

June 6, 2014

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, June 6, 2014, 9:36 a.m.

Present: Chair Beckles and Councilmember Rogers.

A motion by Councilmember Rogers, seconded by Chair Beckles added an emergency item to the agenda to discuss the current status of the budget. Finance Director, Jim Goins, stated that there are one-time monies and recurring funds available in the budget. The 2012 Chevron Refinery fire caused a decrease in property values and the taxes paid to the City decreased. \$129 million of revenue is projected and staff requested \$149 million of expenditures, therefore reductions of 17% were requested to be made by all departments. At his time, the goal is to not require any layoffs. There should be a 7% reserve amount, which is \$9 million. There is a plan to restructure the Civic Center complex debt in order to receive one-time monies. Several cost saving options will be presented at the June 18, 2014, City Council meeting. Staff has submitted \$11 million worth of reductions. \$3 million of that amount include layoffs.

THE PURPOSE OF THE MEETING IS AS FOLLOWS:

A. CONSENT CALENDAR

On motion of Councilmember Rogers, seconded by Chair Beckles, all items marked with an () were reviewed and recommended for to the full City Council for approval by unanimous vote.*

*- Consider recommending approval of a one-year contract extension to participate in the State of California rental vehicle program for the purpose of securing undercover police vehicles with Enterprise Holdings Incorporated in an amount not to exceed \$173,000 from July 1, 2014, to June 30, 2015.

Consider recommending approval of an amended contract with CPS HR Consulting to develop and administer employment examinations for Firefighters, increasing the contract amount by \$85,200 to a total not to exceed amount of \$164,700, and for a term ending on December 31, 2016.

Lisa Stephenson and Donna Newton gave an overview of the item. Human Resources made their departmental budget cuts and this item is still in the budget. If the item is not approved, it will be more expensive next year because of vacancies and the need to have current staff work overtime.

A motion by Councilmember Rogers, seconded by Chair Beckles recommended the item for approval to the full City Council.

*- Consider recommending approval of a contract amendment with Paramount Elevator for service and repairs of all City owned elevators, increasing the contract amount by \$36,000 for a total of \$131,000, with a term extending through June 30, 2015.

Consider recommending approval of an amendment to the existing construction agreement with Turner Group Construction in the amount of \$199,600, for a total amended not-to exceed amount of \$623,815, using federal Neighborhood Stabilization Program III (NSP3) funds, to complete renovations at a 70-year old 4-plex located at 411-423 S. 23rd Street for building code compliance.

Charice Duckworth, gave an overview of the item. Councilmember Rogers asked if there was discretion to use money on larger projects. The NSP3 funds must be used for rehabbing only. Councilmember Rogers requested that the Finance Director look at the policy regarding whether the City should continue to be in the property management business.

A motion by Councilmember Rogers, seconded by Chairperson Beckles, recommended the item to the full city council.

*- Consider recommending approval of an amendment to the existing construction agreement with Turner Group Construction in the amount of \$51,318.51, for a total amended not-to exceed amount of \$138,113.51, using Neighborhood Stabilization Program revenue funds, to complete renovations at the property located at 127 S. 27th Street for building code compliance.

B. ROUTINE ITEMS

Review of the city's check register.

Review of the City's Investment Report and Cash Balance Report for the month of March 2014.

Review of the Richmond Housing Authority monthly financials and check register for the month of March 2014.

Review of the Richmond Housing Authority monthly financials and check register for the month of April 2014.

There were no questions or comments on the Routine Items. A motion by Councilmember Rogers, seconded by Chairperson Beckles, approved the review of all Routine Items by unanimous vote.

C. CONTRACTS & PAYMENTS

Consider recommending approval of a three year (FY 2014/15 - FY 2016/17) contract with George Hills Company, Inc. to provide third party administration of general liability claims received by the City, in an amount not-to-exceed \$426,720.

Risk Manager, Kim Greer and Human Resources Director, Lisa Stephenson, gave an overview of the item. Over the past year claims have decreased. The City of Richmond offers training to limit potential future liabilities

A motion made by Councilmember Rogers, seconded by Chair Beckles, recommended approval of the item by unanimous vote.

Consider recommending approval of a three year contract with Du-All Safety, LLC to provide safety program compliance services, in an amount not to exceed \$442,675, beginning in Fiscal Year 2014-2015 through Fiscal Year 2016-2017.

Risk Manager, Kim Greer and Human Resources Director, Lisa Stephenson, gave an overview of the item. Du-All Safety has done previous audits and conducts monthly safety meetings. An RFP was done and Du All Safety were the only responders.

A motion made by Councilmember Rogers, seconded by Chair Beckles, recommended approval of the item by unanimous vote.

Consider recommending approval of a contract with W.R. Forde Associates for the rehabilitation of the sport field at the Shields-Reid Park located at 1410 Kelsey Street in an amount not to exceed \$1,677,366.

Public Works Director, Yader Bermudez gave an overview of the item. The only bid received was from W. R. Forde Associates. Mr. Bermudez stated he will explore if there is an option to share the cost with the county?

A motion made by Councilmember Rogers, seconded by Chair Beckles, recommended approval of the item by unanimous vote.

Consider recommending approval of a contract with MuniServices to assist the City in capturing its full share of sales tax revenue allocated by the State Board of Equalization, in an amount not to exceed \$300,000, with contract services compensated on a contingency basis based on the amount of new revenue to the City of Richmond generated by these contract services.

Revenue Manager, Antonio Banuelos, gave an overview of the item. Councilmember Rogers asked that staff research the cost and feasibility of hiring on an hourly basis.

A motion made by Councilmember Rogers, seconded by Chair Beckles, recommended approval of the item to include evaluation of the option for contingency and hourly basis methods, by unanimous vote in an amount not to

exceed 600,000.

OPEN FORUM/PUBLIC COMMENT

There were no public speakers.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:30 a.m. to meet again on Friday, July 11, 2014, at 9:30 a.m.