

CITY OF PITTSBURG
Housing Authority Minutes
January 17, 2006

Chair Michael Kee called the meeting of the Housing Authority to order at 7:35 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having convened into Closed Session at 5:00 P.M. for Conference with Legal Counsel – Existing Litigation pursuant to Section 54956.9(a) of the Government Code, regarding Ronald Huppert and Javier Salgado vs. City of Pittsburg, et al, United States District Court Case No. C05-1433, Pittsburg Society for Preservation of Historical Resources, Susan Lopez, Thomas LaFleur, and Frank Gordon vs. City of Pittsburg, Contra Costa County Case No. 05-1861, and Shirley Vicerai vs. City of Pittsburg et al, Contra Costa County Case No. CIVMSC05-01742; and Pittsburg Police Department Presentation, 2005 Year in Review at 6:00 P.M.

Chair Kee advised that there was nothing to report from Closed Session.

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

MEMBERS ABSENT: Wallen (Excused)

STAFF PRESENT

- Executive Director, Marc Grisham
- Assistant Executive Director, Matt Rodriguez
- Legal Counsel, Ruthann Ziegler
- Deputy City Clerk, Alice Evenson
- Director of Redevelopment Agency, Garrett Evans
- Director of Housing and Community Programs, Annette Landry
- 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 Planning, Melissa Ayres
- Director of Recreation, Paul Flores
- Director of Finance, Marie Simons
- Police Chief, Aaron Baker

CONSIDERATION

1. **RESOLUTION 06-222** Approval of Housing Authority Section 8 First Time Homebuyer's Pilot Program

The City of Pittsburg Housing Authority has the opportunity to offer qualified families the opportunity to purchase a home using their housing choice voucher subsidy as a part of their mortgage payment. It was hoped that the Authority's first tenant would be able to convert to a home ownership program this year.

The action would have no fiscal impact on the City of Pittsburg. Qualified applicants would use his/her housing choice voucher currently being received to pay a large part of his/her mortgage payment.

It was recommended that the Housing Authority adopt a resolution authorizing the Director of Housing to initiate the City of Pittsburg Housing Authority Section 8 First Time Homebuyer Program.

Member Johnson questioned whether or not any documentation would be provided to applicants at the time of application.

Director of Housing and Community Programs Annette Landry advised that a pilot program would be initiated and an application packet would be presented to existing clients who wanted to participate in the program. She noted that there was already background information on the clients who were currently receiving Section 8 vouchers. There would be a series of seminars and workshops, educational classes, debt counseling and financial management in an entire packet of information available to any interested clients. With Housing Authority approval, that educational piece would be commenced.

Ms. Landry emphasized that the program would be open to anyone on the Section 8 program.

In response to Member Johnson as to the structure of the program and the range of income required, Ms. Landry characterized the program as unique. She stated that someone would have to be working full time unless elderly or disabled. The Department of Housing and Urban Development (HUD) required an annual income of \$10,000 or so, which was low. She explained that there would have to be lending to help with the down payment. Housing vouchers could be used towards the mortgage payment to help the client qualify for a home. She suggested that little supplement would be required to work with what the City would provide.

Ms. Landry added that the secondary market would buy the loans and allow a lower eligibility criteria where the FICA scores would accept 500 and above. She explained that Fannie Mae and Freddie Mac would be participating in the program through the Community Reinvestment Act.

Member Parent questioned whether or not the program included ongoing support in terms of maintaining a property.

Ms. Landry stated that the loan would not be made without additional assistance, in that there would be an annual recertification process similar to the existing Section 8 program, and maintenance counseling would be provided to help property owners maintain the property. In addition, annual monitoring would be conducted to avoid foreclosures.

As to whether or not there would be any liability to the City or the Housing Authority as a result of the proposal in response to Member Johnson, Ms. Landry did not believe there would be any liability over and above what the Housing Authority was already

exposed to as a result of its current programs.

Ms. Landry added that in most cases there would be a 15 year loan, although in the case of the elderly or disabled there would be no term and the loan would be valid until that individual passed away. She explained that HUD encouraged the program as long as the Housing Authority received assistance from HUD. She saw no problems with the program and explained that there would be a stipulation as to how long the applicant would be required to remain on the property.

Member Johnson noted his understanding that the Housing Authority allowed the program under Section 8 and the Authority would manage the program, whether or not the program remained in Section 8.

Ms. Landry clarified that the loan in that case would be through a lender and the City would follow that loan. She stated that the City would be informed of any default or collection problem by the lenders. One Housing Authority staff person would be designated to work exclusively on the program.

As to the funds that would be involved in the program in further response to Member Johnson, Ms. Landry stated that would depend on the qualification of the applicant. Some applicants could qualify immediately while others might have to be counseled before his/she was qualified.

Member Johnson questioned how much would be expended for the program, reported by Ms. Landry that the Housing Authority received \$11 million from HUD for housing assistance subsidy payments. She stated it would cost the City no more to fund the program. The City would partner with lenders who would make the direct loan to help the qualified client. No additional funds would come out of the Authority's current budget from HUD.

Ms. Landry emphasized that the applicants would have to be currently living in the City of Pittsburg and would have to remain in the City for a specified period of time to be eligible for the program.

Member Casey questioned the number of people who might be able to participate in the program, reported by Ms. Landry that an internal survey was currently being conducted of potential candidates. She would therefore have to update the Authority after the initial introduction of the program.

Member Johnson verified with staff with respect to the down payment structure that the down payment would be one percent, and could be a gift.

On motion by Member Parent, seconded by Member Johnson and carried unanimously to adopt Resolution 06-222.

CONSENT CALENDAR

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

- a. **DISBURSEMENT LIST** Dated: December 31, 2005

Approved Disbursement List dated December 31, 2005.

- b. **MINUTES** Dated: December 12, 2005

Approved minutes dated December 12, 2005.

- c. **CLAIMS** #1676 Charles Colombo; #1677 Nicholas LaBelle

Denied claims #1676 Charles Colombo and #1677 Nicholas LaBelle.

ADJOURNMENT

The meeting of the Housing Authority adjourned at 7:51P.M.to the next meeting set for February 21, 2006.

Respectfully submitted,

Lillian J. Pride, Secretary

CITY OF PITTSBURG
Redevelopment Agency Minutes
January 17, 2006

Chair Michael Kee called the meeting of the Redevelopment Agency to order at 7:52 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having convened into Closed Session at 5:00 P.M. for Conference with Legal Counsel – Existing Litigation pursuant to Section 54956.9(a) of the Government Code, regarding Ronald Huppert and Javier Salgado vs. City of Pittsburg, et al, United States District Court Case No. C05-1433, Pittsburg Society for Preservation of Historical Resources, Susan Lopez, Thomas LaFleur, and Frank Gordon vs. City of Pittsburg, Contra Costa County Case No. 05-1861, and Shirley Vicerai vs. City of Pittsburg et al, Contra Costa County Case No. CIVMSC05-01742; and Pittsburg Police Department Presentation, 2005 Year in Review at 6:00 P.M.

Chair Kee advised that there was nothing to report from Closed Session.

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
Deputy City Clerk, Alice Evenson
Director of Redevelopment Agency, Garrett Evans
Director of Housing and Community Programs, Annette Landry
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 Planning, Melissa Ayres
Director of Recreation, Paul Flores
Director of Finance, Marie Simons
Police Chief, Aaron Baker

CONSENT CALENDAR

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

a. **MINUTES** Dated: January 3, 2006

Approved minutes dated January 3, 2006.

- b. **CLAIMS** #1676 Charles Colombo; #1677 Nicholas LaBelle

Denied claims #1676 Charles Colombo and #1677 Nicholas LaBelle.

- c. **RESOLUTION 06-1105** Objecting to the Sale of Tax Defaulted Properties by the County's Tax Office and Subsequently Purchasing Parcel No. 087-030-067 Pursuant to California Revenue and Taxation Code Section 3695 et seq. and Chapter 8

Adopted Resolution 06-1105.

- d. **RESOLUTION 06-1106** Authorizing the Acquisition of 2.67 Acres of Real Property Commonly Referred to as 2105 Abbott Avenue and the Remainder of Contra Costa Assessor Parcels 087-030-008, 087-195-020, 087-193-001, 087-193-002, 087-193-035, 087-193-036 and 087-400-018.

Adopted Resolution 06-1106.

ADJOURNMENT

The meeting of the Redevelopment Agency adjourned at 7:53 P.M. to February 6, 2006.

Respectfully submitted,

Lillian J. Pride, Secretary

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CITY OF PITTSBURG
Pittsburg Power Company Minutes
January 17, 2006

Chair Michael Kee called the meeting of the Pittsburg Power Company to order at 7:54 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having convened into Closed Session at 5:00 P.M. for Conference with Legal Counsel – Existing Litigation pursuant to Section 54956.9(a) of the Government Code, regarding Ronald Huppert and Javier Salgado vs. City of Pittsburg, et al, United States District Court Case No. C05-1433, Pittsburg Society for Preservation of Historical Resources, Susan Lopez, Thomas LaFleur, and Frank Gordon vs. City of Pittsburg, Contra Costa County Case No. 05-1861, and Shirley Vical vs. City of Pittsburg et al, Contra Costa County Case No. CIVMSC05-01742; and Pittsburg Police Department Presentation, 2005 Year in Review at 6:00 P.M.

Chair Kee advised that there was nothing to report from Closed Session.

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
Deputy City Clerk, Alice Evenson
Director of Redevelopment Agency, Garrett Evans
Director of Housing and Community Programs, Annette Landry
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 Planning, Melissa Ayres
Director of Recreation, Paul Flores
Director of Finance, Marie Simons
Police Chief, Aaron Baker

CONSENT CALENDAR

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

a. **MINUTES** Dated: January 3, 2006

Approved minutes dated January 3, 2006.

ADJOURNMENT

The meeting of the Pittsburg Power Company adjourned at 7:55 P.M.

Respectfully submitted,

Lillian J. Pride, Secretary

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CITY OF PITTSBURG
City Council Minutes
January 17, 2006

Mayor Michael Kee called the meeting of the City Council to order at 7:56 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California after having convened into Closed Session at 5:00 P.M. for Conference with Legal Counsel – Existing Litigation pursuant to Section 54956.9(a) of the Government Code, regarding Ronald Huppert and Javier Salgado vs. City of Pittsburg, et al, United States District Court Case No. C05-1433, Pittsburg Society for Preservation of Historical Resources, Susan Lopez, Thomas LaFleur, and Frank Gordon vs. City of Pittsburg, Contra Costa County Case No. 05-1861, and Shirley Vicerai vs. City of Pittsburg et al, Contra Costa County Case No. CIVMSC05-01742; and Pittsburg Police Department Presentation, 2005 Year in Review at 6:00 P.M.

Mayor Kee advised that there was nothing to report from Closed Session.

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

MEMBERS ABSENT: None

STAFF PRESENT: City Manager, Marc Grisham
Assistant City Manager, Matt Rodriguez
Legal Counsel, Ruthann Ziegler
Deputy City Clerk, Alice Evenson
Director of Redevelopment Agency, Garrett Evans
Director of Housing and Community Programs, Annette Landry
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 Planning, Melissa Ayres
Director of Recreation, Paul Flores
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 Housing Authority agenda.

PLEDGE OF ALLEGIANCE

Gloria Magleby led the Pledge of Allegiance.

PROCLAMATION

1. Volunteer Blood Donor Month – American Red Cross

Councilmember Parent read the proclamation for Volunteer Blood Donor Month for the American Red Cross. She advised that the City routinely had a mobile blood donor van at City Hall.

Councilmember Parent presented the proclamation to a representative of the American Red Cross and thanked the Council for its support of the American Red Cross Blood Drives that brought in 100 units of blood each year which saved 300 lives annually.

PRESENTATION

1. Oasis Project – Riverside High School

TIM RONGLIN, a Teacher at Riverside Opportunity, an alternative program serving kids 7th through 10th grade, reported that the school had moved into new portables at the beginning of the school year and there was no place to eat brunch or lunch. The kids wanted to set up some sort of picnic area. The proposal being presented to the City Council was the kids' ideas and his/her designs. He advised that the project had the support of Director of Recreation Paul Flores and Felix Aroy.

KENISHA MONDIQUE, a student at Riverside Opportunity, asked for the City's support in the purchase of materials for safety training and the construction supervision for the preparation of a lunch area. She identified the slogan 'Give Change a Chance' for the Oasis Project at Riverside High School. The draft plans of the proposal were presented to the Council.

LUIS CABRERA, an 8th Grader at Riverside Opportunity, asked the City to support the project which had been estimated to cost \$4,000. In return, the students would provide community services, such as painting fences along Tenth Street. He presented two posters; one showing the City of Pittsburg as a sponsor of Riverside Opportunity and one without the City as a sponsor. He asked the City to accept the poster showing the City as a sponsor.

City Manager Marc Grisham advised that the Council had established a Community Sponsorship Program and there was funding available in that program. Since the program had already been approved, he noted that the Council only had to provide direction to staff.

By consensus, the City Council supported assistance to the Oasis Project at Riverside High School.

Mr. Grisham requested that the Council consider Consideration Item 2 at this time since it involved a similar sponsorship request.

2. **RESOLUTION 06-10468** Hillview Junior High School Request for Community Sponsorship

The Hillview Junior High School History Department is planning a student educational excursion to Washington, D.C. and Williamsburg, VA in May 2006. This excursion would include 41 students who had met excursion standards and required grade point averages. To assist with the funding of the excursion, a Request for Community Sponsorship Funds in the amount of \$2,000 had been submitted to the Recreation Commission. The Commission had reviewed the request and recommended City Council approval.

LAURA FRANCIS, a Hillview Middle School Teacher, reported that 40 students had been registered to go on a field trip to Washington, D.C. from May 15 to May 19, 2006, which would include a trip to Williamsburg. She described the many fundraising activities the students had undertaken to be able to participate in the trip.

FRANK FERRANTE, an 8th Grade student at Hillview Junior High School and a participant in the field trip, explained why he was interested in the trip. He explained that he had a desire to see what he had been learning over the school year.

The fiscal impact for the request would be \$2,000. Funding for the request had been identified in account number 10-1100-7570.

Staff recommended that the City Council adopt a resolution approving the Hillview Junior High School request for Community Sponsorship Funds in the amount of \$2,000.

On motion by Councilmember Johnson, seconded by Councilmember Parent and carried unanimously to adopt Resolution 06-10468.

COUNCILMEMBER REPORTS/REMARKS

Councilmember Parent reported that she had attended the Industrial Association Luncheon where Congressman Miller had advised of his agenda, with particular emphasis of investment in education, particularly in science and mathematics. Following that meeting, she, the Manager of Delta Diablo Sanitation District and the Assistant City Manager had met with Congressman Miller to emphasize the need for additional funding to fill a gap in the funding for the Recycled Water Project. That project would bring water to the golf course and several schools and parks between Delta Diablo and the golf course.

Councilmember Parent reported that she had also attended an observance walk in honor of Dr. Martin Luther King from City Hall to the Creative Arts Building where a program had been put on by the community and where children read related essays.

Councilmember Parent reminded the community that the Creative Arts Building (CAB) group had another concert scheduled for February 4, at which time Al Hart of KCBS Radio would be part of that performance. She reported that the CAB had donated over \$100,000 for the restoration of the Creative Arts Building and that 250 seats had already been restored in the Little Theater as well as a portion of the seats in the larger auditorium. She urged the public to support the Creative Arts Building that was unequalled anywhere in the County in that only Berkeley High School had a theater that was larger.

Vice Mayor Glynn reported that he had been a member of the Honor Guard for three veterans' funerals, had met with the United Veterans Council on January 11, had attended a meeting of the Regional Veterans Council and the American Legion on January 14, and had participated in the Martin Luther King festivities at Dow Chemical along with the celebrations at the Creative arts Building and at City Hall.

Mayor Kee reported that he had attended the City of Oakley City Council Reorganization when Brad Nix had been elected as Mayor of that city, had attended a Contra Costa County-Solano County Food Bank event when solar panels had been installed to reduce that organization's electrical costs, had attended the Dow Breakfast honoring Dr. Martin Luther King and had attended the march from City Hall to the Creative Arts Building. He had also been honored to have awarded the trophy for the winner of the Big/Little Game between the cities of Antioch and Pittsburg at the Pittsburg High School (PHS) Football Awards Banquet.

Councilmember Johnson reported that he had attended the Mayors Conference with the Mayor.

CITY MANAGER REPORTS/REMARKS

City Manager Grisham reported that City Engineering staff was now at full staffing, and all were working extremely hard on an enormous number of projects.

CITIZENS REMARKS

GLORIA MAGLEBY, Bay Point, a 64 year resident of that city, requested that the City of Pittsburg place a resolution on its February 6 agenda requesting that Mt. Diablo Unified School District (MDUSD) staff undertake a feasibility study with County Library staff to consider expanding the existing joint use library in operation since 1994 in the Riverview Middle School into a larger standalone library. She noted that voters would decide on a \$600 million State Library Bond in June 2006. If adopted, funds would be set aside for joint use libraries where an educational institution would be a partner. She emphasized that Bay Point was the largest area in the County without a standalone library. Ms. Magleby distributed a draft resolution to the Council for its consideration at the next meeting. For questions, she offered her phone number and her e-mail address.

Mr. Grisham advised that the item could be agendaized at the direction of the Council, which direction was offered at this time.

JERLEAN MIXON, Pittsburg, asked how housing and housing tenants were relocated under redevelopment. She noted that she had been relocated on more than one occasion because of redevelopment, had lost a security deposit, and had been negatively impacted financially by the process. She recommended a provision to aid low income tenants with the cost of relocation.

City Manager Grisham advised that Director of Redevelopment Garrett Evans could

address that issue. With respect to the Lakeview Apartments (Ms. Mixon's former home) he stated that was a condo conversion and the Agency was not involved in that case. He explained that under State law, a Housing Plan was required prior to any Agency relocation of tenants.

Councilmember Parent suggested that Ms. Mixon be referred to Legal Services or the County's office for Small Claims to ensure that her security deposit earlier referenced was appropriately applied.

Mayor Kee adjourned to the Housing Authority agenda at 7:35 P.M. and reconvened as the City Council at 7:56 P.M.

PUBLIC HEARING

1. **RESOLUTION 05-10372** Adopt Resolution Revising Sewer Facility Reserve Charge for Sewer Sub-Basins DS601-DS621 and SW 109

The Pittsburg City Council directed staff to conduct a complete review of both water and sewer rates to address major issues facing the water and sewer enterprises. The consulting firm of Brown and Caldwell Engineers was hired and completed a comprehensive study of water and sewer Facility Reserve Charges (development impact fees). The recommended Facility Reserve Charge (FRC) was first considered at a noticed public hearing on May 16, 2005. At the request of developers, final adoption of new FRCs was postponed to June 20, 2005. Of the 14 FRCs adopted on June 20, there were two FRCs established based on unresolved issues. This action will clarify and resolve the one unresolved Sewer FRC from June 20.

Public Works Director John Fuller presented a revised staff report that he distributed to the Council and the interested parties at this time. He reported that a number of meetings had been held with the affected developers and there was full agreement on the issue at this time.

Adoption of the revised sewer FRC for sewer sub-basins DS601-DS621 and SW 109 would meet the revenue projections necessary to defray the cost of expanding the sewer system to accommodate new developments, without burdening the existing ratepayers. Revenues from these charges would increase, but were dependent on the pace of new development within this specific area of development impact and could not be predicted with certainty.

It was recommended that the City Council adopt a resolution revising the Sewer Facility Reserve Charge for sewer sub-basins DS601-DS621 and SW 109.

Mayor Kee opened the public hearing for Resolution 05-10372.

GEORGE SPEIR, Walnut Creek, representing West Coast Homebuilders and its

consultants and engineers, thanked the City for its patience. He stated that the review of the fee had been comprehensive. He agreed with the staff report and suggested that the agreed upon fee would be in the best interests of the City and the community.

Mayor Kee closed the public hearing for Resolution 05-10372.

On motion by Councilmember Johnson, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 05-10372.

City Manager Grisham thanked Mr. Speir for the effort to get information out early and the sharing of that information with the City and its staff.

2. **RESOLUTION 06-10466** Approval of Proposed Rate Increases at the Pittsburg Delta View Golf Course

City Manager Grisham stated 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. After conducting a Rate Comparison Study of the local golf course, a number of Delta View's rates were found to be less than the local median. Staff recommended increasing rates at Delta View and allowing operations to produce a higher revenue level to further support Delta View's ability to fund operational cost and to continue to progress toward self-sustainability.

Delta View staff projects the financial impact to the 2005-06 fiscal year budget for the Golf Course – Pro Shop to be an estimated increase in revenue in the amount of \$45,592. Based upon the current revenue base, the proposed rate increase was estimated to produce an annual increase in the amount of \$90,000. It was recommended that the City Council adopt the new proposed Rate Schedule, identified as Exhibit 'C' in the staff report dated January 17, 2006, to take effect March 1, 2006 at the Pittsburg Delta View Golf Course allowing operations to produce a higher revenue level to further support operational costs and progress toward the self-sustainability of Delta View.

Mayor Kee opened the public hearing for Resolution 05-10466. There was no one to speak to the item. Mayor Kee closed the public hearing for Resolution 05-10466.

On motion by Councilmember Parent, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 05-10466.

CONSIDERATION

1. **RESOLUTION 06-10467** Authorization to Develop a Pension Obligation Bond Financing Program and to Appoint the Members of the Financing Team

Finance Director Marie Simons advised that pension obligation bonds (POB's) were bonds issued by a state, county or city to pay its obligation to the pension fund or system in

which its employees were members. POB's were an increasingly popular way for state or local governments to accomplish a variety of financial objectives such as reducing annual pension costs for budgetary relief and/or reducing an unfunded liability in a more effective way over time. The proposed City Council action would authorize staff to proceed with a pension obligation bond financing program and would appoint the member of the financing team.

The fiscal impact of the proposed POB financing would be to reduce 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 would then 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 does not capture the future net impact on a reduced unfunded liability for the Miscellaneous Plan. In other words after 30 years, the City's UAAL would increase from \$14.9 million to \$19.7 million assuming the minimum contribution by the City as currently planned by CalPERS. Alternatively, the UAAL is reduced to \$0 utilizing a Pension Obligation Bond strategy, in addition to the modest budgetary savings of \$70,000 per year.

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

It was recommended that the City Council adopt a resolution that would direct staff to develop a pension obligation bond financing program and would appoint Piper Jaffray & Co. as the underwriter, Orrick, Herrington & Sutcliffe LLP as the bond counsel, Public Financial Management as the financial advisory, Bartel Associates LLC as the actuarial consultant and Jones Hall as the disclosure counsel.

The City Manager would also be authorized to contract for any other additional services (such as trustees, printers, fiscal agents, others) to assist with the proposed financing provided that the cost of such additional services would be payable from the proceeds of the bonds.

On motion by Councilmember Johnson, seconded by Vice Mayor Glynn and carried unanimously to adopt Resolution 06-10467.

CONSENT CALENDAR

On motion by Vice Mayor Glynn, seconded by Councilmember Casey and carried unanimously to adopt the Consent Calendar, with the City Manager requesting the removal

of Item d, to be continued to the City Council meeting of February 6, and with a clarification on item g related to the fiscal year.

- a. **MINUTES** Dated: January 3, 2006
Approved minutes dated January 3, 2006.
- b. **CLAIMS** #1676 Charles Colombo; #1677 Nicholas LaBelle
Denied claims #1676 Charles Colombo and #1677 Nicholas LaBelle.
- c. **RESOLUTION 06-10469** Establishment of Annual Condominium Conversion Rate
Adopted Resolution 06-10469.
- d. **RESOLUTION 06-10470** Initiating Proceedings for the Creation of Overlay Landscaping and Lighting Assessment District 2006-01
Item removed and continued to the meeting of February 6, 2006
- e. **RESOLUTION 06-10471** Authorizing Filing an Application for Surface Transportation Program Funding for Harbor Street Improvements.
Adopted Resolution 06-10471.
- f. **RESOLUTION 06-10472** Reclassify One Position and Incumbent from Administrative Assistant to Accounting Technician in the Public Works Department.
Adopted Resolution 06-10472
- g. **RESOLUTION 06-10473** Authorizing Funding Payments to Contra Costa County Pittsburg Library for Additional Hours of Service Not to Exceed a Cost Proposal of \$87,000 for Fiscal Year 2005/2006.
Adopted Resolution 06-10473 with a correction to the Fiscal Year 2005/2006.
- h. **RESOLUTION 06-10474** Authorize Emergency and Appropriation of Funds for the Senior Center Storm Damage Repair.
Adopted Resolution 06-10474

ADJOURNMENT

The City Council adjourned at 8:05 P.M. to February 4, 2006, Special Meeting at Environmental Center, 2573 Harbor Avenue, Pittsburg 9:00 A.M. to 12 Noon, and then to a regularly scheduled meeting on February 6, 2006 in the Pittsburg Council Chambers at 7:00 P.M.

Respectfully submitted,

Lillian J. Pride, City Clerk

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