

REGULAR JOINT MEETING OF THE
CONCORD CITY COUNCIL
AND REDEVELOPMENT AGENCY
1950 PARKSIDE DRIVE
CONCORD, CALIFORNIA
MARCH 4, 2003

The Concord City Council and Redevelopment Agency met in a regular joint meeting on Tuesday, March 4, 2003. The meeting convened at 6:35 p.m. in the Council Chamber, with Mayor/Agencymember Peterson presiding. The pledge to the flag was led by Vice Mayor Allen. Minutes follow in abbreviated form per Resolution 3361 and Council Minutes of September 26, 1966.

ROLL CALL

COUNCILMEMBERS PRESENT: Helen Allen, Susan Bonilla, Laura Hoffmeister, Bill McManigal, Mark Peterson (Councilmember Hoffmeister arrived at 6:38 p.m.)

COUNCILMEMBERS ABSENT: None

STAFF PRESENT: Ed James, City Manager; Mary Rae Lehman, City Clerk; Craig Labadie, City Attorney; Lydia Du Borg, Assistant City Manager; Greg Jones, Assistant City Manager; Mark Deven, Director of Parks and Recreation; Jim Forsberg, Director of Planning and Economic Development; Ron Howard, Director of Finance and Management Services; Alex Pascual, Director of Public Works-Engineering Services; Mike Vogan, Director of Public Works-Maintenance Services; Ron Puccinelli, Director of Information Technology; Ron Ace, Chief of Police

MEMBERS OF AUDIENCE
WHO ADDRESSED COUNCIL: Joe Partansky, Concord; Randolph Hopkins, Concord; Anthony Colombo, Concord

PUBLIC COMMENT PERIOD

Joe Partansky asked the City Council to declare March 16-22 as Media Democracy Week, and announced a conference entitled "Access: Broadband and the Digital Future - Who is in Control?" to be held at Stanford University.

Randolph Hopkins and Anthony Colombo addressed the City Council regarding the lack of bicycling facilities in Concord and requested that a bike park be constructed.

ANNOUNCEMENTS

Councilmember McManigal announced that former Councilmember Pastrick was the recipient of the California Association of Pharmacists' prestigious Bowl of Hygeia Award for 2002, in recognition of his professional work as a pharmacist and his contributions to his community.

ANNOUNCEMENT OF OPENINGS - Human Relations Commission and Mobilehome Rent Review Board

Mayor Peterson announced three openings on the Human Relations Commission for two-year terms ending May 31, 2005, and one opening to fill an unscheduled vacancy for a term ending May 31, 2004; and one opening to fill an unscheduled vacancy on the Mobilehome Rent Review Board for a term ending February 28, 2004; and established Friday, April 4, 2003 as the deadline for receipt of applications.

CITY COUNCIL MATTERS

APPROVAL OF MINUTES

Motion was made by McManigal and seconded by Allen to approve the minutes of January 28, February 4 and February 11, 2003, with Mayor Peterson abstaining on approving the minutes of February 11, 2003. Motion passed by unanimous vote of the Council.

SETTING FOR PUBLIC HEARING - Proposed Amendment to the General Plan, Trails Master Plan (GP 02-005)

Motion was made by McManigal and seconded by Allen to set a public hearing for Tuesday, April 1, 2003 at 6:30 p.m. in the Council Chamber to consider amending the Transportation and Circulation Element and the Parks, Open Space and Conservation Element of the General Plan to incorporate the Concord Trails Master Plan, and adopting a Mitigated Negative Declaration as the appropriate environmental document. Motion passed by unanimous vote of the Council.

SETTING FOR PUBLIC HEARING - Proposed Amendment to the General Plan, Airport Land Use Compatibility Plan (GP 02-004)

Motion was made by McManigal and seconded by Allen to set a public hearing for Tuesday, April 1, 2003 at 6:30 p.m. in the Council Chamber to consider amending the Land Use and Public Health and Safety Elements of the General Plan to make them consistent with the County's Updated Airport Land Use Compatibility Plan, and confirming that the Negative Declaration adopted by the County for the Plan on December 13, 2000 is the appropriate environmental document. Approval recommended by Planning Commission. Motion passed by unanimous vote of the Council.

AWARD OF CONTRACT - Concord Community Park Restroom, Project No. 105

The following bids were opened at 10 a.m. on January 16, 2003:

DK Environmental	Martinez	\$184,784.00
Bay Construction Co.	Oakland	\$193,009.00
San Francisco Commercial	San Francisco	\$197,522.28
JFC Construction	Lafayette	\$198,677.00
CJE/RTE (Joint Venture)	Concord	\$199,400.00
E. A. Sparacino	Walnut Creek	\$249,999.25

Motion was made by McManigal and seconded by Allen to award the contract for Project No. 105, Concord Community Park Restroom, to DK Environmental as the lowest responsible bidder in the amount of \$184,784. Motion passed by unanimous vote of the Council.

ACCEPTANCE OF IMPROVEMENTS - Markham Arboretum Wisteria Pavilion, Project No. 131.

Motion was made by McManigal and seconded by Allen to accept improvements for Markham Arboretum Wisteria Pavilion, Project No. 131, constructed by Playgrounds Unlimited, and to direct the City Clerk to file the Notice of Completion. Motion passed by unanimous vote of the Council.

AGREEMENT WITH HDR ENGINEERING, INC. - Commerce Avenue Bridge at Pine Creek Channel, Project No. 761

Motion was made by McManigal and seconded by Allen to approve a professional services agreement with HDR Engineering, Inc. in an amount not to exceed \$268,394 to perform preliminary engineering and to prepare the environmental documentation for Project No. 761, Commerce Avenue Bridge at Pine Creek Channel, and to authorize the City Manager to execute the agreement. Motion passed by unanimous vote of the Council.

AWARD OF CONTRACT - Concord Community Pool Renovation, Project No. 928, Concord Community Pool Renovation

The following bids were opened at 2 p.m. on Thursday, January 9, 2003:

	<u>Base Bid</u>	<u>Alt. 4</u>	<u>Base Bid + Alt. 4</u>
Pool Scene	\$1,485,000	\$50,000	\$1,535,000
California Comm'l Pools	\$1,497,000	\$89,000	\$1,586,000
JFC Construction	\$1,509,367	\$64,660	\$1,574,027
BRCO Constructors	\$1,534,000	\$60,000	\$1,594,000
Western Water Features	\$1,560,000	\$51,457	\$1,611,457
Tricon Construction	\$1,592,631	\$48,000	\$1,640,631
Vila Construction	\$1,613,233	\$58,767	\$1,672,000
Tinney Construction	\$1,625,009	\$57,720	\$1,682,729
Aztec Consultants	\$1,677,662	\$52,161	\$1,729,823

Motion was made by McManigal and seconded by Allen to award the contract for Project No. 928, Concord Community Pool Renovation, to Pool Scene, Inc. as the lowest responsible bidder in the amount of \$1,535,000 for the Base Bid plus Alternate No. 4, Children's Wading Pool; and to direct staff to rebid Alternate No. 1, Bathhouse Renovation Work. Motion passed by unanimous vote of the Council.

AGREEMENT WITH E.W.THOMPSON ENTERPRISES - Lease Agreement for Police Department Southern Field Office

Motion was made by McManigal and seconded by Allen to approve a lease agreement with E.W. Thompson Enterprises for office space at 1500 Monument Boulevard, Suite F-16A to accommodate the Police Department Southern Field Office, and to authorize the City Manager to execute the agreement. Motion passed by unanimous vote of the Council.

AWARD OF CONTRACT - 2003 Patch Paving Program, RFQ #1918

The following bids were opened at 11 a.m. on February 18, 2003:

MCK Services, Inc.	Concord	\$349,128.80
AJW Construction	Oakland	\$391,940.95

Silicon Valley Paving	San Jose	\$411,704.99
American Asphalt Repair & Resurfacing	Hayward	\$418,788.26
Granite Construction Co.	Watsonville	\$465,534.62
Harold Hutson Construction	Martinez	\$470,682.35
California Pavement Maintenance	Sacramento	\$497,646.20
Top Grade Construction	Livermore	\$498,542.64
Union City Construction	Union City	\$551,806.35
El Camino Paving Inc.	Sunnyvale	\$594,029.60
O.C. Jones & Sons Inc.	Berkeley	\$636,551.60
Bay Cities Paving & Grading	Concord	\$648,114.48
North Bay Construction Inc.	Petaluma	\$977,324.38

Motion was made by McManigal and seconded by Allen to award the contract for 2003 Patch Paving Program, RFQ #1918, to MCK Services, Inc. as the lowest responsible bidder in the amount of \$349,128.80. Motion passed by unanimous vote of the Council.

REDEVELOPMENT AGENCY MATTERS

AGREEMENT WITH O'BRIEN-KREITZBERG - Project Management Services for Todos Santos Parking Center

Motion was made by McManigal and seconded by Allen to approve an agreement with O'Brien-Kreitzberg in the amount of \$15,000 for project management services related to the Todos Santos Parking Center, and to authorize the Executive Director to execute the agreement. Motion passed by unanimous vote of the Agency.

JOINT CITY COUNCIL/
REDEVELOPMENT AGENCY MATTERS

AMENDMENTS TO FIRST-TIME HOMEBUYER PROGRAM GUIDELINES

Motion was made by Hoffmeister and seconded by Allen to approve amendments to the First-Time Homebuyer Program guidelines to make loans fully deferred and to extend the term of the loans to 45 years, as recommended by the Council Committee on Housing and Economic Development. Motion passed by unanimous vote of the Council/Agency.

STATUS OF BUDGET AND TEN-YEAR FINANCIAL PLAN

City Manager/Executive Director Ed James, Director of Finance and Management Services Ron Howard, and Assistant City Managers Lydia Du Borg and Greg Jones presented reports regarding the status of the City of Concord budget and Ten-Year Financial Plan.

Mr. James showed a recent Channel 5 video, showcasing Concord as one of the few cities to have a stable financial position in the current downturn in the economy, with no service cuts or layoffs anticipated. He presented background information and history on the City's financial condition, stating that there are four areas of crisis: the downturn in the economy, the increases in retirement and health plans costs, unfunded mandates, and the possibility of state takeaways of City revenues.

The Director of Finance discussed the sluggish economy, and explained the anticipated revenue shortfall of at least \$16 million in the 10-Year Plan. He described the importance of sales tax revenue to the City, and compared new sales tax revenue estimates with those in the current 10-Year Plan. He concluded that no improvement in the economy is expected in the near future.

Assistant City Manager Greg Jones reported on the impact of increased employee costs due CalPERS because of their stock market losses on investments and increased health insurance costs. He stated that the City's employee benefit plans will increase annual costs to the General Fund by \$2.9 Million per year over and above the \$1.5 Million per year contained in this fiscal year's budget.

Mr. James reported on the increased cost of complying with unfunded mandates and described potential state takeaways of Vehicle License Fee backfill, Redevelopment Agency funding, booking fees, annual reimbursement of mandated costs, and annual grants funding the Crime Scene Investigation unit, all of which could total between \$6,891,000 and \$11,491,000 per year.

The City Council/Redevelopment Agency took a recess at 7:48 p.m. and reconvened at 8:05 p.m.

Assistant City Manager Lydia Du Borg presented a report regarding proposed policies for managing the crisis, including maintaining essential services and existing facilities; continuing to utilize Performance Based Budgeting and outcome management to maximize efficiency and effectiveness; minimizing impacts on public services and City employees; and fostering the City's thriving and diverse residential and business communities.

Mr. James outlined a proposed plan of action, including changes to the Capital Improvement Plan. These changes involve cutting, or funding in alternative ways, 46 projects, including the elimination of a new library; a Building B at City Hall; a new Community Center; Galindo House and Gardens; all median island landscaping projects; and the joint School District/City grounds project. These cuts, however, will not be sufficient to cover the shortfall, he said, and additional reductions are necessary in the operating budget. He also recommended the establishment of three new reserve funds: Economic Contingency Reserve; Unforecasted Reserve; and Capital/Maintenance Reserve. Funds previously allocated to the construction of Building B and a new library will be used to seed these reserve funds, he said.

Mayor Peterson stated that he was not in favor of eliminating one edition of City News, as recommended in the Report.

Following discussion and questions from Council/Agencymembers, motion was made by McManigal and seconded by Allen to (1) approve the list of budget reductions attached to the Report to Council from the 10-Year Capital Improvement Program approved as recommended; (2) to direct Department Heads to reduce, at a minimum, one-half of one percent from the operating budget in FY 2003-04 and again in FY 2004-05 for a minimum total reduction of one percent over the two fiscal years, deleting the proposed elimination of one edition of City News; (3) to direct staff not to increase the materials, supplies and contractual services portion of the budget for FY 2003-04 over and above FY 2002-03. The FY 2004-05 operating portion of the budget to be increased by either one percent or the CPI, whichever is the lesser of the two factors; (4) to direct staff to extend the 10-Year Plan for the four maintenance and replacement funds (fleet, buildings, computers/software and miscellaneous equipment) to eleven years, eliminating virtually all replacements in the first year of the Plan (FY 2003-04); (5) to direct the City Manager to review all employee vacancies to determine whether they must

be filled or if some more cost-effective alternative can be implemented; and (6) to create three new reserve funds (Economic Contingency Reserve, Unforecasted Reserve, and Capital/Maintenance Reserve) and to direct staff to prepare modifications to Policy and Procedure 129, Budget and Fiscal Policies, for consideration by the City Council during budget hearings. Motion passed by unanimous vote of the Council/Agency.

COUNCIL AND STAFF REPORTS

Councilmember Bonilla reported on her attendance at the BEST Program, a partnership program between the Mt. Diablo Unified School District and Concord Chamber of Commerce.

Councilmember Hoffmeister reported on her attendance at the Meals on Wheels fundraiser and the activities of the East Bay League of California Cities Grassroots program.

By order of the chair, the meeting was adjourned at 9:21 p.m.

APPROVED:

MARK A.PETERSON
MAYOR/AGENCYMEMBER

LAURA M. HOFFMEISTER
COUNCILMEMBER/AGENCY CHAIR

MARY RAE LEHMAN
CITY CLERK/AGENCY SECRETARY