

CITY OF PITTSBURG
Redevelopment Agency Minutes
May 7, 2001

The City Council met at 5:30 p.m. for a PALM Pilot training session. The Community Advisory Commission Applicant Interview were conducted at 6:40 p.m. Three candidates were interviewed for three vacancies. They were Theresa Miller, Mary Rosas and Douglas Shrock.

Chair Quesada called the Redevelopment Agency Meeting to order at 7:02 p.m.

MEMBERS PRESENT: Aiello, Beals, Lewis, Rios, Quesada

MEMBERS ABSENT: None

STAFF PRESENT: City Manager, Willis Casey
City Attorney, Linda Daube
Assistant City Attorney, Carol Victor
City Clerk, Lillian Pride
Director of Community Development, Nasser Shirazi
Director of Economic Development, Garrett Evans
Director of Finance, Jim Holmes
Director of Leisure Services, Paul Flores
Police Chief, Aaron Baker
Director of Public Services, John Fuller
Administrative Analyst, Michelle Fitzer
Administrative Assistant, Tiffany Ashworth

PLEDGE OF ALLEGIANCE

Alice Latimer led the Pledge of Allegiance.

CITIZENS REMARKS

There were no Citizens remarks.

MEMBERS REMARKS

There were no Members remarks.

CONSENT

On motion by Vice-Chair Aiello, seconded by Member Rios, to unanimously adopt the Consent Calendar as follows: **Vote: 5-0**

a. **MINUTES** Dated: April 16, 2001

The Minutes of April 16, 2001 were approved.

- b. **RESOLUTION 01-770** Authorizing the City Manager to Execute a Consultant Agreement with Montgomery Watson

Resolution 01-770 was adopted.

- c. **RESOLUTION 01-771** Authorizing the Approval of Property Acquisition for the Property Located at 2091 Railroad Avenue APN 086 221 002

Resolution 01-771 was adopted.

- d. **RESOLUTION 01-772** Authorizing the Approval of Property Acquisition for the Property Located at 2019 Railroad Avenue APN 086 221 011

Resolution 01-772 was adopted.

- e. **RESOLUTION 01-773** Authorizing the Approval of Property Acquisition for the Property Located at 120 Avon Street APN 086 221 017

Resolution 01-773 was adopted.

- f. **RESOLUTION 01-774** Authorizing the Approval of Property Acquisition for the Property Located at 700 Railroad Avenue APN 085 164 007

Resolution 01-774 was adopted.

ADJOURNMENT

There being no further business, the Redevelopment Agency adjourned at 7:05 p.m. to the next meeting set for May 15, 2001.

Respectfully submitted,

Lillian J. Pride, Secretary

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COUNCIL REPORTS

Vice Mayor Aiello stated he attended the Delta 5 meeting with all East County cities. He was distressed because projects discussed were to the east of Pittsburg and not inclusive of Pittsburg. Two members, Mayor Don Freitas of Antioch and Supervisor Glover effectively eliminated the Buchanan bypass as future talks. He stated that Pittsburg should still be the leader and look for joint cooperation with cities to the east.

Vice Mayor Aiello also recently hosted the first annual basketball dinner for the boys and girls basketball team. He thanked Paul Flores and staff and the New Mecca for making this dinner a success.

Vice Mayor Aiello's final announcement was that he will not be at next council meeting, as he is flying to Washington DC for the Delta Diablo Sanitation District to receive a national award for the recycling water facility.

Council Member Rios attended the Historical Society fund-raising event on Saturday which was well attended. Vice Chair Aiello and Mayor Quesada also were present. She stated this week is Public Service Recognition Week and wanted to recognize the citizens who work in public service.

Council Member Beals participated on behalf of the City Council at the County Library Committee meeting. She stated they are still doing needs assessment and exploring the possibility of a joint use project with Los Medanos College.

Council Member Lewis met with Chief Argo of the Contra Costa Fire District. There will be a series of community workshops and public meetings held in the near future to discuss fire protection in Pittsburg and Bay Point.

Mayor Quesada attended the Historical Society fundraiser. He also stated he went to the City of Vallejo to Mare Island for a meeting regarding Island Energy. He stated they have an outstanding contract that cannot be touched by PG&E because its government power. The City of Vallejo increased their utility tax from 72 cents to an additional .25 cents for those on Mare Island only. That additional money will stop any potential development of the area.

Mayor Quesada stated he attended the Mayors Conference in Hercules where they discussed reapportionment at the Assembly level and District level. They talked about dividing the City of Pittsburg in two as District V has an overload in population. He feels no city in Contra Costa County should be affected or divided where they lose their representation. More discussion will follow in the future.

AUDIENCE REMARKS

William Lee, Pittsburg, addressed the Council with concerns about the closing of Riverview Park. He stated there is nowhere for the people that usually congregate there to gather. He was concerned that there was police presence also. He stated no arrests have been made in the last year and the park needs to be open during hot days in particular. He also stated his concerns regarding racial profiling, and discussed an incident that happened Friday. He stated his cousin was arrested simply because he had \$5,000 on him. He was held up for six hours. He thinks the police department needs to apologize to this gentleman.

Vice Mayor Aiello asked Chief Baker to address the problem with Mr. Lee.

Kevin Lewis, Pittsburg, stated he would like to address police harassment and brutality. The person that Mr. Lee discussed is his older brother and he feels his civil rights were violated.

Council Member Beals stated that with the climate happening around the country, it concerns her that although she has high confidence in the Pittsburg Police Department and the job that they do to protect our community, on the other side, Driving while black and brown (DWB), police brutality and police harassment is an issue throughout this country. It is possible for the Chief to listen to the community and take these comments into consideration. She would like to see a force that is more sensitive and more diverse, and does not want any incidents putting Pittsburg on the map for this reason.

PROCLAMATIONS

1. Poppy Month

Ms. Beals read the proclamation and presented it to Alice Latimer

2. Albert D. Seenno, Sr.

Mayor Quesada read the proclamation and presented it to Albert Seenno, Jr. for presentation at the dinner on Saturday honoring his father.

PRESENTATIONS

1. LMC Scholarship Winners

Lindy Willy, Scholarship Program Coordinator for Los Medanos College, introduced the scholarship recipients. Mayor Quesada stated it was a very difficult decision but was honored to go through the applications and to see that so many young people had applied. **Pete Garcia** thanked the City Council for participating in the scholarship program.

CONSENT CALENDAR

On motion by Member Rios, seconded by Vice Mayor Aiello to adopt the Consent Calendar with the exception of items e. and j. as follows: **VOTE: 5-0**

a. **DISBURSEMENT LIST** Period Ending: May 2, 2001

The Disbursement List of May 2, 2001 was accepted.

b. **MINUTES** Dated: April 16, 2001

The Minutes of April 16, 2001 were approved.

c. **CLAIMS** #1393 Robert Rouner

Claim #1393 Robert Rouner was denied.

d. **RESOLUTION 01-9373** Standard Engineering Contracts

Resolution 01-9373 was adopted.

e. **RESOLUTION 01-9374** Pittsburg-Antioch Highway Operational Improvement Project Mitigated Negative Declaration

Charles Smith, Pittsburg, stated he had some concerns regarding what he perceives as a project done in piecemeal. He was concerned the Stormwater Management Plan was not being taken as a whole.

Mayor Quesada asked Nasser Shirazi to clarify this resolution. Mr. Shirazi stated there are two projects going on; one is Kirker Creek, one is the Pittsburg-Antioch Highway Improvement Project. Staff felt it was better to do both projects at the same time as they are interrelated, and the Highway would be closed only one time for construction.

Mr. Smith voiced his concern about the words Anotice of intent@ which were handwritten in. Council Member Rios asked Mr. Smith if he had met with staff. He stated he has met with staff and they have been very helpful; however, he is concerned the project is being done piecemeal.

Mayor Quesada stated the City does not have the money to do the project as a whole. The total cost would be \$19 to \$20 million.

Vice Mayor Aiello asked about negative impacts and stated he wanted to make sure there are no impacts that would be more severe by doing the project in segments.

On Motion by Vice Mayor Aiello, seconded by Member Rios to adopt Resolution 01-9374 by the following vote: **VOTE: 5-0**

- f. **RESOLUTION 01-9375** Advertising Contact 01-03, El Dorado Heights/Los Medanos Estates Waterline Replacement and Pavement Rehabilitation Project

Resolution 01-9375 was adopted.

- g. **RESOLUTION 01-9376** Authorizing the City Manager to Execute a Consultant Agreement with Montgomery Watson

Resolution 01-9376 was adopted.

- h. **RESOLUTION 01-9377** Storm Drain Improvements, Christian Center Mitigated Negative Declaration

Resolution 01-9377 was adopted.

- i. **RESOLUTION 01-9378** North Park/Century Boulevard Connector Road Mitigated Negative Declaration

Resolution 01-9378 was adopted.

- j. **ORDINANCE 01-1180** Kirker Creek Watershed, Stormwater Management Plan Drainage Fee Ordinance Second Reading

Mr. Shirazi presented the second reading of the ordinance for the Kirker Creek Watershed Stormwater Management Plan Drainage Fee.

Willie Mims, representing the Black Political Association, stated he was concerned about the Kirker Creek plan, particularly the section that pertains to the El Pueblo, Diane, Carpino Street neighborhoods and Martin Luther King Children=s Center. This area will be dangerously impacted by the plan. There will be an open concrete channel 300' long, 30-50' wide, 10-12' deep. This will be constructed within 40' of a school containing 350 handicapped, preschool and daycare children, the majority of whom are members of the minority races. The community and children are at risk and this plan fails to take into consideration the children who attend the school and live in that neighborhood. This plan is in clear violation of Executive Order 12250 and 12875 pertaining to environmental justice. He urged the City to come up with a better plan that considers the safety of the children and the members of the community. He also questioned the public=s right to know and whether letters sent to the neighborhood mentioned a creek or ditch in their backyard. He asked the Council to please seriously consider directing the City to come up with a better plan.

Mr. Shirazi clarified the issues raised. This project has been going on at least 5 years, with the environmental process going on for two years. From day one he directed staff and consultants to talk to the community, and held workshops for the public. No one showed up at the first workshop. They conducted another public hearing where few people showed up. The issue of safety has been considered and the area will be fenced. The environmental process would not allow us to put pipes and concrete in place of the ditches and creeks. Staff has been trying to come up with the best solution, and has gone before the School Board and Caltrans who has built a culvert under Highway 4. Mr. Smith has legitimate concerns; however, staff has done their best through the environmental process.

Mayor Quesada stated the City was told by CCTA and Caltrans that we had to alleviate the problem with Lake Loveridge so we moved money out of the Buchanan Bypass Project into the Kirker Creek Watershed area to do this.

Vice Mayor Aiello asked if the culvert will have high chain link fence? Mr. Shirazi stated there would be a fence similar to the fence that CCWD has behind Ventura Blvd. Vice Mayor Aiello stated that in his opinion, the project is not an environmental problem.

On Motion by Vice Mayor Aiello, seconded by Member Rios, to adopt Ordinance 01-1180 by the following vote: **VOTE: 4-1 (Beals: No)**

k. **RESOLUTION 01-9379** Award Contract 99-09, Hillsdale Park Enhancements

Resolution 01-9379 was adopted.

l. **RESOLUTION 01-9380** Advertising Contract 00-01, Railroad Avenue Improvements Project

Resolution 01-9380 was adopted.

m. **RESOLUTION 01-9381** Authorizing Enforcement Assistant Grant Application 2001-2002

Resolution 01-9381 was adopted.

Mayor Quesada called for a five minute break at 8:11 p.m. before proceeding with the Public Hearing Section.

Mayor Quesada reconvened the meeting at 8:21 p.m.

PUBLIC HEARING

1. **RESOLUTION 01-9366** Approval of the One-Year Action Plan for the 2001 Community Development Block Grant Program Year

City Attorney Daube clarified the agenda title and stated that the approval of the one year action plan and funding recommendations for 2001 CDBG program year will both be approved. The resolution and staff report are consistent.

Tiffany Ashworth introduced the new CDBG coordinator, Annette Landry. Ms. Ashworth presented the staff report. She stated no written comments were received and all oral comments were as recorded in the minutes for March 5, 19 and April 2. Staff recommends the Council close the public comment period as of May 7, adopt the resolution approving the 2001 one year action plan and direct the City Manager to submit the one year action plan to HUD for approval and execute all understandings and assurances contained therein.

Mayor Quesada opened the public hearing.

Bertha Stobb stated Code Enforcement should be funded in the amount of \$187,144, the entire amount they asked for and specified in their request what they would use it for. She stated it was important to consider Code Enforcement receiving the full amount, and not completely funding the Marina Center as planned.

Dale Baxter, Development Director for the Contra Costa Child Care Council stated on behalf of the Board of Directors and staff, as well as thousands and parents and child care providers utilizing their services in this area, he would like to thank council members and City of Pittsburg for its recommended funding levels in support of the Family Child Care Development Project. This is the third year the City has funded the project and as a result of this support have been able to significantly increase the number of low income child care providers and provide ongoing service and technical assistance to past participants. The program has meant a great deal to families in Pittsburg who need child care and has created jobs for low income residents of the City.

Tom LaFleur, on behalf of the Bedford Center, a non-profit center based in Antioch but serving all of East County serving 18 seniors suffering from dementia and Alzheimer=s stated he was disappointed the Center is not recommended for funding. He would also like to consider in the future opening the Keller Canyon Mitigation Funds for community projects. He stated that for years we could look forward to the Keller Canyon Funds, and would hope that in the coming year that could be reopened to the nonprofit community.

There being no one further to speak either for or against the Resolution, Mayor Quesada closed the public hearing.

Vice Mayor Aiello commented that the City of Pittsburg was not listed by the County as an impacted area in regards to Keller Canyon Funds, and funds were being given to Bay Point. He would like to see us go forward and pursue getting the County to include the City of Pittsburg in the mitigation funding.

On Motion by Council Member Rios, seconded by Vice Mayor Aiello to adopt Resolution 01-9366 by the following vote: **VOTE: 5-0**

2. **ORDINANCE 01-1182** Changes to Commissioners Terms

Mayor Quesada opened the public hearing.

Bertha Stobb asked to hear the ordinance changes from staff.

City Attorney Daube stated the ordinance deals with the term limits and eligibility for commissioners. During a study session on February 23, and 24, 2001 the Council looked at various amendments to the Municipal Code concerning appointments and term limits of commissioners. A proposal that would amend the existing Municipal Code and various sections for the different commissions was developed and there was some consensus among the Council that commissioners would serve no more than two consecutive four years terms and would thereafter not be eligible for reappointment to any commission until an additional two years had passed. This particular proposal, which was discussed at an open session in February, was never brought back to the Council. The proposal in terms of this ordinance is a proposal by Mayor Quesada with amendments to the sections dealing with commissioner limits. The commissioners would serve no more than two consecutive four year terms and be eligible for reappointment after one year as opposed to two years. The need for the proposal would open up the number of potentially eligible candidates for the commissioners because there would be only a one year time period in which they could not apply for a commission.

Bertha Stobb asked that the Council consider attendance at commission meetings and at what point the City Council should be notified that a person is not attending meetings or is late for those meetings.

Mayor Quesada stated the bylaws state that if you miss three consecutive meetings you would be brought before the board at each commission level.

Allen Valentine, Pittsburg, stated it was wrong for the Council to change the ordinance in the first place, and hopes now we will not be changing it every year. He feels two four year terms is sufficient and sitting out one year does not open up any commission to a larger amount of people; the way to open the availability of a commission is to not appoint the same people over and over. He feels the terms should be left at two years and pick more people from different ends of the city. The commissioners should not be chosen based on what long time political allies want.

There being no one further to speak either for or against the resolution, Mayor Quesada closed public hearing.

Council Member Lewis stated he was amazed that this item is on the agenda. He stated that at a public meeting at the end of February a majority of the Council agreed that there was some merit in modifying the four year term of the current ordinance to a two year term. Some felt four years was proper, some wanted no term limits. Vice Mayor Aiello offered the compromise of two years that the majority of the Council agreed to but stated he does not know why this is back tonight. This item should be part of the bigger issue which is establishment of policies and procedures for governing the way the City is operated overall. He believes the policy that the council has agreed to in the past is that when the majority of the members make a decision, it is debated before action is taken and once action is taken the majority opinion becomes the opinion of the Council as a whole. At the February public meeting the majority of the Council decided that a two year break in service for any of the commissions was a reasonable compromise. For one member of the council to bring the item back under a different set of circumstances than what the majority had agreed to at that public meeting flies in the face of what is supposed to be the policy that once the majority has made their opinion clear and agreed upon, that is the direction we move in. He feels this item should be further discussed at the upcoming workshop on May 15 and not rushed through to benefit political allies of certain council members.

Council Member Beals asked the City Attorney why this is separate from the upcoming workshop as there is a packet of many ordinances being worked on as a team to put on the books and bring structure to City government. Is this how we are going to operate by pulling each item out or deal with it as a package? To further support Council Lewis' comments, the two years period is the most sensible to her and was agreed upon. City Attorney Daube stated that is up to the Council, and that the item was put on the agenda at the request of the Mayor. She stated the Council can decide to further discuss, or vote on it tonight and it is up to the Council to decide how to proceed with the rest of the rules and procedures.

Council Member Aiello pointed out that the public meeting being discussed was in fact a workshop where no action could legally be taken, and no vote could be taken. He stated that if a vote was legally taken, it was illegal. He stated he was not part of a vote, does not remember a recorded vote; there was no vote because it was not a meeting and not an item for discussion nor to be voted upon. This was an item that was brought up. He stated the ordinance was changed last year for some reason. He stated Council Member Lewis was involved in changing the ordinance twice, extending it one time and bringing it back a second time. Vice Mayor Aiello stated he feels there should be no limit because the Council is the ultimate decision making body. The Council has the choice of who to put on and who to take off of commissions. There should be no argument of term limits. He stated his decision is zero years, but if he can go from two years to one year, he will.

There are no term limits on the council. There are Council Members who have served at least ten years. They do not have term limits.

Council Member Rios stated she was not part of the majority. She stated she does not believe in putting a limit on volunteerism. She stated in the conversation at the workshop they were trying to come to a consensus and make terms consistent among all commissions. She feels what is presented this evening is the best solution if there is going to be a term limit.

Council Member Beals stated she is puzzled by what is on the agenda today. She stated the commissioners are volunteers and their efforts are commendable, but in the past the appointments made have been political and there is a history behind this ordinance being presented today.

Council Member Beals stated the Council is here because the people put us here. The Council has the responsibility and obligation to be accountable to the residents here. In doing that the Council needs to make sure that we appoint people on these commissions that will represent the community. She stated she would like to recommend that this item stay as part of the workshop and vote on the entire package as a whole. She stated she prefers to reschedule this until May 15 and is not going to support the ordinance.

Council Member Lewis stated, in response to comments made, that Council terms limits are called elections; any time a majority of people in the City want to limit your term they will. He stated that if there are three members of the Council that support you for a commission, it is possible to stay on many years and does not promote getting new people involved and training people to work on these commissions. He feels a two year hiatus is a small price to pay to open commissions up and give other people opportunities without just having three votes on the City Council to put them on. He stated Mr. Aiello is correct in that there was no vote taken, but it was clear at the workshop, which was a public meeting, the Council came to a consensus for a two year hiatus. At the time he applauded Mr. Aiello for offering that compromise because it got the Council beyond that issue and let us move on to other items that needed to be addressed. He agrees with Ms. Beals there is no reason to parcel this item out from the overall process of the workshop unless it is to reward certain individuals. He feels this is part of the more global issue to establish policies and procedures to operate the City government. He questions the motive of some members of the Council when we can come to a consensus at a public workshop where a majority of the body can make a decision on how a particular issue should be resolved and then someone else using backroom politics can bring a different proposal back to the Council which is contrary to what the consensus was at the workshop. He feels there is no point in building consensus if we are not going to stick by them. The majority should become the will of the entire council. He feels this is a sad comment on the way politics has progressed in recent months.

Council Member Rios agreed with Member Beals that in the past this issue has been political but stated it will continue to be political. The Council still has the power to make the appointment. When Mr. Lewis brought it before the council last year, he did not think this was delusional, and again it was political. Ordinances need to be handled in a piecemeal fashion, and each one needs to be handled separately. Member Rios stated she stands on the motion.

Mayor Quesada stated he believes that we don't get enough volunteers and have problems keeping people on commissions. He does not like to put term limits on those who are willing to serve.

On Motion by Council Member Rios, seconded by Mayor Quesada to accept by title only, waive further reading and introduce Ordinance 01-1182 by the following vote: **VOTE: 3-2 (Lewis, Beals: NO)**

3. **RESOLUTION 01-9367** Overruling Protests, Approving a Final Engineer=s Report and Levying Assessments, and Ordering Acquisition of the Improvements, and Determining Assessments Remaining Unpaid in and for San Marco Phase I Assessment District No. 2001-01

Garrett Evans presented the staff report for the Resolution. He stated the San Marco

Assessment District is being considered at the request of the property owner.

Mayor Quesada opened the public hearing.

Mark Curran, US Bancorp Piper Jaffray, gave a general summary and described the program. He stated one key summary point for the Council to consider is that there is no City guarantee, no agency guarantee behind the debt, secured 100% by liens against the property within the Assessment District, and paid off through property tax bills. The City has done eight of these districts successfully.

There being no one to speak either for or against the resolution, Mayor Quesada closed the public hearing.

On Motion by Vice Mayor Aiello, seconded by Member Rios to adopt Resolution 01-9367 by the following vote: **VOTE: 5-0**

4. **RESOLUTION 01-9368** Approving the Form of the Fiscal Agent Agreement, the Bond Purchase Agreement, the Preliminary Official Statement, Continuing Disclosure Agreement and Authorizing Related Actions and Execution of Related Documents in Respect of the Issuance, Sale and Delivery of Said Bonds for the San Marco Phase I Assessment District No. 2001-01

Mayor Quesada opened the public hearing. There being no one to speak either for or against, the public hearing was closed.

On Motion by Council Member Rios, seconded by Member Beals to adopt Resolution 01-9368 by the following vote: **VOTE: 5-0**

5. **RESOLUTION 01-9369** Oak Hills 5, 6, 7 Assessment District No. 2001-02 (Recommend Open and Continue to May 21, 2001)

Garrett Evans presented the Resolution and recommended opening the public hearing and continuing it to May 21, 2002.

Mayor Quesada opened the public hearing and continued it to May 21, 2001.

On Motion by Vice Mayor Aiello, seconded by Member Rios to continue the Public Hearing to May 21, 2001 by the following vote: **VOTE: 5-0**

CONSIDERATION

1. **RESOLUTION 01-9370** Options to Compensate Current CCCERA Tier I Members for Conversion of the Retirement System to the California Public Employees= Retirement System

Michelle Fitzer presented the staff report. At the April 16, 2001 meeting the Council indicated concern as to what would happen to Tier I employees if voted on and the difference in

employee contributions that Tier I members paid vs. Tier II members.

Staff was directed to contact each Tier I member to calculate the retirement benefits under the county and PERS benefit system and calculate for the Council the estimated monthly benefits should they retire at age 60. Appointments were scheduled for April 20 and 23. Staff met with 15 members, provided them with retirement estimate calculations, documented questions to be asked of PERS representatives and collected in writing any concerns regarding the conversion. Six Tier I members indicated that they were pleased with the possible PERS conversion and did not feel it necessary to meet. One new Tier I member had an appointment and has since rescheduled to May 14. One Tier I member stated they were unsure if they needed to meet so staff stated that the employee could call to schedule an appointment at any time if they felt the need at a later date. On April 25, the Council was provided with calculations for all 24 Tier I members for retirement ages of 60 and 55. Those calculations confirmed that all Tier I members currently age 55 or under benefit from the PERS conversion. All of the PERS monthly retirement calculations at age 55 exceeded the county calculations including the spiked final compensation due to the Ventura decision. Tier I members are eligible to retire at a earlier age with an enhanced benefits, as the benefit factor for PERS is greater than the benefit factor for the county up until approximately age 63 when they converge.

There are four options for compensating current Tier I members: Option A) lifetime medical, dental, and life insurance after retirement. The cost implications were calculated for medical and dental benefits only, as the provider refused to quote retirement life insurance benefits. The results indicate that the fiscal impact of this option would be \$5,545,130. Option B) reimburse the difference between their actual contributions and their contribution had they been Tier II members excluding any interest. The employees may elect a one time cash payment after deductions for any appropriate tax implications or a deferred compensation payment. For the latter the City can establish a supplemental retirement account similar to our 457 plan and make monthly contributions not to exceed 60 for those employees whose reimbursement will exceed \$15,000. Employees receiving \$15,000 or less would receive one payment to their account. Should an employee retire or separate from the City prior to being fully reimbursed the balance would be due to the employee upon separation. According to the information provided by the County Retirement Association, the fiscal impact of this option would be \$435,894.51. Option C) to reimburse Tier I employees the difference between their actual contribution and their contribution had they been Tier II members including the interest accumulated with the County Retirement Association. The payment parameters would be the same as in Option B, however, the fiscal impact of this option would be \$1,014,352.04. Option D) that the City representatives negotiate at a later date. This option would provide no remuneration at the present time and would allow the employees and staff time to negotiate an option or options acceptable to all parties.

It should be noted that Option A is based on assumptions, not hard numbers and will mandate that the City incur ongoing annual expense. Options B and C are one time expenses which can be paid with one time revenues. For reference purposes, the estimated fiscal impact of these two provisions for the miscellaneous employees is \$164,909 for 3% COLA, and \$123,682 for the single highest year.

Council Member Lewis asked Ms. Fitzer to read the results of the election. The results were: Miscellaneous employees: 160 yes votes, 6 no votes, 1 incomplete ballot and 20 not returned; Sworn employees: 65 yes, 1 incomplete, 2 ballots not returned.

William Fraser, Tier II employee, thanked the Council for considering switching retirement systems. He stated he had been an employee for 12 years and during this time struggled to make other investments trying to make up the difference between Tier I and II. He stated no compensation is needed, as take-home pay after switching to PERS will be equal to what they are now.

Lewis Ross, Tier II employee, stated he has been an employee for 14 years, retired from military and civil services about the same amount, with no benefits whatsoever, no retirement, no holidays, and vacation. He believes no compensation is necessary. There were many City employees who worked for as much as 24 years with no retirement system and medical benefits. He feels as if some Tier I people are trying to hit a lottery with a big cash payoff. He feels it is a shame if that affects what the majority have voted for in wanting the PERS conversion.

Felix Aroy, stated he works for the Parks Department. He stated the Council should be proud of the City employees as they are a hard-working bunch. He is thankful for the PERS conversion as it has been frightening to consider there has been no retirement to speak of for many employees. He feels the Council is now treating the employees with respect. He stated there was a time when the City did not respect its employees. Some worked 20 years as part-time employees with no benefits. He asked about compensation to those who worked 20 years with no benefits.

Wally Girard, Tier I member, and employed by the City for 9 years, is in favor of converting to the PERS plan. He read a letter written by another Tier I employee whose views he shared: "As a Tier I employee I feel that equitable reparation would be for the City to repay monies to me that I paid towards my retirement that were above those that I would have paid as a Tier II employee. I do not wish to receive any additional benefits, nor do I feel that the City owes me >additional monies= post retirement. The repayment of funds to the Tier I employees should be made with interest (at the same rate as the General Fund in our Hartford Plan pays) and in such a way that it is not tied to our salary. The money paid into the Tier I retirement plan was already taxed and I do not feel it would be fair if we have to pay taxes on it again. The repayment monies could be placed in a cafeteria plan, with the decision as to its disbursement left entirely up to the employee."

Josephine Torres, Tier I employee, commented that being a Tier I employee and making the payments that we have, it is not everyone's fault that Tier II were not able to join in the Tier I. She stated she does not feel that we should have to pay for what was not their fault. There are more Tier II employees, so it was a given that PERS would pass. Because of number of years she has paid into Tier I, she feels she should be reimbursed the difference.

Fara Bowman submitted a written comment which stated retribution should be at fair market value for Tier I employees.

Sandra Navarro stated after hearing the three Tier II employees, she feels sorry for them, but in her own personal circumstance there were full benefits, but at the time she was paying quite a bit of money for the benefits that was coming out of her paycheck. She put out over \$100 a month in her retirement fund. Tier II only paid \$10 a month. She stated that when she went through a divorce, she took on three jobs to support herself and her two children. If she had

that extra money she wishes she could have invested her money and also could have stayed home with her children, but it wasn't possible. She stated she knows this is tough decision, but she leaves it up to the council.

Randy Jerome, Tier I city employee, was asked by Tier I members to speak. He thanked the Council for considering the impact on Tier I employees prior to making the decision to replace the county retirement system with CalPERS, and allowing the Tier I members to give comments, and asked all Tier I members to stand. For 20 years the City of Pittsburg has had a two class retirement system for regular employees. The majority of employees have been hired since 1981 and that represents most of the Tier II employees. Two dozen Tier I members are veteran employees that have worked with the City either before 1981 or have worked for another agency. He stated that entering into PERS will allow all City employees to be under one system at last. Tier I stands for a first class system, Tier II stands for a second class system. That being said, he would also like to note that for Tier I employees to go into PERS, they will lose some benefit. One advantage of the current Tier I is the Ventura vacation spike which adds a considerable amount of money to your retirement compensation. As currently proposed under the PERS program, the benefit would be based on a three year average. Post retirement COLA is 3% under Tier I and under CalPERS it will be 2%. Thirdly, there is now the opportunity to get out of the Social Security System, and there is an advantage to that. The vote of 6 against probably represents some of the feeling Tier I people have that there would be a loss of benefit. Most Tier I employees agree that having one system, all under PERS outweighs the advantage of two systems, even with a possible slight loss of benefit for the Tier I employees, especially if it can be adjusted some time in the future to have more equity brought into line. He would like to note that there is major concern from Tier I regarding the loss of benefit as we see it. It was mentioned that Tier I employees would be like hitting the lottery. He wants to remind everyone that the Tier II employees are receiving a tremendous windfall from this, especially if they have worked for a long time. Tier II has been paying only one-half percent of their gross salary into their retirement system, whereas the Tier I employees have been paying 5%. That is a 4-1/2% disparity that goes back as many as 20 years. Now the Tier II people are on a par with Tier I regardless of the loss of benefit between PERS and Tier I.

Linda Carion, Tier I employee, asked in a written statement that the Council consider the majority wishes of the Tier I employees in the issue of restitution of overpayment of retirement contributions. She stated she supports the statements made by Randy Jerome.

Floyd Maxey, Tier I employee, stated he echoes what Tier I members have said. He has been a Tier I member for 27 years. He said if he had had the money to take out and put in a 457K he would have. He thinks someone else will benefit from the money he has put in. He wants restitution for what he paid. He would like the Council to look into what the City of Pittsburg can do to eliminate the inequities because of the CalPERS vs. Tier I.

Marilyn Lewis, Tier I employee, has been a member for 27 years and stated all City employees are great employees. Her comments are not about converting to PERS; Tier I members do not like the two tier system, and they do not want lifetime benefits as that would continue the two tiered system. Tier I employees have met several times and what has been agreed is that all they want is the difference that has been paid by Tier I members versus Tier II members over the course

of years.

Wally Girard stated we are now hoping to become one big happy family and suggest that it be done now and then everyone be treated with no difference in the benefits in the future.

Lewis Ross stated it was not his intent to say Tier I people are better than Tier II or hitting a lottery, but again, we were Aonly paying so much.@ He has not been paying Aonly so much@ for long because he had no retirement for many years. Had he been given the opportunity to pay what Tier I members had to pay, he would not have said no. To make everyone equal, include those people who worked all those years with no benefits. The Public Service workers who are out there fixing streets, etc. were the ones that had nothing. He had great appreciation for those that brought them into the ranks.

Mayor Quesada stated he remembers a City retiree that worked for Public Services and cleaned up the street and his retirement pay after 42 years was \$49.50. He stated we have come a long way but we want to improve.

City Attorney Daube stated there are four options from which to choose. One option would be to make a motion that no action be taken and consider these proposals in a closed session to be held May 15 prior to the study session and at that point have more time to study and give direction to the labor negotiators to come back and conclude negotiations.

On Motion by Council Member Rios, seconded by Mayor Quesada to adopt Resolution 01-9370 with option d. City representatives to negotiate at a later date, (that date being May 15, 2001) at a closed session to give direction to labor negotiators to conclude negotiations with the miscellaneous employees. **VOTE: 5-0**

2. **RESOLUTION 01-9371** Approval of Agreement for POA Members for Conversion of the Retirement System to the California Public Employees= Retirement System

Michelle Fitzer presented the staff report. She stated the proposed resolution resolves the MOU for PPOA and PPMG Members. It will provide for a 4% salary adjustment effective July 1, 2001 which would be deferred until June 30, 2002. By adopting the proposed MOU=s all negotiations between the City and the PPOA and PPMG would be concluded until July 2002. The City=s negotiation team recommends adoption of the proposed MOU=s.

Rod Dupont, representing the PPOA and PPMG came forward to ask the Council to vote yes on these two resolutions. He stated they have worked hard to reach an agreement which is fair to members and good for the community. He stated the members are dedicated to serving the citizens of our community. He thanked the Council for recognizing their effort and looks forward to continuing to work together in the effort to improve on our community=s quality of life.

On Motion by Council Member Beals, seconded by Vice Mayor Aiello to adopt Resolution 01-9371 by the following vote: **VOTE: 5-0**

3. **RESOLUTION 01-9372** Approval of Agreement for PMG Members for Conversion of

the Retirement System to the California Public Employees=
Retirement System

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May 7, 2001

On Motion by Council Member Beals, seconded by Vice Mayor Aiello to adopt Resolution 01-9372 by the following vote: **VOTE: 5-0**

4. **ORDINANCE 01-1181** Amending Municipal Code Section 2.56.610 Authorizing a Contract Between the City Council of the City of Pittsburg and the Board of Administration of the California Public Employees= Retirement System

Michelle Fitzer presented the staff report. The Ordinance was introduced on April 16, 2001.

On Motion by Council Member Lewis, seconded by Member Rios to adopt Ordinance 01-1181 by the following vote: **VOTE: 5-0**

ADJOURNMENT

There being no further business, the City Council adjourned at 9:57 p.m. to the next meeting set for May 15, 2001.

Respectfully submitted,

Lillian J. Pride, City Clerk

CITY OF PITTSBURG
Power Company Minutes
May 7, 2001

The City Council met at 5:30 p.m. for a PALM Pilot training session. The Community Advisory Commission Applicant Interview were conducted at 6:40 p.m. Three candidates were interviewed for three vacancies. They were Theresa Miller, Mary Rosas and Douglas Shrock.

Chair Quesada called the Power Company Meeting to order at 9:57 p.m.

MEMBERS PRESENT: Aiello, Beals, Lewis, Rios, Quesada

MEMBERS ABSENT: None

STAFF PRESENT: City Manager, Willis Casey
City Attorney, Linda Daube
Assistant City Attorney, Carol Victor
City Clerk, Lillian Pride
Director of Community Development, Nasser Shirazi
Director of Economic Development, Garrett Evans
Director of Finance, Jim Holmes
Director of Leisure Services, Paul Flores
Police Chief, Aaron Baker
Director of Public Services, John Fuller
Administrative Analyst, Michelle Fitzer
Administrative Assistant, Tiffany Ashworth

PLEDGE OF ALLEGIANCE

Alice Latimer led the Pledge of Allegiance.

CITIZENS REMARKS

There were no Citizens remarks.

MEMBERS REMARKS

There were no Members remarks.

CONSENT

On motion by Vice Chair Aiello, seconded by Member Lewis to adopt the Consent Calendar by the following vote: **VOTE: 5-0**

a. **MINUTES**

Dated: April 16, 2001

The minutes of April 16, 2001 were approved.

Pittsburg Power Company Minutes

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May 7, 2001

b. **RESOLUTION 01-056**

Award of Contract 01-06, Annual Patch Paving Contract

Resolution 01-056 was adopted.

ADJOURNMENT

There being no further business, the Power Company adjourned at 9:58 p.m.

Respectfully submitted,

Lillian J. Pride, Secretary

