

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY- -SEPTEMBER 15, 2015- -5:30 P.M.

Mayor Spencer convened the meeting at 5:33 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:

(15-538) Conference with Real Property Negotiators (54956.8); Property: Oakland Inner Harbor Tidal Canal; City Negotiator: Elizabeth D. Warmerdam; Organizations Represented: US Army Corps of Engineers; Issue Under Negotiation: Real Property Negotiations Price and Terms of Payment

(15-539) Conference with Legal Counsel – Existing Litigation (54956.9); Case name: Boatworks, LLC v. City of Alameda, etal.; Court: Superior Court of the State of California, County of Alameda; Case No. RG14746654

(15-540) Conference with Legal Counsel – Anticipated Litigation; Initiation of litigation pursuant to subdivision (c) of Section 54956.9; Number of cases: One (As Plaintiff- City Initiating Legal Action)

Following the Closed Session the meeting was reconvened and Mayor Spencer announced that regarding Property, direction was given to staff; regarding Existing Litigation, the Council received an update and no action was taken; and regarding Anticipated Litigation, direction was given to staff.

Adjournment

There being no further business, Mayor Spencer adjourned the meeting at 6:28 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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

MINUTES OF THE REGULAR CITY COUNCIL MEETING
TUESDAY- -SEPTEMBER 15, 2015- -7:00 P.M.

Mayor Spencer convened the meeting at 7:00 p.m. and led the Pledge of Allegiance.

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

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

(15-541) Proclamation Declaring the Month of October 2015, as Disability Awareness Month and Commemorating the Americans with Disabilities Act (ADA) 25th Anniversary.

Mayor Spencer read and presented the proclamation to Beth Kenny, Vice Chair of the Commission on Disability Issues.

Ms. Kenny made brief comments.

Claudia Burgos, AC Transit, invited everyone to attend AC Transit's 25th Anniversary.

(15-542) Proclamation Declaring September 19th as Coastal Cleanup Day 2015.

Mayor Spencer read and presented the proclamation to Doug Siden and Sharol Nelson-Embry, East Bay Regional Park District.

Ms. Nelson-Embry and Mr. Siden made brief comments.

Councilmember Daysog encouraged everyone to participate in the cleanup.

ORAL COMMUNICATIONS, NON-AGENDA

(15-543) Peter Fletcher, Harbor Bay Neighbors, urged the City Council to resolve the relocation of the Harbor Bay Club and the rezoning.

Councilmember Oddie stated he would be in favor of the Council taking control of the zoning process.

Mayor Spencer stated the item could be placed on the agenda if the Council is agreeable.

Councilmember Ezzy Ashcraft stated the process is already in the works; concurred with Councilmember Oddie.

The Interim City Manager stated staff is already considering bypassing the Planning Board and bringing the item directly to Council, possibly at a meeting in October.

Councilmember Oddie suggested the topic be discussed at a special meeting.

The Interim City Manager stated a special meeting will be scheduled in October to discuss the issue.

Mayor Spencer requested the meeting be scheduled as soon as possible.

(15-544) Catherine Pauling, Alameda Renters Coalition (ARC), expressed concern over rapid rent increases and no fault evictions; urged the City Council enact a moratorium; submitted a petition with over 1,400 signatures; stated UC Berkeley created a map showing displacement which covers over half the Island.

Mayor Spencer stated the balance of the speakers are on the rent issue; she would like Council feedback in regards to setting a special meeting on the issue.

Councilmember Ezzy Ashcraft stated the first step would be to agendize the issue of a moratorium; that she asked the City Clerk to provide copies of Ms. Pauling's submittal, which will provide testimony.

Mayor Spencer stated that she would like to set a special meeting to have a conversation; the meeting would be a workshop which could include legal input on options and a discussion.

Ms. Pauling expressed concern over any delay; stated the matter is urgent; noted an email with research was sent to Council.

Mayor Spencer stated the Council is limited to the feedback that can be provided to public speakers; stated Council could set a hearing.

Councilmember Daysog stated the Mayor has the ability to call a special meeting; that he would support the Mayor calling the meeting and would attend; he hopes for substantive solutions.

Councilmember Ezzy Ashcraft stated that she would support whatever can be done most expeditiously; sometimes finding a special meeting day that works for all the Councilmembers is difficult; Council just requested a special meeting to address Harbor Bay in October; 12 days' notice is needed to include the matter on a regular meeting; that she does not have a strong preference, but would like the matter addressed sooner rather than later.

Mayor Spencer stated staff could look at the best way to proceed.

The Interim City Manager stated staff will have to do work in order for Council to have a meaningful conversation; there are limitations; time is needed to determine legal options.

Councilmember Ezzy Ashcraft inquired how long staff would need.

Mayor Spencer stated the matter could be addressed off line.

In response to Councilmember Ezzy Ashcraft's inquiry, the City Attorney stated staff heard Council and the speaker; staff understands the speaker's sense of urgency and that Council wants to address the matter urgently, too; staff will return with something as early as possible.

(15-545) John Klein, ARC, expressed support for a moratorium stated; Council has requested data since January and has not received the data; requested a status report at the next City Council meeting; stated everything should be on the table.

(15-546) Garfield Kincross, Alameda, expressed support of ARC; he would like to see a moratorium on rent increases; urged for no-fault restrictions and rent control at no cost to the City.

(15-547) Doyle Saylor ARC, acknowledged the passing of Augusta Collins, ARC member and local blues musician.

(15-548) Eric Strimling, Alameda, suggested setting a baseline year, such as the year the building was purchased.

(15-549) Mark and Angela Dant, Alameda, stated they have rented a house for 12 years on the West End and are facing no fault eviction or a rent increase they cannot afford; urged Council to consider a moratorium.

CONSENT CALENDAR

The City Clerk announced that a revised Subdivision Improvement Agreement for Tract 8213 Mapes Ranch [paragraph no. 15-553] has been provided to Council tonight, which has some modifications to the insurance section.

Councilmember Ezzy Ashcraft moved approval of the Consent Calendar.

Vice Mayor Matarrese seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 4. Abstention: Councilmember Daysog – 1. [Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*15-550) Ratified bills in the amount of \$7,969,788.62.

(*15-551) Recommendation to Amend the Current Contract in the Amount of \$72,450 to \$139,200 with Lucy, Inc. for a More Comprehensive Computerized Maintenance Management System. Accepted.

(*15-552) Recommendation to Award a Contract in the Amount of \$4,237,790.29, Including Contingencies, to Ranger Pipeline Inc. for Cyclic Sewer Rehabilitation Project, Phase 12, No. P.W. 01-15-01. Accepted

(*15-553) Resolution No. 15084, "Approving Final Map and Bond, Authorizing Execution of Subdivision Improvement Agreement, and Accepting Easements for Tract 8213 (Mapes Ranch)." Adopted.

(*15-554) Resolution No. 15085, "Approving a One Year Time Extension for Tentative Map 8060 for the Boatworks Project at 2229 through 2241 Clement Avenue." Adopted.

REGULAR AGENDA ITEMS

(15-555) Adoption of Resolution Appointing Carol Gottstein as a Member of the Commission on Disability Issues. Not adopted;

(15-555A) Resolution No. 15086, "Appointing Tony Lewis as a Member of the Commission on Disabilities Issues." Adopted;

(15-555B) Resolution No. 15087, "Reappointing John McCahan as a Member of the Housing Authority Board of Commissioners." Adopted;

(15-555C) Resolution No. 15088, "Appointing Kathleen Kearney and as a Member of the Library Board." Adopted; and

(15-555D) Resolution No. 15089, "Gertrude Woods as Members of the Library Board." Adopted.

Mayor Spencer moved adoption of the resolutions.

Councilmember Daysog seconded the motion.

Expressed support for Carol Gottstein and Tony Lewis on the Commission on Disability Issues: Carrie Wilson, Alameda;

Urged Council to listen to the folks on ARC to help disabled citizens: Leonard Margado, Alameda;

Read a letter from Ann Steiner supporting Carol Gottstein: Virginia Burgstrom, Alameda.

Vice Mayor Matarrese stated that he would like Council to consider another candidate besides Ms. Gottstein on the Commission on Disability Issues.

On the call for the question, the motion failed by the following voice vote: Ayes: Councilmember Daysog and Mayor Spencer – 2. Noes: Councilmembers Ezzy Ashcraft and Matarrese – 2. Abstention: Councilmember Oddie – 1.

Vice Mayor Matarrese moved adoption of the resolutions appointing John McCahan, Kathleen Kearney, Gertrude Woods, and Tony Lewis.

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

The City Clerk administered the oath of office and presented certificates of appointment to Mr. McCahan and Ms. Woods.

In response to Councilmember Daysog's inquiry regarding Ms. Gottstein's appointment, the City Attorney stated the motion failed to approve the slate; Councilmember Daysog cannot call for reconsideration of the vote, it would have to come from a vote which was not in favor.

Mayor Spencer noted there was no motion to reconsider Ms. Gottstein's appointment.

(15-556) Status Report on Offer to Transfer a Portion of the Oakland Inner Harbor Tidal Canal from the Army Corp of Engineers to the City of Alameda at No Cost and Subsequent Disposition of Property.

The Assistant City Attorney and Jillian Blanchard, Outside Counsel, gave a Power Point presentation.

In response to Mayor Spencer, the Assistant City Attorney responded 93 residential properties are involved in the transfer.

Stated that they are looking forward to the property transfer; however, they have been paying property taxes for years and do not want to incur additional charges from the transfer: Susan and George Fitzgerald, Alameda.

Stated he appreciates Council's serious consideration of the issue; he looks forward to the property transfer: Edward Payne, Waterfront Homeowners Association (WHOA).

Expressed appreciation for all the hard work by City staff; stated WHOA stands ready to help and support the efforts: Seth Hamalian, WHOA.

Mayor Spencer inquired whether the whole project has to be successful in order to recoup funds, to which the Assistant City Attorney responded in the affirmative; stated the deal is all encompassing.

Councilmember Daysog stated that he looks forward to the success of the project; requested the pros and cons on how the commercial transaction will be completed; stated a bid process might yield more for the City.

(15-557) Recommendation to Authorize the Interim City Manager to Issue a Request for Proposals (RFP) for the Citywide Transit and Transportation Demand Management (TDM) Plans.

The Chief Operating Officer – Alameda Point gave a brief presentation.

Mayor Spencer left the dais at 8:43 p.m. and returned at 8:44 p.m.

In response to Councilmember Ezzy Ashcraft's inquiry regarding timeframe, the Chief Operations Officer - Alameda Point stated given the complexity, 18 months is realistic; building consensus takes time and effort; other transportation efforts will not stop; learning and integrating efforts will continue; the City is already coordinating efforts and working in partnership with AC Transit to use funds from new developments to restore bus lines; there is a Metropolitan Transportation Commission (MTC) Grant to implement the Alameda Point TDM strategy; some recommendations are already germane to the program.

Vice Mayor Matarrese stated the intra-island shuttle system should be broadened; understanding vulnerabilities and that Alameda is constrained by roadways on and off the island is important; he would like a risk assessment for alternatives in the event of a major earthquake.

In response to Mayor Spencer's inquiry regarding cost and funding, the Chief Operations Officer - Alameda Point stated the cost could range; the RFP requests budget and cost saving strategies up front.

Mayor Spencer stated \$200,000 will come from the General Fund, inquired where the other \$50,000 to 100,000 would come from.

The Chief Operations Officer - Alameda Point responded the other funds would come from Public Works dedicated funds, Base Reuse, and lease revenue funds.

Councilmember Oddie stated Council wants to know more funds will not be requested from the General Fund.

Mayor Spencer stated that she would expect a consultant to inform the City that a bus system connecting Alameda Point to mass transit, such as BART and the ferries, is necessary; inquired when such a plan would be implemented.

The Chief Operations Officer - Alameda Point responded that she does not know whether the consultants will propose a bus system which connects to mass transit; the bus system should be carefully reviewed as part of the plan, but she does not think staff can presuppose what the consultants are going to say or propose.

Mayor Spencer inquired whether it is possible to end up with a plan that does not have a system connecting to mass transit.

The Chief Operations Officer - Alameda Point responded the goal and intent of the transit plan is to increase reliability and frequency of transit; stated that she cannot say how best to achieve the goal; the RFP allows consultants to present their strategies to achieve the goals

Mayor Spencer stated that she cannot support the recommendation; the approach is well intended but will not bring Alameda closer to a plan that is really needed; she recommends just hiring a person who would be accountable; hiring a consultant team is the slowest way to get something done.

Councilmember Daysog stated as the process moves forward, Council and staff will get a clearer understanding on how to implement the plan; learning from the process is important; strategies will come together, which is vital to move forward; clear solutions on how to proceed will come out of upfront investments; recommendations of having a dedicated staff person could also come out of the process.

Vice Mayor moved approval of approval of the staff recommendation.

Councilmember Ezzy Ashcraft seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Daysog, Ezzy Ashcraft, Matarrese, Oddie – 4. Noes: Mayor Spencer – 1.

Mayor Spencer called a recess at 9:13 p.m. and reconvened the meeting at 9:21 p.m.

(15-558) Recommendation to Approve Phase 0 (Phase Zero) Activities Plan for Site A at Alameda Point.

The Project Manager gave a brief presentation and Rachel Campos, Alameda Point Partners (APP), gave a Power Point presentation.

Councilmember Ezzy Ashcraft stated she loved the Phase 0 activities planned; inquired when the first [antiques fair] after party will be, to which Ms. Campos responded October 4th.

Councilmember Ezzy Ashcraft inquired what is being done to accommodate traffic leaving the antique faire and the pumpkin patch, to which Ms. Campos responded the

after party is designed to siphon some of the traffic and get people to stay, alleviating traffic from the events.

Councilmember Ezzy Ashcraft inquired why the tinkering academy only accommodates 16 children, to which Ms. Campos responded the academy is more a camp than an adventure playground; appropriate staff is needed because the children will be using real tools.

Encouraged water events or trade shows in Phase 0 plan: Richard Bangert, Alameda;

She concurred with Richard Bangert; stated Phase 0 exceeds her expectations: Karen Bey.

Vice Mayor Matarrese stated that he is prepared to move forward with Phase 0 and would like the City to formalize the pop-up park and establish a park on the western shore of the seaplane lagoon.

In response to Mayor Spencer's inquiry regarding formalizing DePave Park, the Project Manager stated Phase 0 activities extend beyond the boundaries of Site A; APP's intent of Phase 0 is to bring interest to Alameda Point as a whole.

Vice Mayor Matarrese stated planting and building benches for a park is a Phase 0 opportunity that should be seized.

Mayor Spencer inquired whether there are different rules for DePave Park, to which the Interim City Manager responded the issue is whether an opportunity to bring the concept of DePave Park sooner rather than later.

Mayor Spencer stated moving forward with the pop-up park seems to be bypassing a Recreation and Parks Commission process.

The Interim Assistant City Manager stated the Recreation and Park Commission does not get involved at the level of choosing or designing benches; DePave Park is already designated as open space area in the Master Infrastructure Plan; the Phase 0 effort is temporary and a means to get people out to Alameda Point; the Recreation and Park Commission will be involved in the conceptual design of a permanent park in the long term.

Mayor Spencer inquired whether review of the Phase 0 plan will be delegated to a private company, or will staff be reviewing the plan.

The Chief Operations Officer - Alameda Point stated the license agreement indemnifies and protects the City's interests; with regard to design concerns, staff plans to take any design plans to the development review team; the Recreation and Park staff will be involved in all the decisions; the public art activities are temporary and do not require permits.

Mayor Spencer inquired whether there will be any review standards.

The Chief Operations Officer - Alameda Point responded a master event permit for all activities will be created which will be reviewed by all City departments; staff will review plans as part of the license agreement.

Mayor Spencer stated upcoming public art events will be there for a long period of time; events outside of Site A should go through the normal review process.

Councilmember Ezzy Ashcraft stated that she does not think the Phase 0 events should go through the public art review process; Council and staff trust the team to go forward with very first development at Alameda Point; there is no reason to second guess APP or improve on their creative process; creativity needs to be unleashed; questioned using Phase 0 to start DePave park; stated that she does not want to place another park ahead of the queue; discussion should be done at a meeting when the matter is agendaized.

In response to Councilmember Oddie's inquiry, Vice Mayor Matarrese stated pop-up parks are common in places where there is no permanent installation; its purpose is to get people out to the area which is the goal of Phase 0.

Councilmember Oddie stated a pop-up park does not put anything ahead of the queue; he is supportive; a pop-up park would make a wonderful addition; it is another event that could be tagged onto; he hopes the Council gives direction to include the event.

The Interim City Manager stated staff is supportive of the pop-up park; the developer has agreed to do maintenance; staff has reservations about ongoing maintenance.

The Chief Operations Officer stated pursuant to the Disposition and Development Agreement, if a certain return requirement is reached, the City participates if Phase 0 or other phases are wildly successful.

Mayor Spencer stated that she would like to see more partnerships with Parent-Teacher Associations, Alameda Education Foundations, and non-profits.

Councilmember Ezzy Ashcraft stated there are a number of events that benefit non-profits, including the Alameda Point Collaborative; she would not want to create too many roadblocks for the Phase 0 events.

Councilmember Daysog stated there is a paradigm shift in economic development, away from usual suburban style approach; now it is about how people connect; the Phase 0 plan is about small scale, hometown business development, where people of all ages and walks of life can connect and have fun and transact business; moving in the right direction is important; he supports the Phase 0 plan.

Councilmember Oddie moved approval of the Phase 0 Activities Plan for Site A at Alameda Point with the two extra suggestions by the Vice Mayor including maritime events and a temporary pop-up park.

Vice Mayor Matarrese seconded the motion.

Under discussion, Mayor Spencer inquired whether there were ways to work in maritime activities, to which Ms. Campos responded in the affirmative; stated the Alameda Community Sailing Center and O'Kalani Outrigger Canoe Club could participate in the open house and in other events.

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

(15-559) Recommendation to Allocate General Fund Projected Available Fund Balance in Excess of 20% Reserve Requirement (Approximately \$14.5 million).

The Finance Director gave a brief presentation.

In response to Mayor Spencer's inquiry, the Chief Operations Officer – Alameda Point stated tearing down the buildings will cost approximately \$600,000; four bids were received; using lease revenues is preferable; once the cost and unrestricted fund balance is determined, staff will come back to Council with a recommendation; if there are not sufficient funds, staff will be asking to use the General Fund to supplement.

In response to Mayor Spencer's inquiry, the Interim City Manager stated another option is to do the project in phases if funds are not sufficient.

Councilmember Ezzy Ashcraft stated the project should not be done in phases; the project needs to move forward.

Mayor Spencer concurred with Councilmember Ezzy Ashcraft; inquired how to expedite the project.

The Chief Operations Officer – Alameda Point responded the first step is to get bids and audited financials to determine the cost and if there are sufficient funds beyond the \$2 million unrestricted fund balance; come back with a recommendation to use lease revenue to tear the buildings down.

In response to Mayor Spencer's inquiry regarding not having sufficient funds, the Interim City Manager stated the item could be taken off the list now, and when the work is done, audited financials could pay back the General Funds.

Councilmember Ezzy Ashcraft stated everyone agrees the work should be done all at once.

The Finance Director continued presentation.

(15-560) Mayor Spencer stated a motion is needed to consider the remaining items, the four Council Referrals [paragraph nos. 15-561 through 15-565].

Councilmember Ezzy Ashcraft moved approval of considering the remaining items.

Vice Mayor Matarrese seconded the motion, which carried by the following voice vote: Ayes: Councilmembers Daysog, Ezzy Ashcraft, Matarrese and Oddie – 4. Noes: Mayor Spencer – 1.

Councilmember Oddie inquired whether PERS smoothing has been estimated on the five-year chart.

The Finance Director responded the General Fund 5 year plan has deficits after 2017; a portion of the deficit relates to PERS smoothing impacts; the goal is to set aside part of the funds for the shortage in future years.

Councilmember Oddie inquired how will it effect the estimated fund reserve at end of 5 years.

The Interim City Manager responded the five-year plan is a forecast; there are no plans on how to bridge the deficit; staff is just proposing to set aside money to bridge the gap in the out years; the other benefit is that the funds cannot be spent on anything else.

The Finance Director clarified the fund would be restricted for that particular purpose.

Councilmember Oddie inquired whether the PERS fund anticipates a rate of return.

The Finance Director responded there are other options; one option is a pension trust similar to the Other Post Employment Benefits (OPEB) trust.

Urged Council to fund the emergency water supply: Mark Irons, Alameda.

Urged funding the salt water tenders and resurge; expressed concern over emergency: Ken Gutleben, Alameda.

Urged approval of spending money on the emergency water support; stated more should be spent: Bruce Carnes, Alameda.

Expressed support for funding Estuary Park; discussed the need for fields: Peter Brand, Alameda.

Urged funding the Tidal Canal: Seth Hamalian, Alameda.

Councilmember Ezzy Ashcraft suggested going down the list and voting on one item at a time.

Mayor Spencer noted that all Councilmembers agreed to Councilmember Ezzy Ashcraft's suggestion.

Alameda Point Buildings:

Mayor Spencer stated her preference is to fund building demolition now and get reimbursed later.

Councilmember Oddie inquired when the work could be started, to which the Interim City Manager responded the project has to be re-bid, which could take another six to eight weeks.

Councilmember Oddie stated loaning money from the General Fund may not have to happen if the project has to be rebid anyway.

Councilmember Ezzy Ashcraft stated it could mean another item on the list would have to wait a little longer.

The Chief Operations Officer - Alameda Point stated the rebid could be done fairly quickly; the four bids received had technical inconsistencies, the issue could be brought back in November or December; suggested a back-up plan: Council could take funds from the item now and give direction to staff to put the funds back if not needed.

Vice Mayor Matarrese stated funds could be pulled from the \$4 million economic uncertainty contingency.

The Interim City Manager clarified the Alameda Point buildings line item will use funds from the economic uncertainty/contingency fund with the understanding that funds will be reimbursed.

Councilmember Daysog the economic uncertainty is essentially a portion of the reserve being held in order to bump up the reserve ratio to 25%.

Vice Mayor Matarrese moved approval of taking \$575,000 from the economic uncertainty/contingency fund for the Alameda Point building demolitions, with the stipulation that it will happen all at once and the funds be reimbursed.

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

Deferred Maintenance:

Vice Mayor Matarrese stated that he would like the Carnegie Building to be included in the brick sealing; inquired what it would take to put on a decent roof and complete overdue maintenance on the Veteran's Memorial Building.

The Interim Assistant City Manager responded that he would confirm the Carnegie Building is not a brick building and does not need sealing; the Police building is brick and has never been sealed; the Library building needs to be sealed every five years; money has not been allocated specifically to the Veteran's Memorial Building; he has not heard of an imminent roof issue, but it could be added to the list.

Vice Mayor Matarrese stated the Veteran's Building is one of his priorities, since it used the one-time funds for long term deferred maintenance; the plumbing is awful, teens and tiny tots are in the building, now is the time.

The Interim Assistant City Manager cautioned that there is hazardous material associated with the Veteran's building.

The Interim City Manager stated the Veteran's building will probably use half of the \$2 million.

Vice Mayor Matarrese stated there is \$4 million in the contingency fund.

The Interim Assistant City Manager stated a facilities assessment from an independent third party will be coming to the Council in January; there are some things that do not have to be done immediately; what Public Works chose for the \$2 million funds are exigent issues.

(15-561) Mayor Spencer stated a motion is needed to continue past 11:00 p.m.

Vice Mayor Matarrese moved approval [of continuing the meeting].

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

Vice Mayor Matarrese stated that he would just like to add the Carnegie Building and the Veteran's Memorial Building, not remove any other items from the deferred maintenance list.

The Interim City Manager stated the additions need to be reviewed and brought back because the buildings have not been assessed.

Councilmember Ezzy Ashcraft concurred with the Interim City Manager; stated she has concerns about the condition and security of City Hall West.

In response to Councilmember Ezzy Ashcraft's inquiry, the Public Works Director stated keypad locks at City Hall West would cost approximately \$20,000, which is included on the assessment list.

Vice Mayor Matarrese inquired whether there is money in the Alameda Point fund to address deferred maintenance for the gym and City Hall West, to which the Chief Operations Officer - Alameda Point responded in the negative.

Mayor Spencer inquired whether Council wanted to approve the list.

Vice Mayor Matarrese moved approval [of the items on the list].

Councilmember Oddie seconded the motion.

Councilmember Ezzy Ashcraft inquired whether the motion includes the direction that the additional buildings would return to Council.

Councilmember Daysog requested the motion be clarified.

Vice Mayor Matarrese stated the motion is approval of the \$2 million on the deferred maintenance list with the understanding that information will come back on the Carnegie Building, the Veteran's Memorial Building, and City Hall West.

Councilmember Daysog stated that he understands the reserve is higher than it has been in many years; he supports the item, but just because the money is available does not mean it has to be spent.

The Interim Assistant City Manager concurred with Councilmember Daysog; stated the money may be needed for emergencies and disaster mitigation; the reserves are the backstop until reimbursement comes from the Federal Emergency Management Agency (FEMA); FEMA requires entities to go through all reserves.

Vice Mayor Matarrese stated it is a balancing act; maintenance has been let go over the past 10 to 15 years; unless money is spent, the buildings will truly fall apart.

Councilmember Oddie stated the funds are only \$2 million of the \$20 million; at some point, deferring maintenance needs to stop.

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

Carnegie Building:

The Interim City Manager clarified that Council is not suggesting to spend \$3.25 million on the Carnegie Building.

Councilmember Ezzy Ashcraft stated Council agreed to follow staff recommendation,

spend \$0 and wait for a recommendation from Public Works.

Vice Mayor Matarrese moved approval of the Carnegie building as staff recommended.

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

Abandoned Vessels:

Vice Mayor Matarrese moved approval of the abandoned vessels line item at \$50,000.

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

Emergency Water Supply (EWS):

Councilmember Ezzy Ashcraft inquired whether the EWS also refers to loss of drinking water in the event of an earthquake due to fractured water pipelines.

The Interim Assistant City Manager stated FEMA guarantees drinking water will be delivered within 72 hours of an event.

Councilmember Ezzy Ashcraft stated that she has concerns about spending \$75,000 for a consultant to study other emergency water delivery systems; inquired whether there are other ways to gather the information.

The Fire Chief responded a consultant would evaluate a supplemental in-ground main system instead of an above-ground system, which is more complex; trying to put a main system in place would be too labor-intensive for staff alone; if more than one fire happens at once, there is no ability to fight the other fires without a system in place.

Councilmember Ezzy Ashcraft inquired how Berkeley obtained \$9.6 million for their system, to which the Fire Chief stated Berkeley went to the voters; stated their system has numerous components.

In response to Councilmember Daysog's inquiry, the Fire Chief stated it is a separate system; Mr. Gutleben's system is a salt water pump system; other systems include portable pumps, but they are labor intensive.

Councilmember Daysog stated that he is concerned there has not been in-depth Council and public discussion regarding an EWS system.

In response to Vice Mayor Matarrese's inquiry, the Fire Chief stated he would like the consultant to evaluate all system options in case there are industry standards that have been overlooked; Alameda is a unique Island community with different aspects to consider.

Vice Mayor Matarrese moved approval of \$800,000 in funds for tenders and holding off on \$75,000 until Council receives a staff report with the goal and scope of work for a consultant.

Councilmember Oddie seconded the motion.

Under discussion, Mayor Spencer inquired how much time it would take

The Interim Assistant City Manager stated the study would contemplate an alternative system either below or above ground; one system is similar to Berkeley's system using salt water pumps; water crossings at the tube will be replaced no later than 2017, and at Bay Farm Bridge no later than 2020; the new crossings should be able to pressurize the Island; Mr. Gutleben was concerned the new crossings would not address the existing water mains on the Island; he is happy to report that the oldest pipe on the Island which runs down Lincoln Avenue was recently replaced; the second oldest pipe will be replaced next.

Councilmember Ezzy Ashcraft stated that she is generally supportive; requested a separate staff report with more comprehensive information.

Councilmember Daysog stated having discussion on the history of a project and where it ranks in terms of priority would have been helpful in making a decision.

Mayor Spencer stated discussion has been happening for 20 years; she supports the funding and having a staff report come back to Council.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 4. Abstention: Councilmember Daysog – 1.

Transportation Demand Management Plans (TDM):

Councilmember Oddie stated the 18 month time frame for the project is the end of FY 2016-17; inquired whether the full amount would be paid upfront, to which the Interim City Manager responded in the negative; stated payment is made as the work is completed.

Councilmember Daysog moved approval of the TDM line item.

Councilmember Ezzy Ashcraft seconded and the motion carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Daysog, Matarrese, Oddie – 4. Noes: Mayor Spencer – 1.

Emergency park tree maintenance:

Councilmember Oddie moved approval of the emergency park tree maintenance.

Vice Mayor Matarrese seconded the motion.

Under discussion, Councilmember Ezzy Ashcraft stated that she is concerned about how water conservation affects diseased and dying trees; finding other ways to reduce water usage is important; inquired what happens to the part time tree-watering position after the allocated funds are expended.

The Interim Assistant City Manager responded existing part time employees could be given additional hours; another option is hiring seasonal employees.

In response to Councilmember Ezzy Ashcraft's inquiry, the Interim Assistant City Manager stated the purpose of the funds is two-fold: 1) do hand pruning which is required to save the trees at Franklin Park, and 2) to purchase the water truck; the funds for the part time staff is minimal.

In response to Councilmember Daysog's inquiry, the Interim City Manager stated the emergency tree maintenance is not in the Recreation and Park Department budget.

The Interim Assistant City Manager stated \$65,000 is a very significant amount for the Recreation and Park budget; \$90,000 for materials is the amount the department has to work with for the entire year.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 4. Noes: Councilmember Daysog – 1.

Estuary Park:

Councilmember Ezzy Ashcraft moved approval of the Estuary Park line item.

Vice Mayor Matarrese seconded the motion.

Under discussion, Mayor Spencer inquired whether the line item includes football fields, to which the Interim Assistant City Manager responded in the affirmative; stated one multi-striped field for football, soccer, rugby, and lacrosse would be included.

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

Tidal Canal:

Vice Mayor Matarrese moved approval of the Tidal Canal funding.

Councilmember Oddie seconded the motion which carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Matarrese, Oddie and Mayor Spencer – 4.

Noes: Councilmember Daysog – 1.

Councilmember Daysog stated he would like to change his vote to aye, since the matter was discussed earlier.

The vote was corrected to a unanimous vote of 5 ayes.

EOC:

In response to Councilmember Ezzy Ashcraft's inquiry, the Interim Assistant City Manager stated the project is \$8 million and the contingency was initially \$358,000 because problems were not foreseen.

Councilmember Ezzy Ashcraft inquired whether the \$358,000 has already been spent, to which the Interim Assistant City Manager responded in the affirmative.

Councilmember Ezzy Ashcraft inquired whether prior studies indicated uses which raised questions about further contamination or suggested that further studies be done.

The Interim Assistant City Manager responded in the negative; stated the original assessment of the entire Beltline property when it was acquired characterized the land as very clean; the Public Works Department had another study done in 2012 which also came up very clean, confirming the results of the study was done as part of the acquisition.

Councilmember Ezzy Ashcraft inquired whether either of the previous studies encountered lead, to which the Interim Assistant City Manager responded mild levels of lead were encountered, but nothing indicating a hazardous condition.

The Interim Assistant City Manager stated additional excavation of the site found the lead contamination had followed the railroad line through the site.

Councilmember Ezzy Ashcraft inquired whether the studies determine the size and depth of contamination.

The Interim Assistant City Manager responded the additional studies discovered the lead approximately one foot below ground level on a hotspot in the corner of the property.

Councilmember Ezzy Ashcraft's inquired why the first two studies did not dig one foot deep.

The Interim Assistant City Manager responded the established protocol for lead soil testing does not require digging for lead unless there is a reason to do so; taking random scoops of soil for testing is the standard protocol.

The Interim City Manager stated in hindsight, the test should have dug deeper; the lesson from this is that the testing will now be done more thoroughly for all of Alameda's Beltline properties; staff will also review the conditions of the sale of the property to see if there is any recourse.

Vice Mayor Matarrese stated that he has not seen other ways of staying within the budget, such as value engineering; he would like to defer the expenditure of \$457,000 until there is a real analysis.

The Interim Assistant City Manager stated staff went through a value engineering process prior to construction; the buildings are essential; most of the funds would go toward framing and heavy duty reinforcement; the contingency has run out; the only option is to stop the project to bring every changeorder to Council; the cost is \$1,298 per day if the project sits idle; the project is a radically different project than the Library project and value engineering does not apply in the same way.

Vice Mayor Matarrese stated he would still like to see a written analysis.

The Interim Assistant City Manager stated delaying the project may cost more.

Councilmember Daysog stated this project is an example of a project that has been fully vetted by Council and the public; he is willing to move the project forward; the project has more level of detail than the EWS project which warrants spending the \$457,000.

The Interim Assistant City Manager stated he is partly at fault for the lower contingency; that he should have requested the full \$800,000 initially.

Councilmember Daysog moved approval of the EOC.

Councilmember Oddie seconded the motion.

Under discussion, Councilmember Ezzy Ashcraft stated that she concurs with Vice Mayor Matarrese; she would like to take a closer look at the contract acquiring the Beltline property; she would like to have additional information to know that all other options are exhausted.

On the call for the question, the motion carried by the following voice vote: Ayes: Councilmembers Daysog, Oddie and Mayor Spencer – 3. Noes: Councilmembers Ezzy Ashcraft and Matarrese – 2.

Part Time Benefits:

Councilmember Ezzy Ashcraft stated benefits to part time employees is a topic to consider, but not with one-time funds; she would like to take a closer look at other municipalities.

Vice Mayor Matarrese stated the mid-cycle budget review is a more appropriate time to review the topic.

Mayor Spencer stated she would like the matter come back for Council review.

Vice Mayor Matarrese moved approval of the recommendation with the understanding that benefits for part-time employees would be discussed at the mid-year budget cycle.

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

Economic Uncertainty/Contingency:

Vice Mayor Matarrese moved approval of the balance [\$3,460,500] of the contingency.

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

PERS smoothing/OPEB for existing retirees:

Vice Mayor Matarrese requested a detailed report on whether the funds will be held in an account with the rest of the General Fund, untouched by policy and unable to get a return on the investment, or be treated as an irrevocable trust so it can be invested and provide a revenue stream.

In response to Councilmember Oddie's inquiry, the Interim City Manager stated \$5 million set aside last year in the contingency fund was used for contributions in the negotiations for public safety.

Councilmember Daysog stated his hope in dealing with PERS smoothing combined with OPEB, is that the 1079 and 1082 pension accounts be evaluated; as they get drawn down, the savings generated could be redirected to pay for the trust.

Councilmember Ezzy Ashcraft suggested Council vote in principle to support the \$6 million appropriation to the two funds to include the request articulated by Vice Mayor Matarrese to bring recommendations back to Council on how the funds will be deposited, invested, and get a sense of the earnings.

Mayor Spencer stated she would not support the suggestion.

Vice Mayor Matarrese moved approval of setting aside \$6 million for PERS and OPEB, with a staff report back to Council with recommendations on how to best allocate the \$6 million.

Councilmember Ezzy Ashcraft seconded the motion which carried by the following voice vote: Ayes: Councilmembers Ezzy Ashcraft, Daysog Matarrese, and Oddie – 4. Noes:

Mayor Spencer– 1.

Mayor Spencer called a recess at 12:15 a.m. and reconvened at 12:21 a.m.

CITY MANAGER COMMUNICATIONS

None.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL REFERRALS

(15-562) Consider Directing the Interim City Manager to Draft a Policy or Strategy to Increase the Transient Occupancy Tax (TOT) Above the Current Rate of 10%, with a Portion, or All, of Revenues Attributable to the Rate Above the Original 10% Dedicated to Specified Visitor-Serving Activities. (Councilmember Daysog)

Councilmember Daysog gave a brief Power Point presentation.

Stated creating a new tourism industry would be a way to grow the City's economy, which is a tremendous opportunity; stated other Bay Area cities have been moving forward: Karen Bey, Alameda.

Mayor Spencer inquired how an increase in the TOT would be approved.

The Interim City Manager responded a TOT increase requires a vote of the people and would need to go on the ballot.

In response to Councilmember Oddie's inquiry, the City Attorney stated the TOT would require a two-thirds vote if it is designated to a special fund; if Council wants to direct staff, the Interim City Manager could come back with recommendations.

Vice Mayor Matarrese moved approval of following the recommendation of the referral and for the Interim City Manager to come back with a strategy to increase the TOT.

Councilmember Ezzy Ashcraft seconded the motion.

Under discussion, Councilmember Daysog stated that he would be okay if the recommendation returns with a different percentage.

Mayor Spencer stated more help is needed cleaning up streets and maintenance after visitor serving events; inquired how the additional funds from the tax would be applied to a specific position.

Councilmember Daysog responded if the TOT is raised, he would describe the job as someone who could put together a marketing strategy and outreach to major employers in town to coordinate with the lodging and activities providers.

Councilmember Ezzy Ashcraft stated the staff report could review the additional impact on public safety and Public Works.

The Interim City Manager stated staff would be presenting revenue measures in October which could include the TOT issue; the Community Development Director has been researching the matter and could address the issue further.

The Community Development Director stated more resources are extremely helpful; one challenge is a TOT increase has to be placed on the ballot; an alternative is to create an assessment district comprised of all the City's hotels which would form a Board and work with the City on how funds are expended; funds are dedicated to visitor serving uses; staff would recommend a consultant identified to address the specific assessment district; over 100 California cities have set up the assessment district.

In response to Mayor Spencer's inquiry regarding the business districts, the Community Development Director stated the hotels would want to do the assessment in conjunction with restaurants, retailers, special events promoters, and other cross-promotional activities.

Councilmember Daysog stated a hotel assessment district is a great idea; increasing taxes is hard; recommended that AirBnBs would be outside of the districts.

The Community Development Director stated the vast majority of funds raised would be from the hotels; having a staff person for enforcement on AirBnBs would be difficult.

Councilmember Oddie stated that he likes both ideas; some combination of increasing the TOT and funding from a visitor service assessment district could work.

Councilmember Daysog stated that he supports moving forward and having a report return with different alternatives.

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

(15-563) Consider Directing the Interim City Manager to Draft Policies with Regard to AirBnb and Related Temporary Lodging Activities in Residential Homes and Zoning Districts. (Councilmember Daysog).

Councilmember Daysog gave a brief Power Point presentation.

Expressed support for the idea: Karen Bey, Alameda.

Councilmember Ezzy Ashcraft stated she would like an evaluation of how AirBnb rentals would impact the availability of rental housing.

The Interim City Manager stated AirBnb impacts are included in the Housing Study which will come to Council in December.

Vice Mayor Matarrese moved following the recommendation of the referral.

Councilmember Oddie seconded the motion.

Under discussion, the Interim City Manager stated it is important that the City Attorney review the language of the TOT; staff can do outreach, but does not have personnel to enforce the TOT.

Mayor Spencer clarified the motion is to include TOT for AirBnBs.

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

(15-564) Consider Requesting an Update on Project Stabilization Agreements (PSA) and Consider Providing Direction on the Priority, Deadline and Parameters of PSA for Alameda Point and Public Works Projects. (Councilmember Oddie).

Councilmember Oddie made brief comments regarding his referral; stated Council should get a status update.

Provided an update; stated there were good negotiations with staff; that he would support a policy: Andy Slivka, Alameda and Carpenters Union and Alameda County Building Trades.

Mayor Spencer stated she would like an update before providing direction.

The Interim City Manager stated staff can present an update, then Council could give direction.

Vice Mayor Matarrese moved that an update on the PSAs be provided to Council, at which time Council could give direction to staff.

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

(15-565) Consider Directing Staff to Review the City's Process for Board and Commission Appointments. (Councilmember Oddie).

Councilmember Oddie made brief comments regarding his referral.

Discussed her interest in serving on the Commission on Disability Issues; outlined

issues she would like the Commission to address: Carol Gottstein, Alameda.

Councilmember Ezzy Ashcraft stated she would like to be able to employ the collective judgment of each member of the Council; other cities have the practice of applicants attending a public interview session at a Council meeting; although applications are available for review, Alameda's Council just gets the list of names and vacancies; she would also like to see a possible change in the policy to apply to regional boards and commissions; suggested holding off on further appointments until staff brings back requested information and Council votes on it.

Councilmember Oddie stated Councilmember Ezzy Ashcraft's suggestions are good; he does not want to foreclose any options and would like to see what other cities do; Council does not need to choose an option tonight.

Councilmember Ezzy Ashcraft stated the options should be brought back in a staff report.

In response to Mayor Spencer's inquiry, the City Clerk stated the Board nomination process is in the City Charter.

The City Attorney clarified the difference between Boards and Commissions process: the Board nomination process is in the Charter, which states the Mayor nominates and the Council appoints; the nomination process for Commissions mimics the same language but is in the Alameda Municipal Code, not the Charter; any changes to the Charter requires a vote of the people; Municipal Code changes can be done by a vote of the Council.

Vice Mayor Matarrese stated he is not interested in proposing any Charter changes; he does his own research on candidates and is fine with the current process; he does not support the referral because it is on the Council to exercise responsibility, not on staff.

Councilmember Daysog stated many of the Boards have been in place for decades and some commissions are new; the process is not broken; he does not support the referral.

Vice Mayor Matarrese stated process improvements could include clarifying the application submission window, and distributing each application automatically to each Councilmember.

The City Clerk inquired whether applications should be distributed on an on-going basis, to which Vice Mayor Matarrese responded in the affirmative.

In response to Councilmember Oddie's inquiry, the City Clerk stated the nomination process outlined in the Charter has not been rigidly followed regarding the timeframe; often times Mayors do not get nominations done in the timeframe; the City Clerk's office always accepts applications continually; there are no cut-off dates for accepting applications, as some applicants are new residents or submit after having an interest in

a specific topic.

The City Attorney stated the interpretation of the nomination process section of the Charter is directive, not mandatory; it has to be read as consistent with other provisions of the Charter; if it was read literally as has been suggested, it would mean if there was a vacancy during a year, then it could not be filled until July 1.

In response to Councilmember Ezzy Ashcraft's inquiry, Councilmember Daysog stated it would be cynical on his part to vote for the issue just to have conversation because he does not support the referral.

COUNCIL COMMUNICATIONS

None.

ADJOURNMENT

(15-566) There being no further business, Mayor Spencer adjourned the meeting in memory of Augusta Collins at 1:24 a.m.

Respectfully submitted,

Lara Weisiger
City Clerk

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