

CITY OF NEWARK CITY COUNCIL

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

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

AGENDA

Thursday, September 22, 2016

CITY COUNCIL:

Alan L. Nagy, Mayor
Luis L. Freitas, Vice Mayor
Sucy Collazo
Michael K. Hannon
Mike Bucci

CITY STAFF:

John Becker
City Manager
Terrence Grindall
Assistant City Manager
Susie Woodstock
Administrative Services Director
Sandy Abe
Human Resources Director
Soren Fajeau
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:

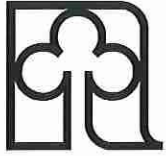
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|-------------------------------------|-------------------------|
| A. ROLL CALL | I. COUNCIL MATTERS |
| B. MINUTES | J. SUCCESSOR AGENCY |
| C. PRESENTATIONS AND PROCLAMATIONS | TO REDEVELOPMENT AGENCY |
| D. WRITTEN COMMUNICATIONS | K. ORAL COMMUNICATIONS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

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.

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 you may, but you are not required to, state your name and address 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 may be either referred to staff or placed on a future Council agenda.

No question shall be asked of a council member, city staff, or an audience member except through the presiding officer. No person shall use vulgar, profane, loud or boisterous language that interrupts a meeting. Any person who refuses to carry out instructions given by the presiding officer for the purpose of maintaining order may be guilty of an infraction and may result in removal from the meeting.



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AGENDA Thursday, September 22, 2016

A. ROLL CALL

B. MINUTES

- B.1 Approval of Minutes of the special and regular City Council meetings of September 8, 2016. (MOTION)**

C. PRESENTATIONS AND PROCLAMATIONS

- C.1 Commending Julia M. DeLipski. (COMMENDATION)**

Background/Discussion – Julia M. DeLipski has completed all the requirements necessary to be awarded the Girl Scout Gold Award pin. In recognition of this achievement, a commendation has been prepared and Ms. DeLipski will accept it at the City Council meeting.

- C.2 Commending the 30th Anniversary of the National Community Emergency Response Team (CERT). (COMMENDATION)**

Background/Discussion – The National Community Emergency Response Team (CERT) Program celebrates its 30th Anniversary in 2016. The City of Newark and Alameda County Fire Department local CERT program provide volunteers with basic skills in fire suppression, search and rescue, disaster medicine, and emergency preparedness. The program helps the community become self-sufficient for the first 72 hours following a major disaster by developing multi-functional community emergency response teams.

A commendation will be presented to members of the local Community Emergency Response Team.

D. WRITTEN COMMUNICATIONS

E. PUBLIC HEARINGS

F. CITY MANAGER REPORTS

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

CONSENT

- F.1 Approval to reclassify one Building Inspector/Zoning Enforcement Officer position to Senior Building Inspector by amending the Employee Classification Plan, the Memorandum of Understanding Between the City of Newark and the Newark Association of Miscellaneous Employees, and the 2016-2018 Biennial Budget – from Human Resources Director Abe.**
(RESOLUTIONS – 3)

Background/Discussion – The Public Works Department has proposed the reclassification of a Building Inspector position to Senior Building Inspector. With the current increase in development activity and an even higher level of activity anticipated over the next few years, Building Inspection staffing will increase on a limited term basis to provide needed service levels. With this unprecedented increase in workload and temporary staffing needs, the Chief Building Official can no longer perform the day-to-day supervision of building inspection staff.

As proposed, the Senior Building Inspector will oversee inspection assignments, coordinate related training, serve as the primary contact for dispute resolution, perform plan checking of construction documents, and complete building inspections for compliance with building, plumbing, electrical and mechanical codes, the Americans with Disabilities Act and the enforcement of zoning and sign ordinances.

Based on the position's additional supervisory duties and responsibilities, the proposed salary range for Senior Building Inspector is \$8,341 to \$10,016 per month, ten percent above the salary range for Building Inspector. All related costs will be incurred within the existing Public Works Building Inspection Division budget.

Attachments

Action - It is recommended that the City Council approve by resolutions: (1) amending Resolution No. 2505, Employee Classification Plan, to create one new class specification entitled Senior Building Inspector, (2) amending Resolution No. 10398, the Memorandum of Understanding between the City of Newark and the Newark Association of Miscellaneous Employees to add one new classification, entitled Senior Building Inspector, and (3) amending Resolution No. 10509 the 2016-2018 Biennial Budget to add one Senior Building Inspector position and delete Building Inspector/Zoning Enforcement Officer.

NONCONSENT**F.2 Approval of Resolutions authorizing membership in Property Assessed Clean Energy (PACE) Programs to allow property owners the option to finance clean energy improvements – from Senior Accountant Djurovic.
(RESOLUTIONS - 6)**

Background/Discussion – Property Assessed Clean Energy (“PACE”) is a mechanism for local property owners to finance the upfront cost of clean energy improvements to their properties. PACE financing differs from traditional financing in that the eligibility is tied to the property equity, rather than the credit worthiness of the applicant and the debt obligation runs with the property rather than with the applicant. The means for the repayment is generated from the utility savings associated with the improvements. All transactions are voluntary and no property owner is required to participate in any program.

In 2010, the CaliforniaFIRST PACE Program was approved by the City Council to operate in the City of Newark. To date, 98 property owners have received a total of \$1,019,439 in funding. Recently several additional PACE lenders have approached the City requesting that the City take the necessary actions to allow them to also offer PACE loans in Newark. The capital for the programs is from private sources and the transactions are between the program administrators and the property owners, so the City will incur no cost or risk associated with these program activities. Authorization by the City Council is necessary for the programs to conduct business in the City of Newark per the requirements of Assembly Bill 811 and Senate Bill 555. Supporting an expanded PACE marketplace serves to encourage the installation of energy efficient retrofits in Newark.

Assembly Bill 811 allows local agencies to determine the type of clean energy projects to allow in their jurisdiction. The proposed resolutions states that the program will be open to finance all the clean energy options available at this time which are the installation of distributed generation renewable energy sources, energy or water efficiency improvements, and electric vehicle charging infrastructure.

The CaliforniaFIRST PACE Program is sponsored by the California Statewide Communities Development Authority (“CSCDA”), of which Newark is a member. In 2015 CSCDA expanded their platform for local governments so only a single resolution is needed to authorize multiple programs. The expanded platform is called Open PACE. The current programs operating under the Open PACE program are the CaliforniaFIRST, AllianceNRG, PACE Funding Group and CleanFund Commercial PACE Capital. In California over 98 cities and counties have approved the Open PACE suite of programs.

The other PACE programs proposed will require the City to approve associate membership in joint powers authorities (“JPA”) sponsoring each of the programs. The

programs are the California HERO Program which requires associate membership in the Western Riverside Council of Governments JPA and the Ygrene PACE Program which requires membership in the California Home Finance Authority JPA, which is now doing business as Golden State Finance Authority JPA.

The programs recommended will increase the competitive market in the City and limit the number of JPA's the City is joining. Authorizing these providers would not limit the Council's ability to consider additional providers at a later date.

Because the PACE provider's primary relationship is with the JPA partner, cities have little control over the local PACE activities. In order to safeguard consumer interest and promote program success, the Association of Bay Area Governments (ABAG) and the Bay Area Regional Energy Network developed the "Regional Collaborative Services Agreement" which establishes the terms, conditions and roles each Residential PACE Provider will follow when operating in ABAG territory (this does not apply to commercial PACE programs). At this time the HERO, Ygrene, AllianceNRG and PACE Funding Group programs have signed with Agreement.

Attachment

Action – It is recommended that the City Council, by resolutions:

- 1). Approve associate membership in the California Home Finance Authority doing business as Golden State Finance Authority;
- 2). Authorize the inclusion of properties within the city's jurisdiction in the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy) to finance distributed generation renewable energy sources, energy or water efficiency improvements and electric vehicle charging infrastructure (SB 555 PROGRAM);
- 3). Authorize the inclusion of properties within the city's jurisdiction in the California Home Finance Authority AB 811 PACE Program to finance distributed generation renewable energy sources, energy or water efficiency improvements and electric vehicle charging infrastructure;
- 4). Authorize the inclusion of properties within the City's jurisdiction in the California Statewide Communities Development Authority ("CSCDA") Open Pace Programs; authorizing the California Statewide Communities Development Authority to accept applications from property owners, conduct contractual assessment proceedings and levy contractual assessments within the territory of the City of Newark; and authorizing related actions;
- 5). Approve the amendment to the Western Riverside Council of Governments Joint Powers Agreement;
- 6). Authorize the inclusion of properties within the City's jurisdiction in the California HERO Program to finance distributed generation renewable energy sources, energy or water efficiency improvements and electric vehicle charging infrastructure.

F.3 Authorization and Direction to the City Manager to: (1) Terminate the City's Existing Contract with JT2 Integrated Resources for Workers'

Compensation Third Party Claims Administration; and (2) Negotiate and Enter Into an Agreement With York Risk Management Services to Serve as the Third Party Administrator of the City of Newark's Workers' Compensation Program – from Human Resources Director Abe.

(RESOLUTION)

Background - The City of Newark has a self-insured workers' compensation program and contracts for the services of a third party administrator (TPA) for claims administration. Since December, 2001, JT2 Integrated Resources ("JT2") has provided these services for the City. In addition, the City purchases workers' compensation insurance coverage for claims exceeding \$350,000 in cost from the Local Agency Workers' Compensation Excess (LAWCX) Joint Powers Authority.

Conducting periodic, open and competitive bid opportunities is a best business practice for public agencies because it allows Cities to ensure that it receives high quality, efficient, and cost effective services from its vendors. In partnership with the Cities of Hayward and San Leandro, the City of Newark issued an open and competitive Request for Proposals ("RFP") process in October 2015. In response to the RFP, proposals were received from the following eight vendors:

Acclamation Insurance Management Services (AIMS)
Athens Administrators
Hazelrigg Claims Management Services
Innovative Claim Solutions, Inc.
Intercare Holdings Insurance Services JT2 Integrated Resources
Tristar Insurance Group
York Risk Services Group, Inc.

The review and rating process included an initial screen of the proposals by each agency individually, an external panel rating with each agency having a representative, and an internal panel from City of Newark. The internal panel for the City of Newark consisted of representatives from the Police Department, an Attorney that represents the City on a number of its litigated workers compensation cases, and the LAWCX Claims Manager. Upon completion of the various review and rating processes, AIMS, Intercare, JT2 and York were invited to participate in the internal panel interviews.

The entire internal panel expressed favorable impressions of York's interview presentation, information technology, and overall qualifications. Furthermore, York presented additional highly desirable qualifications including an immediately available customized, selective managed provider network, and experience with carve outs. As recommended by the Human Resources and Police Department Departments, York was advanced for further consideration and reference checks.

Discussion - With 30 years of experience, York provides workers’ compensation claims management services to a number of nearby California cities, including Fremont, Concord, Alameda, Milpitas, Palo Alto, and Vallejo.

Reference checking was completed from both a line department/customer perspective and from a centralized administrative perspective. Newark Police Management conducted reference checks with other Police Departments served by York and Human Resources contacted references from other City Risk Management staff. In addition, the Police Department checked actual references for the York claims team who would be assigned to the City of Newark’s account. All of the references contacted were highly satisfied with the overall services provided by York, their responsiveness and expertise, timely verbal contact with injured workers, and the quality and stability of assigned claims staff.

York would provide essential staffing continuity, consistency and reliability by assigning a highly regarded Senior Claims Examiner with over 15 years of experience with the same employer and a Claims Supervisor and Account Manager with over 30 years of combined experience.

Fiscal Impact: Of the four vendors selected for interviews by the City of Newark, York presented the lowest bid for monthly administration fees and flat rate bill review fees, which are described as follows:

Calendar Year	Proposed Monthly Administration Fees	Proposed Annual Administration Fees	Flat Rate Bill Review Fee
2017	\$2,955	\$35,461	\$17.00
2018	\$3,029	\$36,347	\$17.43
2019	\$3,105	\$37,256	\$17.86
2020	\$3,182	\$38,187	\$18.31
2021	\$3,262	\$39,142	\$18.76

Furthermore, the fees proposed by York are also lower than the fees currently charged by the current TPA, as well as the fees proposed by the current TPA.

If approved, Human Resources will work with York to ensure a smooth transition and to meet training and support needs of each Department. If negotiations with York are successful and result in the execution of a mutually agreeable contract that is in a form acceptable to the City Attorney, York will work with JT2 to receive data and could take over the account and all associated claims services effective January 1, 2017. The City must give JT2 90 day’s written notice to terminate the contract.

Attachments

1. Supplemental report from City Attorney Benoun regarding the City’s ability to terminate it’s existing contract with JT2.

2. Proposed Resolution.

Action - It is recommended that the City Council, by resolution, authorize and direct, the City Manager to: (1) terminate the City's existing contract with JT2 Integrated Resources for Workers' Compensation Third Party Claims Administration; and (2) negotiate and enter into an agreement with York Risk Management Services to serve as the Third Party Administrator of the City of Newark's Workers' Compensation Program.

G. CITY ATTORNEY REPORTS**H. ECONOMIC DEVELOPMENT CORPORATION****I. CITY COUNCIL MATTERS****J. CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY****K. ORAL COMMUNICATIONS****L. APPROPRIATIONS**

Approval of Audited Demands for the City Council meeting of September 22, 2016. (MOTION)

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.