

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
WEDNESDAY- -MARCH 7, 2012- -7:00 P.M.

Mayor Gilmore convened the meeting at 7:07 p.m. Councilmember Tam led the Pledge of Allegiance.

ROLL CALL – Present: Councilmembers Bonta, deHaan, Johnson, Tam and Mayor Gilmore – 5.

Absent: None.

ORAL COMMUNICATIONS, NON-AGENDA

None.

CONSENT CALENDAR

The Resolution [paragraph no. 12-110] was pulled from the Consent Calendar for discussion.

Councilmember Tam moved approval of the remainder of the Consent Calendar.

Vice Mayor Bonta seconded the motion, which carried by unanimous voice vote – 5. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*12-109) Recommendation to Approve the Mid-Year Budget Adjustments for Fiscal Year 2011-2012. Accepted.

(12-110) Resolution No.14659, “Approving Revised Memorandum of Understanding (MOU) Between the International Brotherhood of Electrical Workers and the City of Alameda for the Period Commencing January 1, 2012 and Ending December 26, 2015.” Adopted.

The Alameda Municipal Power (AMP) General Manager gave a brief presentation.

Urged approval of the MOU: Ray Thomas, IBEW; and Al Fortier, IBEW (submitted information).

The City Manager stated the negotiations were tough, but fair; IBEW had a righteous cause for its members; both sides heard each other and ended up with a longer term agreement; thanked Mr. Thomas and Mr. Fotrier.

Councilmember Johnson congratulated AMP on the three year safety record; stated negotiations are tough for both sides these days; that she is pleased that staff, the City Manager and IBEW came to successful conclusion; moved adoption of the Resolution.

Vice Mayor Bonta seconded the motion, which carried by the unanimous voice vote – 5.

AGENDA ITEMS

(12-111) Mayor's State of the City Address.

The Mayor gave her State of the City Address.

Discussed the Sunshine Ordinance and thanked the City for its commitment to openness in government: Jeff Cambra, League of Women Voters (LWV) President, submitted information.

Thanked the Council for doing the job of making difficult decision: Helen Sause, Alameda.

(12-112) Resolution No. 14660, "Calling an Election in the City of Alameda on June 5, 2012 for the Purpose of Submitting to the Electors a Ballot Measure Seeking Enactment of a One-Half of One Percent Special Transactions and Use (Sales) Tax, Establishing the Policies and Procedures for Such an Election and Requesting that the County of Alameda Conduct Such an Election." Adopted.

The City Manager gave a brief presentation.

Councilmember Johnson stated that she likes the proposed uses; she would like to consider including an all-weather sports fields and lights for a baseball field.

The City Manager stated the resolution would permit such an expenditure; anything the Council wishes to add needs to be voted upon to allow the public to understand what the City will address and hold the City accountable.

Councilmember deHaan stated the measure is broken down into various projects and segments; requested further explanation of the bond and how the funding would be distributed.

The City Manager responded staff estimates the sales tax would generate \$1.86 million per year; although the amount should rise with inflation, calculations were based on the \$1.86 million; the City can issue a bond; \$1 million per year would go to debt service to pay the bond; the bond would yield between \$15 and \$16 million and would have a large coverage of 175%, which would give the City a better bond rating and keep rates down; if the City were going forward today, the quote was 4.1% [interest rate]; an estimate of 4.5% was included based on the time it would take to get to the market; numbers were not included in the resolution because the City only has estimates; for example, the \$3.5 million estimate for the Carnegie is based on a 2007 estimate when construction costs were higher and \$4 million was estimated for a 50-meter swimming pool based on projects in other communities; the priorities are: 1) building Fire Station 3

and adding an Emergency Operations Center (EOC) on the second floor, 2) the swimming pool, and 3) the Carnegie, which would total \$12.5 million; after that, items could be added by Council or funds could be used for construction of the training center.

Councilmember deHaan inquired whether a greater breakdown would be provided if the measure goes forward.

The City Manager responded in the affirmative; stated the bond proceeds would be used to complete construction projects first; \$1 million would pay for the bonds and the remaining approximately \$800,000 annually would be used to address issues, such as fleet; staff would establish a line item to begin depreciating new equipment purchased.

In response to Councilmember deHaan's inquiry about the duration of the bond, the City Manager responded the duration would be 30 years, the same as the tax; to yield \$15.5 million, the entire bond would be around \$29 million over 30 years; the entire tax comes out to a little more than \$54 million.

Councilmember Johnson inquired whether a regional fire training tower could be considered.

The City Manager responded the original list he developed had a fully built out regional training center for police and fire because there are very few in the region; he felt the center could be marketed and revenue could be used to offset the center's operational costs; however, after discussions with staff and the City Auditor and Treasurer, the conclusion was that the City would be better served to have funds to replace the entire City fleet and scale the project back to just the tower; the training center would be on land out at the Base; the City would build the tower and two classrooms and look for other agencies as partners to buy in.

Councilmember Johnson stated that she envisioned different jurisdictions investing in the creation of training tower so the City would not front the whole cost.

The City Manager stated public safety staff would have to market the facility to other agencies; both Chiefs believe there is a need in the region and the City will not have any trouble getting the project done.

Councilmember deHaan stated that he has questions regarding the vehicles; the City has an account for rolling stock; the City Manager is saying the City has not put in adequate funding; fire apparatuses and patrol vehicles were purchased this year.

The City Manager reviewed the Power Point slide comparing equipment funding with other cities.

The Police Chief reviewed purchases; stated five vehicles exceed mileage currently; outlined problems with the cycle being created; stated purchasing one or two vehicles per year will not get the City out of its current cycle.

Councilmember deHaan stated enough vehicles have not been procured; the City is not living up to the policy it created; inquired how many vehicles are requested next year.

The Police Chief responded the Police Department does not request vehicles; stated the Police Department is slated to receive two new patrol vehicles; five vehicles exceed mileage and a number are close to exceeding mileage; the mileage requirement could be adjusted, but the City is in such a hole it cannot get out.

Councilmember deHaan stated effort was made to create a reserve; inquired whether the ladder truck and engine purchased this year were included in the budget.

The Division Chief responded the City has done a lease purchase for an air ladder truck and a fire engine.

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Councilmember Johnson left the dais at 8:20 p.m. and returned at 8:25 p.m.

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In response to Councilmember deHaan's inquiry, the Police Chief stated the intention is not to go out and purchase a whole new fleet; a better process needs to be in place that is financially stable; marked vehicles are being discussed; however, there are detective vehicles from 1995 and 1996, which sometimes do not start; the two vans for the School Resource officers are from 1993.

Councilmember deHaan inquired how many patrol cars are needed next year, to which the Police Chief responded at least 5.

In response to Councilmember deHaan's inquiry regarding Fire vehicles included in the next Fiscal Year budget, the Division Chief stated a ladder truck and an engine would be purchased.

Councilmember deHaan inquired whether expenses are included in the budget for next year, to which the City Manager responded expenses are across many years because the equipment is leased.

Councilmember deHaan stated the City has refinanced buildings; inquired whether the Police Station has been refinanced twice.

The Police Chief responded that he believes the bond was for the jail, not the Police Station.

Councilmember deHaan inquired whether the City would do so again, to which the City Manager responded the issue is not related and is not on the table; there would have to be a natural disaster for current staff to ever propose any type of sale lease back of existing City facilities.

Councilmember deHaan stated the City looked into a salt water pump to use in an emergency; inquired whether any research has been done.

The Division Chief responded the matter was researched several years ago; stated the purchase was low on the priority list; further stated a six year old pump is being overhauled.

In response to Councilmember deHaan's inquiries regarding maintenance, the Public Works Director outlined the City's process; stated many Public Works and Recreation and Parks vehicles have been deferred; maintenance costs increase as the fleet ages.

The City Treasurer and the City Auditor discussed the proposed measure and expressed their support.

Following the Treasurer's comments, Councilmember deHaan inquired how on going maintenance for the pool and firehouse would be funded.

The City Manager responded for the pool, the City anticipates creating a partnership with the swim community and having a 66 year lease, which would require the swim community to operate and maintain the facility; the animal shelter model will be used; assuming the useable life of a fire house is 50 years, building a \$5 million fire house would require the Fire Department to set aside \$100,000 every year to replace the fire house; further stated both Chiefs want to depreciate facilities, as well as both purchased and leased vehicles; depreciating is the proper way to budget.

Speakers in favor of placing the measure on the ballot: Fred Blas, Citizens Emergency Response Team (CERT) and Armature Radio Air Service; Bob Ploss, Alameda Aquatic Foundation; Bruce Thompson, Alameda Aquatic Foundation; Tom Schweich, Alameda/CERT; Jack Boeger, Alameda; Robbie Dileo, Alameda Museum; Jon Spangler, Alameda; Trish Spencer, Alameda; Karen Bey, Alameda; Domenick Weaver, Alameda Firefighters Association and Alameda resident; and former Councilmember Tony Daysog, Alameda.

Speakers in favor of placing the measure on the ballot and urged adding funds for a sports field: Ron Matthews, Alameda Youth Sports Foundation (AYSF); Pat Bail, Wolverines, AYSF and Alameda Babe Ruth; and Tracy Jensen, Alameda Soccer Club.

Speakers not in favor of placing the measure on the ballot: Donna Eyestone, Alameda.

Urged including funding for TASC, Inc.: Apostle Tillman, TASC, Inc.

Urged revision to the measure including a shorter timeline: Al Wright, Alameda.

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Vice Mayor Bonta left the dais at 9:45 p.m. and returned at 9:47 p.m.

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In response to Councilmember Johnson's inquiry about a shortened timeframe, the City Manager stated there is a balancing act that goes on with a finance measure; if the tax is closed off more quickly than 30 years, the bonding ratios become very different and yield much less money up front; since construction costs are lower and given the needs, staff thought a 30 year time horizon was advantageous; when he had a conversation with the City Treasurer, they discussed that the City does not want to buy something with a 15 year useful life since the tax is 30 years; the conversation led to the concept of having an Administrative Instruction on depreciation; to address non-profit fatigue, activating a community with specific interest in an activity is more likely to generate donations and volunteer time; spinning activities off to non-profits is cost effective and gives the groups a stake; the movement is to partner with people interested in specific services while having core services provided by government.

Vice Mayor Bonta inquired what is the vision to make the measure pass; stated polling data looked at an issue that is not included in the package; the community expressed interest in public safety, parks and libraries; stated that he would like to see components for a sports field and the library.

The City Manager stated an all-weather, lighted, multi-purpose field would cost \$1.9 million; broke down costs; further stated if the Council desires, \$1 million would be available from the bond; the City would partner with the youth sports foundation and require the foundation to come up with matching grant money; the structure would be the same as the pool and animal shelter; the library needs an elevator, computer upgrades and conversion to electronic books, which would cost \$300,000 and would not come from the bond proceeds.

Councilmember Johnson stated that she would love to include the library; requested information on the need for an elevator; inquired whether funds could be used on the collection.

The Library Director responded a second elevator would provide back up; stated staff has to carry boxes of books upstairs if the elevator goes down; the elevator is very important; as for collections, e-book use is expanding and there can be a wait list of 40 people; computers are 5 years old.

Councilmember Johnson stated that she is in favor of including the collection and electronic equipment; inquired whether the Library Director would choose to fund the collection and computers versus an elevator.

The Library Director responded the elevator is on the Library Board's wish list.

Councilmember Johnson inquired whether the collection is at the desired level, to which the Library Director responded in the negative.

The Assistant City Manager noted in the past, the library elevator has been out of service frequently and patrons with disabilities cannot get upstairs.

The City Manager stated the elevator fits as a capital project and a staff injury avoidance expense.

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Councilmember Johnson left the dais at 10:10 p.m. and returned at 10:11 p.m.

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In response to Vice Mayor Bonta's inquiry regarding when projects would start, the City Manager stated staff would start with Fire House 3, the Carnegie, the pool and the sports field.

The Controller further responded the Board of Equalization would start collecting at the beginning of the next quarter, which would be October 1st; stated there is lag time; the City would receive the money for the October through December quarter at the end of March 2013 at which time bonds would be issued.

The City Manager stated staff would work on plans and other prep work; however, people probably would not see work begin until September 2013.

Mayor Gilmore stated having people in the community know the timeline is important.

In response to Councilmember deHaan's inquiry regarding Fire Station 3, the Division Chief stated the current plans are for a two-story, two-bay station; two-bay means the station would hold two fire apparatus.

Councilmember deHaan inquired what is currently at the station, to which the Division Chief responded right now one, bay is reinforced; the other is un-reinforced and has a reserve engine in it.

In response to Councilmember deHaan's inquiry about Fire Station 5, the Division Chief stated the current location is not the ideal location.

Councilmember deHaan stated that he is comfortable with the organization running the animal shelter; inquired how the City would have oversight of the other non-profits.

The City Manager responded deeds are not being turned over; if there are issues, the City still has the leasehold; for example, the museum will have benchmarks and the lease would be revoked if benchmarks are not met.

The Police Chief reviewed the animal shelter oversight.

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(12-113) In compliance with the Sunshine Ordinance, Councilmember Tam moved that

the discussion of next agenda item [paragraph no. 12-114] be postponed and not be started [after 10:30 p.m.]

Vice Mayor Bonta seconded the motion, which carried by unanimous voice vote – 5.

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Mayor Gilmore thanked the City Manager, staff, Auditor and Treasurer; stated the discussion tonight clarified issues and addressed concerns, such as making sure the money will be spent as indicated and ensuring the City would not be in the same position in 30 years; work is being done to ensure the City is on a fiscally sustainable path; the measure is a good step toward said goal.

Councilmember Johnson inquired whether the non-profits would have to have reserves for maintenance, to which the City Manager responded the City would negotiate for said reserves; stated time might have to be given to ramp up reserves since the organizations are new; the City will try to build in a sinking fund.

Councilmember Johnson stated that she is confident the sports and swimming groups are very organized and would keep the facilities in good condition.

Councilmember deHaan stated the non-profit groups would have to be within Alameda and should not be from outside Alameda.

Councilmember Tam stated staff would like direction on the process for arguments and the Impartial Analysis; that she would recommend that a Council subcommittee work with the community to develop the language and have the City Attorney prepare the Impartial Analysis.

The City Attorney noted the argument has to be submitted by March 15th.

Mayor Gilmore inquired whether Council needs to adopt the resolution to move forward, to which the City Attorney responded in the affirmative; stated both the resolution and the form of the ordinance that would be on the ballot [are being approved]; the expenditure plan in [ordinance] Section 3-63.14 has the categories that limit allocation of the sales tax money; noted Section 3-63.15 address the annual audit procedure.

Vice Mayor Bonta moved adoption of the resolution with the amendments discussed with respect to an all-weather sports field and money for the library.

The City Manager stated the categories exist, so staff would take Council direction on said projects; a list of the advance projects would be presented in a subsequent report probably in April.

The City Attorney noted the tax lasts 30 years; staff wants to be careful and specific, but not overly specific and tie the City's hands; read part of Section 3-62.14; stated there is flexibility within the categories; examples are given; items can be added to the list of

examples if desired.

Councilmember Johnson stated the City should be specific about the lighted all-weather field; inquired whether a supermajority vote would be needed on the leases with the non-profits and whether the matter should be addressed as part of the measure.

The City Attorney noted a supermajority vote is need to place the matter on the ballot; responded the supermajority vote is required for leases under the Charter; a Charter amendment could be brought forward in the near future if needed.

Councilmember Tam suggested that the City attempt to get the funds and have the leases conform to the Charter; stated the Charter could be addressed if issues arise.

The City Manager stated staff would be able to resolve the matter; rather than calling it a lease, it could be called a management agreement.

Mayor Gilmore stated Charter amendments take time, thought and public input; in spite of the 2008 clean up, there are additional items that need to be addressed.

Councilmember Tam noted the City could follow other model agreements, such as Franklin Pool.

Vice Mayor Bonta inquired whether the all-weather sports field and library improvements should be included as examples in Section 3-63.14.

The Mayor and Councilmembers agreed.

In response to the City Attorney's inquiry about whether the language should read lighted all-weather sports field, the Council consensus was to include lighted all-weather sports field.

Vice Mayor Bonta inquired whether the ballot question would be worked on with the community, to which Councilmember Tam responded in the affirmative.

The City Attorney stated staff presented the ballot language; the community and Council would be writing the argument in favor.

The Assistant City Manager stated the ballot question and resolution has to be submitted to the County by Friday [March 9].

The City Manager stated the ballot question is based on the text of the measure as informed by the poll conducted; the question was not constructed absent consideration to get two-thirds [voter approval]; the matter was discussed with political professionals.

Vice Mayor Bonta stated someone should be engaged before Friday.

Councilmember Johnson inquired whether a subcommittee could work with staff on the language.

The Assistant City Manager stated the resolution has to be adopted tonight; staff needs to determine whether the language can be left unclear; the resolution has to be to the County by Friday.

The City Manager stated staff discussed the matter with Alex Evans who conducted the poll; political and public opinion professionals were used to help staff draft the language.

Councilmember Johnson stated the motion should go forward since there is not time.

Councilmember Tam inquired whether the ballot question has to be submitted by Friday [March 9] and the ballot arguments have to be submitted by March 15.

The City Manager responded in the affirmative; stated the ballot arguments are not being adopted.

The Assistant City Manager stated the argument would not come back to Council for approval.

Councilmember Tam stated that she is fine with the ballot question and is more concerned with the ballot argument.

The Assistant City Manager stated Council needs to designate a subcommittee to write the argument.

In response to Mayor Gilmore's inquiry, Vice Mayor Bonta stated that he moved adoption of the resolution with minor tweaks; noted the ballot question does not include the sports field or library.

The City Manager stated the ballot question states cultural and recreational facilities; noted the number of words is limited.

Councilmember Johnson seconded the motion.

The Assistant City Manager suggested "other" be replaced with "library" in the ballot question.

The Council agreed to amend the motion to incorporate said suggestion.

On the call for the question, the motion carried by unanimous voice vote – 5.

Mayor Gilmore stated a subcommittee needs to be appointed to write the ballot argument, which is due on March 15th; stated that she would be willing to be on the subcommittee.

Councilmember Tam stated that she would volunteer to serve on the subcommittee.

The motion to have Mayor Gilmore and Councilmember Tam serve as the subcommittee and to direct the City Attorney to prepare the Impartial Analysis was moved by consensus.

Vice Mayor Bonta seconded the motion, which carried by unanimous voice vote – 5.

(12-114) Review the Closed Session Minutes Approval Process.

The matter was not heard.

CITY MANAGER COMMUNICATIONS

None.

COUNCIL COMMUNICATIONS

None.

ADJOURNMENT

There being no further business, Mayor Gilmore adjourned the meeting at 10:47 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Sunshine Ordinance.