, Director of Human Resources; Charles Sakai, Esq. and Don Turko of Renne, Sloan, Holtzman & Sakai. Employee Organizations: Administrative, Technical & Clerical Representation Unit and Field & Operations Representation Unit of International Brotherhood of Teamsters Local 856; Professional Representation Unit of OPEIU Local 29; Peace Officer Representation Unit of Concord Police Officers Association and Police Managerial Representation Unit of Police Management Association. Unrepresented Units: Executive, Management & Confidential Employees.

The meeting adjourned at 6:25 p.m. to reconvene in regular session in the Council Chamber.

The Concord City Council met in a regular meeting in the Council Chamber located at 1950 Parkside Drive at 6:30 p.m. on Tuesday, May 12, 2015, with Mayor Grayson presiding. The pledge of allegiance was led by Councilmember Helix. Minutes follow in abbreviated form per Resolution 3361 and Council Minutes of September 26, 1966.

ROLL CALL

COUNCILMEMBERS PRESENT: Edi Birsan, Dan Helix, Laura Hoffmeister,  
Ron Leone, Tim Grayson

STAFF PRESENT: Valerie Barone, City Manager; Mark Coon, City Attorney;  
Joelle Fockler, City Clerk; Victoria Walker, Director of  
Community and Economic Development; Justin Ezell,  
Director of Public Works; Jeff Lewis, Director of  
Information Technology; Guy Swanger, Chief of Police;  
Laura Brunson, Director of Human Resources; Joan  
Carrico, Director of Community and Recreation Services;  
Robert Ovadia, City Engineer; Karan Reid, Director of  
Finance; Jovan Grogan, Deputy City Manager; John  
Montagh, Economic Development and Housing  
Manager; Lesyle Asera, Community Relations Manager

MEMBERS OF THE PUBLIC  
WHO ADDRESSED THE COUNCIL:

Paul Poston, Concord; Ray Barbour, Concord; Jeanette  
Green, Concord; Dr. Harmesh Kumar, Concord; Danea  
Gemmell, Central Contra Costa Sanitary District;  
Florence Weiss, Downtown Program Manager; Jima  
Monson, Concord; Ana Villalobos, Concord; Rhea Elina  
Laughlin, First Five Contra Costa; Gaby Rivas, First Five  
Contra Costa; George Fulmore, Concord; Mike Van  
Hofwegen, Monument Impact; Tim McGallian, Todos  
Santos Business Association

PUBLIC COMMENT PERIOD

Paul Poston, Concord, suggested the Council form a committee comprised of representatives from neighborhoods surrounding the Reuse Project Area to work with the Master Developer to ensure that the adopted Reuse Area Plan is followed.

Ray Barbour, Concord, reported that he recently attended a class offered by the Concord Police Department entitled "Crime Prevention through Environmental Design" and encouraged attendance to the class by City employees and application of the knowledge obtained to City parks. Mr. Barbour noted his concern of park safety and debris at Markham Nature Park.

Jeanette Green, Concord, introduced herself as President of the Holbrook Homeowners Association, noted that the Association is hiring for lifeguards at the Holbrook Community Pool, and requested the community's assistance in passing along the information to interested applicants.

Dr. Harmesh Kumar, Concord, announced the 12<sup>th</sup> Annual Diversity Spring Festival to be held Saturday, May 23 - Monday, May 25, 2015, in conjunction with KidFest at Mt. Diablo High School, 2450 Grant Street, and invited the City Council and public to attend.

Danea Gemmell, Central Contra Costa Sanitary District, described Central Contra Costa Sanitary District's Residential Recycled Water Program, which provides free recycled water to its residential customers to be used to hand-water lawns, gardens and landscaping. Ms. Gemmell noted that all that is needed to obtain the free water is to complete an application, receive training on the proper use of recycled water, and bring containers.

Florence Weiss, Downtown Program Manager, announced the 2015 Music and Market in the Park program that will run from May 21 - September 17, 2015.

## PRESENTATIONS

PROCLAMATION - BAY AREA KIDFEST DAYS

Mayor Grayson presented Jay Bedecarre a proclamation declaring May 23-25, 2015, as "Bay Area KidFest Days" in the City of Concord and commemorating KidFest's 25<sup>th</sup> Anniversary.

PROCLAMATION - PEACE OFFICERS' WEEK

Mayor Grayson presented Chief Swanger a proclamation declaring May 10-16, 2015, as "Peace Officers' Week" and May 15, 2015, as "Peace Officers' Memorial Day" in the City of Concord.

PROCLAMATION - NATIONAL PUBLIC WORKS WEEK

Mayor Grayson presented Justin Ezell, Director of Public Works, and Jesse Crawford, Senior Maintenance Team Leader, a proclamation declaring May 17-23, 2015, as "National Public Works Week" in the City of Concord.

GROWING SMARTER TOGETHER AWARD - Association of Bay Area Governments

Laura Simpson, Planning Manager, presented Mayor Grayson and the City Council the Association of Bay Area Governments (ABAG) Growing Smarter Together Award received by the City of Concord for the Downtown Specific Plan.

ANNOUNCEMENTS

The announcement scheduled to fill a position on the John Muir/Mt. Diablo Community Health Fund Board was pulled from consideration, and no action was taken.

CITY COUNCIL  
MATTERS

APPROVAL OF MINUTES

Motion was made by Leone and seconded by Birsan to approve the minutes for the meetings of April 13, 14, and 21, 2015. Motion passed by unanimous vote of the Council.

PROFESSIONAL SERVICES AGREEMENT FOR BANKING SERVICES - Bank of America

Motion was made by Leone and seconded by Birsan to approve a Professional Services Agreement for Banking Services with Bank of America for an amount not to exceed \$115,200 and authorize the City Manager to execute the Agreement. Motion passed by unanimous vote of the Council.

RESOLUTION NO. 15-32 - A. Maze, Inc.

Motion was made by Leone and seconded by Birsan to adopt Resolution No. 15-32 entitled, "A RESOLUTION ACCEPTING \$350,325 IN NONRECURRING REVENUES AND APPROPRIATING \$174,000 FOR FINANCE DEPARTMENT EXPENDITURES, \$28,100 FOR COMMUNITY AND ECONOMIC DEVELOPMENT SALARY EXPENDITURES, AND \$14,500 FOR FINANCE SALARY EXPENDITURES; AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR FINANCIAL AND ACCOUNTING SERVICES WITH A.MAZE, INC. IN THE AMOUNT OF \$99,000 IN CONNECTION WITH THE DEVELOPMENT AND IMPLEMENTATION OF FINANCIAL AND BUSINESS PROCESSES IN THE ACCELA PERMITTING SYSTEM (GENERAL FUNDS)." Motion passed by unanimous vote of the Council.

MATTER TO SET FOR PUBLIC HEARING

Motion was made by Leone and seconded by Birsan to set Tuesday, June 9 and Tuesday, June 23, 2015, at 6:30 p.m. in the City Council Chamber to consider the Proposed Biennial Operating Budget for Fiscal Years 2015-16 and 2016-17, the Proposed 10-Year Financial Forecasts, Related Item - including Annual Appropriation Limits and Adjustment Factors, and the Capital Improvement Program. Motion passed by unanimous vote of the Council.

<b>BUDGET WORKSHOP</b>
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GENERAL FUND BUDGET AND 10-YEAR FINANCIAL FORECAST

City Manager Valerie Barone made a presentation, referring to her memorandum dated May 12, 2015, and noting that for the first time in more than seven years, the budget message contains some good economic news. She relayed that Concord's office space vacancy rates and unemployment rates are declining, retail sales are growing, and property values are returning to pre-recession levels. She highlighted Concord's reserves, which are once again at 30 percent, and that for the first time since FY 2005-06, the City will be able to allocate more than \$2 million of General Fund revenue into capital investments to address a portion of the City's deferred maintenance in streets and buildings.

City Manager Barone reported that the revenue increases, along with past and current efforts to control costs increases, are allowing the City to begin closing the gap between revenues and expenditures. She cautioned that even with the positive progress, the City continues to rely on Measure Q revenues for day-to-day City operations, although the amount of support is decreasing. Ms. Barone noted that if the voters had not extended Measure Q in November 2014, the proposed budget would include significant cuts to services in order to maintain a balanced 10-year financial forecast.

City Manager Barone conveyed that the City continues to face many fiscal challenges including rising costs for employee benefits, rising salary costs, lack of adequate funding for infrastructure maintenance, decreasing support from the State for roadway maintenance, decreasing gas tax funding, and increasing stormwater costs. She advised that the City will need to continue to control costs, enhance economic development, and develop new revenue streams for many years to come.

Director of Finance Karan Reid introduced the Biennial Budgeting Approach and highlighted the objectives and advantages of Biennial Budgeting including a greater emphasis on management and service delivery, greater emphasis on program evaluation and monitoring, reinforcement and support of long-term planning, retention of fiscal control of one year budgets, and relocation of resources to CIP budgeting in the off cycle year.

Deputy City Manager Jovan Grogan presented the FY 2015-16 and FY 2016-17 Proposed Biennial General Fund Budget Summary noting that the Proposed General Fund budget is balanced and the reliance on Measure Q support decreases from \$7.8 million in FY 2015-16 to \$7.5 million in FY 2016-17.

Mr. Grogan reported the important changes to FY 2015-16 General Fund Revenues including a 12 percent increase in Transient Occupancy Tax (Hotel Room Tax), 3 percent increase in Business License Taxes, and 5 percent decrease in Franchise Fees. He noted that charges for services are relatively flat for FY 2015-16.

Deputy City Manager Grogan conveyed that the total revenue projection for FY 2016-17 is \$81.015 million, down \$296,000, and stated other significant changes including a 3 percent reduction in sales tax, 2 percent reduction in property tax, and a 2 percent increase in Franchise Fees for the 2016-17 revenue summary. He noted that Transient Occupancy Tax, Business License Taxes, and charges for services are relatively flat for FY 2016-17.

Mr. Grogan stated that total expenditures are up \$5.6 million in FY 2015-16 and down \$0.6 million in FY 2016-17, primarily related to increasing personnel costs.

Mr. Grogan noted the significant changes in the Personnel Budget including California Public Employees' Retirement System (CalPERS) rate increases, estimating a 2 percent cost-of-living adjustments in FY 2015-16 and 2016-17 (subject to negotiations), and post-employment liabilities. He reported that the City of Concord Retirement System is fully funded in both FY 2015-16 and FY 2016-17 and that the full annual retiree medical contribution is funded in FY 2015-16, with the help of one-time sales tax revenue.

Deputy City Manager Grogan stated that the current staffing level is 405 positions, and three additions and one conversion are proposed for a total proposed staffing level of 408 positions.

Mr. Grogan highlighted the proposed 10-Year Forecast, noting that there is the ability to significantly address maintenance backlog while Measure Q is active; a \$3.7 million shortfall remains in FY 2024-25, the same year Measure Q expires; and the magnitude of infrastructure needs and long-term liabilities.

QUESTIONS/COMMENTS FROM THE AUDIENCE

Jima Monson, Concord, urged the Council to consider the Parks Assessment recommendations presented last October when budgeting for 2015-16, and allocate funds for a toddler lot at Ellis Lake Park.

Ana Villalobos, Concord, urged the Council to allocate funds for bathrooms at Ellis Lake Park.

Rhea Elina Laughlin, First Five Contra Costa, presented the Council with estimates for play structures for the 2-5 year age range, and requested that funds be allocated for a toddler lot and bathrooms at Ellis Lake Park.

Gaby Rivas, First Five Contra Costa, presented the Council with photos of toddler lot structures at various parks throughout Concord, and noted that Ellis Lake Park has outdated and meager play equipment.

George Fulmore, Concord, spoke of the lack of play structures at Meadow Homes Park, and urged funding of a play structure.

Mike Van Hofwegen, Executive Director, Monument Impact, encouraged the Council to fund play structures and bathrooms at Ellis Lake Park, presented photos showing transportation access in low-park areas, and noted the transportation struggles that members of the Monument community have getting to other parks in Concord.

Tim McGallian, Todos Santos Business Association, spoke of the relationship between the Downtown and Ellis Lake Park and the importance of making improvements to Ellis Lake Park for both the Park and the Downtown.

QUESTIONS/COMMENTS FROM THE CITY COUNCIL

Councilmembers Birsan and Leone spoke of their support of improvements to both Ellis Lake and Meadow Homes Parks.

Vice Mayor Hoffmeister spoke of public/private partnership opportunities that may be available to improve Ellis Lake and Meadow Homes Parks and noted concern for Concord's roads and transportation system, which are in bad shape and need investment to bring them up to acceptable levels.

Councilmember Helix noted the importance of Measure Q, that the reserves are up, and that Concord's core services are protected.

Councilmember Leone requested that staff address fully funding retirement benefits in the second year of the proposed budget, asked what the 30 percent reserve is in dollar amount and why the City keeps 30 percent reserves, and asked why there is still a gap in revenues and expenditures at the end of Measure Q.

Councilmember Birsan requested that unfunded liabilities be projected out and requested a policy to put unfunded liabilities in the base budget.

Vice Mayor Hoffmeister requested department organizational charts, spoke of her concern over unfunded liabilities, emphasized the importance of park safety issues, and the importance of improvement to the City's roads.

Mayor Grayson questioned the amount of General Fund allocation to roads in past budgets. He stressed the importance of resolving the City's structural budget deficit and reliance on Measure Q funds in the next 10 years.

CORRESPONDENCE

- a. Treasurer's Report for the period January 1 – March 31, 2015.
- b. Photos of Markham Park submitted by Ray Barbour.
- c. 2015 Music & Market in the Park calendar
- d. Proposed Biennial Operating Budget PowerPoint Presentation
- e. Estimates for Play Structures submitted by Rhea Elina Laughlin.
- f. Photos of Concord Parks: Tot Lots submitted by Gaby Rivas.
- g. Graphic of Transportation Access in Low-Park Areas submitted by Mike Van Hofwegen

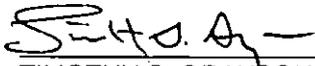
PUBLIC COMMENTS ON PRESENTATION ITEMS - None

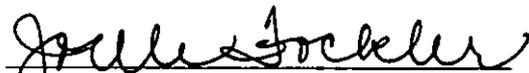
CLOSED SESSION REPORTS - None

COUNCIL AND STAFF REPORTS

Mayor Grayson requested to have Joe Campbell, Contra Costa Water District Board President, speak at a Council Meeting regarding potable water and water conservation.

By order of the Mayor, the meeting was adjourned at 9:23 p.m.

  
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TIMOTHY S. GRAYSON  
MAYOR

  
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JOELLE FOCKLER, CMC  
CITY CLERK