CORONAVIRUS ADVISORY INFORMATION:

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CITY COUNCIL

Norma Martínez-Rubin, Mayor
Vincent Salimi, Mayor Pro Tem
Devin Murphy, Council Member
Anthony Tave, Council Member
Maureen Toms, Council Member

PINOLE CITY COUNCIL MEETING AGENDA

TUESDAY
June 1, 2021
VIA ZOOM TELECONFERENCE

6:00 P.M.

DUE TO THE STATE OF CALIFORNIA'S DECLARATION OF EMERGENCY – THIS MEETING IS BEING HELD PURSUANT TO AUTHORIZATION FROM GOVERNOR NEWSOM'S EXECUTIVE ORDERS – CITY COUNCIL AND COMMISSION MEETINGS ARE NO LONGER OPEN TO IN-PERSON ATTENDANCE.

SUBMIT PUBLIC COMMENTS TO CITY BEFORE OR DURING THE MEETING VIA EMAIL

comment@ci.pinole.ca.us

Comments received before the close of the public comment period for that item will be read into the record and limited to 3 minutes. Please include your full name, city of residence and agenda item you are commenting on. Any comments received after the close of the public comment period will be distributed to Council and relevant staff after the meeting and filed with the agenda packet.

WAYS TO WATCH THE MEETING

LIVE ON CHANNEL 26. They are retelecast the following Thursday at 6:00 p.m. The Community TV Channel 26 schedule is published on the city's website at www.ci.pinole.ca.us.

VIDEO-STREAMED LIVE ON THE CITY'S WEBSITE, www.ci.pinole.ca.us. and remain archived on the site for five (5) years.

If none of these options are available to you, or you need assistance with public comment, please contact the City Clerk, Heather Iopu at (510) 724-8928 or hiopu@ci.pinole.ca.us .

Americans With Disabilities Act: In compliance with the Americans With Disabilities Act of 1990, if you need special assistance to participate in a City Meeting or you need a copy of the agenda, or the agenda packet in an appropriate alternative format, please contact the City Clerk's Office at (510) 724-8928. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Note: Staff reports are available for inspection on the City Website at www.ci.pinole.ca.us. You may also contact the City Clerk via e-mail at hiopu@ci.pinole.ca.us .

Ralph M. Brown Act. Gov. Code § 54950. *In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly. The people of this State do not yield their sovereignty to the agencies, which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments thev have created.*

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

An official who has a conflict must, prior to consideration of the decision: (1) publicly identify in detail the financial interest that causes the conflict; (2) recuse himself /herself from discussing and voting on the matter; and (3) leave the room until after the decision has been made, Cal. Gov't Code § 87105.

3. CONVENE TO A CLOSED SESSION

Citizens may address the Council regarding a Closed Session *item prior to the Council adjourning into the Closed Session, by first providing a speaker card to the City Clerk.*

A. CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Gov. Code § 54957.6
Agency designated representatives: City Manager Murray, Assistant City Manager De La Rosa, City Attorney Casher, Gregory Ramirez (IEDA)
Employee organizations: AFSCME, Local 1, IAFF

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

5. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes and is subject to modification by the Mayor. Individuals may not share or offer time to another speaker. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting.

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

1. Recognizing June as Pride Month
2. Recognizing June 19, 2021 as Juneteenth Day

B. Presentations / Recognitions

1. Presentation from Bay Area Rapid Transit (BART) by Board President Lateefah Simon
2. "Diversifying Pinole History: A Visual Storytelling Community Project" Presentation by Dyana Wing So, Pinole History Museum
3. Presentation on Local History by Corrina Gould, Tribal Chair for Confederated Villages of Lisjan and Co-Founder, Sogorea Te Land Trust

7. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine and noncontroversial. These items will be enacted by one motion and without discussion. If, however, any interested party or Council member(s) wishes to comment on an item, they may do so before action is taken on the Consent Calendar. Following comments, if a Council member wishes to discuss an item, it will be removed from the Consent Calendar and taken up in order after adoption of the Consent Calendar.

A. Approve the Minutes of the Meeting of April 6, 2021

B. Receive the May 15, 2021 – May 28, 2021 List of Warrants in the Amount of $597,952.61 and the May 28, 2021 Payroll in the Amount of $419,215.80

C. Resolution Confirming Continued Existence of Local Emergency **[Action: Adopt Resolution per Staff Recommendation (Casher)]**

D. Receive Revised Final Proposed Long-Term Financial Plan for Fiscal Year (FY) 2021/22 – FY 2025-26 **[Action: Adopt Resolution per Staff Recommendation (Guillory)]**

E. Receive A Report on City of Pinole Expenses That Were Reimbursed by the Cares Act Funding Allocated to the City **[Action: Receive Report (Guillory)]**

F. Authorizing the City Manager to Execute Task Order #2 With RSG, Inc. In the Amount Not to Exceed $41,500 for Ongoing Coordination And Negotiations of Commercial Real Estate Broker Services for the Sale of Several Former Redevelopment and Housing Assets **[Action: Adopt Resolution per Staff Recommendation (De La Rosa)]**

8. PUBLIC HEARINGS

Citizens wishing to speak regarding a Public Hearing item should fill out a speaker card prior to the completion of the presentation, by first providing a speaker card to the City Clerk. An official who engaged in an ex parte communication that is the subject of a Public Hearing must disclose the communication on the record prior to the start of the Public Hearing.

NONE

9. OLD BUSINESS

A. Resolution Approving Letter Of Understanding Between The Cities Of Pinole And Hercules, Regarding Disbursement Of The Assets From Escrow Accountal Cost Agreement - Pinole/Hercules WW Treatment Plant – Upgrade **[Action: Adopt Resolution per Staff Recommendation (Miller)]**

B. Discussion Of Request To Amend The City Council Meeting Procedures To Include An Indigenous Land Acknowledgement at the Beginning of City Council Meetings **[Action: Discuss and Provide Direction (Casher)]**

10. NEW BUSINESS

NONE

11. REPORTS & COMMUNICATIONS

A. Mayor Report
1. Announcements

B. Mayoral & Council Appointments
1. Create 2021 Interview Ad Hoc Subcommittee of the City Council for Community Services and TAPS Committee Appointments **[Action: Create Ad Hoc Committee by Minute Order (Iopu)]**

C. City Council Committee Reports & Communications

D. Council Requests for Future Agenda Items

E. City Manager Report / Department Staff

F. City Attorney Report

12. ADJOURNMENT to the Regular City Council Meeting of June 15, 2021 in Remembrance of Amber Swartz.

I hereby certify under the laws of the State of California that the foregoing Agenda was posted on the bulletin board at the main entrance of Pinole City Hall, 2131 Pear Street Pinole, CA, and on the City's website, not less than 72 hours prior to the meeting date set forth on this agenda.

POSTED: May 28, 2021 at 10:00 A.M.

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Heather Iopu, CMC
City Clerk

CITY COUNCIL MEETING
MINUTES
April 6, 2021

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

The City Council Meeting was held via Zoom videoconference and broadcast from the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Martínez-Rubin called the Regular Meeting of the City Council to order at 6:02 p.m. and led the Pledge of Allegiance.

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

A. COUNCILMEMBERS PRESENT

Norma Martínez-Rubin, Mayor
Vincent Salimi, Mayor Pro Tem
Anthony Tave, Council Member
Devin Murphy, Council Member
Maureen Toms, Council Member

B. STAFF PRESENT

Andrew Murray, City Manager
Hector De La Rosa, Assistant City Manager
Heather Iopu, City Clerk
Eric Casher, City Attorney
Tamara Miller, Development Services Director/City Engineer
David Hanham, Planning Manager
Chris Wynkoop, Fire Chief
Markisha Guillory, Finance Director

Assistant City Manager De La Rosa announced that the agenda was posted on April 6, 2021 at 6:00 p.m. and subsequently amended to include item 6B1. All legally required notice was provided.

Following an inquiry to the Council, the Council reported that there were no conflicts with any items on the agenda.

3. CONVENE TO A CLOSED SESSION

Citizens may address the Council regarding a Closed Session *item prior to the Council adjourning into the Closed Session, by first providing a speaker card to the City Clerk.*

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Gov. Code § 54957
Title: City Manager

B. CONFERENCE WITH LABOR NEGOTIATORS

Pursuant to Gov. Code § 54957.6
Agency designated representatives: City Attorney Casher
Unrepresented Employee: City Clerk

At 6:06 p.m., Mayor Martinez-Rubin convened the meeting to a Closed Session.

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

At 7:00 p.m., Mayor Martinez-Rubin reconvened the meeting to open session.

City Attorney Casher stated that there was no reportable action for item 3A. For item 3B, the City Council directed staff to provide a 5% merit-based salary increase to be approved as a contract amendment.

5. CITIZENS TO BE HEARD (Public Comments)

Citizens may speak under any item not listed on the Agenda. The time limit is 3 minutes and is subject to modification by the Mayor. Individuals may not share or offer time to another speaker. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future Council meeting.

The following speakers submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Debbie Long, George Pursley, Negeen Sedeghi-Movahed, Rafel Menis, Roy Swearingen**

6. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

A. Proclamations

B. Presentations/Recognitions

1. Certificate of Recognition for Jermaine Gitana, PVHS Student, Awarded As 2021 Contra Costa County "Poetry Out Loud" Champion

Mayor Martinez-Rubin presented a certificate of recognition to Jermaine Gitana. Mr. Gitana recited a poem. City Council members thanked Mr. Gitana and made comments in recognition of his achievement.

2. Presentation by County Animal Services

Presentation given by the County Animal Services department with information on current service levels. The City Council asked questions. The County representatives responded to Council questions.

7. CONSENT CALENDAR

All matters under the Consent Calendar are considered to be routine and noncontroversial. These items will be enacted by one motion and without discussion. If, however, any interested party or Council member(s) wishes to comment on an item, they may do so before action is taken on the Consent Calendar. Following comments, if a Council member wishes to discuss an item, it will be removed from the Consent Calendar and taken up in order after adoption of the Consent Calendar.

Council member Toms and Mayor Martinez-Rubin asked questions of staff regarding Item 7D. Staff responded to questions. Assistant City Manager De La Rosa made note of a revision to the agreement included in item 7D.

Mayor Martinez-Rubin recommended revisions to Item 7A which were noted by the City Clerk.

A. Approve the Minutes of the Meeting of January 19, 2021

B. Receive the March 13, 2020 – April 2, 2021 List of Warrants in the Amount of $590,293.41, the March 19, 2021 Payroll in the Amount of $389,306.18 and the April 2, 2021 Payroll in the Amount of $413,610.53

C. Resolution Confirming Continued Existence of Local Emergency **[Action: Adopt Resolution per Staff Recommendation (Casher)]**

D. Approve a Contract with the Pinole Seals to Operate the Pinole Swim Center for the 2021 Season **[Action: Adopt Resolution per Staff Recommendation (De La Rosa)]**

E. Approve a Facility Use Agreement with the Pinole Seals Club for Use of the Swimming Pool from April 6 – October 31, 2021 and Authorizing the City Manager to Execute the Agreement **[Action: Adopt Resolution per Staff Recommendation]**

F. Approve an Amendment to City Clerk Heather Iopu's Employment Agreement to Ratify a Merit Increase Salary Adjustment **[Action: Adopt Resolution per Staff Recommendation (De La Rosa)]**

G. Approve an Amendment to the Contract and Issue a Task Order for CSG for Staff Augmentation for an Amount Not to Exceed $100,000 **[Action: Adopt Resolution per Staff Recommendation (Miller)]**

ACTION: Motion by Councilmembers Toms/Salimi to Approve Consent Calendar Items A-G, with noted amendments to item 7A and 7D.

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

8. PUBLIC HEARINGS

Citizens wishing to speak regarding a Public Hearing item should fill out a speaker card prior to the completion of the presentation, by first providing a speaker card to the City Clerk. An official who engaged in an ex parte communication that is the subject of a Public Hearing must disclose the communication on the record prior to the start of the Public Hearing.

A Conduct Public Hearing and Adopt a Resolution Confirming the Assessments and Ordering the Levy for The Pinole Valley Road Landscape and Lighting Assessment District for Fiscal Year 2021/2022 **[Action: Conduct Public Hearing and Adopt Resolution per Staff Recommendation (Miller)]**

Director Miller introduced Senior Project Manager Misha Kaur. Ms. Kaur presented a staff report.

At 8:27 p.m. Mayor Martinez-Rubin opened and closed the public hearing. There were no public speakers.

ACTION: Motion by Councilmembers Toms/Murphy to Adopt a Resolution Confirming the Assessments and Ordering the Levy for The Pinole Valley Road Landscape and Lighting Assessment District for Fiscal Year 2021/2022

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

9. OLD BUSINESS

A. City Staff's Assessment of the Fire Study and Recommendations Regarding Steps to Fortify the City's Fire Service **[Action: Receive Report and Consider Approval of Staff Recommendation (Wynkoop)]**

Fire Chief Wynkoop presented a report with recommendations to the City Council on ways to fortify the City's Fire Service. He highlighted the details of the staff recommendations as well as provided a summary assessment of the Fire Study report from ESCI.

The following speakers submitted written comments that were read aloud and will be filed with the agenda packet for this meeting: **Debbie Long, Irma Ruport, Rafael Menis, Vince Wells**

City Council members asked questions and made comments. Staff responded to Council.

ACTION: Motion by Councilmembers Tave/Toms to Receive Report and Approve Staff Recommendation

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

10. NEW BUSINESS

A. Letter of Support for Senate Bill (SB) 18 Regarding Green Hydrogen **[Action: Consider Approval of Staff Recommendation (Murray)]**

City Manager Murray introduced the item and asked Council member Tave to provide background on this item as he requested it appear before the Council. Council member Tave provided information regarding the proposed Senate Bill 18 that is being considered.

ACTION: <u>Motion by Councilmembers Toms/Tave to Approve Letter of Support for Senate Bill (SB) 18 Regarding Green Hydrogen</u>

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

B. Letter of Opposition to Senate Bill (SB) 9 Regarding Increased Density in Single-Family Zones **[Action: Discuss and Provide Directions (Murray)]**

Council member Toms provided background information regarding the proposed Senate Bill (SB) 9 that is being considered.

The City Council held discussion.

<u>ACTION: Motion by Councilmembers Toms/Tave to Approve Letter to "Oppose Unless Amended", Senate Bill (SB) 9 Regarding Increased Density in Single-Family Zones</u>

Vote:	**Passed**	**4-1**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Toms**
	Noes:	**Murphy**
	Abstain:	**None**
	Absent:	**None**

11. REPORTS & COMMUNICATIONS

A. <u>Mayor Report</u>
   1. Announcements

Mayor Martinez-Rubin announced attendance at the WCCUSD meeting and Mayor's Conference meetings; highlighted discussion topics.

B. Mayoral & Council Appointments
   1. Bay Front Chamber of Commerce – Pinole Liaison [**Action: Discuss and Approve Appointment (Iopu/Murray**)]

City Clerk Iopu introduced the item and provided background information.

<u>ACTION: Motion by Councilmembers Tave/Murphy to appoint Council member Toms as the Pinole Liaison to the Bay Front Chamber of Commerce through the end of the Calendar Year</u>

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

C. City Council Committee Reports & Communications

Mayor Pro Tem Salimi reported attendance at League of CA Cities East Bay Division meeting and highlighted discussion topics.

Council member Tave highlighted upcoming pending assembly bills that will be discussed at the League of CA Cities Policy Committee.

Council member Toms announced participation in CA League of Cities Housing & Economic Policy Committee; will be reviewing pending legislation.

Council member Murphy made statements regarding his decision to not recite the Pledge of Allegiance. Announced attendance at MCE and highlighted discussion topics. Announced upcoming Environmental Policy Committee of the CA League of Cities. Announced upcoming Coffee & Conversation event and Environment and Sustainability Taskforce meetings.

ACTION: Motion by Councilmembers Tave/Martinez-Rubin to extend the meeting to 11:15 p.m.

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

D. Council Requests for Future Agenda Items

Council member Tave requested a future agenda item to discuss a potential fireworks and possible collaboration with the City of Hercules.

Council member Murphy requested a future agenda item for a report on how CARES Act funding was expended. Consensus given.

Council member Murphy requested a future agenda item regarding SB 617. Consensus given.

Council Member Murphy requested a future agenda item for a presentation regarding ZEV 2030. Consensus given.

Council member Murphy requested a future agenda item to discuss the park restroom policy. Consensus given.

Mayor Pro Tem Salimi requested a future agenda item to denounce anti-Asian violence. Consensus given.

Mayor Martinez-Rubin requested a future agenda item for a report back on the City's plan to reopen, including in-person Council meetings. Consensus given.

ACTION: Motion by Councilmembers Toms/Salimi to extend the meeting to 11:30 p.m.

Vote:	**Passed**	**5-0**
	Ayes:	**Martinez-Rubin, Salimi, Tave, Murphy, Toms**
	Noes:	**None**
	Abstain:	**None**
	Absent:	**None**

E. City Manager Report / Department Staff

Finance Director Guillory provided a report regarding additional expenditures and lost revenues that the City has experienced due to COVID, a summary of the Pinole Small Business Assistance Grant Program, and information on funding and eligible expenses related to the American Rescue Plan

F. City Attorney Report

No report.

12. ADJOURNMENT to the Regular City Council Meeting of April 20, 2021 in Remembrance of Amber Swartz.

At 11:33 p.m. Mayor Martinez Rubin adjourned to the Regular City Council Meeting of April 20, 2021 in Remembrance of Amber Swartz.

Submitted by:

____

Heather Iopu, CMC
City Clerk

Approved by City Council:

Return to Agenda

7B
WARRANT LISTING
By Vendor Name

City of Pinole, CA

Payment Dates 5/15/2021 - 5/28/2021

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: AIR10 - AIRGAS USA, LLC					
9979588667	96393	05/21/2021	100-231-42107	RENT CYL MED LARGE AIR	81.00
				Vendor AIR10 - AIRGAS USA, LLC Total:	**81.00**
Vendor: ALH01 - ALHAMBRA & SIERRA SPRINGS					
19593757 051321	96394	05/21/2021	100-222-42201	PD DRINKING WATER SERVICE 5/4/21	176.74
5025519 050621	96439	05/28/2021	500-641-42201	WWTP DRINKING WATER SERVICE 5/6/21	190.20
5025531 050621	96439	05/28/2021	100-343-42108	CORP YARD DRINKING SERVICE APRIL 2021	127.77
				Vendor ALH01 - ALHAMBRA & SIERRA SPRINGS Total:	**494.71**
Vendor: 2171 - ALIQUOT ASSOCIATES, INC					
21600	96440	05/28/2021	750-463-42101	LAND SURVEYING SAN PABLO AVE	418.50
				Vendor 2171 - ALIQUOT ASSOCIATES, INC Total:	**418.50**
Vendor: ALL14 - ALLSTAR FIRE EQUIPMENT, INC.					
231696	96441	05/28/2021	100-231-44410	PASSPORT STYLE ORANGE SHIELD	299.84
231701	96441	05/28/2021	100-231-42107	ELKHART TIP/GRIP/WRENCHES/HANDLES	2,122.57
				Vendor ALL14 - ALLSTAR FIRE EQUIPMENT, INC. Total:	**2,422.41**
Vendor: AME46 - AMERICAN TEXTILE & SUPPLY, INC.					
110142	96395	05/21/2021	100-343-42108	FLOOR DRY 25LB BAG	346.98
				Vendor AME46 - AMERICAN TEXTILE & SUPPLY, INC. Total:	**346.98**
Vendor: 2005 - ANIMAL DAMAGE MANAGEMENT, INC					
412C	96396	05/21/2021	100-345-42108	FERNANDEZ/PV PARK BIMONTHLY PEST CONTROL	250.00
				Vendor 2005 - ANIMAL DAMAGE MANAGEMENT, INC Total:	**250.00**
Vendor: ARA01 - ARAMARK UNIFORM SERVICES					
043021 860105970	96397	05/21/2021	100-343-44410	CORP YARD UNIFORM SERVICES APRIL 2021	1,157.90
043021 939388000	96397	05/21/2021	100-231-42107	WPCP/FD UNIFORM SERVICES APRIL 2021	132.45
043021 939388000	96397	05/21/2021	500-641-44410	WPCP/FD UNIFORM SERVICES APRIL 2021	1,577.16
				Vendor ARA01 - ARAMARK UNIFORM SERVICES Total:	**2,867.51**
Vendor: ATT01 - AT&T					
287274105793X04282021	96398	05/21/2021	525-118-43101	PW I80 MOBILITY PROJECT 3/21-4/20/21	77.22
287277095767X04282021	96398	05/21/2021	525-118-43101	PW I80 MOBILITY PROJECT 3/21-4/20/21	77.22
312921943 043021	96399	05/21/2021	525-118-43101	PINOLE SWIM CENTER INTERNET SERVICE MAY 2021	192.98
				Vendor ATT01 - AT&T Total:	**347.42**
Vendor: 1320 - BADAWI & ASSOCIATES					
1045	96442	05/28/2021	100-115-42101	2021 AUDIT-PROGRESS BILLING #1 45% OF CONTRACT	18,393.75
				Vendor 1320 - BADAWI & ASSOCIATES Total:	**18,393.75**
Vendor: BEA03 - BEARING ENGINERING CO.					
5581053	96400	05/21/2021	500-641-42107	5R REX NYLON CVR COUPLING ELEMENT	99.16
5581914	96443	05/28/2021	500-641-42107	RADIAL BALL BEARING	13.08
				Vendor BEA03 - BEARING ENGINERING CO. Total:	**112.24**

WARRANT LISTING

Payment Dates: 5/15/2021 - 5/28/2021

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: ESP01 - BELINDA ESPINOSA					
052621	96444	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICARE REIMBURSEMENT	437.30
				Vendor ESP01 - BELINDA ESPINOSA Total:	**437.30**
Vendor: BOU01 - BOUND TREE MEDICAL, LLC					
84047251	96401	05/21/2021	100-231-42104	EMT SUPPLIES	1,215.91
84049001	96401	05/21/2021	100-231-42104	LATEX FREE NITRILE GLOVES/IV SETS	391.10
84053903	96445	05/28/2021	100-231-42104	ONDANSETRON 4MG ORAL DISINTEGRATING TABLET	32.85
				Vendor BOU01 - BOUND TREE MEDICAL, LLC Total:	**1,639.86**
Vendor: CAL04 - CALCON SYSTEMS,INC.					
48872	96446	05/28/2021	500-641-42107	CPU FOR RTU #4	1,363.64
				Vendor CAL04 - CALCON SYSTEMS,INC. Total:	**1,363.64**
Vendor: CAL20 - CALIFORNIA ASSOCIATION OF PROFESSIONAL FIREFIGHTERS					
MAY 2021	96447	05/28/2021	100-231-41008	FIREFIGHTERS LONG TERM DISABILITY MAY 2021	206.50
				Vendor CAL20 - CALIFORNIA ASSOCIATION OF PROFESSIONAL FIREFIGHTERS Total:	**206.50**
Vendor: 2004 - CALIFORNIA BOILER WORKS, INC.					
5456	96402	05/21/2021	500-641-42107	HONEYWELL RM7800L-1087	2,286.64
				Vendor 2004 - CALIFORNIA BOILER WORKS, INC. Total:	**2,286.64**
Vendor: PER03 - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTM					
100000016416912	96403	05/21/2021	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY PLAN ID 674	96,163.89
100000016416923	96403	05/21/2021	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY PLAN ID 675	108,287.08
100000016416935	96403	05/21/2021	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY PLAN ID 25716	184.47
100000016416944	96403	05/21/2021	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY PLAN ID 25717	445.96
100000016416954	96403	05/21/2021	100-117-41004	ANNUAL UNFUNDED ACCRUED LIABILITY PLAN ID 27205	294.19
				Vendor PER03 - CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTM Total:	**205,375.59**
Vendor: CAL01 - CALTEST ANALYTICAL LAB					
621265	96448	05/28/2021	500-641-44305	ROUTINE MONITORING	1,481.75
				Vendor CAL01 - CALTEST ANALYTICAL LAB Total:	**1,481.75**
Vendor: CCP03 - CCP INDUSTRIES					
IN02761982	96404	05/21/2021	500-641-44410	NITRILE POWDER FREE EXAM GLOVES	202.77
IN02762094	96404	05/21/2021	500-641-42107	KIMWIPES DELICATE TASK WPR 11.8X11.8	136.55
IN02763460	96404	05/21/2021	100-343-44410	SAFETY GLASSES	204.73
				Vendor CCP03 - CCP INDUSTRIES Total:	**544.05**
Vendor: 2176 - CERTIFIX LIVE SCAN					
53354	96405	05/21/2021	100-231-42101	LIVESCAN ROLLING FEES APRIL 2021	158.00
				Vendor 2176 - CERTIFIX LIVE SCAN Total:	**158.00**
Vendor: DAV04 - CHARLENE DAVIS					
052421 REIMBURSEMENT	96449	05/28/2021	100-116-42302	BERKELEY FIRE ACADEMY-FIRE RECRUIT ORIENTATION	19.16
				Vendor DAV04 - CHARLENE DAVIS Total:	**19.16**
Vendor: COM20 - COMCAST					
050121I80MOBILITY	96406	05/21/2021	215-341-43101	I80 MOBILITY PROJECT BUSINESS INTERNET	236.31
050921FD	96450	05/28/2021	100-231-43105	FD CABLE SERVICES 5/14-6/13/21	10.67
051621PD	96450	05/28/2021	100-222-43105	PD BUSINESS CABLE SERVICE 5/21-6/20/21	170.84
				Vendor COM20 - COMCAST Total:	**417.82**

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Payment Dates: 5/15/2021 - 5/28/2021

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: CON56 - CONCENTRA MEDICAL CENTERS					
71261075	96451	05/28/2021	100-231-42101	FD PRE-EMPLOYMENT/DOT RECERTIFICATIONS	3,272.00
71330089	96451	05/28/2021	100-231-42101	FD PRE-EMPLOYMENT	1,579.50
				Vendor CON56 - CONCENTRA MEDICAL CENTERS Total:	**4,851.50**
Vendor: 1817 - CONSTANCE THORSNES					
32520	96452	05/28/2021	209-553-36401	REFUND CLASSES CANCELED DUE TO SHELTER IN PLACE	357.00
				Vendor 1817 - CONSTANCE THORSNES Total:	**357.00**
Vendor: CCC13 - CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT					
703821	96408	05/21/2021	200-342-42101	TRAFFIC SIGNAL MAINTENANCE MARCH 2021	25,776.97
703821	96408	05/21/2021	310-347-42101	TRAFFIC SIGNAL MAINTENANCE MARCH 2021	1,422.72
703821	96408	05/21/2021	310-348-42101	TRAFFIC SIGNAL MAINTENANCE MARCH 2021	158.08
703937	96453	05/28/2021	200-342-42101	TRAFFIC SIGNAL MAINTENANCE APRIL 2021	35,400.30
703937	96453	05/28/2021	310-347-42101	TRAFFIC SIGNAL MAINTENANCE APRIL 2021	679.43
703937	96453	05/28/2021	310-348-42101	TRAFFIC SIGNAL MAINTENANCE APRIL 2021	164.07
				Vendor CCC13 - CONTRA COSTA COUNTY PUBLIC WORKS DEPARTMENT Total:	**63,601.57**
Vendor: 1616 - CONTRA COSTA COUNTY					
13925	96407	05/21/2021	100-231-47104	TELLECOMMUNICATION SERVICES MARCH 2021	362.22
				Vendor 1616 - CONTRA COSTA COUNTY Total:	**362.22**
Vendor: COR12 - CORELOGIC SOLUTIONS LLC					
82078058	96409	05/21/2021	525-118-42510	REALQUEST GEOGRAPHIC PACKAGE APRIL 2021	680.41
				Vendor COR12 - CORELOGIC SOLUTIONS LLC Total:	**680.41**
Vendor: COO13 - DANA COOK					
052621	96454	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	514.83
				Vendor COO13 - DANA COOK Total:	**514.83**
Vendor: HUG01 - DANNY HUGHES					
052621	96455	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	90.30
				Vendor HUG01 - DANNY HUGHES Total:	**90.30**
Vendor: DEP01 - DEPARTMENT OF JUSTICE/ACCOUNTING OFFICE					
507438	96456	05/28/2021	100-116-42101	FINGERPRINTS APRIL 2021	96.00
507438	96456	05/28/2021	100-221-42110	FINGERPRINTS APRIL 2021	179.00
507438	96456	05/28/2021	100-231-42101	FINGERPRINTS APRIL 2021	96.00
				Vendor DEP01 - DEPARTMENT OF JUSTICE/ACCOUNTING OFFICE Total:	**371.00**
Vendor: DEP03 - DEPARTMENT OF TRANSPORTATION					
SL210659	96410	05/21/2021	200-342-42101	SIGNALS/LIGHTING BILLING JAN-MAR 2021	1,614.25
SL210659	96410	05/21/2021	310-347-42101	SIGNALS/LIGHTING BILLING JAN-MAR 2021	560.96
SL210659	96410	05/21/2021	310-348-42101	SIGNALS/LIGHTING BILLING JAN-MAR 2021	374.30
				Vendor DEP03 - DEPARTMENT OF TRANSPORTATION Total:	**2,549.51**
Vendor: 1443 - DIESEL DIRECT WEST, INC.					
84017209	96457	05/28/2021	100-10601	CORP YARD UNLEADED GAS 5/4/21 301.4 GALLONS	1,172.29
84027528	96457	05/28/2021	100-10601	CORP YARD UNLEADED GAS 5/12/21 821.4 GALLONS	3,227.77
84032045	96457	05/28/2021	100-10602	FD USLD CLEAR DIESEL DELIVERY 5/14/21 499.8 GALS	2,085.79

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Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
84035063	96457	05/28/2021	100-10601	CORP YARD UNLEADED GAS 5/18/21 465.3 GALLONS	1,871.03
84037655	96457	05/28/2021	500-10601	WPCP ULSD CLEAR DIESEL FUEL 5/20/21 DEL 1001.2 GAL	3,913.70
				Vendor 1443 - DIESEL DIRECT WEST, INC. Total:	**12,270.58**
Vendor: DOL01 - DOLAN'S LUMBER					
043021 STATEMENT	96411	05/21/2021	100-345-42108	FULL STATEMENT PAYMENT 4/30/21	296.83
043021 STATEMENT	96411	05/21/2021	200-342-42108	FULL STATEMENT PAYMENT 4/30/21	16.65
				Vendor DOL01 - DOLAN'S LUMBER Total:	**313.48**
Vendor: 2184 - DR ASSOCIATES INTERNATIONAL					
8400	96458	05/28/2021	100-231-42101	FD PRE-EMPLOYMENT BACKGROUND INVESTIGATIONS	7,200.00
				Vendor 2184 - DR ASSOCIATES INTERNATIONAL Total:	**7,200.00**
Vendor: WES39 - EAST BAY TIMES					
4647536 050621	96459	05/28/2021	100-117-42401	13 WEEKS eEDITION PLUS ALL ACCESS	35.45
				Vendor WES39 - EAST BAY TIMES Total:	**35.45**
Vendor: EBM01 - EBMUD					
13648-043021	96460	05/28/2021	100-343-43102	2161 Plum St--Parking Lot Irrigation	84.20
24589-050321	96460	05/28/2021	100-345-43102	592 Marlesta Rd--Irrigation Use Only	155.36
29821-050321	96460	05/28/2021	209-552-43102	2500 Charles St--Senior Center	897.10
29852-050321	96460	05/28/2021	209-552-43102	2500 Charles St--Senior Center	209.45
31771-050321	96460	05/28/2021	100-343-43102	2691 APPALOOSA TRAIL-IRRIGATION USE ONLY	155.36
31772-050321	96460	05/28/2021	100-343-43102	2785 SIMAS AVE--IRRIGATION USE ONLY	155.36
31774-043021	96460	05/28/2021	100-343-43102	3001 Simas Ave--Irrigation Use Only	84.20
31775-043021	96460	05/28/2021	100-343-43102	3061 Simas Ave--Irrigation Use Only	84.20
32000-050321	96460	05/28/2021	201-343-43102	2361 San Pablo Ave--Offices--Old Bank Building	565.60
32187-043021	96460	05/28/2021	100-343-43102	2601 Charles St--Irrigation Use Only	55.74
39199-050721	96460	05/28/2021	500-642-43102	05005 HYDRAND PERMIT-CONSTRUCTION	898.94
40499-043021	96460	05/28/2021	100-343-43102	1230 Pinole Valley Rd--Irrigation Use Only	55.74
40787-043021	96460	05/28/2021	201-343-43102	2361 San Pablo Ave--Irrigation Use Only	55.74
41397-043021	96460	05/28/2021	100-343-43102	1601 Marlesta Rd--Irrigation Use Only	55.74
44461-050321	96460	05/28/2021	100-110-43102	2131 Pear St--Offices--City Hall	2.62
44461-050321	96460	05/28/2021	100-111-43102	2131 Pear St--Offices--City Hall	6.28
44461-050321	96460	05/28/2021	100-112-43102	2131 Pear St--Offices--City Hall	5.75
44461-050321	96460	05/28/2021	100-115-43102	2131 Pear St--Offices--City Hall	17.05
44461-050321	96460	05/28/2021	100-116-43102	2131 Pear St--Offices--City Hall	5.75
44461-050321	96460	05/28/2021	100-117-43102	2131 Pear St--Offices--City Hall	46.02
44461-050321	96460	05/28/2021	100-343-43102	2131 Pear St--Offices--City Hall	82.00
44461-050321	96460	05/28/2021	200-342-43102	2131 Pear St--Offices--City Hall	14.64
44461-050321	96460	05/28/2021	212-461-43102	2131 Pear St--Offices--City Hall	5.54
44461-050321	96460	05/28/2021	212-462-43102	2131 Pear St--Offices--City Hall	14.75
44461-050321	96460	05/28/2021	285-464-43102	2131 Pear St--Offices--City Hall	4.39
44461-050321	96460	05/28/2021	505-119-43102	2131 Pear St--Offices--City Hall	4.39
45474-050321	96460	05/28/2021	100-110-43102	2131 Pear St--Offices--City Hall	7.07
45474-050321	96460	05/28/2021	100-111-43102	2131 Pear St--Offices--City Hall	16.97

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Payment Dates: 5/15/2021 - 5/28/2021

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
45474-050321	96460	05/28/2021	100-112-43102	2131 Pear St--Offices--City Hall	15.55
45474-050321	96460	05/28/2021	100-115-43102	2131 Pear St--Offices--City Hall	46.10
45474-050321	96460	05/28/2021	100-116-43102	2131 Pear St--Offices--City Hall	15.55
45474-050321	96460	05/28/2021	100-117-43102	2131 Pear St--Offices--City Hall	124.43
45474-050321	96460	05/28/2021	100-343-43102	2131 Pear St--Offices--City Hall	221.72
45474-050321	96460	05/28/2021	200-342-43102	2131 Pear St--Offices--City Hall	39.59
45474-050321	96460	05/28/2021	212-461-43102	2131 Pear St--Offices--City Hall	14.99
45474-050321	96460	05/28/2021	212-462-43102	2131 Pear St--Offices--City Hall	39.87
45474-050321	96460	05/28/2021	285-464-43102	2131 Pear St--Offices--City Hall	11.88
45474-050321	96460	05/28/2021	505-119-43102	2131 Pear St--Offices--City Hall	11.88
54167-050321	96460	05/28/2021	100-345-43102	1600 Primrose Lane--Irrigation Use Only	233.70
54625-050321	96460	05/28/2021	209-558-43102	601 Tennent Ave--Memorial Hall	289.34
64589-043021	96460	05/28/2021	100-345-43102	659 Tennent Ave--Parks & Gardens--Blackies Storage	55.74
64595-050321	96460	05/28/2021	209-554-43102	635 Tennent Ave--Pinole Youth Center/CTV	60.76
64595-050321	96460	05/28/2021	505-119-43102	635 Tennent Ave--Pinole Youth Center/CTV	60.76
64596-050321	96460	05/28/2021	100-345-43102	2310 Park St--Fernandez Park Baseball Field	4,139.66
65167-050321	96460	05/28/2021	201-343-43102	2100 San Pablo Ave--Offices--Faria House	223.18
65168-043021	96460	05/28/2021	201-343-43102	2100 San Pablo Ave--Irrigation Use Only	55.74
65169-050321	96460	05/28/2021	201-343-43102	2100 San Pablo Ave--Offices--Faria House	101.46
65183-043021	96460	05/28/2021	201-343-43102	2361 San Pablo Ave--Old Bank Building	55.74
65190-043021	96460	05/28/2021	201-343-43102	813 Fernandez Ave--Irrigation Use Only	55.74
65395-050321	96460	05/28/2021	100-345-43102	1095 Nob Hill Ave--Parks & Gardens--Meadow Park	240.70
65422-050321	96460	05/28/2021	500-641-43102	80 TENNENT AVE--WASTE WATER TREATMENT PLANT	814.78
65553-043021	96460	05/28/2021	100-343-43102	2301 1/2 San Pablo Ave--Irrigation Use Only	84.20
65569-042921	96460	05/28/2021	209-558-43102	601 Tennent Ave--Memorial Hall	84.20
65922-043021	96460	05/28/2021	100-343-43102	636 Tennent Ave--Irrigation Use Only	55.74
65923-050321	96460	05/28/2021	100-231-43102	880 Tennent Ave--Public Safety Facility/Building	565.60
65924-050321	96460	05/28/2021	100-222-43102	880 Tennent Ave--Public Safety Facility/Building	861.53
65924-050321	96460	05/28/2021	100-223-43102	880 Tennent Ave--Public Safety Facility/Building	191.45
65924-050321	96460	05/28/2021	100-231-43102	880 Tennent Ave--Public Safety Facility/Building	861.54
66363-043021	96460	05/28/2021	100-345-43102	1818 Canyon Dr--Irrigation Use Only	55.74
66529-042921	96460	05/28/2021	100-345-43102	656 Pinole Shores Dr--Irrigation Use Only	84.20
66531-050321	96460	05/28/2021	100-343-43102	800 PINOLE SHORES DR-IRRIGATION USE ONLY	155.36
66532-043021	96460	05/28/2021	100-343-43102	901 Pinole Shores Dr--Irrigation Use Only	84.20
66535-043021	96460	05/28/2021	100-343-43102	2401 Del Monte Way--Irrigation Use Only	84.20
66536-050321	96460	05/28/2021	100-343-43102	2401 Del Monte Way--Irrigation Use Only	55.74
66640-043021	96460	05/28/2021	100-343-43102	726 San Pablo Ave--Irrigation Use Only	84.20

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Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
66641-043021	96460	05/28/2021	100-343-43102	880 San Pablo Ave--Irrigation Use Only	84.20
66642-042921	96460	05/28/2021	100-343-43102	1400 San Pablo Ave--Irrigation Use Only	84.20
66643-043021	96460	05/28/2021	100-343-43102	2000 San Pablo Ave--Irrigation Use Only	84.20
70108-043021	96460	05/28/2021	310-347-43102	1303 Pinole Valley Rd--Irrigation Use Only	55.74
71919-043021	96460	05/28/2021	100-343-43102	2329 Orleans Dr--Irrigation Use Only	55.74
				Vendor EBM01 - EBMUD Total:	**14,346.79**
Vendor: 1558 - EMS TECHNOLOGY SOLUTIONS, LLC					
37810	96412	05/21/2021	100-231-42106	NARCOTICS TRACKING LICENSE	3,000.00
				Vendor 1558 - EMS TECHNOLOGY SOLUTIONS, LLC Total:	**3,000.00**
Vendor: FAS02 - FASTENAL					
CAS1721464	96413	05/21/2021	500-641-42107	BALL VALVE/O-RINGS	277.02
				Vendor FAS02 - FASTENAL Total:	**277.02**
Vendor: FIR31 - FIRE PROTECTION MANAGEMENT, INC.					
116165	96414	05/21/2021	100-231-42108	CITY HALL FIRE SPRINKLER REPAIR/REPLACEMENT	1,810.00
				Vendor FIR31 - FIRE PROTECTION MANAGEMENT, INC. Total:	**1,810.00**
Vendor: FOR02 - FORENSIC SERVICES DIVISION					
PINPD-2104	96463	05/28/2021	100-222-42101	FORENSIC TOXICOLOGY BILLABLE SERVICES APRIL 2021	2,181.00
				Vendor FOR02 - FORENSIC SERVICES DIVISION Total:	**2,181.00**
Vendor: 1979 - GALAXY PRESS					
34360	96464	05/28/2021	100-222-42201	PD POLICE CARDS-J. DEAN	63.91
34363	96464	05/28/2021	100-222-42201	PD BUSINESS CARDS-J. LOUIS	64.50
				Vendor 1979 - GALAXY PRESS Total:	**128.41**
Vendor: 1993 - GARTON TRACTOR, INC.					
WA10217	96465	05/28/2021	100-343-47101	LAND PRIDE	14,352.01
				Vendor 1993 - GARTON TRACTOR, INC. Total:	**14,352.01**
Vendor: GAT07 - GATEWAY PINOLE VISTA, LLC					
JUNE 2021 LEASE PAYMENT	96466	05/28/2021	201-343-42513	JUNE 2021 1340 FITZGERALD DRIVE LEASE PAYMENT PVC	100.00
				Vendor GAT07 - GATEWAY PINOLE VISTA, LLC Total:	**100.00**
Vendor: GRA03 - GRAINGER					
9877031089	96415	05/21/2021	100-345-42108	ADJUSTABLE Z-BRACKET KIT/EMERGENCY EXIT/OFF BUTTON	1,005.21
9877031097	96415	05/21/2021	100-345-42108	DIGITAL SEVEN DAY TIMER	297.81
9877031105	96415	05/21/2021	100-345-42108	ELECTROMAGNETIC LOCK/DUAL VOLTAGE BOXED POWER SUPP	3,765.92
9884572554	96415	05/21/2021	209-557-42108	FULL PORT BALL VALVE	99.52
9891558737	96467	05/28/2021	100-345-42108	DIGITAL SEVEN DAY TIMER	595.63
				Vendor GRA03 - GRAINGER Total:	**5,764.09**
Vendor: KEN14 - GREG KENNEDY RN					
94	96416	05/21/2021	100-231-42101	EMS CQI DUTIES APRIL 2021	2,000.00
				Vendor KEN14 - GREG KENNEDY RN Total:	**2,000.00**
Vendor: HAC01 - HACH COMPANY					
12450518	96468	05/28/2021	500-641-44303	DISSOLVED OXYGEN	478.14
				Vendor HAC01 - HACH COMPANY Total:	**478.14**
Vendor: HEA01 - HEALTH CARE DENTAL TRUST					
052021 STATEMENT	96469	05/28/2021	100-110-41002	DENTAL TRUST JUNE 2021 PREMIUMS	498.18
052021 STATEMENT	96469	05/28/2021	100-111-41002	DENTAL TRUST JUNE 2021 PREMIUMS	518.03

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052021 STATEMENT	96469	05/28/2021	100-112-41002	DENTAL TRUST JUNE 2021 PREMIUMS	134.47
052021 STATEMENT	96469	05/28/2021	100-113-41002	DENTAL TRUST JUNE 2021 PREMIUMS	-290.41
052021 STATEMENT	96469	05/28/2021	100-115-41002	DENTAL TRUST JUNE 2021 PREMIUMS	612.80
052021 STATEMENT	96469	05/28/2021	100-116-41002	DENTAL TRUST JUNE 2021 PREMIUMS	53.45
052021 STATEMENT	96469	05/28/2021	100-221-41002	DENTAL TRUST JUNE 2021 PREMIUMS	1,455.95
052021 STATEMENT	96469	05/28/2021	100-221-41002	DENTAL TRUST JUNE 2021 PREMIUMS	134.47
052021 STATEMENT	96469	05/28/2021	100-222-41002	DENTAL TRUST JUNE 2021 PREMIUMS	302.54
052021 STATEMENT	96469	05/28/2021	100-222-41002	DENTAL TRUST JUNE 2021 PREMIUMS	53.45
052021 STATEMENT	96469	05/28/2021	100-223-41002	DENTAL TRUST JUNE 2021 PREMIUMS	1,433.37
052021 STATEMENT	96469	05/28/2021	100-231-41002	DENTAL TRUST JUNE 2021 PREMIUMS	1,137.20
052021 STATEMENT	96469	05/28/2021	100-341-41002	DENTAL TRUST JUNE 2021 PREMIUMS	187.92
052021 STATEMENT	96469	05/28/2021	100-343-41002	DENTAL TRUST JUNE 2021 PREMIUMS	921.44
052021 STATEMENT	96469	05/28/2021	100-465-41002	DENTAL TRUST JUNE 2021 PREMIUMS	114.62
052021 STATEMENT	96469	05/28/2021	105-221-41002	DENTAL TRUST JUNE 2021 PREMIUMS	820.57
052021 STATEMENT	96469	05/28/2021	105-231-41002	DENTAL TRUST JUNE 2021 PREMIUMS	53.45
052021 STATEMENT	96469	05/28/2021	106-222-41002	DENTAL TRUST JUNE 2021 PREMIUMS	134.47
052021 STATEMENT	96469	05/28/2021	106-231-41002	DENTAL TRUST JUNE 2021 PREMIUMS	114.62
052021 STATEMENT	96469	05/28/2021	204-227-41002	DENTAL TRUST JUNE 2021 PREMIUMS	134.47
052021 STATEMENT	96469	05/28/2021	209-551-41002	DENTAL TRUST JUNE 2021 PREMIUMS	134.47
052021 STATEMENT	96469	05/28/2021	209-552-41002	DENTAL TRUST JUNE 2021 PREMIUMS	88.19
052021 STATEMENT	96469	05/28/2021	209-554-41002	DENTAL TRUST JUNE 2021 PREMIUMS	121.02
052021 STATEMENT	96469	05/28/2021	212-461-41002	DENTAL TRUST JUNE 2021 PREMIUMS	134.47
052021 STATEMENT	96469	05/28/2021	212-462-41002	DENTAL TRUST JUNE 2021 PREMIUMS	187.92
052021 STATEMENT	96469	05/28/2021	500-641-41002	DENTAL TRUST JUNE 2021 PREMIUMS	780.87
052021 STATEMENT	96469	05/28/2021	500-642-41002	DENTAL TRUST JUNE 2021 PREMIUMS	241.37
052021 STATEMENT	96469	05/28/2021	505-119-41002	DENTAL TRUST JUNE 2021 PREMIUMS	268.94
052021 STATEMENT	96469	05/28/2021	998-20105	DENTAL TRUST JUNE 2021 PREMIUMS	522.61
				Vendor HEA01 - HEALTH CARE DENTAL TRUST Total:	**11,004.92**
Vendor: HOR05 - HORIZON					
1R281048	96470	05/28/2021	100-345-42108	MALE ADAPTERS/RAIN BIRD LATCHING SOLENOID	67.42
				Vendor HOR05 - HORIZON Total:	**67.42**
Vendor: 2178 - JAKE BOYS TRANSPORT					
032521 REFUND	96417	05/21/2021	212-462-34215	REFUND HOME OCCUPATION INSPECTION	50.00
				Vendor 2178 - JAKE BOYS TRANSPORT Total:	**50.00**

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Vendor: MEL05 - JAMES MELVIN					
052621	96471	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	141.50
				Vendor MEL05 - JAMES MELVIN Total:	**141.50**
Vendor: 1688 - JOE CARRANZA JR.					
2014	96418	05/21/2021	100-221-42514	PROJECT HOPE SHIRTS	554.40
				Vendor 1688 - JOE CARRANZA JR. Total:	**554.40**
Vendor: HAR29 - JOHN HARDESTER					
052621	96472	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	90.78
				Vendor HAR29 - JOHN HARDESTER Total:	**90.78**
Vendor: MIS01 - JULIAN MISRA					
052621	96473	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICARE REIMBURSEMENT	437.30
				Vendor MIS01 - JULIAN MISRA Total:	**437.30**
Vendor: KEL09 - KELLER CANYON LANDFILL					
4212-000030079	96419	05/21/2021	500-641-44302	WPCP SLUDGE REMOVAL 4/19-4/30/21	4,620.69
4212-000030120	96474	05/28/2021	500-641-44302	WPCP SLUDGE REMOVAL 5/3-5/15/21	5,263.92
				Vendor KEL09 - KELLER CANYON LANDFILL Total:	**9,884.61**
Vendor: 1567 - KEN GRADY CO INC					
4756	96475	05/28/2021	500-641-42107	00-0954 SENSOR	346.97
				Vendor 1567 - KEN GRADY CO INC Total:	**346.97**
Vendor: COP02 - KENETH COPPO					
052621	96476	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	1,203.65
				Vendor COP02 - KENETH COPPO Total:	**1,203.65**
Vendor: KNO03 - KNORR SYSTEMS,INC.					
SI229908	96420	05/21/2021	209-557-42108	PRESSURE AMPLIFICATION SYSTEM	1,343.10
				Vendor KNO03 - KNORR SYSTEMS,INC. Total:	**1,343.10**
Vendor: KUB00 - KUBWATER RESOURCES, INC.					
10312	96421	05/21/2021	500-641-44303	ZETAG TOTES	12,001.09
				Vendor KUB00 - KUBWATER RESOURCES, INC. Total:	**12,001.09**
Vendor: LAK01 - LAKESHORE					
1610270421	96422	05/21/2021	209-553-42514	CONSTRUCTION PAPER/ART SUPPLIES	306.94
				Vendor LAK01 - LAKESHORE Total:	**306.94**
Vendor: LAN01 - LANER ELECTRIC SUPPLY,INC					
917857	96477	05/28/2021	100-345-42108	18GA 2PR STR CTRL CBL	117.69
917907	96477	05/28/2021	100-345-42108	.5" EMT STEEL RT COMP CONN	44.60
918197	96477	05/28/2021	100-345-42108	18GA 2PR CTRL CBL	64.84
				Vendor LAN01 - LANER ELECTRIC SUPPLY,INC Total:	**227.13**
Vendor: LCA01 - LC ACTION POLICE SUPPLY					
426113	96478	05/28/2021	100-221-42514	ULTRA LED HANDGUN LIGHT SUREFIRE WEAPON LATCH BAR	3,169.36
				Vendor LCA01 - LC ACTION POLICE SUPPLY Total:	**3,169.36**
Vendor: LEH01 - LEHR AUTO ELECTRIC					
SI60498	96423	05/21/2021	100-221-47101	POLICE BIKE RACK	497.17
				Vendor LEH01 - LEHR AUTO ELECTRIC Total:	**497.17**
Vendor: 1450 - LIKIBER INC. -RUBENSTEIN SUPPLY COMPANY					
S2248694.001	96479	05/28/2021	100-343-42108	CLOSET AND HANDLE REPAIR KITS	414.23
				Vendor 1450 - LIKIBER INC. -RUBENSTEIN SUPPLY COMPANY Total:	**414.23**

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: CUR03 - LN CURTIS & SONS					
INV468895	96424	05/21/2021	100-231-42107	SWIVEL/MOUNT PLATE/DUAL ADAPTER LOK	563.78
INV4847164	96424	05/21/2021	100-231-42107	BLACK 9490 REMOTE AREA LIGHTING SYSTEM	1,162.04
INV487021	96424	05/21/2021	100-221-44410	PINOLE PD LARGE BACK PATCH	15.63
INV488786	96480	05/28/2021	100-231-42107	FOREST FIRE SHELTERS/SURVIVOR FLASHLIGHTS	7,912.76
INV489385	96480	05/28/2021	100-231-44410	WILDFIRE HELMETS/YELLOW NOMEX EAR NECK FACE PROTEC	1,782.34
				Vendor CUR03 - LN CURTIS & SONS Total:	**11,436.55**
Vendor: 1545 - MARITZA SANCHEZ					
052421 PETT CASH	96481	05/28/2021	100-221-42514	PD PETTY CASH REIMBURSEMENT	289.14
				Vendor 1545 - MARITZA SANCHEZ Total:	**289.14**
Vendor: DRA01 - MARY DRAZBA					
052621	96482	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	314.22
				Vendor DRA01 - MARY DRAZBA Total:	**314.22**
Vendor: ROB21 - MARY ROBERTS					
052621	96483	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICARE REIMBURSEMENT	220.20
				Vendor ROB21 - MARY ROBERTS Total:	**220.20**
Vendor: MCM05 - MCMASTER-CARR SUPPLY CO.					
57808344	96484	05/28/2021	500-641-42107	WRAP AREOUND THREAD DIE/SAW/HEAVY MINERAL OIL	171.26
				Vendor MCM05 - MCMASTER-CARR SUPPLY CO. Total:	**171.26**
Vendor: 1115 - MICHELLE FITZER					
052621	96485	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICARE REIMBURSEMENT	220.20
				Vendor 1115 - MICHELLE FITZER Total:	**220.20**
Vendor: 1890 - MM COMMUNICATIONS INC					
INV-1021	96425	05/21/2021	525-118-42105	CABLE LABOR CAT 6 PLEN CAT 6 JACKS	1,839.00
				Vendor 1890 - MM COMMUNICATIONS INC Total:	**1,839.00**
Vendor: MUN10 - MUNICIPAL EMERGENCY SERVICES INC.					
IN1577051	96486	05/28/2021	100-231-44410	PRO-WARRINGTON 8 INCH LEATHER ZIP	921.74
				Vendor MUN10 - MUNICIPAL EMERGENCY SERVICES INC. Total:	**921.74**
Vendor: MUN01 - MUNICIPAL MAINTENANCE EQUIPMENT					
0159423-IN	96487	05/28/2021	500-642-42514	FLANGE TO HOSE ADAPTER/QUICK CLAMPS	331.80
				Vendor MUN01 - MUNICIPAL MAINTENANCE EQUIPMENT Total:	**331.80**
Vendor: MUN07 - MUNICIPAL POOLING AUTH.					
INV001817	96426	05/21/2021	100-221-46201	UNMET LIABILITY DEDUCTIBLE APRIL 2021	280.00
INV001817	96426	05/21/2021	100-343-46201	UNMET LIABILITY DEDUCTIBLE APRIL 2021	2,037.80
INV001829	96488	05/28/2021	100-116-42101	DOT DRUG & ALCOHOL TESTING JAN-MAR 2021/ANNUAL FEE	369.00
				Vendor MUN07 - MUNICIPAL POOLING AUTH. Total:	**2,686.80**
Vendor: O'R01 - O'REILLY AUTOMOTIVE, INC					
042821 STATEMENT	96489	05/28/2021	100-343-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	117.28
042821 STATEMENT	96489	05/28/2021	100-343-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	55.14

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
042821 STATEMENT	96489	05/28/2021	100-343-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	27.39
042821 STATEMENT	96489	05/28/2021	100-343-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	10.95
042821 STATEMENT	96489	05/28/2021	100-343-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	50.84
042821 STATEMENT	96489	05/28/2021	100-345-42108	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	-142.23
042821 STATEMENT	96489	05/28/2021	100-345-42108	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	6.61
042821 STATEMENT	96489	05/28/2021	100-345-42108	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	277.80
042821 STATEMENT	96489	05/28/2021	100-345-42108	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	161.78
042821 STATEMENT	96489	05/28/2021	200-342-42514	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	64.91
042821 STATEMENT	96489	05/28/2021	500-641-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	26.32
042821 STATEMENT	96489	05/28/2021	500-641-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	28.37
042821 STATEMENT	96489	05/28/2021	500-641-42107	CITY AUTOPARTS/SUPPLIES ACCOUNT PAID IN FULL	130.96
				Vendor O'R01 - O'REILLY AUTOMOTIVE, INC Total:	**816.12**
Vendor: OTI01 - OTIS ELEVATOR COMPANY					
100400259981	96427	05/21/2021	209-554-42108	PINOLE YOUTH CENTER SERVICE INVOICE CREDIT	-51.52
100400381302	96427	05/21/2021	209-554-42108	PYC MONTHLY ELEVATOR MAINTENANCE JUNE 2021	172.29
100400381824	96427	05/21/2021	100-343-42108	CITY HALL MONTHLY MAINTENANCE SERVICE JUNE 2021	116.86
100400381857	96490	05/28/2021	100-222-42108	SAFETY BUILDING MAINTENANCE SERVICE JUNE 2021	116.81
				Vendor OTI01 - OTIS ELEVATOR COMPANY Total:	**354.44**
Vendor: 1555 - OWEN EQUIPMENT					
00052588	96491	05/28/2021	207-344-42107	CURTAIN/PUSH-LOK TEE CO	156.26
				Vendor 1555 - OWEN EQUIPMENT Total:	**156.26**
Vendor: 2183 - PAC MACHINE COMPANY, INC.					
82913	96492	05/28/2021	500-641-42107	3" YAMADA NDP SANTOPRENE DIAPHRAGMS VALVES O-RINGS	2,462.80
				Vendor 2183 - PAC MACHINE COMPANY, INC. Total:	**2,462.80**
Vendor: CBA00 - PACIFIC CREDIT SERVICES					
171700000021	96493	05/28/2021	209-554-36402	H. ADILI TRUST RECON BILLING	52.00
				Vendor CBA00 - PACIFIC CREDIT SERVICES Total:	**52.00**
Vendor: PAC41 - PACIFIC ECORISK					
17404	96494	05/28/2021	500-641-44305	NPDES TOXICITY TESTING 4/12-4/15/21	1,046.00
				Vendor PAC41 - PACIFIC ECORISK Total:	**1,046.00**
Vendor: PAC55 - PACIFIC SITE MANAGEMENT					
60448	96428	05/21/2021	100-222-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	122.50
60448	96428	05/21/2021	100-231-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	327.50
60448	96428	05/21/2021	100-343-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	174.40
60448	96428	05/21/2021	100-345-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	5,619.33
60448	96428	05/21/2021	200-342-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	326.00
60448	96428	05/21/2021	201-343-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	532.60

WARRANT LISTING

Payment Dates: 5/15/2021 - 5/28/2021

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
60448	96428	05/21/2021	209-552-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	198.00
60448	96428	05/21/2021	209-553-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	206.00
60448	96428	05/21/2021	209-557-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	206.00
60448	96428	05/21/2021	310-347-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	60.00
60448	96428	05/21/2021	310-348-42108	MONTHLY LANDSCAPE MAINTENANCE-MAY 2021	65.00
60528	96495	05/28/2021	100-343-42108	INSTALL BROWN MINI BARK TO FRONT PLANTER ISLAND	750.00
				Vendor PAC55 - PACIFIC SITE MANAGEMENT Total:	**8,587.33**
Vendor: ATH02 - PATRICIA ATHENOUR					
052621	96496	05/28/2021	100-117-41101	JUNE 2021 MEDICARE REIMBURSEMENT	220.20
				Vendor ATH02 - PATRICIA ATHENOUR Total:	**220.20**
Vendor: CLA17 - PAUL CLANCY					
052621	96497	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICAL REIMBURSEMENT	463.25
				Vendor CLA17 - PAUL CLANCY Total:	**463.25**
Vendor: PGE01 - PG&E					
0008013513-0	96502	05/28/2021	200-342-47205	PVR PINOLE R20A SIDEWALK REPAIR	13,486.72
042021-2615	96429	05/21/2021	100-345-43103	S/E CORNER OF ROGERS & NOB HILL SPRINKLER SYSTEM	9.86
042221-2222	96429	05/21/2021	100-345-43103	STREET AND HIGHWAY LIGHTING	49.39
042221-2222	96429	05/21/2021	200-342-43103	STREET AND HIGHWAY LIGHTING	15,669.41
042221-2222	96429	05/21/2021	310-347-43103	STREET AND HIGHWAY LIGHTING	280.00
042221-2222	96429	05/21/2021	310-348-43103	STREET AND HIGHWAY LIGHTING	400.00
042721-8511	96429	05/21/2021	100-345-43103	W/S PINOLE SHORES DR-SPRINKLER CONTROLLER	11.58
042721-9929	96429	05/21/2021	201-343-43103	790 PINOLE SHORES DR-NEW METAL BUILDING	73.52
042821-4256	96429	05/21/2021	500-641-43103	11 TENNANT AVE	57,420.97
042821-4430	96429	05/21/2021	100-345-43103	S/O MARLESTA 1ST POLE-SPRINKLER CONTROLLER	10.60
042821-7547	96429	05/21/2021	100-222-43103	880 Tennent Ave-Public Safety Facility	3,175.88
042821-7547	96429	05/21/2021	100-223-43103	880 Tennent Ave-Public Safety Facility	635.18
042821-7547	96429	05/21/2021	100-231-43103	880 Tennent Ave-Public Safety Facility	2,540.70
042821-9961	96429	05/21/2021	209-552-43103	2500 CHARLES ST-SENIOR CENTER	1,253.22
042921-6521	96429	05/21/2021	200-342-43103	IFO 971 SAN PABLO AVE-TRAFFIC SIGNAL CONTROL	94.87
042921-6897	96429	05/21/2021	200-342-43103	PINOLE VALLEY RD & ESTATES AVE-TRAFFIC LIGHT CTRL	62.76
050321-1093	96429	05/21/2021	500-642-43103	W END/HAZEL AVE SEWAGE PLANT	579.84
050421-0887	96429	05/21/2021	200-342-43103	PINON AVE & SAN PABLO AVE TRAFFIC SIGNAL	78.03
050421-2182	96429	05/21/2021	200-342-43103	OAKRIDGE/SAN PABLO AVE TRAFFIC SIGNAL	65.98
050721-3834	96498	05/28/2021	100-231-43103	3790 PINOLE VALLEY RD FIRESTATION	33.02
051121-1801	96498	05/28/2021	209-553-43103	2454 SIMAS AVE REC CTR & POOL	12.44

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Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
051221-0498	96498	05/28/2021	100-231-43103	3790 PINOLE VALLEY RD FIRESTATION	494.83
051221-4157	96498	05/28/2021	100-222-43103	809 CITY HALL	13.35
051221-6043	96498	05/28/2021	100-231-43103	3790 PINOLE VALLEY RD	25.38
051321-0883	96498	05/28/2021	100-222-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	849.43
051321-0883	96498	05/28/2021	100-223-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	169.89
051321-0883	96498	05/28/2021	100-231-43103	800 TENNENT AVE PUBLI C SAFETY FACILITY	679.54
051321-1156	96498	05/28/2021	209-554-43103	635 TENNENT AVE YOUTH CTR/CATV	13.11
051321-1156	96498	05/28/2021	505-119-43103	635 TENNENT AVE YOUTH CTR/CATV	19.66
051321-1462	96498	05/28/2021	209-552-43103	2500 CHARLES ST SENIOR CENTER	7.85
051321-3029	96498	05/28/2021	100-345-43103	1270 ADOBE RD @ OUTSIDE BATHROOMS	119.56
051321-7186	96498	05/28/2021	209-558-43103	601 TENNENT AVE PUBLIC MEETING HALL	7.85
051321-8716	96498	05/28/2021	500-641-43103	SEWAGE PLNT-FT OF TENNENT	2,431.00
051721-5137	96498	05/28/2021	209-557-43103	2450 SIMAS AVE SWIM CTR	1,842.25
051821-0217	96498	05/28/2021	100-345-43103	TENNENT & PARK ST CLUB HOUSE	16.37
051821-0813	96498	05/28/2021	200-342-43103	2149 1/2 APPIAN WAY TRAFFIC SIGNAL	49.99
051821-0923	96498	05/28/2021	100-110-43103	2131 PEAR ST	85.62
051821-0923	96498	05/28/2021	100-111-43103	2131 PEAR ST	112.65
051821-0923	96498	05/28/2021	100-112-43103	2131 PEAR ST	123.92
051821-0923	96498	05/28/2021	100-115-43103	2131 PEAR ST	308.67
051821-0923	96498	05/28/2021	100-116-43103	2131 PEAR ST	90.12
051821-0923	96498	05/28/2021	100-117-43103	2131 PEAR ST	1,002.63
051821-0923	96498	05/28/2021	100-343-43103	2131 PEAR ST	1,867.82
051821-0923	96498	05/28/2021	200-342-43103	2131 PEAR ST	326.70
051821-0923	96498	05/28/2021	212-461-43103	2131 PEAR ST	135.19
051821-0923	96498	05/28/2021	212-462-43103	2131 PEAR ST	340.22
051821-0923	96498	05/28/2021	285-464-43103	2131 PEAR ST	112.65
051821-2506	96498	05/28/2021	215-341-43103	701 Pinon/2489 San Pablo-Electric CHGS	30.32
051821-2969	96498	05/28/2021	201-343-43103	600 TENNENT AVE BLACKIES STORAGE	19.17
051821-3537	96498	05/28/2021	100-343-43103	659 TENNENT AVE PARKING LOT LIGHTS	70.22
051821-3850	96498	05/28/2021	100-345-43103	601 TENNENT AVE CARETAKER'S SHED	167.85
051821-3914	96498	05/28/2021	100-345-43103	FERNANDEZ PARK BALLPARK LIGHTING	268.49
051821-4065	96498	05/28/2021	209-559-43103	2937 PINOLE VALLEY RD TENNIS CT LIGHTS	417.54
051821-4368	96498	05/28/2021	200-342-43103	APPIAN WAY & TARA HILLS TRAFFIC SIGNAL	122.27
051821-4612	96498	05/28/2021	201-343-43103	2100 SAN PABLO AVE FARIA HOUSE	34.93
051821-5274	96498	05/28/2021	201-343-43103	2361 SAN PABLO AVE OLD BANK BUILDING	47.94
051821-6969	96498	05/28/2021	201-343-43103	2361 SAN PABLO AVE PARKING LOT LIGHTS	99.55
051821-7509	96498	05/28/2021	200-342-43103	TARA HILLS DR 500 FT APPIAN WAY TRAFFIC SIGNAL	54.44
051821-7964	96498	05/28/2021	310-348-43103	2680 PINOLE VALLEY RD MEDIAN IRRIGATION SHOPPING C	10.29
051821-9985	96498	05/28/2021	201-343-43103	NEAR 795 FERNANDEZ PARKING LOT LIGHTS	123.81

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
051921-0081	96498	05/28/2021	200-342-43103	2501 SAN PABLO AVE TRAFFIC CONTROLLER	73.18
051921-0209	96498	05/28/2021	200-342-43103	S/E CORNER SAN PABLO AVE & TENNENT TRAFFIC SIGNAL	75.84
051921-0466	96498	05/28/2021	209-554-43103	635 TENNENT AVE YOUTH CTR/CATV	9.52
051921-0466	96498	05/28/2021	505-119-43103	635 TENNENT AVE YOUTH CTR/CATV	14.29
051921-2615	96498	05/28/2021	100-345-43103	S/E CORNER OF ROGERS & NOB HILL SPRINKLER SYSTEM	19.39
051921-2793	96498	05/28/2021	200-342-43103	1451 FITZGERALD DR TRAFFIC SIGNAL	74.07
051921-3311	96498	05/28/2021	200-342-43103	PINOLE VALLEY RD & HENRY TRAFFIC CONTROLLER	102.84
051921-4193	96498	05/28/2021	200-342-43103	HWY 80 PINOLE VALLEY RD TRAFFIC CONTROLLER	55.32
051921-5127	96498	05/28/2021	500-642-43103	893 1/2 SAN PABLO AVE PUMP STATION	107.76
051921-5374	96498	05/28/2021	200-342-43103	1220 PINOLE VALLEY RD TRAFFIC SIGNAL	90.82
051921-5387	96498	05/28/2021	100-345-43103	588 MARLESTA RD LOUIS FRANCIS PARK	38.13
051921-7114	96498	05/28/2021	200-342-43103	2429 SAN PABLO AVE	70.49
051921-8086	96498	05/28/2021	200-342-43103	N/S BORDER CITY OF PINOLE	101.75
051921-9824	96498	05/28/2021	310-347-43103	1303 PINOLE VALLEY RD TRAFFIC CONTROL SVC	101.96
052021-1121	96498	05/28/2021	200-342-43103	DEL MONTE & SAN PABLO TRAFFIC CONTROL LIGHT	68.74
052021-1233	96498	05/28/2021	200-342-43103	SAN PABLO AVE TRAFFIC SIGNAL	87.71
052021-2620	96498	05/28/2021	200-342-43103	N/W CORNER APPIAN WAY & FITZGERALD DR TRAFFIC SIG	96.64
052021-8687	96498	05/28/2021	200-342-43103	FITZGERALD DR IFO LONG JOHN SILVERS TRAFFIC SIGNAL	89.69
052121-4951	96498	05/28/2021	201-343-43103	2279 1/2 PARK ST	2.71
				Vendor PGE01 - PG&E Total:	**109,937.89**
Vendor: 1009 - PRECISION IT CONSULTING					
11511	96430	05/21/2021	100-343-42108	APC BACK-UPS RS 700 VA TOWER UPS	289.18
				Vendor 1009 - PRECISION IT CONSULTING Total:	**289.18**
Vendor: 1980 - PRINTWELL PRESS/CREATIVE PRINTING INC					
100134	96503	05/28/2021	100-231-44410	T-SHIRTS/SWEATS	819.98
100136	96503	05/28/2021	100-231-44410	EBROIDERED HATS/SHORTS	286.62
				Vendor 1980 - PRINTWELL PRESS/CREATIVE PRINTING INC Total:	**1,106.60**
Vendor: ROS08 - RSG, INC.					
I007240	96431	05/21/2021	285-464-42101	AFFORDABLE HOUSING RFP/DEVELOPER SELECTION APR2021	270.00
I007254	96431	05/21/2021	750-463-42101	REAL ESTATE OPEN LISTING BROKER SERVICES APR 2021	4,997.50
				Vendor ROS08 - RSG, INC. Total:	**5,267.50**
Vendor: SPA04 - S.P. AUTOMOTIVE					
5-813216	96504	05/28/2021	500-641-42107	MTC SPARK PLUGS	82.91
5-813217	96504	05/28/2021	500-641-42107	REVERSAL OF INV 5-813216 MTC SPARK PLUGS	-82.91
6-660365	96504	05/28/2021	500-641-42107	1000CCA NATIONWIDE BATTERY	317.97
				Vendor SPA04 - S.P. AUTOMOTIVE Total:	**317.97**
Vendor: 1982 - SHAPE INCORPORATED					
128304	96505	05/28/2021	500-641-42107	STATOR	2,232.32
				Vendor 1982 - SHAPE INCORPORATED Total:	**2,232.32**

Return to Agenda

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
Vendor: SHR02 - SHRED DEFENSE INC					
33545	96432	05/21/2021	100-222-42101	ON SITE PULVERIZATION SERVICES 3/4/21	166.40
40402	96432	05/21/2021	100-222-42101	ON SITE PULVERIZATION SERVICES 4/29/21	166.40
				Vendor SHR02 - SHRED DEFENSE INC Total:	**332.80**
Vendor: STA25 - STATE WATER RESOURCES CONTROL BOARD					
EA-AN-0821-1273	96433	05/21/2021	500-641-44304	ENVIRONMENTAL LAB ACCREDITATION PROGRAM ANNUAL FEE	3,500.00
				Vendor STA25 - STATE WATER RESOURCES CONTROL BOARD Total:	**3,500.00**
Vendor: STE20 - STERICYCLE, INC.					
3005532971	96434	05/21/2021	100-222-42101	STERI-SAFE ECONOMY MONTHLY	57.88
				Vendor STE20 - STERICYCLE, INC. Total:	**57.88**
Vendor: KRI01 - TERRI KRIEGER					
052621	96506	05/28/2021	100-117-41101	JUNE 2021 RETIREE MEDICARE REIMBURSEMENT	220.20
				Vendor KRI01 - TERRI KRIEGER Total:	**220.20**
Vendor: TRA01 - TRANS BAY INSURANCE					
4163	96435	05/21/2021	100-116-42506	EMPLOYEE BONDS MILLER/DELAROSA	175.00
4163	96435	05/21/2021	100-341-42506	EMPLOYEE BONDS MILLER/DELAROSA	175.00
				Vendor TRA01 - TRANS BAY INSURANCE Total:	**350.00**
Vendor: TRA20 - TRANSUNION RISK AND ALTERNATIVE DATA					
263397-202104-1	96436	05/21/2021	525-118-42510	PD PERSON SEARCHES APR 2021	77.30
				Vendor TRA20 - TRANSUNION RISK AND ALTERNATIVE DATA Total:	**77.30**
Vendor: UNI38 - UNIVAR USA INC					
49126246	96437	05/21/2021	500-641-44303	SOD BISULFITE 25% BULK NSF LIQ	6,028.97
49157046	96507	05/28/2021	500-641-44303	SOD HYPO 12.5% LIQUICHLOR K2 BULK NSF LIQ	3,518.20
49165386	96507	05/28/2021	500-641-44303	SOD BISULFITE 25% BULK NSF LIQ	6,113.38
				Vendor UNI38 - UNIVAR USA INC Total:	**15,660.55**
Vendor: UNI07 - UNIVERSAL BUILDING SVCS.					
261628	96438	05/21/2021	100-343-42108	CORP YARD CUSTODIAL SUPPLIES	717.87
488036	96438	05/21/2021	100-343-42108	CH MONTHLY JANITORIAL SERVICES APRIL 2021	1,070.00
488037	96438	05/21/2021	100-231-42108	PD PUBLIC SAFETY BLDG JANITORIAL SVCS APRIL 2021	2,352.00
488038	96438	05/21/2021	209-557-42108	SWIM CENTER MONTHLY JANITORIAL SVCS APRIL 2021	280.00
				Vendor UNI07 - UNIVERSAL BUILDING SVCS. Total:	**4,419.87**
Vendor: VIS01 - VISION SERVICE PLAN					
812398082	96508	05/28/2021	100-110-41003	VISION PREMIUMS JUNE 2021	74.44
812398082	96508	05/28/2021	100-111-41003	VISION PREMIUMS JUNE 2021	74.44
812398082	96508	05/28/2021	100-112-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	100-113-41003	VISION PREMIUMS JUNE 2021	-37.22
812398082	96508	05/28/2021	100-115-41003	VISION PREMIUMS JUNE 2021	55.83
812398082	96508	05/28/2021	100-116-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	100-221-41003	VISION PREMIUMS JUNE 2021	353.59
812398082	96508	05/28/2021	100-222-41003	VISION PREMIUMS JUNE 2021	55.83
812398082	96508	05/28/2021	100-223-41003	VISION PREMIUMS JUNE 2021	241.93
812398082	96508	05/28/2021	100-231-41003	VISION PREMIUMS JUNE 2021	186.10
812398082	96508	05/28/2021	100-341-41003	VISION PREMIUMS JUNE 2021	37.22
812398082	96508	05/28/2021	100-343-41003	VISION PREMIUMS JUNE 2021	130.27

WARRANT LISTING

Payment Dates: 5/15/2021 - 5/28/2021

Payable Number	Payment Number	Payment Date	Account Number	Description (Payable)	Amount
812398082	96508	05/28/2021	100-465-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	105-221-41003	VISION PREMIUMS JUNE 2021	111.66
812398082	96508	05/28/2021	105-231-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	106-222-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	106-231-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	204-227-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	209-551-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	209-552-41003	VISION PREMIUMS JUNE 2021	37.22
812398082	96508	05/28/2021	209-554-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	212-461-41003	VISION PREMIUMS JUNE 2021	18.61
812398082	96508	05/28/2021	212-462-41003	VISION PREMIUMS JUNE 2021	37.22
812398082	96508	05/28/2021	500-641-41003	VISION PREMIUMS JUNE 2021	148.88
812398082	96508	05/28/2021	500-642-41003	VISION PREMIUMS JUNE 2021	55.83
812398082	96508	05/28/2021	505-119-41003	VISION PREMIUMS JUNE 2021	37.22
812398082	96508	05/28/2021	998-20106	VISION PREMIUMS JUNE 2021	37.22
				Vendor VIS01 - VISION SERVICE PLAN Total:	**1,823.78**
Vendor: WES01 - WESTERN EXTERMINATOR CO.					
13246C	96509	05/28/2021	100-231-42101	CITYWIDE EXTERMINATOR SERVICES	71.00
13246C	96509	05/28/2021	100-231-42108	CITYWIDE EXTERMINATOR SERVICES	103.25
13246C	96509	05/28/2021	100-343-42108	CITYWIDE EXTERMINATOR SERVICES	100.00
13246C	96509	05/28/2021	100-343-42108	CITYWIDE EXTERMINATOR SERVICES	69.00
13246C	96509	05/28/2021	209-552-42108	CITYWIDE EXTERMINATOR SERVICES	71.00
13246C	96509	05/28/2021	209-553-42108	CITYWIDE EXTERMINATOR SERVICES	97.00
13246C	96509	05/28/2021	209-554-42108	CITYWIDE EXTERMINATOR SERVICES	109.00
13246C	96509	05/28/2021	209-558-42108	CITYWIDE EXTERMINATOR SERVICES	108.50
				Vendor WES01 - WESTERN EXTERMINATOR CO. Total:	**728.75**
				Grand Total:	**597,952.61**

Report Summary

Fund Summary

Fund	Payment Amount
100 - General Fund	351,921.04
105 - Measure S -2006	1,004.29
106 - MEASURE S-2014	286.31
200 - Gas Tax Fund	94,251.57
201 - Restricted Real Estate Maintenance Fund	2,147.43
204 - Police Grants	153.08
207 - NPDES Storm Water Fund	156.26
209 - Recreation Fund	9,077.58
212 - Building & Planning	978.78
215 - Measure C and J Fund	266.63
285 - Housing Land Held for Resale	398.92
310 - Lighting & Landscape Districts	4,332.55
500 - Sewer Enterprise Fund	123,641.07
505 - Cable Access TV	417.14
525 - Information Systems	2,944.13
750 - Recognized Obligation Retirement Fund	5,416.00
998 - Payroll Clearing	559.83
Grand Total:	**597,952.61**

Account Summary

Account Number	Account Name	Payment Amount
100-10601	Gas Tanks/Corp Yard	6,271.09
100-10602	Gas Tanks/Fire Station	2,085.79
100-110-41002	Emp Benefits/Dental	498.18
100-110-41003	Emp Benefits/Vision Care	74.44
100-110-43102	Utilities/Water	9.69
100-110-43103	Utilities/Electricity & Pow...	85.62
100-111-41002	Emp Benefits/Dental	518.03
100-111-41003	Emp Benefits/Vision Care	74.44
100-111-43102	Utilities/Water	23.25
100-111-43103	Utilities/Electricity & Pow...	112.65
100-112-41002	Emp Benefits/Dental	134.47
100-112-41003	Emp Benefits/Vision Care	18.61
100-112-43102	Utilities/Water	21.30
100-112-43103	Utilities/Electricity & Pow...	123.92
100-113-41002	Emp Benefits/Dental	-290.41
100-113-41003	Emp Benefits/Vision Care	-37.22
100-115-41002	Emp Benefits/Dental	612.80
100-115-41003	Emp Benefits/Vision Care	55.83
100-115-42101	Prof Svcs/Professional Ser...	18,393.75
100-115-43102	Utilities/Water	63.15
100-115-43103	Utilities/Electricity & Pow...	308.67
100-116-41002	Emp Benefits/Dental	53.45
100-116-41003	Emp Benefits/Vision Care	18.61
100-116-42101	Prof Svcs/Professional Ser...	465.00
100-116-42302	Travel & Training/Mileage,..	19.16
100-116-42506	Admin Exp/Bonds	175.00
100-116-43102	Utilities/Water	21.30
100-116-43103	Utilities/Electricity & Pow...	90.12
100-117-41004	Emp Benefits/PERS Retir...	205,375.59
100-117-41101	Retiree Benefits/Medical-...	4,573.93
100-117-42401	Dues & Pub/Memberships	35.45
100-117-43102	Utilities/Water	170.45
100-117-43103	Utilities/Electricity & Pow...	1,002.63
100-221-41002	Emp Benefits/Dental	1,590.42
100-221-41003	Emp Benefits/Vision Care	353.59
100-221-42110	Prof Svcs/Fingerprinting	179.00

Account Summary

Account Number	Account Name	Payment Amount
100-221-42514	Admin Exp/Special Depart	4,012.90
100-221-44410	Safety Clothing	15.63
100-221-46201	Insurance/General Liability	280.00
100-221-47101	FF&E/Equipment	497.17
100-222-41002	Emp Benefits/Dental	355.99
100-222-41003	Emp Benefits/Vision Care	55.83
100-222-42101	Prof Svcs/Professional Ser...	2,571.68
100-222-42108	Prof Svcs/Building-Structu...	239.31
100-222-42201	Office Expense	305.15
100-222-43102	Utilities/Water	861.53
100-222-43103	Utilities/Electricity & Pow...	4,038.66
100-222-43105	Utilities/Cable	170.84
100-223-41002	Emp Benefits/Dental	1,433.37
100-223-41003	Emp Benefits/Vision Care	241.93
100-223-43102	Utilities/Water	191.45
100-223-43103	Utilities/Electricity & Pow...	805.07
100-231-41002	Emp Benefits/Dental	1,137.20
100-231-41003	Emp Benefits/Vision Care	186.10
100-231-41008	Emp Benefits/Long Term ...	206.50
100-231-42101	Prof Svcs/Professional Ser...	14,376.50
100-231-42104	Prof Svcs/Paramedic Servi...	1,639.86
100-231-42106	Prof Svcs/Software Maint...	3,000.00
100-231-42107	Prof Svcs/Equipment Mai...	11,974.60
100-231-42108	Prof Svcs/Building-Structu...	4,592.75
100-231-43102	Utilities/Water	1,427.14
100-231-43103	Utilities/Electricity & Pow...	3,773.47
100-231-43105	Utilities/Cable	10.67
100-231-44410	Safety Clothing	4,110.52
100-231-47104	FF&E/Vehicles	362.22
100-341-41002	Emp Benefits/Dental	187.92
100-341-41003	Emp Benefits/Vision Care	37.22
100-341-42506	Admin Exp/Bonds	175.00
100-343-41002	Emp Benefits/Dental	921.44
100-343-41003	Emp Benefits/Vision Care	130.27
100-343-42107	Prof Svcs/Equipment Mai...	261.60
100-343-42108	Prof Svcs/Building-Structu...	4,176.29
100-343-43102	Utilities/Water	1,946.24
100-343-43103	Utilities/Electricity & Pow...	1,938.04
100-343-44410	Safety Clothing	1,362.63
100-343-46201	Insurance/General Liability	2,037.80
100-343-47101	FF&E/Equipment	14,352.01
100-345-42108	Prof Svcs/Building-Structu...	12,429.24
100-345-43102	Utilities/Water	4,965.10
100-345-43103	Utilities/Electricity & Pow...	711.22
100-465-41002	Emp Benefits/Dental	114.62
100-465-41003	Emp Benefits/Vision Care	18.61
105-221-41002	Emp Benefits/Dental	820.57
105-221-41003	Emp Benefits/Vision Care	111.66
105-231-41002	Emp Benefits/Dental	53.45
105-231-41003	Emp Benefits/Vision Care	18.61
106-222-41002	Emp Benefits/Dental	134.47
106-222-41003	Emp Benefits/Vision Care	18.61
106-231-41002	Emp Benefits/Dental	114.62
106-231-41003	Emp Benefits/Vision Care	18.61
200-342-42101	Prof Svcs/Professional Ser...	62,791.52
200-342-42108	Prof Svcs/Building-Structu...	342.65
200-342-42514	Admin Exp/Special Depart	64.91
200-342-43102	Utilities/Water	54.23

Account Summary

Account Number	Account Name	Payment Amount
200-342-43103	Utilities/Electricity & Pow...	17,511.54
200-342-47205	Improvements/Streets	13,486.72
201-343-42108	Prof Svcs/Building-Structu...	532.60
201-343-42513	Admin Exp/Rent	100.00
201-343-43102	Utilities/Water	1,113.20
201-343-43103	Utilities/Electricity & Pow...	401.63
204-227-41002	Emp Benefits/Dental	134.47
204-227-41003	Emp Benefits/Vision Care	18.61
207-344-42107	Prof Svcs/Equipment Mai...	156.26
209-551-41002	Emp Benefits/Dental	134.47
209-551-41003	Emp Benefits/Vision Care	18.61
209-552-41002	Emp Benefits/Dental	88.19
209-552-41003	Emp Benefits/Vision Care	37.22
209-552-42108	Prof Svcs/Building-Structu...	269.00
209-552-43102	Utilities/Water	1,106.55
209-552-43103	Utilities/Electricity & Pow...	1,261.07
209-553-36401	Recreation Chg/Program ...	357.00
209-553-42108	Prof Svcs/Building-Structu...	303.00
209-553-42514	Admin Exp/Special Depart	306.94
209-553-43103	Utilities/Electricity & Pow...	12.44
209-554-36402	Recreation Chg/Members...	52.00
209-554-41002	Emp Benefits/Dental	121.02
209-554-41003	Emp Benefits/Vision Care	18.61
209-554-42108	Prof Svcs/Building-Structu...	229.77
209-554-43102	Utilities/Water	60.76
209-554-43103	Utilities/Electricity & Pow...	22.63
209-557-42108	Prof Svcs/Building-Structu...	1,928.62
209-557-43103	Utilities/Electricity & Pow...	1,842.25
209-558-42108	Prof Svcs/Building-Structu...	108.50
209-558-43102	Utilities/Water	373.54
209-558-43103	Utilities/Electricity & Pow...	7.85
209-559-43103	Utilities/Electricity & Pow...	417.54
212-461-41002	Emp Benefits/Dental	134.47
212-461-41003	Emp Benefits/Vision Care	18.61
212-461-43102	Utilities/Water	20.53
212-461-43103	Utilities/Electricity & Pow...	135.19
212-462-34215	Fees/Initial Inspection Fee	50.00
212-462-41002	Emp Benefits/Dental	187.92
212-462-41003	Emp Benefits/Vision Care	37.22
212-462-43102	Utilities/Water	54.62
212-462-43103	Utilities/Electricity & Pow...	340.22
215-341-43101	Utilities/Telephone	236.31
215-341-43103	Utilities/Electricity & Pow...	30.32
285-464-42101	Prof Svcs/Professional Ser...	270.00
285-464-43102	Utilities/Water	16.27
285-464-43103	Utilities/Electricity & Pow...	112.65
310-347-42101	Prof Svcs/Professional Ser...	2,663.11
310-347-42108	Prof Svcs/Building-Structu...	60.00
310-347-43102	Utilities/Water	55.74
310-347-43103	Utilities/Electricity & Pow...	381.96
310-348-42101	Prof Svcs/Professional Ser...	696.45
310-348-42108	Prof Svcs/Building-Structu...	65.00
310-348-43103	Utilities/Electricity & Pow...	410.29
500-10601	Gas Tanks/Corp Yard	3,913.70
500-641-41002	Emp Benefits/Dental	780.87
500-641-41003	Emp Benefits/Vision Care	148.88
500-641-42107	Prof Svcs/Equipment Mai...	9,893.06
500-641-42201	Office Expense	190.20

Account Summary

Account Number	Account Name	Payment Amount
500-641-43102	Utilities/Water	814.78
500-641-43103	Utilities/Electricity & Pow...	59,851.97
500-641-44302	Other Materials Supp/Slu...	9,884.61
500-641-44303	Other Materials Supp/Ch...	28,139.78
500-641-44304	Other Materials Supp/Pe...	3,500.00
500-641-44305	Other Materials Supp/Lab...	2,527.75
500-641-44410	Safety Clothing	1,779.93
500-642-41002	Emp Benefits/Dental	241.37
500-642-41003	Emp Benefits/Vision Care	55.83
500-642-42514	Admin Exp/Special Depart	331.80
500-642-43102	Utilities/Water	898.94
500-642-43103	Utilities/Electricity & Pow...	687.60
505-119-41002	Emp Benefits/Dental	268.94
505-119-41003	Emp Benefits/Vision Care	37.22
505-119-43102	Utilities/Water	77.03
505-119-43103	Utilities/Electricity & Pow...	33.95
525-118-42105	Prof Svcs/Network Maint...	1,839.00
525-118-42510	Admin Exp/Software Purch	757.71
525-118-43101	Utilities/Telephone	347.42
750-463-42101	Prof Svcs/Professional Ser...	5,416.00
998-20105	Sal & Ben Payable/Dental ...	522.61
998-20106	Sal & Ben Payable/Vision ...	37.22
	Grand Total:	**597,952.61**

Project Account Summary

Project Account Key		Payment Amount
None		597,952.61
	Grand Total:	**597,952.61**

Approved By: ________________ Date: 5/27/2021

CITY COUNCIL REPORT 7C

DATE: JUNE 1, 2021

TO: HONORABLE MAYOR AND COUNCIL MEMBERS

FROM: ERIC CASHER, CITY ATTORNEY

BY: ALEX MOG, ASSISTANT CITY ATTORNEY

SUBJECT: RESOLUTION CONFIRMING CONTINUED EXISTENCE OF LOCAL EMERGENCY

RECOMMENDATION

Staff recommends that the City Council adopt a resolution confirming the continued existence of a local emergency.

BACKGROUND

On March 18, 2020, the City Manager, acting as Director of Emergency Services, proclaimed a local emergency pursuant to California Government Code Section 8630 and Pinole Municipal Code Chapter 2.32. The emergency declaration was based on public health and safety concerns for persons and property within the City as a consequence of the global spread of novel coronavirus 2019 ("COVID-19"), including confirmed cases in Contra Costa County, as well as, the Contra Costa County Department of Health's shelter in place order dated March 16, 2020. The City Council subsequently adopted a resolution affirming the City Manager's emergency declaration.

The California Emergency Services Act requires the City Council to review the need for continuing the local emergency at least once every 60 days. Although the local emergency does not end until terminated by the City Council, the Pinole Municipal Code requires the City Council to review the need for continuing the local emergency every 14 days. The City Council has confirmed the continued existence of the local emergency multiple times since the emergency was first declared, most recently on May 18, 2021. Staff anticipates that the City Council's June 15 meeting will include an item to discuss whether or not to terminate the local emergency.

DISCUSSION

Over a year after the COVID-19 pandemic began, relevant public health trends show that significant progress has been made in fighting the spread of COVID-19.

Current Case Trends

There have now been over 69,500 cases of COVID-19 within the County and approximately 796 deaths, which is essentially unchanged from 2 weeks ago. The case rate within the County is less than 4 new case per day per 100,000 people. In Pinole, the rate of new cases over the last 14 days is approximately 50 new cases per 100,000 people. This is consistent with trends throughout Contra Costa County and California. After the extreme surge that occurred over the winter months, there was a rapid decline in case numbers in late winter and early spring. Case numbers continue to decline.

Currently the estimated rate of infection in Contra Costa County is approximately 0.90. This means that each person with COVID-19 causes 0.90 new infections. When the infection rate is above 1.0, the spread of the diseases is increasing, and when it is below 1.0 the spread of the disease is slowing. This is a positive trend, and the prevalence of COVID-19 continues to decrease in the community. In order for this trend to continue, public health officials advise continuing to practice social distancing will help prevent a new surge.

Vaccines

There has also been significant progress in the administration of the COVID-19 vaccine, with the rate of inoculation significantly increasing. The County estimates that over 75% of residents over the age of 16 have now received the first dose of the vaccine, and around 65% are fully vaccinated. In Pinole approximately 60% of adults have been fully vaccinated, which is similar to the County average. Over 1.3 million vaccinations have already been administered in the County, However, the daily number of vaccines administered is steadily declining.

As of April 15 everyone over the age of 16 is eligible to receive a COVID-19 vaccine in California. Appointments can be made through the County at cchealth.org/coronavirus or by calling 1-833-829-2626, as well as at https://myturn.ca.gov/. In addition, individuals can make appointments through their health care provider or certain local pharmacies, including Walgreens and CVS.

Blue Print for Reopening

California's "Blueprint for a Safer Economy" establishes criteria for loosening and tightening restrictions on activities based on the level of spread of COVID-19. There are currently four tiers. As of the time of publication of the agenda for this meeting, Contra Costa County remains within "moderate" or orange tier. This is the second lowest of the four tiers.

The Governor has announced June 15 as a goal for the date that all restrictions will be lifted, as long as: 1) vaccine supply is sufficient for Californians 16 years and older who wish to be inoculated to receive a vaccine; and 2) hospitalization rates are stable and low. On that date, the Blueprint for a Safer Economy will be eliminated and most indoor activities will be allowed to resume. In addition, the Governor has announced that California's statewide mask rules will be revised on June 15 to follow the current CDC guidance, which provide that vaccinated individuals are not required to wear masks in most indoor settings.

Role of Emergency Declaration

Under State law and the Municipal Code, the City may declare an emergency to respond to conditions of disaster or of extreme peril to the safety of persons and property within Pinole. There are three main reasons for a City to adopt an emergency declaration. First, an emergency declaration gives the City the power to adopt emergency rules and waive certain otherwise applicable procedural requirements. For example, the City has used this power to allow businesses to obtain temporary use permits to operate outside without going through the normal process established by the Zoning Code. The City also used these powers to adopt an eviction moratorium, prior to the enactment of a similar moratorium by the County and State.

Second, an emergency declaration is usually necessary for the City to access certain types of State and Federal emergency funding. This requirement is common for natural disasters and other types of localized emergencies. Because of the widespread nature of the COVID-19 pandemic, State and Federal financial assistance related to COVID-19 has been provided without a requirement that the City maintain a general emergency declaration.

Third, an emergency declaration sends a message to the public that unusual conditions exists that actively threaten the public health, safety or welfare in the community. This is a primary reason for continuing the COVID-19 local emergency declaration. Continuing to renew the emergency declaration helps communicate to the public that the COVID-19 emergency persists. Although case rates are decreasing, and the rate of vaccine administration is increasing, public health officials have advised that this progress is vulnerable to reversal. Public health officials state that it is critical for the public to continue to practice pandemic safety measures, such as wearing masks and practicing social distancing when in public, even if vaccinated.

The Governor has announced that many COVID-19 related restrictions will be lifted on June 15 as we enter a new phase of the pandemic. We recommend the City Council continue to renew the emergency declaration at this time and reconsider whether to terminate the declaration at its next meeting. At that time, more information will be known about the State and Contra Costa County's plans for post June 15 safety measures.

If the proposed resolution is adopted, the City Council will confirm the continued existence of the local emergency. In accordance with state law and the Municipal

Code, the City Council will review the emergency declaration periodically until the conditions warrant a termination of the emergency declaration.

FISCAL IMPACT

There is no direct fiscal impact from the adoption of the resolution ratifying a local emergency.

ATTACHMENTS

A. Resolution Confirming Continued Existence of Local Emergency

3772655.1

ATTACHMENT A

RESOLUTION 2021-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE, COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA, CONFIRMING THE CONTINUED EXISTENCE OF A LOCAL EMERGENCY DUE TO COVID-19

WHEREAS, Government Code Section 8630 and Pinole Municipal Code Section 2.32.060 authorize the Director of Emergency Service to proclaim a local emergency when conditions of disaster or extreme peril to the safety of persons and property within the territorial limits of a city exist if the City Council is not in session and provides that the City Council shall ratify the proclamation within seven days thereafter; and

WHEREAS, in accordance with Government Code Section 8630 and Pinole Code Section 2.32.060, the Director of Emergency Services proclaimed the existence of a local emergency caused by the Novel Coronavirus (COVID-19), a respiratory disease first identified in China that may result in serious illness or death that is easily transmissible from person to person, on March 18, 2020; and

WHEREAS, on March 24, 2020, the City Council ratified and confirmed the proclamation of the existence of a local emergency issued by the Director of Emergency Services; and

WHEREAS, pursuant to Government Code Section 8630 and Pinole Municipal Code Section 2.32.060, the City Council must periodically review the need for continuing the local emergency; and

WHEREAS, the conditions that prompted the original declaration of a local emergency continue to exist; and

WHEREAS, the recitals contained in Resolution No. 2020-13, adopted by the City Council on March 24, 2020, are incorporated into this Resolution as if stated herein; and

WHEREAS, while the rate of new cases of COVID-19 has decreased from previous highs throughout California, including within Contra Costa County, there contin of new cases remains steady; and

WHEREAS, there have now been over 69,500 cases of COVID-19 and approximately 795 deaths within the County; and

WHEREAS, the rate of new cases in Pinole over the last 14 days is approximately 50 per 100,000 people, which is a decline from two weeks ago; and

WHEREAS, Contra Costa County remains within the "moderate" tier in the State's four tier blueprint for a safer economy due to the significant prevalence of COVID-19; and

WHEREAS, administration of the COVID-19 vaccine is progressing rapidly, but only approximately 65% of the adult population in the County has been fully vaccinated and the daily number of vaccines administered is steadily decreasing; and

WHEREAS, in order to maintain progress in containing the spread of COVID-19, the public must continue to practice appropriate safety measures; and

WHEREAS, the public health and safety concerns for persons and property within the City as a consequence of the global spread of COVID-19 continue to exist; and

WHEREAS, the health, safety, and welfare of Pinole residents, businesses, visitors, and staff is of utmost importance to the City and additional future measures may be needed to protect the community; and

WHEREAS, the City may require additional assistance in the future, and a formal declaration of emergency allows the City to access resources in a timely manner in a timely fashion; and

WHEREAS, the City Council finds that conditions of extreme peril to the safety of persons and property within the territorial limits of the City related to COVID-19 pandemic continue in existence; and

WHEREAS, the City Council finds that extraordinary measures are required to protect the public health, safety, and of persons and property within the City that are or are likely to be beyond the control or capability of the services, personnel, equipment, and facilities of the City; and

WHEREAS, the City Council have continued existence of a local emergency periodically since it was first declared on March 18, 2020; and

WHEREAS, the City Council desires to confirm the continued existence of a local emergency within Pinole due to COVID-19.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Pinole hereby declares as follows:

1. The local emergency declared by Resolution No. 2020-13 due to the COVID-19 Pandemic continues to exist within the City of Pinole.

2. During the existence of the declared local emergency, the powers, functions, and duties of the City Manager, acting as Director of Emergency Services, and the emergency organization of this City shall be those prescribed by State law and by ordinances and resolutions of the City of Pinole.

3. The declaration of local emergency shall remain in effect until such time that the Council determines that the emergency conditions have been abated.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 1st day of June, 2021, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed, and adopted on the 1st day of June, 2021.

____
Heather Iopu, CMC
City Clerk

3772689.1

CITY COUNCIL REPORT

7D

DATE: JUNE 1, 2021

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER
MARKISHA GUILLORY, FINANCE DIRECTOR

SUBJECT: REVISED FINAL PROPOSED LONG-TERM FINANCIAL PLAN FOR FISCAL YEAR (FY) 2021/22 - FY 2025/26

RECOMMENDATION

Adopt a resolution approving the Revised Final Proposed Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26 (attached).

BACKGROUND

In February 2020, the City Council adopted the City of Pinole Strategic Plan 2020 – 2025. The Strategic Plan identified four goals for the City (safe and resilient, financially stable, vibrant and beautiful, and high performance), and 22 individual strategies (special projects) to complete over a five-year timeframe.

One of the strategies under the goal of a financially stable Pinole is to "develop a long-term financial plan (LTFP) and use it to guide budget and financial decisions (including policies regarding reserves and management of liabilities)."

The City has developed a Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - 2025/26 to address this Strategic Plan strategy.

City staff presented the Preliminary Proposed version of the LTFP to the Finance Subcommittee on April 28, 2021. The Finance Subcommittee received public comment, discussed the document, and provided direction to staff on changes to incorporate into the next draft of the document. Staff made the requested changes as directed and presented the Revised Proposed LTFP to the Finance Subcommittee on May 12, 2021. Staff incorporated direction provided by the Finance Subcommittee at that meeting and presented the resulting Final Proposed LTFP to the City Council on May 18, 2021.

Staff has created the attached Revised Final Proposed version of the LTFP, which incorporates the City Council's feedback and direction from its May 18, 2021 meeting.

Staff is seeking the City Council's adoption of a resolution approving the Revised Final Proposed LTFP. (After adoption, the LTFP will be referred to as the Adopted LTFP.)

REVIEW AND ANALYSIS

This inaugural City LTFP will have a narrower scope than future LTFPs. (Staff is anticipating creating new LTFPs every two years going forward.) The objective of this inaugural LTFP is to establish the methodology by which the City will conduct forecasting for the purpose of the LTFP, establish the organization and scope of the LTFP, and identify the major challenges and opportunities and expenditure and revenue options that the City will face over the next five years. This LTFP does not recommend specific changes to service levels or recommend associated new revenue mechanisms. That would be a goal of future LTFPs. Even with a more limited scope than future LTFPs, this inaugural version will be a valuable resource for City leaders when they make future financial and operational decisions.

FISCAL IMPACT

The Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26 adopted by the City Council will be a valuable resource for City leaders when they make future financial and operational decisions. The LTFP does not itself require or authorize any expenditure of City funds, and therefore does not itself have any fiscal impact to the City.

ATTACHMENTS

A- Revised Final Proposed Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26

B- Revised Final Proposed Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26 (with tracked changes)

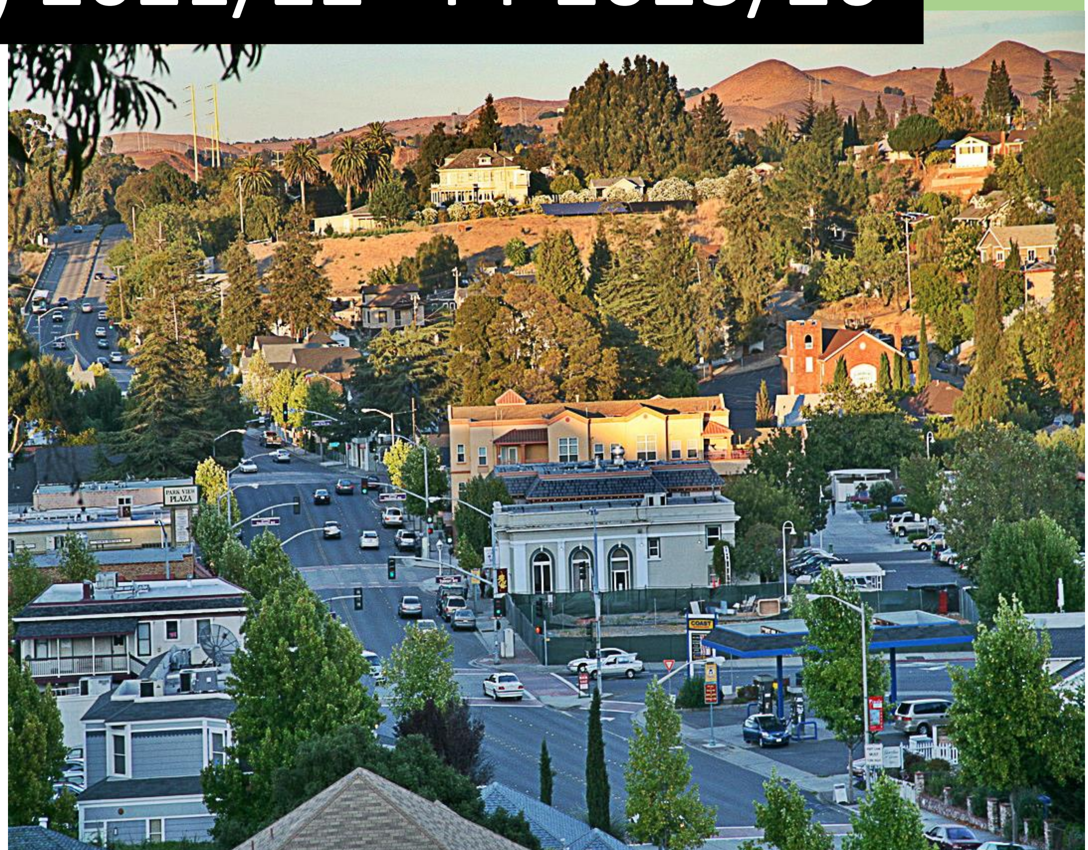
C- Resolution Approving the Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26

Return to Agenda

ATTACHMENT A

City of Pinole

Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26



Revised Final Proposed Version

June 1, 2021

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ELECTED OFFICIALS AND DEPARTMENT HEADS

ELECTED OFFICIALS

Mayor	Norma Martinez-Rubin
Mayor Pro Tem	Vincent Salimi
Council Member	Devin Murphy
Council Member	Anthony Tave
Council Member	Maureen Toms
Treasurer	Roy Swearingen

DEPARTMENT HEADS

City Manager	Andrew Murray
Assistant City Manager	Hector De La Rosa
City Attorney (Contract)	Eric Casher
City Clerk	Heather Iopu
Development Services Director	Tamara Miller
Finance Director	Markisha Guillory
Fire Chief	Chris Wynkoop
Police Chief	Neil Gang

STRATEGIC PLAN 2020 – 2025 VISION, MISSION, AND GOALS

VISION

Pinole is safe, vibrant, and innovative community with small town charm and high quality of life.

MISSION

Pinole will be efficient, ethical, and effective in delivering quality services with community involvement and fiscal stewardship.

GOALS

1. **Safe and Resilient Pinole**: Develop and communicate resilience through quality public safety service delivery, property maintenance policies and practices, and disciplined investment in community assets.

2. **Financially Stable Pinole**: Ensure the financial health and long-term sustainability of the City.

3. **Vibrant and Beautiful Pinole**: Facilitate a thriving community through development policies and proactive relationship building.

4. **High Performance Pinole**: Build an organization culture that is efficient, ethical, and effective in delivering quality services with community involvement and fiscal stewardship.

EXECUTIVE SUMMARY

The City of Pinole's Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2021/22 - FY 2025/26 has been created to help implement the City's Strategic Plan 2020 – 2025. It has been developed in conformance with public finance best practices.

The LTFP identifies any major economic or demographic trends that might impact future requests for City services and City revenues. It includes a five-year forecast of General Fund, including Measure S funds, revenues and expenditures based on the City's current services and revenue sources and assumptions about the future. The forecast anticipates that the General Fund will be structurally balanced over the five-year period.

The LTFP identifies the major challenges and opportunities that the City will likely face over the planning horizon, as well as the main discretionary service level/expenditure options and new revenue options that the City can consider and should bear in mind as it makes future financial and operational decisions.

This inaugural LTFP does not recommend any specific new service levels or programs for the City, nor identify specific matching revenue sources to support them. Rather, this LTFP forecasts the City's budget condition over the next five years and identifies a number of revenue and expenditure options the City Council can consider implementing in the future. City staff anticipates creating an updated LTFP on a biennial basis going forward, and expects that future LTFPs will have more specific recommendations on service levels and programs and associated funding sources.

INTRODUCTION

BACKGROUND

In February 2020, the City Council adopted the City of Pinole Strategic Plan 2020 – 2025. The Strategic Plan identified four goals for the City (safe and resilient, financially stable, vibrant and beautiful, and high performance), and 22 individual strategies (special projects) to complete over a five-year timeframe.

One of the strategies under the goal of a financially stable Pinole is to "develop a long-term financial plan (LTFP) and use it to guide budget and financial decisions (including policies regarding reserves and management of liabilities)." The City of Pinole Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2021/22 - FY 2025/26 has been created to address this Strategic Plan strategy.

PURPOSE

The purpose of the LTFP is to inform the City's financial and operational decision making. The LTFP can be used as a guide to many planning and decision-making processes, such as the development of future budgets and Capital Improvement Plans (CIP). The LTFP also marks the beginning of the FY 2021/22 annual budget development process.

SCOPE

The Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2021/22 - FY 2025/26 covers the revenues and expenditures of the City's General Fund, including the Measure S 2006 and Measure S 2014 funds, over a five-year period. Future LTFPs will cover all City funds.

DEVELOPMENT PROCESS

City staff (the City Manager, Finance Director, Finance Department staff, and other department heads and staff) began developing the LTFP in winter 2020/2021. The LTFP was created using public finance best practices. City staff consulted numerous resources to determine how to approach the project and create sound analysis. Best practices are well summarized in the key publication on municipal long-term financial planning, the Government Finance Officers Association's (GFOA) Financing the Future: Long-Term Financial Planning for Local Government. GFOA, one of the leading professional associations in the public finance field, defines financial forecasting and long-term financial planning as follows:

- Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables.
- Long-term financial planning is the process of aligning financial capacity with long-term service objectives. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges.

The main tasks required to create the LTFP were the following:

- Forecast revenues and expenditures using key assumptions about the City's operating environment;
- Identify the major challenges and opportunities that the City will face over the next five years;
- Identify policy alternatives, including changes to revenue sources and expenditures, that will result in a sustainable, long-term balance between desired service levels and City financial resources; and
- Gather feedback on a draft LTFP and gain Council approval of the final LTFP.

City staff has completed the necessary tasks using best practices. This has resulted in a LTFP that is consistent with GFOA's Long-Term Financial Planning best practice, which requires that a long-term financial plan:

- Use a planning horizon of at least five years;
- Include an analysis of the financial environment, revenue and expenditure forecasts, debt position and affordability analysis, strategies for achieving and maintaining financial balance, and plan monitoring mechanisms; and
- Be visible.

The LTFP development process was structured to support participation from a variety of stakeholders. Staff shared information and received input from Council Members and the public at multiple Finance Subcommittee and City Council meetings in spring 2021. Staff also gathered input from interested stakeholders through an online survey that specifically focused on identifying the most important challenges and opportunities that the City will face over the five-year planning period. The participatory development process has resulted in a LTFP that reflects the interests of the City Council and community.

City staff anticipates creating an updated LTFP on a biennial basis going forward.

LONG-TERM FINANCIAL FORECAST

INTRODUCTION

One of the key steps in creating a LTFP is to create a long-term financial forecast. A long-term financial forecast estimates future revenues and expenditures based on assumptions about the City's future operating environment. Over the past few years, the City has included a long-term financial forecast covering the General Fund, including the Measure S funds, in the annual budget. (The City also issued an updated five-year forecast in October 2020.)

FORECAST METHODOLOGY

As noted above, City staff followed public finance best practices when creating the LTFP, including when designing the forecast methodology. Staff reviewed the City's past forecasting work, the work of peer jurisdictions and other leading municipalities, and academic and professional materials on the topic. Staff used the FY 2020/21 revised mid-year budget as the base year of the five-year forecast and applied quantitative and qualitative methods. Quantitative methods involve using historic numerical data to forecast future numeric values. As an example, staff looked at average annual historic growth rates for various revenues and expenditures, then used those average growth rates to forecast future values for those revenues and expenditures. Qualitative forecasting methods involve using information other than historic numerical data to conduct forecasting. This might involve factoring into a forecast the opinions of experts regarding issues such as future economic conditions and changes in the regulatory environment. Staff incorporated some qualitative forecasting into the LTFP.

MAJOR ECONOMIC AND DEMOGRAPHIC TRENDS

Forecasting future conditions requires identifying the major current trends that will shape the future. The primary determinants of a city's financial sustainability are the demands for city services, the city's revenues, and service delivery methods. These are primarily driven by demographic and cultural changes as well as economic changes.

Demographic and Cultural Changes

City staff is not anticipating any significant changes to the demographics or cultural characteristics of Pinole's population over the five-year period covered by the LTFP. The City's total population has remained very stable over the past decade, growing less than 1% annually on average, and there are a limited number of sites available for significant new housing development, which would allow for a population increase. The Association of Bay Area Governments (ABAG) projects that Pinole's population will increase by 1,775 residents between

2020 and 2040, to a total of 21,280, which represents an annual growth rate of 0.44%. According to the 2019 American Community Survey (latest available), the City's median age is 38.1 years. Its race and ethnic composition are as follows: White alone (43.0%), Asian alone (27.4%), Black or African American alone (11.8%), American Indian and Alaska Native alone (0.6%), Native Hawaiian and Other Pacific Islander alone (0.1%), other race (7.5%), and two or more races (9.6%). The female to male ratio is 53.6% to 46.4%. There are approximately 6,748 households with an average of 2.84 persons per household. Pinole's median household income is $100,315.

The City is expecting to receive applications for some new housing projects at infill sites, but it is not possible at this point to forecast how many new housing units might be created as a result, nor to forecast how such projects, if constructed, might impact the City's population and service demands. The City's demographics have also remained fairly stable, and staff is not anticipating any significant changes to demographics over the five-year planning horizon.

Economic Changes

Prior to the onset of COVID-19 in early 2020, the City was experiencing a steady, modest economic expansion, similar to that experienced by many other cities in the aftermath of the Great Recession. COVID-19 created an unanticipated shock to the national economy. Many of Pinole's businesses were significantly impacted by the shelter-in-place health orders, which disrupted many retail, restaurant, entertainment, and personal service activities. Due to public health interventions and the growing availability of vaccines, the local and national economies are expected to recover to pre-COVID-19 levels by late 2021, and thereafter resume the steady, modest growth of the pre-COVID period. Therefore, City staff is not anticipating any economic changes during the five-year planning horizon that would significantly influence the City's finances.

Due to the specific forms of taxation through which Pinole receives the majority of its General Fund revenue, particularly sales tax (including from online sales) and property tax, the City did not experience a significant loss of revenue due to COVID-19. For the purpose of the LTFP's long-term forecast, City staff is assuming a return to steady, modest revenue growth commensurate with steady, modest economic growth.

City staff expects that City operations will generally experience modest productivity gains consistent with those realized in the economy generally over the next five years. City staff also expects that if the federal government makes a significant new investment in infrastructure, perhaps through a new infrastructure bill, the cost of capital project materials and labor will increase. City staff does not have a precise sense of how that would likely impact the cost of City capital projects, and therefore has not included any related increased cost in the LTFP. Forthcoming CIPs will incorporate the City's estimate of any increase in the cost of capital projects due to additional federal investment.

STATUS QUO FORECAST

The five-year forecast that the City has included in recent annual budgets and updated in October 2020 is a “status quo” forecast. A “status quo” forecast assumes that the City continues current (status quo) staffing levels, service levels, and programs in the future and that the City does not establish any new revenue-generating mechanisms.

City staff has created an updated status quo five-year forecast for the General Fund, including Measure S funds, for FY 2021/22 through FY 2025/26. This forecast will be used as the basis of the development of the FY 2021/22 budget. For the status quo forecast, staff assumed that future City service levels would remain at the levels of FY 2020/21. Staff then forecasted revenues and expenditures for the five succeeding years by applying assumptions about future changes in economic conditions that impact revenues and expenditures.

Based on specific assumptions, detailed below, the City forecasts that the General Fund and the Measure S funds will be structurally balanced over the five-year forecast period.

GENERAL FUND SUMMARY INCLUDES MEASURE S 2006 & 2014	2018-19 Actual	2019-20 Actual	2020-21 Revised Budget	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast
REVENUE								
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,230,162	4,642,585	5,649,469	5,801,568	5,959,970
SALES TAX	3,994,720	3,788,080	3,991,200	4,155,000	4,305,000	4,446,000	4,576,000	4,710,000
MEAS S 2006 & 2014 LOCAL SALES TA	4,286,328	3,901,837	4,092,000	4,284,000	4,454,000	4,600,000	4,734,000	4,874,000
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,934,110	1,953,451	1,972,985	1,992,715
FRANCHISE TAX	735,311	750,001	750,000	757,500	765,075	772,726	780,453	788,258
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,082,883	2,142,701	2,218,061	2,298,695	2,382,941
OTHER TAXES	884,757	826,359	785,000	800,700	816,714	833,048	849,709	866,703
CHARGES FOR SERVICES	967,318	1,260,013	1,306,115	1,371,421	1,428,005	1,498,155	1,571,813	1,649,154
OTHER REVENUE	2,367,313	1,116,846	541,818	527,205	545,039	552,800	560,715	568,790
ONE-TIME REVENUE			619,756	600,000	-			
TRANSFERS IN	6,290,688		1,933,025	1,147,758	1,411,356	1,537,642	1,706,785	2,045,623
Total Revenue	**27,012,947**	**19,920,440**	**22,067,186**	**21,871,589**	**22,444,584**	**24,061,351**	**24,852,724**	**25,838,154**
EXPENDITURES								
SALARIES	8,593,887	9,184,283	9,872,536	10,168,712	10,473,773	10,787,987	11,111,626	11,444,975
BENEFITS - PERS RETIRE	1,792,051	2,451,619	3,077,528	2,939,809	3,203,407	3,329,693	3,498,836	3,603,462
BENEFITS - OTHER	3,079,527	2,864,038	3,052,813	3,185,910	3,342,288	3,506,368	3,646,623	3,892,040
PROFESSIONAL SERVICES	2,033,715	2,284,342	2,706,141	2,787,325	2,870,945	2,957,073	3,045,785	3,137,159
OTHER OPERATING EXPENSES	472,703	1,176,125	377,332	300,468	307,341	314,406	321,670	329,136
ONE-TIME EXPENDITURES			1,126,380		22,500		22,500	
DEBT SERVICE	590,433	606,553	556,107	576,150	596,150	611,150	677,150	677,150
CAPITAL PROJECTS	211,292	429,470	2,040,649	315,000	324,450	334,184	344,209	354,535
TRANSFERS OUT	21,732,833	1,255,058	1,395,962	1,313,058	1,275,435	1,293,318	1,311,222	1,329,664
Total Expenditures	**38,506,441**	**20,251,487**	**24,205,447**	**21,586,431**	**22,416,288**	**23,134,178**	**23,979,620**	**24,768,121**
Surplus/Deficit	**(11,493,493)**	**(331,047)**	**(2,138,261)**	**285,158**	**28,296**	**927,174**	**873,104**	**1,070,033**
Fund Balance, July 1	23,478,448	11,984,955	11,653,908	8,567,045	8,973,211	8,772,038	9,648,456	10,451,820
Preliminary Fund Balance, June 30	**11,984,955**	**11,653,908**	**9,515,647**	**8,852,203**	**9,001,507**	**9,699,212**	**10,521,560**	**11,521,853**
General Reserves Adjustment			(948,601)	121,008	(229,469)	(50,756)	(69,740)	(61,844)
Fund Balance, June 30	**11,984,955**	**11,653,908**	**8,567,045**	**8,973,211**	**8,772,038**	**9,648,456**	**10,451,820**	**11,460,009**
Fund Balance, July 1	16,287,510	17,159,258	18,088,812	17,144,938	16,941,587	16,472,843	15,850,626	15,033,177
Revenues - Interest	924,669	1,010,988	1,049,151	994,406	982,612	955,425	919,336	871,924
Expenditure - Transfers Out	6,290,688	-	1,933,025	1,147,758	1,411,356	1,537,642	1,706,785	2,045,623
Expenditures	52,921	81,434	60,000	50,000	40,000	40,000	30,000	30,000
Pension Fund Balance, June 30	**17,159,258**	**18,088,812**	**17,144,938**	**16,941,587**	**16,472,843**	**15,850,626**	**15,033,177**	**13,829,479**
Fund Balance, July 1	2,386,489	7,137,963	7,457,116	8,629,431	8,738,848	9,234,113	9,555,008	9,909,875
Revenues - Interest	150,668	319,153	223,713	230,425	265,796	270,139	285,128	295,204
Revenues - Transfer In	4,600,806	-	948,601	(121,008)	229,469	50,756	69,740	61,844
General Reserve Balance, June 30	**7,137,963**	**7,457,116**	**8,629,431**	**8,738,848**	**9,234,113**	**9,555,008**	**9,909,875**	**10,266,923**

Revenues

As shown in the table above, the status quo forecast anticipates that General Fund revenue, including the Measure S funds, will grow from 21.9 million in FY 2021/22 to $25.8 million in FY 2025/26, primarily due to increases in the property tax and sales tax categories.

Property Tax

Property tax is an ad valorem tax levied on real property. The fixed statutory rate is 1% of assessed valuation. The City receives approximately 19% of the total ad valorem properties taxes levied on property located within its boundaries (exclusive of Redevelopment Project Areas).

The 22% growth in FY 2023/24 is due to the residual property tax revenue resulting from the dissolution of the former Redevelopment Agency forecasted to increase by approximately $908,511 (61%), after outstanding redevelopment bonds are retired. The forecast also reflects one-time revenue of $600,000 in FY 2021/22 for the anticipated sale of former Redevelopment property, Pinole Shores II. The sale is expected to net approximately $3,000,000, of which the City's share is 18.75%, or $600,000.

The status quo forecast, provided by HDL, the City's property tax consultant, assumes that property tax revenue will grow from $4.2 million in FY 2021/22 to $6 million in FY 2025/26.

Sales Tax

The City levies a 9.75% sales tax on all merchandise. The use tax portion differs from sales tax in that it generally applies to storage, use or consumption of goods purchased from retailers in transactions not subject to sales tax. Additionally, use tax may apply to purchases shipped to California consumers from another state.

The City's sales tax rate comprises the following components:

- State of California – 7.25%;
- Contra Costa County – 1.5%;
- Pinole (Measure S 2006) – 0.5%; and
- Pinole (Measure S 2014) – 0.5%.

This category includes the General Fund, Measure S 2006, and Measure S 2014, and is the City's largest source of general revenue. The forecasted growth rate averages 3% and 4% for standard sales tax and Measure S, respectively. The growth rates are different due to the county share of the standard sales tax. The status quo forecast, provided by HDL, the City's sales tax consultant, assumes that sales tax revenue, including the General Fund and the Measure S funds will grow from $8.5 million in FY 2021/22 to $9.7 million in FY 2025/26.

Utility Users Tax (UUT)

The City levies an 8% utility users tax (UUT) on the value of public utilities services consumed within the City limits for electricity, gas, and telecommunications. The forecasted growth rate averages 1% per year. The growth rate aligns with the trend of very low to flat growth in UUT, notably in the telecommunications subcategory. The status quo forecast assumes that utility users tax revenue will grow from $1.9 million in FY 2021/22 to $2 million in FY 2025/26.

Franchise Tax

The City levies a 5% franchise tax on public utilities and other corporations who furnish gas, electric, water, refuse, and cable television or similar services to citizens living within the City's boundaries. The fees are defined in the franchise fee agreements and are paid directly to the City by these franchisees. The forecasted growth rate averages 1% per year. While franchise tax revenue has grown collectively, one of the major services, cable, has had flat to low growth. One factor is the change in consumer preference from traditional cable to streaming services. The status quo forecast assumes that franchise tax revenue will grow from $757,000 in FY 2021/22 to $788,258 in FY 2025/26.

Intergovernmental Tax

This category primarily comprises the vehicle license fee (VLF) which is an annual fee collected on the ownership of a registered vehicle in California, in lieu of levying personal property tax on vehicles. The forecast is based on projections provided by HDL, the City's property tax consultant. The forecasted growth rate averages 4% per year. The status quo forecast assumes that intergovernmental tax revenue will grow from $2.1 million in FY 2021/22 to $2.4 million in FY 2025/26.

Other Taxes

This category includes the business license tax which is levied on businesses located within the City and those that do business with Pinole but are located outside of City boundaries. It also includes the transient occupancy tax (TOT) for which the City levies a 10% for occupancy of 30 days or less in a motel or lodging facility. The forecasted growth rate averages 2% per year. The status quo forecast assumes that the total business license tax and TOT revenue will grow from $800,700 in FY 2021/22 to $866,703 in FY 2025/26.

Other Revenue

This category includes all other non-major revenue sources, such as grants; licenses and permits; fees; fines and forfeitures; investment income; and other miscellaneous revenue. The forecasted growth rate averages 1% per year. The status quo forecast assumes that total other revenue will grow from $527,205 in FY 2021/22 to $568,790 in FY 2025/26.

Transfers In

This category includes transfers from the Pension Section 115 Trust Fund to the General Fund. The amount transferred is based on the difference between the City's base year (FY 2018/19) contribution toward employee pensions and the forecasted required City contribution in future years. The status quo forecast assumes that transfers in from the Trust will grow from $1.1 million in FY 2021/22 to $2 million in FY 2025/26.

Expenditures

As shown in the table above, the status quo forecast anticipates that General Fund expenditures, including the Measure S funds, will grow from $21.6 million in FY 2021/22 to $24.8 million in FY 2025/26, primarily due to increases in the salaries and benefits categories.

Salaries

Salaries comprise approximately 47% of total General Fund expenditures. Salaries are forecasted to increase by the standard 3% per year unless a different cost-of living-adjustment (COLA) is agreed upon through labor agreements. The status quo forecast assumes that salaries will grow from $10.2 million in FY 2021/22 to $11.4 million in FY 25/26.

Benefits-Retirement

Retirement benefits comprise approximately 13% of total General Fund expenditures. The City's annual required contribution is forecasted based on the most recent actuarial valuations report as of July 2019 provided by the California Public Employees' Retirement System (CalPERS). The forecast reflects the net cost of the required employer contribution minus employee contributions. The status quo forecast assumes that retirement benefits will grow from $2.9 million in FY 2021/22 to $3.6 million in FY 2025/26.

Benefits-Other

Other benefits comprise approximately 15% of total General Fund expenditures. This category includes all other benefits other than retirement, such as medical, dental, vision, life insurance, and long-term disability benefits. The status quo forecast assumes that other benefits will grow from $3.2 million in FY 2021/22 to $3.9 million in FY 2025/26.

Professional Services

This category includes City Attorney services, temporary services, network and software maintenance, and equipment and building maintenance. Contract services with other government agencies, such as the County animal services and library services, are also included in professional services. The status quo forecast assumes that professional services will grow from $2.8 million in FY 2021/22 to $3.1 million in FY 2025/26.

Other Operating Expenditures

This category includes all other expenditure categories, such as travel/training, office expenses, utilities, indirect costs, and materials and supplies. The status quo forecast assumes that other operating expenditures will grow from $300,468 in FY 2021/22 to $329,136 in FY 2025/26.

Capital Outlay

This category includes capital improvement projects mainly for facility and park upgrades. Each year, capital needs are assessed and prioritized through the capital improvement planning process. The amount of Measure S funds allocated to capital projects varies as reflected in the prior years' actuals and budget. The forecast is therefore based on the estimated minimum Measure S funds that will be needed for capital projects. The status quo forecast assumes that capital outlay will increase from $315,000 in FY 2021/22 to $354,000 in FY 2025/26.

The City develops a separate five-year Capital Improvement Plan (CIP) to plan for and appropriate funds to capital improvement projects. Capital projects are primarily funded by Measure S, Gas Tax, Measure J, Sewer enterprise funds, and other miscellaneous funding, such as grants.

Debt Service

This category includes the payment of debt for the 2006 pension obligation bonds (POBs) that were issued to finance the City's unfunded accrued actuarial liability with CalPERS. The future years are forecasted based on the long-term debt obligation schedule. This debt will be fully paid and retired in FY 2035/36.

Transfers Out

This category includes the transfers from the General Fund and Measure S to other funds to support Recreation programs, Pinole Community Television (PCTV), vehicle and equipment replacement, and capital improvement projects. The status quo forecast assumes that transfers out will remain constant, at $1.3 million per year in FY 2021/22 through FY 2025/26. This is consistent with the City's historic practice, such as in prior Measure S expenditure plans and General Fund forecasts.

Fund Balance

Fund balance is basically an accumulation of funds as a result of revenues minus expenditures. When total revenue exceeds total expenditures at the end of a fiscal year, a surplus of funds results and increases fund balance (reserves). On the opposite end, when total expenditures exceed total revenue, a deficit results and reduces fund balance (reserves).

General Fund Balance and General Reserves

The preliminary fund balance is the estimated General Fund fund balance before any transfers out to the General Reserve as per the Reserve Policy. The Reserve Policy requires that an amount equal to 50% of total General Fund ongoing expenditures be set aside in a separate fund, the General Reserve, to maintain adequate financial resources in the event of financial distress.

If the General Reserve balance falls short of the policy requirement, funds are transferred from the General Fund unassigned fund balance in an amount equal to the difference between the General Reserve fund balance and the amount required as per the policy. As such, the ending General Fund fund balance is the result of the preliminary fund balance minus the General Reserve adjustment.

Pension Fund Balance

In June 2018, the Section 115 Trust was established to set aside resources to offset anticipated significant increases in the future City pension costs. The intent was to withdraw resources from the trust each year to cover the increase between the City's contribution toward employee pensions in FY 2018/19, the baseline year, and the City's required contribution in future years.

The pension fund balance for each fiscal year is calculated by starting with the fund balance at July 1, add estimated interest earnings, subtract transfers out to offset increases in pension costs, and subtract administrative costs. The pension fund balance will continue to decrease as funds are withdrawn each year because the trust was funded with one-time proceeds as its only source of funding.

FY 2021/22 PROPOSED BUDGET STAFFING LEVEL FORECAST

The status quo forecast presented above assumes that the staffing levels, service levels, and revenue sources that are incorporated into the FY 2020/21 mid-year revised budget continue over the five-year forecast period. This is a standard approach to forecasting.

Based on various analyses that the City has conducted over the past year, including the Organizational Assessment, City staff will be recommending the addition of three net new City positions in staff's proposed FY 2021/22 budget, as well as potentially others. These three positions include a new Human Resources Director or new Community Services Director (depending on which of the two positions the incumbent Assistant City Manager assumes). Human Resources and Community Services (Recreation) are currently the responsibility of the Assistant City Manager in the City Manager's Office. A dedicated Human Resources Director is needed for this critical internal support function to address matters, such as hiring, staff development, work performance, compensation, and benefits. The creation of a standalone Community Services department with a dedicated director is needed to manage the City's recreation programs, Pinole Community Television, and the animal control and library contracts. The second position is a new Community Development Director or new Public Works Director (depending on which of the two positions the incumbent Development Services Director / City Engineer assumes). The Community Development and Public Works functions are currently the responsibility of the Development Services Director, which is not reasonable given the magnitude of these operations. The separation of Development Services into two departments with a director dedicated to each one adds capacity to provide important planning and community development services, and to achieve capital projects and economic development goals. The third position is a new Administrative Fire Captain position that would oversee report management system (RMS) administration, electronic daily staffing software administration, policy/procedure implementation, emergency medical services (EMS) administration, fire training, vehicle maintenance, cost recovery, and departmental projects. These three additional positions are critical to the City attaining the bandwidth needed to perform bare minimum services in all City departments. Staff believes that the addition of these three positions creates a much-needed new normal for staffing at the City.

Given staff's belief that the City must add these three net new positions to attain the minimum bandwidth needed in all City departments, staff believes that it is valuable to present a five-year financial forecast that assumes these three positions as part of the baseline. As such, staff has created a FY 2021/22 proposed budget staffing level forecast. This forecast is identical to the status quo forecast except for the addition of these three positions. The table below summarizes this forecast. Note that a portion of each of these three new positions is funded by sources other than the General Fund.

GENERAL FUND SUMMARY INCLUDES MEASURE S 2006 & 2014	2018-19 Actual	2019-20 Actual	2020-21 Revised Budget	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast
REVENUE								
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,230,162	4,642,585	5,649,469	5,801,568	5,959,970
SALES TAX	3,994,720	3,788,080	3,991,200	4,155,000	4,305,000	4,446,000	4,576,000	4,710,000
MEAS S 2006 & 2014 LOCAL SALES TA	4,286,328	3,901,837	4,092,000	4,284,000	4,454,000	4,600,000	4,734,000	4,874,000
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,934,110	1,953,451	1,972,985	1,992,715
FRANCHISE TAX	735,311	750,001	750,000	757,500	765,075	772,726	780,453	788,258
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,082,883	2,142,701	2,218,061	2,298,695	2,382,941
OTHER TAXES	884,757	826,359	785,000	800,700	816,714	833,048	849,709	866,703
CHARGES FOR SERVICES	967,318	1,260,013	1,306,115	1,371,421	1,428,005	1,498,155	1,571,813	1,649,154
OTHER REVENUE	2,367,313	1,116,846	541,818	527,205	545,039	552,800	560,715	568,790
ONE-TIME REVENUE			619,756	600,000	-			
TRANSFERS IN	6,290,688		1,933,025	1,257,758	1,531,256	1,662,338	1,837,715	2,180,481
Total Revenue	**27,012,947**	**19,920,440**	**22,067,186**	**21,981,589**	**22,564,484**	**24,186,047**	**24,983,654**	**25,973,013**
EXPENDITURES								
SALARIES	8,593,887	9,184,283	9,872,536	10,599,162	10,917,137	11,244,651	11,581,991	11,929,450
BENEFITS - PERS RETIRE	1,792,051	2,451,619	3,077,528	3,049,809	3,323,307	3,454,389	3,629,766	3,738,321
BENEFITS - OTHER	3,079,527	2,864,038	3,052,813	3,325,910	3,489,288	3,660,718	3,807,147	4,063,801
PROFESSIONAL SERVICES	2,033,715	2,284,342	2,706,141	2,787,325	2,870,945	2,957,073	3,045,785	3,137,159
OTHER OPERATING EXPENSES	472,703	1,176,125	377,332	300,468	307,341	314,406	321,670	329,136
ONE-TIME EXPENDITURES			1,126,380		22,500		22,500	
DEBT SERVICE	590,433	606,553	556,107	576,150	596,150	611,150	677,150	677,150
CAPITAL PROJECTS	211,292	429,470	2,040,649	315,000	324,450	334,184	344,209	354,535
TRANSFERS OUT	21,732,833	1,255,058	1,395,962	1,313,058	1,275,435	1,293,318	1,311,222	1,329,664
Total Expenditures	**38,506,441**	**20,251,487**	**24,205,447**	**22,266,881**	**23,126,551**	**23,869,888**	**24,741,439**	**25,559,216**
Surplus/Deficit	**(11,493,493)**	**(331,047)**	**(2,138,261)**	**(285,292)**	**(562,067)**	**316,159**	**242,215**	**413,797**
Fund Balance, July 1	23,478,448	11,984,955	11,653,908	8,567,045	8,062,536	7,389,543	7,658,503	7,831,085
Preliminary Fund Balance, June 30	**11,984,955**	**11,653,908**	**9,515,647**	**8,281,753**	**7,500,469**	**7,705,702**	**7,900,718**	**8,244,882**
General Reserves Adjustment			(948,601)	(219,217)	(110,926)	(47,200)	(69,633)	(61,841)
Fund Balance, June 30	**11,984,955**	**11,653,908**	**8,567,045**	**8,062,536**	**7,389,543**	**7,658,503**	**7,831,085**	**8,183,041**
Fund Balance, July 1	16,287,510	17,159,258	18,088,812	17,144,938	16,831,587	16,236,563	15,475,945	14,505,835
Revenues - Interest	924,669	1,010,988	1,049,151	994,406	976,232	941,721	897,605	841,338
Expenditure - Transfers Out	6,290,688	-	1,933,025	1,257,758	1,531,256	1,662,338	1,837,715	2,180,481
Expenditures	52,921	81,434	60,000	50,000	40,000	40,000	30,000	30,000
Pension Fund Balance, June 30	**17,159,258**	**18,088,812**	**17,144,938**	**16,831,587**	**16,236,563**	**15,475,945**	**14,505,835**	**13,136,692**
Fund Balance, July 1	2,386,489	7,137,963	7,457,116	8,629,431	9,079,073	9,455,794	9,783,340	10,145,057
Revenues - Interest	150,668	319,153	223,713	230,425	265,796	280,346	292,084	302,263
Revenues - Transfer In	4,600,806		948,601	219,217	110,926	47,200	69,633	61,841
General Reserve Balance, June 30	**7,137,963**	**7,457,116**	**8,629,431**	**9,079,073**	**9,455,794**	**9,783,340**	**10,145,057**	**10,509,161**

MAJOR CHALLENGES AND OPPORTUNITIES OVER THE NEXT FIVE YEARS

One of the main objectives of a LTFP is for an organization to identify significant challenges and opportunities that it is likely to face in the future such that the organization can take steps, with an adequate runway, to overcome challenges and profit from opportunities while providing desired service levels through a structurally balanced budget. The City conducted an environmental scan as part of the development of the Strategic Plan. Additionally, the City deployed an online survey in May 2021 to gather input from the community on the major challenges and opportunities that the City will face over the next five years. The findings of the environmental scan and the community survey are integrated in the content below.

MAJOR CHALLENGES

Changes in demographics and economic conditions can create significant challenges for cities. As noted above, City staff does not anticipate that demographic or economic changes over the next five years will create any significant challenges for the City. The City will nonetheless face a number of other challenges over the next five years.

The City engaged a public opinion research firm to complete a poll in November 2019 of a representative sample of likely voters to identify their top concerns and prevailing opinions. The firm completed 426 surveys, via mixed mode (telephone and web). Participants provided the following responses to the question “What do you think is the most important issue facing the City of Pinole today?”:

- Traffic/transportation (14%);
- Public services funding/spending (13%);
- Crime/policing (9%);
- City budget/policies (8%);
- Housing/overpopulation (7%);
- Infrastructure/roads/power issues (6%);
- Jobs/economy/development (6%);
- Schools/education (5%);
- Community improvements (4%);
- Wildfires/fire safety (4%);
- Homelessness (2%);
- Taxes (2%);
- None/nothing (7%);
- Other (3%); and
- Don’t know (11%).

It is interesting to note that no single issue emerged as the most significant to a majority of respondents. Rather, different respondents felt that a wide variety of challenges were the most significant.

In addition to those listed above, City staff and the environmental scan identified the following additional items as major challenges that the City will face over the next five years:

- The City's extensive infrastructure, which needs upgrade and replacement;
- Retaining and developing staff, and succession planning;
- Climate change; and
- The changing nature of retail and the related impact to the City's sales and property tax revenues.

The City deployed a voluntary online survey specifically related to the LTFP from May 3, 2021 to May 17, 2021 using Survey Monkey. A total of 47 self-selected community members completed the survey and identified the following as the main challenges facing the City of Pinole over the next five years, some of which overlap with the major challenges identified in the environmental scan:

- Infrastructure maintenance and replacement, notably roads and parks;
- Climate change;
- Public safety, including policing and fire services; and
- Public transportation.

MAJOR OPPORTUNITIES

Changes in demographics and economic conditions can also create opportunities for cities. City staff does not anticipate that there will be any significant demographic or economic changes in the City over the next five years, therefore staff is not anticipating that demographic or economic changes will themselves present major opportunities. That said, the City currently faces and will continue to face a number of opportunities over the next five years.

Opportunities facing the City include the following:

- The opportunity to reimagine retail centers, potentially as mixed use or destination retail and entertainment developments, as the nature of retail changes and there is less need for large retail buildings and centers;
- The opportunity to redevelop other underdeveloped infill sites, such as vacant lots;
- The City's central location in the Bay Area, adjacent to I-80 and San Francisco Bay;
- The City's diverse population; and
- The City's historic downtown.

Respondents to the LTFP survey of May 2021 identified the following as the main opportunities facing the City of Pinole over the next five years, some of which overlap with the major opportunities identified in the environmental scan:

- Environmental initiatives, including the use of green and renewable energy;
- Economic development strategy to attract and support small businesses;
- Redevelopment of areas that can be used for new businesses and housing; and
- Revitalization of the historic downtown.

POLICY ALTERNATIVES - ADDITIONAL DISCRETIONARY EXPENDITURES

One goal of a LTFP is to identify the City services, and service levels, that residents desire, and can be afforded on an ongoing basis by a structurally balanced City budget.

In the United States, there are many levels of government (federal, state, county, city, and special districts), with distinct responsibilities. Cities are primarily responsible for public safety, land use, and public works. They are also often responsible for parks and recreation and sometimes responsible for providing utility services, such as clean water, wastewater, and power.

Pinole is considered a “full service” city, which means that it provides all traditional municipal services. It also provides some services, particularly fire protection and wastewater, that are provided by special districts in many other cities. Pinole provides a very broad range of services for a city of its size.

The majority of City of Pinole staff and resources are dedicated to public safety (police and fire services), land use regulation, building safety, local transportation infrastructure (streets, sidewalks, signals, bike lanes, etc.), and wastewater services. The City also invests significant staff and resources in additional public-facing services, such as outdoor recreation space and facilities, recreational and educational programs, cable television programming, and childcare and senior services. Some City staff and resources are also needed to provide internal services, such as finance, human resources, legal, information technology, records management, and facilities and equipment, to support the public-facing operations. Since having made reductions in staffing during the Great Recession, the City has been leanly staffed compared to many other cities.

Customer expectations for certain municipal services, such as wastewater, are fairly consistent across communities. Therefore, it is straightforward for a city to identify the optimal service level for that function. Customer expectations, and service levels, for other municipal services, vary significantly across communities, and are influenced by a number of factors. As noted above, the City of Pinole is leanly staffed, and provides a solid but basic level of service in most service areas.

As illustrated in the forecasts above, were the City to fund the status quo staffing levels and service levels and fund the three critical new positions that City staff is recommending in the proposed FY 2021/22 budget, without creating any new revenue mechanisms, the City is expected to experience a structurally balanced budget over the next five years. The City is not, however, expected to have significant surplus resources to invest in new programs or services.

Were the City to eliminate some of the status quo staffing and service levels and/or create new revenue sources, the City would have additional financial capacity to contribute to unfunded or deferred liabilities and/or increased services and programs. Over the course of the past year, members of the community and/or members of the City Council have expressed some interest in increasing the City’s contributions toward unfunded or deferred liabilities and increased service levels or programs in several areas. In this inaugural LTFP, staff has listed some of the services and programs that the community and/or City Council have expressed some interest in expanding. Note that in general, addressing unfunded and deferred liabilities is best accomplished with one-time financial resources whereas expanding ongoing services is best addressed with ongoing financial resources.

UNFUNDED/DEFERRED LIABILITIES

The City has a number of unfunded liabilities and deferred maintenance needs that it could address with one-time resources, described below.

Unfunded Liabilities

The City has a number of unfunded liabilities, such as unfunded accrued compensated absences, unfunded liability for other post-employment benefits (OPEB), and unfunded retirement (pension) liabilities.

Unfunded Accrued Compensated Absences

City employees accrue paid vacation and sick leave. As of the end of FY 2019/20, the City had approximately $1.4 million in unfunded liability for vacation and sick leave that employees had earned but not yet taken. The City traditionally pays for paid leave out of its normal operating budget, referred to as “pay-as-you-go.” The City could choose to set aside funds to eliminate this unfunded liability. The funding source could be one-time funding, such as unassigned fund balance.

Unfunded Retirement (Pension) Liability

The City provides its employees with a defined benefit retirement program through CalPERS. Depending on the demographic characteristics of the City’s employees, the amount of City and employee contributions to the retirement program, and the program’s return on its investments, the assets and liabilities in the City’s CalPERS account fluctuate over time. Per the most recent actuarial valuation available, as of June 30, 2019 the City had a total unfunded pension liability with CalPERS of approximately $36.5 million.

CalPERS has made several changes to its policies and procedures over the past decade that have been intended to increase the financial strength of the system, but have also resulted in significantly increased required contributions and unfunded liabilities for municipalities. CalPERS has changed key assumptions that increased unfunded liabilities, including increasing the life expectancy of beneficiaries and decreasing the expected rate of return on assets. CalPERS has also implemented new policies that require municipalities to accelerate contributions in order to achieve adequate funded status more quickly. So, despite the implementation of the less costly Public Employees’ Pension Reform Act (PEPRA) in 2013, the City’s unfunded pension liability has grown substantially over the past few years. CalPERS is unlikely to implement a comparably broad set of additional changes in the coming years, but even more modest changes, in addition to other factors, could continue to significantly increase the City's unfunded pension liability over the next few years.

The City created a special trust fund in FY 2017/18, referred to as a "Section 115 trust," funded with General Fund resources, to offset this significant unfunded pension liability. As of December 31, 2020, the market value of the assets in the trust fund was $19.2 million. The unfunded liability in CalPERS will fluctuate over time, as will the value of the assets in the Section 115 trust.

Unfunded Accrued Liability (UAL) for Other Post-Employment Benefits (OPEB)

A pension is the primary benefit that the City provides to retired City employees. The other main benefit that the City provides to retired City employees is a contribution toward retiree medical insurance premiums during retirement. This and other ancillary, non-pension retirement benefits, are referred to as other post-employment benefits (OPEB). Until recently, employers have not been required to report OPEB assets and liabilities in the same way that they have been required to report pension assets and liabilities. Further, employers have generally not been required to make regular payments to pre-fund OPEB liabilities. Employers have normally paid for OPEB benefits on a pay-as-you-go basis. This has resulted in significant unfunded OPEB liability for many employers, including the City. As of June 30, 2020, the City had an unfunded OPEB liability of $36.4 million.

Deferred Maintenance and Renewal

Like many cities, Pinole has deferred investment and expenditures on capital assets and other systems, particularly in response to and in the aftermath of the Great Recession and the dissolution of redevelopment. The City's current budget allows the City to provide essential services, but defers some investment in capital assets, business systems, and human capital. This deferral of investment will lead to the deterioration of some assets and systems in the long run.

Capital Asset Renewal and Replacement

Pinole has deferred expenditures on capital asset maintenance and renewal, and many of the City's capital assets are reaching the natural end of their useful life. The City owns a significant portfolio of capital assets, which are well described in the City's Capital Improvement Plan (CIP). These include buildings, roads, sidewalks, parking lots, trails, parks, open space, the wastewater treatment plant, the sewer collection system, the stormwater collection system, vacant lots, streetlights, and traffic control devices. The City's Strategic Plan includes a strategy to conduct a citywide asset condition assessment. That effort is currently underway, addressing different asset types in phases. The City is in the process of developing a sewer system master plan and will be developing a parks master plan. The City is also implementing a new capital asset management software system. After these efforts are complete, the City will have a much clearer picture of its complete capital asset portfolio and the expenditures required for maintenance and renewal to achieve the lowest possible total cost of ownership of its assets.

Human Capital, Including Employee Compensation and Training

The City implemented its current basic service expenditure model as a result of the Great Recession and the dissolution of redevelopment. The current model relies on very lean staffing levels and limited investment in the City's workforce. To attract and retain quality employees that are sufficiently trained and resourced to provide efficient and effective services in the long run, the City will need to increase its investment in its workforce. This will include providing employees with additional training, better tools, succession planning and career development opportunities, updated policies and procedures, and likely more competitive compensation.

Information Technology Systems

The City uses a variety of information technology (IT) hardware and software to provide efficient and effective services. This hardware and software is a type of infrastructure that the City operation relies upon. The City has deferred investment in information technology tools in the same way that it has deferred investment in other types of systems and infrastructure. The City has replaced some IT systems and implemented some new IT systems over recent years, but the City does not have current and complete IT systems in all areas, which would improve efficiency and effectiveness. In addition, the City has hired a firm to provide IT services to the City. The firm's scope of work is narrower than the services that would be provided by a traditional in-house IT function. One of the Strategic Plan strategies is the completion of a comprehensive Information Technology Plan (IT Plan). City staff is currently working with the City's contract IT firm to develop the IT Plan, which will identify the City's IT needs and the investment required to bring the City's IT systems up to modern best practices. Additionally, the City could consider investing in a municipal broadband network to support the community's access to the internet, support economic development, and possibly provide new revenue to the City.

Vehicle and Equipment Replacement

Vehicles and equipment are another significant asset that the City relies upon to provide services. The City does not currently have an integrated, citywide vehicle and equipment management program. It acquires new vehicles and equipment when needed on a pay-as-you-go basis, and its vehicles and equipment are generally modern enough to meet current operating needs. Paying for equipment on a pay-as-you-go basis can lead to expenditure spikes when expensive equipment needs to be replaced. The City's new capital asset management software system has a module for fleet and equipment. Once that module is implemented, the City will have a clearer sense of its vehicle and equipment replacement needs and the amount of funding that the City should set aside on an annual basis to address needs.

SERVICE AND PROGRAM EXPANSION

As noted above, the City provides a solid but basic level of service in most service areas. The City can spend any surplus discretionary financial resources it may have on expanding services and programs.

Expansion of Existing Services

Economic Development

The City has not had a formal economic development function since 2012, when the dissolution of redevelopment occurred, although the City has undertaken some limited economic development activities recently, such as having a consultant complete a consumer retail demand and market supply assessment in 2019.

One of the Strategic Plan strategies is to "develop a comprehensive economic development strategy," and several other Strategic Plan strategies also relate to economic development. The City is in the process of selecting a professional services firm to develop the economic development strategy, and will likely undertake a reorganization recommended by the Organizational Assessment that will create economic development functions in the City Manager's department and the community development department.

Climate Resiliency and Environmental Programs

The City is required by the State and federal government to undertake a number of programs related to protecting the environment. For example, the City is required to comply with requirements related to effluent of the wastewater treatment plant, stormwater protection, having low emission fleet vehicles, reducing solid waste disposal, complying with the California Environmental Quality Act (CEQA), having a General Plan, and others. The City has also undertaken voluntary steps to protect the environment and to keep the City resilient to the threats of a climate crisis, such as joining a community choice energy program, Marin Clean Energy (MCE), authorizing a property-assessed clean energy (PACE) program, and participating in a local transit joint powers authority (Western Contra Costa County Transit, "WestCAT"). There are additional programs and activities that the City could undertake to further promote environmental protection. The City Council plans to review the various programs and activities that the City is currently undertaking related to climate change at a City Council meeting in FY 2021/22. Environmental initiatives that could be considered include addressing rising sea levels, preparing for local fire danger, working toward a zero emission fleet, as well as energy conservation, generation, and storage opportunities.

Fire Service

The City is currently assessing the community's fire suppression, fire prevention, rescue, and emergency medical response needs, as well as assessing various service models and funding mechanisms that could be accessed or established to support these services. The Fire Department plans to present some preliminary findings and recommendations regarding changes in service model and level in early 2021.

Housing Assistance

Redevelopment was a significant tool for affordable housing development. Since the dissolution of redevelopment, the City of Pinole, and other California cities, have fewer tools and financial resources to create affordable housing. Upon the dissolution of redevelopment, the City opted to become the housing successor to the former Pinole Redevelopment Agency. In that capacity, the City monitors affordable housing units that were funded by the former agency for ongoing compliance with affordability covenants. The City also has an inclusionary housing ordinance that requires that all housing development projects with four units or more must ensure that 15% of the units are affordable. The City can expend resources remaining from the former agency's affordable housing assets to support the creation of a limited number of new affordable housing units or to provide services to the homeless population. However, these resources are significantly less than what would be needed to provide any substantial amount of new affordable housing units in the City.

Youth Development and Support

The City supports and engages youth ages six through 17 through the activities of the Recreation Department's Youth Center, which provides afterschool and summer enrichment programs. The Youth Center could expand services to address youth health, engagement, community service, a youth commission, workforce development, or other activities.

Cultural, Historical, and Artistic Programs

The City provides a limited number of cultural, historic, and artistic programs. These include enrichment programs through the Recreation Department's Senior Center and Youth Center, periodic community events such as music in Fernandez Park, broadcast of some community events on Pinole Community Television (PCTV), rental of a portion of the Memorial Hall building to the Pinole Community Players theater company, and some public art. The City does not have a specific requirement that new development projects include public art or pay an in-lieu fee for public art elsewhere in the City. The community does have a number of cultural, historic, and artistic organizations and resources that the City could support or leverage to provide more cultural, historic, and artistic offerings.

New Services

Although Pinole is a "full service" city, there are some services that other cities provide that Pinole does not. These include robust cultural, historic, and artistic programs and educational support programs.

Education Support

In California, public education is provided by school districts. School districts rely on a different source of revenue than do cities. Some cities support the education of their residents by offering educational support program or by providing financial assistance to public schools. The City does offer afterschool enrichment programs to students for a fee, but does not currently provide educational support programs. In with the past, West Contra Costa Unified School District (WCCUSD) has provided the City with grant funding such that the City could assign two police officers to serve as school resource officers (SROs). WCCUSD eliminated that funding in FY 2020/21. The officers previously assigned as SROs have been reassigned to other public safety duties.

Capital Expansion

The term "capital expansion" refers to creating new capital assets, such as parks or plazas, opposed to simply renewing or replacing existing capital assets.

New Parks and Park Upgrades

The Contra Costa Local Agency Formation Commission (LAFCO) recently released a public review draft municipal service review (MSR) of parks and recreation services in the County. The draft report found that Pinole has adequate park space based on the number of developed parkland acres per capita, but did not look in detail at the City's specific park amenities. The City is preparing a Park Master Plan, which is a CIP project. The Park Master Plan will involve gathering community input on desired park amenities and will recommend whether any additional parks, or additional amenities within existing parks, are desirable, accessible, and feasible. Potential funding sources for consideration include grant opportunities, park development impact fees, fundraising from individuals or organizations, and new tax measures.

Other Capital Expansion Projects

New Public Spaces/Placemaking

The term "capital expansion" refers to building new capital assets, such as buildings, roads, parks, paths, bike lanes, etc., opposed to replacing existing capital assets. As noted above, the City has a substantial capital asset footprint already, and much of the City's current capital assets have deferred maintenance that would require significant investment to eliminate. Nonetheless, it might be desirable to create some new, high-impact capital assets that would improve economic vitality or quality of life.

Additional Reserves

Pursuant to its Reserve Policy, the City is required to maintain a general reserve equal to 50% of total ongoing annual General Fund expenditures. As of June 30, 2020, General Fund reserves exceeded the minimum required at approximately 57.9% of total General Fund expenditures.

The City's formal General Fund reserve and other uncommitted General Fund fund balance have fluctuated over the years. The larger these reserves and balances, the better the City is able to address unplanned revenue reductions or expenditure increases.

Staff performed an analysis of the City's financial resiliency using the diagnostic tool offered by the GFOA. The tool determined that the City has a low level of financial risk based on several factors, including its revenue stability, low expenditure volatility, and high liquidity. GFOA suggests that cities with a low level of financial risk maintain a minimum general reserve of approximately 17% of total ongoing annual General Fund expenditures. (GFOA recommends that cities with moderate and high levels of financial risk maintain general reserves at a minimum of 26% and 36%, respectively.)

City staff believe that a high reserve is appropriate given the ongoing uncertainty regarding the impact of the pandemic. However, City staff may recommend reducing the required reserve to 35%, so that funds currently held in reserve greater than 35% can be invested in high-priority City needs.

POLICY ALTERNATIVES – ADDITIONAL REVENUE AND EXPENDITURE REDUCTION OPTIONS

As noted above, one goal of a LTFP, and of a city's annual budget, is to identify the City services that residents desire and to simultaneously identify an equivalent amount of funding, which results in a structurally balanced budget. The mechanisms through which cities receive revenue vary across states. In California, cities receive the bulk of their revenues for general operations through sales tax and property tax. In addition, to offset the loss of property tax revenue that cities experienced due to Proposition 13, many cities instituted other forms of taxes, such as business license tax, transient occupancy tax (TOT), utility users tax (UUT), and "local sales tax" (transactions and use tax). Cities have also instituted mechanisms to recoup funds that they spend to provide services that directly benefit a specific user or beneficiary, through fees and assessments.

The section above identified some unfunded and deferred liabilities and service and program expansions in which the City could invest additional resources. Because the five-year forecast predicts that the City's General Fund budget will be essentially balanced over the next five years, there are limited resources to invest in unfunded/deferred liabilities and expanded services/programs. Therefore, if the City would like to make any substantial new investments, it will need to identify additional revenue sources or reduce some other current expenditures. Both of these options are discussed below.

ADDITIONAL REVENUE

New Local Revenue

The mechanisms through which California cities can independently generate new revenue have been significantly restricted over the past few decades. There are nonetheless a few, limited mechanisms that cities can still use.

Increased Fee Revenue

Cities can establish fees for service that fully cover the cost of the service, but cannot set fees any higher than required for full cost recovery. Many cities have financial policies that state the specific intention to achieve full cost recovery for certain services. Many cities also routinely reevaluate the cost of providing services and adjust fees accordingly to achieve full cost recovery.

The City has had a decentralized process in recent years of analyzing costs and proposing fee changes. Whereas in many cities, the Finance Department leads a coordinated annual effort, as part of the budget process, to identify situations in which fees should be modified to achieve full cost recovery, in Pinole individual departments have been responsible for reviewing costs and proposing fee changes, which they have done on a periodic and irregular schedule. The Strategic

Plan includes a strategy to conduct a comprehensive fee study to ensure cost recovery of current and potential service fees. Some City departments are currently in the midst of fee studies, including Community Development and Recreation. The Finance Department will undertake a fee study in FY 2021/22 that will incorporate the work done for Community Development and Recreation and address all other service areas that need a refresh. That effort will also include an update of the City's indirect cost allocation plan.

Franchise Fees

Franchise fees are fees that the City charges to private parties for the private parties' use of City property. The most significant franchise fee that the City charges is to the City's solid waste collection company, Republic Services, which entitles Republic Services to use the City's streets and right of way to perform solid waste management activities, such as refuse, recycling, and organic material pick up. The fee varies as it is adjusted annually for inflation. Another franchise agreement that the City has is with Pacific Gas and Electric (PG&E) for its use of City poles, wires, conduits, and appurtenances, to transmit electricity and gas to the public. The City levies a fee of 1% to 2% of gross receipts based on one of two formulas, whichever is greater. The City also has a franchise agreement with Comcast, as a state franchise holder, to provide video services to the City. The City levies a fee of 5% of gross revenues. Under the same agreement, the City levies a fee of 2.12% of gross revenues to go toward Public, Educational, and Government (PEG) access channel capacity. PEG fees are used to fund PCTV capital improvements. Franchise fees can be higher than what is required for full cost recovery. Most cities have a small number of franchises, with long term agreements, so the opportunity to increase franchise fees is infrequent.

Sale of Surplus Property

Cities can generate one-time revenue through the sale of surplus property, which might take the form of equipment, furniture, or real property. The sale of surplus equipment, furniture, or supplies rarely generates any significant amount of revenue, whereas the sale of surplus real property can result in significant proceeds, depending upon the characteristics of the property. The proceeds are usually required to be returned to the fund or specific use that originally purchased the property. Many cities sold most or all of their remaining surplus real property following the onset of the Great Recession, to generate revenue to offset the loss of revenue resulting from the Great Recession.

It appears that the City did not divest of all of its real property at that time, and therefore still owns a number of real properties that could be considered surplus and sold. Real property owned by the City that is not currently being used for a core City function includes the building in which the United States Postal Service is housed on Pear Street, the vacant lot across the street, and others. As noted above, the Strategic Plan requires that the City conduct a citywide asset condition assessment. This will include cataloging all of the city's capital assets, including real property, and assessing their condition and value. Once the City has this information, it can be reviewed in comparison to the City's anticipated future public facility needs, and surplus properties can be identified and sold. The City is concluding the process of selling five former Pinole Redevelopment Agency properties. The proceeds of those sales will not be deposited into the City's General Fund, however.

New Local Tax Measures

The City has instituted a number of local taxes, such as a UUT, TOT, business license tax, and two local sales taxes, to support City services. The City can consider other new local taxes, or increase existing taxes, to generate additional revenue for critical City services.

Increased Parcel Tax and Real Property Transfer Tax (RPTT)

In 2019 and 2020, the City Council considered the desirability of placing two different local tax measures on the ballot, a special parcel tax and a real property transfer tax (RPTT).

In 2019, the City Council directed City staff to take the steps necessary to place a tax measure to fund fire service on the March 2020 ballot. Subsequently, in August 2019, the City Council directed staff to specifically take steps necessary to place a special parcel tax to fund fire service on the November 2020 ballot rather than March 2020. The City hired a public opinion research firm to assess voter support for a potential special parcel tax for fire service. The firm presented its findings to the City Council in November 2019.

In 2019, the City Council also directed City staff to analyze the steps necessary to place a measure on the ballot that would increase the RPTT. A RPTT is a tax imposed on the deed, instrument, or writing by which interests in real property are transferred. Under the California Revenue and Taxation Code, general law cities, like Pinole, may impose a RPTT of no more than $.55 per $1,000 of value on the property transferred (the County may also impose a RPTT equal to this rate). Pinole currently has a RPTT of the maximum allowed for general law cities of $0.55 per $1,000 of value. Charter cities may impose RPTTs at a rate higher than the maximum statutory rate of $0.55 per $1,000 of value. The median RPTT rate for charter cities in Contra Costa and Alameda Counties is $12.00 per $1,000 of value. Staff calculated that were the City to implement a RPTT of $12.00 per $1,000 of value, it might create new City revenue averaging approximately $1.7 million annually. In February 2020, the Council directed staff to retain a polling consultant to gather information on public opinion regarding a charter city ballot measure limited to an increase in the RPTT and directed staff to retain a communications consultant.

Due to the onset of COVID-19, in April 2020, the Council directed staff to suspend all of its activities in pursuit of a November 2020 charter city and RPTT ballot measure. In July 2020, the Council also directed staff not to move forward in preparing a November 2020 ballot measure for a special parcel tax for fire service.

The City could consider pursuing either of these options again in the future for general or specific funding needs.

Increased Utility Users Tax (UUT)

As noted above, the City currently levies an 8% UUT on the value of public utility services consumed within the City limits for electricity, gas, and telecommunications which includes phone landline and cellular phone. The UUT was originally approved by Pinole voters in November 1998, extended by voters in 2004, 2012, and 2018. UUTs can also be applied to water and sewer utility service. The City could consider pursuing either an increase in the amount of the levy or broaden the types of utility services to which it applies.

Assessment Districts

Assessment Districts

Assessment districts are a mechanism through which property owners agree to pay an additional assessment to fund specific services or improvements within the district. The assessment's purpose must be defined prior to the district's creation and the amount that each property owner pays must be proportional to the benefit the property will receive. Assessment districts can be established by a simple majority vote of the property owners. State law allows the creation of numerous specific types of assessment districts with varying authority to conduct different types of improvements and activities. The City currently has a landscape and lighting assessment district (LLAD), which generates funding for the maintenance of public spaces along portions of Pinole Valley Road. The Pinole Valley Road Landscape and Lighting Assessment District (LLAD) assesses property owners in the district approximately $500 annually per "assessment unit" (acre of developable land), which results in approximately $50,000 to invest in maintenance of traffic signals, streetlights, median landscaping, irrigation, graffiti removal, and electricity to the traffic signals and streetlights. The City could consider promoting the formation of assessment districts to fund specific improvements in different areas of the City.

Business Improvement District

A business improvement district (BID) is a special type of assessment district focused on commercial districts. BIDs can undertake infrastructure projects such as parking facilities and streetscapes improvements, cleaning and maintenance of the district, and marketing and promotion of the district and its properties/businesses. The City could consider promoting the formation a of BID for downtown or other commercial areas.

Enhanced Infrastructure Financing District

Property tax increment was the primary revenue source that redevelopment agencies used to fund their projects. Cities lost access to this tool in its traditional form when redevelopment agencies were dissolved in California in 2012. In the aftermath of dissolution, the State did create some new tools intended to mimic some of those previously available under redevelopment. One such tool is an enhanced infrastructure financing district (EIFD), which uses tax increment in a more restricted way. Whereas previously, a redevelopment agency had a right to the property tax increment generated in a redevelopment project area, under an EIFD a taxing entity must volunteer to forego receipt of the tax increment it would otherwise receive so that the increment can be used for the redevelopment project. Use of the EIFD tool requires significant collaboration between separate governmental entities, and will only be advantageous for both parties under specific circumstances. As a result, EIFDs are not yet widely used, but are nonetheless a tool that the City should keep in mind for future capital projects.

New Federal Funding

American Rescue Plan Act (ARPA)

The American Rescue Plan Act (ARPA) is federal legislation passed in 2021 to provide COVID-19 relief. It builds upon the relief provided by two other significant pieces of federal legislation, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Families First Coronavirus Response Act (FFCRA). ARPA includes $1.9 trillion in funding, program changes, and tax policies aimed at mitigating the effects of the pandemic. ARPA is the first piece of federal COVID-19 relief legislation that includes direct financial assistance to cities. The federal government is still developing ARPA program guidelines, including specifying how cities can expend ARPA funds. It is estimated that the City will receive approximately $3.6 million from ARPA. City staff has recommended that the City Council undertake a specific budget process focused exclusively on appropriating ARPA funds in early FY 2021/22, due to the magnitude and special restrictions of the funding.

Federal Infrastructure Plan

President Biden has developed a proposal, called the American Jobs Plan, for increased federal investment in infrastructure and other economic development activities. The proposal includes new federal investment of $2.65 trillion focused on upgrading and repairing physical infrastructure, investing in manufacturing, research and development, and expanding long-term health care services. The proposal has not yet been introduced as legislation in Congress. If approved, the program would result in significant new funding for local infrastructure projects, although the magnitude is not yet known.

Additional Cash from Debt

Best practices in long-term financial planning require analyzing the City's debt position and the affordability of additional borrowing. One financial strength of the City's is having relatively little general debt. The City has capacity, per the legal debt limit, to issue debt for City expenses. Per the City's FY 2019/20 Comprehensive Annual Financial Report, the City's legal bonded debt limit, which is equivalent to 3.75% of assessed property value, was $98,821,200, whereas the City only had $2,685,223 of such debt, which is the City's pension obligation bonds. Debt financing is an option that the City could consider for significant future expenditures, such as capital projects.

EXPENDITURE REDUCTIONS

In addition to generating more revenue, the City can create additional resources to invest in unfunded/deferred liabilities and expanded services/programs by reducing expenditures. As noted above, however, the City currently provides a leanly staffed and resourced solid but basic level of service in most service areas, with the majority of the City's resources expended on core services. As such, the City has fewer opportunities than perhaps do some other cities to scale back some services in order to expand others. That said, there are two options that the City should consider or pursue to reduce expenditures, reducing retiree medical benefit costs and improving processes to achieve cost-saving efficiencies.

Retiree Medical Benefit

One of the City's largest unfunded liabilities is the medical benefit that the City provides to retired City employees. The City pays for this benefit on a pay-as-you-go basis, which means that the City simply pays for retirees' medical premiums when they are due, and does not set aside funding in advance on behalf of current employees commensurate with the normal cost of this benefit. The City instituted some changes to its retiree medical benefit offering in 2010 when it adopted a standard CalPERS benefit vesting schedule. Under the current program, the City must pay 100% of the medical premium for a retired employee and their dependents if the employee has just five years of City service and 20 years of total CalPERS service. This is a more generous retiree medical benefit than is provided by many other cities. The City could consider exploring other CalPERS program options. There has also been more discussion over the past decade about the possibility of the federal government assuming greater responsibility for retiree medical care or enacting other federal healthcare reforms, which might reduce the City's responsibility and cost for such.

Process Improvements/Efficiencies

All organizations, including cities, use procedures and tools to provide their goods and services. New procedures and tools are constantly emerging, which can result in improved quality, efficiency, or both. As a result, workers become more productive over time. Labor productivity has grown only modestly in the United States over the past decade. For this reason, as noted in the economic changes section above, City staff did not assume any significant productivity increases in the five-year forecast. Nonetheless, the City will likely identify some opportunities to improve procedures or tools that will result in increased efficiency, and associated expanded service or reduced expenditures. The Strategic Plan includes a strategy to review citywide implementation of best practices and improve processes. This is an effort that City staff will be working on over the next few years, and which will likely result in at least a few improvements that will lead to greater quality, efficiency, or both.

OPTIMAL SERVICE LEVELS AND REVENUES

The City's current service levels and program offerings have been established over time in response to factors such as regulatory requirements, best practices, community preferences, and financial capacity. Preferences and financial capacity can vary considerably from community to community and can evolve over time, as do regulatory requirements and best practices. Public officials monitor these factors and adjust service levels and programs over time accordingly.

This inaugural LTFP does not identify "optimal" service levels and programs for the City or recommend any specific new service levels or programs. Nor does it identify specific matching revenue sources to support them. That would have required a more extensive process than time allowed for this first LTFP. Rather, this LTFP forecasts the City's budget condition over the next five years and identifies a number of revenue and expenditure options the City Council can consider implementing in the future. City staff expect that future LTFPs will have more specific recommendations on new service levels and programs and associated funding sources.

SUMMARY AND NEXT STEPS

The City is in a relatively strong financial position which is expected to continue through the life of the forecast. Based on the baseline forecast, the City will be able to continue to fund its status quo service levels and has the capacity to address some of the operating and capital improvement needs beyond the baseline. Should the City Council decide to appropriate funding to items not currently included in the status quo forecast, staff will develop alternative forecast scenarios to show the impact on revenues, expenditures, and reserves.

The primary purpose of this inaugural LTFP is to present the five-year financial forecast and identify all of the major financial challenges and opportunities that the City is expected to face over the next five years. It does not recommend funding specific unfunded liabilities or new service levels. Nor does it recommend the revenue sources that are best suited to fund those expenditures.

As a strategic planning tool, the LTFP can however be used to guide preparation of the annual operating and capital budget process.

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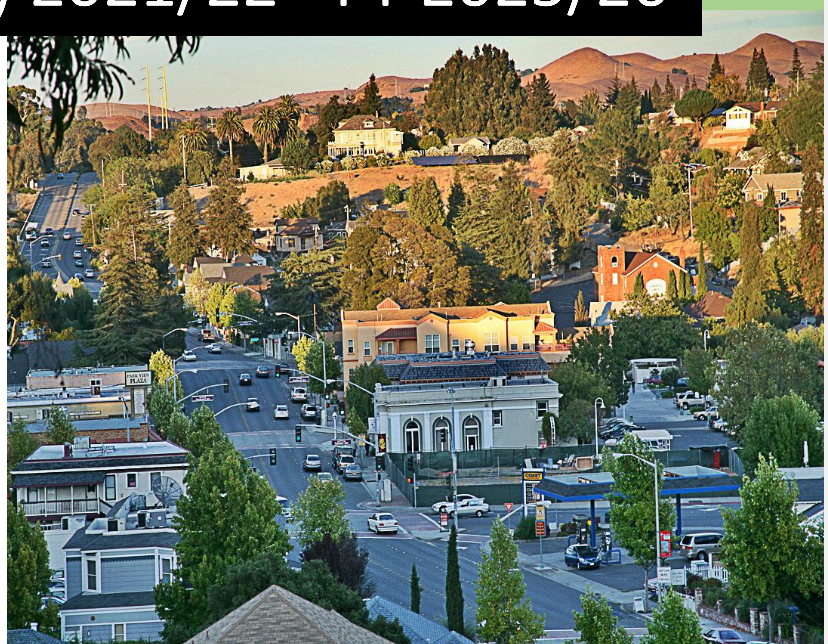
ATTACHMENT B

City of Pinole

Long-Term Financial Plan for Fiscal Year (FY) 2021/22 - FY 2025/26



Revised Final Proposed Version

June 1, 2021

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ELECTED OFFICIALS AND DEPARTMENT HEADS

ELECTED OFFICIALS

Mayor	Norma Martinez-Rubin
Mayor Pro Tem	Vincent Salimi
Council Member	Devin Murphy
Council Member	Anthony Tave
Council Member	Maureen Toms
Treasurer	Roy Swearingen

DEPARTMENT HEADS

City Manager	Andrew Murray
Assistant City Manager	Hector De La Rosa
City Attorney (Contract)	Eric Casher
City Clerk	Heather Iopu
Development Services Director	Tamara Miller
Finance Director	Markisha Guillory
Fire Chief	Chris Wynkoop
Police Chief	Neil Gang

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STRATEGIC PLAN 2020 – 2025 VISION, MISSION, AND GOALS

VISION

Pinole is safe, vibrant, and innovative community with small town charm and high quality of life.

MISSION

Pinole will be efficient, ethical, and effective in delivering quality services with community involvement and fiscal stewardship.

GOALS

1. **Safe and Resilient Pinole**: Develop and communicate resilience through quality public safety service delivery, property maintenance policies and practices, and disciplined investment in community assets.

2. **Financially Stable Pinole**: Ensure the financial health and long-term sustainability of the City.

3. **Vibrant and Beautiful Pinole**: Facilitate a thriving community through development policies and proactive relationship building.

4. **High Performance Pinole**: Build an organization culture that is efficient, ethical, and effective in delivering quality services with community involvement and fiscal stewardship.

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EXECUTIVE SUMMARY

The City of Pinole's Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2021/22 - FY 2025/26 has been created to help implement the City's Strategic Plan 2020 – 2025. It has been developed in conformance with public finance best practices.

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The LTFP identifies any major economic or demographic trends that might impact future requests for City services and City revenues. It includes a five-year forecast of General Fund, including Measure S funds, revenues and expenditures based on the City's current services and revenue sources and assumptions about the future. The forecast anticipates that the General Fund will be structurally balanced over the five-year period.

The LTFP identifies the major challenges and opportunities that the City will likely face over the planning horizon, as well as the main discretionary service level/expenditure options and new revenue options that the City can consider and should bear in mind as it makes future financial and operational decisions.

This inaugural LTFP does not recommend any specific new service levels or programs for the City, nor identify specific matching revenue sources to support them. Rather, this LTFP forecasts the City's budget condition over the next five years and identifies a number of revenue and expenditure options the City Council can consider implementing in the future. City staff anticipates creating an updated LTFP on a biennial basis going forward, and expects that future LTFPs will have more specific recommendations on service levels and programs and associated funding sources.

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INTRODUCTION

BACKGROUND

In February 2020, the City Council adopted the City of Pinole Strategic Plan 2020 – 2025. The Strategic Plan identified four goals for the City (safe and resilient, financially stable, vibrant and beautiful, and high performance), and 22 individual strategies (special projects) to complete over a five-year timeframe.

One of the strategies under the goal of a financially stable Pinole is to "develop a long-term financial plan (LTFP) and use it to guide budget and financial decisions (including policies regarding reserves and management of liabilities)." The City of Pinole Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2021/22 - FY 2025/26 has been created to address this Strategic Plan strategy.

PURPOSE

The purpose of the LTFP is to inform the City's financial and operational decision making. The LTFP can be used as a guide to many planning and decision-making processes, such as the development of future budgets and Capital Improvement Plans (CIP). The LTFP also marks the beginning of the FY 2021/22 annual budget development process.

SCOPE

The Long-Term Financial Plan (LTFP) for Fiscal Year (FY) 2021/22 - FY 2025/26 covers the revenues and expenditures of the City's General Fund, including the Measure S 2006 and Measure S 2014 funds, over a five-year period. Future LTFPs will cover all City funds.

DEVELOPMENT PROCESS

City staff (the City Manager, Finance Director, Finance Department staff, and other department heads and staff) began developing the LTFP in winter 2020/2021. The LTFP was created using public finance best practices. City staff consulted numerous resources to determine how to approach the project and create sound analysis. Best practices are well summarized in the key publication on municipal long-term financial planning, the Government Finance Officers Association's (GFOA) Financing the Future: Long-Term Financial Planning for Local Government. GFOA, one of the leading professional associations in the public finance field, defines financial forecasting and long-term financial planning as follows:

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- Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables.
- Long-term financial planning is the process of aligning financial capacity with long-term service objectives. Financial planning uses forecasts to provide insight into future financial capacity so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges.

The main tasks required to create the LTFP were the following:

- Forecast revenues and expenditures using key assumptions about the City's operating environment;
- Identify the major challenges and opportunities that the City will face over the next five years;
- Identify policy alternatives, including changes to revenue sources and expenditures, that will result in a sustainable, long-term balance between desired service levels and City financial resources; and
- Gather feedback on a draft LTFP and gain Council approval of the final LTFP.

City staff has completed the necessary tasks using best practices. This has resulted in a LTFP that is consistent with GFOA's Long-Term Financial Planning best practice, which requires that a long-term financial plan:

- Use a planning horizon of at least five years;
- Include an analysis of the financial environment, revenue and expenditure forecasts, debt position and affordability analysis, strategies for achieving and maintaining financial balance, and plan monitoring mechanisms; and
- Be visible.

The LTFP development process was structured to support participation from a variety of stakeholders. Staff shared information and received input from Council Members and the public at multiple Finance Subcommittee and City Council meetings in spring 2021. Staff also gathered input from interested stakeholders through an online survey that specifically focused on identifying the most important challenges and opportunities that the City will face over the five-year planning period. The participatory development process has resulted in a LTFP that reflects the interests of the City Council and community.

City staff anticipates creating an updated LTFP on a biennial basis going forward.

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LONG-TERM FINANCIAL FORECAST

INTRODUCTION

One of the key steps in creating a LTFP is to create a long-term financial forecast. A long-term financial forecast estimates future revenues and expenditures based on assumptions about the City's future operating environment. Over the past few years, the City has included a long-term financial forecast covering the General Fund, including the Measure S funds, in the annual budget. (The City also issued an updated five-year forecast in October 2020.)

FORECAST METHODOLOGY

As noted above, City staff followed public finance best practices when creating the LTFP, including when designing the forecast methodology. Staff reviewed the City's past forecasting work, the work of peer jurisdictions and other leading municipalities, and academic and professional materials on the topic. Staff used the FY 2020/21 revised mid-year budget as the base year of the five-year forecast and applied quantitative and qualitative methods. Quantitative methods involve using historic numerical data to forecast future numeric values. As an example, staff looked at average annual historic growth rates for various revenues and expenditures, then used those average growth rates to forecast future values for those revenues and expenditures. Qualitative forecasting methods involve using information other than historic numerical data to conduct forecasting. This might involve factoring into a forecast the opinions of experts regarding issues such as future economic conditions and changes in the regulatory environment. Staff incorporated some qualitative forecasting into the LTFP.

MAJOR ECONOMIC AND DEMOGRAPHIC TRENDS

Forecasting future conditions requires identifying the major current trends that will shape the future. The primary determinants of a city's financial sustainability are the demands for city services, the city's revenues, and service delivery methods. These are primarily driven by demographic and cultural changes as well as economic changes.

Demographic and Cultural Changes

City staff is not anticipating any significant changes to the demographics or cultural characteristics of Pinole's population over the five-year period covered by the LTFP. The City's total population has remained very stable over the past decade, growing less than 1% annually on average, and there are a limited number of sites available for significant new housing development, which would allow for a population increase. The Association of Bay Area Governments (ABAG) projects that Pinole's population will increase by 1,775 residents between

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2020 and 2040, to a total of 21,280, which represents an annual growth rate of 0.44%. According to the 2019 American Community Survey (latest available), the City's median age is 38.1 years. Its race and ethnic composition are as follows: White alone (43.0%), Asian alone (27.4%), Black or African American alone (11.8%), American Indian and Alaska Native alone (0.6%), Native Hawaiian and Other Pacific Islander alone (0.1%), other race (7.5%), and two or more races (9.6%). The female to male ratio is 53.6% to 46.4%. There are approximately 6,748 households with an average of 2.84 persons per household. Pinole's median household income is $100,315.

The City is expecting to receive applications for some new housing projects at infill sites, but it is not possible at this point to forecast how many new housing units might be created as a result, nor to forecast how such projects, if constructed, might impact the City's population and service demands. The City's demographics have also remained fairly stable, and staff is not anticipating any significant changes to demographics over the five-year planning horizon.

Economic Changes

Prior to the onset of COVID-19 in early 2020, the City was experiencing a steady, modest economic expansion, similar to that experienced by many other cities in the aftermath of the Great Recession. COVID-19 created an unanticipated shock to the national economy. Many of Pinole's businesses were significantly impacted by the shelter-in-place health orders, which disrupted many retail, restaurant, entertainment, and personal service activities. Due to public health interventions and the growing availability of vaccines, the local and national economies are expected to recover to pre-COVID-19 levels by late 2021, and thereafter resume the steady, modest growth of the pre-COVID period. Therefore, City staff is not anticipating any economic changes during the five-year planning horizon that would significantly influence the City's finances.

Due to the specific forms of taxation through which Pinole receives the majority of its General Fund revenue, particularly sales tax (including from online sales) and property tax, the City did not experience a significant loss of revenue due to COVID-19. For the purpose of the LTFP's long-term forecast, City staff is assuming a return to steady, modest revenue growth commensurate with steady, modest economic growth.

City staff expects that City operations will generally experience modest productivity gains consistent with those realized in the economy generally over the next five years. City staff also expects that if the federal government makes a significant new investment in infrastructure, perhaps through a new infrastructure bill, the cost of capital project materials and labor will increase. City staff does not have a precise sense of how that would likely impact the cost of City capital projects, and therefore has not included any related increased cost in the LTFP. Forthcoming CIPs will incorporate the City's estimate of any increase in the cost of capital projects due to additional federal investment.

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STATUS QUO FORECAST

The five-year forecast that the City has included in recent annual budgets and updated in October 2020 is a “status quo” forecast. A “status quo” forecast assumes that the City continues current (status quo) staffing levels, service levels, and programs in the future and that the City does not establish any new revenue-generating mechanisms.

City staff has created an updated status quo five-year forecast for the General Fund, including Measure S funds, for FY 2021/22 through FY 2025/26. This forecast will be used as the basis of the development of the FY 2021/22 budget. For the status quo forecast, staff assumed that future City service levels would remain at the levels of FY 2020/21. Staff then forecasted revenues and expenditures for the five succeeding years by applying assumptions about future changes in economic conditions that impact revenues and expenditures.

Based on specific assumptions, detailed below, the City forecasts that the General Fund and the Measure S funds will be structurally balanced over the five-year forecast period.

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GENERAL FUND SUMMARY INCLUDES MEASURE S 2006 & 2014	2018-19 Actual	2019-20 Actual	2020-21 Revised Budget	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast
REVENUE								
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,230,162	4,642,585	5,649,469	5,801,568	5,959,970
SALES TAX	3,994,720	3,788,080	3,991,200	4,155,000	4,305,000	4,446,000	4,576,000	4,710,000
MEAS S 2006 & 2014 LOCAL SALES TA	4,286,328	3,901,837	4,092,000	4,284,000	4,454,000	4,600,000	4,734,000	4,874,000
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,934,110	1,953,451	1,972,985	1,992,715
FRANCHISE TAX	735,311	750,001	750,000	757,500	765,075	772,726	780,453	788,258
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,082,883	2,142,701	2,218,061	2,298,695	2,382,941
OTHER TAXES	884,757	826,359	785,000	800,700	816,714	833,048	849,709	866,703
CHARGES FOR SERVICES	967,318	1,260,013	1,306,115	1,371,421	1,428,005	1,498,155	1,571,813	1,649,154
OTHER REVENUE	2,367,313	1,116,846	541,818	527,205	545,039	552,800	560,715	568,790
ONE-TIME REVENUE			619,756	600,000	-			
TRANSFERS IN	6,290,688		1,933,025	1,147,758	1,411,356	1,537,642	1,706,785	2,045,623
Total Revenue	**27,012,947**	**19,920,440**	**22,067,186**	**21,871,589**	**22,444,584**	**24,061,351**	**24,852,724**	**25,838,154**
EXPENDITURES								
SALARIES	8,593,887	9,184,283	9,872,536	10,168,712	10,473,773	10,787,987	11,111,626	11,444,975
BENEFITS - PERS RETIRE	1,792,051	2,451,619	3,077,528	2,939,809	3,203,407	3,329,693	3,498,836	3,603,462
BENEFITS - OTHER	3,079,527	2,864,038	3,052,813	3,185,910	3,342,288	3,506,368	3,646,623	3,892,040
PROFESSIONAL SERVICES	2,033,715	2,284,342	2,706,141	2,787,325	2,870,945	2,957,073	3,045,785	3,137,159
OTHER OPERATING EXPENSES	472,703	1,176,125	377,332	300,468	307,341	314,406	321,670	329,136
ONE-TIME EXPENDITURES			1,126,380		22,500		22,500	
DEBT SERVICE	590,433	606,553	556,107	576,150	596,150	611,150	677,150	677,150
CAPITAL PROJECTS	211,292	429,470	2,040,649	315,000	324,450	334,184	344,209	354,535
TRANSFERS OUT	21,732,833	1,255,058	1,395,962	1,313,058	1,275,435	1,293,318	1,311,222	1,329,664
Total Expenditures	**38,506,441**	**20,251,487**	**24,205,447**	**21,586,431**	**22,416,288**	**23,134,178**	**23,979,620**	**24,768,121**
Surplus/Deficit	**(11,493,493)**	**(331,047)**	**(2,138,261)**	**285,158**	**28,296**	**927,174**	**873,104**	**1,070,033**
Fund Balance, July 1	23,478,448	11,984,955	11,653,908	8,567,045	8,973,211	8,772,038	9,648,456	10,451,820
Preliminary Fund Balance, June 30	**11,984,955**	**11,653,908**	**9,515,647**	**8,852,203**	**9,001,507**	**9,699,212**	**10,521,560**	**11,521,853**
General Reserves Adjustment			(948,601)	121,008	(229,469)	(50,756)	(69,740)	(61,844)
Fund Balance, June 30	**11,984,955**	**11,653,908**	**8,567,045**	**8,973,211**	**8,772,038**	**9,648,456**	**10,451,820**	**11,460,009**
Fund Balance, July 1	16,287,510	17,159,258	18,088,812	17,144,938	16,941,587	16,472,843	15,850,626	15,033,177
Revenues - Interest	924,669	1,010,988	1,049,151	994,406	982,612	955,425	919,336	871,924
Expenditure - Transfers Out	6,290,688	-	1,933,025	1,147,758	1,411,356	1,537,642	1,706,785	2,045,623
Expenditures	52,921	81,434	60,000	50,000	40,000	40,000	30,000	30,000
Pension Fund Balance, June 30	**17,159,258**	**18,088,812**	**17,144,938**	**16,941,587**	**16,472,843**	**15,850,626**	**15,033,177**	**13,829,479**
Fund Balance, July 1	2,386,489	7,137,963	7,457,116	8,629,431	8,738,848	9,234,113	9,555,008	9,909,875
Revenues - Interest	150,668	319,153	223,713	230,425	265,796	270,139	285,128	295,204
Revenues - Transfer In	4,600,806	-	948,601	(121,008)	229,469	50,756	69,740	61,844
General Reserve Balance, June 30	**7,137,963**	**7,457,116**	**8,629,431**	**8,738,848**	**9,234,113**	**9,555,008**	**9,909,875**	**10,266,923**

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Revenues

As shown in the table above, the status quo forecast anticipates that General Fund revenue, including the Measure S funds, will grow from 21.9 million in FY 2021/22 to $25.8 million in FY 2025/26, primarily due to increases in the property tax and sales tax categories.

Property Tax

Property tax is an ad valorem tax levied on real property. The fixed statutory rate is 1% of assessed valuation. The City receives approximately 19% of the total ad valorem properties taxes levied on property located within its boundaries (exclusive of Redevelopment Project Areas).

The 22% growth in FY 2023/24 is due to the residual property tax revenue resulting from the dissolution of the former Redevelopment Agency forecasted to increase by approximately $908,511 (61%), after outstanding redevelopment bonds are retired. The forecast also reflects one-time revenue of $600,000 in FY 2021/22 for the anticipated sale of former Redevelopment property, Pinole Shores II. The sale is expected to net approximately $3,000,000, of which the City's share is 18.75%, or $600,000.

The status quo forecast, provided by HDL, the City's property tax consultant, assumes that property tax revenue will grow from $4.2 million in FY 2021/22 to $6 million in FY 2025/26.

Sales Tax

The City levies a 9.75% sales tax on all merchandise. The use tax portion differs from sales tax in that it generally applies to storage, use or consumption of goods purchased from retailers in transactions not subject to sales tax. Additionally, use tax may apply to purchases shipped to California consumers from another state.

The City's sales tax rate comprises the following components:

- State of California – 7.25%;
- Contra Costa County – 1.5%;
- Pinole (Measure S 2006) – 0.5%; and
- Pinole (Measure S 2014) – 0.5%.

This category includes the General Fund, Measure S 2006, and Measure S 2014, and is the City's largest source of general revenue. The forecasted growth rate averages 3% and 4% for standard sales tax and Measure S, respectively. The growth rates are different due to the county share of the standard sales tax. The status quo forecast, provided by HDL, the City's sales tax consultant, assumes that sales tax revenue, including the General Fund and the Measure S funds will grow from $8.5 million in FY 2021/22 to $9.7 million in FY 2025/26.

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Utility Users Tax (UUT)

The City levies an 8% utility users tax (UUT) on the value of public utilities services consumed within the City limits for electricity, gas, and telecommunications. The forecasted growth rate averages 1% per year. The growth rate aligns with the trend of very low to flat growth in UUT, notably in the telecommunications subcategory. The status quo forecast assumes that utility users tax revenue will grow from $1.9 million in FY 2021/22 to $2 million in FY 2025/26.

Franchise Tax

The City levies a 5% franchise tax on public utilities and other corporations who furnish gas, electric, water, refuse, and cable television or similar services to citizens living within the City's boundaries. The fees are defined in the franchise fee agreements and are paid directly to the City by these franchisees. The forecasted growth rate averages 1% per year. While franchise tax revenue has grown collectively, one of the major services, cable, has had flat to low growth. One factor is the change in consumer preference from traditional cable to streaming services. The status quo forecast assumes that franchise tax revenue will grow from $757,000 in FY 2021/22 to $788,258 in FY 2025/26.

Intergovernmental Tax

This category primarily comprises the vehicle license fee (VLF) which is an annual fee collected on the ownership of a registered vehicle in California, in lieu of levying personal property tax on vehicles. The forecast is based on projections provided by HDL, the City's property tax consultant. The forecasted growth rate averages 4% per year. The status quo forecast assumes that intergovernmental tax revenue will grow from $2.1 million in FY 2021/22 to $2.4 million in FY 2025/26.

Other Taxes

This category includes the business license tax which is levied on businesses located within the City and those that do business with Pinole but are located outside of City boundaries. It also includes the transient occupancy tax (TOT) for which the City levies a 10% for occupancy of 30 days or less in a motel or lodging facility. The forecasted growth rate averages 2% per year. The status quo forecast assumes that the total business license tax and TOT revenue will grow from $800,700 in FY 2021/22 to $866,703 in FY 2025/26.

Other Revenue

This category includes all other non-major revenue sources, such as grants; licenses and permits; fees; fines and forfeitures; investment income; and other miscellaneous revenue. The forecasted growth rate averages 1% per year. The status quo forecast assumes that total other revenue will grow from $527,205 in FY 2021/22 to $568,790 in FY 2025/26.

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Transfers In

This category includes transfers from the Pension Section 115 Trust Fund to the General Fund. The amount transferred is based on the difference between the City's base year (FY 2018/19) contribution toward employee pensions and the forecasted required City contribution in future years. The status quo forecast assumes that transfers in from the Trust will grow from $1.1 million in FY 2021/22 to $2 million in FY 2025/26.

Expenditures

As shown in the table above, the status quo forecast anticipates that General Fund expenditures, including the Measure S funds, will grow from $21.6 million in FY 2021/22 to $24.8 million in FY 2025/26, primarily due to increases in the salaries and benefits categories.

Salaries

Salaries comprise approximately 47% of total General Fund expenditures. Salaries are forecasted to increase by the standard 3% per year unless a different cost-of living-adjustment (COLA) is agreed upon through labor agreements. The status quo forecast assumes that salaries will grow from $10.2 million in FY 2021/22 to $11.4 million in FY 25/26.

Benefits-Retirement

Retirement benefits comprise approximately 13% of total General Fund expenditures. The City's annual required contribution is forecasted based on the most recent actuarial valuations report as of July 2019 provided by the California Public Employees' Retirement System (CalPERS). The forecast reflects the net cost of the required employer contribution minus employee contributions. The status quo forecast assumes that retirement benefits will grow from $2.9 million in FY 2021/22 to $3.6 million in FY 2025/26.

Benefits-Other

Other benefits comprise approximately 15% of total General Fund expenditures. This category includes all other benefits other than retirement, such as medical, dental, vision, life insurance, and long-term disability benefits. The status quo forecast assumes that other benefits will grow from $3.2 million in FY 2021/22 to $3.9 million in FY 2025/26.

Professional Services

This category includes City Attorney services, temporary services, network and software maintenance, and equipment and building maintenance. Contract services with other government agencies, such as the County animal services and library services, are also included in professional services. The status quo forecast assumes that professional services will grow from $2.8 million in FY 2021/22 to $3.1 million in FY 2025/26.

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Other Operating Expenditures

This category includes all other expenditure categories, such as travel/training, office expenses, utilities, indirect costs, and materials and supplies. The status quo forecast assumes that other operating expenditures will grow from $300,468 in FY 2021/22 to $329,136 in FY 2025/26.

Capital Outlay

This category includes capital improvement projects mainly for facility and park upgrades. Each year, capital needs are assessed and prioritized through the capital improvement planning process. The amount of Measure S funds allocated to capital projects varies as reflected in the prior years' actuals and budget. The forecast is therefore based on the estimated minimum Measure S funds that will be needed for capital projects. The status quo forecast assumes that capital outlay will increase from $315,000 in FY 2021/22 to $354,000 in FY 2025/26.

The City develops a separate five-year Capital Improvement Plan (CIP) to plan for and appropriate funds to capital improvement projects. Capital projects are primarily funded by Measure S, Gas Tax, Measure J, Sewer enterprise funds, and other miscellaneous funding, such as grants.

Debt Service

This category includes the payment of debt for the 2006 pension obligation bonds (POBs) that were issued to finance the City's unfunded accrued actuarial liability with CalPERS. The future years are forecasted based on the long-term debt obligation schedule. This debt will be fully paid and retired in FY 2035/36.

Transfers Out

This category includes the transfers from the General Fund and Measure S to other funds to support Recreation programs, Pinole Community Television (PCTV), vehicle and equipment replacement, and capital improvement projects. The status quo forecast assumes that transfers out will remain constant, at $1.3 million per year in FY 2021/22 through FY 2025/26. This is consistent with the City's historic practice, such as in prior Measure S expenditure plans and General Fund forecasts.

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Fund Balance

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Fund balance is basically an accumulation of funds as a result of revenues minus expenditures. When total revenue exceeds total expenditures at the end of a fiscal year, a surplus of funds results and increases fund balance (reserves). On the opposite end, when total expenditures exceed total revenue, a deficit results and reduces fund balance (reserves).

General Fund Balance and General Reserves

The preliminary fund balance is the estimated General Fund fund balance before any transfers out to the General Reserve as per the Reserve Policy. The Reserve Policy requires that an amount

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equal to 50% of total General Fund ongoing expenditures be set aside in a separate fund, the General Reserve, to maintain adequate financial resources in the event of financial distress.

If the General Reserve balance falls short of the policy requirement, funds are transferred from the General Fund unassigned fund balance in an amount equal to the difference between the General Reserve fund balance and the amount required as per the policy. As such, the ending General Fund fund balance is the result of the preliminary fund balance minus the General Reserve adjustment.

Pension Fund Balance

In June 2018, the Section 115 Trust was established to set aside resources to offset anticipated significant increases in the future City pension costs. The intent was to withdraw resources from the trust each year to cover the increase between the City's contribution toward employee pensions in FY 2018/19, the baseline year, and the City's required contribution in future years.

The pension fund balance for each fiscal year is calculated by starting with the fund balance at July 1, add estimated interest earnings, subtract transfers out to offset increases in pension costs, and subtract administrative costs. The pension fund balance will continue to decrease as funds are withdrawn each year because the trust was funded with one-time proceeds as its only source of funding.

FY 2021/22 PROPOSED BUDGET STAFFING LEVEL FORECAST

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The status quo forecast presented above assumes that the staffing levels, service levels, and revenue sources that are incorporated into the FY 2020/21 mid-year revised budget continue over the five-year forecast period. This is a standard approach to forecasting.

Based on various analyses that the City has conducted over the past year, including the Organizational Assessment, City staff will be recommending the addition of three net new City positions in staff's proposed FY 2021/22 budget, as well as potentially others. These three positions include a new Human Resources Director or new Community Services Director (depending on which of the two positions the incumbent Assistant City Manager assumes). Human Resources and Community Services (Recreation) are currently the responsibility of the Assistant City Manager in the City Manager's Office. A dedicated Human Resources Director is needed for this critical internal support function to address matters, such as hiring, staff development, work performance, compensation, and benefits. The creation of a standalone Community Services department with a dedicated director is needed to manage the City's recreation programs, Pinole Community Television, and the animal control and library contracts. The second position is a new Community Development Director or new Public Works Director (depending on which of the two positions the incumbent Development Services Director / City Engineer assumes). The Community Development and Public Works functions are currently the responsibility of the Development Services Director, which is not reasonable given the magnitude

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of these operations. The separation of Development Services into two departments with a director dedicated to each one adds capacity to provide important planning and community development services, and to achieve capital projects and economic development goals. The third position is a new Administrative Fire Captain position that would oversee report management system (RMS) administration, electronic daily staffing software administration, policy/procedure implementation, emergency medical services (EMS) administration, fire training, vehicle maintenance, cost recovery, and departmental projects. These three additional positions are critical to the City attaining the bandwidth needed to perform bare minimum services in all City departments. Staff believes that the addition of these three positions creates a much-needed new normal for staffing at the City.

Given staff's belief that the City must add these three net new positions to attain the minimum bandwidth needed in all City departments, staff believes that it is valuable to present a five-year financial forecast that assumes these three positions as part of the baseline. As such, staff has created a FY 2021/22 proposed budget staffing level forecast. This forecast is identical to the status quo forecast except for the addition of these three positions. The table below summarizes this forecast. Note that a portion of each of these three new positions is funded by sources other than the General Fund.

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GENERAL FUND SUMMARY INCLUDES MEASURE S 2006 & 2014	2018-19 Actual	2019-20 Actual	2020-21 Revised Budget	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast
REVENUE								
PROPERTY TAX	3,837,167	4,514,755	4,146,109	4,230,162	4,642,585	5,649,469	5,801,568	5,959,970
SALES TAX	3,994,720	3,788,080	3,991,200	4,155,000	4,305,000	4,446,000	4,576,000	4,710,000
MEAS S 2006 & 2014 LOCAL SALES TA	4,286,328	3,901,837	4,092,000	4,284,000	4,454,000	4,600,000	4,734,000	4,874,000
UTILITY USERS TAX	1,812,844	1,809,832	1,896,000	1,914,960	1,934,110	1,953,451	1,972,985	1,992,715
FRANCHISE TAX	735,311	750,001	750,000	757,500	765,075	772,726	780,453	788,258
INTERGOVERNMENTAL TAX	1,836,501	1,952,717	2,006,163	2,082,883	2,142,701	2,218,061	2,298,695	2,382,941
OTHER TAXES	884,757	826,359	785,000	800,700	816,714	833,048	849,709	866,703
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OTHER REVENUE	2,367,313	1,116,846	541,818	527,205	545,039	552,800	560,715	568,790
ONE-TIME REVENUE			619,756	600,000	-			
TRANSFERS IN	6,290,688		1,933,025	1,257,758	1,531,256	1,662,338	1,837,715	2,180,481
Total Revenue	**27,012,947**	**19,920,440**	**22,067,186**	**21,981,589**	**22,564,484**	**24,186,047**	**24,983,654**	**25,973,013**
EXPENDITURES								
SALARIES	8,593,887	9,184,283	9,872,536	10,599,162	10,917,137	11,244,651	11,581,991	11,929,450
BENEFITS - PERS RETIRE	1,792,051	2,451,619	3,077,528	3,049,809	3,323,307	3,454,389	3,629,766	3,738,321
BENEFITS - OTHER	3,079,527	2,864,038	3,052,813	3,325,910	3,489,288	3,660,718	3,807,147	4,063,801
PROFESSIONAL SERVICES	2,033,715	2,284,342	2,706,141	2,787,325	2,870,945	2,957,073	3,045,785	3,137,159
OTHER OPERATING EXPENSES	472,703	1,176,125	377,332	300,468	307,341	314,406	321,670	329,136
ONE-TIME EXPENDITURES			1,126,380		22,500		22,500	
DEBT SERVICE	590,433	606,553	556,107	576,150	596,150	611,150	677,150	677,150
CAPITAL PROJECTS	211,292	429,470	2,040,649	315,000	324,450	334,184	344,209	354,535
TRANSFERS OUT	21,732,833	1,255,058	1,395,962	1,313,058	1,275,435	1,293,318	1,311,222	1,329,664
Total Expenditures	**38,506,441**	**20,251,487**	**24,205,447**	**22,266,881**	**23,126,551**	**23,869,888**	**24,741,439**	**25,559,216**
Surplus/Deficit	**(11,493,493)**	**(331,047)**	**(2,138,261)**	**(285,292)**	**(562,067)**	**316,159**	**242,215**	**413,797**
Fund Balance, July 1	23,478,448	11,984,955	11,653,908	8,567,045	8,062,536	7,389,543	7,658,503	7,831,085
Preliminary Fund Balance, June 30	**11,984,955**	**11,653,908**	**9,515,647**	**8,281,753**	**7,500,469**	**7,705,702**	**7,900,718**	**8,244,882**
General Reserves Adjustment			(948,601)	(219,217)	(110,926)	(47,200)	(69,633)	(61,841)
Fund Balance, June 30	**11,984,955**	**11,653,908**	**8,567,045**	**8,062,536**	**7,389,543**	**7,658,503**	**7,831,085**	**8,183,041**
Fund Balance, July 1	16,287,510	17,159,258	18,088,812	17,144,938	16,831,587	16,236,563	15,475,945	14,505,835
Revenues - Interest	924,669	1,010,988	1,049,151	994,406	976,232	941,721	897,605	841,338
Expenditure - Transfers Out	6,290,688	-	1,933,025	1,257,758	1,531,256	1,662,338	1,837,715	2,180,481
Expenditures	52,921	81,434	60,000	50,000	40,000	40,000	30,000	30,000
Pension Fund Balance, June 30	**17,159,258**	**18,088,812**	**17,144,938**	**16,831,587**	**16,236,563**	**15,475,945**	**14,505,835**	**13,136,692**
Fund Balance, July 1	2,386,489	7,137,963	7,457,116	8,629,431	9,079,073	9,455,794	9,783,340	10,145,057
Revenues - Interest	150,668	319,153	223,713	230,425	265,796	280,346	292,084	302,263
Revenues - Transfer In	4,600,806		948,601	219,217	110,926	47,200	69,633	61,841
General Reserve Balance, June 30	**7,137,963**	**7,457,116**	**8,629,431**	**9,079,073**	**9,455,794**	**9,783,340**	**10,145,057**	**10,509,161**

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MAJOR CHALLENGES AND OPPORTUNITIES OVER THE NEXT FIVE YEARS

One of the main objectives of a LTFP is for an organization to identify significant challenges and opportunities that it is likely to face in the future such that the organization can take steps, with an adequate runway, to overcome challenges and profit from opportunities while providing desired service levels through a structurally balanced budget. The City conducted an environmental scan as part of the development of the Strategic Plan. Additionally, the City deployed an online survey in May 2021 to gather input from the community on the major challenges and opportunities that the City will face over the next five years. The findings of the environmental scan and the community survey are integrated in the content below.

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MAJOR CHALLENGES

Changes in demographics and economic conditions can create significant challenges for cities. As noted above, City staff does not anticipate that demographic or economic changes over the next five years will create any significant challenges for the City. The City will nonetheless face a number of other challenges over the next five years.

The City engaged a public opinion research firm to complete a poll in November 2019 of a representative sample of likely voters to identify their top concerns and prevailing opinions. The firm completed 426 surveys, via mixed mode (telephone and web). Participants provided the following responses to the question "What do you think is the most important issue facing the City of Pinole today?":

- Traffic/transportation (14%);
- Public services funding/spending (13%);
- Crime/policing (9%);
- City budget/policies (8%);
- Housing/overpopulation (7%);
- Infrastructure/roads/power issues (6%);
- Jobs/economy/development (6%);
- Schools/education (5%);
- Community improvements (4%);
- Wildfires/fire safety (4%);
- Homelessness (2%);
- Taxes (2%);
- None/nothing (7%);
- Other (3%); and
- Don't know (11%).

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It is interesting to note that no single issue emerged as the most significant to a majority of respondents. Rather, different respondents felt that a wide variety of challenges were the most significant.

In addition to those listed above, City staff and the environmental scan identified the following additional items as major challenges that the City will face over the next five years:

- The City's extensive infrastructure, which needs upgrade and replacement;
- Retaining and developing staff, and succession planning;
- Climate change; and
- The changing nature of retail and the related impact to the City's sales and property tax revenues.

The City deployed a voluntary online survey specifically related to the LTFP from May 3, 2021 to May 17, 2021 using Survey Monkey. A total of 47 self-selected community members completed the survey and identified the following as the main challenges facing the City of Pinole over the next five years, some of which overlap with the major challenges identified in the environmental scan:

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- Infrastructure maintenance and replacement, notably roads and parks;
- Climate change;
- Public safety, including policing and fire services; and
- Public transportation.

MAJOR OPPORTUNITIES

Changes in demographics and economic conditions can also create opportunities for cities. City staff does not anticipate that there will be any significant demographic or economic changes in the City over the next five years, therefore staff is not anticipating that demographic or economic changes will themselves present major opportunities. That said, the City currently faces and will continue to face a number of opportunities over the next five years.

Opportunities facing the City include the following:

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- The opportunity to reimagine retail centers, potentially as mixed use or destination retail and entertainment developments, as the nature of retail changes and there is less need for large retail buildings and centers;
- The opportunity to redevelop other underdeveloped infill sites, such as vacant lots;
- The City's central location in the Bay Area, adjacent to I-80 and San Francisco Bay;
- The City's diverse population; and
- The City's historic downtown.

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Respondents to the LTFP survey of May 2021 identified the following as the main opportunities facing the City of Pinole over the next five years, some of which overlap with the major opportunities identified in the environmental scan:

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- Environmental initiatives, including the use of green and renewable energy;
- Economic development strategy to attract and support small businesses;
- Redevelopment of areas that can be used for new businesses and housing; and
- Revitalization of the historic downtown.

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POLICY ALTERNATIVES - ADDITIONAL DISCRETIONARY EXPENDITURES

One goal of a LTFP is to identify the City services, and service levels, that residents desire, and can be afforded on an ongoing basis by a structurally balanced City budget.

In the United States, there are many levels of government (federal, state, county, city, and special districts), with distinct responsibilities. Cities are primarily responsible for public safety, land use, and public works. They are also often responsible for parks and recreation and sometimes responsible for providing utility services, such as clean water, wastewater, and power.

Pinole is considered a “full service” city, which means that it provides all traditional municipal services. It also provides some services, particularly fire protection and wastewater, that are provided by special districts in many other cities. Pinole provides a very broad range of services for a city of its size.

The majority of City of Pinole staff and resources are dedicated to public safety (police and fire services), land use regulation, building safety, local transportation infrastructure (streets, sidewalks, signals, bike lanes, etc.), and wastewater services. The City also invests significant staff and resources in additional public-facing services, such as outdoor recreation space and facilities, recreational and educational programs, cable television programming, and childcare and senior services. Some City staff and resources are also needed to provide internal services, such as finance, human resources, legal, information technology, records management, and facilities and equipment, to support the public-facing operations. Since having made reductions in staffing during the Great Recession, the City has been leanly staffed compared to many other cities.

Customer expectations for certain municipal services, such as wastewater, are fairly consistent across communities. Therefore, it is straightforward for a city to identify the optimal service level for that function. Customer expectations, and service levels, for other municipal services, vary significantly across communities, and are influenced by a number of factors. As noted above, the City of Pinole is leanly staffed, and provides a solid but basic level of service in most service areas.

As illustrated in the forecasts above, were the City to fund the status quo staffing levels and service levels and fund the three critical new positions that City staff is recommending in the proposed FY 2021/22 budget, without creating any new revenue mechanisms, the City is expected to experience a structurally balanced budget over the next five years. The City is not, however, expected to have significant surplus resources to invest in new programs or services.

Were the City to eliminate some of the status quo staffing and service levels and/or create new revenue sources, the City would have additional financial capacity to contribute to unfunded or deferred liabilities and/or increased services and programs. Over the course of the past year, members of the community and/or members of the City Council have expressed some interest in increasing the City’s contributions toward unfunded or deferred liabilities and increased

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service levels or programs in several areas. In this inaugural LTFP, staff has listed some of the services and programs that the community and/or City Council have expressed some interest in expanding. Note that in general, addressing unfunded and deferred liabilities is best accomplished with one-time financial resources whereas expanding ongoing services is best addressed with ongoing financial resources.

UNFUNDED/DEFERRED LIABILITIES

The City has a number of unfunded liabilities and deferred maintenance needs that it could address with one-time resources, described below.

Unfunded Liabilities

The City has a number of unfunded liabilities, such as unfunded accrued compensated absences, unfunded liability for other post-employment benefits (OPEB), and unfunded retirement (pension) liabilities.

Unfunded Accrued Compensated Absences

City employees accrue paid vacation and sick leave. As of the end of FY 2019/20, the City had approximately $1.4 million in unfunded liability for vacation and sick leave that employees had earned but not yet taken. The City traditionally pays for paid leave out of its normal operating budget, referred to as “pay-as-you-go.” The City could choose to set aside funds to eliminate this unfunded liability. The funding source could be one-time funding, such as unassigned fund balance.

Unfunded Retirement (Pension) Liability

The City provides its employees with a defined benefit retirement program through CalPERS. Depending on the demographic characteristics of the City’s employees, the amount of City and employee contributions to the retirement program, and the program’s return on its investments, the assets and liabilities in the City’s CalPERS account fluctuate over time. Per the most recent actuarial valuation available, as of June 30, 2019 the City had a total unfunded pension liability with CalPERS of approximately $36.5 million.

CalPERS has made several changes to its policies and procedures over the past decade that have been intended to increase the financial strength of the system, but have also resulted in significantly increased required contributions and unfunded liabilities for municipalities. CalPERS has changed key assumptions that increased unfunded liabilities, including increasing the life expectancy of beneficiaries and decreasing the expected rate of return on assets. CalPERS has also implemented new policies that require municipalities to accelerate contributions in order to achieve adequate funded status more quickly. So, despite the implementation of the less costly Public Employees’ Pension Reform Act (PEPRA) in 2013, the City’s unfunded pension liability has

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grown substantially over the past few years. CalPERS is unlikely to implement a comparably broad set of additional changes in the coming years, but even more modest changes, in addition to other factors, could continue to significantly increase the City's unfunded pension liability over the next few years.

The City created a special trust fund in FY 2017/18, referred to as a "Section 115 trust," funded with General Fund resources, to offset this significant unfunded pension liability. As of December 31, 2020, the market value of the assets in the trust fund was $19.2 million. The unfunded liability in CalPERS will fluctuate over time, as will the value of the assets in the Section 115 trust.

Unfunded Accrued Liability (UAL) for Other Post-Employment Benefits (OPEB)

A pension is the primary benefit that the City provides to retired City employees. The other main benefit that the City provides to retired City employees is a contribution toward retiree medical insurance premiums during retirement. This and other ancillary, non-pension retirement benefits, are referred to as other post-employment benefits (OPEB). Until recently, employers have not been required to report OPEB assets and liabilities in the same way that they have been required to report pension assets and liabilities. Further, employers have generally not been required to make regular payments to pre-fund OPEB liabilities. Employers have normally paid for OPEB benefits on a pay-as-you-go basis. This has resulted in significant unfunded OPEB liability for many employers, including the City. As of June 30, 2020, the City had an unfunded OPEB liability of $36.4 million.

Deferred Maintenance and Renewal

Like many cities, Pinole has deferred investment and expenditures on capital assets and other systems, particularly in response to and in the aftermath of the Great Recession and the dissolution of redevelopment. The City's current budget allows the City to provide essential services, but defers some investment in capital assets, business systems, and human capital. This deferral of investment will lead to the deterioration of some assets and systems in the long run.

Capital Asset Renewal and Replacement

Pinole has deferred expenditures on capital asset maintenance and renewal, and many of the City's capital assets are reaching the natural end of their useful life. The City owns a significant portfolio of capital assets, which are well described in the City's Capital Improvement Plan (CIP). These include buildings, roads, sidewalks, parking lots, trails, parks, open space, the wastewater treatment plant, the sewer collection system, the stormwater collection system, vacant lots, streetlights, and traffic control devices. The City's Strategic Plan includes a strategy to conduct a citywide asset condition assessment. That effort is currently underway, addressing different asset types in phases. The City is in the process of developing a sewer system master plan and will be developing a parks master plan. The City is also implementing a new capital asset management software system. After these efforts are complete, the City will have a much clearer picture of its

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complete capital asset portfolio and the expenditures required for maintenance and renewal to achieve the lowest possible total cost of ownership of its assets.

Human Capital, Including Employee Compensation and Training

The City implemented its current basic service expenditure model as a result of the Great Recession and the dissolution of redevelopment. The current model relies on very lean staffing levels and limited investment in the City's workforce. To attract and retain quality employees that are sufficiently trained and resourced to provide efficient and effective services in the long run, the City will need to increase its investment in its workforce. This will include providing employees with additional training, better tools, succession planning and career development opportunities, updated policies and procedures, and likely more competitive compensation.

Information Technology Systems

The City uses a variety of information technology (IT) hardware and software to provide efficient and effective services. This hardware and software is a type of infrastructure that the City operation relies upon. The City has deferred investment in information technology tools in the same way that it has deferred investment in other types of systems and infrastructure. The City has replaced some IT systems and implemented some new IT systems over recent years, but the City does not have current and complete IT systems in all areas, which would improve efficiency and effectiveness. In addition, the City has hired a firm to provide IT services to the City. The firm's scope of work is narrower than the services that would be provided by a traditional in-house IT function. One of the Strategic Plan strategies is the completion of a comprehensive Information Technology Plan (IT Plan). City staff is currently working with the City's contract IT firm to develop the IT Plan, which will identify the City's IT needs and the investment required to bring the City's IT systems up to modern best practices. Additionally, the City could consider investing in a municipal broadband network to support the community's access to the internet, support economic development, and possibly provide new revenue to the City.

Vehicle and Equipment Replacement

Vehicles and equipment are another significant asset that the City relies upon to provide services. The City does not currently have an integrated, citywide vehicle and equipment management program. It acquires new vehicles and equipment when needed on a pay-as-you-go basis, and its vehicles and equipment are generally modern enough to meet current operating needs. Paying for equipment on a pay-as-you-go basis can lead to expenditure spikes when expensive equipment needs to be replaced. The City's new capital asset management software system has a module for fleet and equipment. Once that module is implemented, the City will have a clearer sense of its vehicle and equipment replacement needs and the amount of funding that the City should set aside on an annual basis to address needs.

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SERVICE AND PROGRAM EXPANSION

As noted above, the City provides a solid but basic level of service in most service areas. The City can spend any surplus discretionary financial resources it may have on expanding services and programs.

Expansion of Existing Services

Economic Development

The City has not had a formal economic development function since 2012, when the dissolution of redevelopment occurred, although the City has undertaken some limited economic development activities recently, such as having a consultant complete a consumer retail demand and market supply assessment in 2019.

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One of the Strategic Plan strategies is to "develop a comprehensive economic development strategy," and several other Strategic Plan strategies also relate to economic development. The City is in the process of selecting a professional services firm to develop the economic development strategy, and will likely undertake a reorganization recommended by the Organizational Assessment that will create economic development functions in the City Manager's department and the community development department.

Climate Resiliency and Environmental Programs

The City is required by the State and federal government to undertake a number of programs related to protecting the environment. For example, the City is required to comply with requirements related to effluent of the wastewater treatment plant, stormwater protection, having low emission fleet vehicles, reducing solid waste disposal, complying with the California Environmental Quality Act (CEQA), having a General Plan, and others. The City has also undertaken voluntary steps to protect the environment and to keep the City resilient to the threats of a climate crisis, such as joining a community choice energy program, Marin Clean Energy (MCE), authorizing a property-assessed clean energy (PACE) program, and participating in a local transit joint powers authority (Western Contra Costa County Transit, "WestCAT"). There are additional programs and activities that the City could undertake to further promote environmental protection. The City Council plans to review the various programs and activities that the City is currently undertaking related to climate change at a City Council meeting in FY 2021/22. Environmental initiatives that could be considered include addressing rising sea levels, preparing for local fire danger, working toward a zero emission fleet, as well as energy conservation, generation, and storage opportunities.

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Fire Service

The City is currently assessing the community's fire suppression, fire prevention, rescue, and emergency medical response needs, as well as assessing various service models and funding

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mechanisms that could be accessed or established to support these services. The Fire Department plans to present some preliminary findings and recommendations regarding changes in service model and level in early 2021.

Housing Assistance

Redevelopment was a significant tool for affordable housing development. Since the dissolution of redevelopment, the City of Pinole, and other California cities, have fewer tools and financial resources to create affordable housing. Upon the dissolution of redevelopment, the City opted to become the housing successor to the former Pinole Redevelopment Agency. In that capacity, the City monitors affordable housing units that were funded by the former agency for ongoing compliance with affordability covenants. The City also has an inclusionary housing ordinance that requires that all housing development projects with four units or more must ensure that 15% of the units are affordable. The City can expend resources remaining from the former agency's affordable housing assets to support the creation of a limited number of new affordable housing units or to provide services to the homeless population. However, these resources are significantly less than what would be needed to provide any substantial amount of new affordable housing units in the City.

Youth Development and Support

The City supports and engages youth ages six through 17 through the activities of the Recreation Department's Youth Center, which provides afterschool and summer enrichment programs. The Youth Center could expand services to address youth health, engagement, community service, a youth commission, workforce development, or other activities.

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Cultural, Historical, and Artistic Programs

The City provides a limited number of cultural, historic, and artistic programs. These include enrichment programs through the Recreation Department's Senior Center and Youth Center, periodic community events such as music in Fernandez Park, broadcast of some community events on Pinole Community Television (PCTV), rental of a portion of the Memorial Hall building to the Pinole Community Players theater company, and some public art. The City does not have a specific requirement that new development projects include public art or pay an in-lieu fee for public art elsewhere in the City. The community does have a number of cultural, historic, and artistic organizations and resources that the City could support or leverage to provide more cultural, historic, and artistic offerings.

New Services

Although Pinole is a "full service" city, there are some services that other cities provide that Pinole does not. These include robust cultural, historic, and artistic programs and educational support programs.

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Education Support

In California, public education is provided by school districts. School districts rely on a different source of revenue than do cities. Some cities support the education of their residents by offering educational support program or by providing financial assistance to public schools. The City does offer afterschool enrichment programs to students for a fee, but does not currently provide educational support programs. In with the past, West Contra Costa Unified School District (WCCUSD) has provided the City with grant funding such that the City could assign two police officers to serve as school resource officers (SROs). WCCUSD eliminated that funding in FY 2020/21. The officers previously assigned as SROs have been reassigned to other public safety duties.

Capital Expansion

The term "capital expansion" refers to creating new capital assets, such as parks or plazas, opposed to simply renewing or replacing existing capital assets.

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New Parks and Park Upgrades

The Contra Costa Local Agency Formation Commission (LAFCO) recently released a public review draft municipal service review (MSR) of parks and recreation services in the County. The draft report found that Pinole has adequate park space based on the number of developed parkland acres per capita, but did not look in detail at the City's specific park amenities. The City is preparing a Park Master Plan, which is a CIP project. The Park Master Plan will involve gathering community input on desired park amenities and will recommend whether any additional parks, or additional amenities within existing parks, are desirable, accessible, and feasible. Potential funding sources for consideration include grant opportunities, park development impact fees, fundraising from individuals or organizations, and new tax measures.

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Other Capital Expansion Projects

New Public Spaces/Placemaking

The term "capital expansion" refers to building new capital assets, such as buildings, roads, parks, paths, bike lanes, etc., opposed to replacing existing capital assets. As noted above, the City has a substantial capital asset footprint already, and much of the City's current capital assets have deferred maintenance that would require significant investment to eliminate. Nonetheless, it might be desirable to create some new, high-impact capital assets that would improve economic vitality or quality of life.

Additional Reserves

Pursuant to its Reserve Policy, the City is required to maintain a general reserve equal to 50% of total ongoing annual General Fund expenditures. As of June 30, 2020, General Fund reserves exceeded the minimum required at approximately 57.9% of total General Fund expenditures.

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The City's formal General Fund reserve and other uncommitted General Fund fund balance have fluctuated over the years. The larger these reserves and balances, the better the City is able to address unplanned revenue reductions or expenditure increases.

Staff performed an analysis of the City's financial resiliency using the diagnostic tool offered by the GFOA. The tool determined that the City has a low level of financial risk based on several factors, including its revenue stability, low expenditure volatility, and high liquidity. GFOA suggests that cities with a low level of financial risk maintain a minimum general reserve of approximately 17% of total ongoing annual General Fund expenditures. (GFOA recommends that cities with moderate and high levels of financial risk maintain general reserves at a minimum of 26% and 36%, respectively.)

City staff believe that a high reserve is appropriate given the ongoing uncertainty regarding the impact of the pandemic. However, City staff may recommend reducing the required reserve to 35%, so that funds currently held in reserve greater than 35% can be invested in high-priority City needs.

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POLICY ALTERNATIVES – ADDITIONAL REVENUE AND EXPENDITURE REDUCTION OPTIONS

As noted above, one goal of a LTFP, and of a city's annual budget, is to identify the City services that residents desire and to simultaneously identify an equivalent amount of funding, which results in a structurally balanced budget. The mechanisms through which cities receive revenue vary across states. In California, cities receive the bulk of their revenues for general operations through sales tax and property tax. In addition, to offset the loss of property tax revenue that cities experienced due to Proposition 13, many cities instituted other forms of taxes, such as business license tax, transient occupancy tax (TOT), utility users tax (UUT), and "local sales tax" (transactions and use tax). Cities have also instituted mechanisms to recoup funds that they spend to provide services that directly benefit a specific user or beneficiary, through fees and assessments.

The section above identified some unfunded and deferred liabilities and service and program expansions in which the City could invest additional resources. Because the five-year forecast predicts that the City's General Fund budget will be essentially balanced over the next five years, there are limited resources to invest in unfunded/deferred liabilities and expanded services/programs. Therefore, if the City would like to make any substantial new investments, it will need to identify additional revenue sources or reduce some other current expenditures. Both of these options are discussed below.

ADDITIONAL REVENUE

New Local Revenue

The mechanisms through which California cities can independently generate new revenue have been significantly restricted over the past few decades. There are nonetheless a few, limited mechanisms that cities can still use.

Increased Fee Revenue

Cities can establish fees for service that fully cover the cost of the service, but cannot set fees any higher than required for full cost recovery. Many cities have financial policies that state the specific intention to achieve full cost recovery for certain services. Many cities also routinely reevaluate the cost of providing services and adjust fees accordingly to achieve full cost recovery.

The City has had a decentralized process in recent years of analyzing costs and proposing fee changes. Whereas in many cities, the Finance Department leads a coordinated annual effort, as part of the budget process, to identify situations in which fees should be modified to achieve full cost recovery, in Pinole individual departments have been responsible for reviewing costs and proposing fee changes, which they have done on a periodic and irregular schedule. The Strategic

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Plan includes a strategy to conduct a comprehensive fee study to ensure cost recovery of current and potential service fees. Some City departments are currently in the midst of fee studies, including Community Development and Recreation. The Finance Department will undertake a fee study in FY 2021/22 that will incorporate the work done for Community Development and Recreation and address all other service areas that need a refresh. That effort will also include an update of the City's indirect cost allocation plan.

Franchise Fees

Franchise fees are fees that the City charges to private parties for the private parties' use of City property. The most significant franchise fee that the City charges is to the City's solid waste collection company, Republic Services, which entitles Republic Services to use the City's streets and right of way to perform solid waste management activities, such as refuse, recycling, and organic material pick up. The fee varies as it is adjusted annually for inflation. Another franchise agreement that the City has is with Pacific Gas and Electric (PG&E) for its use of City poles, wires, conduits, and appurtenances, to transmit electricity and gas to the public. The City levies a fee of 1% to 2% of gross receipts based on one of two formulas, whichever is greater. The City also has a franchise agreement with Comcast, as a state franchise holder, to provide video services to the City. The City levies a fee of 5% of gross revenues. Under the same agreement, the City levies a fee of 2.12% of gross revenues to go toward Public, Educational, and Government (PEG) access channel capacity. PEG fees are used to fund PCTV capital improvements. Franchise fees can be higher than what is required for full cost recovery. Most cities have a small number of franchises, with long term agreements, so the opportunity to increase franchise fees is infrequent.

Sale of Surplus Property

Cities can generate one-time revenue through the sale of surplus property, which might take the form of equipment, furniture, or real property. The sale of surplus equipment, furniture, or supplies rarely generates any significant amount of revenue, whereas the sale of surplus real property can result in significant proceeds, depending upon the characteristics of the property. The proceeds are usually required to be returned to the fund or specific use that originally purchased the property. Many cities sold most or all of their remaining surplus real property following the onset of the Great Recession, to generate revenue to offset the loss of revenue resulting from the Great Recession.

It appears that the City did not divest of all of its real property at that time, and therefore still owns a number of real properties that could be considered surplus and sold. Real property owned by the City that is not currently being used for a core City function includes the building in which the United States Postal Service is housed on Pear Street, the vacant lot across the street, and others. As noted above, the Strategic Plan requires that the City conduct a citywide asset condition assessment. This will include cataloging all of the city's capital assets, including real property, and assessing their condition and value. Once the City has this information, it can be reviewed in comparison to the City's anticipated future public facility needs, and surplus

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properties can be identified and sold. The City is concluding the process of selling five former Pinole Redevelopment Agency properties. The proceeds of those sales will not be deposited into the City's General Fund, however.

New Local Tax Measures

The City has instituted a number of local taxes, such as a UUT, TOT, business license tax, and two local sales taxes, to support City services. The City can consider other new local taxes, or increase existing taxes, to generate additional revenue for critical City services.

Increased Parcel Tax and Real Property Transfer Tax (RPTT)

In 2019 and 2020, the City Council considered the desirability of placing two different local tax measures on the ballot, a special parcel tax and a real property transfer tax (RPTT).

In 2019, the City Council directed City staff to take the steps necessary to place a tax measure to fund fire service on the March 2020 ballot. Subsequently, in August 2019, the City Council directed staff to specifically take steps necessary to place a special parcel tax to fund fire service on the November 2020 ballot rather than March 2020. The City hired a public opinion research firm to assess voter support for a potential special parcel tax for fire service. The firm presented its findings to the City Council in November 2019.

In 2019, the City Council also directed City staff to analyze the steps necessary to place a measure on the ballot that would increase the RPTT. A RPTT is a tax imposed on the deed, instrument, or writing by which interests in real property are transferred. Under the California Revenue and Taxation Code, general law cities, like Pinole, may impose a RPTT of no more than $.55 per $1,000 of value on the property transferred (the County may also impose a RPTT equal to this rate). Pinole currently has a RPTT of the maximum allowed for general law cities of $0.55 per $1,000 of value. Charter cities may impose RPTTs at a rate higher than the maximum statutory rate of $0.55 per $1,000 of value. The median RPTT rate for charter cities in Contra Costa and Alameda Counties is $12.00 per $1,000 of value. Staff calculated that were the City to implement a RPTT of $12.00 per $1,000 of value, it might create new City revenue averaging approximately $1.7 million annually. In February 2020, the Council directed staff to retain a polling consultant to gather information on public opinion regarding a charter city ballot measure limited to an increase in the RPTT and directed staff to retain a communications consultant.

Due to the onset of COVID-19, in April 2020, the Council directed staff to suspend all of its activities in pursuit of a November 2020 charter city and RPTT ballot measure. In July 2020, the Council also directed staff not to move forward in preparing a November 2020 ballot measure for a special parcel tax for fire service.

The City could consider pursuing either of these options again in the future for general or specific funding needs.

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Increased Utility Users Tax (UUT)

As noted above, the City currently levies an 8% UUT on the value of public utility services consumed within the City limits for electricity, gas, and telecommunications which includes phone landline and cellular phone. The UUT was originally approved by Pinole voters in November 1998, extended by voters in 2004, 2012, and 2018. UUTs can also be applied to water and sewer utility service. The City could consider pursuing either an increase in the amount of the levy or broaden the types of utility services to which it applies.

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Assessment Districts

Assessment Districts

Assessment districts are a mechanism through which property owners agree to pay an additional assessment to fund specific services or improvements within the district. The assessment's purpose must be defined prior to the district's creation and the amount that each property owner pays must be proportional to the benefit the property will receive. Assessment districts can be established by a simple majority vote of the property owners. State law allows the creation of numerous specific types of assessment districts with varying authority to conduct different types of improvements and activities. The City currently has a landscape and lighting assessment district (LLAD), which generates funding for the maintenance of public spaces along portions of Pinole Valley Road. The Pinole Valley Road Landscape and Lighting Assessment District (LLAD) assesses property owners in the district approximately $500 annually per "assessment unit" (acre of developable land), which results in approximately $50,000 to invest in maintenance of traffic signals, streetlights, median landscaping, irrigation, graffiti removal, and electricity to the traffic signals and streetlights. The City could consider promoting the formation of assessment districts to fund specific improvements in different areas of the City.

Business Improvement District

A business improvement district (BID) is a special type of assessment district focused on commercial districts. BIDs can undertake infrastructure projects such as parking facilities and streetscapes improvements, cleaning and maintenance of the district, and marketing and promotion of the district and its properties/businesses. The City could consider promoting the formation a of BID for downtown or other commercial areas.

Enhanced Infrastructure Financing District

Property tax increment was the primary revenue source that redevelopment agencies used to fund their projects. Cities lost access to this tool in its traditional form when redevelopment agencies were dissolved in California in 2012. In the aftermath of dissolution, the State did create some new tools intended to mimic some of those previously available under redevelopment. One such tool is an enhanced infrastructure financing district (EIFD), which uses tax increment in a more restricted way. Whereas previously, a redevelopment agency had a right to the property tax increment generated in a redevelopment project area, under an EIFD a taxing entity must

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volunteer to forego receipt of the tax increment it would otherwise receive so that the increment can be used for the redevelopment project. Use of the EIFD tool requires significant collaboration between separate governmental entities, and will only be advantageous for both parties under specific circumstances. As a result, EIFDs are not yet widely used, but are nonetheless a tool that the City should keep in mind for future capital projects.

New Federal Funding

American Rescue Plan Act (ARPA)

The American Rescue Plan Act (ARPA) is federal legislation passed in 2021 to provide COVID-19 relief. It builds upon the relief provided by two other significant pieces of federal legislation, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Families First Coronavirus Response Act (FFCRA). ARPA includes $1.9 trillion in funding, program changes, and tax policies aimed at mitigating the effects of the pandemic. ARPA is the first piece of federal COVID-19 relief legislation that includes direct financial assistance to cities. The federal government is still developing ARPA program guidelines, including specifying how cities can expend ARPA funds. It is estimated that the City will receive approximately $3.6 million from ARPA. City staff has recommended that the City Council undertake a specific budget process focused exclusively on appropriating ARPA funds in early FY 2021/22, due to the magnitude and special restrictions of the funding.

Federal Infrastructure Plan

President Biden has developed a proposal, called the American Jobs Plan, for increased federal investment in infrastructure and other economic development activities. The proposal includes new federal investment of $2.65 trillion focused on upgrading and repairing physical infrastructure, investing in manufacturing, research and development, and expanding long-term health care services. The proposal has not yet been introduced as legislation in Congress. If approved, the program would result in significant new funding for local infrastructure projects, although the magnitude is not yet known.

Additional Cash from Debt

Best practices in long-term financial planning require analyzing the City's debt position and the affordability of additional borrowing. One financial strength of the City's is having relatively little general debt. The City has capacity, per the legal debt limit, to issue debt for City expenses. Per the City's FY 2019/20 Comprehensive Annual Financial Report, the City's legal bonded debt limit, which is equivalent to 3.75% of assessed property value, was $98,821,200, whereas the City only had $2,685,223 of such debt, which is the City's pension obligation bonds. Debt financing is an option that the City could consider for significant future expenditures, such as capital projects.

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EXPENDITURE REDUCTIONS

In addition to generating more revenue, the City can create additional resources to invest in unfunded/deferred liabilities and expanded services/programs by reducing expenditures. As noted above, however, the City currently provides a leanly staffed and resourced solid but basic level of service in most service areas, with the majority of the City's resources expended on core services. As such, the City has fewer opportunities than perhaps do some other cities to scale back some services in order to expand others. That said, there are two options that the City should consider or pursue to reduce expenditures, reducing retiree medical benefit costs and improving processes to achieve cost-saving efficiencies.

Retiree Medical Benefit

One of the City's largest unfunded liabilities is the medical benefit that the City provides to retired City employees. The City pays for this benefit on a pay-as-you-go basis, which means that the City simply pays for retirees' medical premiums when they are due, and does not set aside funding in advance on behalf of current employees commensurate with the normal cost of this benefit. The City instituted some changes to its retiree medical benefit offering in 2010 when it adopted a standard CalPERS benefit vesting schedule. Under the current program, the City must pay 100% of the medical premium for a retired employee and their dependents if the employee has just five years of City service and 20 years of total CalPERS service. This is a more generous retiree medical benefit than is provided by many other cities. The City could consider exploring other CalPERS program options. There has also been more discussion over the past decade about the possibility of the federal government assuming greater responsibility for retiree medical care or enacting other federal healthcare reforms, which might reduce the City's responsibility and cost for such.

Process Improvements/Efficiencies

All organizations, including cities, use procedures and tools to provide their goods and services. New procedures and tools are constantly emerging, which can result in improved quality, efficiency, or both. As a result, workers become more productive over time. Labor productivity has grown only modestly in the United States over the past decade. For this reason, as noted in the economic changes section above, City staff did not assume any significant productivity increases in the five-year forecast. Nonetheless, the City will likely identify some opportunities to improve procedures or tools that will result in increased efficiency, and associated expanded service or reduced expenditures. The Strategic Plan includes a strategy to review citywide implementation of best practices and improve processes. This is an effort that City staff will be working on over the next few years, and which will likely result in at least a few improvements that will lead to greater quality, efficiency, or both.

Deleted: Major Challenges and Opportunities Over the Next Five Years

OPTIMAL SERVICE LEVELS AND REVENUES

The City's current service levels and program offerings have been established over time in response to factors such as regulatory requirements, best practices, community preferences, and financial capacity. Preferences and financial capacity can vary considerably from community to community and can evolve over time, as do regulatory requirements and best practices. Public officials monitor these factors and adjust service levels and programs over time accordingly.

This inaugural LTFP does not identify "optimal" service levels and programs for the City or recommend any specific new service levels or programs. Nor does it identify specific matching revenue sources to support them. That would have required a more extensive process than time allowed for this first LTFP. Rather, this LTFP forecasts the City's budget condition over the next five years and identifies a number of revenue and expenditure options the City Council can consider implementing in the future. City staff expect that future LTFPs will have more specific recommendations on new service levels and programs and associated funding sources.

Deleted: Major Challenges and Opportunities Over the Next Five Years

SUMMARY AND NEXT STEPS

The City is in a relatively strong financial position which is expected to continue through the life of the forecast. Based on the baseline forecast, the City will be able to continue to fund its status quo service levels and has the capacity to address some of the operating and capital improvement needs beyond the baseline. Should the City Council decide to appropriate funding to items not currently included in the status quo forecast, staff will develop alternative forecast scenarios to show the impact on revenues, expenditures, and reserves.

The primary purpose of this inaugural LTFP is to present the five-year financial forecast and identify all of the major financial challenges and opportunities that the City is expected to face over the next five years. It does not recommend funding specific unfunded liabilities or new service levels. Nor does it recommend the revenue sources that are best suited to fund those expenditures.

As a strategic planning tool, the LTFP can however be used to guide preparation of the annual operating and capital budget process.

Return to Agenda

ATTACHMENT C

RESOLUTION NO. 2021-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE ADOPTING A RESOLUTION TO APPROVE THE CITY OF PINOLE'S LONG-TERM FINANCIAL PLAN FOR FISCAL YEAR (FY) 2021/22 - FY 2025/26

WHEREAS, the City of Pinole's Long-Term Financial Plan (LTFP) for FY 2021/22 - FY 2025/26 was created to help implement the City's Strategic Plan 2020-2025; and

WHEREAS, one of the strategies under of the goal of a financially stable Pinole is to "develop a long-term financial plan and use it to guide budget and financial decisions"; and

WHEREAS, the LTFP was developed in conformance with public finance best practices; and

WHEREAS, the LTFP considers how economic and demographic trends might impact future requests for City services and City revenues; and

WHEREAS, the LTFP incorporates a five-year forecast of the General Fund, including Measure S 2006 and Measure S 2014 funds, revenues and expenditures; and

WHEREAS, the LTFP development process involved engagement with the community and Finance Subcommittee during public meetings on April 28, 2021 and May 12, 2021; and

WHEREAS, the City Council reviewed the Final Proposed Long-Term Financial Plan for FY 2021/22 – FY 2025/26 at its meeting on May 18, 2021 and proposed some revisions;

WHEREAS, City staff incorporated the City Council's revisions into the Revised Final Proposed Long-Term Financial Plan for FY 2021/22 – FY 2025/26;

WHEREAS, the City Council has reviewed the Revised Final Proposed Long-Term Financial Plan for FY 2021/22 – FY 2025/26 which satisfies the Strategic Plan strategy to develop the City's long-term financial plan; and

NOW, THEREFORE, BE IT RESOLVED the City Council of the City of Pinole does hereby adopt the attached City of Pinole Long-Term Financial Plan for Fiscal Year (FY) 2021/22 – FY 2025/26.

PASSED AND ADOPTED this 1^{s} day of June 2021**,** by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this **1st** day of **June, 2021**.

____

Heather Iopu, CMC
City Clerk

CITY COUNCIL REPORT 7E

DATE: JUNE 1, 2021

TO: MAYOR AND COUNCIL MEMBERS

FROM: MARKISHA GUILLORY, FINANCE DIRECTOR

SUBJECT: RECEIVE A REPORT ON CITY OF PINOLE EXPENSES THAT WERE REIMBURSED BY THE CARES ACT FUNDING ALLOCATED TO THE CITY

RECOMMENDATION

City staff recommends that the City Council receive a report on City of Pinole expenses that were reimbursed by Coronavirus Aid, Relief, and Economic Security (CARES) Act funding allocated to the City of Pinole.

BACKGROUND

At its meeting of October 6, 2020, the City Council requested a future City Council agenda item on City expenses that could be reimbursed by CARES Act funding allocated to the City of Pinole. To that end, at its meeting on November 3, 2020, the City Council received a report from City Finance staff itemizing how the City's CARES Act funding was allocated to eligible expenses. **For reference, the staff report from the November 3, 2020 Council meeting is attached to this report as Attachment A.**

The City Council again requested, at its meeting of April 7, 2021, another report on City expenses that were reimbursed with CARES Act funding.

The federal CARES Act was signed into law on March 27, 2020. This economic relief package provided support to individuals, businesses, and state and local governments to offset the public health and economic impacts of COVID-19. The State of California decided to use a portion of the $500 million of CARES Act funding that it received from the federal government to provide assistance to California cities. The State Department of Finance (DOF) created a formula to determine the amount of assistance for which each California city would be eligible, as follows:

- $275 million to cities with a population less than 300,000. Allocation based on the city's population share within this parameter;
- $225 million directly to cities with a population greater than 300,000 that did not receive a direct allocation from the Federal CARES Act. Allocation based on the city's population share within this parameter; and
- No city shall receive less than $50,000.

The City of Pinole was notified on July 1, 2020 that it was eligible for reimbursement of up to $240,831. The City was required to return a signed attestation by July 10, 2020 that it would have at least $240,831 of eligible reimbursable expenses between March 1, 2020 and December 30, 2020. City Finance staff conducted an assessment and determined that it was likely that the City would have at least $240,831 of eligible reimbursable expenses, and submitted a signed attestation of such.

REVIEW AND ANALYSIS

Following the attestation noted above, cities were eligible to receive reimbursement in four installments paid from July 2020 through October 2020. Cities were required to submit justification of their reimbursable expenses by September 4, 2020. Reimbursable expenses include the following:

- Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
- Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government; and
- Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

The U.S. Department of the Treasury, Office of the Inspector General (OIG) further identified 18 distinct categories for reporting expenditures, as follows:

a. Administrative Expenses
b. Budgeted Personnel and Services Diverted to a Substantially Different Use
c. COVID-19 Testing and Contact Tracing
d. Economic Support (Other than Small Business, Housing, and Food Assistance)
e. Expenses Associated with the Issuance of Tax Anticipation Notes (TANs)
f. Facilitating Distance Learning
g. Food Programs
h. Housing Support
i. Improve Telework Capabilities of Public Employees
j. Medical Expenses
k. Nursing Home Assistance
l. Payroll for Public Health and Safety Employees
m. Personal Protective Equipment (PPE)
n. Public Health Expenses
o. Small Business Assistance
p. Unemployment Benefits
q. Workers' Compensation
r. Items Not Listed Above

In an effort to comply with the reporting deadline, and to ensure the receipt of the full amount of reimbursement for which the City was eligible, City Finance staff reported eligible expenditures that the City incurred from March 1, 2020 through June 30, 2020 based on the categories above. The expenditures were reported to the Department of

Finance by the September 3, 2020 deadline, as shown in the table below. (The City did not report all of its eligible expenses for “Payroll for Public Health and Safety Employees” because the total amount far exceeded the amount of reimbursement funding allocated to the City.) Other eligible costs included attorney legal services (Public Health Expenses) and information technology consultant costs (Improve Telework Capabilities).

Category		Amount
i	Improve Telework Capabilities	10,276
l	Payroll for Public Health and Safety Employees	153,592
m	Personal Protective Equipment (PPE)	10,423
n	Public Health Expenses	53,873
p	Unemployment Benefits	12,667
	Total	**240,831**

The City received the full $240,831 of reimbursement for which it was eligible. If the City had not received reimbursement from the CARES Act, the General Fund would have needed to pay the expenses. As such, receiving the reimbursement saved the General Fund, and increased the General Fund unassigned fund balance.

Additionally, at its meeting on December 15, 2020, the City Council approved staff to appropriate $100,000 from the General Fund unassigned fund balance for the COVID-19 Small Business Assistance Program. The program was intended to provide direct financial assistance to Pinole small businesses that were negatively impacted by the pandemic and that met specific eligibility criteria. In sum, the City issued grants in the amount of $1,316 to each of the 76 eligible small businesses that applied for funds. At its meeting on May 18, 2021, the City Council received a report from City Manager department staff summarizing the results of the program.

FISCAL IMPACT

There is no fiscal impact created by the Council’s receipt of this informational report.

ATTACHMENT

A- Staff Report on CARES Act Expenses - November 3, 2020

ATTACHMENT A

CITY COUNCIL REPORT

DATE: NOVEMBER 3, 2020

TO: MAYOR AND COUNCIL MEMBERS

FROM: ANDREW MURRAY, CITY MANAGER
GENIE ROCHA, FINANCE CONSULTANT

SUBJECT: RECEIVE A REPORT ON CITY OF PINOLE EXPENSES THAT CAN BE REIMBURSED BY THE CARES ACT FUNDING ALLOCATED TO THE CITY

RECOMMENDATION

City staff recommends that the City Council receive a report on City of Pinole expenses that can be reimbursed by Coronavirus Aid, Relief, and Economic Security (CARES) Act funding allocated to the City of Pinole.

BACKGROUND

At its meeting of October 6, 2020, the City Council requested a future City Council agenda item on City expenses that can be reimbursed by CARES Act funding allocated to the City of Pinole.

The federal CARES Act was signed into law on March 27, 2020. This economic relief package provided support to individuals, businesses, and state and local governments to offset the public health and economic impacts of COVID-19. The State of California decided to use a portion of the $500 million of CARES Act funding that it received from the federal government to provide assistance to California cities. The State Department of Finance (DOF) created a formula to determine the amount of assistance for which each California city would be eligible, as follows:

- $275 million to cities with a population less than 300,000. Allocation based on the city's population share within this parameter;
- $225 million directly to cities with a population greater than 300,000 that did not receive a direct allocation from the Federal CARES Act. Allocation based on the city's population share within this parameter; and
- No city shall receive less than $50,000.

The City of Pinole was notified on July 1, 2020 that it was eligible for reimbursement of up to $240,831. The City was required to return a signed attestation by July 10, 2020 that it would have at least $240,831 of eligible reimbursable expenses between March 1, 2020 and December 30, 2020.

REVIEW AND ANALYSIS

Following the attestation noted above, cities were eligible to receive reimbursement in four installments paid from July 2020 through October 2020. Cities were required to submit justification of their reimbursable expenses by September 4, 2020. Reimbursable expenses include the following:

- Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
- Were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government; and
- Were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

The U.S. Department of the Treasury, Office of the Inspector General (OIG) further identified 18 distinct categories for reporting expenditures, as follows:

a. Administrative Expenses
b. Budgeted Personnel and Services Diverted to a Substantially Different Use
c. COVID-19 Testing and Contact Tracing
d. Economic Support (Other than Small Business, Housing, and Food Assistance)
e. Expenses Associated with the Issuance of Tax Anticipation Notes (TANs)
f. Facilitating Distance Learning
g. Food Programs
h. Housing Support
i. Improve Telework Capabilities of Public Employees
j. Medical Expenses
k. Nursing Home Assistance
l. Payroll for Public Health and Safety Employees
m. Personal Protective Equipment (PPE)
n. Public Health Expenses
o. Small Business Assistance
p. Unemployment Benefits
q. Workers' Compensation
r. Items Not Listed Above

In an effort to comply with the reporting deadline, and to ensure the receipt of the full amount of reimbursement for which the City was eligible, City Finance staff reported eligible expenditures that the City incurred from March 1, 2020 through June 30, 2020 based on the categories above. The expenditures were reported to the Department of Finance by the September 3, 2020 deadline, as shown in the table below. (The City did not report all of its eligible expenses for "Payroll for Public Health and Safety Employees" because the total amount far exceeded the funding allocated to the City.) Other eligible costs included attorney legal services (Public Health Expenses) and information technology consultant costs (Improve Telework Capabilities).

Category		Amount
i	Improve Telework Capabilities	10,276
l	Payroll for Public Health and Safety Employees	153,592
m	Personal Protective Equipment (PPE)	10,423
n	Public Health Expenses	53,873
p	Unemployment Benefits	12,667
	Total	**240,831**

The City has received the full $240,831 of reimbursement for which it is eligible. If the City had not received reimbursement from the CARES Act, the General Fund would have needed to pay the expenses. As such, receiving the reimbursement has saved the General Fund, and increased the General Fund unassigned fund balance.

Regarding questions raised by Council Members at the October 6, 2020 Council meeting, the following types of City assistance to small businesses would be an expense eligible for reimbursement with CARES Act funds:

- Costs for a small business grant program, including the actual grant costs and the administrative costs of the program;
- Costs for any assistance provided to reimburse the costs of business interruption caused by required closures;
- Costs to assist small business with complying with public health orders such as providing tents for outdoor dining; and
- Costs for small business loans.

Assistance for community recreational and enrichment programs does not appear to be an eligible reimbursable expense.

City staff will present information to the City Council at a future Council meeting on forms of assistance that other cities have provided to small businesses related to COVID-19, both from CARES Act funding and other sources.

FISCAL IMPACT

The $240,831 of CARES Act reimbursement that the City has received has been recorded as revenue in the General Fund for fiscal year (FY) 2020/21 and will result in a higher amount of General Fund unassigned fund balance than would have been the case were the reimbursement not received. Were the City to appropriate funding for a new COVID-19-related small business assistance program, it would have the same net effect on the General Fund unassigned fund balance (a reduction of the amount equivalent to the program cost) regardless of whether the City sought reimbursement for the program's expenses in lieu of other CARES Act reimbursable expenses or simply paid for the cost of the program with unassigned fund balance.

Return to Agenda

CITY COUNCIL REPORT 7F

DATE: JUNE 1, 2021

TO: MAYOR AND COUNCIL MEMBERS

FROM: HECTOR DE LA ROSA, ASSISTANT CITY MANAGER

SUBJECT: AUTHORIZING THE CITY MANAGER TO EXECUTE TASK ORDER #2 WITH RSG, INC. IN THE AMOUNT NOT TO EXCEED $41,500 FOR ONGOING COORDINATION AND NEGOTIATIONS OF COMMERCIAL REAL ESTATE BROKER SERVICES FOR THE SALE OF SEVERAL FORMER REDEVELOPMENT AND HOUSING ASSETS

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to execute task order #2 with RSG, Inc. in the amount not to exceed $41,500 for ongoing coordination and negotiations of Commercial Real Estate Broker Services for the sale of several former Redevelopment and Housing assets.

BACKGROUND

On November 13, 2018, the Council approved entering into General On-Call Agreements with five companies to provide real estate services to the City. The On-Call Agreements did not specify a budget amount. With approved On-Call agreements, when the City desires the services of an approved vendor, a task order would be prepared, along with a budget and presented to the Council for approval.

RSG, Inc. was one of the companies who had been qualified to perform real estate services through the 2018 prequalification process. Moreover, they also were one of the companies who submitted a proposal for broker services in April 2019.

On May 19, 2020, the City Council approved task order #1 with RSG, Inc., in the amount of $65,000 to act as the City's representative marketing and disposing of four former Pinole Redevelopment Agency properties (2361 San Pablo Avenue (old Pinole Bank), 2301 San Pablo Avenue (corner lot), 2297 Park Street (former restaurant/residence), and 612 Tennent Avenue (Collins House).

RSG marketed the properties under an "open listing", showing the property and reviewing proposals for the City. They also performed outreach to East Bay developers informing them of the availability and sale requirements for each property.

REVIEW AND ANALYSIS

Through RSG's efforts, twenty-three (23) offers on the properties were presented to the City Council for consideration in February 2021. City Council directed staff to commence negotiations with four parties for each of the properties. As of May 2021, the City Council has approved the sale of two properties and a third agreement will be presented to the Council on June 1, 2021. A fourth property, 2301 San Pablo Avenue, remains unsold after negotiations ended without an acceptable offer to the City.

RSG's original contract amount has been exhausted due to a significantly higher volume of inquiries on the properties than originally anticipated ($7,400 over budget), preparation of complex analysis to determine the potential gap financing required to develop affordable units ($5,400 over budget), and a requirement that the City issue a surplus land notice prior to the marketing of the properties ($6,500 over budget), which was performed by RSG outside of the scope of services. RSG exceeded the number of budgeted hours under their May 2020 contract and their services continue to be necessary to ensure the conditions of sales agreements are met prior to closing and to relist 2301 San Pablo Avenue based on City Council direction.

To continue assisting the City with its disposition efforts, to meet legal requirements, and to relist and continue marketing 2301 San Pablo Avenue, staff has requested an amendment to the original scope and budget under the previous task order. RSG has prepared an amended proposal to Task Order #1. Items 1 to 4 are related to the prior listing, and Item 5 is related to a new listing for 2301 San Pablo Avenue.

- **Item 1: Negotiation and Coordination of Disposition Agreements.** Review and comment on initial sale agreements; present agreements to buyers and negotiate deal points as necessary; and assist with negotiations related to the provision of affordable housing units to meet or exceed the City's inclusionary housing requirements.

- **Item 2: Present Offers to City Council.** Present offers and counteroffers to City Council at three closed session meetings attended in February through May 2021.

- **Item 3: Affordable Housing Gap Analysis.** Perform an analysis to determine gap financing required to develop affordable housing units.

- **Item 4: Track Agreement Milestones.** Ensure conditions precedent to closing escrow are met pursuant to the sale agreements, which includes the approval of entitlements and building permits.

- **Item 5**: **Relist 2301 San Pablo Avenue**. Draft a new Offering Memorandum to relist 2301 San Pablo Avenue on CoStar and LoopNet (two premier commercial listing sites). Respond to inquiries and provide bi-weekly progress reports to staff. Summarize offers, present to City Council, and negotiate sale per City Council direction. Advise on meeting economic development and affordable housing goals. Provide term sheet to City Attorney, who will draft sales agreements. Track milestones to ensure conditions are met prior to closing.

Staff is recommending approval of Task Order #2 in the amount of $41,500 for a total project cost of $106,500. This includes a $20,000 budget for Items 1 to 4 related to the prior listing due to services performed outside the scope of services under the original agreement, of which $13,600 has already been completed to date and $6,400 is for ongoing services. An additional $21,500 is budgeted to relist 2301 San Pablo Avenue under Item 5.

FISCAL IMPACT

The additional $41,500 for Broker Services brings the total budget to $106,500 ($65,000 original contract, overage of $20,000 for items outside the scope of a traditional broker, such as the surplus lands noticing and affordable housing gap financing analysis, and $21,500 for a new listing). The total sales value of the three properties is estimated at $1,416,000. Sale proceeds and expenditures associated with the sale of former RDA properties will be reflected in Fund 750 and Fund 250 for Housing assets.

For comparison purposes, traditional broker fees would typically be 6% of the purchase price. For the three properties that sold, that equals $84,960 (6% of $1,416,000).

ATTACHMENTS

Attachment A: Resolution
Attachment B: Task Order # 2 with RSG, Inc./Amended Scope of Service
Attachment C: Task Order # 1
Attachment D: On-Call Agreement

ATTACHMENT A

RESOLUTION NO. 2021-XX

A RESOLUTION OF THE CITY OF PINOLE AUTHORIZING THE CITY MANAGER TO EXECUTE TASK ORDER #2 WITH RSG, INC. IN THE AMOUNT NOT TO EXCEED $41,500 FOR ONGOING COORDINATION AND NEGOTIATIONS OF COMMERCIAL REAL ESTATE BROKER SERVICES FOR THE SALE OF SEVERAL FORMER REDEVELOPMENT AND HOUSING ASSETS

WHEREAS, the City, as the Successor Housing Agency and Successor to the former Redevelopment Agency, is the owner of certain real properties (the “Lands”) located at 2301San Pablo Ave. (corner lot), 2361San Pablo Ave. (old Pinole Bank), 297 Park Street (Blackies) and 649 Tennent Ave. (Collins) in the City of Pinole, California, County Assessor’s Parcel Numbers 401-162-001, 401-162-003, 401-142-010 and 401-142-011, respectively; and

WHEREAS, the Properties were purchased by the Redevelopment Agency/Housing Agency of the City of Pinole (the “Agency”) with Redevelopment funds; and

WHEREAS, pursuant to the Dissolution Law the Agency was dissolved on February 1, 2012 and the Lands were transferred to the City pursuant to a long range property management plan; and

WHEREAS, the City desires to sell the Land for development; and

WHEREAS, on May 19, 2020, the City Council approved Task Order #1 with RSG in the amount of $65,000 to act as the City’s representative marketing, showing the property and reviewing proposals under an “open listing”; and

WHEREAS, due to a significantly higher volume of inquiries on the properties than originally anticipated, preparation of complex analysis to determine the potential gap financing required to develop affordable units, and a surplus land notice requirement, all which were performed by RSG outside of the scope of services. RSG exceeded the number of budgeted hours under their original May 2020 contract; and

WHEREAS, the City continues to require RSG, Inc. services to ensure the conditions of sales agreements are met prior to closing; and

WHEREAS, the City has requested that staff relist 2301 San Pablo Avenue which will continue to require the services of RSG, Inc.; and

WHEREAS, RSG Inc. has submitted a proposal for $41,500 of which $20,000 is for Items 1 to 4 related to the original listing due to services performed outside the scope of services under the original agreement, and an additional $21,500 to relist 2301 San Pablo Avenue under Item 5, of the attached Exhibit A – Expanded Scope of Services.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Pinole does hereby authorizing the City Manager to enter into and approve Task Order #2 with RSG, Inc. in the amount not to exceed $41,500 to provide continued commercial real estate broker services as outlined in Exhibit A, hereunto attached.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pinole held on the 1st day of June 2021 by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed and adopted on this 1st day of June, 2021.

____
Heather Iopu, CMC
City Clerk

Return to Agenda

ATTACHMENT B

**TASK ORDER #2 TO THE
CONSULTING SERVICES AGREEMENT
BETWEEN THE CITY OF PINOLE AND
RSG, INC.**

This Task Order #2 to the Consulting Services Agreement dated November 20, 2018 (the “Agreement”), between the City of Pinole, a general law city and municipal corporation, (“City”) and RSG, Inc. (“Consultant”) (together sometimes referred to as “Parties”) is approved as of the date executed below.

Effect of Task Order. The terms and conditions of this Task Order #2 are intended by the Parties to amend the Task Order #1 of the Consulting Services Agreement. To the extent there is any inconsistency between the terms of this Task Order #2 and the terms of Task Order #1 and the Consulting Services Agreement and/or its Appendix, the terms of this Task Order #2 shall control.

Exhibit A – Amended Scope of Work and Budget, hereunto attached, shall read as follows:

Task Order #2 to amend the Consultant’s scope of work for Broker Services. Broker Services shall be expanded to include $41,500 and when combined with Task Order #1 in the amount of $65,000, totals $106,500.

With the exception of the foregoing, all other terms and conditions in the Services Agreement, dated November 20, 2018, remain in force and effect.

City of Pinole	Contractor
______________________________	______________________________
Andrew Murray City Manager	Suzy Kim RSG, Inc
Dated: ______________________	Dated: ___________________

Approved as to Form

Eric S. Casher
City Attorney

Dated: ______________________

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

May 24, 2021 **Via Electronic Mail**

Andrew Murray, City Manager
Hector De La Rosa, Assistant City Manager
CITY OF PINOLE
2131 Pear Street
Pinole, CA 94564

PROPOSAL FOR CONTINUED PROPERTY DISPOSITION SERVICES AND MARKET ANALYSIS

Dear Mr. Murray and Mr. De La Rosa:

RSG, Inc. ("RSG") was hired by the City of Pinole ("City") and Successor Agency to the Pinole Redevelopment Agency ("Successor Agency") in May 2020 to assist with the disposition of four former Pinole Redevelopment Agency properties in Old Town Pinole. It has been our pleasure to market the properties and present offers to the City. Our efforts led to receiving 23 offers on the Old Town Pinole properties, which were presented to the City Council in February 2021. Three properties have either entered escrow or have a sales agreement in progress.

RSG's May 2020 contract for Old Town Pinole property disposition services required more hours than anticipated due to a surplus lands notice prepared outside of the scope of services ($6,500 added cost) and a significantly higher volume of inquiries than budgeted ($7,400 added cost). Two properties required an affordable housing discounted rent loss and income valuation analysis to advise on the value of buyers providing affordable units ($5,400 added cost). In addition, City Council has directed staff to relist 2301 San Pablo Avenue (vacant lot) to solicit additional offers.

RSG has prepared this proposal to cover services provided in March through May 2021 over the original budgeted amount and to continue overseeing sales agreement terms and milestones. It also includes an optional budget to relist 2301 San Pablo Avenue to solicit new offers.

Scope of Services

RSG will provide as-needed services on a time and materials basis up to the budget provided in the fee proposal. Services include actual work conducted through May 20, 2021 over the contract budget, continuing to track agreement milestones, and relisting 2301 San Pablo Avenue.

Tasks Related to Prior Listing

Tasks 1 to 3 below were completed through May 24, 2021 with staff's authorization. Task 4 is ongoing. A contract amendment is sought to cover actual costs over the original contract budget totaling approximately $13,600, plus $6,400 in ongoing costs ensure Agreement milestones are met prior to closing escrow on three properties.

1. **Negotiation and Coordination of Disposition Agreements.** RSG assisted with negotiating and presenting sales agreements ("Agreements") to prospective buyers based on City Council, staff, and City Attorney direction. RSG drafted term sheets for the City Attorney, reviewed and commented on two Agreements, presented Agreements to buyers, and responded to inquiries as necessary. This included several discussions with City staff and buyers about the provision of affordable housing units to meet or exceed the City's inclusionary housing requirements. Subsequent Agreements are to be drafted by the City Attorney without RSG review and comment.
2. **Present Offers to City Council.** The proposed fee covers the cost of three closed session meetings attended in February through May 2021 to present offers and counteroffers in closed session. It also includes one open session meeting when City Council considered approving one of the Agreements.
3. **Affordable Housing Gap Analysis.** In March and April 2021, RSG conducted a cursory income valuation and discounted rent loss analysis to estimate the amount of gap financing required to develop affordable housing units at two properties to determine if Housing Successor assistance is warrantable. The findings were presented to City Council in April 2021.
4. **Track Agreement Milestones.** Ensure conditions precedent to closing escrow are met pursuant to the Agreements. Includes coordinating with the Community Development Department to track buyer progress obtaining entitlements and building permits. RSG will advise on next steps if milestones are not met. City staff is responsible for coordinating with the escrow agent.

New Listing

5. **Relist 2301 San Pablo Avenue.** In May 2021, City Council directed staff to relist 2301 San Pablo Avenue to solicit new offers. This proposal includes an optional budget for RSG to list the property, respond to inquiries, and present offers to the City. This includes:
   - Drafting a new Offering Memorandum that includes development requirements per the Municipal Code and Old Town Specific Plan, including reference to the City's inclusionary housing policies;
   - Listing the property for sale on CoStar and Loopnet, two premier commercial real estate listing sites, and posting signage on the property;
   - Responding to broker and buyer inquiries (up to <u>40 hours</u>);
   - Providing bi-weekly progress reports to City staff;
   - Presenting offers and counteroffers to City staff and City Council (up to <u>4 meetings</u>);

- Advising on economic development and affordable housing goals and incentives;
- Buyer negotiations;
- Drafting term sheets for the City Attorney, who shall be responsible for drafting sales agreements; and
- Attending City Council closed session and public meetings as requested by staff.

Fee Proposal

RSG will provide as-needed services from the options outlined in the Scope of Services up to $20,000 for Tasks 1 through 4 related to the prior listing, and up to $21,500 for Task 5 to relist 2301 San Pablo Avenue, or $41,500 total. RSG's fee would be payable monthly and invoiced based on a time and materials basis using the following billing rates:

Principal / Director	$ 235
Senior Associate	$ 180
Associate	$ 160
Senior Analyst	$ 135
Analyst	$ 125
Research Assistant	$ 110
Technician	$ 80
Clerical	$ 60
Reimbursable Expenses	Cost plus 10%

As previously mentioned, the $20,000 budgeted for Tasks 1 through 4 includes $13,600 in fees already incurred through May 24, 2021, leaving $6,400 budget remaining for ongoing Task 4. Task 5 to relist 2301 San Pablo Avenue for $21,500 is an optional service.

Due to the unpredictable nature of property negotiations, RSG's fee would be charged on a time and materials basis up to the budgeted amount. Any work completed above the contracted amount with staff's authorization may require a contract amendment. Invoices are billed monthly based on completed work.

Please let us know if this proposal meets your expectations, and we will be happy to prepare or execute a contract or contract amendment to commence work on this project. In the meantime, should you have any questions, please do not hesitate to contact Tara Matthews at (714) 316-2111 or Suzy Kim at (714) 316-2116.

Sincerely,
RSG, INC.

Tara E. Matthews

Tara Matthews
Principal

Suzy Kim
Senior Associate

Return to Agenda

ATTACHMENT C

TASK ORDER TO THE
CONSULTING SERVICES AGREEMENT
BETWEEN THE CITY OF PINOLE AND
RSG, INC.

This Task Order to the Consulting Services Agreement dated November 20, 2018 (the "Agreement"), between the City of Pinole, a general law city and municipal corporation, ("City") and RSG, Inc. ("Consultant") (together sometimes referred to as "Parties") is approved as of the date executed below.

Effect of Task Order. The terms and conditions of this Task Order are intended by the Parties to modify the Agreement. To the extent there is any inconsistency between the terms of this Task Order and the terms of the Agreement and/or its Appendix, the terms of this Task Order shall control.

Exhibit A – Scope of Work and Budget, hereunto attached, shall read as follows:

Task Order to provide Real Estate "Open Listing" Broker Services in an amount not to exceed $65,000.

With the exception of the foregoing, all other terms and conditions in the Services Agreement, dated November 20, 2018, remain in force and effect.

The Parties have executed this Task Order to the Agreement as of the date signed by the Authority.

City of Pinole

____
Andrew Murray
City Manager

Dated: ______________________

Contractor

____
Suzy Kim
RSG, Inc

Dated: ______________________

Approved as to Form

Eric S. Casher
City Attorney

Dated: ______________________

EXHIBIT A

RSG
BETTER COMMUNITIES, BOLDER FUTURES.

17872 GILLETTE AVE.
SUITE 350
IRVINE, CA 92614

714 541 4585
INFO@WEBRSG.COM
WEBRSG.COM

Scope of Work

With the above in mind, we would provide the following services:

1. **Staff Kick-Off and Marketing Strategy.** Meet with City staff to visit sites, review the property disposition process and applicable laws, and identify goals. Discuss the pros and cons of marketing properties as surplus land or not. Consider potential tax revenues and community benefits (i.e. jobs and housing) from viable uses, and explore the feasibility or rezoning for alternative uses to develop a marketing strategy. (*1 in-person or virtual meeting*)
2. **City Council Goal Setting.** Meet with City Council to review the process, goals, and expectations. (*1 in-person or virtual meeting*)
3. **Compile Site Information.** Compile information typically sought by prospective buyers to encourage timely and multiple offers, including but not limited to: environmental assessment reports, preliminary title reports, appraisals, zoning information, etc.

   Based on the City's interest, coordinate and obtain quotes for third-party services to obtain preliminary title reports, Phase I environmental studies, and appraisals. These documents provide transparency on potential site issues to buyers.
4. **Property Marketing and Offering Memorandum.** Draft a detailed offering memorandum ("OM") that markets all four properties. The OM will solicit Letters of Interest detailing buyer offers, proposed uses, and contingencies.

   Post a digital copy of the OM on CoStar and LoopNet, as well as the City website. Circulate the OM to targeted key owner-users and developers who pursue local projects with uses that match those desired for each property, as well as RSG's developer inventory from other property disposition projects throughout California. RSG suggests at least a 90-day listing period that gives buyers sufficient time to consider each property given evolving market conditions.

   Post marketing signage on each property with relevant information (zoning, etc.) and RSG contact information. RSG's fee proposal includes reimbursable costs for listing fees and signage.
5. **Host Site Visits/Provide Access**. Provide access to and host site visits to prospective buyers. This may be in-person or virtual based on social distancing measures to ensure the safety of our staff. Weekly viewing sessions will be held at a set time, which will keep costs down for the City in comparison to giving multiple tours a week. Weekly sessions will be cancelled if no one signs up that week, and RSG will only bill for time spent on the project.
6. **Coordination and Management.** Respond to developer inquiries within one business day. Provide City staff weekly updates of interest and offers during solicitation process.

7. **Offer Summary and Review**. Prepare a summary of all offers received at the end of the listing period and review with City staff. Meet with City Council in closed session to review offers as appropriate. (*2 in-person or virtual meetings*)
8. **Buyer Negotiations and Counters.** Draft counter-offers, as may be appropriate, and negotiate with buyers.
9. **Coordinate and Review Agreements with City Attorney**. Coordinate terms and conditions with City Attorney, who will be responsible for drafting Purchase and Sale Agreements and/or other appropriate agreements with buyers.
10. **Present Agreements for City Council Approval**. Present Purchase and Sale and other applicable agreements to City Council for approval. Includes staff reports and resolutions. (*1 in-person or virtual meeting*).

It is our understanding that City staff will coordinate escrow to close on the properties.

Fee Proposal

RSG estimates a total budget of **$65,000**, invoiced and payable monthly based on a time and materials. The following table estimates the budget by task:

Consulting Services & Hours		Principal $ 235	Sr. Assoc. $ 180	Analyst $ 125	Subtotal	Reimb.	**Total**
Scope of Services							
1	Kickoff Meeting & Marketing Strategy	5	20	10	$ 6,025	-	**$ 6,025**
2	City Council Goal Setting	5	10	5	$ 3,600	-	**$ 3,600**
3	Compile Site Info	1	5	5	$ 1,760	-	**$ 1,760**
4	Property Marketing and OM	4	20	40	$ 9,540	2,500	**$12,040**
5	Host Site Visits/ Provide Access	-	72	-	$ 12,960	-	**$12,960**
6	Coordination & Management	8	25	10	$ 7,630	-	**$ 7,630**
7	Offer Summary & Review	8	16	20	$ 7,260	-	**$ 7,260**
8	Buyer Negotiations/Counters	8	12	-	$ 4,040	-	**$ 4,040**
9	Coordinate/Review Agrmts w/ City Att.	4	12	-	$ 3,100	-	**$ 3,100**
10	City Council Approval	8	10	16	$ 5,680	-	**$ 5,680**
Total		51	202	106	$ 61,595	$ 2,500	**$64,095**

The fees reflected here would be charged on a not-to-exceed basis, billable monthly based on completed work. Our contract fee schedule is set forth as follows:

Principal/Director	$ 235
Senior Associate	180
Analyst	125
Reimbursable Expenses	Cost plus 10%

CONSULTING SERVICES AGREEMENT BETWEEN THE CITY OF PINOLE AND RSG

THIS AGREEMENT for consulting services is made by and between the City of Pinole ("City") and RSG ("Consultant") (together sometimes referred to as the "Parties") as of November 20, 2018 through November 20, 2022(the "Effective Date") in Pinole, California.

Section 1. **SERVICES**. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

1.1 **Term of Services.** The term of this Agreement shall begin on the November 20, 2018 and shall end on November 20, 2022, and Consultant shall complete the work described in Exhibit A by that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.

1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. Consultant shall prepare all work products required by this Agreement in a professional manner and shall conform to the standards of quality normally observed by a person practicing in Consultant's profession.

1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.1 above and to satisfy Consultant's obligations hereunder.

Section 2. **COMPENSATION.** City hereby agrees to pay Consultant an amount not to exceed **TASK ORDER BASED ONLY** for all work set forth in Exhibit A and all reimbursable expenses incurred in performing the work. In the event of a conflict between this Agreement and Consultant's proposal regarding the amount of compensation, the Agreement shall prevail. City shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 **Invoices.** Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder, as well as a separate notice when the total number of hours of work by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 130 hours, which shall include an estimate of the time necessary to complete the work described in Exhibit A;
- The Consultant's signature.

2.2 **Payment.** City shall make payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have 30 days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 **Final Payment.** City shall pay the total sum due pursuant to this Agreement within sixty (60) days after completion of the services and submittal to City of a final invoice, if all services required have been satisfactorily performed.

2.4 **Total Payment.** City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment.

2.5 **Hourly Fees.** Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on the following fee schedule attached hereto as Exhibit A.

2.6 **Reimbursable Expenses.** Reimbursable expenses are specified in Exhibit A and shall not exceed Five hundred ($500). Expenses not listed in Exhibit A are not chargeable to City. Reimbursable expenses are included in the total amount of compensation provided under this Agreement that shall not be exceeded.

2.7 **Payment of Taxes.** Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

2.8 **Payment upon Termination.** In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date.

2.9 **Authorization to Perform Services.** The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

Section 3. **FACILITIES AND EQUIPMENT.** Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in Exhibit B, and only under the terms and conditions set forth therein.

Section 4. **INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Consultant, at its own cost and expense, unless otherwise specified below, shall procure the types and amounts of insurance listed below against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant and its agents, representatives, employees, and subcontractors. Consistent with the following provisions, Consultant shall provide proof satisfactory to City of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in the Consultant's bid. Consultant shall not allow any subcontractor to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution.

4.1 **Workers' Compensation.** Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant. The Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS ($1,000,000.00) per accident. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the Labor Code shall be solely in the discretion of the City. The insurer, if insurance is provided, or the Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against the City and its officers, officials, employees, and volunteers for loss arising from work performed under this Agreement.

4.2 **Commercial General and Automobile Liability Insurance.**

4.2.1 **General requirements.** Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS ($1,000,000.00) per occurrence, combined single limit coverage for risks associated with the work contemplated by this Agreement. If a Commercial General Liability Insurance or an Automobile Liability form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection against claims arising from bodily and personal injury, including death resulting there from, and damage to property resulting from activities contemplated under this Agreement, including the use of owned and non-owned automobiles.

4.2.2 **Minimum scope of coverage.** Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001 (ed. 11/88) or GL 0002 (ed.1/73) covering comprehensive General Liability and Insurance Services Office form number GL 0404 covering Broad Form Comprehensive General Liability. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 (ed. 12/90) Code 1. No endorsement shall be attached limiting the coverage.

4.2.3 **Additional requirements.** Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

b. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

4.3 Professional Liability Insurance.

4.3.1 General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing work pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS ($1,000,000) covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall not exceed $150,000 per claim.

4.3.2 Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be before the date of the Agreement.

b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the Agreement or the work, so long as commercially available at reasonable rates.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years after completion of the Agreement or the work. The City shall have the right to exercise, at the Consultant's sole cost and expense, any extended reporting provisions of the policy, if the Consultant cancels or does not renew the coverage.

d. A copy of the claim reporting requirements must be submitted to the City prior to the commencement of any work under this Agreement.

4.4 All Policies Requirements.

4.4.1 Acceptability of insurers. All insurance required by this section is to be placed with insurers with a Bests' rating of no less than A:VII.

4.4.2 Verification of coverage. Prior to beginning any work under this Agreement, Consultant shall furnish City with complete certified copies of all policies, including complete certified copies of all endorsements. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf.

4.4.3 **Notice of Reduction in or Cancellation of Coverage.** A certified endorsement shall be attached to all insurance obtained pursuant to this Agreement stating that coverage shall not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. In the event that any coverage required by this section is reduced, limited, cancelled, or materially affected in any other manner, Consultant shall provide written notice to City at Consultant's earliest possible opportunity and in no case later than ten (10) working days after Consultant is notified of the change in coverage.

4.4.4 **Wasting Policies.** No policy required by this Section 4 shall include a "wasting" policy limit (i.e. limit that is eroded by the cost of defense) with the exception of errors and omissions insurance.

4.4.5 **Additional insured; primary insurance.** A certified endorsement at least as broad as Insurance Services Office form number CG 20 10 (11/85 ed.) shall be attached to all policies stating that the City and its officers, employees, agents, and volunteers shall be covered as additional insured's with respect to each of the following: liability arising out of activities performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant, as applicable; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by the Consultant in the course of providing services pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or volunteers.

A certified endorsement shall be attached to all policies stating that coverage is primary insurance with respect to the City and its officers, officials, employees and volunteers, and that no insurance or self-insurance maintained by the City shall be called upon to contribute to a loss under the coverage.

4.4.6 **Deductibles and Self-Insured Retentions.** Consultant shall disclose to and obtain the approval of City for the self-insured retentions and deductibles before beginning any of the services or work called for by any term of this Agreement.

During the period covered by this Agreement, only upon the prior express written authorization of Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond, guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

4.4.7 **Subcontractors.** Consultant shall include all subcontractors as insured's under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverage's for subcontractors shall be subject to all of the requirements stated herein.

4.4.8 **Variation.** The City may approve a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that the City's interests are otherwise fully protected.

4.5 **Remedies.** In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Terminate this Agreement.

Section 5. **INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES.** Consultant shall indemnify, defend with counsel reasonably acceptable to the City, and hold harmless the City and its officials, officers, employees, agents, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts or omissions of Consultant or its employees, subcontractors, or agents, by acts for which they could be held strictly liable, or by the quality or character of their work. The foregoing obligation of Consultant shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers and (2) the actions of Consultant or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

6.1 **Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

6.2 **Consultant No Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

7.1 **Governing Law.** The laws of the State of California shall govern this Agreement.

7.2 **Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.

7.3 **Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.

7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that is legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

7.5 **Pinole Business License.** Consultant shall obtain a City of Pinole business license according to the terms of Title 5 of the City of Pinole Municipal Code and deliver to City proof of such business license prior to beginning work under this Agreement. Work under this Agreement cannot begin until the City receives proof that Consultant has obtained a City of Pinole business license.

7.6 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the Contract Administrator or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

8.1 **Termination.** City may cancel this Agreement at any time and without cause upon written notification to Consultant.

In the event of termination, Consultant shall be entitled to compensation for services performed to the effective date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

8.2 **Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall be specified in writing by the City. Consultant understands and agrees that if City issues such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the City, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.3 **Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.

8.4 **Assignment and Subcontracting.** City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique professional competence, experience, and specialized professional knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the personal reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in the proposal, without prior written approval of the City.

8.5 **Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.

8.6 **Options upon Breach by Consultant.** If Consultant materially breaches any of the terms of this Agreement, City's remedies shall included, but not be limited to, the following:

8.6.1 Immediately terminate the Agreement;

8.6.2 Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;

8.6.3 Retain a different consultant to complete the work described in Exhibit A not finished by Consultant; or

8.6.4 Charge Consultant the difference between the costs to complete the work described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the work.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 **Records Created as Part of Consultant's Performance.** All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are confidential and will not be released to third parties without prior written consent of both parties.

9.2 **Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.

9.3 **Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS ($10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

10.1 **Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 **Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Contra Costa or in the United States District Court for the Northern District of California.

10.3 **Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.

10.4 **No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

10.6 **Use of Recycled Products.** Consultant shall endeavor to prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.

10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et.seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

Consultant will comply with all conflict of interest laws and regulations including, without limitation, City's Conflict of Interest Code (on file in the City Clerk's Office). It is incumbent upon the Consultant or Consultant's firm to notify the City pursuant to section 10.10 Notices of any staff changes relating to this Agreement.

a. In accomplishing the scope of services of this Agreement, all officers, employees and/or agents of Consultant(s), unless as indicated in Subsection b., will be performing a very limited and closely supervised function, and, therefore, are unlikely to have a conflict of interest arise. No disclosures are required for any officers, employees, and/or agents of Consultant, except as indicated in Subsection b.

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Initialed by City Attorney's Office

b. In accomplishing the scope of services of this Agreement, Consultant(s) will be performing a specialized or general service for the City, and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision. As a result, the following Consultant(s) shall be subject to the Disclosure Category "1-5" of the City's Conflict of Interest Code:

____________________ ____________________

____________________ ____________________

10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.

10.9 **Contract Administration.** This Agreement shall be administered by the City Engineer, Tamara Miller, who shall act as the City's representative. All correspondence shall be directed to or through City Engineer, Tamara Miller or his or her designee.

10.10 **Notices.** Any written notice to Consultant shall be sent to:

RSG
TARA MATTHEWS, PRINCIPAL
17872 GILETE AVE., STE. 350
IRVINE, CA 92614

Any written notice to City shall be sent to:

Tamara Miller, City Engineer
Department of Development Services
2131 Pear Street
Pinole, CA 94564

10.11 **Professional Seal.** Where applicable in the determination of the City, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.

10.12 **Integration; Incorporation.** This Agreement, including all the exhibits attached hereto, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. All exhibits attached hereto are incorporated by reference herein.

10.13 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

The Parties have executed this Agreement as of the Effective Date.

CITY OF PINOLE

Michelle Fitzer

Michelle Fitzer, City Manager

DATE:

CONSULTANT

Tara E. Matthews

TARA MATTHEWS, PRINCIPAL

Consultant's City of Pinole Business

License #: 18-081169

Attest:

Rosa Acosta

City Clerk 11/29/18

Approved as to Form:

for Stephanie Downs

Eric S. Casher, City Attorney

EXHIBIT A
SCOPE OF SERVICES & BUDGET

Return to Agenda

CITY COUNCIL

9A

DATE: JUNE 1, 2021

TO: MAYOR AND COUNCIL MEMBERS

FROM: TAMARA MILLER, DEVELOPMENT SERVICES DIRECTOR / CITY ENGINEER

SUBJECT: RESOLUTION APPROVING LETTER OF UNDERSTANDING BETWEEN THE CITIES OF PINOLE AND HERCULES, REGARDING DISBURSEMENT OF THE ASSETS FROM ESCROW ACCOUNT

RECOMMENDATION

Adopt Resolution approving and authorizing execution of the Letter of Understanding between the Cities of Pinole and Hercules regarding disbursement of the assets from the escrow account related to the Water Pollution Control Plant project.

BACKGROUND

The Pinole-Hercules Water Pollution Control Plant (WPCP) was constructed in 1956 to treat wastewater generated by the residents and businesses of Pinole. In 1971, the Cities of Pinole and Hercules entered into a joint use agreement, which included expansion and upgrades to the WPCP, in order to also treat wastewater effluent from residents and businesses of Hercules. Pinole and Hercules each have an undivided 50% ownership interest off the treatment facilities while the City of Pinole owns the property, and the plant is operated, maintained, and administered by Pinole, pursuant to a 2001 joint powers agreement between the cities.

The cities have equally shared the costs of a recent project to upgrade the plant. The cities entered into a Fiscal Agent Agreement for Improvement of the Pinole Hercules Water Pollution Control Plant in order to set forth the basis for sharing costs, administering the payments for the project to contractors, and ensuring sufficient cash flow for the project. Under the fiscal agreement, the cities established an escrow account in which each city was required to maintain a certain minimum balance.

There are just a few foreseeable remaining costs that will be incurred related to the project, namely renovation of Tennent Avenue to account for its degradation by construction traffic to the plant, some tree replanting, and legal fees related to a third-party related claim and litigation. These costs are expected to be significantly less than the balances that the cities are required to maintain in the escrow account. So that the cities can make other uses of those funds, and to avoid maintenance costs related to the escrow account, the cities would like to agree on the amount to be paid for the remaining costs, disburse those funds from the escrow account, disburse the excess funds in the escrow account, and close the escrow account.

REVIEW AND ANALYSIS

The staffs of both cities have discussed the most efficient manner in which to accomplish the objectives noted above, and are recommending that both cities execute a Letter of Understanding (attached) that would require the following:

Both cities will direct the escrow agent to disburse $86,430 (for road repaving) plus $3,600 (for tree replanting) from Hercules' account to Pinole, and both parties agree that this will satisfy Hercules' obligation to pay for its share of these remaining project costs related to the upgrade project.

Both cities will instruct the escrow agent to disburse to each city all remaining funds in the cities' respective accounts, after deducting any remaining fees due to the escrow agent and close the escrow account.

That Hercules will pay for half of the net cost of pursuing the claim against PG&E resulting from PG&E's delays in providing contracted utility services for the upgrade to the Pinole-Hercules Water Pollution Control Plant, and that Hercules will be entitled to half of the net proceeds in the event of an award.

The Letter of Understanding was reviewed by the on May 25, 2021. The Wastewater Subcommittee recommends approval on the Letter of Understanding and recommended that the letter go to the cities' City Councils for approval.

FISCAL IMPACT

The Letter of Understanding does not have a direct fiscal impact. By closing the escrow at this time, each city will avoid the bank account maintenance fees.

ATTACHMENTS

A. Letter of Understanding
B. Resolution

ATTACHMENT A

LETTER OF UNDERSTANDING

This Letter of Understanding ("LOU") is entered into this ___ day of _______________, 2021, by and between the CITY OF PINOLE, a municipal corporation ("**Pinole**,") and the CITY OF HERCULES, a municipal corporation ("**Hercules**"), jointly referred to in this LOU as the "**Parties**."

WHEREAS, the Pinole-Hercules Water Pollution Control Plant (the "**WPCP**") is located along the shoreline of San Pablo Bay at 11 Tennent Avenue within the city limits of Pinole; and

WHEREAS, the WPCP was constructed in 1956 to treat wastewater generated only by Pinole; and

WHEREAS, in 1971, the Cities of Pinole and Hercules entered into a joint use agreement, which included expansion and upgrades to the WPCP to treat wastewater effluent from Hercules; and

WHEREAS, the operating permit with the California Regional Water Quality Control Board (RWQCB) is in the name of Pinole; and

WHEREAS, Pinole and Hercules each have an undivided fifty percent (50%) ownership interest in the plant and the plant is operated, maintained and administered by Pinole, pursuant to a 2001 joint powers agreement with Hercules (the "**Wastewater Agreement**"); and

WHEREAS, in response to the need to upgrade wastewater treatment infrastructure, Pinole and Hercules began preparation of a preliminary design for the WPCP to identify the treatment and conveyance upgrades needed to meet the National Pollutant Discharge Elimination System ("NPDES") permit requirements for a redesigned Project; and

WHEREAS, the Wastewater Agreement between Pinole and Hercules requires each Party to share equally in the costs of the Project; and

WHEREAS, in order to finance their respective shares of the upgrade Project, Pinole and Hercules each obtained separate loans from the Clean Water State Revolving Fund ("**CWSRF**") program from the United States Environmental Protection Agency, which is administered by the State of California; and

WHEREAS, in February 2015, the Parties entered into a Fiscal Agent Agreement for Improvement of the Pinole Hercules Water Pollution Control Plant ("Fiscal Agreement", copy attached) in order to set forth the basis for sharing costs, administering the payments for the Project to contractor(s), and ensuring sufficient cash flow for the Project given the CWSRF funding requirements and the construction schedule for the Project; and

WHEREAS, it is the desire and intent of the Parties to enter into this LOU to set forth the understanding of the Parties in regards to the disbursement of all remaining funds in the Escrow Account established by the Fiscal Agreement, the disbursement of funds required to complete the Tennant Avenue road re-pavement and tree replanting, and the payment of legal fees related to contractor related claims and litigation.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

1. Both cities will direct the escrow agent to disburse $86,430 (for road repaving) plus $3,600 (for tree replanting) from Hercules' account to Pinole, and both parties agree that this will satisfy Hercules' obligation to pay for its share of these remaining project costs related to the upgrade project;

2. Both cities will instruct the escrow agent to disburse to each city all remaining funds in the cities' respective accounts, after deducting any remaining fees due to the escrow agent, and close the escrow account; and

3. That Hercules will pay for half of the net cost of pursuing the claim against PG&E resulting from PG&E's delays in providing contracted utility services for the upgrade to the Pinole-Hercules Water Pollution Control Plant, and that Hercules will be entitled to half of the net proceeds in the event of an award.

Entire Agreement. This LOU, together with the documents referenced herein, constitutes the entire understanding of the Parties and supersedes all prior or contemporaneous written or oral agreements with respect thereto.

IN WITNESS WHEREOF, the Parties have caused this LOU to be executed by their duly authorized representatives the day and year first above written.

City of Pinole	City of Hercules
By:______________________________	By:______________________________
Andrew Murray, City Manager	Steven Falk, City Manager
Date: ________________	Date: _________________

CITY OF PINOLE RESOLUTION NO. 2021-XX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PINOLE APPROVING A LETTER OF UNDERSTANDING WITH THE CITY OF HERCULES REGARDING DISBURSEMENT OF THE ASSETS FROM ESCROW ACCOUNT RELATED TO THE WATER POLLUTION CONTROL PLANT PROJECT

WHEREAS, the Pinole-Hercules Water Pollution Control Plant (WPCP) is owned equally by the cities of Pinole and Hercules, while the City of Pinole owns the underlying property, and the plant is operated, maintained, and administered by Pinole, pursuant to a 2001 joint powers agreement between the cities; and

WHEREAS, the cities recently undertook a project to upgrade the plant and entered into a Fiscal Agent Agreement for Improvement of the Pinole Hercules Water Pollution Control Plant (the "Fiscal Agreement") in order to set forth the basis for sharing costs, administering the payments for the project to contractors, and ensuring cash flow for the project; and

WHEREAS, pursuant to the Fiscal Agreement, the cities established an escrow account in which each city was required to maintain a certain minimum balance; and

WHEREAS, there are only a few foreseeable remaining costs that will be incurred related to the project, which are expected to be significantly less than the balances that the cities are required to maintain in the escrow account; and

WHEREAS, to avoid maintenance costs related to the escrow account and to allow the cities to use those funds for other purposes, the cities have agreed on the amount to be paid for remaining costs, disburse those funds from the escrow account, disburse the excess funds in the escrow account, and close the escrow account; and

WHEREAS, the parties have agreed to direct the escrow agent to disburse $86,430 for road repaving, plus $3,600 for tree replanting, from Hercules' account to Pinole; and

WHEREAS, the parties have agreed that Hercules will pay for half of the net cost of pursuing a claim against PG&E resulting from PG&E's delays in providing contracted utility services for the project, and that Hercules will be entitled to half of the net proceeds in the event of an award; and

WHEREAS, the City Council desires to approve a Letter of Understanding with the City of Hercules regarding the disbursement of assets from the escrow account.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Pinole hereby:

1. Approves the Letter of Understanding with the City of Hercules regarding the disbursement of assets from the escrow account related to the Pinole-Hercules Water Pollution Control Plant (WPCP).

2. Authorizes and directs the City Manager to execute the Letter of Understanding attached hereto as Exhibit A, with such changes as approved by the City Attorney.

3. Authorizes and directs the City Manager to take all additional actions necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED at a regular meeting of the Pinole City Council held on the 1st day of June, 2021, by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

I hereby certify that the foregoing resolution was introduced, passed, and adopted on the 1st day of June, 2021.

____
Heather Iopu, CMC
City Clerk

Return to Agenda

CITY COUNCIL REPORT

9B

DATE: JUNE 1, 2021

TO: MAYOR AND COUNCIL MEMBERS

FROM: ERIC CASHER, CITY ATTORNEY

SUBJECT: DISCUSSION OF REQUEST TO AMEND THE CITY COUNCIL MEETING PROCEDURES TO INCLUDE AN INDIGENOUS LAND ACKNOWLEDGEMENT AT THE BEGINNING OF CITY COUNCIL MEETINGS

RECOMMENDATION

Staff recommends the City Council discuss amending the City Council Meeting Procedures to add an indigenous land acknowledgement at the beginning of City Council meetings.

BACKGROUND

On December 15, 2020, at the request of Councilmember Murphy, the City Council approved a future agenda item directing staff to prepare a presentation for the City Council to consider amending the City Council Meeting Procedures to add an indigenous land acknowledgement. On March 2, 2021, the City Council received a report on draft language for a land acknowledgement, provided direction to staff on proposed revisions, and made a request to receive a local history presentation. The City Council will receive a local history presentation earlier in the meeting on June 1st to inform the discussion of the land acknowledgment.

DISCUSSION

A land acknowledgement is a formal statement that recognizes and respects indigenous people as traditional stewards of the land, and the enduring relationship that exists between indigenous people and their traditional territories.

Land acknowledgements are fairly common, and when adopted by a City Council are typically read into the record by the Mayor at the beginning of City Council meetings. The City and County of San Francisco, for example, formally incorporated a land acknowledgement statement into their Board of Supervisors meetings. Following the call to order and roll call, the President of the Board of Supervisors reads a land acknowledgement statement that recognizes the indigenous peoples who lived on the land that is now San Francisco.

It is a common practice in land acknowledgements to recognize the specific peoples who occupied the land, along with including an ongoing objective to remain aware of the historical and current cultural significance of the land, as well as create accountability to indigenous people.

Staff recommends that City Council consider the following language that was drafted by Councilmember Murphy, and revised based on feedback received during the March 2nd meeting, to serve as the City of Pinole's land acknowledgement statement:

> *Before we begin, we would like to acknowledge the Ohlone people, who are the traditional custodians of this land. We pay our respects to the Ohlone elders, past, present, and future, who call this place, Ohlone Land, the land that Pinole sits upon, their home. We are proud to continue their tradition of coming together and growing as a community. We thank the Ohlone community for their stewardship and support, and we look forward to strengthening our ties as we continue our relationship of mutual respect and understanding.*

If approved and memorialized in the form of an amendment to the City Council Meeting Procedures, the proposed language above would be read by the Mayor at the beginning of every regular meeting of the City Council. Staff seeks direction from the City Council regarding approval of the proposed language, and if approved, Staff will return with a Resolution and an amendment to the City Council Meeting Procedures to include the land acknowledgement.

FISCAL IMPACT

There is no direct fiscal impact other than the staff time required to prepare a Resolution, and amendment to the City Council Meeting Procedures.

ATTACHMENT(S)

None.

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