CITY OF NEWARK
CITY COUNCIL

37101 Newark Boulevard, Newark, CA 94560-3796 • 510-578-4266 • E-mail: city.clerk@Newark.org

AGENDA

Thursday, February 13, 2014

City Administration Building
7:30 p.m.
City Council Chambers

CITY COUNCIL:

Alan L. Nagy, Mayor

Ana M. Apodaca, Vice Mayor

Luis L. Freitas

Sucy Collazo

Robert Marshall

CITY STAFF:
John Becker
City Manager

Terrence Grindall
Assistant City Manager

Susie Woodstock
Administrative Services Director

Sandy Abe
Human Resources Director

Peggy A. Claassen
Public Works Director

Jim Leal
Police Chief

David Zehnder
Recreation and Community Services Director

David J. Benoun
City Attorney

Sheila Harrington
City Clerk

Welcome to the Newark City Council meeting. The following information will help you understand the City Council Agenda and what occurs during a City Council meeting. Your participation in your City government is encouraged, and we hope this information will enable you to become more involved. The Order of Business for Council meetings is as follows:

A. ROLL CALL
B. MINUTES
C. PRESENTATIONS AND PROCLAMATIONS
D. WRITTEN COMMUNICATIONS
E. PUBLIC HEARINGS
F. CITY MANAGER REPORTS
G. CITY ATTORNEY REPORTS
H. ECONOMIC DEVELOPMENT CORPORATION
I. COUNCIL MATTERS
J. SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY
K. ORAL COMMUNICATIONS
L. APPROPRIATIONS
M. CLOSED SESSION
N. ADJOURNMENT

Items listed on the agenda may be approved, disapproved, or continued to a future meeting. Many items require an action by motion or the adoption of a resolution or an ordinance. When this is required, the words ***MOTION***, ***RESOLUTION***, or ***ORDINANCE*** appear in parenthesis at the end of the item. If one of these words does not appear, the item is an informational item.

The attached ***Agenda*** gives the ***Background/Discussion*** of agenda items. Following this section is the word ***Attachment***. Unless "none" follows ***Attachment***, there is more documentation which is available for public review at the Newark Library, the City Clerk's office or at www.newark.org. Those items on the Agenda which are coming from the Planning Commission will also include a section entitled ***Update***, which will state what the Planning Commission's action was on that particular item. ***Action*** indicates what staff's recommendation is and what action(s) the Council may take.

City Council Members act as Board Members of the ***Economic Development Corporation.*** When there is business to discuss, the Council will adjourn and then reconvene as the Economic Development Corporation. When the City Council acts as the ***Successor Agency to the Redevelopment Agency***, it is winding up the former Redevelopment Agency's obligations.

Addressing the City Council: You may speak once and submit written materials on any listed item at the appropriate time. You may speak once and submit written materials on any item **not** on the agenda during ***Oral Communications***. To address the Council, please seek the recognition of the Mayor by raising your hand. Once recognized, come forward to the lectern and state your name for the record. Public comments are limited to five (5) minutes per speaker, subject to adjustment by the Mayor. Matters brought before the Council which require an action will be either referred to staff or placed on a future Council agenda.

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AGENDA **Thursday, February 13, 2014**

City Administration Building
7:30 p.m.
City Council Chambers

A. ROLL CALL

B. MINUTES

B.1 Approval of Minutes of the regular City Council meeting of Thursday, January 23, 2014. (MOTION)

C. PRESENTATIONS AND PROCLAMATIONS

D. WRITTEN COMMUNICATIONS

E. PUBLIC HEARINGS

F. CITY MANAGER REPORTS

(It is recommended that Items F.1 through F.5 be acted on simultaneously unless separate discussion and/or action is requested by a Council Member or a member of the audience.)

CONSENT

F.1 Authorization for the Mayor to sign an agreement with Second Chance, Inc. to operate a multi-purpose shelter for the period of January 1, 2014 through June 30, 2018 – from Recreation and Community Services Director Zehnder. (RESOLUTION)

Background/Discussion – In the past, the City entered into an agreement with Second Chance, Inc. to operate a short-term emergency housing shelter at 6519 Central Avenue that provides services for persons in crisis who do not have alternative lodging. An agreement has been prepared that outlines the services that are provided. In addition, Second Chance will acquire and maintain sufficient insurance coverage as provided in the Lease Agreement.

Attachment

Action - It is recommended that the City Council, by resolution, authorize the Mayor to sign an agreement with Second Chance, Inc. to operate a multi-purpose shelter for the period of January 1, 2014 through June 30, 2018.

F.2 Approval of the allocation of anticipated CDBG jurisdiction improvement project funds for fiscal year 2014-2015 – from Assistant Planner Jimenez and Assistant City Manager Grindall. (MOTION)

Background/Discussion – The City of Newark's anticipated allotment of Community Development Block Grant (CDBG) funds for the 2014-2015 fiscal year is unknown. In order to meet the deadlines for approval by HUD, Newark needs to allocate the funds at this time. Based on the most recent information from HUD, we are using an estimate of $141,038 for planning purposes. Actual funding could be greater or smaller than this amount. Newark's CDBG funds are allocated by formula into three primary categories—General Administration ($7,800), Housing Rehabilitation ($34,181), and Jurisdiction Improvement Projects ($99,057).

The General Administration funds are used to reimburse the City for the expense of administering the CDBG funds. The Housing Rehabilitation funds are dedicated to two county-run programs that assist qualified homeowners with repairs to their homes (the Minor Home Repair Program and the Owner Rehabilitation Program). The Jurisdiction Improvement Project funds are available to the City for qualifying projects.

The Community Development Advisory Committee (CDAC) met on January 23, 2014 to review the status of CDBG projects and to determine the recommended allocation of Jurisdiction Improvement Project funds for fiscal year 2014-2015. At that meeting, the CDAC voted unanimously to recommend that the City Council allocate all of the funds to the City's Park Pathways project. The funds will be used to replace or repair park pathways so that the pathways will comply with the standards of the Americans with Disabilities Act. Any remaining funds are to be allocated to the Housing Rehabilitation fund.

Attachment - None

Action – It is recommended that the City Council, by motion, approve the allocation of anticipated CDBG jurisdiction improvement project funds for fiscal year 2014-2015 to the City's Park Pathways project.

F.3 Authorization for the Mayor to sign an amendment to the agreement with Badawi and Associates for auditing services – from Administrative Services Director Woodstock. (RESOLUTION)

Background/Discussion – Various financing covenants and government grants require an annual audit by an independent Certified Public Accountant (CPA), of the financial transactions and records of the City.

In 2009, the City awarded the contract for independent auditing services to the firm of Caporicci and Larson. This company was acquired by a larger accounting firm and subsequently divided. Since the award of this contract, three (3) different firms have prepared the City's annual audit. The last assignment of the contract was in 2012 to Badawi & Associates. They have satisfactorily prepared two (2) annual audits for the City.

The existing contract expires May 2014. The attached amendment will extend the contract up to two (2) additional years, in one year increments. The City Manager will be authorized to exercise the option for the 2014-15 Fiscal Year.

Attachment

Action - It is recommended that the City Council, by resolution, approve the amendment to the agreement between the City of Newark and Badawi & Associates to authorize a two year extension for auditing services.

F.4 Approval of plans and specifications, acceptance of bid and award of contract to ALB, Inc. for Citywide Park Pathways Resurfacing For ADA Access, Project 1055 – from Associate Civil Engineer Tran.
(MOTION)(RESOLUTION)

Background/Discussion – The project will improve accessibility in various City parks by repairing and resurfacing portions of existing pathways to remove tripping hazards, and make connections more accessible to the disabled.

Bids for the project were opened on January 28, 2014 with the following results:

Bidder	Amount
ALB, Inc.	$ 556,036.00*
MCK Services, Inc.	687,658.25
J.A. Gonsalves & Son Construction, Inc.	744,618.35
G. Bortolotto & Company, Inc.	749,012.12
Breneman, Inc.	765,157.50
American Asphalt Repair and Resurfacing Company, Inc.	791,133.00
Stevens Creek Quarry, Inc.	798,794.75
Golden Bay Construction, Inc.	849,375.50*
Silicon Valley Paving, Inc.	881,677.50
GradeTech, Inc.	913,730.00
O'Grady Paving, Inc.	1,019,050.00*
Granite Construction Company	1,186,160.00
Dryco Construction, Inc.	1,258,287.00
Engineer's Estimate	$ 755,000.00

**Corrected for mathematical error*

Staff recommends that this project be awarded to the lowest responsible and responsive bidder ALB, Inc.

The 2012-2014 Biennial Budget includes funding for this project in Fiscal Year 2013-2014. This project will be funded through the Community Development Block Grant Program, East Bay Regional Park District Local Grant Program, and Capital Funds.

Attachment

Action – It is recommended that the City Council, by motion, approve the plans and specifications and by resolution, accept the bid and award the contract to ALB, Inc. for Citywide Park Pathways Resurfacing For ADA Access, Project 1055.

F.5 Amendment of the 2012-2014 Biennial Budget and Capital Improvement Plan for Fiscal Year 2013-2014 for General Revisions – from Senior Accountant del Rosario. (RESOLUTION)

Background/Discussion – The City is in the second year of a two-year budget cycle. As part of the mid-year budget review, a number of general revisions are proposed to the annual budget. These revisions affect activities where savings or deficiencies have been identified, modify revenue estimates and increase some expenses where savings will not cover a deficiency. Savings are usually realized when there are staffing vacancies or reduction in expenditures for services or supplies. Deficiencies occur as a result of unforeseen increases in cost or need for services or supplies.

Through the end of December 2013, there are three (3) revenue sources that are tracking notably higher than the budget.

- Property Tax- due to reduced administration fees and increase in assessed values.
- Sales Tax- due to a ruling by the State Board of Equalization determining that the City will remain point of sale for over $1 million in tax.
- Transient Occupancy Tax- early receipts indicate unexpected increases of over 10%.

Each of these revenue projections will be increased in the amendment.

Exhibit A lists the various adjustments to the budget to accommodate modifications in expenditures and changes in revenue that were not anticipated when the budget was approved.

Exhibit B is the Utility Users Tax (UUT) Expenditure Sheet from the Biennial Budget with an added column for this mid-year amendment. The original budget was adopted with the need for the UUT to supplement $1.8 million of the General Fund. The projected General Fund revenue increases listed above, reduce the need for the UUT to support the General Fund. Because of this reduction, the UUT can now be used to purchase Police vehicles to increase patrol, fund fuel costs, and increase fiscal reserves.

Exhibit C modifies the Position Allocation Table of the Biennial Budget to add a Regular Full-time Associate Civil Engineer.

Attachments

Action - It is recommended that the City Council, by resolution, amend the 2012-2014 Biennial Budget and Capital Improvement Plan for Fiscal Year 2013-2014.

NON CONSENT

F.6 Approving Proposal, authorization for the Mayor to sign a software and services agreement and a software maintenance agreement with CRW Systems, Inc. for Project No. 1043, Building Inspection Permit Tracking Software, and amend the 2012-2014 Biennial Budget for Fiscal Year 2013-2014 – from Chief Building Official/City Architect Collier. (RESOLUTIONS-2)

Background/Discussion – For the last fifteen years, Building Inspection, Engineering, Planning, and Code Enforcement have utilized various custom developed software programs to track activities generally related to permit issuance. All of these programs were inexpensive to develop, are simple, have limited functionality, are outdated, and are unable to communicate with one another. Building Inspection has been collecting a fee (Records Automation) for over fifteen years and has accumulated funds which will allow for the purchase of a comprehensive commercial software tracking program that will be usable by Building Inspection, Engineering, Code Enforcement, Planning, and Fire Prevention.

A request for proposals to provide permit tracking software and implementation services was sent to six software vendors. Four vendors submitted proposals:

- CRW Systems, Inc., offering TRAKiT software
- Online Solution, LLC offering Citizenserve software
- Tyler Technologies offering Energov software
- Woolpert offering Accella Automation software

Of the four vendors, two were invited for presentations and interviews with a selection panel. Based upon factors such as system compatibility with the City's program, the ability to provide desired service, history of vendor, use of vendor's system in other Bay Area cities, and both capital and maintenance costs, CRW Systems was selected to provide permit tracking software and implementation to the City. Implementation will be a nine month process.

The cost of the permit tracking software system is $270,000 and includes the software, implementation, first year software maintenance fee, mobile equipment, upgraded GIS server, upgraded GIS license, and contingency.

No general funds are being utilized for this project. Funding is a combination of previously approved capital improvement projects and fees collected from the issuance of building permits:

Project No. 759 Public Works Databases Conversion	$ 20,000
Project No. 456 Geographic Information Systems	$ 28,500
Building Permit Fees	$222,500
Total	$270,000

A Budget Amendment is required for Fiscal Year 2013-14 in the amount of $111,100 for the expenditure of building permit fees. The remaining expenses of $111,400 collected from building permit fees will occur in Fiscal Year 2014-15.

Attachment

Action - It is recommended that the City Council, by resolution, approve the proposal and authorize the Mayor to sign a contractual software and services agreement and a software maintenance agreement with CRW Systems, Inc. for Project 1043, Building Inspection Permit Tracking Software; and, by separate resolution, amend the 2012-2014 Biennial Budget for Fiscal Year 2013-14 for the Building Inspection Permit Tracking Software, Project No. 1043.

G. CITY ATTORNEY REPORTS

H. ECONOMIC DEVELOPMENT CORPORATION

I. CITY COUNCIL MATTERS

J. CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

J.1 Resolution of the City of Newark acting as the Successor Agency to the Newark Redevelopment Agency approving the loan repayment schedule – from Administrative Services Director Woodstock. (RESOLUTION)

Background/Discussion – The loan from the City to the Newark Redevelopment Agency shown on the January to June 2012 Recognized Obligation Payment Schedule

(ROPS) was rejected by the State Department of Finance as their interpretation of Assembly Bill (AB) 1x26 did not consider a loan between a redevelopment agency and a city as an obligation. On June 27, 2012, the Governor signed AB 1484 which updated the procedures for the dissolution of redevelopment agencies and indicated that a loan can be considered an obligation if the Agency obtains a Finding of Completion and the Oversight Board approves the loan as an obligation. The State Department of Finance has issued a Finding of Completion to the Successor Agency therefore the loan is eligible for repayment.

The purpose of the loan was to provide funding to prepare and adopt Redevelopment Area 2. The loan was used for consulting services to prepare all documents and processes necessary for establishment of that redevelopment area.

The original loan was for $400,000. The agreement for this loan set the interest rate at the Local Agency Investment Fund (LAIF) rate for each year. Health and Safety Code Section (HSC) 34191.4(b)(2) requires that the interest be recalculated on the loan at the LAIF rate for this current quarter, which is 0.26%. The eligible repayment amount is $409,990.

The loan repayment schedule will be as outlined in HSC 34176(e)(6)(B). The amount to be shown on the July to December 2014 ROPS (ROPS13-14A) is $13,654. The payment for ROPS13-14B will be $18,229.

Upon approval by the Successor Agency, the loan repayment schedule will be presented to the Oversight Board for consideration.

Action - It is recommended that the City Council acting as the Successor Agency to the Newark Redevelopment Agency, by resolution, approve the loan repayment schedule in accordance with Health and Safety Code 34176(e)(6)(B).

J.2 Resolution of the City of Newark acting as the Successor Agency to the Newark Redevelopment Agency adopt and endorse the Recognized Obligation Payment Schedule for the period of July to December 2014 – from Administrative Services Director Woodstock. (RESOLUTION)

Background/Discussion – Assembly Bill (AB) 1x26 and the subsequent amendment, AB 1484, require agencies to adopt a Recognized Obligation Payment Schedule (ROPS) for each six (6) month period in which the Successor Agency is closing out the obligations of the former Newark Redevelopment Agency.

The Successor Agency and the Oversight Board have approved several ROPS for periods between January 2012 and June 2014.

The loan from the City to the Newark Redevelopment Agency shown on the January to June 2012 ROPS was rejected by the State Department of Finance as their interpretation of AB 1x26 did not consider a loan between a redevelopment agency and

a city as an obligation. On June 27, 2012, the Governor signed AB 1484 which updated the procedures for the dissolution of the redevelopment agencies and indicated that a loan can be considered an obligation if the Agency obtains a Finding of Completion and the Oversight Board approves the loan as an obligation. The State Department of Finance has issued a Finding of Completion to the Successor Agency therefore the loan is being shown as an obligation on this ROPS, July to December 2014 (ROPS 14-15A).

ROPS14-15A has been prepared showing a payment on outstanding balance of the loan of $13,654 and the 3% administrative costs of $628.

Upon approval by the Successor Agency, the ROPS14-15A will be presented to the Oversight Board for consideration. Health and Safety Code Section 34191.4(b)(1) requires that the Oversight Board make a finding that the loan was for legitimate redevelopment purposes. Upon the Oversight Board making that finding, ROPS14-15A will be submitted to the State for processing.

Attachment

Action - It is recommended that the City Council acting as the Successor Agency to the Newark Redevelopment Agency, by resolution, adopt and endorse the Recognized Obligation Payment for the period of July to December 2014.

K. ORAL COMMUNICATIONS

L. APPROPRIATIONS

M. CLOSED SESSION

N. ADJOURNMENT

Pursuant to Government Code 54957.5: Supplemental materials distributed less than 72 hours before this meeting, to a majority of the City Council, will be made available for public inspection at this meeting and at the City Clerk's Office located at 37101 Newark Boulevard, 5th Floor, during normal business hours. Materials prepared by City staff and distributed during the meeting are available for public inspection at the meeting or after the meeting if prepared by some other person. Documents related to closed session items or are exempt from disclosure will not be made available for public inspection.

For those persons requiring hearing assistance, please make your request to the City Clerk two days prior to the meeting.