

September 17, 2010

To: Honorable Mayor Gayle McLaughlin
Members of the City Council

From: Finance, Administrative Services and Economic Development Committee

SUBJECT: SUMMARY
Finance, Administrative Services and Economic Development Committee
Friday, September 17, 2010, 9:00 a.m.

Attendance: Present: Chair Butt and Councilmember Lopez and Rogers

Absent: None

THE PURPOSE OF THE MEETING IS AS FOLLOWS:

A. CONSENT CALENDAR

1. **CONSIDER**: recommending adoption of the resolution revising the authorized signatures list on the Local Agency Investment Fund (LAIF) accounts to reflect the current staff assignments in the Finance Department - Finance Department (James Goins 620-6740).

OUTCOME:

The Finance Committee voted unanimously to move this item to the City Council Agenda.

B. ROUTINE ITEMS

1. **REVIEW**: the City's Investment Report for the months of June and July 2010 - Finance Department (James Goins 620-6740).

The Finance Committee received a report and PowerPoint presentation by Tracy Lovely from the Finance Department about the city's cash investment report for the Fiscal Year July 2009 through July 2010.

OUTCOME:

The Finance Committee voted unanimously to receive this item.

2. **REVIEW**: the City's check register - Finance Department (James Goins 620-6740).

OUTCOME:

No questions, the Finance Committee voted unanimously to receive this item.

3. **ACKNOWLEDGE**: receipt of the General Fund Revenue and Expenditure Variance Analysis Report through July 30, 2010 - Finance Department (James Goins 620-6740).

The Finance Committee received a report and PowerPoint presentation by Markisha Guillory from the Finance Department about the period one variance report for general fund revenue and expenditure.

OUTCOME:

The Finance Committee voted unanimously to receive the item.

C. CONTRACTS AND PAYMENTS

1. **CONSIDER**: recommending approval of a two-year contract with Valley Oil Company to deliver bulk fuel to all city fuel sites in an amount not to exceed \$1,095,000 for the 2010-2011 budget years - Public Works (Yader A. Bermudez 231-3009).

Dee Karnes of Public Works gave an overview of the item.

OUTCOME:

The Finance Committee voted unanimously to move this item to the City Council Agenda.

2. **CONSIDER**: recommending approval of a three-year (2010-2013) contract with Du-All Safety, LLC to provide safety program compliance services, in an amount not to exceed \$370,908 for three years beginning in Fiscal Year 2010-2011 through Fiscal Year 2012-2013, with annual adjustments as specified in the contract, and with an option to extend the contract for two one-year additional terms - Human Resources Management (Leslie Knight 620-6600).

Risk Management Director Robyn Kain gave an overview. Chair Butt asked if there was a way to building an incentive for success into the contract. Ms. Kain stated that since the safety program services began the reports of safety violations have decreased. Worker's Compensation claims have decreased also. She stated that she can look into incentives.

OUTCOME:

The Finance Committee voted unanimously to move this item to the City Council Agenda.

3. **CONSIDER**: recommending approval of an agreement with the Contra Costa County Office of the Sheriff-Coroner Crime Laboratory to continue providing a dedicated Forensic Firearms Technician to examine Richmond firearms evidence as well as other services, at a cost not to exceed \$201,000 from March 1, 2010 to

February 28, 2012 (\$100,500 per year, for a two year term) - Police Department (Chief Chris Magnus 621-1802).

OUTCOME:

The Finance Committee voted unanimously to move this item to the City Council Agenda.

4. **CONSIDER:** recommending approval of a vehicle lease agreement with Saadeh Corporation, dba Auto World, to provide the Richmond Police Department with undercover vehicles for use in its narcotics and special investigation operations in an amount not to exceed \$300,000 from July 1, 2010, to June 30, 2012 (\$150,000 per year, for a two-year term) - Police Department (Chief Chris Magnus 621-1802).

OUTCOME:

The Finance Committee voted unanimously to move this item to the City Council Agenda.

D. ADMINISTRATION, FISCAL POLICY AND COUNCIL DIRECTED POLICY

1. **CONSIDER:** recommending adoption of the Fiscal Year 2010-11 Investment Policy, Debt Policy, Swap Policy, and Cash Reserve Policy - Finance Department (Susan Segovia/James Goins 307-8022).

The Finance Committee received a report an overview of the item from Susan Segovia of the Finance Department.

OUTCOME:

The Finance Committee voted unanimously to move this item to the City Council Agenda and directed staff to present a plan that justifies whether the city can restore the 15% cash reserve at the December 3, 2010, Finance Committee Meeting.

2. **CONSIDER:** authorizing staff to explore opportunities for funding the unfunded accrued actuarial liability of the police and fire pension plan using pension obligation bonds - Finance Department (James Goins 307-8022).

Underwriters Rob Larkin and Jean Buckley gave a presentation which included a PowerPoint presentation. Jim Russey, President of Local 188, gave comments and stated that pension holders should be notified and included in all meetings.

OUTCOME:

The Finance Committee voted unanimously to bring the item back to the Finance Committee in December 2010 for a further study session; staff to include an analysis of advantages and disadvantages of the funding the unfunded accrued actuarial liability of the police and fire pension plan using pension obligation bonds; and pension holders will continue to receive pension payments.

3. **DISCUSSION:** of ways to provide better and increased services through finding new revenue sources, obtaining organizational efficiencies, and redirecting existing sources of funding – City Council (Councilmember Rogers 620-6581).

Councilmember Rogers requested staff in the Clerk’s Office and Finance Department look into mailing the Council’s miscellaneous packets instead of delivery once a week.

OPEN FORUM/PUBLIC COMMENT

There were not public speakers.

The meeting adjourned at 10:29 a.m.

Diane Holmes
City Clerk