

CITY OF PITTSBURG
Redevelopment Agency Minutes
February 6, 2006

Chair Michael Kee called the meeting of the Redevelopment Agency to order at 7:19 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having convened into a Workshop – Marina Master Plan at 4:00 P.M., Workshop – CIP and RDA Project Update at 5:00 P.M., and Closed Session at 6:00 P.M. for Conference with Legal Counsel – Anticipated Litigation pursuant to subdivision (b) of Section 54956.9 of the Government Code regarding one case; Conference with Legal Counsel – Existing Litigation pursuant to Section 54956.9(a) regarding Richard F. Fisher vs. City of Pittsburg, et al., United States District Court Case No. C05-2774CW (PR), and Pittsburg Society for Preservation of Historical Resources, an unincorporated association; Susan Lopez; Thomas LaFleur; and Frank Gordon (Petitioners) vs. City of Pittsburg; City Council of the City of Pittsburg; and Planning Commission of the City of Pittsburg (Respondents), A.F. Evans Development and Does 1 to 10 (Real Parties in interest), Contra Costa County Superior Court Case No. 5-1861; and Conference with Labor Negotiators pursuant to Section 54957.6 regarding AFSCME (Miscellaneous/Professional/Confidential), Teamsters.

Chair Kee advised that the City Council had agreed to a collective bargaining agreement with both Teamsters and AFSCME (Miscellaneous/Professional/Confidential Unit) and the City Council directed the City Manager and the Human Resources Director to implement and sign amendments to those agreements.

MEMBERS PRESENT: Casey, Glynn, Johnson, Parent, Kee

MEMBERS ABSENT: None

STAFF PRESENT

- Executive Director, Marc Grisham
- Assistant Executive Director, Matt Rodriguez
- Legal Counsel, Ruthann Ziegler
- City Clerk, Lillian Pride
- Deputy City Clerk, Alice Evenson
- Director of Engineering and Building, Joe Sbranti
- 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 Redevelopment, Garrett Evans
- Director of Planning, Melissa Ayres
- Director of Finance, Marie Simons
- Police Chief, Aaron Baker

CONSENT CALENDAR

When asked, Executive Director Marc Grisham provided an update to Resolution 06-1107, and advised that the Scampini Building would not be touched in the contract process.

On motion by Member Parent, seconded by Member Johnson and carried unanimously to adopt the Consent Calendar, as follows:

- a. **MINUTES** Dated: January 17, 2006

 Approved minutes dated January 17, 2006.

- b. **RESOLUTION 06-1107** Authorizing the Executive Director to Award Contract
 2005-27 Demolition of Buildings 600, 688, 690 Railroad
 Avenue and 1049 Cumberland Street

Adopted Resolution 06-1107.

ADJOURNMENT

The meeting of the Redevelopment Agency adjourned at 7:20 P.M. to February 21, 2006.

Respectfully submitted,

Lillian J. Pride, Secretary

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CITY OF PITTSBURG
City Council Minutes
February 6, 2006

Mayor Michael Kee called the meeting of the City Council to order at 7:21 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having convened into a Workshop – Marina Master Plan at 4:00 P.M., Workshop – CIP and RDA Project Update at 5:00 P.M., and Closed Session at 6:00 P.M. for Conference with Legal Counsel – Anticipated Litigation pursuant to subdivision (b) of Section 54956.9 of the Government Code regarding one case; Conference with Legal Counsel – Existing Litigation pursuant to Section 54956.9(a) regarding Richard F. Fisher vs. City of Pittsburg, et al., United States District Court Case No. C05-2774CW (PR), and Pittsburg Society for Preservation of Historical Resources, an unincorporated association; Susan Lopez; Thomas LaFleur; and Frank Gordon (Petitioners) vs. City of Pittsburg; City Council of the City of Pittsburg; and Planning Commission of the City of Pittsburg (Respondents), A.F. Evans Development and Does 1 to 10 (Real Parties in interest), Contra Costa County Superior Court Case No. 5-1861; and Conference with Labor Negotiators pursuant to Section 54957.6 regarding AFSCME (Miscellaneous/Professional/ Confidential), Teamsters.

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MEMBERS PRESENT: Casey, Glynn, Johnson, Parent, Kee

MEMBERS ABSENT: None

STAFF PRESENT: City Manager, Marc Grisham
Assistant City Manager, Matt Rodriguez
City Attorney, Ruthann Ziegler
City Clerk, Lillian Pride
Deputy City Clerk, Alice Evenson
Director of Engineering and Building, Joe Sbranti
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 Redevelopment, Garrett Evans
Director of Planning, Melissa Ayres
Director of Finance, Marie Simons
Police Chief, Aaron Baker

Mayor Kee considered the following general City Council items at 7:00 P.M. prior to pursuing the Redevelopment Agency agenda.

PLEDGE OF ALLEGIANCE

Mayor Kee led the Pledge of Allegiance.

COUNCILMEMBER REPORTS/REMARKS

Councilmember Parent advised that on March 6 she would travel to Washington, D.C. along with Supervisor Glover and the Manager of the Delta Diablo Sanitation District to impress upon Congresswoman Tauscher and Congressman Miller the need to earmark approximately \$1 million for a reclaimed water line to the golf course and parks in between.

Councilmember Parent also advised that she had recently met with the Pittsburg Unified School District (PUSD) School Board Liaison Committee. She reported on the progress of the elementary school at the former primary school site on Eighth Street, the PUSD's intent to build a middle school on a Range Road site owned by the PUSD across from the golf course, and the fact that the PUSD was considering the possibility of declaring other properties it owned as surplus, potentially to be available for acquisition by the City.

Councilmember Parent noted that she had also attended the Mayor's Conference, the City Council Goals Workshop and a Land Use Subcommittee along with two Planning Commissioners who had met to discuss specifics with respect to hillside standards for properties above 500 feet in elevation. The Subcommittee had also met to discuss the Master Plan for the Civic Center Area.

Councilmember Parent highlighted the recent concert at the Creative Arts Building (CAB) and stated that the next concert would be held on March 18. She noted that the all-volunteer CAB group had raised more than \$100,000 to renovate seats in the two auditoriums. Two hundred and fifty seats had been renovated in the Little Theater and eight rows in the Big Theater had been renovated. She urged residents to support the CAB's efforts.

Vice Mayor Glynn reported that he had attended a meeting with the Pittsburg Power Company and City of Vallejo officials, a California League of Cities meeting in Dublin, a Tri-Valley Transportation meeting, and the Annual Installation Dinner for the Pittsburg Chamber of Commerce for Citizen of the Year, Business of the Year and Veteran of the Year awards. He had also participated in a tour of the Concord Naval Weapons Station related to the potential move of National Guard Facilities located in Pittsburg, Concord and Walnut Creek, and had attended a Veterans full funeral honors for Deacon Sherman Carter, Sr. an Army veteran. Further, he had attended the Council's Goal Setting Workshop.

Councilmember Johnson reported that he had attended the League of California Cities meeting, the Council Goals Workshop, a State executive committee meeting of Disabled American Veterans, a California Manufactured Housing Institute seminar in Sacramento and a Chamber of Commerce dinner.

Councilmember Casey stated that he and Councilmember Parent had been working with the Community Advisory Commission (CAC) on the Community Development Block Grant (CDBG) Program.

Mayor Kee advised that he had attended the Chamber of Commerce Installation dinner when he had installed the new officers, the City/County Relations meeting when an update on new Homeland Security regulations had been presented, the Mayors Conference hosted by the City of Hercules when Assemblymember Canciamilla had been the speaker, and had participated in the Council's Goal Setting Workshop on Saturday. He displayed the Team T-shirts that Councilmembers wore to highlight the team spirit and the "Year of Change" for the City of Pittsburg. He also displayed a T-shirt that highlighted the buildings expected to be constructed in Pittsburg during the Year of Change.

Mayor Kee also advised that as Mayor he had started a monthly letter posted on the Internet to give the public a brief idea of the things a Mayor did above and beyond Council meetings. He encouraged members of the public to make comments through that Internet access.

CITY MANAGER REPORTS/REMARKS

The City Manager had nothing to report at this time.

CITIZENS REMARKS

JIMMY DORSEY, Pittsburg, a resident of the Marina Heights Apartments, commented that he was excited with the projects planned in the area, although he advised that there were a number of problems at the apartment complex where he lived, such as drug dealing and vandalism of vehicles in the area. He noted that the new property owners were not working for the benefit of the residents. While he had raised his concerns with the Pittsburg Housing Authority and the County Housing Authority, nothing had been done. He also commented that he had been informed that he owed money to the Housing Authority, but had been informed he could not be shown any records of what he had paid or what he owed. Commenting that he was very involved with the community he asked the City to help him with the problems in the downtown.

Mayor Kee requested that the City Manager and the Police Chief speak with Mr. Dorsey to address his concerns.

LARRY HERRERA, Pittsburg, a member of the Pittsburg Mallards, noted the desire to have a monument created to honor the team, which he understood required City Council approval. He presented plans for the proposed monument and offered a small model of

how the bronze monument would appear. He explained that donations for the monument were being offered, although nothing could be done pending the City's approval.

City Manager Marc Grisham advised that Mr. Herrera's proposal should first be submitted to the Recreation Department. He directed Mr. Herrera to speak with Recreation Director Paul Flores to assist in that regard.

Mayor Kee adjourned to the Redevelopment Agency at 7:19 P.M. and reconvened to the City Council at 7:21P.M.

PUBLIC HEARING

1. **RESOLUTION 06-10475** Fire Station #84 and Administration/Training Center, Appeal of Planning Commission Approval of Use Permit/Design Review Application No. AP-05-286

City Manager Grisham advised that the Planning Commission had approved a use permit and design review application for a new fire station and administrative/classroom training center on the east side of Railroad Avenue between Civic Avenue and Victory Lane. Pittsburg resident Martin Riccabona had filed an appeal of the Commission's approval and the Council must now act on the appeal as well as the use permit and design review applications.

Planning Director Melissa Ayres summarized the application and the Planning Commission's approval of the application for a new fire station and administrative/classroom training center on the east side of Railroad Avenue between Civic Avenue and Victory Lane. She noted that the application had been appealed based on concerns for land use incompatibility, noise and hazards related to an above ground gas tank serving the project. She explained that the Council would have to evaluate the proposal in its entirety and not just on the items that had been appealed. There would be no fiscal impact associated with the project. It was recommended that the City Council move to adopt a resolution denying the appeal and upholding the Planning Commission's decision to approve Use Permit/Design Review Application No. 05-286, subject to conditions.

Mayor Kee noted that when Fire Station 87 located on Leland Road had been built the same types of issues had been raised. He verified with Ms. Ayres and the City Manager that none of the initial concerns related to that station had actually occurred.

Mayor Kee opened the public hearing for Resolution 06-10475.

JOHN ROSS, Assistant Chief of the Contra Costa County Fire Protection District (CCCFFPD), Pleasant Hill, described the proposal to relocate Station 84 to the site at Civic/Railroad Avenue and the City Hall area. He offered a presentation on the rationale as to why the station should be moved, which he suggested was critical for the future of Pittsburg. He explained that the CCCFFPD had put together a strategic plan years ago to accommodate growth in the City and elsewhere in the area. Assistant Chief Ross stated it

was critical to move Stations 84, 85 and 86 and to build Station 87, to improve emergency response times and distances within the City of Pittsburg and the unincorporated areas of Bay Point.

Mr. Ross stated that the CCCFPD was in the process of completing a strategic plan based on the National Fire Protection Association recommendations and standards with a response time of 5 minutes travel time, within 1.5 miles in diameter of coverage area, to provide the most benefit for citizens in terms of response times. Station 84 would have a response time of 3 minutes and 8 seconds, under the standard of five minutes travel time. Station 85 would have the same response time when constructed, with the distances having been driven and timed. He noted that a great deal of research had gone into the relocation of Station 84, with review of the impacts to Railroad Avenue and surrounding buildings, the motel, and residences. He was confident that all of the concerns had been addressed in a responsible fashion.

CARL CAMPOS, Loving & Campos Architects, presented an overview of the station proposal and described the reasons for its location, configuration and design. He also described the features of the site, offered a picture of the exterior elevation, and identified the components of the proposal and the steps that had been taken to be sensitive to the neighboring properties with one entrance/exit driveway into the station site, and an 8-foot high sound wall around the entire perimeter of the site. The property would also have an 80 foot deep bay for the engines. He also described the building and roofing materials that would mimic the architectural features at City Hall.

Mr. Campos noted that issues related to sound would be addressed. He described the noise metering that had been conducted continually over a five-day period and pointed out the property of the neighbor who had appealed the application. He suggested that the building of the station itself would block the sound. With sound walls around the perimeter, he suggested that the noise decibel levels would be reduced to a level of 64 dBA. He emphasized that 65 dBA was considered to be an acceptable noise level.

Mr. Campos explained that the acoustics report had indicated that the primary areas of noise creation would be with trucks moving on the site and with the use of an emergency generator. With the sound wall he suggested that the noise levels would be mitigated to a level greater than currently existing at the site. The final analysis of the acoustic report was that a fire truck traveling on the site would create minimal noise due to the sound wall and that the proposed steps to mitigate the sound of the emergency generator would also be acceptable. He stated that the eight-foot high sound wall, generator and trucks on the property would not impact the adjacent properties and would more likely improve the noise in the area. The report also indicated that the proposal would not likely create any negative impacts to the adjacent properties.

Mr. Campos emphasized that the trucks would not leave the site with sirens on. Further, steps would be taken to mitigate the noise created by the emergency generator, which would be sounded off and tested periodically.

Mr. Campos also noted that while fuel had generally been placed in the ground, fuel systems now used a concrete vault above ground with a containment basin underneath. He characterized that system as a very safe configuration.

MARTIN RICCABONA, Pittsburg, the appellant, recognized that the Planning Commission and the City Council had initially considered the application three years ago, although his concerns remained since that time. He referred to the fact that the site would be used as a training center that would be operable three days a week and could be extended to a seven day a week program when large apparatus and companies could be brought in for training exercises. His home at 166 Oak Place would be approximately 45 to 50 feet from the first apparatus that would be parked on the site. He noted that there could be several parking places for that apparatus or more with possibly more than one fire company at one time present for training that could extend beyond the proposed three day a week period.

Mr. Riccabona referred to the Leland Road firehouse, which he suggested was different from the subject proposal. He reiterated his concern with the close proximity of the apparatus that would be 45 feet from his house. He also noted that the houses adjacent to the Leland Road fire station had been built in the 1980's with better insulation than his and surrounding homes which had been built in the late 1940's and 1950's.

Mr. Riccabona stated that his concerns related not only to noise, but to pollution and impacts to his property value that could be generated by the fire station and by the traffic associated with that use, particularly given the existing traffic on Railroad Avenue in the morning when he took his children to school. He was concerned that fire trucks would use his court as a turnaround.

Mr. Riccabona questioned what his rights were in the process and asked for a clarification of that situation.

REBUTTAL:

Mr. Campos noted that the noise issues had been addressed. There were other fire stations in residential areas and there were no complaints when appropriate sound walls had been installed. He explained that traffic was an issue in all urban sites. The CCCFPD had a system that would control the stoplights to allow ease of access from the site with the median cut to allow the trucks to travel south to north in either direction. He stated that the PUSD was pleased with the sound wall, which would eliminate high schoolers from trespassing through the CCCFPD property and which would ensure a closed school campus.

When asked by Councilmember Parent as to the training proposed for the site, Mr. Ross stated that classroom training would be conducted on the site by staff and the Fire Prevention Bureau. Fire apparatus would also be brought in occasionally. He added that training with and without apparatus was also conducted at other sites. Training would primarily be conducted indoors.

Councilmember Parent verified that Station 10 in Walnut Creek was still a training center where a fire tower was located, and which was also located in a residential neighborhood.

Mr. Ross emphasized that the CCCFPD worked hard to be sensitive to the public.

Vice Mayor Glynn verified with Mr. Ross that the apparatus was brought to the site to be able to leave the site in the event of a call and would not necessarily be used for training purposes at the site.

Vice Mayor Glynn also asked about sound attenuation for the walls and verified with Mr. Campos that the walls of the station would consist of a pre-cast concrete solid wall system providing the best sound attenuation possible.

Mr. Campos also explained, when asked, that studies had been conducted at Station 87 that had shown that even if sound was measured behind the wall with meters, the sound would attenuate far below what it was without the wall. He noted that at the time Station 87 had been considered, the Council had directed that acoustic windows be placed in the rear of the homes in that neighborhood adjacent to Station 87. He was otherwise unaware of any problems with the vault system at Station 87.

Mr. Campos also described in response to the Vice Mayor, how the design and configuration of Station 87 differed from Station 84. A prototype station had been developed by the CCCFPD to control costs. The new station design would be similar to the design of Station 87, although with an enhanced interior and with compliance to current building codes. He also affirmed that the development of Station 87 had been built on schedule.

Councilmember Johnson again verified with Ms. Ayres that no complaints had been received by either the Planning Department or the City Manager's Department with respect to Station 87.

APPELLANT'S REBUTTAL:

Mr. Riccabona stated that his concerns remained. He did not know his rights in that regard. He stated that the 8-foot wall had originally been proposed as a 10-foot wall, and what was to have been a 3-day training schedule had been changed to a 7-day training schedule. He emphasized that the movement of apparatus and the proposed training would occur in his back yard.

PAMELA RAMIREZ, Pittsburg, did not wish to speak but asked that her comments be read into the record: "Please consider design of sound wall to include concrete to provide more of a sound barrier to neighbors. Homes are 50 years old and not well insulated."

Mayor Kee closed the public hearing for Resolution 06-10475.

On motion by Councilmember Casey, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 06-10475 denying the appeal and upholding the Planning Commission decision to approve Use Permit/Design Review Application No. 05-286, subject to conditions.

2. **ORDINANCE 06-1259** Amending Municipal Code to Add Chapter 15.91
Combined w/06-10484 Regarding the Residential Rental Property Inspection Program and Repealing Ordinance No. 05-1244
3. **RESOLUTION 06-10484** Establishing a Fee Schedule in Accordance with the
Combined w/06-1259 Residential Rental Property Inspection Program

Mr. Grisham advised that it was necessary to establish a method by which all residential rental properties were proven to comply with minimum health, safety and housing codes. This must be accomplished in order to maintain a healthy and sustainable rental housing stock. This program would establish enforceable minimum standards for such properties and provide a formal procedure for enforcing these standards. It was also necessary to establish a fee schedule as referenced by the Residential Rental Property Inspection Program of the City of Pittsburg Municipal Code.

City Engineer Joe Sbranti presented the proposals to add Chapter 15.91 regarding the Residential Rental Property Inspection Program and repealing Ordinance No. 05-1244 and establishing a fee schedule in accordance with the Residential Rental Property Inspection Program to ensure that the City's housing complied with minimum health and safety standards.

Mr. Sbranti stated that the City had received comments from the California Apartment Association and staff had responded to those comments, which were presented to the Council at this time. He noted that the program had been reviewed and modified in response to comments. Stating that one comment not adequately addressed was identified as Item 2 and related to the term "ensure," that the property owner will ensure access for the City to make an inspection, he recommended a change to the language to "make every effort to facilitate access." He recommended approval of the proposal with that change. He expressed a willingness to work with the property owners and the California Apartment Association to incorporate any comments into the document.

The program was intended to be funded through the collection of the Residential Rental Property Inspection Fee, an annual fee paid by all residential rental property owners. It was necessary to establish an operating account, which would be maintained as a separate account within the City's General Fund.

It was recommended that the City Council adopt an ordinance approving a Residential Rental Property Inspection Program under the Pittsburg Municipal Code, Chapter 15.91.

Mayor Kee opened the public hearing for Ordinance 06-1259 and Resolution 06-10484.

THERESA KARR, California Apartment Association, Regional Division Director in Contra Costa County, spoke on behalf of her members who had concerns with the proposal. She expressed her appreciation for the City's prompt response to comments. She noted that most of her concerns had been addressed although she requested a postponement of the proposal to allow her membership to review the modified proposal. She otherwise requested that the City create an oversight committee to review the program to ensure that it met its goals as had successfully been done in other cities.

Ms. Karr stated that her property owners signed a code of ethics, were very professional and took care of business and wanted to be part of the solution and not part of the problem. She expressed her hope that the City would create a successful program.

JAMES BUSBY, Martinez, General Managing Partner, Lido Square Apartments, spoke to the exemptions. He referenced the language that indicated exemptions for those apartments where 100 percent of the units were governed by a federal/state agency, such as the Department of Housing and Urban Development. In his case, there was a 40 year commitment to HUD which would terminate in six years. He questioned whether or not his complex would be exempt in this case.

Mr. Sbranti explained that for the period that Mr. Busby's complex would remain 100 percent subsidized, it would be exempt from the program. He clarified that any new apartments constructed or new homes rented out would be excluded for the first five years. The program would not apply until after that time.

Mayor Kee closed the public hearing for Ordinance 06-1259 and Resolution 06-10484.

Councilmember Parent verified with staff how the self-certification process would work, with the check list to be made available on-line.

When asked, Chief Building Official Curtis Smith verified that non-compliance with self-certification would be caught by staff when the property was not compliant with the ordinance, and when a notice of violation would be sent to the property owner. If there was no response, an administrative citation would be issued.

As to the number of people who had attended the public meetings, Mr. Sbranti stated that the first two meetings were with isolated groups, including the California Department Association. There were thirteen different participants at the final meeting who had offered a generally favorable response. Mr. Sbranti was not aware whether or not those present during the public meetings had only one unit. He briefly described some of the concerns expressed at that time, one being that properties around the applicable unit would be brought up to code.

Councilmember Parent questioned how often a tenant could seek an inspection in that one of the tenant strategies was to contact the Building Department with a complaint, which could occur frequently in cases where a tenant might attempt to avoid an eviction.

Mr. Sbranti explained that there was a response to every call although at some point a frequent caller would lose credibility once it was known what the tenant was after.

Councilmember Parent referred to Page 3 of the Ordinance, a reference to California Model Codes, to be replaced by *California Uniform Codes*. She also asked whether or not the self-inspection checklist and penalty list had been prepared.

Mr. Sbranti reported that had been done and would be included in the packet sent to all property owners. He characterized those documents as appearing similar to a business license.

Councilmember Johnson referred to properties that were rentals and questioned how rental properties would be determined.

Mr. Sbranti stated with respect to single-family homes that a property owner would be shown as the owner but would not necessarily be shown as the name of the person paying the water bill. He agreed that it would take some time to establish the list and noted that it might take a couple of years to develop the full list, which would change and become an ongoing process. He also noted that the City Council had subsidized the program by providing \$60,000 to increase staff to allow the Department to manage the program.

Vice Mayor Glynn verified that the property owner would have to self-certify and not the building occupant, to be done within a 30 day period of notification by the City. As to what would occur if that deadline was not met, Mr. Smith stated that a letter and a packet would be distributed. With no response, a second letter would be distributed after 30 days had passed. Once there was verification that the property was a rental property, a violation notice would be submitted. He verified that the 30 days would begin the date after the letter was sent.

Councilmember Johnson asked about Section 8 Housing and verified with staff that if a property was removed from that program it would be subject to the ordinance once all subsidized housing had been removed.

On motion by Councilmember Parent, seconded by Councilmember Johnson and carried unanimously to introduce Ordinance 06-1259 by title only and waive first reading, with the amendment by staff and the correction to California Uniform Codes.

On motion by Councilmember Casey, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 06-10484.

CONSIDERATION

1. **RESOLUTION 06-10476** Approval of Agreement to Fund Bailey Road Mitigation Measures

The Council is requested to approve and authorize the Mayor to execute an agreement between the City of Pittsburg and the City of Concord identifying and confirming how adopted traffic mitigation fees owned on two Pittsburg development projects to the City of Concord would be collected and dispersed and to establish an administrative fee to implement the agreement.

City Manager Grisham advised that staff would like to continue the item for two weeks.

WILSON WENDT, Orinda, requested a four-week continuance as opposed to a two-week continuance. He did not believe that an additional two weeks would be a concern.

Mr. Grisham noted that the study had been conducted over a year ago. He asked that those items be reviewed in a timelier manner by the developer in the future. He had received a call from the developer. As a courtesy, he suggested that the item could be continued, as requested, to March 6, 2006.

2 **RESOLUTION 06-10477** Authorizing the Issuance of One or More Series of Pittsburg Taxable Pension Obligation Bonds, Approving the Forms of and Authorizing Execution and Delivery of an Indenture Relating Thereto, and Authorizing a Validation Action and Certain Other Actions in Connection Therewith

Mr. Grisham stated that on January 17, 2006 the City Council adopted Resolution No. 06-10467 that authorized staff to develop a Pension Obligation Bonds (POB) Program for the purpose of providing budgetary relief to the City of Pittsburg. In addition, the adopted resolution appointed the members of the financing team. The proposed City Council action for the February 6, 2006 meeting would authorize staff to move forward with the POB program by approving the validation filing action and the related bond documents that would be required to complete the validation action process.

The fiscal impact of the proposed POB financing would be to reduce the annual retirement costs that would provide budgetary relief to the City's General Fund. Based on today's interest rate market, this bond issue could provide annual savings in the range of \$200,000 for the City's Safety Police Plan over a 30 year period. Alternatively, these savings could be "front loaded" over the first 10 years of the amortization schedule where annual savings would equal approximately \$360,000 during the first 10 years and then would decrease to under \$6,000 each year thereafter. Budget savings for the City's Miscellaneous Plan would be more modest due to the CalPERS rolling amortization methodology for that plan's unfunded accrued actuarial liability (UAAL). Annual savings based on today's interest rates would equal approximately \$70,000 over a 30 year period.

However, this budgetary savings would not capture the net future impact on a reduced unfunded liability for the Miscellaneous Plan. After 30 years, the City's UAAL would increase from \$14.9 million to \$19.7 million assuming the minimum contribution as currently planned by CalPERS. Alternatively, the UAAL is reduced to \$0 utilizing a POB strategy, in addition to the modest budgetary savings of \$70,000 per year.

All cost associated with the bond financing including bond counsel, underwriter, financial advisor, disclosure counsel and actuarial consultant would be paid through this bond issue and would not impact the City's General Fund.

It was recommended that the City Council adopt a resolution that would provide for the issuance of one or more series of City of Pittsburg taxable pension obligation bonds and authorizing the court validation action process, and related bond documents that are required to complete the transaction.

There were no comments from the public.

On motion by Councilmember Johnson, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 06-10477.

CONSENT CALENDAR

On motion by Councilmember Johnson, seconded by Councilmember Parent and carried unanimously to adopt the Consent Calendar, as follows, with the removal of Items b. and e.

- a. **MINUTES** Dated: January 17, 2006

Approved minutes dated January 17, 2006.

- c. **RESOLUTION 06-10478** Authorizing Declaration of Surplus City Information Technology Equipment for FY 2005-06

Adopted Resolution 06-10478.

- d. **RESOLUTION 06-10479** Police Officer Staffing Allocation

Adopted Resolution 06-10479

- f. **RESOLUTION 06-10481** Allocating Additional Funding and Awarding a Contract for Remodeling the Pittsburg Community Center at City Park to KEL-TEC Builders, Inc.

Adopted Resolution 06-10481.

- g. **RESOLUTION 06-10482** Award 2005/2006 Water Treatment Plant Chemical Purchase Contract

Adopted Resolution 06-10482.

- h. **RESOLUTION 06-10483** Abolish the Code Enforcement Aide and Senior Code Enforcement Officer Calculations

Adopted Resolution 06-10483.

- i. **REPORT** Receive and File the Quarterly Investment Report as of September 30, 2005

Received and Filed the Quarterly Investment Report as of September 30, 2005.

The following items were removed from the Consent Calendar from discussion:

- b. **RESOLUTION 06-10470** Initiating Proceedings for the Creation of Overlay Landscaping and Lighting Assessment District 2006-01

Mr. Grisham explained that the resolution, if adopted by the City Council, would initiate proceedings pursuant to the Landscaping and Lighting Act of 1972 for the creation of an overlay landscaping and lighting assessment district for the San Marco and Vista Del Mar subdivisions. He thanked the San Marco developer for his willingness to voluntarily participate. He recognized that correspondence had been received from the attorney representing San Marco, who had expressed a concern for other than for-sale products to be included in the district. He stated that those necessary corrections would be made to ensure that the district would not apply to apartments or commercial properties.

Mr. Sbranti referred to the exhibit at the back of the document where all commercial properties had been excluded from any assessment of the lighting and landscaping district, to be only for the for-sale product and not for rental products.

WILSON WENDT, Orinda, representing Seecon Construction, further verified that the multi-family housing and the commercial would be excluded from the district.

On motion by Councilmember Johnson, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 06-10470, with the changes, as noted by the City Manager.

- e. **RESOLUTION 06-10480** Supporting 2006 California State Library Bond Measure and Consideration of a Feasibility Study for the Construction of a Joint-Use Library by the Mt. Diablo Unified School District and the Contra Costa County Library at the Riverview Middle School in Bay Point

On January 27, 2006, Gloria Magleby, member of the Bay Point Municipal Advisory Council and Ambrose Recreation District, requested a resolution by the Pittsburg City Council supporting consideration of a feasibility study for the construction of a joint-use library by the Mt. Diablo Unified School District (MDUSD) and the Contra Costa County Library at the Riverview Middle School in Bay Point. Staff had been directed to place the item on the agenda for the February 6, 2006 Council meeting for consideration.

GREG ENHOLM, the elected Director of the Ambrose Recreation and Park District, and representing Gloria Magleby, advocated approval of the resolution and the request of the MDUSD for a partnership with the County Library to study a Bay Point Library. As a member of the County Library Commission, he strongly supported the proposal.

On motion by Councilmember Johnson, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 06-10480.

ADJOURNMENT

The City Council adjourned at 8:35 P.M. to February 21, 2006.

Respectfully submitted,

Lillian J. Pride, City Clerk

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