

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -FEBRUARY 3, 2015- -7:00 P.M.

Mayor Spencer convened the meeting at 7:22 p.m.

ROLL CALL - Present: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 5.

Absent: None.

AGENDA CHANGES

(15-085) Mayor Spencer announced that the Agreement with Power Engineering [paragraph no. 15-101] would be continued to February 17, 2015.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(15-086) Mayor Spencer read the Season of Non Violence daily reading on believing.

(15-087) Proclamation Declaring the Month of February as Teen Dating Violence Prevention and Awareness Month.

Mayor Spencer read the proclamation and presented it to Annie Maltester, Building Futures with Women and Children.

(15-088) Presentation by CalTrans regarding the Bay Farm Island Bridge Deck Repairs/Closures.

Roquel Johnson and Michael Nguyen, CalTrans, gave a Power Point presentation.

Councilmember Ezzy Ashcraft's inquired whether CalTrans will inform the Port of Oakland on route impacts to the Oakland Airport during construction, to which Mr. Nguyen responded in the affirmative.

Councilmember Ezzy Ashcraft inquired whether CalTrans will inform the Harbor Bay Business Park and the School District of construction impacts.

Mayor Spencer requested Councilmembers hold questions until the end of the presentation.

Councilmember Oddie inquired whether there will be other bridge closures at the same time.

The Public Works Director responded that he would coordinate activity with the County to ensure that the bridges will not all be closed at the same time.

In response to Councilmember Oddie's inquiry, Ms. Jackson stated the night time closure schedule as: Monday through Thursday: 11:00 p.m. to 5:00 a.m., Friday: midnight to 5:00 a.m., Saturday: midnight to 7:00 a.m., and Sunday: 11:00 p.m. to 7:00 a.m.

Councilmember Oddie stated there should be electronic signage at the Interstate 880 exits informing drivers of the bridge closure; he is concerned drivers will have to turn around if they are not notified properly.

In response to Councilmember Oddie's inquiry, Ms. Jackson stated changing the official name of the bridge has to go through State legislation; CalTrans will use the name "Bay Farm Island Bridge" on its website to avoid confusion.

Councilmember Oddie stated that he would like to know how CalTrans was able to get the Coast Guard to close maritime operations on bridge.

Councilmember Daysog inquired whether the closure would preclude emergency vehicles.

Mr. Nguyen responded the contractor will be told to allow emergency vehicles to cross the bridge for emergency purposes.

Councilmember Ezzy Ashcraft stated the electronic signage would not be useful notice if the Bay Farm Island Bridge name is not used; inquired whether there would be daytime closure.

Mr. Nguyen responded the bike bridge will be closed from 10:00 a.m. to 4:00 p.m. Monday through Thursday.

Councilmember Ezzy Ashcraft stated CalTrans should coordinate with School District; students use the bike bridge to get to and from school

Mr. Nguyen agreed to coordinate with the School District and revise the bike bridge closure schedule as necessary.

Vice Mayor Matarrese stated emergency vehicles should be truly coordinated, not just by informing the contractor.

Mayor Spencer stated coordinating with the School District is important; the return trip is usually 3:00 p.m. and she does not want students stuck on the other side of the bridge.

In response to Councilmember Oddie's inquiry, Ms. Jackson stated CalTrans could make a presentation to the school board.

ORAL COMMUNICATIONS, NON-AGENDA

(15-089) Ruth Abbe, Sierra Club, discussed wage and family benefit negotiations for Alameda County Industries (ACI) employees.

Jesus Menoz, ACI, reminded Council he and his coworkers work directly for all the citizens of Alameda.

(15-090) Amy Defibaugh, Alameda, expressed concern over the Shoreline bicycle project and the installation of a bus shelter in front of her building; stated the shelter blocks views and decreased parking spaces; stated new development is not beneficial and adversely affects commute; urged Council to consider the impacts of their decisions.

Mayor Spencer requested staff to confirm when the Shoreline bicycle project was approved.

Councilmember Ezzy Ashcraft stated the Planning Board held a series of public meetings at Lum School and all Shoreline Drive residents were invited; stated the project is a construction zone now; the project encourages people to get out of their cars.

Mayor Spencer requested staff to clarify when the vote to approve the project took place.

The Public Works Director stated the public process for the project started in 2012 and was finally approved in 2014; the project received overwhelming public support during the public engagement process; major projects have big impacts on people, but once construction is done, Shoreline Drive will be better; he has noticed a reduction in speeding on Shoreline Drive due to the project.

Mayor Spencer stated the matter was decided by the prior Council and is expected to come back for discussion.

(15-091) Gustavo Nunez, ACI, stated working in recycling is dangerous; recycling workers do not receive the same benefits and salaries as other sanitation employees; urged Council to change situation for recycling employees.

Pedro Sanchez, ACI, stated joining ILW Local 6 provided many changes for ACI employees; employees now receive paid holidays and achieving a collective bargaining unit is underway; stated employees deserve the same Alameda County standards that other cities have; urged Council to implement the same standards in Alameda; thanked the Council for their efforts.

Agustin Ramirez, ACI employees advocate, stated ACI employees provide an important service to Alameda residents; urged Council's support.

Councilmember Oddie thanked the ACI workers and Ms. Abbe for supporting efforts to

combat wage inequality.

(15-092) Denis Carroll, Alameda, expressed concern over the traffic on the West End; stated development potential of Alameda Point and Northern Waterfront has real impacts that need to be assessed; stated there needs to be transit mitigation; urged Council to have a regional discussion and responsible development.

(15-093) Mike Henneberry, Alameda, expressed support for ACI workers; stated the City should do everything to increase ACI employee standards.

CONSENT CALENDAR

Councilmember Daysog moved approval of the Consent Calendar.

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

(*15-094) Minutes of the Special and Regular City Council Meetings Held on January 6, 2015. Approved.

(*15-095) Ratified bills in the amount of \$2,351,231.64.

(*15-096) Recommendation to Award Contract in the Amount of \$176,451, Including Contingencies, to Subtronic Corporation for Storm Drain Video Inspection, Phase 1, P.W. No. 02-14-09. Accepted.

(*15-097) Recommendation to Amend Contract in the Amount of \$450,000 for Rosas Brothers Construction, Inc. for Repair of Sidewalk, Curb, Gutter, Driveway, and Minor Street Patching, Fiscal Year 2014/2015, Phase 15, No. P.W. 05-14-20 for a Total Amount of \$1,162,732. Accepted.

REGULAR AGENDA ITEMS

(15-098) Recommendation to Accept the Quarterly Sales Tax Report for the Period Ending September 30, 2014 Collected During the Period April 1, 2014 to June 30, 2014.

The Interim Finance Director gave a Power Point presentation.

In response to Mayor Spencer's inquiry, the Interim Finance Director stated City of Piedmont data was recently received and not included in past reports.

The Assistant City Manager stated Albany and Richmond will be replaced with Walnut Creek and Pleasanton, which are comparable to Alameda in size and median income.

In response to Councilmember Ezzy Ashcraft's inquiry regarding a 2% drop-off over the year, the Interim Finance Director stated the period ending April to June is not a high sales season; high seasons include holiday and back-to-school shopping.

In response to Councilmember Ezzy Ashcraft's inquiry regarding online store competition, the Interim Finance Director stated sales tax from online sales with no brick and mortar presence accrues to a County pool which Alameda shares; the pool has increased over time.

Councilmember Ezzy Ashcraft stated Alameda lagged in gas station sales in the per capita surplus gap comparison; the new Safeway and gas station near the tube received complaints, but sales tax generation comes from development.

The Interim Finance Director stated grocery stores do not generate a great deal of sales tax and sales tax on gasoline is decreasing because prices dropped; Alameda will not see a boost in sales tax revenues over the next three or four quarters.

Vice Mayor Matarrese inquired whether \$313,000 recovered tax would be spread over a number of years in arrears.

The Interim Finance Director responded she would do research and provide an answer later.

In response to Vice Mayor Matarrese's inquiry, the Interim Finance Director stated when an error is found, money is given back to the City from the beginning of the error and is corrected going forward.

Vice Mayor Matarrese requested the information be flagged in the next report.

Councilmember Daysog stated sales tax is an important revenue source to finance the quality of life in Alameda; sales tax increase is driven by business-to-business; Alameda should have business attraction and retention strategies; figuring out ways to reduce leakage and get residents to spend in town is important; grocery stores are not sales tax generators but are an overall economic development strategy which drives foot traffic; data should be used as a beginning point for a wide range of strategies.

In response to Councilmember Daysog's inquiry, the Interim Finance Director stated the Economic Development Manager and staff participate in discussions with HDL when reviewing quarterly information; the process is ongoing to secure more data.

In response to Councilmember Oddie's inquiry, the Interim Finance Director stated sales tax revenue for Target would be found in "all other areas"; stated Alameda Landing will be added in the next report.

Councilmember Oddie inquired about north of Lincoln Avenue and Webster Street.

The Interim Finance Director responded she will have to research; stated she will have to dig through all information to pin exact changes.

Councilmember Oddie requested future reports to compare sales rates; inquired whether the Exhibit 1 graph shows total per capita.

The Interim Finance Director responded in the affirmative; a sales tax rate to support a specific bond issue should not be reported.

Vice Mayor Matarrese stated it is important to point out when car dealerships left Alameda 10 years ago to go to San Leandro, there was a precipitous drop in sales tax.

Councilmember Daysog inquired whether Peet's Coffee is interested in Webster Street, to which the City Manager responded in the affirmative.

Councilmember Ezzy Ashcraft requested clarification on where Target sales tax numbers would be found.

The Interim Finance Director responded in order to get access to Franchise Tax Board data, the data has to be treated as confidential; stated Alameda hired and gave permission to HDL to access the information; information on general categories or geographic areas are available; obtaining or releasing information about specific tax payers is not possible; assumptions have to be made.

Councilmember Oddie inquired whether sales tax data from Alameda Landing would be identifiable in the future, to which the Interim Finance Director responded in the affirmative.

Mayor Spencer encouraged residents to continue to shop in the historical, Park and Webster Streets districts, and at South Shore; stated Alameda has gas stations on Webster Street already; she is concerned about building more retail which provides low-paying jobs; she would support entertainment and restaurants to bring in sales tax revenue.

Vice Mayor Matarrese moved approval of the staff recommendation.

Councilmember Daysog seconded the motion, which carried by unanimous voice vote – 5.

(15-099) Recommendation to Accept the Treasury Report for the Quarter Ending September 30, 2014.

The Interim Finance Director gave a Power Point presentation.

In response to Councilmember Ezzy Ashcraft's inquiry the Interim Finance Director stated Alameda's Sunshine Ordinance precludes presentation of the report until the

second month after the quarter end in September; Alameda does not receive the data until the middle of September.

Vice Mayor Matarrese stated the issue is the time required to prepare the report in order to comply with Alameda's Sunshine Ordinance.

The City Manager stated the Sunshine Ordinance adds 12 days to the original 15-day process.

Councilmember Oddie inquired whether Alameda's investment policy regarding cigarette, alcohol or gambling is a Council discretion, to which the Interim Finance Director responded in the affirmative; stated the investment policy is a document that comes before the Council each year and is reviewed by the City Treasurer and staff; new laws that have been passed are reviewed; the California Debt Advisory Commission makes recommendations.

Councilmember Oddie stated that he hopes Alameda can be more socially responsible investing money.

The City Manager stated investments are purely a policy issue; it is appropriate for Council to bring investment policy forward, not staff.

In response to Councilmember Oddie's inquiry the Interim Finance Director stated the investment policy regarding cigarette, alcohol, and gambling came about as a policy action by Council.

Councilmember Daysog stated that he prefers security and safety over returns; Alameda has always followed instruments with low volatility and a safe holding; he does not want what happened to Orange County in the 1990's to happen in Alameda.

The Interim Finance Director stated all the State laws referred to have been as a result of what happened in Orange County.

Councilmember Daysog stated that he is interested in which long term instruments for non-federal agencies Alameda is invested in.

Vice Mayor Matarrese inquired whether Alameda is tracking book value versus market value.

The Interim Finance Director responded in the affirmative; stated Alameda's portfolio managers track to ensure values stay within reason; if the market starts to drop the managers will start liquidating.

In response to Vice Mayor Matarrese's inquiry, the Interim Finance Director stated staff will ask the investment advisors to include a conclusion statement in subsequent reports to indicate Alameda's trend; however, it would not be included in the next report.

Vice Mayor Matarrese stated the matter can be addressed whenever feasible.

Mayor Spencer stated as part of the Quarterly Investment Report it states the City Treasurer reviewed the report and found it complies with the investment policy established.

Councilmember Oddie moved approval of the staff recommendation.

Councilmember Ezzy Ashcraft seconded the motion, which carried by unanimous voice vote – 5.

(15-100) Recommendation to Accept Report on Sale of Successor Agency to the Community Improvement Commission of the City of Alameda 2014 Bonds.

The Interim Finance Director gave a brief presentation.

Councilmember Daysog the quality of the City's bond upgrades are a quality of the function, stability and economic growth of the City.

Councilmember Ezzy Ashcraft stated staff has worked diligently to chip away at the deficit; efforts were recognized by the market that rewarded Alameda with the upgrade, which is a huge benefit.

In response to Vice Mayor Matarrese's inquiry, the Interim Finance Director stated the bond upgrade is not one-time revenue and will carry through the year 2033.

Councilmember Ezzy Ashcraft requested an explanation on the two credit rating weaknesses listed in Exhibit 1.

The Interim Finance Director responded the first weakness is moderate tax payer concentration with significant outstanding assessment appeal; stated every parcel is assessed and every owner can appeal the assessment each year; Alameda has a moderate concentration of parcels within the redevelopment districts being appealed, which is a result of the economy; all appeals are expected to be settled in the two-year cycle; the second weakness is refunding indenture provisions that do not require the agency to set aside full annual debt service on 2014 bonds in the first half of every bond year; the provision is a function of the redevelopment changes the State made; Alameda can only file a Recognized Obligation Payment Schedule (ROPS) six month request for money; the State approve the request and forwards the request to the County; the County pays for just six months; the credit agency would like the City to receive the entire year's debt service in the first six months, but the Department of Finance will not do so.

Vice Mayor Matarrese moved approval of the staff recommendation.

Councilmember Daysog seconded the motion, which carried by unanimous voice vote – 5.

(15-101) Recommendation to Authorize the City Manager to Negotiate and Execute an Agreement in an Amount not to Exceed \$290,000 with Power Engineering to Demolish the Todd Shipyard Crane Located at Pier 5, near 2900 Main Street, on the Alameda Gateway Property. (Continued to February 17, 2015)

CITY MANAGER COMMUNICATIONS

(15-102) The City Manager announced \$70 million has been included in the President's budget for Alameda Point Veterans Administration; stated the total project will cost \$240 million; Spirits Alley is one of five finalists in Sunset Magazine for Best Municipal Makeovers.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

(15-103) Consider Directing Staff to Create a Proposed Ordinance Relative to a Transitional Retention Period upon Change of Ownership, Control or Operation of Grocery Stores. (Councilmember Oddie)

Councilmember Oddie gave a brief presentation.

Discussed grocery store consolidation and take-overs; stated Councilmember Oddie's referral is modest; that he supports Council moving forward with the referral: Mike Henneberry, Alameda and Lucky Workers' Representative.

Councilmember Ezzy Ashcraft stated that she is generally supportive of the principles and she recommends the City Attorney's office analyze the implications for Alameda; does not want to adopt the Los Angeles ordinance outright; there are other comparable methods to protect worker's rights; she would like to hear from the business community.

Councilmember Daysog stated the Los Angeles ordinance is reasonable and the City Council should be supportive; he supports Councilmember Oddie's referral; stated in terms of the law and court cases, there is a special place for grocery stores that anchor and generate foot traffic; beyond land use implications, he is curious about how Walmart might impact grocery stores and labor relations.

Vice Mayor Matarrese stated the role of Council protecting workers from large corporations is important; Alameda will see something first-hand; that he would like to direct the City Attorney to craft the draft ordinance for discussion.

Mayor Spencer stated that she would like to know which other cities have similar ordinances; language in the Los Angeles ordinance relates to health and safety standards; she supports protecting the health and safety of employees of grocery stores in Alameda; she would like to know which Alameda stores would be impacted; Alameda should try to honor what is already tested to avoid litigation; she would like to see differences in the other cities referenced; she is concerned about staff's priorities to address the issue.

The City Manager stated that he would confer with the City Attorney; staff has plenty of time to do necessary research and could bring something back to Council in April.

Vice Mayor Matarrese moved approval of the staff recommendation.

Councilmember Oddie seconded the motion.

Under discussion, Councilmember Oddie stated it is important to ensure standards of health and safety would apply to union and non-union employees.

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

COUNCIL COMMUNICATIONS

(15-104) Councilmember Ezzy Ashcraft made brief comments on the League of California Cities East Bay Division Meeting that she and Councilmember Daysog attended last week.

(15-105) Councilmember Daysog also made brief comments on the League of California Cities East Bay Division Meeting; stated the City has prevailing wage regulations, but living wage is something the City should think about.

(15-106) Mayor Spencer announced that the City website has an opportunity for anyone interested to sign up to lead the Pledge of Allegiance and additional meetings have been added to the website calendar; she will speak at the Kiwanis tomorrow; participated with AMP in the California Municipal Utilities Association Capitol Day where she met Assemblymember Bonta and Senator Hancock.

ADJOURNMENT

(15-107) There being no further business, Councilmember Ezzy Ashcraft adjourned the meeting at 9:43 p.m. in memory of Mayor Gilmore's mother.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -FEBRUARY 3, 2015- -6:00 P.M.

Mayor Spencer convened the meeting at 6:00 p.m.

Roll Call – Present: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 5.

Absent: None.

The meeting was adjourned to Closed Session to consider:

(15-083) Conference with Real Property Negotiators (54956.8), Property: Oakland Inner Harbor Tidal Canal; City Negotiators: John Russo, City Manager; Negotiating With: United States Army Corp Of Engineers; Issue Under Negotiation: Real Property Negotiations Price and Terms Of Payment

Following the Closed Session, the meeting was reconvened and Mayor Spencer announced direction was given to staff.

Adjournment

There being no further business, Mayor Spencer adjourned the meeting at 6:57 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE SPECIAL JOINT CITY COUNCIL
AND SUCCESSOR AGENCY TO THE COMMUNITY
IMPROVEMENT COMMISSION (SACIC) MEETING
TUESDAY- -FEBRUARY 3, 2015- -6:59 P.M.

Mayor/Chair Spencer convened the meeting at 7:05 p.m. Ruth Abbe led the Pledge of Allegiance.

Roll Call - Present: Councilmembers/Agency Members Daysog, Ezzy Ashcraft, Matarrese, Oddie and Mayor/Chair Spencer – 5.

Absent: None.

Oral Communications

None.

Agenda Items

(15-084 CC/15-003 SACIC) Recommendation to Accept the First Quarter Financial Report for the Period Ending September 30, 2014.

The Interim Finance Director gave a Power Point presentation.

Councilmember Daysog stated Alameda is spending less than 25% which is good news; each quarter should represent 25% of the budget; transient occupancy grew by 50% compared to previous years; the Harbor Bay Parkway commercial area is what drives sales tax in Alameda.

Mayor Spencer inquired what is the \$313,000 adjustment.

The Interim Finance Director responded the Franchise Tax Board reviews Alameda companies that report sales outside of the City and make adjustments.

Councilmember/Agency Member Ezzy Ashcraft moved approval of the staff recommendation.

Vice Mayor/Agency Member Matarrese seconded the motion, which carried by unanimous voice vote – 5.

Adjournment

There being no further business, Mayor/Chair Spencer adjourned the meeting at 7:22 p.m.

Respectfully submitted,

Lara Weisiger, City Clerk
Secretary, SACIC

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