



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, February 9, 2017

CITY COUNCIL:

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

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:

- | | |
|-------------------------------------|-------------------------|
| 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, February 9, 2017

A. ROLL CALL

B. MINUTES

- B.1 Approval of Minutes of the regular City Council meeting of Thursday, January 26, 2017. (MOTION)**

C. PRESENTATIONS AND PROCLAMATIONS

C.1 Introduction of employees.

Background/Discussion – Deputy Community Development Director Art Interiano, Deputy Fire Marshall Andrew Lee, and Fire Code Compliance Officer Orlando Aguon will be at the meeting to be introduced to the City Council.

D. WRITTEN COMMUNICATIONS

- D.1 Zoning Administrator referral of an Administrative Special Civic Review for additions to a single-family residence at 5255 Orkney Court – from Assistant Planner Bowab. (REVIEW OPTIONAL)**

Background/Discussion – The subject site is on the southwest end of Orkney Court, west of Lundy Drive, and backs up to Lakeshore Park. Because the property is zoned R-8000-SC (Low Density Residential – 8,000 District – Special Civic), design review approval is required. The project consists of a new 176 square foot office/guestroom, a 56 square foot kitchen expansion, a 108 square foot living room expansion to the front of the home, a new 68 square foot closet, and two new bathrooms adding approximately 174 square feet. The new exterior building materials, architectural treatments, and colors will match the existing home. The applicant has obtained letters from all the property owners within 100 feet of the subject site stating that they do not object to the project.

The Zoning Administrator has approved the project subject to the following condition: “The owner and/or contractor shall implement all applicable Storm Water Quality Best Management Practices for the duration of all work activity. Additional best management practices may be required by the City Engineer to minimize the pollution of storm water runoff from the project area. A note to this effect shall appear on the building permit plans.”

Environmental Review

This project is categorically exempt from the California Environmental Quality Act (CEQA) per section 15301, Class 1, additions to existing facilities.

Attachment

Update – This item was presented to the Planning Commission at its January 24, 2017 meeting as an informational item.

Action – City Council review of this item is optional.

E. PUBLIC HEARINGS**F. CITY MANAGER REPORT**

(It is recommended that Items F.1 through F.4 be acted on simultaneously unless separate discussion and/or action is requested by a Council Member or a member of the audience.)

F.1 Approval of the allocation of anticipated Community Development Block Grant Jurisdiction Improvement Project funds for Fiscal Year 2017-18 – from Associate Planner Sofia Mangalam. (MOTION)

Background/Discussion – The City of Newark’s anticipated allotment of Community Development Block Grant (CDBG) funds for Fiscal Year 2017-18 is still unknown. However, in order to meet the deadlines for approval by the U.S. Department of Housing and Urban Development (HUD), Newark needs to allocate the funds at this time. Therefore, we are using an estimate of \$149,448 for planning purposes. This estimate is based on the most recent information from HUD and from historical funding levels. 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 (\$38,340) and Jurisdiction Improvement Projects (\$111,108).

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.

Recommendations for use of 2017-18 Jurisdiction Improvement Funds

The Community Development Advisory Committee (CDAC) met on January 31, 2017 to review the status of CDBG projects and to determine the recommended allocation of

Jurisdiction Improvement funds for fiscal year 2017-18. At that meeting, the CDAC voted unanimously to recommend that the City Council allocate \$111,108 to the Path Parkways Resurfacing for ADA Access Project No. 1175. This project is part of the City's 2013 update to the City of Newark's ADA Transition Plan. The ADA Transition Plan lists improvements that are needed to City parks and facilities for compliance with current Americans with Disabilities Act Standards.

Attachment - None

Action - It is recommended that the City Council, by motion, approve the allocation of anticipated CDBG Jurisdiction Improvement Project funds of estimated \$111,108 for Fiscal Year 2017-18 to the Path Parkways Resurfacing for ADA Access Project No. 1175.

F.2 Acceptance of public improvements for Tract 8165 (Equinox), a 15-unit, 16-lot single-family residential subdivision by Continental Residential, Inc., located on Birch Street between Jacaranda Drive and Peppertree Court – from Public Works Director Fajeau. (RESOLUTION)

Background/Discussion – All public improvements have been completed for Tract 8165, a 15-unit, 16-lot single-family residential subdivision located on Birch Street between Jacaranda Drive and Peppertree Court. The public improvements on Birch Street included a new driveway opening for a private street (Allium Place), frontage sidewalk and landscaping, utility and storm drain connections, and an asphalt concrete pavement overlay. The new private street has been built to public street standards and will be owned and maintained by the Homeowners Association of Tract 8165.

Attachment

Action – It is recommended that the City Council, by resolution, accept the public improvements for Tract 8165 (Equinox), a 15-unit, 16-lot single-family residential subdivision by Continental Residential, Inc., located on Birch Street between Jacaranda Drive and Peppertree Court.

F.3 Authorization for the Mayor to sign an agreement with Joel Nelson Productions, Inc., for the 2017 Music at the Grove Program – from Recreation and Community Services Director Zehnder. (RESOLUTION)

Background/Discussion – Since 1987, the Recreation and Community Services Department has organized a summer concert series at Shirley Sisk Grove. Based upon the quality of service provided for the 1987 through 2016 concert series, staff recommends that the firm of Joel Nelson Productions, Inc. be retained to provide entertainment and production services for the four scheduled concerts. The proposed agreement requires that Joel Nelson Productions, Inc. will:

1. Provide four (4) live professional musical entertainment events at the Shirley Sisk Grove. Concerts will be held on Friday evenings, June 23, July 7, July 21, and August 4, 2017. With permission from City staff, concert dates are subject to change.
2. Provide for all acts and talent as approved by City staff.
3. Provide on-site sound and stage managers at all concerts to coordinate and execute technical requirements.
4. Provide setup, installation, and maintenance of a stage for each concert. Stage for the 2017 concert series must be of professional quality, meet all ADA requirements, and will include commercial-grade scaffolding, shade cover, plywood backing and skirting. All stage surfaces to be painted black.
5. Provide professional setup, installation, and maintenance of all sound, audio, and electrical equipment for each concert.
6. Provide professional staffing to assist with day-of-event logistics.

The amount to be paid to Joel Nelson Productions, Inc., for all services described above is \$27,300.00. Funding for the 2017 Music at the Grove concert series will be arranged through the Newark Betterment Corporation as well in-kind donations from local businesses and organizations including Homewood Suites, and Tri-City Voice.

Permission to use the parking lot area at NewPark Mall and the access roads will be finalized prior to the first concert on June 23, 2017.

Because the concerts are being sponsored totally by the City, liability coverage is provided under the City's ABAG Plan. It should be noted that as part of the agreement with NewPark Mall, the City will have to indemnify them for losses, which may occur as a result of the concert's activities. The indemnification will release NewPark Mall from any and all liability for Music at the Grove attendees who utilize the parking lot area.

Attachment

Action - It is recommended that the City Council, by resolution, authorize the Mayor to sign an agreement with Joel Nelson Productions, Inc., for the 2017 Music at the Grove Program.

- F.4 Authorization for the Mayor to sign a contractual services agreement with Hinderliter, de Llamas and Associates (HdL) for sales, use, tax and transaction tax audit and information services – from Administrative Services Director Woodstock. (RESOLUTIONS-2)**

Background/Discussion – In December 2016, a Request for Proposal (RFP) for Sales, Use and Transaction Tax auditing and information services was issued. The consultant will continuously audit sales, use and transaction tax data submitted to the State Board of Equalization to ensure revenues are properly distributed to the City. The consultant will also provide sales tax forecasting and trend information as well as legislative information that relates to sales tax.

Two firms submitted proposals. A matrix was used to evaluate the proposals based on the criteria listed in the RFP of experience, ability to provide current services, ability to provide future services related to sales tax as may be needed, price of services, reputation and judgment of firm and responsiveness to the proposal. The firm of Hinderliter, de Llamas and Associates was selected. Hinderliter, de Llamas and Associates is one of the leading experts in this field and are very qualified to perform this service for the City.

There is a \$650 monthly fee for on-going audit services, quarterly reports, and providing other sales tax related information services. There are also opportunities for HdL to receive a contingency for recovery work.

To accomplish the work described above, Hinderliter, de Llamas and Associates must be authorized by resolution to examine the State Board of Equalization records. Revenue and Taxation Code Section 7056 requires the use of tax records to be used only for the purpose of audit functions and all data must be kept confidential.

Attachment

Action - It is recommended that the City Council, by resolutions, authorize the Mayor to sign a Contractual Services Agreement with Hinderliter, de Llamas and Associates for Sales and Use Tax and Transaction and Use Tax Audit and Information Services and by separate resolution, authorize the examination of the Transaction (Sales) and Use Tax Records.

NONCONSENT

F.5 Amendment of the 2016-2018 Biennial Budget and Capital Improvement Plan for Fiscal Years 2016-2017 and 2017-2018 for General Revisions and Revenue Forecast Increases – from Administrative Services Director Woodstock. (RESOLUTION)

Background/Discussion – As part of the mid-cycle budget review, a number of revisions are proposed to the annual budget. These revisions have been identified where changes have occurred since the adoption of the budget document in June of 2016 or where adjustments are needed.

The budget amendment includes significant increases to several of the major revenue sources including property tax, vehicle-in-lieu revenue, and transient occupancy tax. These increases are based on last year's performance and economic trends. Both

Fiscal Years 2016-2017 and 2017-2018 are being adjusted for these revenue increases. The new Transaction Tax revenue is also being added to both years. Fiscal Year 2016-2017 will receive three (3) months of revenue and Fiscal Year 2017-2018 will include the full year.

The proposed expenditure modifications to the General Fund operating budget for Fiscal Year 2016-2017 include:

1. Adding expenditures for preliminary work on the Civic Center project.
2. A change in our current accounting method of charging revenue generating contracts, such as recreation contract instructors, to a revenue account code. The new method will charge all activities to expenditure accounts and all revenue generated to a revenue account. This results in revenue account increases and equal increases in contractual services expenditure accounts.
3. An increase in workers compensation charges to departments to account for increased claims expenses
4. An increase in funding for geotechnical consulting services
5. An increase in hours for a Recreation Coordinator
6. An increase in contractual costs for traffic signal repair and hazardous material pick up.

The significant adjustments to other funds (non-General Fund) include:

1. An increase in Workers Compensation Costs
2. An increase in equipment replacement for vehicle replacements
3. An increase in Asphalt Concrete Overlay Program

The proposed amendment for Fiscal Year 2016-2017 includes transfers which total \$6,000,000 from the unallocated fund balance into the following funds:

1. Capital Reserves - \$4,000,000
2. Equipment Replacement Reserves - \$1,000,000
3. Public Liability Reserves - \$1,000,000.

At this time there are sufficient funds in the unallocated fund balance to allow for the rebuilding of these reserve funds.

The expenditure modifications to the General Fund operating budget for Fiscal Year 2017-2018 include:

1. Adding expenditures for the Civic Center project.
2. A change in our current accounting method of charging revenue generating contracts, such as recreation contract instructors, to a revenue account code. The new method will charge all activities to expenditure accounts and all revenue generated to a revenue account. This results in revenue account increases and equal increases in contractual services expenditure accounts.
3. An increase in equipment replacement charges to departments

Exhibit A lists the adjustments to the budget revenues, expenditures and transfers for Fiscal Year 2016-2017. Exhibit B lists the adjustments to the budget revenues and expenditures for Fiscal Year 2017-2018.

Attachments

Action - It is recommended that the City Council, by resolution, amend the 2016-2018 Biennial Budget and Capital Improvement Plan for Fiscal Years 2016-2017 and 2017-2018.

F.6 Approval to reorganize the Public Works Building Inspection Division by adding an Assistant Building Official and reclassifying one Senior Administrative Support Specialist to Administrative Assistant by amending the Employee Classification Plan, the Compensation and Benefit Plan for City Officials, Management, Supervisory and Professional Employees, and the 2016-2018 Biennial Budget – from Human Resources Director Abe. (RESOLUTIONS – 3)

Background/Discussion – The Chief Building Official/City Architect has taken on the additional responsibility as project manager for the new Civic Center Construction Project. This project will consume a significant amount of his time during the next three years. It is anticipated that the Chief Building Official/City Architect will retire shortly after the completion of the project.

The additional responsibility for project management of the new civic center is occurring during the highest development activity workload experienced in decades. Accordingly, a reorganization of the Building Inspection Division's management and supervisory structure is recommended to meet essential workload demands with speed, effectiveness, and responsiveness.

The proposed reorganization would add a new position of Assistant Building Official to relieve the Chief Building Official/City Architect of the day-to-day tasks of running the Building Inspection Division. In addition the Assistant Building Official will perform plan reviews which will shorten turn-around times.

The reorganization also strengthens the supervision and organization of administrative support by reclassifying one Senior Administrative Support Specialist to Administrative Assistant. In addition to providing lead direction and coordination of the historically heavy workload, the position will take on complex additional administrative support responsibilities to assist with the project management of the new civic center.

Based on both internal salary relationships and regional total compensation surveys of comparable positions, the proposed salary range for Assistant Building Official is \$7,930 to \$11,495 per month, approximately 21% below the range for Chief Building Official/City Architect. All related costs will be fully offset by development permit fees as noted below:

For Fiscal Year 2016-2017:

FROM
020-0000-3670 Increase Plan Check Fee Revenue \$ 79,500

TO
020-2014-4100 Building Division Staff \$ 79,500

For Fiscal Year 2017-2018:

FROM
020-0000-3670 Increase Plan Check Fee Revenue \$ 190,700

TO
020-2014-4100 Building Division Staff \$ 190,700

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 Assistant Building Official and (2) amending Resolution No. 10401, the Compensation and Benefit Plan for City Officials, and the Management, Supervisory and Professional Employee Group to add one new classification, entitled Assistant Building Official, and (3) amending the 2016-2018 Biennial Budget to add one Assistant Building Official position, add one Administrative Assistant position, and delete one Senior Administrative Support Specialist and amend the budget for Fiscal Years 2016-2017 and 2017-2018.

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 February 9, 2017. (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.