

CITY OF PITTSBURG
Redevelopment Agency Minutes
March 3, 2003

Chair Yvonne Beals called the meeting of the Redevelopment Agency to order at 7:02 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having met at 5:30 P.M. in Public Workshop for Redevelopment Project List and at 6:30 P.M. for Closed Session pursuant to Government Code Section 54956.9, Conference with Legal Counsel - Existing Litigation for Communities for a Better Environment and Pesticide Action Network of North America vs. City of Pittsburg, Superior Court Case No. C02-02065; and Conference with Legal Counsel - Anticipated Litigation pursuant to subdivision (b) of Section 54956.9 regarding significant exposure to litigation for one case.

City Attorney Daube advised that there was nothing to report from Closed Session.

MEMBERS PRESENT: Glynn, Kee, Parent, Rios, Beals

MEMBERS ABSENT: None

STAFF PRESENT: Executive Director, Willis Casey
Assistant Executive Director, Nasser Shirazi
Legal Counsel, Linda Daube
Director of the Redevelopment Agency, Garrett Evans
Director of Economic Development, Brad Nail
Director of Human Resources, Marc Fox
Director of Public Works, John Fuller
Director of Recreation, Paul Flores
Director of Finance, Marie Simons
City Engineer, Joe Sbranti
CDBG Coordinator, Annette Landry
Police Chief, Aaron Baker
Executive Assistant to the City Manager, Alice Evenson

PLEDGE OF ALLEGIANCE

Ben Johnson led the Pledge of Allegiance.

CITIZENS REMARKS

TOM LaFLEUR, with Pacific Community Services, Inc. (PCSI), Pittsburg, stated with respect to the Presidio Village project that on January 19, 2003 the fund reservation had expired and the San Francisco HUD office had been unable to close escrow by that time.

Mr. LaFleur stated that the firm commitment application had been submitted on October 13, 2003. Since the San Francisco HUD office had been unable to process the application prior to the deadline, an extension had been sent on to Washington, D.C. He stated that on February 27, 2003 he had received an extension of the Presidio Village project, which project had to close by April 30, 2003, without fail. He acknowledged the staff and City cooperation in the past and stated that he needed some procedural help at this time to facilitate some twenty essentially minor changes in the contract. He otherwise noted that one item was more substantial and needed the Agency's consideration. That item related to the recommended cap on the reserve for replacement. He sought Agency consideration of the changes at its next meeting to complete the process and allow the development of the Presidio Village project.

Chair Beals stated that Legal Counsel had advised of the request and that the item had been agendaized for the March 17, 2003 meeting.

BEN JOHNSON, Pittsburg, commented that he had not been able to attend the public workshop. He took this opportunity to support the funding of the Range Road Overpass and structure.

MEMBERS REMARKS

There were no Member remarks.

CONSENT

On motion by Vice Chair Rios, seconded by Member Glynn and carried unanimously to approve the Consent Calendar, as follows:

- a. **MINUTES** Dated: February 18, 2003

Approved Minutes dated February 18, 2003.

ADJOURNMENT

The meeting of the Redevelopment Agency adjourned at 7:10 P.M. to the next meeting set for March 17, 2003.

Respectfully submitted,

Lillian J. Pride, Secretary

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CITY OF PITTSBURG
City Council Minutes
March 3, 2003

Mayor Yvonne Beals called the meeting of the City Council to order at 7:11 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having met at 5:30 P.M. in Public Workshop for Redevelopment Project List and at 6:30 P.M. for Closed Session pursuant to Government Code Section 54956.9, Conference with Legal Counsel - Existing Litigation for Communities for a Better Environment and Pesticide Action Network of North America vs. City of Pittsburg, Superior Court Case No. C02-02065; and Conference with Legal Counsel - Anticipated Litigation pursuant to subdivision (b) of Section 54956.9 regarding significant exposure to litigation for one case.

City Attorney Daube advised that there was nothing to report from Closed Session.

MEMBERS PRESENT: Glynn, Kee, Parent, Rios, Beals

MEMBERS ABSENT: None

STAFF PRESENT: City Manager, Willis Casey
Assistant City Manager, Nasser Shirazi
City Attorney, Linda Daube
Director of the Redevelopment Agency, Garrett Evans
Director of Economic Development, Brad Nail
Director of Human Resources, Marc Fox
Director of Public Works, John Fuller
Director of Recreation, Paul Flores
Director of Finance, Marie Simons
City Engineer, Joe Sbranti
CDBG Coordinator, Annette Landry
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CITIZENS REMARKS

WARREN SMITH, Pittsburg sought appropriate action on the alleged misconduct that had been committed in the name of the City. He asked the Council to adjudicate and evaluate that situation for referral to the City Attorney and the District Attorney.

BEN JOHNSON, Pittsburg thanked Vice Mayor Rios for the pensions and benefits seminar she had offered for Social Security and Veterans recipients. With respect to the City's bond issues, it was his understanding that the City's Bond Underwriter Piper Jaffray was splitting from US Bancorp. As such, he suggested that the structure of Piper Jaffray be evaluated to ensure its appropriateness for the City's purposes.

WILLIE MIMS, Pittsburg expressed objections to the makeup of the Consent Calendar in that of 12 items on the last agenda, only five were open for public discussion. On the current agenda, he commented that there were ten items on the Consent Calendar and only three were open for public discussion. He suggested that the Consent Calendar was being used to deny the public its right to speak.

Mr. Mims stated that he would not speak to any item on the Consent Calendar until that portion of the agenda. He also referred to Resolution 03-9700 on the last meeting agenda authorizing the City Manager to contract for information technology services. The same item was on the current meeting's Consent Calendar. He suggested that was denying the public's right to speak to that issue.

Understanding that the City had returned \$1.3 million to the State as part of the Alcohol and Tobacco Program since the City did not want to match those funds, Mr. Mims stated that the City should not be in the business of returning funds to the State for a program that would benefit the taxpayers of the City.

On another matter, Mr. Mims referenced statements previously made by Mayor Beals with respect to cars speeding over speed humps in El Pueblo, which remarks he suggested were inaccurate.

Speaking to the card he had submitted to the Consent Calendar item Resolution 03-9775 related to the transfer of economic development funds to the Auto Mall, Mr. Mims stated that he would not speak on the item at this time but had submitted a speaker card to speak during the Consent Calendar portion of the agenda. He added that he had also submitted a speaker card on Resolution 03-9777 related to City Council Goals. He suggested that the City Council needed some assistance from the public in developing public friendly goals. He urged the Mayor to call on him when those items were considered under the Consent Calendar and stated that if that were not done, he would find the Council in violation of Section 54954.3 of the Brown Act.

BRUCE OHLSON, Pittsburg, speaking to the City Council Goals for 2003-2004 took this opportunity to congratulate the Council for getting the agenda on the web page. He thanked the Council for that action.

COUNCIL REPORTS

Vice Mayor Rios reported that the Redevelopment Subcommittee that she and Councilmember Kee comprised had reviewed the project list that had been discussed at the Public Workshop for Redevelopment Project List, which had been conducted at 5:30 P.M. She reported that the consensus decision of the Subcommittee was to support the pursuit of the Black Diamond Project, the Downtown Gateway, Elks Lodge, Library, Railroad Avenue Corridor and the School Street site. She explained that some projects did not require funding but that the Subcommittee had recommended staffing the continued pursuit of the Albertson's Center, eBART, and the Railroad Avenue Interchange. For the fifty-percent projects, the Subcommittee supported the Downtown Infrastructure, Marina

Shoreside Development and West Boulevard.

Vice Mayor Rios also reported that the Finance Subcommittee had met and was evaluating the information technology item on the Consent Calendar.

Councilmember Parent advised that shortly after the last meeting she, Vice Mayor Rios and Mayor Beals had attended the East Bay League of California Cities (LCC) meeting in Dublin when Assemblymember Canciamilla had discussed the State budget. She noted that had offered an opportunity for East Bay officials to meet with other Council and staff members to exchange ideas.

Councilmember Parent announced that the Pittsburg Community Theater (PCT) had just finished another program and an exciting play. She encouraged everyone to take the opportunity to enjoy the performances at the PCT of performers from all over the County.

Councilmember Parent also reported that she, the Mayor and Councilmember Kee had attended the Cultural Alliance Dinner, that she and Councilmember Glynn had met with the Pittsburg Unified School District (PUSD) School Board as the Liaison Committee and had discussed, among other things, the expenditure of funds on the Creative Arts Building.

Further, Councilmember Parent reported that two more houses had opened at Herb White Way and West Ninth Street for Habitat for Humanity. She noted that ultimately 13 houses would be built by Habitat for Humanity in that area.

Councilmember Glynn stated that he and staff met with Alliant University and had discussed several issues in the hope of attracting that university to the City. He reported that while he would have liked to have attended the Habitat for Humanity opening, he had otherwise attended a three-day training seminar for the Rotary Club as part of his role as President-elect of the Pittsburg Rotary Club.

Councilmember Glynn added that as part of the School Liaison Subcommittee he would continue to work with the PUSD to work out additional details on how the City could help the PUSD with its issues.

Councilmember Kee reported that he had met with representatives of the *Shaping Our Future* program, which group was trying to perform a Countywide planning program to involve all cities in the County to buy into a planning process to identify land use and regional transportation goals for each City. He noted that the City's representation had been well received. He would keep the Council informed as the process continued.

Mayor Beals reported that she and other East County cities had met in Sacramento for a Lobby Day and had met with Senate and Assembly representatives regarding issues related to the vehicle license fees (VLF) and redevelopment impacts on local government. She noted that those meetings had gone well. She added that the City had joined the Alameda and Contra Costa County delegations in the East Bay Division of the LCC where

Assemblymember Canciamilla had reiterated some of the State impacts as well as his plan for the State's Two-Year Budget Plan.

Mayor Beals also advised that in recognition of African-American Heritage Month, she had attended and had been an honoree at the first annual Cultural Arts Alliance Black History Month recognition when John Henry Johnson, Federal Glover, Alice Latimer, Moses Coleman, Frances Greene and she had been honored as African-Americans who had contributed to the community. The Mayor added that she had attended on behalf of the City the African-American Heritage Program at the Solomon Temple Baptist Church. She had also joined Supervisor Federal Glover to recognize Planning Commissioner Doris Kelley for her contributions to civic leadership as well as her dedication to the congregation of Solomon Temple Baptist Church.

Mayor Beals reported that Delta 6 had met this week and had discussed the potential for a minor league baseball idea that had been embraced by most cities in the region. Further, that she had attended the Habitat for Humanity opening. She thanked the Mt. Diablo Habitat for Humanity Division for remaining in the community.

Mayor Beals took this opportunity to announce that in the coming weekend the Fifth Annual Youth Conference all day event would be held at Pittsburg High School, the Pittsburg Historical Society would have an open house and installation of officers on March 8 from 12:00 noon to 6:00 P.M., and the Fil-American Association would have an installation of their officers. She stated that she would be attending all three events.

CITY MANAGER REPORT

City Manager Willis Casey reported that a letter of intent had been received on a potential location of Alliant University in the City. He also advised that the Library Subcommittee had requested that engineering staff circulate a survey related to the Pittsburg Library. As such, 15,000 surveys were being sent to residents in water bills and the survey was being posted on the City's web page.

Mr. Casey acknowledged the request at the last meeting for a report on the Mirant annexation. He stated that some work had been done to determine what it would take to annex that property. To that end, City staff and Councilmember Glynn had met with Supervisor Glover and members of County staff to determine whether or not an annexation would be possible. He stated that the item would be submitted to the Council for discussion at its March 17 meeting. In addition, other annexations were potentially pending and he sought a public workshop to discuss the possible annexations with respect to cost, the advantages and the disadvantages of such annexations.

Mayor Beals inquired whether or not the Council could be involved in the decision related to the return of the previously referenced Alcohol and Tobacco Program grant since that had not previously been referred to the City Council.

Mr. Casey stated that a report would be submitted to the Council.

PRESENTATION

1. LMC Foundation Scholarship Report

Nancy Chinn, Executive Director of the Los Medanos College Foundation advised that Lindy Willy, the Scholarship Coordinator and Peter Garcia, the LMC President were present in the audience.

Ms. Chinn reported that in 2000 the City had pledged \$100,000 to the LMC Foundation to be used for scholarships for Pittsburg residents over a four-year period. To date \$40,000 had been awarded to 31 students for their education. The awards ranged from \$500 to \$5,000 for students attending a variety of colleges and universities. She had provided a list of those details for all recipients of the scholarship to the Council.

Ms. Chinn added that \$20,000 a year was awarded to students and the remaining \$5,000 was placed into a City endowment that now totaled \$13,635. It was her hope that one day the interest from that endowment would be able to offer scholarships on an ongoing basis. She thanked the City for its support. At this time, she introduced Maria Bruno who had received scholarships two years in a row.

MARIA BRUNO, Pittsburg, advised that she was in her second year at LMC and had a guaranteed transfer to UC Berkeley. She thanked the Council for its help in allowing her to pursue her education.

2. Los Medanos Healthcare District Letter

ROSEANN LAZIO, a District Boardmember of the LMC District Board noted that Darnell Turner was to have been present to speak to a letter he had submitted to the Council regarding the issuance of a liquor license for a 7-Eleven planned on California Avenue. She noted the concerns related to the abundance of liquor licenses in the community and stated that there was a concern because of the close proximity of a number of schools.

Ms. Lazio stated that as a trained Intensive Care Nurse, she had learned that the number one contributor to fatal accidents was alcohol. She was therefore concerned with the youth of the community. She stated that the more alcohol was available the more problems that would be generated in a community.

CONSENT CALENDAR

On motion by Councilmember Parent, seconded by Vice Mayor Rios and carried unanimously to adopt the Consent Calendar, with the removal of Items a, e and g.

- b. **ORDINANCE 03-1207** Fourth Amendment to the Community Development Plan for the Los Medanos Community Development Project Area (2nd Reading)

Adopted Ordinance 03-1207.

- c. **RESOLUTION 03-9775** Implement Owner Participation Agreements with Winter Chevrolet Inc. and Winter Honda Inc.

Adopted Resolution 03-9775.

- d. **RESOLUTION 03-9776** Authorizing California Beverage Container Recycling and Litter Reduction Act Funding Request for Fiscal Year 2003-2004

Adopted Resolution 03-9776.

- f. **RESOLUTION 03-9778** Notice of Completion and Acceptance of Public Improvements Within Subdivision 8177 Century Plaza II, for Continuous Maintenance

Adopted Resolution 03-9778.

The following items were removed from the Consent Calendar for discussion.

- a. **MINUTES** Dated: February 18, 2003

Councilmember Parent requested the following changes to the minutes. To the last sentence on Page 6 of 23 to read: *The analysis determined that changes were necessary to accommodate evolving duties within the Recreation Services Worker II classification.*

To the first sentence on Page 18 of 23, to read: *Councilmember Parent noted that the agreement was between the firm of IBEW #302 and Western Pacific Builders, not the City of Pittsburg.*

On motion by Councilmember Parent, seconded by Vice Mayor Rios and carried unanimously to approve the minutes of the February 18, 2003 meeting, as amended.

- e. **RESOLUTION 03-9777** Approving City Council Goals for 2003-2004

On February 3, 2003, the City Council held a workshop to review goals and priorities for the 2003-2004 year. Staff was directed to prepare a list of priorities to bring back for final adoption.

Vice Chair Rios had pulled the item to make the following requests: That the title City Council Goals for 2003-2004 be changed to *City Council Goals 2003*; and under Section 1 she did not believe that what had been done needed to be changed and she did not support the inclusion of the Fee and Finance Regional Transportation Fee in the Council's Goals.

Vice Chair Rios also clarified portions of the material submitted for the City Council Goals session related to a clear deferred maintenance plan, to the inclusion of the current bond series, and that Council agendas be reviewed by the Council prior to distribution to the public, among other clarifications.

On the discussion of each item referenced by the Vice Chair and whether or not those items should be listed as Council goals, Mr. Casey clarified that the material under discussion was not the Council Goals. That material represented the notes memorializing the discussion that had taken place for the Goals.

Mayor Beals clarified that at the last Council meeting a skeleton of the Goals had been offered and the Council had sought more information. The minutes/notes had been offered as background and a synopsis of the discussion.

Councilmember Parent noted that the resolution had indicated that the Goals were attached as Exhibit A, and the only thing attached as Exhibit A was the discussion paper. She agreed that the problem had arisen in that not all of the items discussed by the Council had been included in that the list of goals had been narrowed down to essentially what could be accomplished.

To clarify and avoid confusion and misunderstanding, Vice Mayor Rios requested that the list be returned to staff to provide an attachment to clarify the Council's Goals.

On motion by Vice Mayor Rios, seconded by Councilmember Glynn and carried unanimously to continue Resolution 03-9777 for more clarification.

Vice Mayor Rios advised that she had requested the removal of the following item from the Consent Calendar for discussion.

- g. **RESOLUTION 03-9779** Authorize the City Manager to Contract for Information Technology Services

The City had been using DTI Business Systems within the Police Department through the Supplemental Law Enforcement Services Fund grant and the Local Law Enforcement Block Grant and the City had been using DTI for Citywide information technology (IT) needs during the workers' compensation absence of an Information Technology employee. In-house resources were not available for City staff to perform the work DTI Business Systems presently performed. DTI's cost in providing services exceeds the City Manager's spending authority and requires the City Council's action.

Vice Mayor Rios reported that the Finance Subcommittee had met on the item. She asked the other Subcommittee member, Councilmember Parent, to read what the Subcommittee had determined.

In order to have the Subcommittee's findings included in the minutes, Councilmember Parent reported those findings for the record and advised that the Subcommittee had met

with representatives of the Finance, Police and Human Resources Departments, given the involvement of all three.

Councilmember Parent reported that what had been found was that while there was a City policy that no contracts be approved for more than \$50,000 without Council approval, sums in excess of that amount with one contract or one purchase order collectively had been spent. She commented that it was not that the work did not need to be done, it was how the work was done. Instead of the Council being apprised of the situation, the Council had received a contract signed in October 2002 with a maximum expenditure of \$19,400 when the firm had actually been paid far in excess of that amount. The Subcommittee had received an explanation of what had been done and what still needed to be done and there was no question of what needed to be done or whether or not that work was done properly by the vendor.

Councilmember Parent stated that in one case there was a security issue raised by the Sheriff's Department and in another case there was an employee out on Workers' Compensation Leave.

From the Subcommittee, Councilmember Parent emphasized that the City had not followed Council policy of not spending in excess of \$50,000 for work without the Council having reviewed and approved that work. She noted that there was additional work to be done, which work had been outlined to the Council in the memo from staff.

Councilmember Parent explained that one committee member believed that in order to get the work done before June the remaining work should be done by the existing vendor, while another suggested that the remaining work should be bid out. She stated that the Subcommittee further recommended that the Council not presently, but for the future potentially as part of the budgeting process, consider changing the policy to reduce the authority to contract without the Council's approval to \$25,000 from the present \$50,000 limit.

Vice Mayor Rios clarified the out to bid process. She sought a pursuit of DTI Business Systems with the Police Department while putting the Citywide work out to bid.

Mayor Beals agreed and stated that since DTI was hired by the Police Department to do Police Department work, DTI should be the Police Department's vendor and the City Council should consider what course of action to take for Citywide services.

The Mayor noted two issues; one, the authorization of monies that should have been submitted to the Council for consideration, and the other the issue of bid splitting where the vendor hired by the Police Department should not have been able to pursue a contract with the City without going out to bid. Further, she had questions given that the initial contract was for \$19,000 and the vendor had received a significant amount beyond that total. She noted that \$28,035 remained to be paid under the California Law Enforcement Equipment Program grant for the Police Department. Given that the Police Department's uncompleted work would be paid by the grant, she suggested that the eight or so items on the City side

that remained to be done could be addressed in-house. As such, she did not see the relevance of continuing with DTI or a contractor for the remaining \$48,000 of City work remaining given that those items represented primarily maintenance issues.

In response to comments, Human Resource Director Marc Fox stated that when he had assumed the responsibility of the IT group it was a day or two before the Management Information Specialist, who handled the City's servers, had gone out on Workers' Compensation leave. He stated that there were three employees within the IT group; one employee handled servers, one handled the peripherals (workstations), and the third handled telecommunication lines. Outside of the Police Department, there were approximately 180 desktops throughout City offices and the Network Technician was most often out of the office addressing the needs of that equipment, while the Telecommunications Specialist handled the phones, cell phones, land lines and the like. He was uncertain whether or not those individuals had the skills to do the work of the Management Information Specialist, but if they did, they did not have the time.

With the Management Information Specialist on Workers' Comp leave, Mr. Fox explained the need to secure a qualified and available vendor who was familiar with the City's new server to avoid a waste of time and resources. He described the work steps that were required, and explained that he had asked the vendor, DTI Business Systems, to evaluate that server to see that it conformed with manufacturing and industry norms.

Mr. Fox stated that of the work remaining to be done, it had been found that the City's servers were not configured in conformance with industry and manufacturing norms, there were a variety of outlying servers on the verge of collapse and others, such as the Housing Authority and the Corporation Yard servers, had collapsed on several occasions when the vendor had been present. He noted that the City was in touch with respect to new software for golf course operations and DTI would evaluate the hardware and software requirements in that case to ensure the smooth running of golf course operations. He noted that the Finance Director had also asked DTI to look at the new Eden Financial software/hardware to ensure that the City's hardware requirements for the new City software met the current and expected needs of the finance system. Mr. Fox added that loading application software onto a server was different than loading software onto personal computers given a variety of permissions and protocols that had to be set.

Mr. Fox stated that the "performing related work as directed" item represented all the other job duties of the Management Information Specialist, which did not involve handling software or peripheral problems at the individual user level. The City's current employee would do that.

Mr. Fox stated it was unknown when the City's current employee would be able to return to the position full time, which was why the request had been made that DTI provide those necessary services for the balance of the fiscal year or until the employee had returned. He also noted that consistent with the discussion about the goals and the City Manager's request, the request was to continue to use DTI through the balance of the fiscal year. Any request to use information technology next year would be through a bid process.

As to why the item had not been submitted to the Council earlier, Mr. Fox stated that there were really two different projects. Because of the distinct nature of the project on the City side within an anticipated cost less than \$50,000, it had been his belief that the proposal was within the City's requirements for the scope of work. Since the employee's return to work date was uncertain, the cost for the City's servers would be more than \$50,000 from October through June for the City side. As such, it had been brought to the Council since the cost would exceed \$50,000.

Mayor Beals stated that there should have been two separate contracts with the one vendor, which should have been submitted to the City Council prior to the work being done. Further, given that the cost was anticipated to be less than \$50,000 at the point it exceeded that amount the Council should have been involved. She noted that nearly \$300,000 had been expended between the two departments and the Council should have been informed prior to this time. She expressed her hope that a similar situation would not occur again. She noted, for instance that bid splitting should not have taken place. She emphasized it was not acceptable that the item had not been submitted to the City Council for approval prior to this time.

Vice Mayor Rios added that the City had a Purchasing Agent and the proposal had not been submitted to that Purchasing Agent. She recommended allowing DTI to finish the work with the Police Department but she could not support that work on the City side. She suggested that an employee could be hired to do some of the remaining work. She also suggested it would take the same amount of time to hire an employee for a lot less than it would take to complete the job. She noted that the total exceeded even the City employee's [out on Workers' Comp] earnings.

Vice Mayor Rios made a motion to authorize the City Manager to contract for information technology services for the Police Department, with the City's portion to go out to bid. There was no second to that motion and the motion failed.

Councilmember Glynn commented that the situation was exactly the reason why the City had hired a Purchasing Agent. He noted that one of the questions he had asked when initially discussing the budget process for zero-based budgeting was the idea of how much signature authority department heads had or various members of the City staff had and how much they were authorized to sign. He referenced his experience in that regard, stated that bid splitting was illegal and expressed serious concern for a situation that had been allowed to expand to \$300,000 in charges. He was outraged that the contracts had never been submitted to the Purchasing Agent in the first place. Councilmember Glynn stated that he was not in favor of authorizing \$120,000 for additional work whether that work was performed by in-house personnel or outside personnel until there was a resolution of the problem.

Councilmember Kee inquired whether or not the item could be split as recommended by Vice Mayor Rios since it had been agendized as one item.

City Attorney Linda Daube suggested that the recommendations could be made with

the completed resolutions to be returned for final approval at the next meeting on March 17.

To staff, Councilmember Kee noted the difference of nearly \$48,690 for the City portion that had yet to be done for this fiscal year, although Mr. Fox stated that \$22,440.09 remained to be paid for services that had been rendered on the City side. Councilmember Kee inquired of the consequences of putting the item out to bid now before the end of the fiscal year and inquired whether or not a bid could be pursued within that time.

Mr. Fox stated that while there could be a bid before the end of the fiscal year, if there was no vendor in place some of the current employees would have to try to do the work. If those employees were qualified to do that work, their regular work would go undone. With no vendor to do the work there would be some lapses in the system at either the server end or the computer end. He stated therefore that there would be consequences.

Mayor Beals stated that the item would have to be returned, one in the form of the approval for the Police Department given that those monies were being paid by a grant, and secondly that the City side be forwarded to the Subcommittee for reevaluation to determine how to proceed. She requested that the Council be apprised why DTI Business Systems was a qualified and credible firm to do the work. She sought a different scope of work and suggested that staff could accomplish the current scope of work.

Mayor Beals urged that the item be redirected to the Finance Subcommittee and potentially a meeting with the City Manager, with the Police Department portion to be submitted separately from the City side. She also sought a placement of the item on the agenda as a Consideration item and not as a Consent item.

Councilmember Glynn also expressed a desire to look at the organizational structure of the process, specifically why the Human Resources Department was in charge of technical support. He questioned the appropriateness of one person providing both hardware and software support and inquired by what authority City staff had signed authorizations in excess of the \$50,000 cap by anyone other than the Purchasing Agent. He suggested that amounted to a misappropriation of funds. He agreed that there was nothing to indicate that DTI was even qualified against the bid specifications.

Vice Mayor Rios disagreed with Mr. Fox that there was no City staff capable of doing the required work.

On motion by Mayor Beals, seconded by Vice Mayor Rios and carried unanimously that the item return in two different forms; that the Finance Subcommittee meet to audit the situation including the qualifications of DTI, the expenditures, the Purchasing Agent factor, the funding sources paid to date, and who had authorized the funding, to return to the Council on March 17, 2003 with a recommendation as to how to proceed, and with the Police Department element to return separately to the Council as a Consideration item.

PUBLIC HEARING

1. **RESOLUTION 03-9780** Approval of Proposed Rate Increases at the Pittsburg

Delta View Golf Course

Economic Development Director Brad Nail advised that Title 3, Chapter 3.32 of the Pittsburg Municipal Code authorized the City Council to establish by resolution the fees to be charged to users of the Pittsburg Delta View Golf Course and its related services. It is the interest of City staff to increase the rates and fees at Delta View, allowing operations to produce a higher revenue level to support operating and capital investment costs. The proposed increase of public rates and fees would not exceed the median rates of similar golf courses in the surrounding areas. In addition, revenue generated from the increased rates would allow the Delta View Golf Course to begin recapturing the \$375,000 investment made in the current renovation of the Pro Shop, Cart Barn, and lease/purchase of the mandated Electric Carts.

Mr. Nail explained that the golf course was an enterprise operation for the City. The intent was that the golf course produce positive revenues to the City. He noted that new environmental protection regulations had required a changeover from gas golf carts to electric carts. The funding for that effort had been requested, and an additional amount of funds had been requested to make other improvements to the golf course. Due to the number of courses being built in Contra Costa County, he stated that the City's golf course would have to continue making improvements to remain in a competitive position.

Mr. Nail gave a video presentation of the renovations being made to the golf course. He explained that driving range improvements with full grass had been made completely within the golf course budget. Further, the new modular building representing the new pro shop operations would be located across the tee from Zandonella's sports bar, a modular building with restrooms would offer a meeting room for the golf club and the general public, a new golf barn to house the 80 new electric golf carts and the charging equipment had been completed, and the old golf pro shop had been converted into a member's cart storage area.

Mr. Nail presented a rate comparison study of other local courses considered to be competitors and explained that Diablo View's rates were well below the averages in the area. He advised that a \$4 increase had been proposed for Saturday, Sunday and Holiday rates, with Monday through Friday rates left as is given that the major play would take place on the weekends. The same increase had been proposed for cart rental and there would be a small increase on the bucket of balls. He stated these raises in fees would produce approximately \$300,000 additional revenue. He noted that there was a \$136,980 increase in revenue this year.

Referring to the business plan, Mr. Nail stated that the goal was to get the golf course in a net revenue breakeven situation. This year the breakeven was projected at \$1.8 million and that would be achieved this year. Following that, a net revenue increase over expenses would be anticipated. He requested those changes at this time. He also took this opportunity to thank Golf Course staff Bart Kerr, Manuel Bustos, Doug Holcomb and Ron Nevels, the City's Senior Civil Engineer who had all worked hard on the improvements.

Mayor Beals opened the public hearing for Resolution 03-9780.

CHARLES SMITH, Pittsburg, noted that the golf course had a number of improvements but he did not believe the City should expect to get all its money back that fast. He was glad to hear that Monday through Friday rates would remain competitive. He also noted that the public relations system was beginning to work. He added that Delta View was a fairly difficult course compared with some other courses and he explained that a lot of things that kept golf courses going were the specials offered.

WILLIE MIMS, Pittsburg, representing the Black Political Association (BPA) inquired whether or not the rate increases over the weekend would create a problem for people using the City's golf course, particularly now when the course was attracting more users. He did not want to discourage users.

There being no further speakers, Mayor Beals closed the public hearing for Resolution 03-9780.

Mayor Beals applauded staff for the recommendation to increase fees. She noted that in a comparison of the rates even with an increase the City's Diablo View course rates would be significantly less than most other adjacent courses and the City would continue to offer the best rate for the weekend periods, with a challenging course. She commended the staff for its recommendation.

On motion by Mayor Beals, seconded by Vice Mayor Rios and carried unanimously to adopt Resolution 03-9780.

2. **RESOLUTION 03-9781** 2003-04 Local Community Needs for the Community Development Block Grant Program (CDBG)

Mr. Casey stated that the United States Department of Housing and Urban Development required public comment on local community needs for the 2003-2004 Community Development Block Grant (CDBG) program. This is the second of two public hearings and a notice was published on February 18, 2003. The purpose of this public hearing is to identify local community needs in order to finalize the 2003-2004 Annual Action Plan.

Mr. Casey recommended that the City Council open the public hearing, receive testimony and then close the public hearing and adopt the resolution.

Mayor Beals opened the public hearing for Resolution 03-9781.

WILLIE MIMS, Pittsburg, inquired where the notice reportedly published on February 18 had been posted. He was advised that the notice had been published in the Contra Costa Times and had been posted in the lobby of City Hall and everywhere else it was normally posted. He also inquired whether or not there was a list of the projects to be incorporated into the grant.

CDBG Coordinator Annette Landry stated that this public hearing was the second public hearing required by HUD to solicit local input. She explained that the next Council meeting on March 17 would address the recommendations to be made to the Council by the CDBG Subcommittee, at which time the recommended items would be identified.

BRUCE OHLSON, Pittsburg, representing the East Bay Bicycle Coalition and the Delta Pedalers requested that any street widening receive bicycle facilities.

There being no further comments, Mayor Beals closed the public hearing for Resolution 03-9781.

Vice Mayor Rios clarified that only the CDBG Subcommittee had seen the list but that would not preclude anyone from including comments from organizations that might want to be included on the CDBG Projects List.

On motion by Vice Mayor Rios, seconded by Mayor Beals and carried unanimously to adopt Resolution 03-9781.

Given that Mr. Turner was now available, the Mayor allowed him to speak to his presentation, Los Medanos Healthcare District Letter.

DARNELL TURNER, Pittsburg, reported as a member of the LMC Board of Directors that over the last year the Board had become interested and concerned in the number of liquor licenses currently operating in the City, in that the City had 69 liquor licenses operating within its boundaries. He noted that local city councils now had the authority to approve the permitting of those licenses that had previously been under the jurisdiction of the Alcoholic Beverage Control Board. He was concerned with the number of liquor licenses in the City affecting the health of City residents.

Stating that the last liquor license permitted in the City was the AM/PM Station on Loveridge Road, Mr. Turner reported that within the first thirty days the site was already in violation of the conditions imposed by the City Council. He noted that there had been a hearing in Martinez to address those concerns. He stated that oftentimes there were people coming to the City to seek approvals without complying with the conditions related to those approvals and that the enforcement of those policies was not forthcoming.

Mr. Tuner stated that the LMC Board would continue to keep the Council apprised of the situation and that the Board would take a stronger position within the Pittsburg/Bay Point boundaries to do whatever was required to slow down the issuance of such liquor licenses. He also noted that there were over nine liquor licenses in the census tract where the AM/PM was located.

ADJOURNMENT

The meeting of the City Council adjourned at 8:49 P.M. to the next meeting set for

March 17, 2003.

Respectfully submitted,

Lillian J. Pride, City Clerk

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