

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, July 25, 2019

CITY COUNCIL:

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

CITY STAFF:

David J. Benoun
City Manager

Michael Carroll
Police Chief

Soren Fajeau
Public Works Director

David Zehnder
Recreation and Community Services Director

Sandy Abe
Human Resources Director

Kristopher J. Kokotaylo
Interim City Attorney

Krysten Lee
Finance Manager

Arturo Interiano
Acting Community Dev. Dir.

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 | 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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A. ROLL CALL

B. MINUTES

- B.1 Approval of Minutes of the City Council meeting of July 11, 2019. (MOTION)**

C. PRESENTATIONS AND PROCLAMATIONS

C.1 Introduction of employees.

Background/Discussion – Aquatics Coordinator Stacy Burton and Associate Planner James Bergantino recently joined the City of Newark. They will be introduced at the City Council meeting.

C.2 Presentation of plaques to the Dog Park Naming Contest winners. (PRESENTATION)

Background/Discussion – At the June 13, 2019 City Council meeting, the City Council selected NewBark Dog Park as the name of the new off-leash dog park to be located within Newark Community Park.

Elizabeth Macris, Jessica Brown, Gabriella Mitchell, Heather Garcia, Carina Rodriguez, Belen Verduzco, and Elwood Ballard each submitted a version of the NewBark Dog Park name and have been invited to attend the City Council meeting to be recognized and celebrated.

C.3 Proclaiming July as Parks and Recreation Month. (PROCLAMATION)

Background/Discussion – Parks and recreation have the power to strengthen communities, improve lives, and protect the future. The City of Newark will celebrate the impact of parks and recreation in our community by issuing a proclamation.

C.4 Commending Eagle Scouts Rahul Sharma and Chance Hefter. (COMMENDATIONS)

Background/Discussion – Rahul Sharma and Chance Hefter of the Mission Peak District of the Boy Scouts of America, Troop 186, have each been awarded the rank of

Eagle Scout. In recognition of this achievement, each Eagle Scout will receive a commendation at the City Council Meeting.

C.5 Proclamation for the Portuguese Fraternal Society of America Council No. 16 Holy Ghost Festival. (PROCLAMATION)

Background/Discussion – The Portuguese Fraternal Society of America Council 16 will celebrate the annual Holy Ghost Festival and their anniversary in the City of Newark. A representative from the Portuguese Fraternal Society will be at the City Council to accept a proclamation.

D. WRITTEN COMMUNICATIONS

E. PUBLIC HEARINGS

E. 1 Hearing to consider a Conditional Use Permit to allow installation of a new 50 foot tall monopole communication tower located at 6590 Central Avenue – from Acting Community Development Director Interiano. (RESOLUTION)

Background/Discussion – The City has received an application from Precision SD, on behalf of the Sprint Corporation, to replace existing wireless communication equipment from an existing silo to a new monopole. The property is located at 6590 Central Avenue in the General Industrial zoning district, which requires a Conditional Use Permit (CUP) for a telecommunication monopole.

The property is the site of the new Mission Linen Supply plant, which opened in 2018. As part of the redevelopment of this property, Mission Linen Supply built a new LEED-certified building in addition to remodeling two existing buildings along Cherry Street. As part of the development, existing wireless communication equipment remained on a large silo which is no longer needed. A CUP (Resolution 1469) originally approved the existing wireless equipment in 1999 for the Nextel Communications Company.

The applicant is proposing to install a new 50 foot tall monopole communication tower that would include the following equipment:

- (1) Microwave Antenna;
- (6) Panel Antennas;
- (9) Remote Radio Heads (RRH's) and associated cables;
- Replace existing radio and Battery Cabinets; and
- Install Cable Tray/Ice Bridge from existing equipment shelter.

The telecommunication monopole would be located approximately in the same area where the large silo currently exists, between the Mission Linen buildings and the

Pabsco Gypsum manufacturing plant, approximately 267 feet west of Cherry Street. Due to the placement of the telecommunication monopole between two industrial operations and the distance from residential areas (approximately 375 feet), the structure does not appear to necessitate a stealth component. However, staff is requesting that screening be provided along Cherry Street. Specifically two 36" box (approximately 9'-11' at planting) redwood trees will be required, which at maturity will grow at least 40 feet and largely screen the view of the telecommunication monopole from the existing residential neighborhood to the east (see attached photo simulations). In addition, staff recommends that the existing chain link fence be required to remain.

Given the importance of communication for our businesses and residents, staff recommends approval of the proposed application with associated conditions outlined in the attached resolution.

Per Zoning Code Section 17.35.060, a CUP shall only be approved if certain findings listed below are made. The findings given in the draft resolution of approval contains language that comes from the Newark Zoning Code, and is supported by application materials on file. The findings are in *italics* below and staff's response comments are below each finding:

Required Findings

A. The proposed use is allowed within the applicable zoning district and complies with all other applicable provisions of this Ordinance and all other titles of the Municipal Code;

Telecommunication towers in the General Industrial zoning district require a CUP for non-stealth facilities. The telecommunication monopole meets all other zoning regulations.

B. The proposed use is consistent with the General Plan and any applicable specific plan;

The General Industrial zoning district is consistent with the General Plan land use policies and allows a telecommunication monopole to be installed with approval of a CUP.

C. The proposed use will not be adverse to the public health, safety, or general welfare of the community, nor detrimental to surrounding properties or improvements;

The telecommunication equipment already exists in this location, therefore staff does not believe there will be any adverse impacts by replacing the silos with a telecommunication monopole. The nearest residential neighborhood is approximately 375 feet away and screening will be provided to obstruct the view of the telecommunication tower.

D. Tax revenue generated by the development will exceed the City's cost of the service demand as a result of the development or a compelling community benefit will be provided;

No additional demand of City's services is expected by the proposed application.

E. The proposed use complies with any design or development standards applicable to the zoning district or the use in question unless waived or modified pursuant to the

provisions of this Ordinance;

The property is zoned General Industrial and therefore requires a CUP but does not require the telecommunication tower to be stealth. Staff does not see the need to make this particular telecommunication monopole stealth due to the surrounding industrial uses and distance from the residential areas.

F. The design, location, size, and operating characteristics of the proposed activity are compatible with the existing and reasonably foreseeable future land uses in the vicinity;

The new telecommunication tower is replacing existing silos that were used as a default telecommunication tower; therefore the location, size and operating characteristics will be less visible than the existing silos.

G. The site is physically suitable for the type, density and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The existing site was determined to be suitable when the original permit was approved by the City in 1999. Staff does not see any additional site constraints at this time.

CEQA - This project is categorically exempt from the California Environmental Quality Act (CEQA) per section 15302, Class 2, replacement or reconstruction.

Update – On June 25, 2019, the Planning Commission approved Resolution No. 1980, recommending City Council approve a resolution to allow a telecommunication monopole at 6590 Central Ave.

Attachments – Resolution, Exhibit A - Site Plan, Exhibit B - Photo Simulations

Action – Staff recommends that the City Council, by resolution, approve U-19-2, a conditional use permit, to allow replacement communication equipment with a monopole telecommunication tower located at 6590 Central Avenue.

**E.2 Hearing to consider property owners’ objections and confirmation of the Superintendent of Streets’ report concerning weed abatement assessments – from Assistant Maintenance Superintendent Hornbeck.
(MOTION)(RESOLUTION)**

Background/Discussion – The Superintendent of Streets’ report on the 2019 Weed Abatement Program is being submitted pursuant to Resolution No. 10,908 adopted by the City Council on March 28, 2019. The report showing the assessments for the fall 2018 and the spring 2019 weed abatement has been posted as required. Owners whose properties are subject to an assessment may protest at this meeting or submit their objections prior to the hearing. As of July 18, 2019, no written objections have been received.

On April 25, 2019, the City Council directed the Superintendent of Streets to abate weeds on 151 parcels of land. Subsequent to notification, private property owners cleared 125 parcels and the City’s contractor cleared 26 parcels. This year, the assessments ranged from \$39 to \$1,736, which includes the 20% administrative fee required by the City of Newark Master Fee Schedule. The lowest cost is for a vacant property that required minimal work. The highest cost was for a property that required tractor work. There were

no additional supplemental lot clearings for the 2018 fall abatement work included in this year's assessments. The combined total for all assessments, including administrative charges, is \$11,226.

Attachments – Resolution, Superintendent of Streets Report – 2019 City of Newark Weed Abatement

Action – Staff recommends that the City Council, by motion, act upon any objections by property owners for assessments on their parcels for the 2019 Weed Abatement Program and, by resolution, confirm the Superintendent of Streets' report concerning weed abatement assessments.

E.3 Hearing to consider establishment of an Underground Utility District on Newark Boulevard between Fair Avenue and Bellhaven Avenue (Newark Underground District No. 15) – from Public Works Director Fajeau.
(RESOLUTION)

Background/Discussion – On June 27, 2019, the City Council adopted a resolution setting July 25, 2019 as the date for a public hearing for the establishment of an underground utility district on Newark Boulevard between Fair Avenue and Bellhaven Avenue. The City has established underground utility districts in the past to convert existing overhead electrical and communication wires and poles to underground facilities. These projects have taken place primarily on arterial districts where the aesthetic impact of removal of the overhead facilities providing the greatest public benefit. A primary funding source for these projects has been through the Pacific Gas and Electric (PG&E) Rule20A program. While a substantial amount of utility undergrounding has occurred with private development activity in Newark, it has been many years since the City has undertaken its own project through the use of PG&E Rule 20A Work Credits. As of March 31, 2019, the City has \$2,723,527 available in funding as Work Credits through the Rule 20A program.

The Public Works Department, pursuant to a resolution adopted by the California Public Utilities Commission, recently received a notice from PG&E regarding the potential reallocation of Rule 20A Work Credits to fund an undergrounding project in the City of Live Oak (located in Sutter County). This potential reallocation affects 92 jurisdictions in California that have not undertaken a new underground utility district in the last eight years. The total proposed reallocation for all 92 jurisdictions is \$554,000. The proposed reallocation for Newark is currently estimated at \$13,866. However, this reallocation amount could increase for Newark if the total number of affected jurisdictions is reduced.

One option for the City (and for all affected jurisdictions) to avoid the proposed reallocation is to establish a new underground utility district as soon as possible. Pursuant to Chapter 13.08 (Underground Utility Districts) of the Newark Municipal Code, this would require that the City Council hold the public hearing and adopt a resolution to establish the district. The Newark Boulevard corridor between Fair Avenue and Cedar Boulevard was previously identified as a high priority location for future undergrounding due to the fact that Newark Boulevard is an arterial roadway with heavy vehicular and pedestrian traffic.

Staff is recommending that a portion of Newark Boulevard, between Fair Avenue and Bellhaven Avenue, be identified as the first phase of a potential undergrounding project through this corridor. This particular phase would involve coordination with only four commercial property owners and would not directly impact any residential property owners. At this time, staff recommends that the public hearing be held to consider establishment of the district and thereby minimize the potential for reallocation of the Rule 20A Work Credits. Actual construction for this first proposed phase would likely be combined with additional phases of work on the Newark Boulevard corridor to ensure completion of a more substantial aesthetic improvement. There is no required timeline for the construction work to take place.

All commercial property owners and utility owners potentially affected by this district have been notified of the public hearing. There are no proposed assessments at this time and establishment of any future assessments would require detailed design and coordination with the affected parties in advance of additional public hearings. Establishment of the district at this time as proposed merely provides an opportunity to avoid the potential reallocation of Rule 20A funds.

Attachments – Resolution; Newark Underground District No. 15 Exhibit

Action – Staff recommends that the City Council, by resolution, establish an Underground Utility District on a portion of Newark Boulevard between Fair Avenue and Bellhaven Avenue (Newark Underground District No. 15).

E.4 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 1 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 1. This district includes properties that abut Central Avenue between Filbert Street and Willow Street and provides for the maintenance of median landscaping on Central Avenue between Filbert Street and Willow Street, and buffer landscaping adjacent to the Alameda County flood control channel immediately west of Filbert Street. Maintenance and operation of median street lights along this portion of Central Avenue are also included in this district.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for the district as provided in the approved Engineer’s Report is \$41,700 for the 2019-2020 fiscal year.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 1 for the 2019-2020 fiscal year.

E.5 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 2 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 2. This district provides for the maintenance of median and in-tract buffer landscaping on Jarvis Avenue adjacent to and within the boundaries of Tract 5232, Dumbarton Technology Park, on Jarvis Avenue at Lido Boulevard, as well as the Newark Boulevard medians fronting the Sprout’s and Safeway shopping centers.

An annual public hearing is necessary levy assessments to provide funds for this district. The total assessment for this district as provided in the approved Engineer’s Report is \$26,661 for the 2019-2020 fiscal year.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 2 for the 2019-2020 fiscal year.

E.6 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 4 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 4. This district provides for the maintenance of Stevenson Boulevard median island landscaping from the Nimitz Freeway to the railroad tracks west of Cherry Street and maintenance of median islands and up to 50 feet of greenbelt landscaping adjacent to Cherry Street and the interior loop streets within the boundaries of Stevenson Point Technology Park, the maintenance of landscaping across the Newark Unified School District property on Cherry Street, and the street lighting maintenance, trash capture device maintenance, and neighborhood park maintenance of Zone 2 - Sanctuary.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the Engineer’s Report is approximately \$112,115 for the 2019-2020 fiscal year.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 4 for the 2019-2020 fiscal year.

E.7 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 6 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 6. This district provides for the maintenance of median and greenbelt landscaping and the irrigation systems in the area formerly known as Redevelopment Area No. 2. The area is the property generally bounded by Balentine Drive, Cedar Boulevard, Stevenson Boulevard, and the Nimitz Freeway.

This district is currently inactive. All property owners in this district will receive a “zero” assessment for 2019-2020 as identified in the previously approved Engineer’s Report.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 6 for the 2019-2020 fiscal year.

E.8 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 7 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 7. This district provides for the maintenance of Rosemont Square Shopping Center buffer landscaping and the landscape irrigation system within the public right-of-way and easement areas on Jarvis Avenue, Newark Boulevard, and Cedar Boulevard.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the Engineer’s Report is approximately \$25,576 for the 2019-2020 fiscal year.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 7 for the 2019-2020 fiscal year.

E.9 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 13 – from Assistant City Engineer Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 13. This district provides for the maintenance of landscaping within portions of the Citation Homes and Bren developments located on Thornton Avenue near Willow Street.

Since this district performs its own maintenance of frontage landscaping, all property owners in this district will receive a “zero” assessment for fiscal year 2019-2020.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 13 for the 2019-2020 fiscal year.

E.10 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 15 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 15. This district provides for the maintenance of landscaping along Robertson Avenue at Iris Court.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the approved Engineer’s Report is \$5,046 for the 2019-2020 fiscal year. The assessment per property is \$174.00.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 15 for the 2019-2020 fiscal year.

E.11 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 16 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 16. This district provides for the maintenance of landscaping for Tract 6671 on Jarvis Avenue at Kiote Drive.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the Engineer’s Report is \$19,874 for the 2019-2020 fiscal year. The assessment per property is approximately \$210.

Attachments - Resolution; Approved Engineer's Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 16 for the 2019-2020 fiscal year.

E.12 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 17 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer's Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 17. This district provides for the maintenance of landscaping for Tract 7004 on Newark Boulevard and Mayhews Landing Road.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the approved Engineer's Report is approximately \$6,200 for the 2019-2020 fiscal year. The assessment per property is approximately \$188.

Attachments - Resolution; Approved Engineer's Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 17 for the 2019-2020 fiscal year.

E.13 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 18 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer's Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 18. This district provides for the maintenance of landscaping in the medians in front of Tract 8130 on Cedar Boulevard between Central Avenue and Smith Avenue.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the approved Engineer's Report is approximately \$10,900 for the 2019-2020 fiscal year. The assessment per dwelling unit is approximately \$67.

Attachments - Resolution; Approved Engineer's Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 18 for the 2019-2020 fiscal year.

E.14 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 19 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 19. This district provides for the maintenance of landscaping and street lighting in the medians, traffic circles and planter areas on Willow Street, Central Avenue, Enterprise Drive, Seawind Way and other public streets, and the maintenance of other public improvements within the Bayside Newark Transit Oriented Development area for Tracts 8085, 8098, 8099 and 8157.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the approved Engineer’s Report is approximately \$108,652 for the 2019-2020 fiscal year.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 19 for the 2019-2020 fiscal year.

E.15 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 10 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 10. This district is a consolidated district which includes miscellaneous developments at several locations. These locations and the work involved are as follows:

- 10a. The maintenance of Jarvis Avenue and Lido Boulevard median-island and street landscaping, and lighting adjacent to the boundaries of Tract 5318, Lexington Square.
- 10b. Maintenance of landscaping and the landscape irrigation system within easement areas adjacent to the public right-of-way on the north side of Central Avenue between the Nimitz Freeway and Timber Street.
- 10c. Maintenance of landscaping and the landscape irrigation system within easement areas adjacent to the public right-of-way on Morton Avenue for Geomax.
- 10d. Maintenance of landscaping and the landscape irrigation system within easement areas adjacent to the public right-of-way on Enterprise Court and Enterprise Drive for Parcel 1 of Tentative Parcel Map 5109.

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- 10e. Maintenance of landscaping and the landscape irrigation system adjacent to Cedar Boulevard south of Mowry Avenue for Jiffy Lube.
 - 10f. Maintenance of landscaping and the landscape irrigation system for the apartment complex at the intersection of Rich Avenue and Magnolia Street.
 - 10g. Maintenance of landscaping and the landscape irrigation system within easement areas on Smith Avenue and Cedar Boulevard for the Cedar Boulevard Neighborhood Church.
 - 10h. Maintenance of landscaping and the landscape irrigation system within easement areas for the parcel adjacent to Eucalyptus Grove Park.
 - 10i. Maintenance of landscaping and the landscape irrigation system within easement areas and the public right-of-way on Cherry Street for Thoro Systems.
 - 10j. Maintenance of landscaping and the landscape irrigation system within the public right-of-way and easement areas for the King & Lyons development at Thornton Avenue and Willow Street.
 - 10k. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Central Avenue for Bay Mirror.
 - 10l. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and easement areas on Cedar Boulevard near Moores Avenue for Empire Tractor.
 - 10m. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Mowry Avenue for the property at the northeast corner of Mowry Avenue and Cedar Boulevard.
 - 10n. The maintenance of street lighting within the public right-of-way and landscaping and the landscape irrigation system within the public right-of-way and easement areas adjacent to the public right-of-way on Cedar Boulevard and Balentine Drive for TJ Maxx.
 - 10o. The maintenance of street lighting within the public right-of-way and landscaping and the landscape irrigation system within the public right-of-way and the easement areas adjacent to the public right-of-way on Newark Boulevard and Cedar Boulevard for Lido Faire Shopping Center.
 - 10p. The maintenance of street lighting within the public right-of-way and landscaping and the landscape irrigation system within the public right-of-way on Sycamore Street for B.K. Mills.
 - 10q. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Magnolia Street for the Moose Lodge.

- 10r. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Central Avenue at the Southern Pacific railroad right-of-way for Leslie Salt Company.
- 10s. The maintenance of landscaping and the landscape irrigation system within landscape easement areas on Cedar Boulevard at Central Avenue for Parcel 1 of Parcel Map 4073.
- 10t. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Cedar Boulevard north of Lake Boulevard for Lot 5 of Tract 5361.
- 10u. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Magnolia Street south of Graham Avenue for Parcel 1 of Parcel Map 6178.
- 10v. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Smith Avenue west of Cherry Street for Parcel 4 of Parcel Map 1425.
- 10w. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Cedar Boulevard and Mowry Avenue for Parcels 1, 2, 3, and 6 of Parcel Map 3028.
- 10x. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on the cul-de-sac of Enterprise Court at 37569 Enterprise Court.
- 10y. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Magnolia Street and Graham Avenue at 37088 Magnolia Street (formerly 6963 Graham Avenue).
- 10z. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on the Thornton Avenue and Locust Street frontage of 37010 Locust Street.
- 10aa. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Enterprise Drive and Hickory Street at 8610 Enterprise Drive.
- 10ac. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Thornton Avenue and Sycamore Street at 7275 Thornton Avenue.
- 10ad. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Thornton Avenue at 6152 Thornton Avenue.
- 10ae. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Cedar Boulevard south of Mowry Avenue.

- 10af. The maintenance of landscaping, the landscape irrigation system, and the concrete block wall within the public right-of-way and adjacent easement areas on Mowry Avenue and Cedar Boulevard for the shopping center that includes 5789 Mowry Avenue.
- 10ag. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Hickory Street at 37137 Hickory Street.
- 10ah. The maintenance of median-island landscaping and lighting, and street frontage landscaping up to 30 feet in width along all streets within the boundaries of Bridgeway Technology Park on Fircrest Street.
- 10ai. The maintenance of lighting within public right-of-way and landscaping and landscape irrigation system within easement areas adjacent to the public right-of-way along Dairy Avenue, Newark Boulevard, and Thornton Avenue for the Foxwood condominium project.
- 10aj. The maintenance of lighting within public right-of-way and landscaping and landscape irrigation system within easement areas adjacent to the public right-of-way on Magnolia Street, Graham Avenue, and Sycamore Street for the Summerhill Apartments.
- 10ak. The maintenance of lighting within public right-of-way and landscaping and landscape irrigation system within easement areas adjacent to the public right-of-way on Cherry Street and Dairy Avenue for the Summerhill Apartments.
- 10al. Maintenance of landscaping, landscape irrigation and lighting within the entire street right-of-way of Potrero Avenue; the easterly portion of Cherry Street, Buena Vista Drive and Parada Street contiguous to Tract 5869; and the easterly portion of Parada Street contiguous to Tract 5810; and the northerly portion of Stevenson Boulevard contiguous to Tract 5810, excluding the median islands within Cherry Street and Stevenson Boulevard.
- 10am. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and easement areas on Smith Avenue for the Oatey Company.
- 10an. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Thornton Avenue at Cedar Boulevard for Newark Square shopping center.
- 10ao. The maintenance and/or construction of landscaping and the irrigation system within the public right-of-way and adjacent easement areas on the Mowry School Road frontage of the property to the rear of Fremont Ford.
- 10ap. The construction and maintenance of landscaping and an irrigation system within the public right-of-way and adjacent easement areas on Morton Avenue for Morton Salt.
- 10aq. Construction and maintenance of landscaping and the landscape irrigation system within the public right-of-way and easement areas on the Cedar Boulevard frontage of the shopping center on the northwest corner of Newark Boulevard and Cedar Boulevard.

- 10ar. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Central Avenue and on Clark Avenue for Matheson Gas.
- 10as. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Smith Avenue at 6565 Smith Avenue.
- 10at. The construction and/or maintenance of the Art in Public Places Element required in accordance with Newark City Council Resolution No. 5682 within the public right-of-way and/or adjacent easement areas on Parcels 1 and 2 of Tract 5343.
- 10au. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Newark Boulevard at 35193 Newark Boulevard.
- 10av. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Cedar Boulevard at 37300 Cedar Boulevard.
- 10aw. The maintenance and/or construction of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Fircrest Street at Assessor's Parcel No. 537-460-12-3.
- 10ax. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Enterprise Drive and Willow Street at 8400 Enterprise Drive.
- 10ay. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Mowry Avenue and Cherry Street.
- 10az. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Balentine Drive at Parcel 1 of Parcel Map 6692.
- 10ba. The maintenance and/or construction of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Cherry Street north of Thornton Avenue.
- 10bb. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Jarvis Avenue and Newark Boulevard.
- 10bc. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Cherry Street south of Robertson Avenue.
- 10bd. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement areas on Filbert Street and Central Avenue.
- 10be. The maintenance of landscaping and the landscape irrigation system within the public right-of-way and adjacent easement along the street frontage on Balentine Drive.

Since this district is for properties responsible for their own maintenance, all property owners for all subdistricts in this district will receive a “zero” assessment for 2019-2020.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 10 for the 2019-2020 fiscal year.

E.16 Hearing to consider annual levy of assessment in conjunction with Landscaping and Lighting District No. 11 – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – The City Council has previously approved the Engineer’s Report and set July 25, 2019, as the date for the public hearing for the annual levy of assessments in conjunction with Landscaping and Lighting District No. 11. This district provides for the maintenance of landscaped medians on Edgewater Drive and Parkshore Drive within the Lake Area.

An annual public hearing is necessary to levy assessments to provide funds for this district. The total assessment for this district as provided in the approved Engineer’s Report is approximately \$24,600 for the 2019-2020 fiscal year. There are a total of 1,127 properties within this district. The assessment per property is approximately \$22, which is the same amount charged per property last year.

Attachments - Resolution; Approved Engineer’s Report

Action - Upon conclusion of the public hearing, staff recommends that the City Council, by resolution, approve the diagram and assessment and levy the annual assessment for Landscaping and Lighting District No. 11 for the 2019-2020 fiscal year.

F. CITY MANAGER REPORTS - NONCONSENT

F.1 Authorization for financing the New Civic Center Project, including approving: lease financing documents related to the offering and sale of certificates of participation; and an amended and restated debt management policy – from Finance Manager Lee. (RESOLUTIONS – 2)

Background/Discussion – The City will begin construction of the new Civic Center (the “Project”) in approximately 30 days. The Project will be funded by (1) existing funds on hand, (2) interfund loans, (3) future revenues, and (4) financing proceeds. The City intends to use the projected tax revenues generated by the one-half-percent (0.5%) Measure GG transaction and use tax as a source of funding for the Project and debt service. Both the tax and debt service would end March 2042. Current revenue projections indicate approximately \$4,500,000 per year should be generated by Measure GG. The

proposed financing includes the issuance of certificates of participation (the “COP”) to fund a portion of the Project.

To evaluate financing strategies for the Project, City staff engaged bond counsel (Quint & Thimmig), sales tax consultants (HdL Companies) and a financial advisor (NHA Advisors, LLC) to assist in the analysis and development of the financing structure.

The proposed COP is similar to what the City has used in the past to fund the Silliman Center and fire station projects, and it relies on the City’s General Fund commitment as the repayment source (including the Measure GG revenues flowing into the General Fund). As part of the COP financing, the City would establish a property lease between the City and the Public Property Financing Corporation of California to secure the financing. The properties would initially include the Fire Station No. 28 and the Civic Center property until such time as the Project is complete. At that time, the new Civic Center property would be the only leased property for the COP and the Fire Station No. 28 would be removed. The Financing Authority would lease the property to the City and the City would make lease payments to the Financing Authority. The Financing Authority would pass those payments on to certificate holders in the form of debt service payments. Each year, the City would appropriate funds through the budget process to make the lease payments.

Civic Center Project Costs

The Project has total estimated costs of approximately \$88,705,207, as itemized in the table below. Preliminary Project planning began in 2016, with approximately \$4,800,000 spent through June 2019. The bulk of the Project costs are anticipated to be expended starting in the fourth quarter of 2019, and the main construction phase is expected to be completed in approximately two and a half years.

Project Expenditure	Estimated Budget
Pre-Project/Miscellaneous Costs	\$1,822,953
Design & Engineering	2,423,112
Construction	72,321,027
Construction Management	1,237,016
Project Contingency/Escalation	5,267,760
Fixtures, Furnishing & Equipment/Technology	5,633,339
Total Project Cost	\$88,705,207

Analysis of Funding Sources

Current funding sources total about \$39.1 million and include all Measure GG funds collected to date, Measure GG funds that would accumulate during the construction period, public

safety and community service impact fees, a capital reserve fund, Measure D reimbursement, and a contribution from Arts in public places.

The table below shows identified funding sources and the amount need to meet the Project cost:

Existing Identified Funding Source	Amount
Measure GG Funds (collected to date)	\$11,700,000
Projected Measure GG Funds (2019-2021)	10,500,000
Safety/Community Service Impact Fees	7,133,562
Capital Reserve Fund	9,285,000
Measure D Reimbursement	450,000
Arts in Public Places	70,000
Total Funding Sources Identified	\$39,138,562

Project Funding Needed	Amount
Estimated Project Cost*	\$88,705,207
Less: Identified Funding Sources	(39,138,562)
Project Funding Needed	\$49,566,645
* Excludes capitalized interest, debt service reserve fund requirements, and cost of issuance.	

Financing Plan

Based on preliminary cash flow projections for Measure GG revenues and the proposed Project expenditure schedule, the City will need to finance a majority of the Project.

Upon review of Measure GG revenue sensitivity scenarios provided by the City's sales tax consultants (HdL), City staff and NHA Advisors determined that a target annual debt service of \$4.0 million is appropriate over the term of the Measure GG revenue collection. This lower target debt service would reduce the amount of bond proceeds generated by the financing. As a result, the City is expected to need to contribute \$9.3 million from the City's Capital Reserve Fund to cover this funding shortfall.

The use of a portion of the City's Capital Reserve Fund would minimize the amount of the financing and the annual debt service payment. The projected Measure GG revenues exceeding the annual debt service (\$4.0 million) would be available to repay the City's Capital Reserve Fund over the next five years, providing the City with a reimbursement mechanism from Measure GG revenues to the City's Capital Reserve Fund with no transactional costs or repayment expenses.

In order to fund the gap for the Project costs through construction, the City would need to issue COPs through a public sale process. The City would need to finance the capitalized interest to cover interest payments during project construction. In all, the City would need to finance approximately \$61 million of Project costs.

Additional Financing Considerations

The City has approximately \$8.0 million outstanding General Fund obligations related to the Silliman Community Center and fire station improvements with an average interest rate of 3.92%. Under current market conditions, the City can save \$1.7 million over the next 13 years by refinancing and merging these obligations into the new financing at the same time. The City would then have one outstanding obligation going forward, which would simplify and save on annual administration costs, including trustee fees and continuing disclosures.

For purposes of compliance with Section 5852.1 of the California Government Code, the following information has been provided by the City's financial advisor (NHA Advisors, LLC):

1. True interest cost of the COPs: 3.05%
2. Finance charge for the COPs, including all fees and charges for third parties (including underwriter's compensation, financial advisory fees, bond counsel fees, disclosure counsel fees, trustee fees and other payments to third parties): \$915,000
3. Amount of COP proceeds expected to be received by the City, net of payments identified in 2 above, and any reserve fund established the COPs: \$67,675,000
4. Total payment amount for the COPs, being the sum of (a) debt service on the COPs to final maturity, and (b) any financing costs not paid from proceeds of the COPs: \$95,060,000

The information set forth above is based up estimates of prevailing market conditions and the ability to finance the entirety of the project on a tax-exempt basis. Actual results may differ if assumed market conditions change.

In summary, staff recommends that the City Council authorize the execution of financing documents necessary for the issuance of COPs to refinance certain outstanding obligations of the City and to finance a portion of the Civic Center project. Staff further recommends approval of an amended and restated debt management policy.

Attachments – Financing Resolution, Policies Resolution and drafts of the following documents approved by the Financing Resolution:

1. Site and Facility Lease;
2. Lease Agreement;
3. Trust Agreement;
4. 2002 Escrow Agreement;
5. 2012 Escrow Agreement;
6. 2002 Termination Agreement;
7. 2012 Termination Agreement;
8. Continuing Disclosure Certificate;
9. Notice of Intention;
10. Notice of Sale;
11. Preliminary Official Statement;

12. Amended Debt Management Policy; and
13. Draft PowerPoint Presentation from the City's financial advisor (NHA Advisors, LLC).

Action – Staff recommends that the City Council, by resolutions, approve: (1) the form and authorizing the execution of certain lease financing documents in connection with the offering and sale of certificates of participation relating thereto to refinance certain outstanding obligations of the city and to finance a portion of the costs of the New Newark Civic Center and authorizing and directing certain actions with respect thereto; and (2) an amended and restated debt management policy and disclosure procedures for public debt issuances and related disclosure obligations.

F.2 Authorization for the City Manager to execute a professional agreement with Tyler Technologies New World for the purchase of an Enterprise Resource Planning (ERP) System and related implementation services and project management services – Finance Manager Lee. (RESOLUTION)

Background/Discussion – The City has utilized the Creative Computer Solutions Harris wIntegrate (wIntegrate) enterprise resource planning (ERP) system since 1994 for critical functions such as financial management, budgeting, accounts payable, payroll, cash receipting and personnel management. There have not been any upgrades to wIntegrate throughout its 25-year history. The system is no longer adequate due to its limited functionality. Additionally, the vendor has been unable to support the system due to the antiquated technology platform.

An effective and efficient ERP system integrates many core functions into a single solution, providing a central location of information and is essential in streamlining functions and automating workflow.

In May of 2015, City staff engaged SoftResources to assist in a needs assessment and process mapping exercise that included meetings with citywide users of the wIntegrate ERP system. The needs assessment and process mapping exercises highlighted that City departments often have to create external workarounds and reports such as using Excel spreadsheets rather than the wIntegrate ERP system for tracking budget and expenditures.

Additionally, the City is unable to keep up with industry best practices with the manual processes (including workflow) and lack of reporting and analysis tools in the existing ERP system.

For these reasons and many others, staff recommended during a previous budget cycle that the City Council direct staff to replace the ERP system. The City Council accepted staff's recommendation and appropriated \$1.25 million towards the project.

Following the City Council's direction to replace the ERP system, City staff used the information compiled from the needs assessment and process mapping exercises and developed a list of functional requirements for a new ERP system. In January 2016, the City issued a Request for Proposals (RFP) for the acquisition and implementation of an ERP system that includes all the core functions of a Financial Management Module,

Human Resources and Payroll Module, Licensing Module, and Cashiering Module. The City received four proposals from the following financial software companies:

Company	Proposed System
Caselle Inc.	Caselle
Harris	Innoprise
Tyler Technologies, Inc.	Incode
Tyler Technologies, Inc.	New World

The proposals were evaluated by an interdepartmental project team comprised of staff from all City departments using the following criteria: (a) ability for the proposed system to meet the functional requirements identified in the RFP; (b) compatibility with existing citywide applications; (c) implementation methodology; (d) customer support and ongoing maintenance; (e) experience with municipalities and vendor qualifications, including references using the proposed system; (f) understanding the scope of work to be completed; (g) responsiveness to the RFP requirements; and (h) costs of software licensing and services.

The City invited the top two proposers (Harris and Tyler Technologies) to demonstrate the capabilities of their financial software systems to the interdepartmental project team and representatives from SoftResources during an on-site proof-of-concept testing phase over three days for all proposers. City staff also conducted reference checks and interviewed other cities already using the vendor's systems. After this thorough evaluation process, staff determined that the Tyler Technologies New World system best meets the City's needs for an ERP financial management system.

Founded in 1966, Tyler Technologies ("Tyler"), headquartered in Plano, Texas, is a leading provider of information management solutions and services to local governments. The company provides software and services to more than 15,000 local government offices throughout the United States. Tyler has over 5,000 employees across all divisions and is growing.

Tyler's Evergreen Philosophy means Tyler customers pay once for software licenses and never has to pay for that module again as long as they are a customer. This philosophy goes for technologies that Tyler has not yet been announced.

The new ERP would have many advantages over the City's existing system by providing leverage for the City to achieve significant efficiencies and effectiveness that is needed to accommodate new reporting requirements and a changing work environment. A few of the significant benefits are:

- The New World ERP application was built specifically for the unique needs of local governments of our size and complexity;
- Industry-leading technology utilizing Microsoft SQL database and Microsoft Server as the foundation for the product;
- Built-in the workflow to improve efficiency and streamline processes;
- Browser-based application that is easy to use and learn for all types of users;
- Software upgrades that require little to no significant implementation activity;

- Dedicated and experienced project manager to help guide through the process from contract execution until the product is live and stable;
- On-site implementation and training team that is familiar, not only with the software but also the unique requirements of California cities;
- The conversion team will work with City staff to get data from wIntegrate into New World ERP for a stable transition;
- Both national and California based user groups where new functionality and training occur; and
- An experienced and dedicated support center staffed during normal business hours.

Project Management and Staffing

Project management is a key component to the success of any large project. While the City has an established project management methodology through the Finance Department, there is a need for outside assistance in this area because of the scope and impact that this project will have on the City organization, including possible changes in business practices. Therefore, staff is recommending procuring the assistance of a consultant to provide implementation project management services to oversee the project. A Request for Proposals will be issued, and the estimated cost for services will not exceed \$200,000 over the course of the project. Any contract for this service will be subject to future consideration by the City Council.

In addition, staff recommends staff augmentation to backfill for various department staff. Departments would assess their need for additional assistance to ensure they can continue with daily operations and would need to request any additional budget for increased personnel costs (temporary staff, overtime, etc.) as the needs arise. It is crucial that the implementation of the new ERP be a priority for the involved departments and department heads provide adequate resources to support the efforts to complete the project as scheduled. Staff will return to the City Council for any future actions as necessary.

Implementation

Tyler Technologies will provide implementation and training services for the project as well as data conversion for the existing data in the wIntegrate ERP system.

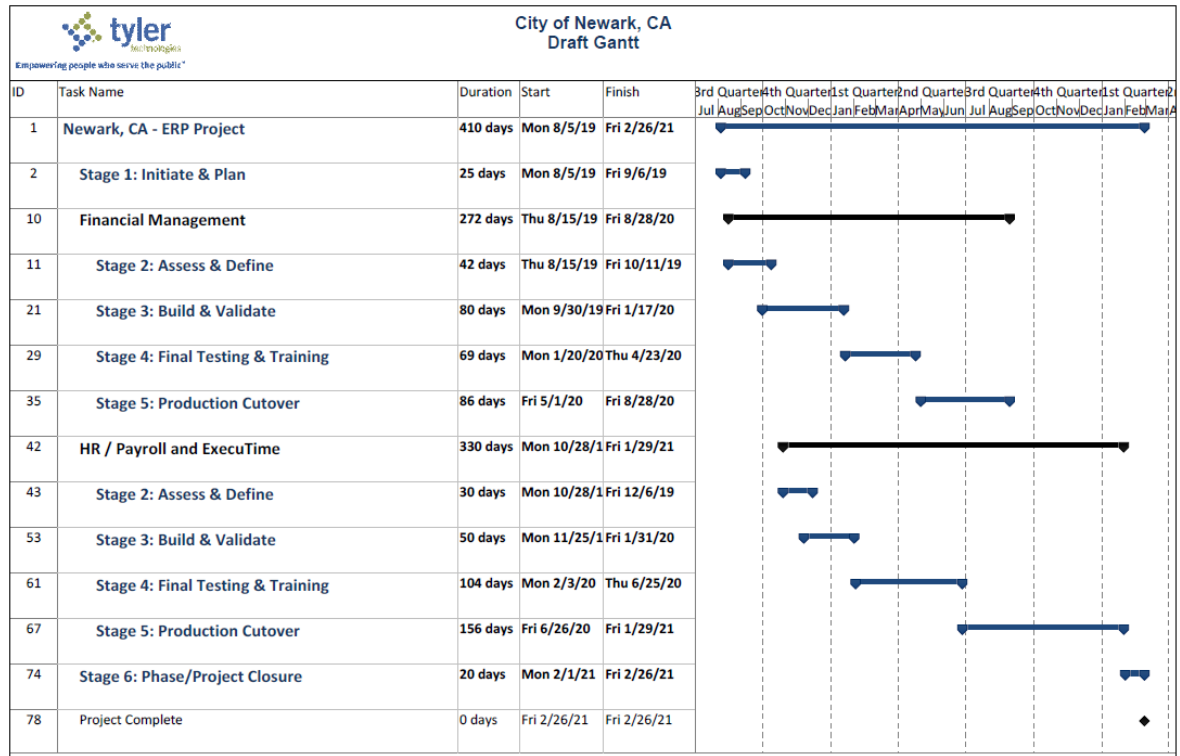
As part of the Tyler ongoing software maintenance agreement, Tyler will provide (without additional licensing fees to the City) all future upgrades, enhancements, and platform upgrades to the system software ensuring that the City always utilizes the most current technology (this is known as Tyler's "Evergreen philosophy"). The software maintenance also includes technical support and a searchable knowledgebase related to New World processing, procedures, and helpful hints. There will be no need to purchase additional server hardware since the City can implement the new required servers within the existing virtual server infrastructure.

Training is an essential component of the installation and implementation process. Training sessions would be provided to all users who are required to use the new ERP in the performance of their duties. Each department would be notified in advance of the training schedule.

The project is scheduled to begin on August 2019 and will consist of six (6) stages – from infrastructure planning, data conversion, building and validating, through testing, end-user

training, and a production cutover. The final phase is City acceptance of the modules implemented and closure of the project.

The entire project is anticipated to take 24 months. The Financial Management module would be implemented first. The Human Resources and Payroll module would be implemented approximately six months later.



Project Costs

The total cost of the agreement is approximately \$830,228, which includes optional software modules such as Business Licensing and Animal Licensing. The annual maintenance and support fees of \$58,860 will be waived for year 1 and will remain the same for year 2. In years 3 – 5, the maintenance fee will increase by three percent (3%) over the prior year annual fees.

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
One-Time Costs						
Software and Related Services						
License	200,850	66,950	-	-	-	267,800
Implementation Cost	55,680	48,000	-	-	-	103,680
Data Conversion	35,000	35,000	-	-	-	70,000
Services	75,400	9,600	-	-	-	85,000
Estimated Travel Expenses	25,000	25,000	-	-	-	50,000
Ongoing Costs						
Maintenance	-	58,860	60,626	62,445	64,318	246,248
Source Code Fee	1,500	1,500	1,500	1,500	1,500	7,500
TOTAL	\$ 393,430	\$ 244,910	\$ 62,126	\$ 63,945	\$ 65,818	\$ 830,228

After Year 5, the City has the option of renewing the contract and pay an annual maintenance and support fee with an average increase between 3% and 5% over the prior year annual fees.

Fiscal Impact

The total estimated one-time software and related implementation costs are projected to cost \$1,150,228 and are summarized in the following table:

Description	Costs
Tyler Technologies, Inc.	\$830,228
Implementation Management Services	\$200,000
Staff Augmentation	\$120,000
Total Project Costs	\$1,150,228

The 2014-2016 Biennial Budget included initial funding of \$1,250,000 for the replacement of the ERP financial management system and was appropriated in the Capital Improvement Program (CIP) project 401-5600-5280-1086. There is currently sufficient funding for this implementation. As noted above, staff will return to the City Council for further action related to implementation management services and staff augmentation as necessary.

Attachments – Resolution, Tyler Technologies Proposal, Statement of Work, License and Services Agreement

Action – Staff recommends that the City Council, by resolution, authorize the City Manager to execute a professional agreement with Tyler Technologies New World for the purchase of an Enterprise Resource Planning (ERP) System in the amount not to exceed \$830,228.

G. CITY ATTORNEY REPORTS

H. ECONOMIC DEVELOPMENT CORPORATION**I. CITY COUNCIL MATTERS****I.1 Presentation of the Measure GG Transaction and Use Tax Oversight Committee Annual Report – City Clerk Harrington.**

Background/Discussion – The City of Newark Transactions and Use Tax Ordinance was approved at the November 8, 2016 election and took effect on April 1, 2017. An Oversight Committee was appointed by the City Council to review revenues and expenditures and to provide the City Council with an annual report on whether the revenues were expended in an appropriate manner and to provide recommendations, if any, of ways to ensure that future revenues are expended appropriately.

The Oversight Committee has prepared the first annual report for fiscal years 2016-2017 and 2017-2018. The Committee's conclusion is that there are no findings to comment on or recommendations for future expenditures. Since this is the first report from the Oversight Committee, Chair Jim Lola will give an oral presentation at the City Council meeting.

Attachment – Measure GG Oversight Committee Annual Report.

Action – This is a presentation item, no action is necessary.

J. CITY COUNCIL ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY**K. ORAL COMMUNICATIONS****L. APPROPRIATIONS**

Approval of Audited Demands.

(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.